

Fourth Round Housing Element and Fair Share Plan



Adaptive Reuse, Affordable Housing, Seattle, WA

Borough of Hightstown Mercer County, New Jersey

Public Hearing Draft, May 2, 2025

Clarke Caton Hintz

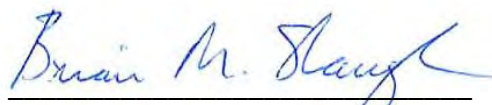


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Planning Board Borough of Hightstown Mercer County, New Jersey

Public Hearing Draft May 2, 2025

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INTRODUCTION

The Housing Element and Fair Share Plan for Hightstown Borough addresses its constitutional obligation to provide for affordable housing under the mandate of the *Mount Laurel Doctrine* established by the New Jersey Supreme Court beginning in 1975 and codified by the state legislature in the New Jersey Fair Housing Act of 1985.¹ Together, the Housing Element and Fair Share Plan constitute the affordable housing plan for the Borough of Hightstown. The Housing Element is a component of the Borough's Master Plan for development and redevelopment, and the Fair Share Plan constitutes the means and documents designed to implement the Housing Plan Element, also known in this document as the "housing plan."

The *Mount Laurel Doctrine* has a long and complicated history since it was first articulated by the New Jersey Supreme Court in 1975, as outlined beginning on page 2 under the heading, Affordable Housing History in New Jersey: Judicial and Legislative Background.

This housing plan primarily addresses what is called the Fourth Round of affordable housing obligation. This time period, set by an amendment to the Fair Housing Act in March 2024², runs from July 1, 2025 for ten years to June 30, 2035. Since municipal affordable housing obligations for one of the two main components are cumulative, the means to address the prior rounds of obligation are also included in this document and close observers will note substantial portions carry forward from the Borough's Third Round Housing Element and Fair Share Plan that was adopted by the Planning Board on April 10, 2023.

The 2024 amendments to the Fair Housing Act set in motion a concentrated process that has involved both the Borough Council and the Planning Board, due to a strict schedule of actions. These actions are required for any municipality that wishes to comply with the *Mount Laurel Doctrine*, which mandates providing a fair share of affordable housing opportunities for both current and future residents of New Jersey.

In accordance with this process, the Borough of Hightstown and its Planning Board have prepared this Housing Element and Fair Share Plan and the accompanying Spending Plan.

BRIEF HISTORY AND REGIONAL LOCATION

Hightstown Borough sits at the eastern edge of Mercer County, measuring 1.27 square miles in area. It is entirely surrounded by the Township of East Windsor. It is part of the State Development and Redevelopment Plan's (SDRP) Planning Area 2, the Suburban Planning area, which comprises areas adjacent to higher-density Metropolitan Planning areas but characterized by lower intensity of development and greater availability of developable land. In addition to this regional characterization, however, the State Development and

¹ - *N.J.S.A. 52:27D-301 et seq.*

² - P.L. 2024, c.2, March 20, 2024

Redevelopment Plan designates the Borough as a Town Center. The Borough is home to the Peddie School, a private, coeducational boarding and day school founded in 1864, which occupies a 280-acre campus, including Peddie Lake, on the eastern side of the Borough. Rocky Brook feeds Peddie Lake, which is a defining feature of Hightstown's downtown, and flows outward to the northwest.

Hightstown was named for John and Mary Hight, who established a tavern in the area in the 1750s. The land that became the Borough of Hightstown and the surrounding East Windsor Township was originally acquired by William Penn in the late 1600s. He wanted to settle the land with Quakers, who were being persecuted in England and New England. The Borough's Stockton Street Historic District covers both sides of Stockton Street (County Route 571), from Railroad Avenue to Summit Street, and a portion of Rogers Avenue. The first railroad in the United States to connect two major cities, New York and Philadelphia, the Camden and Amboy Railroad, originally ran along what is now Railroad Avenue. In 1832, the John Bull, the first locomotive in the country, provided the first steam-powered passenger rail service in the country, stopping at Stockton Street. Hightstown no longer has train service and the original tracks and trestle bridge through the downtown have been removed.

State Route 33 runs through the Borough from the southwest to the northeast and travels eastward at Peddie Lake to nearby Interchange 8 of the New Jersey Turnpike. County Route 571 (Stockton Street) comes into the Borough from Princeton to the west and continues southeast as far as Toms River, New Jersey. State Route 130 runs north-south immediately to the west of the Borough. Until the COVID-19 pandemic in 2020, there was express bus service via Coach USA between Hightstown and both Midtown and Wall Street in New York City.

The Borough's population from the 2020 U.S. Census was 5,900, an increase of 406, or 7.4% from the 2010 Census count of 5,494. Additional demographic characteristics are found in the tables beginning on page 9. The tables are based on estimates from the American Community Survey³ as more detailed information from the 2020 Census is not yet available.

AFFORDABLE HOUSING HISTORY IN NEW JERSEY: JUDICIAL AND LEGISLATIVE BACKGROUND

In the 1975 Mount Laurel⁴ decision, the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide diversity and choice in the housing types permitted in the municipality, including housing for low- and moderate-income households. In its 1983 Mount Laurel II decision,⁵ the NJ Supreme Court extended to all municipalities with any "growth area" as designated in the State Development Guide Plan

³ - The American Community Survey replaced the long-form census as the source for much of the housing data necessary to complete this section. The census is a one-time count of the population while the ACS is an estimate taken over five years through sampling. For this reason, data in the ACS is subject to a greater margin of error than the U.S. Census since it is based on sampling.

⁴ - Southern Burlington County NAACP v. Township of Mount Laurel, 67 N.J. 151 (1975)

⁵ - Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158 (1983)

(now superseded by the State Development and Redevelopment Plan, or SDRP) the obligation to provide their “fair share” of a calculated regional need for affordable units. Mount Laurel II also introduced a “builder’s remedy” if a municipality was not providing its fair share of affordable housing. A builder’s remedy may permit a developer that is successful in litigation the right to develop what is typically a higher density multifamily project on land not zoned to permit such use, so long as a “substantial” percentage of the proposed units would be reserved for low- and moderate-income households.

In 1985, in response to Mount Laurel II, the New Jersey Legislature enacted the Fair Housing Act (“FHA”).⁶ The FHA created the Council on Affordable Housing (“COAH”) as an administrative body responsible for oversight of municipalities’ affordable housing efforts, rather than having oversight go through the courts. The Legislature charged COAH with promulgating regulations (i) to establish housing regions; (ii) to estimate low- and moderate-income housing needs; (iii) to set criteria and guidelines for municipalities to use in determining and addressing their fair share obligations, and (iv) to create a process for the review and approval of municipal housing elements and fair share plans.

COAH’s First and Second Rounds, 1986 - 1999

COAH created the criteria and regulations for municipalities to address their affordable housing obligations. COAH originally established a methodology for determining municipal affordable housing obligations for the six-year period between 1987 and 1993,⁷ which period became known as the First Round. This methodology established an existing need to address substandard housing that was being occupied by low- and moderate-income households (variously known as “present need” or “rehabilitation share”), and calculated future demand, to be satisfied typically, but not exclusively, with new construction (“prospective need” or “fair share”).

The First Round methodology was superseded in 1994 by COAH’s Second Round regulations.⁸ The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 census data. These regulations identified a municipality’s cumulative obligations for the First and Second Rounds. Under regulations adopted for the Third Round, a municipality’s obligation to provide affordable housing for the First and Second Rounds is referred to cumulatively as the Prior Round obligation.

COAH’s Third Round and Related Judicial and Legislative Activity, 1999-2025

The FHA had originally required housing rounds to be for a six-year period for the First and Second Rounds, then in 2001, the time period increased to a 10-year period consistent with the Municipal Land Use Law (“MLUL”). In order to utilize 2000 census data which hadn’t yet been released, COAH delayed the start of the Third Round from 1999 to 2004, with the Third

⁶ - N.J.S.A. 52:27D-301 et seq.

⁷ - N.J.A.C. 5:92-1 et seq.

⁸ - N.J.A.C. 5:93-1.1 et seq.

Round time period initially ending in 2014. In December 2004, COAH's first version of the Third Round rules⁹ became effective, and the 15-year Third Round time period (1999 – 2014) was condensed into an affordable housing delivery period from January 1, 2004, through January 1, 2014.

The 2004 Third Round rules marked a significant departure from the methods utilized in COAH's Prior Round. Previously, COAH assigned an affordable housing obligation as an absolute number to each municipality. These Third Round rules implemented a "growth share" approach that linked the production of affordable housing to residential and non-residential development in a municipality.

On January 25, 2007, a New Jersey Appellate Court decision¹⁰ invalidated key elements of the first version of the Third Round rules, including the growth share approach. The Court ordered COAH to propose and adopt amendments to its rules, with COAH issuing revised rules effective on June 2, 2008 (as well as a further rule revision effective on October 20, 2008) which largely retained the growth share approach.

Just as various parties had challenged COAH's initial Third Round regulations, parties challenged COAH's 2008 revised Third Round rules. On October 8, 2010, the Appellate Division issued its decision on the challenges.¹¹ The Appellate Division upheld the COAH Prior Round regulations that assigned rehabilitation and Prior Round numbers to each municipality, but invalidated the regulations by which the agency assigned housing obligations in the Third Round, again ruling that COAH could not allocate obligations through a growth share formula. Instead, the Appellate Division directed COAH to use methods similar to those used in the First and Second Rounds.

Third Round Judicial Activity

After various challenges were filed, on September 26, 2013, the NJ Supreme Court upheld the Appellate Court decision¹² and ordered COAH to prepare the necessary rules. COAH failed to adopt new rules, and more challenges ensued.

On March 10, 2015, the New Jersey Supreme Court issued a ruling on FSHC's Motion in Aid of Litigant's Rights, which became known as Mount Laurel IV.¹³ In this decision, the Court transferred responsibility for reviewing and approving housing elements and fair share plans from COAH to designated Mount Laurel trial judges, declaring COAH "moribund." Municipalities were now to apply to the Courts, instead of COAH, if they wished to be protected from exclusionary zoning lawsuits. The Mount Laurel trial judges, with the assistance of a Court-appointed Special Adjudicator, were tasked with reviewing municipal plans much in the same manner as COAH had done previously. Those towns whose plans

⁹ - N.J.A.C. 5:94-1 and 5:95-1

¹⁰ - In re Adoption of N.J.A.C. 5:94 and 5:95, 390 N.J. Super. 1 (2007)

¹¹ - In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J. Super. 462 (2010)

¹² - In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing, 215 N.J. 578 (2013)

¹³ - In re Adoption of N.J.A.C. 5:96 & 5:97, 221 N.J. 1 (2015)

were approved by the Court received a Judgment of Compliance and Repose, the court equivalent of COAH's substantive certification.

While the NJ Supreme Court's decision set a process in motion for towns to address their Third Round obligation, the decision did not assign those obligations. Instead, that was to be done by the trial courts, although ultimately most towns entered into settlement agreements to set their fair share obligations. The Court stated that municipalities should rely on COAH's Second Round rules (N.J.A.C. 5:93) and those components of COAH's 2008 regulations that were specifically upheld, as well as the FHA, in their preparation of Third Round housing elements and fair share plans.

On January 17, 2017, the NJ Supreme Court rendered a decision¹⁴ that found that the period between 1999 and 2015, now known as the "gap period," when no valid affordable housing regulations were in force, generated an affordable housing obligation. This obligation required an expanded definition of the municipal Present Need obligation to include the unaddressed housing needs of low- and moderate-income households that had formed during the gap period. This meant that the municipal affordable housing obligation would now comprise four components: Present Need (rehabilitation), Prior Round (1987-1999, new construction), Gap Need (1999-2015, new construction), and Prospective Need (Third Round, 2015 to 2025, new construction).

Third Round Legislative Activity

In addition to the state agency negotiation and judicial decisions, the New Jersey Legislature has amended the FHA several times in recent years.

On July 17, 2008, P.L. 2008 c. 46 (referred to as the "Roberts Bill" or "A500") was enacted, which amended the FHA in a number of ways. Key provisions included the following:

- It established a statewide 2.5% nonresidential development fee instead of requiring nonresidential developers to provide affordable housing;
- It eliminated new regional contribution agreements ("RCAs") as a compliance technique available to municipalities; previously a municipality could fund the transfer up to 50% of its fair share to a so called "receiving" municipality;
- It added a requirement that 13% of all affordable housing units be restricted to very low-income households, which it defined as households earning 30% or less of median income; and
- It added a requirement that municipalities had to commit to spend development fees within four years of the date of collection. This was later addressed in a Superior Court

¹⁴ - In Re Declaratory Judgment Actions Filed by Various Municipalities, 227 N.J. 508 (2017)

decision which found the four-year period begins at the time the Court approves the municipal spending plan.¹⁵

In July 2020, the State amended the FHA again to require, beginning in November 2020, that all affordable units that are subject to affirmative marketing requirements must also be listed on the state's Affordable Housing Resource Center website.¹⁶ All affordable housing affirmative marketing plans are now required to include listing on the State Affordable Housing Resource Center website.

The Fourth Round, 2025-2035

As noted in the introduction, the rules upon which this document is based came about from the FHA amendments in Public Law 2024, Chapter 2, passed on March 20, 2024. The key parts of the law include:

- The abolition of the NJ Council on Affordable Housing;
- Designating the NJ Department of Community Affairs ("DCA") to develop new municipal obligations using a methodology that is mainly spelled out in the law. These obligations are advisory, not binding;
- Establishing a timeline within which municipalities need to adopt and submit binding resolutions establishing their Fourth Round fair share obligations, in order for them to retain their immunity from exclusionary-zoning lawsuits;
- Requiring the NJ Housing and Mortgage Finance Agency ("HMFA") and DCA to update rules and standards governing affordable housing production, trust funds and administration;
- Establishing a court-based Affordable Housing Dispute Resolution Program ("Program") that hears challenges to municipalities' affordable housing obligation determinations and housing plans;
- Establishing a longer period of deed restriction for lower income persons on affordable rental units to 40 years;
- Changing the criteria whereby municipalities may gain affordable housing bonuses for certain types of housing;
- Establishing new reporting and monitoring procedures and deadlines for both affordable units and affordable housing trust funds, and assigns oversight for reporting and monitoring to DCA.

¹⁵ - In the Matter of the Adoption of the Monroe Township Housing Element and Fair Share Plan, and Implementing Ordinances (112 A.3d 595 (App..Div. [2015])

¹⁶ - <https://njhrc.gov>

In December 2024, the Administrative Office of the Courts issued Administrative Directive #14-24, establishing procedures for implementation of the Program and for municipalities to file their Fourth Round Declaratory Judgment (“DJ”) filings, etc. As detailed under section covering requirements of an HEFSP, the Administrative Directive also set requirements for what must be included in a compliant Fourth Round HEFSP.

This plan has been prepared to meet the requirements of the FHA as most recently amended, as well as the 2024 Administrative Directive and all applicable regulations.

HOUSING ELEMENT AND FAIR SHARE PLAN REQUIREMENTS

In accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 *et seq.*), a municipal master plan must include a housing plan element as the foundation for the municipal zoning ordinance (see N.J.S.A. 40:55D-28b(3)). Pursuant to the FHA (N.J.S.A. 52:27D-301 *et seq.*), a municipality’s housing element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing. Specifically, N.J.S.A. 52:27D-310 requires that the housing element contain at least the following:

- a. 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;
- b. A projection of the municipality’s housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development of lands;
- c. An analysis of the municipality’s demographic characteristics, including, but not necessarily limited to, household size, income level, and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality’s present and prospective fair share of low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share of low- and moderate-income housing, as established pursuant to section 3 of P.L. 2024, c.2 (C.52:27D-304.1);
- f. A consideration of the lands most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing;

- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of 23 section 1 of P.L.2021, c.273 (C.52:27D-329.20); and
- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and
- i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

In addition to FHA requirements, this Fourth Round HEFSP has been prepared in compliance with the following requirements set forth by Administrative Directive #14-24, issued by the Administrative Office of the Courts on December 13, 2024:

- 1. One of the requirements for a final HEFSP is the inclusion of detailed site suitability analyses, based on the best available data, for each of the un-built inclusionary or 100 percent affordable housing sites in the plan as well as an identification of each of the sites that were proposed for such development and rejected, along with the reasons for such rejection.
- 2. The concept plan for the development of each of the selected sites should be overlaid on the most up to date environmental constraints map for that site as part of its analysis. When the detailed analyses are completed, the municipality can see what changes will be needed (either to the selected sites or to their zoning) to ensure that all of the units required by the settlement agreement will actually be produced. If it becomes apparent that one (or more) of the sites in the plan does not have the capacity to accommodate all of the development proposed for it, the burden will be on the municipality either to adjust its zoning regulations (height, setbacks, etc.) so that the site will be able to yield the number of units and affordable units anticipated by the settlement agreement or to find other mechanisms or other sites as needed to address the likelihood of a shortfall.

3. The final HEFSP must fully document the creditworthiness of all of the existing affordable housing units in its HEFSP and to demonstrate that it has followed all of the applicable requirements for extending expiring controls, including confirmation that all of the units on which the controls have been extended are code-compliant or have been rehabilitated to code-compliance, and that all extended controls cover a full 30-year period beginning with the end of the original control period. Documentation as to the start dates and lengths of affordability controls applicable to these units and applicable Affordable Housing Agreements and/or deed restrictions is also required. Additionally, the income and bedroom distributions and continued creditworthiness of all other existing affordable units in the HEFSP must be provided.
4. The HEFSP must include an analysis of how the HEFSP complies with or will comply with all of the terms of the executed settlement agreement. Once the HEFSP has been prepared, it must be reviewed by Fair Share Housing Center and the Program's Special Adjudicator for compliance with the terms of the executed settlement agreement, the FHA and Uniform Housing Affordability Controls ("UHAC") regulations. The HEFSP must be adopted by the Planning Board and the implementation components of the HEFSP must be adopted by the governing body.

The HEFSP must also include (in an Appendix) all adopted ordinances and resolutions needed to implement the HEFSP¹⁷, including:

1. All zoning amendments (or redevelopment plans, if applicable).
2. An Affordable Housing Ordinance that includes, among other required regulations, its applicability to 100 percent affordable and tax credit projects, the monitoring and any reporting requirements set forth in the settlement agreement, requirements regarding very low income housing and very low income affordability consistent with the FHA and the settlement agreement, provisions for calculating annual increases in income levels and sales prices and rent levels, and a clarification regarding the minimum length of the affordability controls (at least 30 years, until the municipality takes action to release the controls).
3. The adoption of the mandatory set aside ordinance, if any, and the repeal of the existing growth share provisions of the code.
4. An executed and updated Development Fee Ordinance that reflects the court's jurisdiction.
5. An Affirmative Marketing Plan adopted by resolution that contains specific directive to be followed by the Administrative Agent in affirmatively marketing affordable housing units, with an updated COAH form appended to the

¹⁷ - This is a contradiction of the amended FHA, however, which requires draft ordinances.

Affirmative Marketing Plan, and with both documents specifically reflecting the direct notification requirements set forth in the settlement agreement.

6. An updated and adopted Spending Plan indicating how the municipality intends to allocate development fees and other funds, and detailing (in mini manuals) how the municipality proposes to expend funds for affordability assistance, especially those funds earmarked for very low income affordability assistance.
7. A resolution of intent to fund any shortfall in the costs of the municipality's municipally sponsored affordable housing developments as well as its rehabilitation program, including by bonding if necessary.
8. Copies of the resolution(s) and/or contract(s) appointing one or more Administrative Agent(s) and of the adopted ordinance creating the position of, and resolution appointing, the Municipal Affordable Housing Liaison.
9. A resolution from the Planning Board adopting the HEFSP, and, if a final judgment is sought before all of the implementing ordinances and resolutions can be adopted, a resolution of the governing body endorsing the HEFSP.

AFFORDABILITY REQUIREMENTS

Affordable housing is defined under the amended FHA as a dwelling, either for sale or rent that is within the financial means of households of very-low, low- or moderate-income as income is measured within each housing region. Hightstown Borough is in COAH's Region 4, which includes Mercer, Monmouth, and Ocean Counties. Moderate-income households are those earning between 50% and including 80% of the regional median income. Low-income households are those with annual incomes that are 50% or less than the regional median income. Very low-income is a specific sub-category of low-income households with annual incomes of 30% or less of the regional median income.

Through the UHAC regulations, which are administrative rules issued by HMFA in N.J.A.C. 5:80-26.1 et seq., the maximum rent for a qualified unit is required to be affordable to households that earn no more than 60% of the median income for the region. This is to account for the typical wage earner who over time gains more income and whose household then has a higher incomes compared to the regional median.

The average rent is required to be affordable to households earning no more than 52% of the median income. The maximum sale prices for affordable units is required to be affordable to households that earn no more than 70% of the median income and the average sale price affordable to a household that earns no more than 55% of the median income.

The regional median income is now defined in the amended FHA and continues to utilize the U. S. Department of Housing and Urban Development ("HUD") income limits on a regional basis. In the spring of each year HUD releases updated income limits which COAH used to reformulate slightly to the housing regions. When COAH no longer was functioning, this job

was taken over by the Affordable Housing Professionals of New Jersey, an association made up of persons who administer affordable housing programs for governments. This role by the AHPNJ was recognized by numerous judges in affordable housing cases and the organization's charts were specifically included in orders adjudicating settlements. The amended FHA now places this responsibility with DCA. It is from these income limits that the rents and sale prices for affordable units are derived. See Table 1 for 2024 income limits for Region 4 and Tables 2 and 3 for illustrative sale prices and gross rents from 2024 (the latest figures available). The sample rents and sale prices are illustrative and are gross figures which do not account for the specified utility allowance for rentals.

Table 1. 2024 Income Limits for Region 4

Household Income Levels	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household
Moderate	\$72,830	\$83,234	\$93,639	\$104,043	\$112,367
Low	\$45,519	\$52,022	\$58,524	\$65,027	\$70,229
Very Low	\$27,311	\$31,213	\$35,115	\$39,016	\$42,137

Source: Affordable Housing Professionals of New Jersey 2024 Affordable Housing Regional Income Limits

Tables 2 and 3 provide illustrative gross rents and sale prices for 2024. The sample rents and sale prices are illustrative and are gross figures, which do not account for the specified utility allowance in the case of rentals, or for homeowner's association dues in the case of for-sale units.

Table 2. Illustrative 2024 Maximum Affordable Gross Rents for Region 4

Household Income Levels (% of Median Income)	1 Bedroom Unit Rent	2 Bedroom Unit Rent	3 Bedroom Unit Rent
Moderate (60%)	\$1,463	\$1,756	\$2,029
Low (50%)	\$1,219	\$1,463	\$1,691
Very Low (30%)	\$732	\$878	\$1,014

Source: Affordable Housing Professionals of NJ Affordable Housing Regional Income Limits and Rental Calculator

Table 3. Illustrative 2024 Maximum Affordable Sales Prices for Region 4

Household Income Levels (% of Median Income)	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate (70%)	\$154,088	\$187,267	\$218,234
Low (50%)	\$106,689	\$130,389	\$152,508
Very Low (30%)	\$59,291	\$73,510	\$86,782

Source: Affordable Housing Professionals of NJ Affordable Housing Regional Income Limits and Sales Calculator

HOUSING CONDITIONS

Table 4 describes the types of housing units found in the Borough. Over two-thirds of the Borough's housing units are single-family dwellings, either attached or detached. Two-family units are typically one unit above the other, which is often called a duplex (though in some places the single-family semi-detached dwelling is also called a duplex). All of the remaining dwellings are located in smaller-scale multi-family developments, with fewer than 10 units. Slightly over 67% of units are owner-occupied, and 27.6% are renter-occupied. Of the 6.4% of units that are vacant, 39.4% are two-unit structures. The 5.3% vacancy rate in the Borough is lower than that of the Mercer County and New Jersey, which is 6.1% and 7.9%, respectively.

Table 4. Housing Units by Number of Units in Structure and Tenure, 2023

Number of Units in Structure	Owner-Occupied		Renter-Occupied		Vacant		Total	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
1, Detached	1,134	54.6%	172	8.3%	60	2.9%	1,366	65.8%
1, Attached	41	2.0%	35	1.7%	6	0.3%	82	3.9%
2	0	0.0%	80	3.9%	43	2.1%	123	5.9%
3 or 4	14	0.7%	108	5.2%	0	0.0%	122	5.9%
5 to 9	187	9.0%	158	7.6%	0	0.0%	345	16.6%
10 or more	17	0.8%	21	1.0%	0	0.0%	38	1.8%
Other	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	1,393	67.1%	574	27.6%	109	5.3%	2,076	100%

Source: Table B25032 and Table DP04, U.S. Census Bureau, 2019-2023 American Community Survey Five-Year Estimates

According to the American Community Survey 2019-2023 estimates, a large portion of Hightstown's housing stock was constructed prior to 1939, with smaller building booms between 1950 and 1969 (e.g., the post-war housing boom) and between 1980 and 1989, potentially reflecting construction of the Wyckoff Mills development.

Table 5. Housing Units by Year Built, 2023

Year Built	Occupied Units	Percent	Owner	Renter	Vacant
2020 or later	0	0.0%	0	0	0
2010 to 2019	0	0.0%	0	0	0
2000 to 2009	68	3.5%	68	0	0
1990 to 1999	48	2.4%	48	0	0
1980 to 1989	384	19.5%	199	185	22
1970 to 1979	125	6.4%	71	54	0
1960 to 1969	124	6.3%	66	58	0
1950 to 1959	341	17.3%	266	75	0
1940 to 1949	204	10.4%	204	0	6
1939 or earlier	673	34.2%	471	202	81
Total	1,967	100%	1,393	574	109
Median Year Built	1953		1951	1962	

Sources: Tables B25036, B25037. DP04, 2019-2023 American Community Survey Five-Year Estimate

The plurality (69.5%) of housing in Hightstown contains two or three bedrooms, and over a quarter (25.3%) of all units have four or more bedrooms. Just 5.3% of units in the Borough are studio or 1-bedroom units, significantly less than Mercer County as a whole (16.3%).

Table 6. Number of Bedrooms per Housing Unit, 2023

Number of Bedrooms	Number of Units	Percent of Units
No bedroom	22	1.1%
1 bedroom	87	4.2%
2 bedrooms	784	37.8%
3 bedrooms	658	31.7%
4 bedrooms	455	21.9%
5 or more bedrooms	70	3.4%
Total Housing Units	2,076	100%

Sources: Tables B25036, B25037. DP04, 2019-2023 American Community Survey Five-Year Estimate

Table 7, Value of Owner-Occupied Housing Units 2013 and 2023, shows that the median home value in Hightstown increased by approximately 23.8% between 2013 and 2023. This outpaces the 7.3% rise in median home values in Mercer County. The Borough had lower median values than the county in both 2013 (\$269,100 vs. \$327,100) and 2023 (\$333,200 vs.

\$351,000). In 2023, 61.9% of homes were valued at \$300,000 or more, compared to just 41.0% in 2013. While the median home value has grown in Hightstown, the number of homes valued at under \$50,000 grew from 7 in 2013 to 27 in 2023.

Based on COAH's 2024 Illustrative Sales numbers, approximately 27 of 2023 housing units in Hightstown may be affordable to very-low income households (1.9%). Meanwhile, approximately zero (0) units (exclusive of units that may be affordable to very-low income households) may be affordable to low income households, and approximately 244 units (19.7%) may be affordable to moderate income households (excluding those units affordable to low and very-low income households). In total, approximately 271 owner-occupied units, or 19.5% of owner-occupied units in the Borough, may be affordable to low and moderate income households.

Table 7. Value of Owner-Occupied Housing Units, 2013 and 2023

Housing Unit Value	2013 Units	Percent	2023 Units	Percent
Less than \$50,000	7	0.6%	27	1.9%
\$50,000 to \$99,999	0	0.0%	0	0.0%
\$100,000 to \$149,999	28	2.3%	0	0.0%
\$150,000 to \$199,999	244	19.7%	140	10.1%
\$200,000 to \$299,999	451	36.4%	363	26.1%
\$300,000 to \$499,999	485	39.1%	691	49.6%
\$500,000 to \$999,999	24	1.9%	172	12.3%
\$1,000,000 or more	0	0.0%	0	0.0%
Total	1,239	100.0%	1,393	100.0%
Median Value	\$269,100		\$333,200	

Sources: Table Dp04, U.S. Census Bureau, 2009-2013 American Community Survey Five-Year Estimates; Table Dp04, U.S. Census Bureau, 2019-2023 American Community Survey Five-Year Estimates.)

Rents in Hightstown Borough are slightly higher than in Mercer County overall, with 53.7% of units in Hightstown renting for more than \$1,500 per month, compared to 49.6% of units in Mercer County renting in that range. This is likely to the inclusion of Trenton, which has a large percentage of lower priced rental housing influencing the median rental price. In addition, no units in the Borough rent for under \$1,000 a month, compared to 18.5% in the County. The median rent in Hightstown in 2023 was \$1,638, compared to \$1,515 across Mercer County.

Based on 2024 Illustrative Rents for Affordable Housing, no units appear to be affordable to very low-income renters. Approximately 197 units, or 34.3% of all rental units in the Borough, however, may be affordable to low-income renters, and an additional 201 units, or 35.0% of

all rental units in the Borough, may be affordable to moderate-income renters. In total, approximately 398 rental units, or 69.3% of all renter-occupied housing units, may be affordable to low- and moderate-income household, depending on household size and unit size. See Table 8., Hightstown and Mercer County Gross Rent, 2023.

Table 8. Hightstown and Mercer County Gross Rent, 2023

Gross Rent	Units in Hightstown	Percent	Units in Mercer County	Percent
Less than \$500	0	0.0%	4,571	8.5%
\$500 to \$999	0	0.0%	5,399	10.0%
\$1,000 to \$1,499	197	34.3%	15,880	29.5%
\$1,500 to \$1,999	201	35.0%	14,419	26.7%
\$2,000 to \$2,499	86	15.0%	6,130	11.4%
\$2,500 to \$2,999	0	0.0%	2,743	5.1%
\$3,000 or more	21	3.7%	3,449	6.4%
No cash rent	69	12.0%	1,319	2.4%
Total	574	100.0%	53,910	100.0%
Median Rent	\$1,638		\$1,515	

Source: Table DPo4, 2019-2023 American Community Survey Five-Year Estimate

Housing is generally considered to be affordable if the costs of rents, mortgages, and other essential costs consume 28% or less of an owner-household's income or 30% or less of a renter-household's income (homeowner rates are lower to account for the additional home maintenance costs associated with ownership). In Hightstown Borough, 27.9% of all households are spending more than 30% of their incomes on housing. In comparison to Mercer County overall (50.6%), only 35.5% of renters in Hightstown are spending 30% or more of their incomes on housing.

Table 9. Housing Affordability, 2023

Monthly Housing Costs as % of Income	Owner- Occupied	% of Total	Renter	% of Total	All Occupied	% of Total
Less than 20 Percent	704	50.5%	149	29.5%	853	44.9%
20 to 29 Percent	339	24.3%	177	35.0%	516	22.2%
30 Percent or More	350	25.2%	179	35.5%	529	27.9%
Total	1,393*	70.8%	505**	29.2%	1,898**	100.0%

Source: Table DPo4, 2019-2023 American Community Survey Five-Year Estimate

* Includes only households with a mortgage

** Excludes 69 households labeled as "Not Computed"

In 2023, no housing units were estimated to lack adequate kitchen facilities, and only 12 housing units were estimated to lack complete plumbing facilities. There were 8 units constructed prior to 1950, and were estimated to have more than one occupant per room. This data can, but do not always, indicate substandard housing stock that needs to be rehabilitated. Overcrowded housing can sometimes be occupied by lower income households who share space to save on housing costs. Anecdotally, fire inspections of commercially owner residential units have uncovered illegally subdivided apartments in Hightstown, which suggests that the American Community survey estimate may be underestimating overcrowding.

Table 10. Indicators of Housing Deficiency, 2023

Indicator	Incomplete Plumbing	Incomplete Kitchen	Crowded or Overcrowded, and Built Pre-1950
Number of Units	12*	0*	8*

Source: Tables B25050, DP04, 2019-2023 American Community Survey Five-Year Estimate

* - The margin of error for this information exceeds the estimated counts. As such, the estimate may be unreliable.

POPULATION CHARACTERISTICS

The population of Hightstown saw a robust 7.4% increase from 2010 to 2020, larger than the 5.3% increase from 2000-2010 and larger than the increase in Mercer County's population during the same periods. See Table 11, Population Growth, 2000 to 2020.

Table 11. Population Growth, 2000 to 2020

Location	2000	2010	2020	2000-2010 % Change	2010-2020 % Change	2000-2020 % Change
Hightstown	5,216	5,494	5,900	5.3%	7.4%	13.1%
Mercer County	350,761	366,513	387,340	4.5%	5.7%	10.4%
New Jersey	8,414,350	8,791,894	9,288,994	4.3%	5.4%	9.4%

Source: U.S. Census 2000, 2010, 2020

Between 2013 and 2023, the American Community Survey estimated a 6.0% increase in the number of Hightstown residents overall. During that same period, the median age in Hightstown grew from 34.5 years to 42.6 years. This rapid increase in age can be attributed to a 46.6% rise in the 45 and older population in Hightstown, along with a -15.5% decrease in the 44 and under population.

Table 12. Age Distribution, 2013 to 2023

Age Cohort	2013	Percent	2023	Percent	% Change
Under 5	530	9.6%	227	3.9%	-57.2%
5-9	225	4.1%	337	5.7%	49.8%
10-14	279	5.0%	299	5.1%	7.2%
15-19	200	3.6%	103	1.8%	-48.5%
20-24	313	5.7%	425	7.2%	35.8%
25-34	1,298	23.4%	856	14.6%	-34.1%
35-44	775	14.0%	811	13.8%	4.7%
45-54	678	12.2%	1,084	18.5%	59.9%
55-59	308	5.6%	230	3.9%	-25.3%
60-64	335	6.0%	582	9.9%	73.7%
65-74	342	6.2%	502	8.6%	46.8%
75-84	218	3.9%	265	4.5%	21.6%
85+	37	0.7%	148	2.5%	300.0%
Total	5,538	100.0%	5,869	100.0%	6.0%
Median Age	34.5		42.6		23.5%

Source: Table DP05, U.S. Census Bureau, 2009-2013 American Community Survey Five-Year Estimates; Table DP05, U.S. Census Bureau, 2019-2023 American Community Survey Five-Year Estimates

HOUSEHOLD CHARACTERISTICS

The U.S. Census Bureau defines a household as those persons who occupy a single room or group of rooms constituting a housing unit; however, these persons may or may not be related. The total number of households increased from 2013 to 2023 in Hightstown (1,924 to 1,967) as well as the average household size, which increased from 2.84 to 2.93 persons per household.

Table 13. Household Size of Occupied Units, 2013-2023

Household Size (Persons per Household)	2013		2023	
	Households	Percent	Households	Percent
1 Person	412	21.4%	210	10.7%
2 Persons	777	40.4%	637	32.4%
3 Persons	275	14.3%	426	21.7%
4+ Persons	460	23.9%	694	35.3%
Total	1,924	100%	1,967	100%

Household Size (Persons per Household)	2013		2023	
	Households	Percent	Households	Percent
Average Household Size	2.84		2.93	

Sources: Table S2501, 2009-2013 and 2019-2023 American Community Survey Five-Year Estimates

In 2023, the number of households that were families in Hightstown totaled 1,967. In the Borough, 21.3% of the married-couple households in Hightstown lived with children under the age of 18, a fairly common statistic. While 84.1% of all families were headed by married couples, 5.6% of family households were female-headed with no spouse present, but more unusually, 7.0% of family households with no spouse present were male-headed. Additionally, 38.9% of the 393 non-family households consisting of people living alone.

Table 14. Household Composition, 2023

Household Type	Households	Percent
Family households	1,574	80.0%
Married-couple household	1,325	67.4%
With Children Under 18	419	21.3%
Male householder, no spouse present	138	7.0%
With Children Under 18	21	1.1%
Female householder, no spouse present	111	5.6%
With Children Under 18	36	1.8%
Non-family households	393	20.0%
Householder living alone	153	7.8%
Total Households	1,967	100.0%

Source: Table DP02, U.S. Census Bureau, 2019-2023 American Community Survey Five-Year Estimate

When the number of bedrooms in a unit is compared to the size of households in Hightstown, there appears to be a mismatch: There are many more single-person households that are living in larger units. Single person households make up 10.7% of all households, studio and one-bedroom dwellings only comprise 5.3% of all residences. Table 15 provides more detail.

Table 15. Unit Size vs. Household Size, 2023

Unit Size	Number of Units	Percent of Total Units	Household Size	Number of Households	Percent of Total Households
Studio or 1 bedroom	109	5.3%	1 Person	210	10.7%
2 bedrooms	784	37.8%	2 Persons	637	32.4%
3 bedrooms	658	31.7%	3 Persons	426	21.7%
4 or more bedrooms	525	25.3%	4+ Persons	694	35.3%
Total	2,076	100.0%	Total	1,967	100.0%

Sources: Tables DP04 and S2501, 2019-2023 American Community Survey Five-Year Estimate

INCOME CHARACTERISTICS

Households in Hightstown have, on average, higher incomes than households in Mercer County, while the inverse is true for families. Median income in 2023 in Hightstown was \$107,431 for households and \$112,589 for families; comparable figures for the county were \$96,333 for households and \$124,699 for families. The Borough's poverty rates for individuals (1.5%) is lower than the county's individual poverty rate (11.1%). The family poverty rate in Hightstown is 0.0%, significantly less than the County's 7.5% family poverty rate. See Table 17, Individual and Family Poverty Rates 2023, for the comparison.

Table 16. Estimated Household Income in Hightstown and Mercer County, 2023

Household Income	Hightstown	Percent	Mercer	Percent
Less than \$10,000	12	0.6%	8,222	5.8%
\$10,000-\$14,999	0	0.0%	5,009	3.5%
\$15,000-\$34,999	128	6.5%	14,061	9.9%
\$35,000-\$49,999	90	4.6%	11,964	8.5%
\$50,000-\$74,999	167	8.5%	16,607	11.7%
\$75,000-\$99,999	452	23.0%	17,180	12.1%
\$100,000-\$149,999	439	22.3%	24,346	17.2%
\$150,000+	679	34.5%	44,065	31.0%
Total	1,967	100.0%	141,464	100.0%
Median Income	\$107,431		\$96,333	

Source: 2019-2023 American Community Survey 5-Year Estimates (DP03)

Table 17. Individual and Family Poverty Rates, 2023

Jurisdiction	Families	Individuals
Hightstown	0.0%	1.5%
Mercer County	7.5%	11.1%

Source: 2019-2023 American Community Survey 5-Year Estimates (DP03)

EMPLOYMENT CHARACTERISTICS

Table 18, Covered Employment by Sector, shows the distribution of employment by civilian industry for Hightstown Borough workers in 2023. Half of employment in Hightstown (50.7%) is made up by the educational services sector. This is consistent with the Borough being home to large educational institutions like Hightstown High School and the Peddie School. The next largest employment sectors in the Borough consisted of administration & support, waste management and remediation (10.9%), professional, scientific, and technical services (4.3%), accommodation and food services (7.8%).

Table 18. Covered Employment by Sector, 2023

Industry	Number	Percent
Agriculture	2	0.1%
Utilities	10	0.4%
Construction	81	3.0%
Manufacturing	82	3.1%
Wholesale Trade	79	3.0%
Retail Trade	95	3.6%
Transportation and Warehousing	19	0.7%
Information	2	0.1%
Financing and Insurance	71	2.7%
Real Estate, Renting, and Leasing	7	0.3%
Professional, Scientific, and Technical Services	116	4.3%
Administration & Support, Waste Management and Remediation	291	10.9%
Educational Services	1,356	50.7%
Health and Social Services	89	3.3%
Arts, Entertainment, Recreation	1	0.0%
Accommodation and Food Services	209	7.8%
Other	104	3.9%
Private Sector Total	2,614	97.8%
Public Administration	59	2.2%
Total	2,673	100.0%

Source, Previous Table: On The Map, Center for Economic Studies, U.S. Census Bureau, 2023.

A municipality's jobs-to-housing ratio is a rough indicator of the degree to which the municipality has been able to generate sufficient housing to accommodate its workers. A ratio of between 0.75 and 1.5 is generally considered to indicate a healthy balance between the number of jobs in a municipality and the municipality's ability to house all its workers who wish to live there.¹⁸ The ability to house workers locally enables them to spend less time commuting, reduces traffic congestion, and reduces the greenhouse gas emissions associated with commuting by automobile.

Based on Tables 4 and 18 above, Hightstown has a jobs-housing ratio of 1.29, within the range considered healthy. If additional jobs in the Borough become available, the Borough may need to examine whether it needs to take steps to encourage additional housing.

POPULATION PROJECTIONS

The Delaware Valley Regional Planning Commission (DVRPC), the Metropolitan Planning Organization area that includes Hightstown Borough as well as the remainder of Mercer County, published population and employment projections for the year 2050. DVRPC projects that the Borough's population and employment will increase by 19.1% and 18.1%, respectively, from 2020 to 2050. As Table 19, Population and Employment Projections shows, these rates are higher than for the county as a whole.

Table 19. Population and Employment Projections, 2020 to 2050

	Hightstown Borough			Mercer County		
	2020	2050	% Change	2020	2050	% Change
Population	5,900	7,028	19.1%	387,340	423,029	9.2%
Employment	3,227	3,810	18.1%	285,579	309,669	8.4%

Source: Delaware Valley Regional Planning Commission, 2024

Even with the affordable housing development as potentially available in this plan, this additional population growth seems unlikely over the next 25 years given the Borough's lack of suitable land for additional residential development.

The Fair Housing Act requires that housing plans include a 10-year projection of new housing units based on the number of certificates of occupancy, development applications approved, probable developments, as well as other indicators deemed appropriate (N.J.S.A. 52:27D-310.b). Annual building certificates of occupancy for residential construction in Hightstown Borough during the years 2013 through 2023 averaged 1.4 units and demolition permits averaged 6.8 units. Not counting 2016 demolition permits as an outlier year, the Borough, on

¹⁸ <https://enviroatlas.epa.gov/enviroatlas/datafactsheets/pdf/supplemental/employmenthousingratio.pdf>

average has gained 0.8 housing units each year in background. . See Table 20, Background Residential Growth, 2013-2023.

Table 20. Background Residential Growth, 2013-2023

Year	Certificates of Occupancy	Demolitions	Net New Dwellings
2013	1	2	-1
2014	1	5	-4
2015	1	0	1
2016	0	68	-68
2017	1	0	1
2018	6	0	6
2019	0	0	0
2020	3	0	3
2021	1	0	1
2022	1	0	1
2023	0	0	0
Total	15	75	-60
Annual Average	1.4	6.8	0.8*

Source: NJDCA Construction Reporter, Building Permits, Yearly Summary Data

* Excludes 2016 demolition permits as outlier year

In the time period of the Fourth Round, the Borough expects the 386-unit City Line redevelopment to start and be completed, the 88-unit redevelopment of the Wells Fargo bank at 105 N. Main Street, and 45 additional apartments constructed at Westerlea Apartments for a total of 519 new housing units plus the 8 units of background growth, for a total of 527 total units. The added population is estimated to be approximately 1,100 people given the unit sizes and configurations. Potentially other development could occur utilizing the incentives to redevelop sites with inclusionary multi-family residences and mixed use buildings as discussed in the Fair Share Plan portion of this document.

CONSIDERATION OF LANDS SUITABLE FOR AFFORDABLE HOUSING

According to Rowan University's NJ MAP land cover analysis, 92.2% of the Borough is currently classified as developed or urbanized. The next highest percentage of land use is the obviously not developable Peddie Lake, which accounts for just 3.1% of Borough lands, and the stream preservation/open space category applied to the Rocky Brook corridor that accounts for much of the remaining lands in the Borough. The property identified in this plan and in the prior HEFSP for the Third Round represent the best opportunities for redevelopment into

multi-family and mixed used inclusionary development to meet Hightstown's affordable housing obligations as determined by analysis and consideration by the Planning Board.

The Hightstown Water Department supplies public drinking water to the entire Borough. With the exception of lands that are considered environmentally sensitive, the entire Borough is within Mercer County's sewer service area and virtually every lot has sewer service available. Sewage is treated at the Borough's Advanced Wastewater Treatment Facility in the northwest corner of the Borough.

Although the lands in the Borough are largely already developed, the Affordable Housing Subcommittee of the Borough's Planning Board has carefully sought to identify lands that might be able to generate affordable housing through rezoning, overlay zoning, or adoption or modification of a redevelopment plan. The properties included in this Housing Element and Fair Share Plan represent those that, in the opinion of the Subcommittee, show the greatest potential for developing new affordable units.

FAIR SHARE PLAN

INTRODUCTION

This part of the Housing Element and Fair Share Plan describes how Hightstown intends to meet the affordable housing obligations that have been allocated to it in the Fourth Round. As noted previously, the obligations are two-fold: a Present Need obligation and a Prospective Need obligation. Present Need has also been called the “Rehabilitation Share” and Prospective Need has been called “Future Need” and in a portion of the Third Round even “Gap Present Need”. The Present Need obligation is reset with each round of affordable housing obligation based on census data. The number of deficient housing units is statistically determined based on certain parameters to estimate those that are occupied by low- and moderate-income households.

The Prospective Need obligation is cumulative in that it includes the obligations from all prior rounds (First, Second and Third) as well as the Fourth Round that this housing plan primarily addresses. The concept behind Prospective Need is that there is an anticipated growth in the population of New Jersey in 2025-2035 which will be composed of persons in households and each of those households will require housing. A certain percentage of those households have incomes that meet the definition of low or moderate incomes. Definitionally, it is 40% of households, though statistically it tends to be slightly higher and typically is found by demographers to be between 41% and 42% of all households. The amended Fair Housing Act set a formula as to the number of households which has been calculated by various of individuals and organizations who all agree it is 84,698 of which Region 4’s share is 13,822. This regional share of Prospective Need has been allocated to all of the municipalities in Mercer, Monmouth and Ocean Counties, including Hightstown by several organizations.

The amended FHA directed the DCA to create a methodology for allocating the Present Need and Prospective Need obligations for the Fourth Round. Unlike COAH’s allocation of such numbers, the law made DCA’s acceptance of the obligations by a municipality voluntary. The Borough Council decided to accept the DCA obligations of 47 Units of Present Need and 35 Units of Prospective Need and adopted Resolution 2025-36, making a binding declaration as to these numbers and authorizing its filing with the Affordable Housing Dispute Resolution Program via Superior Court per Court Directive #14-24. The resolution is attached as Appendix B, adopted on January 21, 2025. Planning Board Attorney, Michael Herbert, Jr., filed it with Superior Court on January 22, 2025 in accordance with the law requiring such filing within 48 hours of the resolution’s adoption. The Borough has been assigned docket number MER-L-152-25 for Fourth Round Declaratory Judgment actions under which this document will also be filed once adopted.

Persons or entities aggrieved by this action of the Borough’s had until February 28, 2025 to file specific objections as to why the Present and Prospective Need obligations did not meet the requirements of the amended FHA. In the event, no objections were filed, and these

numbers are consequently official. On March 25, 2025, the Hon. Robert Loughy, A.J.S.C., the designated *Mount Laurel* Judge for the Mercer County Vicinage, issued an Order confirming these numbers and authorizing the municipality to proceed with this document. The Order is attached as Appendix B.

Affordable Housing Obligations

Hightstown’s affordable housing obligations are spelled out in Table 21, Hightstown’s Affordable Housing Obligations for the Fourth and Prior Rounds.

Table 21. Hightstown Affordable Housing Obligations for the Fourth and Prior Rounds

Affordable Housing Component	Number
Present Need	47
Prospective Need	
Prior Round Obligation ⁽¹⁾	38 ⁽²⁾
Third Round Obligation ⁽³⁾	68
Fourth Round Obligation	35
Total Obligation	145

⁽¹⁾ – Strangely, this means the combined First and Second Rounds because in the Second Round, the First Round numbers were recalculated..

⁽²⁾ – Adjusted downward because employment in East Windsor was erroneously counted as located in Hightstown based on postal code.

⁽³⁾ - This includes both the Gap Present Need and Third Round Prospective Need.

An explanation of these components follows below:

Present Need Obligation

Present Need is defined as “the number of substandard existing deficient housing units currently occupied by low- and moderate-income households” and “deficient housing unit” as “housing that (1) is over fifty years old and overcrowded, (2) lacks complete plumbing, or (3) lacks complete kitchen facilities.” The Borough’s Fourth Round rehabilitation obligation of 47 units was calculated by DCA according to the methodology described in the methodology report titled *Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background* released in October 2024.

Prior Round Obligation

The Prior Round obligation is the cumulative 1987 through 1999 new construction affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing. The Prior Round obligation as presently structured was affirmed by a decision of the NJ Supreme Court in 2013 decision. Hightstown’s Prior Round obligation is 38 units/credits as previously calculated by COAH.

Third Round Prospective Obligation

The Third Round obligation includes the “gap” portion of the Third Round (1999-2015) when no valid affordable housing regulations were in force and the Third Round Prospective Need (2015-2025) which included the 10 year period into the future starting in July 2015. In 2001, COAH adopted a new rule which extended the rounds from 6 to 10 years.

The Third Round Prospective Need and Gap Need numbers for Mercer County were determined in a Court decision entitled, Opinion on Fair Share Methodology to Implement the Mount Laurel Affordable Housing Doctrine for the Third Round, issued on March 8, 2018 by Judge Mary C. Jacobson, A.J.S.C., in what is commonly referred to as the “Jacobson Methodology.” This methodology for calculating Fair Share Need was binding on participating Mercer County municipalities in the Third Round and through the amended FHA, the rest of the state. The Jacobson Methodology determined a Third Round obligation for Hightstown Borough of 68.

Fourth Round Prospective Obligation

Prospective Need is “a projection of housing needs based on development and growth which is reasonably likely to occur in a region or municipality.” The Township’s Fourth Round Prospective Need of 35 units was also calculated by DCA according to the methodology described in its October 2024 methodology paper.

SATISFYING THE BOROUGH’S OBLIGATION

Rehabilitation Share

N.J.A.C. 5:93-5.2(b) identifies the purpose of a rehabilitation program as the renovation of deficient housing units occupied by low- and moderate-income households. Deficient housing units are those “with health and safety code violations that require the repair or replacement of a major system,” including “weatherization, a roof, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems) and/or a load-bearing structural system.”

Through its Housing Rehabilitation Program, Mercer County offers assistance to income-eligible homeowners for home repairs and improvements that address safety, health and/or municipal code violations. The program takes advantage of funds provided by the United States Department of Housing & Urban Development (“HUD”) as part of the HOME Investment Partnerships Program. Funds are provided in the form of an interest-free deferred loan, which is due in full upon transfer of title to the property. All municipalities in the County except Trenton are eligible to participate in the program, including Hightstown. Historically, Hightstown has not had much participation in the County program. The municipality will increase publicity about the program on its municipal website and provide a link to the County’s Department of Housing and Community Development where the program information is listed. It will examine whether additional information could be provided in other municipal communication to residents and property owners.

Affordable housing rules indicate that rehabilitation programs need to address both owner-occupied and renter-occupied dwellings. Consequently, the Borough will sign a separate agreement with its Administrative Agent, Community, Grants, Planning and Housing (“CGP&H”), to establish a rehabilitation program for renter-occupied units to provide assistance to landlords within 90 days of a judgment of repose. This will require resources from the affordable housing trust fund as they become available. (The Borough will direct owners of owner-occupied units to the County program because of limited funds.) A sample operating manual for the program may be found in Appendix C.

Administrative services for the rental rehabilitation program will be provided by the Borough’s Administrative Agent under an expansion of its contract with the municipality. The rehabilitation program will adhere to the regulations in N.J.A.C. 5:93-3.4 as detailed below. The criteria to be met are paraphrased in *italics* along with the Borough’s responses:

- *Rehabbed to code.* The standard for evaluating rehabilitation activity is the Uniform Construction Code (N.J.A.C. 5:28), Rehabilitation Subcode (N.J.A.C. 5:23-6) and BOCA Property Maintenance Code in effect at the time of evaluation. The rehabilitation activity will renovate one or more major building systems in accordance with the rule and will not include luxury improvements, the purchase of appliances except as permitted by the amended FHA, or improvements that are strictly cosmetic.
- *Occupied by eligible households at time of rehabilitation.* Units will be occupied by income-eligible households and will be so certified by the Administrative Agent before any contract for work is executed by the Borough.
- *Appropriate affordability controls were enacted.* The length of affordability controls will be at least 10 years for renter-occupied dwellings or in the alternative, a perpetual lien against the property that is repaid to the issuing agency at the time of the first sale of the property following the completion of the rehabilitation work, with such funds deposited into the Borough’s affordable housing trust fund.
- *Administration.* The municipality anticipates that the Borough’s Administrative Agent will operate the program. No changes are expected in how applications from income-eligible households are advertised and processed during the fourth round. The program will continue until the Borough’s Present Need obligation is met, at which point it will conclude.
- *Submission of the program’s rehabilitation manual.* The rehabilitation manual includes length of controls, income qualification criteria, financing terms, amount of money available, eligible repairs, program marketing, staff responsibilities, and application intake procedures. The sample rehabilitation manual is attached as Appendix C.

As noted, the program is intended to continue until the municipality's 47-unit obligation is satisfied. All credits through the county and municipal program will be recorded in the AHMS monitoring system.

Prior Round Obligation

The formulas in Table 22 represent additional requirements pursuant to N.J.A.C. 5:93-5.14 and N.J.A.C. 5:93-5.15:

Table 22. Hightstown Prior Round Formulas

Minimum Rental Units = 10 units

$$\begin{aligned} &.25 (\text{Prior Round obligation} - 20\% \text{ cap} - 1000 \text{ unit cap}) = \\ &.25 (38 - 0 - 0) = .25 (38) = 9.5 \text{ units, rounded up to 10 units} \end{aligned}$$

Minimum Low-Income Units = 14 units

$$.50 (\text{all constructed units}) = .50 (28) = 14 \text{ units.}$$

Maximum Rental Bonus Credits = 10 units

$$\text{No more than the minimum rental obligation} = 10 \text{ units}$$

Maximum Senior Units = 9 Units

$$.25 (\text{Prior Round obligation}) = .25 (38) = 9.5 \text{ units, rounded down to 9 units}$$

Hightstown partially satisfied its Prior Round obligation with 13 units and 10 associated rental bonuses for a total of 23 credits, as shown in Table 29. The existing units being claimed satisfy all of the formula obligations above with the exception of the minimum number of low-income units: The Borough is providing 10 rental units and no age-restricted units. While the Borough has been able to claim all available rental bonuses, it must still provide 15 more affordable units, including six low-income units, above what is already available. The Borough's efforts to do this are discussed below under **Remaining Obligation**. In satisfying a municipal obligation, there is some leeway in moving units between rounds to the best advantage of the municipality; thus units built in the Third Round may be used in the Prior Round. That is what is occurring in Table 23, in order to maximize the number of rental bonus credits that may be used.

Table 23. Credits Towards Hightstown's 38-Unit Prior Round Obligation.

Housing Sites	Rental	For-Sale	Bonus	Total
Holly House (Bl 59/Lt 5.02) – Alternative Living Facility; existing	10	0	10; maximum permitted	20
Spring Crest Group Home (Bl. 55/Lot 4) – Alternative Living Facility; existing	3	0	0	3
Total Prior Round: 38-unit Obligation	13	0	10	23
To Be Satisfied				15 units

Of the 38 needed credits in the Prior Round, 28 will need to be actual constructed units. Of this number, 14 are required to be low income; eight are low income, five from Holly House units and all three of the Spring Crest units. Following are descriptions of the housing sites.

Alternative Living Arrangements-Prior Round

Holly House

Holly House (114 Dey Street; Block 59, Lot 5.02; see letter C on the Affordable Housing Sites Map on p. 37) was until the end of 2012 a 10-bedroom Class C boarding home. The facility was first deed-restricted at the end of 1992. The property was sold in 2008 and the new owner opted not to extend the affordability controls. However, the Borough may claim 10 affordable units and 10 associated rental bonuses for the Prior Round for this residential building. Documentation of controls on the Holly House units may be found in Appendix D.

Spring Crest Group Home

The Spring Crest Group Home, also known as the Hightstown Group Home, is a three-bedroom facility at 114 Spring Crest Drive (Block 55, Lot 4; see letter E on the Affordable Housing Sites Map on p. 37). It was purchased in 1987 by the Center for Innovative Family Achievements, which organization was bought by SERV in 1996. SERV continues to own and operate the facility. The group home originally had 20-year affordability controls that expired in 2007, and in 2013 the Borough executed an agreement with SERV to impose new controls for another 20 years. The Borough is claiming three credits for the three bedrooms (credit for group homes is by the bedroom) in the Prior Round, and three units with three associated rental bonus credits for the extension of controls on the facility in the Third Round. A special-needs facility survey, a current license, and the extension of controls deed restriction may be found in Appendix E.

Third Round Obligation

As previously indicated, the Borough's Third Round obligation is 68 units.

The formulas in Table 24 represent the compliance requirements pursuant to N.J.A.C. 5:93-5.14, N.J.A.C. 5:93-5.15, and the New Jersey Fair Housing Act:

Table 24. Hightstown Third Round Formulas

Minimum Rental Obligation = 17 units

$$.25 \text{ (obligation)} = .25 (68) = 17 \text{ units}$$

Maximum Rental Bonus = 17 units

No more than the minimum rental obligation = 17 units

Minimum Family Rental Units = 9 units

$$.50 \text{ (Third Round minimum rental obligation)} = .50 (17) = 8.5 \text{ units, rounded up to 9 units}$$

Maximum Senior Units = 17 units

$$.25 \text{ (obligation)} = .25 (68) = 17 \text{ units}$$

Minimum Total Family Units = 26 units

$$.50 \text{ (obligation – rental bonuses)} = .50 (68-17) = .50(51) = 25.5 \text{ units, rounded up to 26 units}$$

Minimum Low-Income = 26 units

$$.50 \text{ (all constructed units)} = .50 (51) = 25.5 \text{ units, rounded up to 26 units}$$

Hightstown has partially satisfied its Third Round obligation with 21 existing, approved and proposed units and 15 of 17 permitted associated rental bonuses for a total of 36 credits, as shown in Table 25. The existing units being claimed satisfy some but not all of the formula obligations listed in Table 24, as follows:

- The Borough is providing 15 rental units, the majority of which are non-family units, so it will be required to provide six more family rental units in order to comply with both the minimum rental obligation and the minimum family rental obligation. As a result it is only able to claim 15 of 17 available rental bonuses, but reserves the right to claim the remaining two bonuses when it has a firm commitment for the development of at least two additional affordable family rental units;
- The Borough is providing nine total family units and will need to provide the opportunity for 17 more;
- The Borough is not claiming any age-restricted units;
- The Borough is providing 13 low-income units, and will need to provide the opportunity for 14 more;

- The Borough is providing three very low-income units, and will need to provide the opportunity for eight more in order to satisfy both the very low-income requirement and the very low-income family requirement. These units also count toward the required low-income total.

The Borough's efforts to meet these obligations are discussed below under the heading **Remaining Obligation**.

Table 25. Credits Towards Hightstown's 68-Unit Third Round Obligation.

Housing Mechanism	Rental	For-Sale	Bonus	Total
Habitat for Humanity – 100% affordable family for-sale; scattered sites; existing, approved and proposed		6		6
Spring Crest Group Home (Bl 55/Lt 4) – alternative living facility; existing	3		3	6
Randolph Boarding Home (Bl 38/Lt 1) – alternative living facility; existing	9		9	18
William Street (Bl 13/Lt 24.02) – inclusionary family rentals; existing	3		3	6
Total Third Round: 68-unit Obligation	15	6	15	36
To Be Satisfied				32 units

Of the 68 needed credits in the Third Round, 51 need to be actual constructed units, assuming that all of the rental bonus credits can eventually be achieved. Of this number, 26 are required to be low income; 13 are low-income (one Habitat unit, three Spring Crest group home bedrooms, seven Randolph Street Boarding Home bedrooms, and two William Street units), of which all three of the Spring Crest units also count as very low-income units with controls imposed after 2008.¹⁹ These projects are described below:

100% AFFORDABLE FAMILY FOR-SALE – EXISTING, APPROVED, AND PROPOSED – THIRD ROUND

Habitat for Humanity

For almost 15 years the Borough has worked with the local chapter of Habitat for Humanity to create homeownership opportunities for low- and moderate-income households. The Borough is claiming credit for the following six units, which are in varying stages of completion by Habitat for Humanity as noted below:

250 Academy Street. (Block 40, Lot 28 – see letter B on the Affordable Housing Sites Map on page 37) – one unit, completed: The Borough purchased this property out of foreclosure in 2009 and sold it to Habitat for Humanity, which constructed an affordable single-family home. A deed restriction of at least 30 years was imposed on the unit in 2010.

¹⁹ - Income levels on some units may still need to be verified through crediting documentation.

CGP&H, the Borough's designated affordable housing administrative agent, administers the unit and reports it is a three-bedroom, low-income unit, which received its certificate of occupancy in 2010.

226, 228, 230, and 232 Academy Street. (Block 40, Lots 22, 23 and 24, now consolidated and re-subdivided as Lots 22.01, 22.02, 22.03 and 22.04; 224, 226, 230 and 232 Academy Street – see letter B on the Affordable Housing Sites Map on page 37) – four units, approved and/or constructed. In 2011, Habitat for Humanity received Planning Board approval to construct two duplex residences on these lots, for a total of four affordable units. In 2012 the Borough authorized the transfer of \$200,000 in affordable housing trust funds to facilitate the units' construction. The unit at 232 Academy Street, which CGP&H notes is a three-bedroom unit, had a deed restriction imposed in November 2021 and notes the unit is affordable to a moderate-income buyer. The unit at 230 Academy Street, also a moderate-income unit, was transferred to a qualified purchaser in March 2022. Construction has not yet started on the units at 226 and 228 Academy Street.

Documentation for all Habitat for Humanity units may be found in Appendix F.

INCLUSIONARY FAMILY RENTALS – THIRD ROUND

132C, 132E and 132F William Street

In 2017 the property at Block 13, Lot 24.02 (letter A on the Affordable Housing Sites Map on page 37) was developed with six apartments, three of which have 30-year affordability controls imposed on them. Of the three, two two-bedroom units are designated as low-income units and one three-bedroom unit is designated as a moderate-income unit. The three units are administered by CGP&H, the Borough's affordable housing Administrative Agent. Appendix G contains a copies of the deed restriction and certificate of occupancy.

ALTERNATIVE LIVING FACILITIES – THIRD ROUND

Spring Crest Group Home

As noted above under Prior Round, the Borough is claiming three credits and three associated rental bonuses for the extension of controls executed between the Borough and SERV for SERV's three-bedroom group home at 114 Spring Crest Drive. Please see the Prior Round description for additional information.

Randolph Street Boarding Home

This is an existing Class A boarding facility at 278 Academy Street (Block 38, Lots 1 and 2 – see letter D on the Affordable Housing Sites Map on page 37), with nine income-restricted bedrooms: two designated for moderate-income households and seven for low-income households. The units were deed-restricted for 30 years beginning in 2017, in return for a payment to the owner of \$111,000 from the Borough's affordable housing trust fund. The Borough is claiming credit for nine units plus nine associated rental bonuses from this facility. The deed restriction may be found in Appendix H.

Remaining Obligation

The Borough acknowledges that it has not yet fully met its Prior Round or Third Round affordable housing obligations. Table 26 below summarizes the obligations yet to be satisfied.

Table 26. Prior Round/Third Round Remaining Obligation

Requirement	Obligation	Provided	Remaining
Prior Round Total	38	23	15
<i>Prior Round Low-Income Units</i>	14	8	6
Third Round Total	68	36	32*
<i>Third Round Rental Units</i>	17	15	2
<i>Third Round Family Rental Units</i>	9	3	6
<i>Third Round Family Units</i>	26	9	17
<i>Third Round Low-Income Units</i>	26	12	14
Very Low-Income Units Since 2008	11	3	8
<i>Very Low-Income Family Units Since 2008</i>	6	0	6
Total Units Required	106	59	47

* - Two of these may be satisfied by rental bonuses as soon as the Borough has a firm commitment for the development of affordable family rental units.

In addition to the specific water and sewer conveyance information noted with each site, a letter dated March 18, 2022 from the Borough Engineer, Carmela Roberts, PE, CME, indicates that there is sufficient water supply and sewer treatment capacity to accommodate all the proposed inclusionary developments listed below (Appendix I). Following are the proposed means to satisfy the remaining obligations of the allocated affordable housing numbers in Hightstown.

Inclusionary Zoning and Inclusionary Overlay Zoning

The Planning Board has examined opportunities throughout the Borough for the provision of additional affordable housing. Table 27 below lists the properties the Planning Board believes offer the greatest opportunity for development or redevelopment in a manner that would provide affordable units on an inclusionary basis – that is, as part of a larger development that also includes market-rate housing units. Typically, the percentage of affordable units in a development project ranges from 15% to 20%, but is sometimes higher if particular incentives or outside governmental programs can be tapped. In this document, 20% is assumed because in many instances a developer will have additional ideas and propose redevelopment for which the a higher setaside can be achieved. A draft inclusionary zoning ordinance is included as Appendix J.

Each of the sites is discussed in greater detail below. As Table 27 demonstrates, the Borough has sufficient opportunity via these properties to satisfy its entire Prior Round and Third Round obligations, even if not all of the proposed sites eventually generate the anticipated

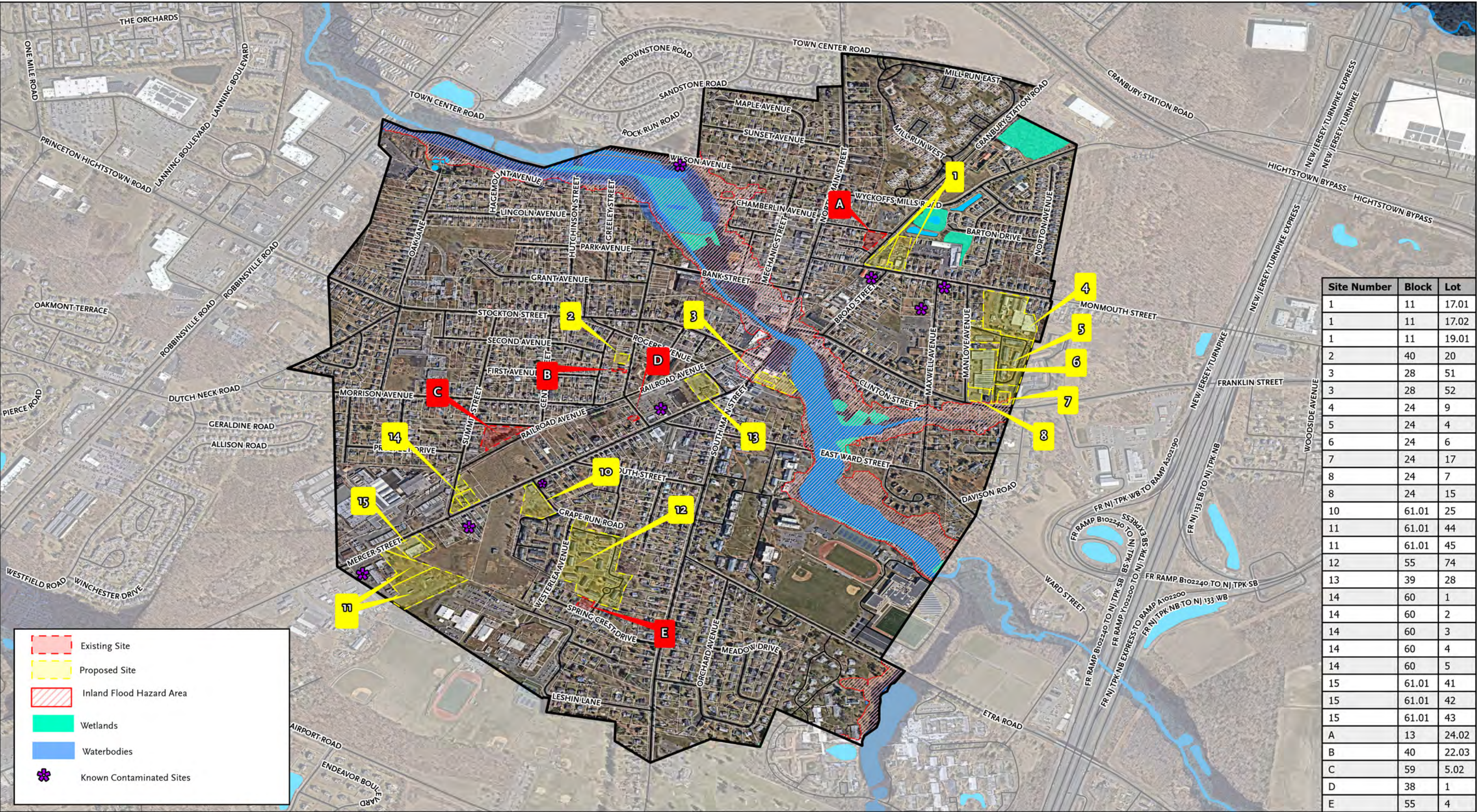
number of affordable units, because collectively they generate a surplus of affordable dwellings. More information about each site is set forth following Table 27.

Table 27. Prior Round and Third Round Inclusionary Affordable Housing Sites

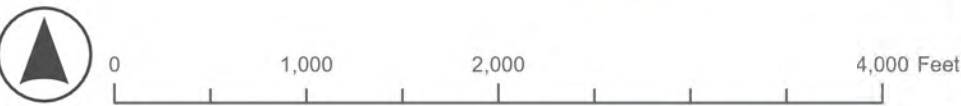
Site No.*	Address Block and Lot	Gross Acreage	Developable Acreage	Total Potential New Units	Minimum Affordable Units at 20% Setaside	Total New Affordable Units
1	Broad and Monmouth Streets Block 11, Lots 17.01, 17.02, and 19.01	2.15	2.15	25 @ 12 units/acre	5	5
2	216-222 Academy Street Block 40, Lot 20	0.28	0.28	4	1	1
3	Site 3, 105 Main Street, has been moved to the 4th Round					-
4	278 Monmouth Street Block 24, Lot 9	4.18	4.18	75 @ 18 units/acre**	15	15
5,6,7	115 Manlove Avenue and 315 Franklin Street Block 24, Lots 6 and 17 (but not Lot 5)	2.76	2.76	38 @ 14 units/acre	7.6	8
8	265 Franklin Street Block 24, Lots 7 & 15	0.74	0.74	10 @ 14 units/acre	2	2
9	Site 9, 207 Grant Street, is a Habitat for Humanity project, but not creditworthy					-
10	319 Mercer Street Block 61.01, Lot 25	1.5	1.5	21 @ 14 units/acre	4.2	4
11	415 Mercer Street Block 61.01, Lots 44 and 45	5.0	5.0; may be less (see below)	60 @ 12 units/acre	12	12
12	25 Westerlea Avenue Block 55, Lot 74	8.4	8.4	44 @ 18 units/acre	8.84	9
Total Potential Affordable Units						56
Surplus Above 47-Unit Unsatisfied Obligation						9

* Site numbers in this table and the narrative below refer to the map on the next page.

** Density increased from 14 units to the acre to 18 units to the acre in this housing plan.



Site Number	Block	Lot
1	11	17.01
1	11	17.02
1	11	19.01
2	40	20
3	28	51
3	28	52
4	24	9
5	24	4
6	24	6
7	24	17
8	24	7
8	24	15
10	61.01	25
11	61.01	44
11	61.01	45
12	55	74
13	39	28
14	60	1
14	60	2
14	60	3
14	60	4
14	60	5
15	61.01	41
15	61.01	42
15	61.01	43
A	13	24.02
B	40	22.03
C	59	5.02
D	38	1
E	55	4



Affordable Housing Sites

LOCATION:
Hightstown Borough, Mercer County, NJ

DATE:
April 2025

SOURCE:
Aerial Imagery
Nearmap (October 5, 2024)

Site Suitability For Prior and Third Round Sites

Broad and Monmouth Streets (Block 11, Lots 17.01, 17.02, 19.01; site #1): These three lots, totaling 2.15 acres on the north side of Monmouth Street east of Cranbury Station Road where Broad Street dead-ends, currently house low-density automotive-oriented uses, but are adjacent to residential uses. The Borough has adopted inclusionary zoning on the lots that permits residential development provided it contains an affordable setaside at a density of 12 units per acre with a 20% affordable housing, which could produce five affordable units.

As required in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- *Site Control (availability).* The lots have no known title defects or deed restrictions that preclude development of affordable housing.
- *Suitability.* The lots have adequate frontage on Monmouth Street, which is County Route 633, and Cranbury Station Road. Across Cranbury Station Road are townhouses and low-rise apartments, and across Monmouth Street are low-rise commercial establishments. The lots are adjacent to the R-3 single-family zoning district to the east on Monmouth Street; the AA Active Adult Age-Restricted Single-Family zoning district to the north; and the R-4 single-family and R-PMF Planned Multi-Family residential districts across Cranbury Station Road. The R-PMF district includes the existing affordable units on William Street.
- *State Plan.* Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- *Adequate Sewer and Water (developability).* The site is located in a sewer service area and a public water area. Water and sewer have been installed along Monmouth Street and Cranbury Station Road. Adequate water and sewer has been determined to exist for this site by the Borough Engineer.
- *Approvability.* Development of the site can be accomplished consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- *Environmental Constraints and Regulations.* Any inclusionary development will comply with all applicable environmental regulations. The lots contain no steep slopes, wetlands, stream corridors, flood hazard areas, or known environmental contamination that could prevent their development as contemplated.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- *Administrative Entity.* The Borough will require that the residential developer engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 40-year affordability controls on the anticipated rental units, and provide long-term administration of the units in accordance with rules at N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Very Low-, Low- and Moderate-Income Distribution.* At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- *Affirmative Marketing.* The affordable units will be affirmatively marketed in accordance with N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Controls on Affordability.* As noted, the affordable units will have minimum 40-year affordability controls for rental units.
- *Bedroom Distribution.* The distribution of the number of bedrooms will follow UHAC regulations.

216-222 Academy Street (Block 40, Lot 20; site #2): There are existing approvals for development of four units on this vacant lot, currently owned by Ordonez Realty (included as Appendix K). The approvals require one of the four units to be affordable. To date construction has not started, but the Borough is relying on the future development to produce one affordable unit. A letter from the Borough Engineer indicates that existing water and sewer conveyance systems can accommodate the additional four units from this site.

Eastern Downtown Gateway (sites #4 thru #8). This area comprises several lots that have been rezoned to address the Third Round and one is proposed to increase in density to potentially create additional affordable units in the Fourth Round. The concept allows redevelopment into an inclusionary residential zone permitting commercial/retail uses along Franklin and Monmouth Streets and residential development above and behind these commercial/retail uses at a density of 14 units per acre with a 20% affordable housing set-aside. This section of town has the Townhouse Garden Apartment complex on Manlove Avenue and the new zoning is located to the south along Franklin St. (NJ Rt. 33), Manlove Avenue to the west and along Monmouth Street to its northeast encompassing Empire Antiques, also known as Antique Depot. A total of 23 affordable units could be produced at the acreage and densities proposed. The area includes the following properties:

115 Manlove Avenue and 315 Franklin Street (Block 24, Lots 6 and 17): These lots comprise the Comisky Nurseries property. Lot 6 and Lot 17 have frontage on Franklin

Street. At the proposed density of 14 units per acre, these two lots could produce eight affordable units.

265 Franklin Street (Block 24, Lot 7): This lot contains a small single-family residence, used as rental property. At the zoned density of 14 units per acre, this lot could yield one affordable unit; here it has been paired with Franklin Street, below, to make for a larger parcel.

Franklin Street (Block 24, Lot 15 – no street address): This is a U-shaped lot, currently vacant, that surrounds Lot 9 (above) on three sides. At the zoned density of 14 units per acre, this property could produce one affordable unit.

278 Monmouth Street (Block 24, Lot 9): This lot, houses the Empire Antiques/Antique Depot business. At the density of 14 units per acre it is zoned for in the Third Round, this property could produce 12 affordable units. For the Fourth Round, the density is proposed to increase to 18 units to the acre and 15 affordable units.

As required in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low- and moderate-income housing. As demonstrated below, these lots meet the following criteria.

- *Site Control (availability).* The lots have no known title defects or deed restrictions that preclude development of affordable housing.
- *Suitability.* The lots have adequate frontage on Franklin Street, which is state Route 33, Manlove Avenue and Monmouth Street.
- *State Plan.* Development of the lots is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over them. The lots are located in a smart-growth planning area. The adopted 2001 State Plan designates them as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- *Adequate Sewer and Water (developability).* The lots are located in a sewer service area and a public water area. Water and sewer have been installed along most street frontages. A letter from the Borough Engineer, Carmela Roberts, PE CME, dated March 18, 2022 indicates the following:
 - ♦ For all lots, the water system may not currently be able to provide adequate fire flow. Fire flow tests will be required, and an upgrade may be necessary, depending on results.
 - ♦ It is not clear how the property at 315 Franklin and the U-shaped vacant lot on Franklin Street (Block 24, Lot 15) are provided sanitary sewer service, if it is provided today, and an extension of the sewer main may be required in order to provide sewer service to these lots if such an extension is lacking today.

- ♦ In order to provide sewer service to the lot at 265 Franklin Street, an extension of the sewer main must be constructed and connected to the existing main on Manlove Avenue.
- *Approvability.* Development of the lots can be accomplished consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1, et seq. The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- *Environmental Constraints and Regulations.* Development will comply with all applicable environmental regulations. The lots contain no steep slopes, wetlands, stream corridors, flood hazard areas, or known environmental contamination that could prevent their development as contemplated.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- *Administrative Entity.* The Borough will require that any residential developer engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 40-year affordability controls on the family rental units, and provide long-term administration of the units in accordance with rules at N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Very Low-, Low- and Moderate-Income Distribution.* At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- *Affirmative Marketing.* The affordable units will be affirmatively marketed in accordance with N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Controls on Affordability.* As noted, the affordable units will have minimum 40-year affordability controls.
- *Bedroom Distribution.* The distribution of the number of bedrooms will follow UHAC regulations.

319 Mercer Street (Block 61.01, lot 25; site #10): This 1.5-acre lot is the site of the Tornquist Garage. The garage no longer is operational and is being used to house the personal property of the family who owns it. The Borough rezoned the property to the R-MF district which permits inclusionary residential development at a density of 12 units per acre with a 20% affordable housing set-aside, which could produce four affordable units. In addition, the association that manages the adjacent Cedar Hill Cemetery has expressed interest in selling a small parcel adjacent to Lot 25, which would allow for greater frontage along Mercer Street and a more regular lot shape. Should that transpire, the resulting larger lot may yield one more affordable unit. Because of the uncertainty

of such a transaction, however, this potential additional unit has not been included in the total potential yield for the site.

As required in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- *Site Control (availability)*. The lot has no known title defects or deed restrictions that preclude development of affordable housing.
- *Suitability*. The lot has adequate frontage on Mercer Street (NJ Rt. 33) and even more on Grape Run Road which is primarily a residential street. The lot and the gas station across Grape Run Road are both zoned HC-Highway Commercial, but the lot is otherwise surrounded by various residential zoning districts. To its west and across Route 33 are portions of the Cedar Hill Cemetery, respectively part of the R-1 and R-4 residential zoning districts, and behind the lot are the Westerlea and Deerfield apartments, zoned R-MF, Residential Multi-Family. The Westerlea apartment complex has been rezoned to allow a higher density and about 45 additional units in return for the deed restriction of affordable units in an R-MF 18 district.
- *State Plan*. Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- *Adequate Sewer and Water (developability)*. The site is located in a sewer service area and a public water area. Water and sewer have been installed along Mercer Street. The Borough Engineer indicates that existing water and sewer conveyance systems can accommodate the additional 21 units from this lot. The lot will need to connect to the water main on Mercer Street.
- *Approvability*. Development of the site can be accomplished consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- *Environmental Constraints and Regulations*. The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors, flood hazard areas, or known environmental contamination that could prevent its development as contemplated.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- *Administrative Entity.* The Borough will require that the residential developer engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 40-year affordability controls on the units as they are expected to be rental units, and provide long-term administration of the units in accordance with rules at N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Very Low-, Low- and Moderate-Income Distribution.* At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- *Affirmative Marketing.* The affordable units will be affirmatively marketed in accordance with N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Controls on Affordability.* As noted, the affordable units will have minimum 40-year affordability controls for rental units, as anticipated.
- *Bedroom Distribution.* The distribution of the number of bedrooms will follow UHAC regulations.

415 Mercer Street (Block 61.01, Lots 44 and 45; site #11): These lots, totaling five acres at the very southwestern edge of the Borough, comprise the former Lucas Electric site, currently being used by an automotive-oriented retail business and the Borough Police Department (which will be relocating to the former YMCA at 237 Mercer Street). The property was rezoned as a mixed used district with elements of both the Highway Commercial and Residential-Multifamily district at a density of 12 units per acre with a 20% affordable housing set-aside, which could produce 12 affordable units.

As required in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- *Site Control (availability).* The lots have no known title defects or deed restrictions that preclude development of affordable housing.
- *Suitability.* The lots have adequate frontage on Mercer Street, which is State Route 33. The lots are currently zoned HC, Highway Commercial, as are neighboring properties on both sides of Mercer Street. The rear of the lots borders R-1 single-family zoning district.
- *State Plan.* Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- *Adequate Sewer and Water (developability).* The site is located in a sewer service area and a public water area. Water and sewer have been installed along Mercer Street.

A letter from the Borough Engineer indicates that existing water and sewer conveyance systems can accommodate the additional 60 units from these lots.

- *Approvability.* Development of the site can be accomplished consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- *Environmental Constraints and Regulations.* The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors, or flood hazard areas, that could prevent the site producing affordable housing. However, there is a small area of known groundwater contamination toward the front of Lot 45. While any actual development is envisioned to take place on the rear portion of the lot, the extent of contamination may hinder development of affordable units on the site.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- *Administrative Entity.* The Borough will require that the residential developer engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 30-year affordability controls on the units, and provide long-term administration of the units in accordance with rules at N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Very Low-, Low- and Moderate-Income Distribution.* At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- *Affirmative Marketing.* The affordable units will be affirmatively marketed in accordance with N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Controls on Affordability.* As noted, the affordable units will have minimum 30-year or 40-year affordability controls.
- *Bedroom Distribution.* The distribution of the number of bedrooms will follow UHAC regulations.

25 *Westerlea Avenue* (Block 55, Lot 74; site #12): These 8.4 acres are the site of the Westerlea Apartments, currently developed at a density of just over 12 units per acre. The Borough has amended the R-MF zone, which includes the Westerlea Apartments, to create a new sub-zone called R-MF 18 that has increased the allowed density on the site to 18 units to the acre. As a conditional use on the site, additional housing units can be developed if an affordable housing setaside of 20% is created, which may be addressed through the deed restriction of existing units at the garden apartment complex that meet the appropriate number of bedrooms. This will give the owner of the complex the option to

construct new apartments with presumably higher rents. This could potentially produce 44 new apartments and 9 affordable ones.

As required in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- *Site Control (availability)*. It is anticipated that the current owner of the existing Westerlea Apartments would take advantage of the conditional-use provisions.
- *Suitability*. The property has access to Mercer Street via Westerlea Avenue and Grape Run Road, and access to Main Street via Spring Crest Drive. The property is currently zoned R-MF18, which allows multi-family residential development at a maximum density of 18 units per acre with a 20% setaside on the increased units from the existing 107 units.
- *State Plan*. Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- *Adequate Sewer and Water (developability)*. The site currently has water and sewer service and the Borough Engineer has determined that the existing water and sewer conveyance systems can accommodate the additional 44 units from this site.
- *Approvability*. Development of the site can be accomplished consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- *Environmental Constraints and Regulations*. The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors, flood hazard areas, or known environmental contamination that could prevent its development as contemplated.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- *Administrative Entity*. The Borough will require the residential developer to engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 40-year affordability controls on the units for the anticipated family rental units, and provide long-term administration of the units in accordance with rules at N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.

- *Very Low-, Low- and Moderate-Income Distribution.* At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- *Affirmative Marketing.* The affordable units will be affirmatively marketed in accordance with N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Controls on Affordability.* As noted, the affordable units will have minimum 40-year affordability controls.
- *Bedroom Distribution.* The distribution of the number of bedrooms will follow UHAC regulations.

FOURTH ROUND OBLIGATION

As mentioned above, the Borough's Fourth Round Prospective Need obligation is 35 units. The following formulas summarize the minimum or maximum number of Fourth Round bonuses, affordable family rental units, senior units, low-income, and very low-income units:

Table 28. Hightstown Fourth Round Formulas

Maximum Bonuses = 8 units

$$.25 \text{ (obligation)} = .30 \text{ (35)} = 8.75 \text{ units, round down}$$

Minimum Family Rental Units = 14 units

$$.50 \text{ (obligation - claimed bonuses)} = .50 \text{ (35 - 8)} = 13.5 \text{ units, rounded up}$$

Maximum Senior Units = 8 units

$$.30 \text{ (obligation - claimed bonuses)} = .30 \text{ (35 - 8)} = 8.1 \text{ units, rounded down}$$

Minimum Low-Income = 14 units

$$.50 \text{ (obligation - claimed bonuses)} = .50 \text{ (35 - 8)} = 13.5 \text{ units, rounded up}$$

Minimum Very Low-Income Units = 4 units

$$.13 \text{ (Fourth Round obligation - bonuses)} = .13 \text{ (35 - 8)} = 3.51 \text{ units; rounded up to 4 units}$$

Minimum Very Low-Income Family Rental Units = 2 units

$$.50 \text{ (required very low-income units)} = .50 \text{ (4)} = 2 \text{ units}$$

Hightstown proposes to address its Fourth Round obligation using inclusionary zoning on several properties in the Borough. Table 29 below lists the properties analyzed by the Affordable Housing Subcommittee of the Planning and that offer the best opportunity for development or redevelopment in a manner that would provide affordable units in the Borough. Each of the sites is discussed in greater detail below. With the adoption of this document, the Planning Board recommends the proposed rezoning of, or adoption of inclusionary overlay zoning on, the following sites to permit the residential density and mandatory set-aside noted in the table. A draft ordinance is found in Appendix J.

Table 29. Fourth Round Inclusionary Housing Sites

Site No.*	Address Block and Lot	Gross Acreage	Developable Acreage	Total Potential New Units	Minimum Affordable Units at 20% Setaside	Total New Affordable Units
3	105 Main Street (Wells Fargo) Block 28, Lots 51-53	1.33	1.33	88	17.6, rounded up to 18	18
13	140 Mercer St. (Lakeland Bank) Block 39, Lot 28	1.2	1.2	21@ 18 units/ac.	4.2	4
14	Summit at Mercer St. Block 60, Lots 1-5	1.12	1.12	13@12 units/ac.	2.6	3
15	Michael's Plaza Block 61.01; Lots 39, 41-43	1.37	1.37	24@18 units/ac.	4.8	5
Total Affordable Units						30
Redevelopment Bonuses from 105 N. Main St.						8
Surplus from Third Round						9
Total Units and Bonuses for Fourth Round						47
Fourth Round Prospective Need						35
Fourth Round Surplus						12

* Site numbers in this table and the narrative below refer to the map on page 35.

Court Directive #14-2024 includes a new requirement for housing plans whenever unbuilt and 100% affordable housing sites are included as part of a municipality's compliance mechanisms. Not only must a housing plan include a site suitability assessment for each proposed site, but it is also required to include a list of sites that were considered and not included, along with a reason for not including them in the housing plan. Table 30, Inclusionary Housing Site Considered and Not Included, fulfills this requirement.

Table 30. Inclusionary Housing Sites Considered and Not Included

Name Block and Lot	Acreage	Description	Reasons for Non-Inclusion
Krauser's Shopping Center, State-Wide Moving, Broad Auto Service, Jersey Girls Pet Grooming, SFDs, Rise/ Block 26; Lots 22.01, 25, 26, 27.01, 28, 29.01, 30.01	3.77	West Side of Broad Street from Franklin Street to Monmouth Street	Many viable businesses would be affected by change in zoning to residential use
St. Anthony of Padua Roman Catholic Church / Block 27; pt. Lot 47.01	2±	Northern part of lot on parking area and grassed land	Aerial photos indicate full use of property; landowner unlikely seller
City Auto Center/ Block 39, Lots 5 & 6	0.41	On Mercer St. next to post office.	Small tract would yield only one potential affordable unit.
AAMCO Transmission Repair/ Block 48, Lot 28	1.28	On Mercer St. at corner with Summit.	Backs up to soft goods warehousing with heavy truck traffic; little space for buffering.
Mercer Street Residences / Block 56, Lots 24-31	1.5	On east side of south of Academy consisting of SFD, Duplexes and Quadraplexes	Diverse title would necessitate redevelopment designation, but structures exhibit few appropriate characteristics.
Mercer Street Businesses / Block 61.01, Lots 31-40	6.01	Includes, Cedar Hill Cemetery, Verizon, LSC Mechanical, and two residences	Unlikely willing sellers and awkward property geometries. Diverse title would necessitate redevelopment designation, but structures exhibit few appropriate characteristics.

Site Suitability For Fourth Round Sites

105 Main Street, Wells Fargo (Block 28, Lots 51, 52 and 53; site #3): The Borough has been approached by a developer with a proposal to redevelop the site with a mixed commercial and residential project. The site has undergone preliminary investigation per the Local Redevelopment and Housing Law, the public hearing has been held by the Planning Board, recommendation made to Borough Council and the site designated an area in need of non-condemnation redevelopment. A sub-committee has been negotiating with the landowner and an agreement in principle to allow 88 units and 6,000 sf. of retail development has been made. Borough policy is for a 20% setaside for new redevelopment projects. Once the parameters of the redevelopment have been reduced to writing, a redevelopment plan will be produced so the development regulations match

up with the agreement. For purposes of this housing plan, the setaside is 17.6 units, rounded up to 18 affordable family rental units. The affordable units will be required to be provided on-site.

As required in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- *Site Control (availability).* The site has no known title defects or deed restrictions that preclude development of affordable housing.
- *Suitability.* The site is currently occupied by the former Wells Fargo Bank building and associated parking. It has adequate frontage on Main Street, which is state Route 33, and it backs up to Peddie Lake. Adjacent to the site and across Main Street are two- and three-story buildings with retail and commercial space on the ground floor and apartments and offices above. As noted above, the site is currently in the Downtown Core zoning district, which permits apartments above ground-floor commercial uses.
- *State Plan.* Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- *Adequate Sewer and Water (developability).* The site is located in a sewer service area and a public water area. Water and sewer have been installed along Main Street. It is anticipated that the existing water and sewer conveyance systems can accommodate the additional 88 units from this site.
- *Approvability.* Development of the site can be accomplished consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- *Environmental Constraints and Regulations.* The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, or known environmental contamination that could prevent its development with the proposed housing project. It is next to Peddie Lake, however, and development will need to adhere to the flood hazard or stream encroachment regulations pertaining to its location. This has been examined and despite recent changes to the flood hazard rules, it is believed to remain a viable redevelopment site. Peddie Lake and the part of its edge that is wooded or grassed is habitat for the endangered wood turtle. Because the former bank has impervious surface down to the edge of the lake, it is understood that this does not represent the turtle's habitat and while improvements to present conditions will be required, it is not expected to preclude the proposed redevelopment as conceived.

In addition to site suitability, the developer of the redevelopment project will be required to meet the applicable requirements of UHAC:

- *Administrative Entity.* The Borough will require that the residential developer engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 30-year affordability controls on the units for-sale and 40-year for rental units, and provide long-term administration of the units in accordance with rules at N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Very Low-, Low- and Moderate-Income Distribution.* At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- *Affirmative Marketing.* The affordable units will be affirmatively marketed in accordance with N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Controls on Affordability.* In accordance with the amended FHA, the affordable rental units will be required to minimum 40-year affordability controls.
- *Bedroom Distribution.* The distribution of the number of bedrooms will follow UHAC regulations.

A concept plan for how the redevelopment of this site might be accomplished, supplied by the landowner, is included as Appendix L.

140 Mercer Street – Lakeland Bank (Block 39, Lot 28; site #13): The former First Constitution Bank, which was acquired by Lakeland Bank which itself was acquired by Provident Bank of New Jersey and closed in 2024. The property currently for sale with the prospects of continued use as a banking institution unlikely. Redevelopment into a mixed use building with commercial sales or services on the first floor and three floors of residential units above that could generate a total of 21 units, or 7 units per floor, with 4 of these units as affordable.

As required in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- *Site Control (availability).* The site has no known title defects or deed restrictions that preclude development of affordable housing.
- *Suitability.* The property has access to Mercer Street and Rogers Avenue. The property is currently zoned DTC and would be the subject of additional zoning controls for a site specific conditional use requiring the provision of mixed use on

the site with the residential portion requiring a 20% setaside for affordable housing at a maximum density of 18 units per acre.

- *State Plan.* Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- *Adequate Sewer and Water (developability).* The site currently has water and sewer service. The existing water and sewer conveyance systems can accommodate the additional 21 units from this site.
- *Approvability.* Development of the site can be accomplished consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- *Environmental Constraints and Regulations.* The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors, flood hazard areas, or known environmental contamination that could prevent its development as contemplated.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- *Administrative Entity.* The Borough will require the mixed use developer to engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 40-year affordability controls on the units for the anticipated family rental units, and provide long-term administration of the units in accordance with rules at N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Very Low-, Low- and Moderate-Income Distribution.* At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- *Affirmative Marketing.* The affordable units will be affirmatively marketed in accordance with N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Controls on Affordability.* As noted, the affordable units will have minimum 40-year affordability controls.
- *Bedroom Distribution.* The distribution of the number of bedrooms will follow UHAC regulations.

Though no conceptual plan is available for the site, it presently contains 43 parking spaces that is more than adequate for 21 units and 3,000 sf. of retail space, provided the residential development is built above the surface parking that occupies the rear of the site.

Summit Street at Mercer Street (Block 60, Lots 1-5; site #14): These lots, totaling 1.12 acres at the point where Summit intersects Mercer are located in between the western side of Cedar Hill Cemetery and across the street from AAMCO and the Victorian Classics factory. The tract consists of one commercial property, and four residential ones with three owners, each of which could take advantage of the new zoning that will be placed on the property of R-MF. The tract can accommodate 13 total units and 3 affordable units.

As required in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- *Site Control (availability)*. The lots have no known title defects or deed restrictions that preclude development of affordable housing.
- *Suitability*. The lots have adequate frontage on Mercer Street, which is State Route 33. The lots will be rezoned for R-MF which permits 12 units per acre with a 20% setback.
- *State Plan*. Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- *Adequate Sewer and Water (developability)*. The site is located in a sewer service area and a public water area. Water and sewer have been installed along Mercer Street. Existing water and sewer conveyance systems can accommodate the additional 13 units from these lots.
- *Approvability*. Development of the site can be accomplished consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- *Environmental Constraints and Regulations*. The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors, or flood hazard areas, that could prevent the site producing affordable housing.

In addition to site suitability, any developer on the tract will be required to meet the applicable requirements of UHAC:

- *Administrative Entity*. The Borough will require that the residential developer engage an administrative agent, as required by Article 28-17 of the Borough Code

as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 30-year affordability controls on the units, and provide long-term administration of the units in accordance with rules at N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.

- *Very Low-, Low- and Moderate-Income Distribution.* At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- *Affirmative Marketing.* The affordable units will be affirmatively marketed in accordance with N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Controls on Affordability.* As noted, the affordable units will have minimum 30-year or 40-year affordability controls.
- *Bedroom Distribution.* The distribution of the number of bedrooms will follow UHAC regulations.

Michael's Plaza - (Block 61.01, 41-43; site #15): Michael's Plaza is an eight store in-line strip center built between 1972 and 1979 with the Crescent Laundromat beside it, totaling 1.37 acres in area. The center is an old design with parking spaces directly in front of the stores, and the laundromat has spaces with direct access from the state highway (NJ Rt. 33). The zoning to be applied to the property, the R-MF18 district will create an incentive to redevelop the site into a mixed use building with commercial sales or services on the first floor and residential units on the upper floors within walking distance of the high school, which is directly to the rear of the property. Redevelopment provides the opportunity for a total of 24 units of which 5 would be affordable units.

As required in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- *Site Control (availability).* The site has no known title defects or deed restrictions that preclude development of affordable housing.
- *Suitability.* The property has access to Mercer Street, State Route 33. The property is currently zoned HC and would be rezoned to R-MF18 requiring a 20% setback for affordable housing at a maximum density of 18 units per acre.
- *State Plan.* Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- *Adequate Sewer and Water (developability).* The site currently has water and sewer service. The existing water and sewer conveyance systems can accommodate the additional 24 units from this site.

- *Approvability.* Development of the site can be accomplished consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- *Environmental Constraints and Regulations.* The tract will comply with all applicable environmental regulations. The tract contains no steep slopes, wetlands, stream corridors, flood hazard areas, or known environmental contamination that could prevent its development as contemplated.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- *Administrative Entity.* The Borough will require the mixed use developer to engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 40-year affordability controls on the units for the anticipated family rental units, and provide long-term administration of the units in accordance with rules at N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Very Low-, Low- and Moderate-Income Distribution.* At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- *Affirmative Marketing.* The affordable units will be affirmatively marketed in accordance with N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.
- *Controls on Affordability.* As noted, the affordable units will have minimum 40-year affordability controls.
- *Bedroom Distribution.* The distribution of the number of bedrooms will follow UHAC regulations.

MANDATORY SET-ASIDE ORDINANCE

In 2019 the Borough voluntarily adopted a mandatory affordable housing set-aside ordinance as part of its Affordable Housing Ordinance, §28-17 of the Borough Code which requires all new housing developments to set aside as affordable 15% of new units developed if the units are to be rental units, and 20% of new units developed if the units are to be for-sale units. For assisted-living units, the required set-aside is 10%. In cases where the set-aside calculation does not result in a full integer, the developer may round the set-aside up to the nearest full integer and set aside that number of units as affordable; or, if the partial integer is less than 0.5, the developer may round the set-aside down and provide a fractional payment in lieu of construction for the partial unit, which will be deposited into the Borough's affordable housing trust fund. Exempted from the set-aside requirement are individual single-family and duplex construction if not part of a larger development, and new residential units developed in a

redevelopment area, where the set-aside is permitted to be negotiated as part of the redevelopment agreement.

VERY LOW-INCOME UNITS

Pursuant to the amended FHA (P.L. 2008, c.46), municipalities must ensure that at least 13% of affordable housing units approved and constructed (or to be constructed) after July 17, 2008, are available to very low-income households. If all of the above-listed potential affordable housing sites yield the projected number of affordable units, the Borough's very low-income requirement from existing and proposed units would be 14 units, which it could satisfy with 20 very low-income units. Table 31 summarizes the Borough's affordable housing mechanisms that generate and address the very low-income requirement.

Table 31. Very Low-Income Obligation

Round	Mechanism	Total Post-2008 Units	VLI Units Required	VLI Units Provided	VLI Units to be Provided
Third	Spring Crest Group Home	—	—	3	—
Third	Randolph Boarding Home	9	1.17	7	—
Third	Habitat for Humanity	6	0.78	—	0
Third	William Street	3	0.39	—	0
Third	278 Monmouth Street	15	1.95	—	2
Third	415 Mercer Street	12	1.56	—	2
Third	25 Westerlea Avenue	9	1.17	—	1
Third	115 Manlove Ave/315 Franklin St	8	1.04	—	1
Third	Broad and Monmouth Streets	5	0.65	—	1
Third	319 Mercer Street	4	0.52	—	0
Third	265 Franklin Street/ Franklin Street	2	0.26	—	0
Third	216-222 Academy Street	1	0.13	—	0
Fourth	105 Main Street	18	2.34	—	2
Fourth	Michael's Plaza	5	0.65	—	1
Fourth	140 Mercer Street	4	0.52	—	0
Fourth	Summit at Mercer Street	3	0.39	—	0
Total Family Very Low-Income Units		104	13.52 → 14	20 (19.23%)	

In addition, per the more recently amended FHA (P.L. 2024, c.2) at N.J.S.A. 52:27D-329.1, at least half of very low-income units addressing a Fourth Round Prospective Need must be “available for families with children.” In accordance with the following formulas, the Borough’s Fourth Round obligation must consist of at least four very low-income units, two of which are available to families with children.

Minimum Very Low-Income Units = 4 units

$.13 \text{ (Fourth Round obligation - bonuses)} = .13 (35 - 8) = 3.51 \text{ units; rounded up to 4 units}$

Minimum Very Low-Income Family Rental Units = 2 units

$.50 \text{ (required very low-income units)} = .50 (4) = 2 \text{ units}$

In accordance with Chapter 28-17-16, the Borough will ensure that, as part of any development or redevelopment agreement that includes the development of affordable housing, affordable units will be deed-restricted as available to households earning 30% or less of area median income in accordance with Table 1. In addition, the Borough, depending on the level of affordable housing fees obtained, may allocate funds in its Spending Plan to assist small-scale developers to provide very low-income units, the individual payments for which will be the subject of a developer’s or redeveloper’s agreement.

MULTIGENERATIONAL FAMILY HOUSING CONTINUITY

The FHA requires an HEFSP to provide an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of 23 section 1 of P.L.2021, c.273 (N.J.S. 52:27D-329.20). As of April 2025, no recommendations have been issued by the Commission.

COST GENERATION

The relevant land-use provisions of the Borough Code been reviewed to determine if there are unnecessary cost-generating standards, and the Borough has not identified any that could be characterized in that manner. Development applications containing affordable housing will be reviewed for consistency with the relevant portions of the Borough Code, Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.), the Municipal Land Use Law (N.J.S.A. 40:55D-40.1 through -40.7), and the mandate of the FHA regarding unnecessary cost-generating features. Hightstown will comply with N.J.A.C. 5:93-10.1(a), procedures for development applications containing affordable housing, N.J.A.C. 5:93-10.1(b), and requirements for special studies and escrow accounts where an application contains affordable housing (N.J.A.C. 5:93-10.3).

ADMINISTRATION AND AFFIRMATIVE MARKETING

In 2019, the Borough adopted an Affordable Housing Ordinance in accordance with N.J.A.C. 5:80-26.1 et seq., which may be found in Appendix M. Once DCA and HMFA finalize their

rule proposals (not anticipated before June 30, 2025), The Borough will prepare an updated Fair Share Ordinance in accordance with COAH's rules, DCA's proposed new regulations at N.J.A.C. 5:99, and UHAC's new 2025 regulations that are anticipated to be released shortly. The Fair Share Ordinance will govern the establishment of affordable units in the Borough as well as regulating the occupancy of such units. Hightstown's Fair Share Ordinance covers the phasing of affordable units, the low/moderate income split, including that 13% of all units approved and constructed since 2008 be affordable to very low-income households earning no more than 30% of median income, bedroom distribution, occupancy standards, affordability controls, establishing rents and sales prices, affirmative marketing, income qualification, etc.

In 2008 the Borough established in Subsection 2-25 of the Borough Code the position of Municipal Housing Liaison ("MHL") and enumerated the responsibilities of the position. The Borough will yearly appoint by resolution a Borough employee as the Municipal Housing Liaison. The resolution appointing the MHL for 2025 may be found in Appendix N. The Borough has also retained the services of CGP&H, an experienced and qualified Affordable Housing Administrative Agent, to provide general Administrative Agent services for the Borough.

Once DCA and HMFA finalize their rule proposals (not anticipated before June 30, 2025), the Borough will also prepare an updated Affirmative Marketing Plan in accordance with DCA's proposed new regulations at N.J.A.C. 5:99, UHAC's new 2025 regulations that are anticipated to be released shortly, and any remaining relevant COAH rules not superseded by either the proposed 2025 DCA regulations or the upcoming 2025 revised UHAC rules. Hightstown will adopt an Affirmative Marketing Plan for all affordable housing sites. The Borough's current Affirmative Marketing Plan, included as Appendix N, is designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Hightstown. Additionally, the Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who reside in The Borough's housing region, Region 4, consisting of Mercer, Monmouth, and Ocean Counties.

The Affirmative Marketing Plan lays out the random-selection and income qualification procedure of the administrative agent, which is consistent with COAH's rules and N.J.A.C. 5:80-26.1. All newly created affordable units will comply with the minimum 30-year or 40-year (for rentals) affordability control required by UHAC, N.J.A.C. 5:80-26.1 et seq. This plan is required to be adhered to by all private, nonprofit or municipal developers of affordable housing units and to cover the period of deed restriction or affordability controls on each affordable unit.

Hightstown Borough's current Affirmative Marketing Plan lists FSHC, the Willingboro and South Burlington County chapters of NAACP, the Latino Action Network, and the New Jersey Housing Resource Center among the list of community and regional organizations. The Borough shall, as part of its regional affirmative marketing strategies during its

implementation of this plan, provide notice to those organizations of all available affordable housing units. Hightstown Borough also agrees to require any other entities, including developers or individual or companies retained to do affirmative marketing, to comply with this paragraph. Finally, in accordance with the July 2020 amendment to the FHA, Hightstown will include in its Affirmative Marketing Plan the requirement that all units subject to affirmative marketing requirements be listed on the state Housing Resource Center website.²⁰

DEVELOPMENT FEE ORDINANCE

Hightstown Borough initially adopted a development fee ordinance in 2004, and most recently amended it in 2021 (see Appendix M). It may be found in the Borough Code at §26-10. The ordinance permits collection of residential development fees equal to 1.5% of the equalized assessed value of new residential construction and additions, and mandatory nonresidential development fees equal to 2.5% of the equalized assessed value of new nonresidential construction and additions. Once DCA and HMFA finalize their rule proposals (not anticipated before June 30, 2025), The Borough will prepare an updated development fee ordinance in accordance with DCA's proposed new regulations at N.J.A.C. 5:99, UHAC's new 2025 regulations that are anticipated to be released shortly, any remaining relevant COAH rules, not superseded by either the proposed 2025 DCA regulations or the upcoming 2025 revised UHAC rules as well as to address any terms of the court-approved Third Round FSHC agreement.

SPENDING PLAN

Hightstown Borough's affordable housing trust fund was established on June 23, 2005. As of December 31, 2024, the trust fund maintained a balance of \$51,325.42. A new Fourth Round Spending Plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, has been prepared in accordance with N.J.A.C. 5:93-5.1(c) and is included as Appendix O. All collected revenues are placed in The Borough's Affordable Housing Trust Fund and will be dispensed for the use of affordable housing activities as indicated in the Fourth Round Spending Plan. Once DCA and HMFA finalize their rule proposals (not anticipated before June 30, 2025), The Borough will prepare an updated spending plan in accordance with DCA's proposed new regulations at N.J.A.C. 5:99, UHAC's new 2025 regulations that are anticipated to be released shortly, any remaining relevant COAH rules, not superseded by either the proposed 2025 DCA regulations or the upcoming 2025 revised UHAC rules as well as to address any terms of the court-approved Third Round FSHC agreement.

In general, The Borough intends to use its trust fund revenues to support rehabilitations of owner-occupied and rental units and provide affordability assistance in the form of very-low income unit subsidies to developers constructing inclusionary developments. The Borough may, in the future, seek to amend its Spending Plan and obtain court approval to use its affordable housing trust funds for the following additional permitted affordable housing

²⁰ - <https://njhrc.gov>

activities, including new, emergent affordable housing activities, subject to applicable limitations and minimum expenditures:

- New construction;
- Purchase of land for low- and moderate-income housing;
- Improvement of land to be used for low- and moderate-income housing;
- Extensions and/or improvements of roads and infrastructure to low- and moderate-income housing sites;
- Other assistance designed to render units more affordable.

At least 30% of development fees and interest collected must be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan and for the creation of very low-income units. Additionally, no more than 20% of trust fund revenues collected each year may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a rehabilitation program, a new construction program, an HEFSP, and/or an affirmative marketing program.

The adoption of The Borough's Fourth Round Spending Plan will constitute a "commitment" for expenditure per the FHA at N.J.S.A. 52:27D-329.2, with a four-year time period for expenditure that will start with the entry of the Superior Court's Fourth Round Judgment of Compliance and Repose and/or Compliance Certification.

MONITORING

In accordance with the requirements of N.J.S.A. 52:27D-329.2 and -329.4 as amended by P.L. 2024 c.2, by February 15 of each year of the Fourth Round, the Municipality will provide a detailed accounting through DCA's new Affordable Housing Monitoring System ("AHMS") of all affordable units constructed and construction starts during the prior calendar year, and of all residential and non-residential fees collected, interest earned, and other income collected and deposited into Hightstown's affordable housing trust fund during the prior calendar year. The Borough will also provide a detailed accounting in AHMS of all expenditures of affordable housing trust funds during the prior calendar year, including purposes and amounts, and documentation of the balance remaining in the affordable housing trust fund as of December 31 of that year.

Hightstown Borough or any other interested party may file an action through the Program seeking a realistic opportunity review at the midpoint of the certification period and shall provide for notice to the public, including a realistic opportunity review of any inclusionary development site in this Housing Element and Fair Share Plan that has not received preliminary site plan approval prior to the midpoint of the 10-year round. If such an action is initiated, The Borough may propose one or more alternative sites with an accompanying development plan or plans that provide a realistic opportunity for the same number of affordable units and are otherwise in compliance with the FHA and the Mount Laurel doctrine.

As part of the implementation of this Housing Element and Fair Share Plan, the Borough will execute an agreement with CGP&H or another qualified Administrative Agent to administer a municipal rehabilitation program.

CONCLUSION

The Borough of Hightstown has consistently demonstrated good-faith efforts to create affordable units in the Borough, despite a shortage of open, developable land for new residential development. This plan establishes the mechanisms by which the Borough proposes to discharge its Rehabilitation, Prior Round, Third Round, and Fourth Round obligations.

APPENDIX A

PLANNING BOARD
RESOLUTION OF ADOPTION

GOVERNING BODY
RESOLUTION OF
ENDORSEMENT

TO BE PROVIDED AFTER ENDORSEMENT

APPENDIX B

FOURTH ROUND OBLIGATION DOCUMENTATION

Borough of Hightstown
County of Mercer

Resolution 2025-36

**RESOLUTION ACCEPTING THE DEPARTMENT OF COMMUNITY AFFAIRS
ESTIMATES FOR THE FOURTH ROUND OF AFFORDABLE HOUSING
OBLIGATIONS FOR 2025-2035 FOR THE BOROUGH OF HIGHTSTOWN**

WHEREAS, on March 20, 2024, Governor Murphy signed P.L.2024, c.2. into law, amending the Fair Housing Act (hereinafter “Amended FHA”) and establishing a new framework for determining and enforcing municipalities’ affordable housing obligations under the New Jersey Supreme Court’s Mount Laurel doctrine; and

WHEREAS, the Amended FHA requires that the New Jersey Department of Community Affairs (“DCA”) perform a calculation of regional need, and municipal present and prospective affordable housing needs, in accordance with the formulas established in the law; and

WHEREAS, on October 18, 2024, the DCA released its “Affordable Housing Obligations For 2025-2035 (Fourth Round)” report (“DCA Report”), establishing the Fourth Round (2025-2035) fair share methodology and providing estimates of the low- and moderate-income housing obligations for New Jersey’s 564 municipalities; and

WHEREAS, the final calculation and obligations for each municipality are presented in an Appendix at the end of the report; and

WHEREAS, per *P.L. 2024, c.2*, in order for the Borough of Hightstown to maintain immunity from exclusionary zoning litigation, it must determine its municipal present and prospective obligations in accordance with the formulas established in sections 6 and 7 of the law by binding resolution no later than January 31, 2025; and

WHEREAS, the Borough of Hightstown may take into consideration the calculations in the DCA report to determine its obligations; and

WHEREAS, the DCA report estimated the present and prospective fair share obligations of the Borough of Hightstown to be as follows:

- Present Need: 47 units
- Prospective Need: 35 units

WHEREAS, the Borough of Hightstown accepts the present need number and Round 4 prospective need number in the DCA Report; and

WHEREAS, the Borough of Hightstown’s Fourth Round Affordable Housing Fair Share obligation is subject to vacant land adjustments and other amendments as may be provided for by law and the Borough hereby reserves its right to adjust its Fourth Round Affordable Housing Fair Share obligation accordingly; and

Borough of Hightstown
County of Mercer

Resolution 2025-36

WHEREAS, within 48 hours of adoption of this resolution, the Clerk of the Borough of Hightstown shall file this resolution on its official website and with the Affordable Housing Dispute Resolution Program; and

WHEREAS, in addition to the above, the Acting Administrative Director of the Courts issued Directive #14-24, dated December 13, 2024; and

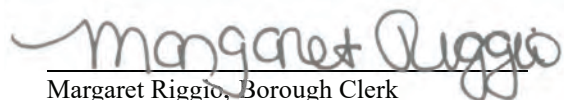
WHEREAS, pursuant to the Directive #14-24, a municipality seeking a certification in compliance with the FHA shall file an action in the form of a declaratory judgment complaint in the county in which the municipality is located within 48 hours after the adoption of the municipal resolution of the fair share obligations, or by February 3, 2025, whichever is sooner; and

WHEREAS, the Borough of Hightstown seeks a certification of compliance with the FHA and, therefore, directs its affordable housing Counsel to file a declaratory relief action within 48 hours of the adoption of this resolution in Mercer County.

NOW, THEREFORE, BE IT RESOLVED on this 20 day of January, 2025, by the Council of the Borough of Hightstown in the County of Mercer, and the State of New Jersey that, pursuant to *P.L.2024, c.2*:

1. All of the Whereas Clauses set forth above are incorporated into the operative clauses of this resolution.
2. The Council of the Borough of Hightstown hereby formally accepts a Present Need obligation of 47 units and a Prospective Need obligation of 35 units for the Fourth Round of municipal affordable housing compliance for the Borough of Hightstown. These findings are to be documented in the Borough of Hightstown's housing element and fair share plan.
3. The Borough Council of the Borough of Hightstown hereby directs its Affordable Housing Counsel to file a declaratory judgment attaching this resolution in Mercer County within 48 hours after adopting this resolution.
4. The Borough of Hightstown reserves its right to adjust its Fourth Round Affordable Housing obligation subject to any vacant land adjustments and other amendments as may be provided for by law.
5. This resolution shall be posted on the Borough's official website and with the Affordable Housing Dispute Resolution Program within 48 hours of adoption.
6. This resolution shall take effect immediately, according to law.

I hereby certify this to be a true copy of a resolution adopted by the Borough Council of the Borough of Hightstown at a meeting held on January 21, 2025.


Margaret Riggio, Borough Clerk

PREPARED BY THE COURT:

**IN THE MATTER OF THE
DECLARATORY JUDGMENT
ACTION OF HIGHTSTOWN
BOROUGH, MERCER
COUNTY PURSUANT TO P.L.
2024, CHAPTER 2**

Petitioner.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION – CIVIL PART
MERCER COUNTY
DOCKET NO. MER-L-152-25

Civil Action

Mt. Laurel Program

**ORDER FIXING MUNICIPAL
OBLIGATIONS FOR “PRESENT
NEED” AND “PROSPECTIVE NEED”
FOR THE FOURTH ROUND
HOUSING CYCLE**

THIS MATTER, having come before the Court on its own motion, *sua sponte*, on the Complaint for Declaratory Judgment filed on (“DJ Complaint”) by the Petitioner, (“Petitioner” or “Municipality”), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, *et seq.* (collectively, the “FHA”), and in accordance with Section II.A of Administrative Directive #14-24 (“Directive #14-24”) of the Affordable Housing

Dispute Resolution Program (the "Program"), seeking a certification of compliance with the FHA;

AND IT APPEARING, that on October 18, 2024, pursuant to the FHA (as amended), the New Jersey Department of Community Affairs ("DCA") issued its report entitled "*Affordable Housing Obligations for 2025-2035 (Fourth Round)*",¹ therein setting forth the "present need" and prospective need" obligations of all New Jersey municipalities for the Fourth Round housing cycle (the "DCA's Fourth Round Report");

AND IT APPEARING that, pursuant to the DCA's Fourth Round Report, the "**present need**" obligation of the Petitioner has been calculated and reported as forty-seven affordable units, and its "**prospective need**" obligation of the Petitioner has been calculated and reported as thirty-five affordable units, and which calculations have been deemed "presumptively valid" for purposes of the FHA;

AND THE COURT, having determined that no "interested party" has filed a "challenge" to the Petitioner's DJ Complaint by way of an Answer thereto as provided for and in accordance with Section II.B of Directive #14-24 of the Program;

AND THE COURT, having found and determined, therefore, that the "present need" and "prospective need" affordable housing obligations of the Petitioner for the Fourth Round housing cycle as calculated and reported in the

¹ See https://nj.gov/dca/dlps/pdf/FourthRoundCalculation_Methodology.pdf.

DCA's Fourth Round Report have been committed to by the Petitioner and are uncontested, and for good cause shown;

IT IS on this 25th day of March 2025 **ORDERED** that:

1. That the "present need" obligation of the Municipality, be, and hereby is fixed as forty seven affordable units for the Fourth Round housing cycle.

2. That the "prospective need" obligation of the Municipality, be, and hereby is fixed as thirty-five affordable units for the Fourth Round Housing cycle.

3. That the Petitioner is hereby authorized to proceed with preparation and adoption of its proposed Housing Element and Fair Share Plan for the Fourth Round, incorporating therein the "present need" and "prospective need" allocations aforesaid (and which plan shall include the elements set forth in the "Addendum" attached to Directive #14-24), by or before June 30, 2025, as provided for and in accordance with Section III.A of Directive #14-24, and without further delay.

4. Any and all "challenges" to the Petitioner's housing element and fair share plan as adopted pursuant to Paragraph 3 above must be filed by August 31, 2025, by way of Answer/Objection filed in the eCourts case jacket for this Docket No. L-152-25, and as provided for and in accordance with Section III.B of Directive #14-24.

5. A copy of this Order shall be deemed served on the Petitioner, Petitioner's counsel and the Program Chair upon its posting by the Court to the eCourts case jacket for this matter pursuant to R. 1:5-1(a) and R. 1:32-2A.

/s/ Robert Lougy

ROBERT LOUGY, A.J.S.C.

Designated Mount Laurel Judge

APPENDIX C

REHABILITATION PROGRAM DOCUMENTATION

RESOLUTION OF PARTICIPATION IN MERCER COUNTY HOME IMPROVEMENT PROGRAM AND
MUNICIPAL REHABILITATION PROGRAM OPERATING MANUAL TO BE PROVIDED SEPARATELY

Rental Rehabilitation Program

Policies and Procedures Manual

Burlington County Shared Services Rental Rehab Program

Municipalities Participating in this Shared Services Program:

Revised June 1, 2020

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

Prepared by:



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Cranbury, NJ 08512
609/664-2769 www.cgph.net

Rental Rehabilitation Program (RRP)

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Home Improvement Program

Policies & Procedures Manual

I. INTRODUCTION

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

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

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

A. Fair Housing and Equal Housing Opportunities

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

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

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

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



II. ELIGIBLE PARTICIPANTS

A. Program area

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

B. Categories of Participant

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

C. Income Limits

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

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

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

D. Application Selection

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

Emergency Processing Order

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

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

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

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

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

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

III. ELIGIBLE ACTIVITIES

A. Eligible Improvements

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

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

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

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

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

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

B. Ineligible Improvements

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

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

C. Rehabilitation Standards

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

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

D. Certifications of Substandard/Standard

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

IV. FUNDING TERMS RENTAL PROPERTIES

Funding may be provided on the following terms:

A. Rental Units

Table 1: Terms & Conditions

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

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

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

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

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

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

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

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

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

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

C. Special Needs Waivers for Higher Cost Rehabilitation Projects

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

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

D. Use of Recaptured Program Funds

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

V. IMPLEMENTATION PROCESS

A. Application/Interview

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

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

B. Eligibility Certification

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

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

C. What is Considered Income

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

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

D. What is Not Considered Income

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

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

E. How to Verify Income

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

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

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

F. Additional Income Verification Procedures

Student Income

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

Income from Real Estate

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

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

G. Other Eligibility Requirements

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

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

All Applicants - Tenants/Landlords Must Also Submit:

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

H. Requirements of Utilities & Taxes Paid Current

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

I. Sufficient Equity

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

J. Dwelling Conditions

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

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

K. Eligibility Scenarios of Multi-Family Structures

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

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

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

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

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

L. Eligibility Certification

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

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

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

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

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

N. Contractor Selection

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

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

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

O. Pre-Construction Conference/Contract Signing

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

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

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

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

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

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

P. Initiate Participating Municipality Voucher

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

Q. Progress Inspections

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

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

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

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

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

R. Change Orders

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

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

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

S. Final Inspection

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

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

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

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

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

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

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

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

T. Payment Structure and Process

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

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

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

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

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

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

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

U. Standard Certification

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

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

V. Record Mortgage Documentation

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

W. File Closing

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

X. Requests for Subordination or Program Loan Payoff

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

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

VI. CONTRACTOR REQUIREMENTS AND RECRUITMENT

A. Marketing

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

B. Contractor Qualifications

To qualify, Contractors must meet the following minimum requirements:

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

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

VII. LEAD BASED PAINT (LBP):

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

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

VIII. RENTAL PROCEDURES:

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

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

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

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

A. Determining Initial Affordable Rents

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

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

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

B. Pricing by Household Size

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

Table 2: Investor-Owned Terms & Conditions

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

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

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

C. Determining Rent Increases

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

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

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

IX. MARKETING STRATEGY

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

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

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

X. MAINTENANCE OF RECORDS AND CLIENT FILES

A. Programmatic Recording

The Program files will include:

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

B. Participant Record keeping

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

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

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

C. Reporting

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

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

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

D. Financial Recordkeeping

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

XI. APPEALS PROCESS

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

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

However, on the rare occasion if a homeowner or contractor decides to dispute a Program staff decision, the Municipal Administrator will act as a mediator to resolve the differences.

Homeowners or contractors involved in a dispute will be instructed to submit their concerns in writing. The homeowner or contractor may request a hearing conducted by the Municipality's Governing Body if the homeowner or contractor challenges the Municipal Administrator's decision. The Municipality's decisions are final.

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

XII. CONCLUSION

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

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

XIII. LIST OF PROGRAM FORMS

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

APPENDIX A: Calculating Annual Increase Procedures

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

Income limits for all units that are part of the participating municipality's Housing Element and Fair Share Plan and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by the participating municipality annually within 30 days of the publication of determinations of median income by HUD as follows:

- a. Regional income limits shall be established for the region that the participating municipality is located within, based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the participating municipality's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low-income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
- b. The income limits attached hereto as Exhibit B are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2019 and shall be utilized until the participating municipality updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
- c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the participating municipality annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.

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

- a. The resale prices of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region determined pursuant to the process outlined above. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.
- b. The rent levels of very-low-, low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed nine percent in any one year. Rents for units constructed pursuant to low income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.

2024 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

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

		1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents** Sales***	Regional Asset Limit****
Region 1	Median	\$84,288	\$90,309	\$96,329	\$108,371	\$120,412	\$125,228	\$130,045	\$139,678	\$149,311	\$158,944		
	Moderate	\$67,431	\$72,247	\$77,064	\$86,697	\$96,329	\$100,193	\$104,036	\$111,742	\$119,449	\$127,155	5.2%	\$232,836
	Low	\$42,144	\$45,154	\$48,165	\$54,185	\$60,206	\$62,614	\$65,022	\$69,839	\$74,655	\$79,472	0.00%	
	Very Low	\$25,286	\$27,093	\$28,899	\$32,511	\$36,124	\$37,568	\$39,013	\$41,903	\$44,793	\$47,683		
Region 2	Median	\$90,591	\$97,062	\$103,533	\$116,475	\$129,416	\$134,593	\$139,769	\$150,123	\$160,476	\$170,829		
	Moderate	\$72,473	\$77,650	\$82,826	\$93,180	\$103,533	\$107,674	\$111,816	\$120,098	\$128,381	\$136,663	5.2%	\$248,284
	Low	\$45,296	\$48,531	\$51,766	\$58,237	\$64,708	\$67,296	\$69,885	\$75,061	\$80,238	\$85,415	4.51%	
	Very Low	\$27,177	\$29,119	\$31,060	\$34,942	\$38,825	\$40,378	\$41,931	\$45,037	\$48,143	\$51,249		
Region 3	Median	\$102,340	\$109,650	\$116,960	\$131,580	\$146,200	\$152,048	\$157,896	\$169,592	\$181,288	\$192,984		
	Moderate	\$81,872	\$87,720	\$93,568	\$105,264	\$116,960	\$121,638	\$126,317	\$135,674	\$145,030	\$154,387	5.2%	\$278,387
	Low	\$51,170	\$54,825	\$58,480	\$65,790	\$73,100	\$76,024	\$78,948	\$84,796	\$90,644	\$96,492	2.31%	
	Very Low	\$30,702	\$32,895	\$35,088	\$39,474	\$43,860	\$45,614	\$47,369	\$50,878	\$54,386	\$57,895		
Region 4	Median	\$91,038	\$97,540	\$104,043	\$117,048	\$130,054	\$135,256	\$140,458	\$150,862	\$161,267	\$171,671		
	Moderate	\$72,830	\$78,032	\$83,234	\$93,639	\$104,043	\$108,205	\$112,367	\$120,690	\$129,013	\$137,337	5.2%	\$244,635
	Low	\$45,519	\$48,770	\$52,022	\$58,524	\$65,027	\$67,628	\$70,229	\$75,431	\$80,633	\$85,836	0.00%	
	Very Low	\$27,311	\$29,262	\$31,213	\$35,115	\$39,016	\$40,577	\$42,137	\$45,259	\$48,380	\$51,501		
Region 5	Median	\$80,290	\$86,025	\$91,760	\$103,230	\$114,700	\$119,288	\$123,876	\$133,052	\$142,228	\$151,404		
	Moderate	\$64,232	\$68,820	\$73,408	\$82,584	\$91,760	\$95,430	\$99,101	\$106,442	\$113,782	\$121,123	5.2%	\$212,572
	Low	\$40,145	\$43,013	\$45,880	\$51,615	\$57,350	\$59,644	\$61,938	\$66,526	\$71,114	\$75,702	0.26%	
	Very Low	\$24,087	\$25,808	\$27,528	\$30,969	\$34,410	\$35,786	\$37,163	\$39,916	\$42,668	\$45,421		
Region 6	Median	\$68,852	\$73,770	\$78,688	\$88,524	\$98,360	\$102,294	\$106,228	\$114,097	\$121,966	\$129,835		
	Moderate	\$55,081	\$59,016	\$62,950	\$70,819	\$78,688	\$81,835	\$84,983	\$91,278	\$97,573	\$103,868	5.2%	\$184,215
	Low	\$34,426	\$36,885	\$39,344	\$44,262	\$49,180	\$51,147	\$53,114	\$57,049	\$60,983	\$64,917	2.61%	
	Very Low	\$20,655	\$22,131	\$23,606	\$26,557	\$29,508	\$30,688	\$31,868	\$34,229	\$36,590	\$38,950		

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

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

**This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3 (Consumer price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents between 2015 through 2023 because of the lack of authority to do so, may increase rent by up to the applicable combined percentage including 2024 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

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

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

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

APPENDIX D

HOLLY HOUSE DOCUMENTATION

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
Division of Housing
Affordable Housing Management Service
AFFORDABLE HOUSING AGREEMENT
RENTAL PROPERTIES

6935W
12/92

Prepared by: *[Signature]*

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This AGREEMENT is entered into on this 21 day of December, 1992 between Edward P. Chamberlain, owner of the properties designated in Section II PROPERTY DESCRIPTION, hereafter "OWNER", and New Jersey Department of Community Affairs hereafter "AUTHORITY", both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing unit(s) described in Section II PROPERTY DESCRIPTION for a period of at least twenty years beginning on 12/21/92 and ending after 12/21/12 when any Affordable Housing rental unit that continues to be occupied by an income-eligible household shall become vacant.

WHEREAS, the New Jersey Housing and Mortgage Finance Agency (the Agency) is authorized by the Fair Housing Act (P.L. 1985, c. 222), hereinafter (the Act), to make grants and loans to assist municipalities meet their low and moderate income housing obligation as determined in accordance with the Act and to establish requirements and controls in consultation with the Council on Affordable Housing (the Council) to ensure the maintenance of that housing as affordable to low and moderate income households for a period of at least 20 years, or for a shorter period when authorized; and

WHEREAS, the Agency is authorized by Section 324 of the Act to establish procedures for entering into and shall enter into contracts with willing municipalities or developers of inclusionary developments whereby the Agency will administer resale and rent controls in municipalities where no appropriate administrative agency exists, and to charge a reasonable fee therefor; and

WHEREAS, the Department of Community Affairs (the Department) is authorized by the Act to make grants and loans to assist municipalities meet their low and moderate income housing obligations as determined in accordance with the Act, and to establish contractual guarantees and procedures to ensure that units of housing so provided for low and moderate income households as defined in the Act shall continue to be occupied by low and moderate income households for at least 20 years, or for a shorter period when authorized; and

WHEREAS, the Agency (N.J.A.C. 5:80-24) and the Department (N.J.A.C. 5:14-4) have each adopted procedural regulations establishing such procedures and controls and the terms thereof as required by the Act; and

WHEREAS, the Department and the Agency, pursuant to authority granted under the Act, have signed a Memorandum of Understanding agreeing to delegate central responsibility for the administration of such regulations, including the administration of contracts with municipalities or developers pursuant to Section 324 of the Act, to the Department; and

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

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

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

I. DEFINITIONS

"Adjusted Rent" shall mean the Base Rent for a rental unit adjusted by the Index.

restricted for occupancy by Households whose total Gross Annual Income is measured at less than 80% of the median income level established by an authorized income guideline for geographic region and family size.

"Agency" shall mean the New Jersey Housing and Mortgage Finance Agency (NJHMFA) or its designee.

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

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

"Base Rent" shall mean the monthly rental charge for an Affordable Housing rental unit at the time the unit is first restricted by an Affordable Housing Agreement which has been calculated to include a credit for those utility costs paid by the tenant using a utility cost schedule approved for statewide use by the U.S. Department of Housing and Urban Development.

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

"Council" shall mean the Council on Affordable Housing (COAH) established pursuant to the Fair Housing Act, N.J.S.A. 52:27-D301 et seq.

"Department" shall mean the Department of Community Affairs.

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

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

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

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

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

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

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

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

"Renter" shall mean a Household who has been Certified for an Affordable Housing unit for rent subject to the signing of a lease and the payment of any required security deposit.

II. PROPERTY DESCRIPTION

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

Block 59 Lot 5.01 Municipality Hightstown
County Mercer # of Bedrooms 10
Complete Street Address & Unit # 117 Dev Street
City Hightstown State NJ Zip 08520

Agreement, a description of each additional unit is attached as Exhibit A and is incorporated herein.

III. TERM OF RESTRICTION

7

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall begin on the date a new affordable rental unit is first occupied, the date an affordable occupied rental unit has been certified as standard, or the date after 50% of the units in a multifamily rental project containing four or more affordable rental units have received certificates of occupancy.

B. The terms, restrictions and covenants of this Affordable Housing Agreement shall terminate upon the date after the specified time period when any Affordable Housing Rental unit that continues to be occupied by a Certified Household shall become vacant.

C. Upon termination of restrictions as they apply to each rental unit within the named Property, the Department shall execute a document in recordable form evidencing that such Affordable Housing unit has been forever released from the restrictions of the Affordable Housing Agreement.

IV. RESTRICTIONS

A. The Owner of a rental Affordable Housing unit shall not rent the Affordable Housing unit for an Adjusted Rent that is greater than the established Base Rent plus the allowable percentage of increase as determined by the Index applicable to the municipality in which the unit is located. Adjusted Rents shall be effective as of the lease anniversary date and shall remain in effect for at least a one year period.

B. The Owner shall not rent the Affordable Housing unit other than to a Renter who has been certified utilizing the income verification procedures established by the Department, the Agency, and the Council to determine qualified Low and Moderate Income-Eligible Households.

C. The Owner of the rental Affordable Housing unit shall sell the unit in accordance with and subject to any rules and regulations duly promulgated by the Department (N.J.A.C. 5:14-4), the Council (N.J.A.C. 5:92-12), and the Agency (N.J.A.C. 5:80-24) to ensure that the Affordable Housing unit remains affordable to and occupied by Low and Moderate Income-Eligible Households throughout the duration of this Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the recording office of the county in which the Affordable Housing unit or units are located. The Agreement shall be filed no earlier than the recording of an applicable deed and no later than the leasing and occupancy of 50% of the applicable rental units in any project covered by a single deed.

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

C. This Agreement shall be executed by the Department and the Owner or the then current title holder of record of the property upon which the Affordable Housing units are to be situated prior to its recording.

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

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

"The Owner's right, title and interest in this unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT dated 12/21/92 which was filed in the Office of the Clerk of HERCEK County to Mercer and is also on file with the N.J. Department of Community Affairs."

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

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

VIII. OWNER RESPONSIBILITIES

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

A. Affordable Housing units designated as rental units shall at all times remain the Primary Residence of the Renter and shall not be sublet to any party whether or not that party is qualified as a Low or Moderate Income-Eligible Household without prior written approval from the Department.

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

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

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

E. The Owners of Affordable Housing units shall notify the Department in writing sixty (60) days prior to a rental vacancy. Owners shall not convey title or lease or otherwise deliver possession of the Affordable Housing unit without the prior written approval of the Department.

F. An Owner shall request referrals of Certified Households from the pre-screened established referral list maintained by the Department.

G. The Owner may rent the property to an eligible household not referred by the Department. The proposed Renter must complete all required Household Eligibility forms and submit Gross Annual Income information for verification to the Department for written certification as an eligible rental transaction. Written verification of eligibility for Sec. 8 Rental Assistance may substitute for Departmental certification. Prior to execution of a lease, each selected household must be approved by the Department and a completed Unit Inventory Form submitted.

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

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

J. The Owner shall have responsibility for forwarding copies of all documents filed with the applicable county recording office to the Department after they have been signed, dated and recorded.

K. The Owner shall be obligated to pay a service fee to the Department at the time of each new rental occupancy in the amount specified by the fee schedule approved by the N.J. Treasurer.

IX. FORECLOSURE

A. This agreement shall not be terminated in the event of judgment of Foreclosure on properties that include Affordable Housing units that are designated as rental units unless the rental unit is contained within an owner-occupied property containing four or less units.

B. If the rental unit is contained within an owner-occupied property containing four or less units, the terms and restrictions of this Agreement shall be subordinate only to the First Purchase Money Mortgage lien on the Affordable Housing property and in no way shall impair the First Purchase Money Mortgagee's ability to exercise the contract remedies available to it in the event of any default of such mortgage as such remedies are set forth in the First Purchase Money Mortgage documents for the Affordable Housing unit.

... judgment of foreclosure of an owner-occupied unit containing an affordable rental housing unit, the Department shall execute a document in recordable form evidencing that such Affordable Housing unit has been forever released from the restrictions of this Agreement. Execution of foreclosure sales by any other class of creditor or mortgagee shall not result in a release of the Affordable Housing unit from the provisions and restrictions of this Agreement.

X. VIOLATION, DEFAULTS AND REMEDIES

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

XI. RIGHT TO ASSIGN

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

XII. INTERPRETATION OF THIS AGREEMENT

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

XIII. NOTICES

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

To the Owner:

Edward P. Chamberlain
161 Dey Street
Hightstown, New Jersey 08520

To the Department:

New Jersey Department of Community Affairs
101 South Broad Street
CN 806
Trenton, New Jersey 08625
Affordable Housing Management Service

Attention:

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

XIV. SUPERIORITY OF AGREEMENT

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

XV. SEVERABILITY

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under any applicable federal, state or local law, the remainder shall be unaffected thereby.

In the event that any provision, condition, covenant or restriction hereof, is at the time of recording of this instrument, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, both parties, their successors and assigns, and all persons claiming

or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to this instrument thereby operating to validate the provisions of this instrument which otherwise might be invalid and it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

XVI. CONTROLLING LAW

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

XVII. OWNER'S CERTIFICATION

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

XVIII. AGREEMENT

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

Dated: 1-13-93

ATTEST:

Maie Buckner

By: Edward P. Chamberlain
Signature (Owner)

By: _____
Signature (Co-Owner)

STATE OF NEW JERSEY)

) ss

COUNTY OF Meru)

ALBERT E. DRIVER JR. 0904
COUNTY CLERK
93 JAN 19 PM 1:26
RECORD AND RETURN TO
MERCEUR COUNTY
CLERKS OFFICE

BE IT REMEMBERED, that on this 13 day of January, 19993, before me, the subscriber, Edward P. Chamberlain personally appeared Edward P. Chamberlain who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Owner (Co-Owner) named in the within instrument; that is the Affordable Housing Agreement of the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me,
the date aforesaid.
1-13-93

Maie Buckner

B & R
Edward Chamberlain
c/o Holly House
117 Day St.
Hightstown, N.J. 08520

MAE BUCKNER
Notary Public of New Jersey
My Commission Expires Nov. 24, 1994

-6-

Deed

001684

FIRST MORTGAGE NOTE

\$470,000

1993

PARTIES: FOR VALUE RECEIVED, the undersigned, Edward Chamberlain whose address is 107 Woods Road, East Windsor, New Jersey (the "Borrower") promises to pay to the order of the NJ DEPARTMENT OF COMMUNITY AFFAIRS (the "Lender") at its principal office at 101 South Broad Street, Trenton, N.J. 08625 or at such other place as may be designated in writing by the Lender, the sum of FOUR HUNDRED SEVENTY THOUSAND DOLLARS (\$470,000), (the Principal Sum), pursuant to the terms below.

Capitalized terms used but not defined herein shall have the meaning assigned to such terms in the Mortgage securing this Note.

The Borrower acknowledges that in consideration for the execution of this Note and the Mortgage securing this Note, it shall receive the sum of FOUR HUNDRED SEVENTY THOUSAND DOLLARS (\$470,000) (from now on called the Principal Sum) from the NEIGHBORHOOD PRESERVATION BALANCED HOUSING PROGRAM, a revolving fund established pursuant to the Fair Housing Act, 1985, NJSA 52:27D-301 et seq. administered by the Lender. The Balanced Housing Fund Principal shall be disbursed to the Borrower by the Borough of Hightstown (the "Municipality") pursuant to a disbursement schedule agreeable to the Lender, Borrower and Municipality and pursuant to a Grant Agreement between the Municipality and the Lender and in accordance with the Fair Housing Act of 1985 (52:27D-301). The loan proceeds shall be used for the construction of a boarding home at 117 Day Street, Hightstown, N.J. (the "Property").

INTEREST: The Borrower shall pay interest at the rate of 0%.

MATURITY OF NOTE: The Mortgage Note shall mature upon the expiration of Affordability Controls on dwelling units completed with the proceeds of this loan. Affordability Controls are in place for twenty years from the issue date of the certificate of occupancy. The Department is waiving repayment after the lifting of the affordability terms due to the terms of the Model Boarding Home RFP of 1989. These terms are the following:

1. A Class C Boarding Home as defined under the Rooming and Boarding House Act of 1979 (N.J.S.A. 55:13B-1 et seq.).

2. Sleeping units to be used by individuals who are recipients of Supplemental Security Income, or low or moderate-income recipients who are not eligible for funding under programs sponsored by the Department of Health or Corrections for substance abuse or inmate reintegration into the community.

3. Minimum of 45 percent set aside for residents who are recipients of Supplemental Security Income.

4. Facilities must remain boarding homes for this purpose for a minimum of 30 years.

If the Lender shall determine in the exercise of its complete and sole discretion that the Borrower has violated the terms of the Note, the Balanced Housing Grant Agreement or the Mortgage securing this obligation; or that the units created in the building encumbered by this Mortgage cannot be rented to qualified renters in accordance with the Balanced Housing Grant Agreement or this Note, the Lender may exercise any or all of the remedies as further described in this Note and in the Mortgage that secures this obligation and may declare an acceleration which means that the Note shall immediately be due and payable.

Notwithstanding any other provision regarding the maturity of this obligation, it is expressly agreed by the parties that the entire balance of said Principal Sum shall become due at the option of the Lender, its successor or assignee upon the happening of any default as described in the Mortgage.

It is expressly agreed that the entire balance of said Principal Sum shall become due at the option of the Lender, its successor or assignee upon the unapproved sale, transfer, or refinancing of the Project by the Borrower.

Mortgage as Security: This Mortgage Note is secured by a mortgage lien on certain premises and by other security as enumerated in the Mortgage to which reference is made for a description of the security for this Mortgage Note and certain rights of the Lender, including the right to declare the entire Principal Sum due and payable.

Subordination: The parties acknowledge that this mortgage is in first position and is not subordinated to any other mortgages. The Lender upon request by the Borrower shall review a request to execute a subordination of mortgage for another permanent or construction lender. Granting of this request shall be at the sole and complete discretion of the Lender.

Other Terms and Conditions: All parties to this Mortgage Note, whether Borrower, principal, surety, guarantor or endorser, hereby waive presentment for payment, demand, protest, notice of protest, and notice of dishonor.

This Mortgage Note is subject to assignment or endorsement by the Lender in accordance with the terms of the Mortgage.

All the terms, conditions and provisions of the Mortgage and Loan Agreement are by reference thereto, incorporated herein and made a part of this Mortgage Note.

The obligations of the Borrower to make any payments required hereunder shall be absolute and unconditional without any defense or right of set off, counterclaim or recoupment by reason of any default by the Lender under the Mortgage or any other agreement between the Lender and the Borrower or out of any indebtedness or liability at any time owing to the Borrower by the Lender for any other reason.

This Mortgage Note and all rights, duties, obligations and interests arising hereunder shall bind and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

IN WITNESS WHEREOF, the Borrower has caused this Mortgage Note to be executed by its duly authorized representatives on the date first set forth above.

WITNESS

Edward P. Chamberlain



By:



MARIE S. PELLECCCHIA
Notary Public of New Jersey
My Commission Expires June 8, 1998

-2-

2423M. August 27, 1993

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF HOUSING
AFFORDABLE HOUSING MANAGEMENT SERVICES

Prepared by: Judith Pano

DEED OF
EASEMENT AND RESTRICTIVE COVENANT
FOR EXTENDED LOW AND MODERATE INCOME
OCCUPANCY

THIS DEED OF EASEMENT and RESTRICTIVE COVENANT shall run with the land and is granted by Edward P. Chamberlain, his successors and assigns (the "Owner") to the AFFORDABLE HOUSING MANAGEMENT SERVICES, DIVISION OF HOUSING, NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS, its successors and assigns (the "Department") and to income eligible members of the public as defined below. As conditioned below this Deed of Easement and Restrictive Covenant restricts occupancy of the described premises to income eligible occupants for a specified period of time. This Deed of Easement and Restrictive Covenant is made in satisfaction of the requirements of the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., as amended ("the Act").

WHEREAS, the Department of Community Affairs (the Department) is authorized by the Act to make grants and loans from the Neighborhood Preservation Nonlapsing Revolving Fund to assist municipalities meet their low and moderate income housing obligations as determined in accordance with the Act, and to establish contractual guarantees and procedures to ensure that units of housing so provided for low and moderate income households as defined in the Act shall continue to be occupied by low and moderate income households for at least 20 years, or for a shorter period when authorized; and

WHEREAS, pursuant to the Act, the housing unit (units) located on the property as further described on the attached EXHIBIT A of this Agreement (the "Property") has(have) been designated as low and moderate income housing as defined by the Act; and

WHEREAS, in conjunction with the recording of this Deed of Easement and Restrictive Covenant an Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions is being recorded in the Recorder's or County Clerk's Office of the County of Mercer the purpose of this Agreement to ensure that the described housing unit(s) remain(s) affordable to low and moderate income eligible households for that period of time described herein and in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions

WHEREAS, the municipality where the Property is situated has received an allocation from the Neighborhood Preservation Nonlapsing Revolving Fund ("Balanced Housing Allocation") for the benefit of the Owner whose principal address is Dey Street, Hightstown, New Jersey 08520.

WHEREAS, the Owner has utilized this allocation for the creation of Affordable Housing rental units on the property located at:

Tax Map Lot No. 5.01 Block No. 59
Street Address: 117 Dey Street
Municipality: Borough of Hightstown
County: Mercer State NJ

a low and moderate income housing project known as Holly House (the "Project"), and title to which has been recorded in favor of the Owner in the County Clerk or Register's Office of the County of Mercer in Deed Book No. 2585 at Page No. 2527.

NOW, THEREFORE, it is the intent of this Agreement to ensure that the affordability controls are contained directly in the property deed for the premises and incorporated into and recorded with the property deed so as to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability controls as contained in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions between the Owner and the Authority; and by entering into this Agreement, the Owner of the described premises agrees to restrict the rental of the housing unit(s) to low and moderate income eligible households at a maximum adjusted rent as set forth in the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions for the specified period of time.

1. This Deed of Easement and Restrictive Covenant is binding on all successors in interest to the Building and Project (or applicable portion of the Project) and shall run with the land until the end of the Affordability Control Period which is defined in the Affordable Housing Agreement as a period for at least twenty (20) years beginning on 12/21/92 and ending after 12/21/12 when any Affordable Housing rental unit that continues to be occupied by an income-eligible household shall become vacant.

2. This Deed of Easement and Restrictive Covenant is given in satisfaction of the requirements of the Act and the terms of this Deed of Easement and Restrictive Covenant, including those set forth in the recitals, shall be interpreted, conditioned and supplemented in accordance with regulations promulgated thereunder, all of which are incorporated herein by reference, whether or not such provisions of the Act or regulations are expressed or referenced herein. In the event of a conflict between the terms of this Deed of Easement and Restrictive Covenant and the Act or regulations, the Act and the regulations shall govern.

3. The Owner's right, title and interest in the Property and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority dated _____ which was filed in the Office of the Clerk of Mercer in _____ Book at Page _____ on _____ and is

also on file with the New Jersey Department of Community Affairs. The Owner acknowledges that all of the terms, conditions, restrictions, limitations and provisions set forth in said AFFORDABLE HOUSING AGREEMENT, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS between the Owner and the Authority are incorporated herein in their entirety. Reference is made to that documentation for the definitions of various terms incorporated in this Deed of Easement and Restrictive Covenant.

4. This Deed of Easement and Restrictive Covenant shall constitute an agreement between the Authority and the Owner and is enforceable in the courts of the State of New Jersey by the Authority, its successors or assigns, or by an individual or individuals whether prospective, present or former occupants of the Project said individual(s) being beneficiaries of the agreement which is expressed herein between the Authority and the Owner.

5. This Deed of Easement and Restrictive Covenant and the Affordable Housing Agreement Declaration of Covenants, Conditions and Restrictions may be amended with the prior written approval of the Authority to reflect changes in the Act and the regulations thereunder. No amendment to this Deed of Easement and Restrictive Covenant may be made without the prior written approval of the Authority. The Owner hereby expressly agrees to enter into all amendments hereto which, in the opinion of the Authority, are reasonably necessary or desirable for maintaining compliance with the Act.

6. The invalidity of any clause, part or provision of this Deed of Easement and Restrictive Agreement shall not affect the validity of the remaining portions thereof or the validity of all or any portion of the Affordable Housing Agreement Declaration of Covenants, Conditions and Restrictions.

Signatures: This Deed of Easement and Restrictive Covenant is granted by the undersigned whose duly authorized representative's signature appears below. If the undersigned is a corporation its corporate seal is affixed.

Witnessed:

Joann M. Knauszer

JOANN M. KNAUSZER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires September 15, 1994

INDIVIDUAL,
CORP. OR PARTNERSHIP:

Edward Chamberlain

BY:

NAME:

TITLE:

BY:

NAME:

TITLE:

7104W

R&R.
Edward P. Chamberlain
c/o Holly House
117 Day Street
Hightstown, NJ 08520

Council on Affordable Housing
Project Detail Report

Date: 12/29/2015 02:05 PM

Page: 1

CTMPRJDETAIL (01/09)

HIGHTSTOWN BORO, MERCER County - Muni Code:1104

Round: 3.1

Version: Petition

STATUS: Submitted

Project Id: 7130

COAH Project Number:

Project Name(s): Holly House, Chamberlain Class C Boarding House

Type: Supp/Spec Needs Hsg

Project Sub Type: Boarding Home (A thru E) - RII

Status: Completed

Status Date: 09/01/1992

Address: 117 Dey Street

Block and Lots: 59.-5.02

Acreage Amount: 1.206

Density: 0

Set Aside: 0

Planning Regions: 2

Project Sponsor Type: Private Developer

Project Sponsor Name:

Project Developer: Edward P. Chamberlain

Project Credit Type: Post 1986 Completed

Construction Type: New

Preliminary Approval Date:

Final Approval Date:

Flags:

Market Units: Proposed:

Completed:

w/COs after 1/1/2004:

Condo Fee: 0 %

Average Range of Affordability: 0 %

Funds Committed: \$.00

Funds Expended: \$.00

Admin Costs: \$.00

Payment in Lieu/Growth Share Amount: \$.00

Payment in Lieu/Growth Share Units: 0

Funding Sources:

Length of affordability Controls: Perpetual NO

20 Years

Effective Date Of Affordability Controls: 12/02/1992

Date Controls Expire: 12/02/2012

Date Affordable Controls Removed: 12/02/2012

Project Contact:

Name: George Chin

Organization: Borough of Hightstown

Role: Municipal Housing Liaison

Date of Last monitoring update:

Comments:

Category	Affordable Units	Prior Round Credits		Growth Share Credits		Completed Affordable Units	
		Proposed	Approved	Proposed	Approved	Completed	CreditWorthy
New Construction (& Gut Rehab)	10	10				10	10
Completed New	10	10				0	0
Spec Needs BR Non-Age	10	10				10	10
Very Low Income - 30%	10	10				10	10
Low Income	10	10				0	0
Rental	10	10				10	10
Efficiency	10	10				10	10
Bonus - Rental Family		10					

For Redevelopment Projects

Does this project require deed restricted units to be removed?

HIGHTSTOWN BORO, MERCER County - Muni Code:1104

Round: 3.1

Version: Petition

STATUS: Submitted

Project Id: 7131

COAH Project Number:

Project Name(s): SERV, Hightstown Group Home

Type: Supp/Spec Needs Hsg

Project Sub Type: Group Homes

Status: Completed

Status Date: 08/01/1987

Address: 144 Spring Crest Drive

Block and Lots: 55.-4.

Acreage Amount: .33

Density: 0

Set Aside: 0

Planning Regions: 2

Project Sponsor Type: Non-Profit Developed

Project Sponsor Name:

Project Developer: Center for Innovative Family Achievement

Project Credit Type: Extension of Controls, Post 1986 Completed

Construction Type: New

Preliminary Approval Date:

Final Approval Date:

Flags: Conversion

Market Units: Proposed:

Completed:

w/COs after 1/1/2004:

Condo Fee: 0 %

Average Range of Affordability: 0 %

Funds Committed: \$.00

Funds Expended: \$.00

Admin Costs: \$.00

Payment in Lieu/Growth Share Amount: .00

Payment in Lieu/Growth Share Units: 0

Funding Sources: S - DDD

Length of affordability Controls: Perpetual NO

20 Years

Effective Date Of Affordability Controls: 08/21/1987

Date Controls Expire: 08/21/2007

Date Affordable Controls Removed: 08/26/2007

Project Contact:

Name:

Organization: Center for Innovative Family Achievement, Inc.

Role: Administrative Agent

Date of Last monitoring update:

Comments:

Category	Affordable Units	Prior Round Credits		Growth Share Credits		Completed Affordable Units	
		Proposed	Approved	Proposed	Approved	Completed	CreditWorthy
New Construction (& Gut Rehab)	3	3		3		3	3
Completed New	3	3				0	0
Spec Needs BR Non-Age	3	3				3	3
Very Low Income - 30%	3	3				3	3
Low Income		3				0	0
Rental	3	3				3	3
Efficiency	3					3	3
1 Bedroom		3				0	0
Extension of Controls				3			

For Redevelopment Projects

Does this project require deed restricted units to be removed?

Council on Affordable Housing
Project Detail Report

Date: 12/29/2015 02:05 PM

Page: 1

C:\PFD\DETAIL (01/09)

FILED FROM: COHO, MEMBER County - Main Code: 100

Record: 2.1

Version: Petition

STATUS: Submitted

Project Id: 7130
COAH Project Number:
Project Name(s): Holly House, Chamberlain Glass C Boarding House
Type: Supp/Spec Needs Req
Project Sub Type: Boarding Home (A thru E) - RH
Status: Completed
Status Date: 09/01/1992
Address: 117 Day Street
Block and Lot: 59,-5.02
Acreage Amount: 1.206
Density: 0
Set Aside: 0
Planning Region: 2
Project Sponsor Type: Private Developer
Project Sponsor Name:
Project Developer: Edward P. Chamberlain
Project Credit Type: Post 1996 Completed
Construction Type: New
Preliminary Approval Date:
Final Approval Date:
Flags:
Market Units: Proposed:
Completed:
w/COA after 1/1/2004:
Condo Fee: 0 5
Average Range of Affordability: 0 5
Funds Committed: 0 100
Funds Expended: 0 100
Admin Costs: 0 100
Payment in Lieu/Growth Share Amount: 0 10
Payment in Lieu/Growth Share Units: 0
Funding Sources:
Length of affordability Controls: Perpetual NO
20 Years
Effective Date of Affordability Controls: 12/02/1992

Date Controls Expires: 12/07/2012

Date Affordable Controls Reserved: 12/07/2012

Project Contact:

Name: George Chin

Organization: Borough of Hightstown

Role: Municipal Housing Liaison

Date of last monitoring update:

Comments:

Category	Alloable	Units	Proposed	Approved	Proposed	Approved	Completed	Creditability
New Construction (5 Gut Rehab)	10	10					10	10
Completed New	10	10					0	0
Spec Needs BK Non-Age	10	10					10	10
Very Low Income - 30%	10	10					10	10
Low Income	10	10					0	0
Rental	10	10					10	10
Efficiency	10	10					10	10
House - Rental Family		10						
For Redevelopment Projects								
Does this project require deed restricted units to be removed?								

Date Controls Expired: 08/31/2007

Date Affordable Controls Removed: 08/26/2007

Project Contact:

Name:

Organization: Center for Innovative Family Achievement, Inc.

Role: Administrative Agent

Date of last monitoring update:

Comments:

Category: Affordable Units
 Prior Round Results: Growth Share Controls
 Completed Affordable Units: Completed Creditworthiness

New Construction (6 Gvt Rehab)	3	1	3	3	1
Completed New	3	3	3	0	0
Spec Needs BR Non-Age	3	3	3	3	3
Very Low Income - 30%	3	3	3	3	3
Low Income	3	3	3	0	0
Rental	3	3	3	0	3
Efficiency	3			3	3
1 Bedroom			3	0	0
Extension of Controls					

For Redevelopment Projects
 Does this project require deed restricted units to be removed?

HIGHTSTOWN BORO, MERCER County - Muni Code: 1104

Round: 3.1

Version: Petition

STATUS: Submitted

Project Id: 7131

COAH Project Number:

Project Name(s): BERV, Hightstown Group Home

Type: Supp/Spe Needs Hsg

Project Sub Type: Group Homes

Status: Completed

Status Date: 09/01/1987

Address: 144 Spring Crest Drive

Block and Lots: 55,-1.

Acreage Amount: .33

Density: 0

Set Aside: 0

Planning Region: 2

Project Sponsor Type: Non-Profit Developed

Project Sponsor Name:

Project Developer: Center for Innovative Family Achievement

Project Credit Type: Extension of Controls, Post 1986 Completed

Construction Type: New

Preliminary Approval Date:

Final Approval Date:

Flag: Conversion

Market Units: Proposed:

Completed:

w/COs after 1/1/2004:

Condo Fee: 0 \$

Average Range of Affordability: 0 \$

Funds Committed: \$.00

Funds Expended: \$.00

Admin Costs: \$.00

Payment in Lieu/Growth Share Amount: \$.00

Payment in Lieu/Growth Share Units: 0

Funding Sources: S = DDH

Length of affordability Controls: Perpetual NO

20 Years

Effective Date of Affordability Controls: 09/01/1987

STATE OF NEW JERSEY
DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF CODES AND STANDARDS
BUREAU OF ROOMING AND BOARDING
HOUSE STANDARDS
(609) 633-6251

BRBHS-1
7/15

POSTED

PAGE 1 of 5
Control No. 1104-0010
License No.
Type of Construction FRAME
No. of Stories 1 Units 16
Lic. Capacity 18 No. of Res. 14
Class C
DATE: 11/8/19

◀ EVALUATION REPORT AND ORDERS OF THE COMMISSIONER ▶

Owner's Name, Address, Zip, County
HOLLY HOUSE
117 DEY ST HIGHTSTOWN
Owner's Phone Number
Operator's Name
SHIVONI CHONIELALL

Property Address, Zip, County
117 DEY ST HIGHTSTOWN
Property Phone Number

TYPE OF EVALUATION
SOCIAL ☒ ADDENDUM ☐
PHYSICAL ☐ CYCLICAL ☒

— PLEASE READ CAREFULLY —

This evaluation performed by the Bureau of Rooming and Boarding House Standards is being conducted pursuant to the Rooming and Boarding House Act of 1979. (N.J.S.A. 55:13B-1 et seq.).

You are ORDERED to correct the conditions described in the attached notice of violations by the compliance date indicated for each violation. Failure to comply with these orders will result in penalties and/or court action in accordance with section 10 and 11 of the Act. Please review the violations with the Bureau representative.

You may contest these orders at an administrative hearing. The request for a hearing must be made within 15 days after receipt of these orders. Each issue intended to be raised at the hearing must be set forth in detail in the letter. Any issue not so raised shall be deemed waived. The hearing shall be held pursuant to The Administrative Procedure Act, (C.52:14B-1 et seq.). Refer to the property address and date of compliance (if applicable) and address the hearing request to:

Division of Codes and Standards, Hearing Coordinator, P.O. Box 804, Trenton, New Jersey 08625 with a copy to the Chief, Bureau of Rooming and Boarding House Standards, at the same address. A corporation may be represented only by a licensed attorney.

You will be notified of the time and place of the hearing.

If you find an extension of time necessary to abate any violation, a letter must be submitted two (2) weeks prior to the date of compliance which states in detail: (1) The violations abated to date; (2) The reason why each unabated violation cannot be corrected prior to the date of penalty; and (3) The date by which all violations can be abated.

By Requesting an extension, one expressly waives the right to a hearing and admits that the Notice and Orders are correct and free from procedural and substantive defects.

Received By
Printed Name of Person Served
Date
Time Served

By
Commissioner
Bureau of Rooming and Boarding House Standards
BUREAU CHIEF
Bureau Representative
Evaluator #

White - Owner's Copy

Yellow - Evaluator's Copy

Pink - Office Copy

EVALUATION REPORT AND ORDERS OF THE COMMISSIONER

CONTROL # 1104-0010

Administrative Code Reference		Compliance Date	Reinspection Date	Compliance Date
	FIRE CERTIFICATE EXPIRES 2/25/20			
	LICENSE TO OWN EXPIRES 9/30/20			
	LICENSE TO OPERATE EXPIRES 8/31/20			
5:27-7.1(b)	✓ YOU SHALL ENSURE THAT HOUSEKEEPING IS DONE AT LEAST ONCE PER WEEK AND CLEAR EXCESS CLUTTER IN BEDROOMS 6 AND 10	12/8/19	12/8/19 1/3/20 (X)	
5:27-8.1	✓ YOU SHALL ENSURE THAT EACH RESIDENT FILE IS ORGANIZED NEAT AND ORDERLY AND EACH CONTAIN THE FOLLOWING DOCUMENTS (a) RESIDENT PROFILE - FILLED OUT COMPLETELY WITH ALL RESIDENT PERTINENT INFORMATION, I.E. NAME DATE OF BIRTH, PREVIOUS ADDRESS, DOCTOR'S INFORMATION AND NUMBER, NEXT OF KIN, DATE OF OCCUPANCY AND ANY OTHER PERTINENT INFO ON RESIDENT	12/8/19	12/8/19 1/3/20 (X)	
5:27-3.5	✓ YOU MUST HAVE RESIDENT (H.F.) (a) RE-EVALUATED BY A MEDICAL DOCTOR TO DETERMINE IF HE IS APPROPRIATELY PLACED IN THIS FACILITY AND CERTIFY THAT HE CAN SELF EVACUATE THE FACILITY WITHOUT PHYSICAL ASSISTANCE FROM STAFF OR OTHERS	12/8/19	12/8/19 1/3/20 (X)	U.C

WHITE ~ Owner Copy

YELLOW ~ Evaluator

PINK ~ Office

EVALUATION REPORT AND ORDERS OF THE COMMISSIONER

CONTROL # 1104-0010

Administrative Code Reference		Compliance Date	Reinspection Date	Compliance Date
55013(B)	YOU MUST ENSURE THAT A FIRE DRILL IS CONDUCTED AT LEAST ONCE PER MONTH AND THAT ONE IS DONE FOR EACH SHIFT. YOU MUST CONDUCT A FIRE DRILL AT LEAST ONCE PER YEAR BETWEEN THE HOURS OF 12 AM AND 6 AM	12/8/19	Abate 1/3/20 (S)	
5127-10.5 (a)(b)(c)	YOU MUST ENSURE THAT MEDICATION MONITORING IS DOCUMENTED CORRECTLY AND THAT ALL MEDICATION RECORDS ARE CORRECT WITH THE TIME RESIDENT ADMINISTERS THEIR MEDICATIONS	12/8/19	Abate 1/3/20 (S)	
	YOU SHALL ENSURE THAT THE STAFF SCHEDULE IS COMPLETED ACCURATELY AND INDICATE ACTUAL HOURS EACH EMPLOYEE WORKS	12/8/19	Abate 1/3/20 (S)	
5127-3.5 (a)	YOU MUST DETERMINE THE CAUSE OF THE NOXIOUS ODOR IN BEDROOM 5 AND HAVE RESIDENTS LIVING IN THAT ROOM BE EVALUATED FOR A POSSIBLE INCONTINENCE ISSUE AND HAVE CONDITION CORRECTED (RESIDENT J.C. SUSPECTED OF BEING INCONTINENT)	12/8/19	Abate 1/3/20 (S)	U.C

SEE ATTACHMENT

WHITE ~ Owner Copy

YELLOW ~ Evaluator

PINK ~ Office

CONTINUED # 1104-0010

STATE OF NEW JERSEY
DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF CODES AND STANDARDS
BUREAU OF ROOMING AND BOARDING
HOUSE STANDARDS
(609) 633-6251

ALL ABATED

BRBHS-1
7/15

PAGE 1 of _____
Control No. 1104-C-0010
License No. _____
Type of Construction FRAMW
No. of Stories 1 Units 10 rms
Lic. Capacity 18 No. of Res. _____
Class C
DATE: 9/27/19

◀ EVALUATION REPORT AND ORDERS OF THE COMMISSIONER ▶

Owner's Name, Address, Zip, County <u>Charles Chonigall</u>
<u>117 Day St. / Hightstown, NJ</u>
Owner's Phone Number
Operator's Name <u>SHAVONI CHONIGALL</u>

Property Address, Zip, County <u>117 Day St.</u>
<u>HIGHTSTOWN, NJ</u>
Property Phone Number

TYPE OF EVALUATION
SOCIAL ☐ ADDENDUM ☐
PHYSICAL ☒ CYCLICAL ☒

— PLEASE READ CAREFULLY —

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You may contest these orders at an administrative hearing. The request for a hearing must be made within 15 days after receipt of these orders. Each issue intended to be raised at the hearing must be set forth in detail in the letter. Any issue not so raised shall be deemed waived. The hearing shall be held pursuant to The Administrative Procedure Act, (C.52:14B-1 et seq.). Refer to the property address and date of compliance (if applicable) and address the hearing request to:

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You will be notified of the time and place of the hearing.

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By Requesting an extension, one expressly waives the right to a hearing and admits that the Notice and Orders are correct and free from procedural and substantive defects.

Received By Barke Chonigall
Printed Name of Person Served
Date 9/27/19 Time Served

Commissioner 9/27/19
By Jay Raywood
Bureau of Rooming and Boarding House Standards
Bureau Representative Michael A. Chonigall Evaluator #

White - Owner's Copy

Yellow - Evaluator's Copy

Pink - Office Copy

117 Oak St. / Hightstown, NJ
EVALUATION REPORT AND ORDERS OF THE COMMISSIONER

(NSAC)

Administrative Code Reference		Compliance Date	Reinspection Date	Compliance Date
	Fire Cert Exp - 2/25/20			
	Owner's Lic. Exp - 9/30/20			
	Oper's Lic. Exp - 8/31/20			
5.27-7.1	Rm 1 - Clean - Maintain. Eliminate Noxious Odors.	10/27/19	yes	
	Rm 2 - Staff -			
5.27-4.7(A)	Rm 4 - Repair/replace loose cracked floor tiles in bath & grout. in bath.	10/27/19	yes	
5.27-4.7(A)	- Repair/replace wall tile in bath behind toilet.	10/27/19	yes	
5.27-7.1	Rm 8 - Clean floor tiles in bath, next to toilet, & maintain.	10/27/19	yes	
5.27-4.7(A)	Rm 7 - Repair/replace cracked floor tiles in bath, around toilet.	10/27/19	yes.	
	Rms - 3, 5, 6, 9, 10 - No Violations.			

Michael J. [Signature]
 10/30/19

117 Day St. / Hightstown, NJ
EVALUATION REPORT AND ORDERS OF THE COMMISSIONER

[illegible]

APPENDIX E

SPRING CREST GROUP HOME DOCUMENTATION

AGREEMENT

FOR THE INCLUSION OF AN AFFORDABILITY HOUSING PROJECT AND DISBURSEMENT OF MUNICIPAL HOUSING TRUST FUNDS AND ADMINISTRATION OF AFFORDABLE UNITS

This AGREEMENT, made this 10th day of June, 2013 by and between:

THE BOROUGH OF HIGHTSTOWN, a municipal corporation in the County of Mercer and State of New Jersey, having its principal office located at 148 N. Main Street, Hightstown, New Jersey 08520, as and herein called the "Borough" or "Hightstown"; and

SERV BEHAVIORAL HEALTH SYSTEM, INC., having its principal office located at 380 Scotch Road, West Trenton, New Jersey 08628, hereinafter referred to as "SERV";

WHEREAS, the Borough and SERV have agreed to work together on production of affordable housing in Hightstown; and

WHEREAS, in 2008, the Borough filed with the New Jersey Council on Affordable Housing ("COAH") its request for Substantive Certification for its Third Round Housing Element and Fair Share Plan (the "2008 Plan"); and

WHEREAS, in 2012, the Borough amended its 2008 Plan with a revised Spending Plan (the "2012 Spending Plan") which was approved and recommended by the Hightstown Planning Board on July 9, 2012, and approved and endorsed by the Hightstown Borough Council on July 16, 2012, and submitted to COAH thereafter; and

WHEREAS, COAH has yet to take action on the Borough's initial 2008 Spending Plan or the Borough's revised 2012 Spending Plan; and

WHEREAS, the 2012 Spending Plan proposes to address the Borough's Third Round Growth Share in part by renewing the expired deed restriction on a certain group family residential housing unit located within the Borough at 114 Spring Crest Drive, more commonly known and designated as Block 55, Lot 4 on the Tax Map of the Borough (the "Property"), which is owned and operated by SERV, and which shall be utilized to house disabled income eligible inhabitants; and

WHEREAS, the Property is commonly known as the "Hightstown Group Home"; and

WHEREAS, the terms and conditions of this undertaking are set forth below.


NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

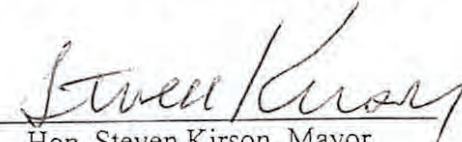
1. SERV hereby agrees to the placement of a twenty (20)-year deed restriction on the Property, which will impose affordability controls on three (3) units, resulting in the Borough receiving three (3) unit credits plus bonus credits as may apply. Said Deed Restriction shall be in a form satisfactory to the Borough.
2. The Borough hereby agrees that, following the execution of this Agreement and the execution and recording of the Deed Restriction referenced in Paragraph 1 above, the Borough will make a payment to SERV in the amount of Thirty Thousand and 00/100 Dollars (\$30,000.00) from the Borough's Affordable Housing Trust Funds for the three (3) affordable units in accordance with the Borough's 2012 Spending Plan.
3. During the period of affordability controls on the three (3) units, SERV or its successors and/or assigns will be the administrative agents and as such shall continue to own, manage, market, lease and maintain the above-noted units for occupancy by disabled low and moderate income persons in full compliance with all applicable COAH rules and regulations.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year appearing below their names.

ATTEST:

THE BOROUGH OF HIGHTSTOWN

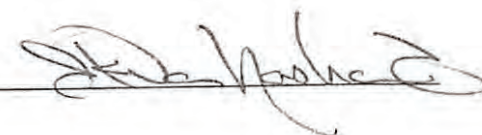

Debra Sopronyi, Borough Clerk

By: 
Hon. Steven Kirson, Mayor

WITNESS:

SERV BEHAVIORAL HEALTH SYSTEM, INC.


Lisa Beeth

By: 

Resolution 2012-200

*BOROUGH OF HIGHTSTOWN
COUNTY OF MERCER
STATE OF NEW JERSEY*

**A RESOLUTION AUTHORIZING THE BOROUGH OF HIGHTSTOWN TO ENTER
INTO AN AGREEMENT WITH "THE HIGHTSTOWN GROUP HOME" FOR THE
EXPENDITURE OF AFFORDABLE HOUSING TRUST FUNDS IN ORDER TO
FACILITATE THE CONTINUATION OF AFFORDABLE HOUSING UNITS WITHIN
THE BOROUGH**

WHEREAS, the Borough of Hightstown (the "Borough") petitioned the Council on Affordable Housing ("COAH") for substantive certification of its housing element and fair share plan in 2005; and

WHEREAS, the Borough has previously adopted Ordinance(s) authorizing the imposition and collection of development fees in connection with certain new residential and non-residential construction in the Borough, which funds were to be deposited into an Affordable Housing Trust Fund (also referenced as the "Trust Fund"); and

WHEREAS, the monies collected and deposited into the Trust Fund were intended to be utilized in order to facilitate the construction and/or rehabilitation of affordable units within the Borough; and

WHEREAS, COAH has previously approved the Borough's Development Fees Ordinance(s); and

WHEREAS, to date, the Borough has collected in excess of \$400,000 in development fees; and

WHEREAS, as of December 31, 2011, the balance of funds on deposit in the Trust Fund was \$395,881.73; and

WHEREAS, the Borough has previously approved a Spending Plan concerning the Borough's intentions with regard to the expenditure of the funds on deposit in the Trust Fund, in an effort to facilitate the construction and/or rehabilitation of affordable housing units within the Borough; and

WHEREAS, following the Borough Council's approval of the proposed Spending Plan, the Borough forwarded the same to COAH on or about December 30, 2008 seeking COAH's formal review and approval of the same; and

WHEREAS, notwithstanding the good faith filing of the Spending Plan with COAH at that time by the Borough, COAH has never formally taken any action with regard to the Borough's Spending Plan; and

WHEREAS, during the years which have elapsed since the initial filing of the Borough's Spending Plan with COAH, the Borough's intentions with respect to the expenditure of the funds collected and deposited into the Trust Fund have evolved, and certain revisions to the Spending Plan became necessary; and

WHEREAS, those revisions have recognized the negotiations that have taken place over the years between the Borough and various entities relating to the construction of new affordable housing units within the Borough; and

WHEREAS, the said revisions have been incorporated into a Revised Spending Plan, which was approved by the Hightstown Borough Council on July 16, 2012, and which was filed with COAH immediately thereafter; and

WHEREAS, the Revised Spending Plan incorporates an affordable housing project involving a three (3)-unit group home known as "The Hightstown Group Home" (the "group home"); and

WHEREAS, the group home is located at 114 Spring Crest Drive within the Borough, which is more commonly known and designated as Block 55, Lot 4 on the Borough's Tax Map (the "property"); and

WHEREAS, the group home was part of the Borough's prior round certification and the property was previously deed restricted for affordability; however, that deed restriction has expired; and

WHEREAS, in exchange for the continuation of the thirty (30) year deed restrictions and controls on affordability at the property, the Borough has already committed to provide the sum of Thirty Thousand Dollars (\$30,000) to The Hightstown Group Home in order to facilitate the continuation of the controls on these units; and

WHEREAS, the specific terms and conditions associated with this venture are set forth in an Agreement between the parties; and

WHEREAS, the Borough of Hightstown wishes to provide its authorization for the Mayor to execute and the Borough Clerk to attest the said Agreement, which shall memorialize the understanding previously reached between the parties (i.e., prior to the Borough's approval of the Revised Spending Plan referenced above) regarding the project; and

WHEREAS, the said Agreement shall be in a form satisfactory to the Borough Attorney; and

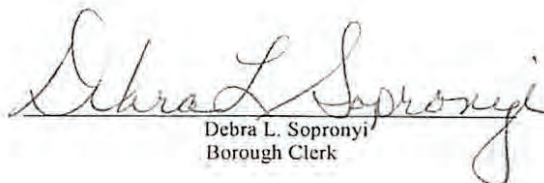
WHEREAS, the Hightstown Borough Council finds and declares that the execution of the said Agreement is in the best interests of the residents of the Borough.

NOW, THEREFORE, BE AND IT IS HEREBY RESOLVED, by the Borough Council of the Borough of Hightstown, in the County of Mercer and the State of New Jersey, as follows:

1. That the Mayor is hereby authorized to execute and the Borough Clerk to attest the above-referenced Agreement, which shall memorialize the understanding previously reached between the parties (i.e., prior to the Borough's approval of the Revised Spending Plan referenced above) regarding the project, which shall involve the payment of \$30,000 from the Trust Fund to The Hightstown Group Home in order to facilitate the continuation of the affordability controls on these three (3) units.
2. That a certified copy of this Resolution shall be provided to each of the following:
 - a. COAH;
 - b. Michael Theokas, Borough Administrator;
 - c. Tamara Lee, Borough Planner;
 - d. Frederick C. Raffetto, Esq., Borough Attorney;
 - e. Gary Rosensweig, Esq., Planning Board Attorney; and
 - f. Carmela Roberts, P.E., Borough Engineer.

CERTIFICATION

I hereby certify the foregoing to be a true copy of a resolution adopted by the Borough Council at a meeting held on August 6, 2012.


Debra L. Sopronyi
Borough Clerk

ANNEX A – D

**COMMUNITY RESIDENTIAL FACILITY FUNDING PROGRAM
STATE OF NEW JERSEY – DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES**

ANNEX A – PROJECT SUMMARY

1. This Agreement commences on October 1, 2018 expires on September 30, 2038

2. Legal Name of Agency: SERV Achievement Centers, Inc.

3. Agency Address (Including P.O. Box, City, State, Zip Code, County):
20 Scotch Rd
Ewing, NJ 08628

4. Date of Agency Incorporation: 1987

5. Federal I.D. Number: 22-2775481

6. Project Location (Street, Address, City, State, County):

114 Spring Crest Road.
Hightstown, NJ 08520

7. Project Scope:

<input checked="" type="checkbox"/> Purchase	<input type="checkbox"/> Land	<input type="checkbox"/> Existing Building/s
<input type="checkbox"/> Renovation	<input type="checkbox"/> Expansion of Existing Facility	
<input type="checkbox"/> New Construction	<input type="checkbox"/> Equipment	

8. The Project Period commences on _____ and expires on _____

9. Project Director:

Name: Ahmed Taylor
 Address: 20 Scotch Rd
Ewing, NJ 08628

Phone: 609-662-3203

10. Agency Officer authorized to sign this and other documents:

Name: Morris Breitstein
 Address: 20 Scotch Rd
Ewing, NJ 08628

Phone: 609-662-3042

11. Persons to whom Notices shall be directed:

a) Agency: SERV

Name: Morris Breitstein
 Address: 20 Scotch Rd
Ewing, NJ 08628

b) Department: DDD

Name: Iwona Kozak
 Address: PO Box 726
Trenton, NJ 08825

**COMMUNITY RESIDENTIAL FACILITY FUNDED PROGRAM
STATE OF NEW JERSEY – DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES**

ANNEX A – ATTACHMENT A: DUTIES AND RESPONSIBILITIES OF PROJECT DIRECTOR:

The Project Director of SERV Achievement Centers, Inc. is responsible for:

- (1) reporting the progress of the construction and related work to the Department through the Program Development Unit, DDD;**
- (2) paying all contractor's and other bills as appropriate;**
- (3) submitting the invoices to the State for payment as per the Schedule in Annex C of this Agreement;**
- (4) verifying that the work is completed as approved by the Department.**

**COMMUNITY RESIDENTIAL FACILITY FUNDING PROGRAM
STATE OF NEW JERSEY – DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES**

ANNEX B – PROJECT BUDGET: PURCHASE AND RENOVATION

1. PROJECT COSTS:	<u>PROJECT TOTAL</u>	<u>AGREEMENT AMOUNT</u>	<u>AGENCY AMOUNT</u>	<u>BASIS*</u>
A. Purchase of Facility				
1. Purchase Price	\$ _____	\$ _____	\$ _____	__N/A__
2. Closing costs, including legal fees, studies and survey	\$ _____	\$ _____	\$ _____	__N/A__
B. Architect	\$ _____	\$ _____	\$ _____	__N/A__
C. Appliances	\$ _____	\$ _____	\$ _____	__N/A__
D. Carpeting	\$ _____	\$ _____	\$ _____	__N/A__
E. Renovations, including general contract, fire alarm/ detection and equipment	\$ _____	\$ _____	\$ _____	__N/A__
F. Other	\$ _____	\$ _____	\$ _____	__N/A__
G. Total Project cost	\$ _____	\$ _____	\$ _____	__N/A__
2. AGREEMENT <u>CEILING:</u>	<u>\$264,764.00</u>	<u>\$264,764.00</u>	<u>\$0.00</u>	<u>\$ N/A</u>
3. <u>SOURCES OF FUNDS TO SUPPORT PROJECT</u> (use additional sheet if necessary)				

*List the basis for each element of the Project Cost – e.g., architect's estimate, contractor's estimate, agency estimate, consultant's estimate, purchase price.

**COMMUNITY RESIDENTIAL FACILITY FUNDING PROGRAM
STATE OF NEW JERSEY – DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES**

ANNEX C – PROJECT PROGRESS AND PAYMENT: PURCHASE AND RENOVATION

1. Reports and Inspections.

- A. The Agency will report Project progress and expenditures as requested, but not less frequently than monthly, to the Department through the Program Development Unit, Division of Developmental Disabilities.**
- B. The Department will make periodic site inspections as necessary. At minimum, the following inspections will be made:**
 - 1. site inspection prior to purchase of facility**
 - 2. renovation inspection at 50% completion**
 - 3. final inspection upon completion of Project, prior to final payment of capital funds.**

2. Payment of Capital Funds by the Department to the Agency

- A. Upon commencement of the Agreement, the Department will make an initial payment of the following budgeted costs as specified:**

	<u>AMOUNT TO BE PAID</u>	<u>% OF BUDGETED AMOUNT (PER ANNEX B)</u>
1. Purchase of Facility	\$ _____	_____
2. Closing costs	\$ _____	_____
3. Architect	\$ _____	_____
4. Appliances	\$ _____	_____
5. Carpeting	\$ _____	_____
6. Renovations	\$ _____	_____
7. Other	\$ _____	_____
TOTAL TO BE PAID	<u>\$264,764.00</u>	

**COMMUNITY RESIDENTIAL FACILITY FUNDING PROGRAM
STATE OF NEW JERSEY – DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES**

- B Subsequently, upon receipt from the Agency of billings and written verification of the percentage of the project completed to date, the Department will pay renovations costs as follows:**

	<u>% OF PROJECT COMPLETED</u>	<u>% OF BUDGETED RENOVATIONS AMOUNT (PER ANNEX B) TO BE PAID</u>	<u>DOLLAR TO BE:</u>
1.	50%	_____N/A_____	___N/A___
2.	100%	_____N/A_____	___N/A___

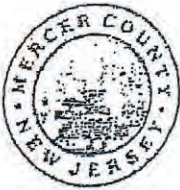
An adjustment based on actual costs may be made in the second payment to compensate for any previous over or underpayment made based on estimated costs.

- C. Subsequent to the final inspection required in 1B3 above, the Department will pay the remainder of the documented approved Project costs up to, but not to exceed, the Agreement Ceiling.**

ANNEX D – DESCRIPTION OF SERVICES TO BE DELIVERED IN FACILITY

The Agency shall maintain the Facility as a licensed community residence for the Developmentally Disabled housing (4) persons. The facility will provide food, shelter and personal guidance for Developmentally Disabled persons who require assistance, temporarily or permanently, in order to live independently in the community.

file: annex a&d
8-25-00



INSTR # 2018044932
H BK 11373 PG 40 Pgs 40 - 43 (4 pgs)
RECORDED 10/17/2018 02:38:13 PM
PAULA SOLLAMI COVELLO, COUNTY CLERK
MERCER COUNTY, NEW JERSEY

Mercer County Clerk *
Paula Sollami Covello
PO Box 8068
240 West State Street
6th Floor
Trenton NJ 08650

Official Use Only - Realty Transfer Fee

Date of Document 10/8/18

Type of Document Mortgage

First Party Name
SERV Achievement Centers

Second Party Name
State of New Jersey
Dept of Human Services

Additional Parties

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY
BUT SUGGESTED FOR ALL DOCUMENTS

Lot	Block
Municipality <u>MERCER</u>	Consideration
Mailing Address of Grantee <u>RTR</u> <u>Ahmed Taylor</u> <u>20 scotch RD 3rd fl.</u> <u>Ewing NJ 08628</u>	

THE FOLLOWING SECTION IS FOR ORIGINAL MORTGAGE BOOKING AND PAGING INFORMATION FOR ASSIGNMENTS, RELEASES, SATISFACTIONS, DISCHARGES AND OTHER MORTGAGE AGREEMENTS ONLY

Original Book	Original Page
---------------	---------------

1178
\$63.00

ck. 4269

PURCHASE MONEY MORTGAGE

MORTGAGE made this 8 day of October, 2018,
between the Mortgagor, **SERV Achievement Centers, Inc.**
and the Mortgagee, the State of New Jersey, Department of Human Services,
Division of Developmental Disabilities, 50 east State Street, P O Box 726,
Trenton, New Jersey, 08625.

WHEREAS the Mortgagor is indebted to the Mortgagee in the sum of
Two Hundred Sixty Four Thousand and Seven Hundred Sixty Four dollars,
(\$264,764.00) which indebtedness is evidenced by a promissory note dated
October 1, 2018, and by a certain agreement dated **October 1, 2018;**

THEREFORE to secure the indebtedness of **\$264,764.00**
lawful money of the United States, to be paid in accordance with the aforesaid agreement,
the Mortgagor does hereby mortgage the following described property located in the
Township of Hightstown, County of Mercer,
State of New Jersey, and more particularly described in Exhibit A annexed hereto and
made a part hereof, the aforesaid property being designated as:

Block Fifty - Five (55), **Lot Four (4),**

on the tax map of said **Township of Hightstown** and having a street address of
114 Spring Crest Road, Hightstown, NJ 08520.

Upon default by the Mortgagor in the performance of any term, provision or requirement of the aforesaid agreement of **October 1, 2018**, or upon no-fault termination of said agreement pursuant to Section 8.01 thereof, the entire amount of this mortgage shall, at the option of the Mortgagee, immediately become due and payable. Alternatively, upon Mortgagor default or upon no-fault termination of the agreement of **October 1, 2018**, the Mortgagee may exercise other options as set forth in Section 5.02 of the said agreement.

The Mortgagor agrees that if default shall be made in any term, provision or requirement of the agreement of **October 1, 2018**, the Mortgagee shall have the right forthwith, after any such default, to enter upon and take possession of the said mortgaged premises and to operate same in accordance with the aforesaid agreement.

The Mortgagor shall keep the building or buildings and improvements now on said premises, or that may hereafter be erected thereon, in good and substantial repair, and, upon failure to do so, the whole indebtedness secured and represented by this Mortgage, and the note accompanying same shall, at the option of the Mortgagee, become immediately due and payable; and also the Mortgagee may enter upon the premises and repair and keep in repair the same, and the expense thereof shall be added to the sum secured hereby.

In the event that the aforesaid property is condemned, the proceeds of any award for damages, direct as well as consequential, or the proceeds of any conveyance in lieu of condemnation, are hereby assigned and shall be paid to the Mortgagee.

IN WITNESS HEREOF, the Mortgagor has hereto set its hand and seal
the day and year first written above.

Serv Achievement Centers
Agency Name (Mortgagor)

BY: Regina Widdows L.S.
Regina Widdows (CEO)

ATTEST:

Amanda Jose Alderman L.S.
~~Secretary~~ Chairperson ("Secretary" position vacant)

State of New Jersey, County of Mercer ss.: Be it remembered that

on October 8 2018 before me, the subscriber, personally appeared

Amanda Jose Alderman, Board Chair

who being by me duly sworn on his/her oath, deposes and makes proof to my

satisfaction, that he/she is the Secretary of Serv Achievement Centers

the agency name in the within Instrument; that Regina Widdows
is the chief executive officer of said agency; that the execution, as well as the making of
this Instrument, has been duly authorized by a proper resolution of the governing body of
the said agency; that deponent well knows the seal of said agency; and that the seal
affixed to the said Instrument is the proper seal and was thereto affixed and said
Instrument signed and delivered by said chief executive officer as and for the voluntary
act and deed of said agency, in the presence of deponent, who thereupon subscribed
his/her name thereto as attesting witness

Sworn to and subscribed before me,
the date aforesaid

Prepared by:

Sherry Szurko

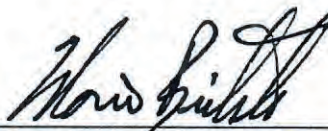
SHERRY L. DZURKO
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES AUG. 28, 2022

PROMISSORY NOTE\$264,764.00

October 1, 2018

In accordance with the terms of a Funding Agreement for Construction, Purchase, or Purchase and Renovation of Community-Based Facilities dated October 1, 2018, promises to pay on demand to the order of the STATE OF NEW JERSEY, DEPARTMENT OF HUMAN SERVICES, Two Hundred Sixty Four Thousand and Seven Hundred Sixty Four dollars, (\$264,764.00), payable at Capital Place One, 222 South Warren Street, Trenton, New Jersey 08625.

BY: _____



L.S.

Authorized Agency Representative

NAME: Morris BreitsteinTITLE: Chief Financial OfficerAGENCY: SERV Achievement Centers, Inc.ADDRESS: 20 Scotch RoadEwing, NJ 08628

Notarized by: _____

Date: _____


October 8, 2018

SHERRY L. DZURKO

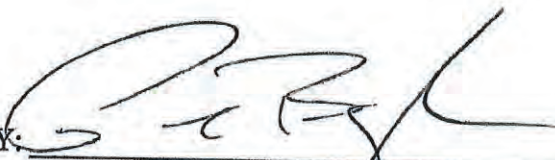
NOTARY PUBLIC

STATE OF NEW JERSEY

MY COMMISSION EXPIRES AUG. 28, 2022

AGREEMENT SIGNATURES AND DATE

The terms of this Agreement have been read and understood by the persons whose signatures appear below. The parties agree to comply with the terms and conditions of the Agreement as set forth in Article I through Article X above.

BY: 
Assistant Commissioner
Division of Developmental Disabilities
Department of Human Services, State of New Jersey

BY:  L.S.
Authorized Agency Representative

NAME: MORRIS BREITSTEIN

TITLE: CFO

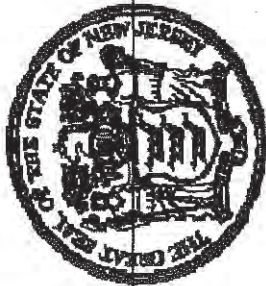
AGENCY: SERV Properties & Management, Inc.

ADDRESS: 20 Scotch Road

Ewing, NJ 08628

Agreement Dated:

April 9, 2009



License No. GH258

**State of New Jersey
Department of Human Services**

Office of Licensing

LICENSE

SERV Achievement Centers, Inc.

**20 Scotch Rd
West Trenton, NJ 08628**

*Having met the requirements of the New Jersey Statute, P.L. 1977, c. 448, and the regulations of this
Department, is hereby licensed as a*

Group Home Developmental Disability

for 5 individuals

at

**114 SPRINGCREST DRIVE
HIGHTSTOWN, NJ 08520**

This License is effective from 04/30/2022 to 04/30/2023

Sarah M. Adelman
Sarah M. Adelman, Commissioner, Department of Human Services

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: Hightstown Borough

County: Mercer

Sponsor: _____

Developer: SERV Properties and Management Inc.

Block: 55 Lot: 4

Street Address: 114 Springcrest Dr

Facility Name: Hightstown Group Home

<p>Section 1: Type of Facility:</p> <p><input checked="" type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input type="checkbox"/> Permanent supportive housing</p> <p><input type="checkbox"/> Supportive shared housing</p> <p><input type="checkbox"/> Other – Please Specify: _____</p>	<p>Section 2: Sources and amount of funding committed to the project :</p> <p><input type="checkbox"/> Capital Application Funding Unit \$ _____</p> <p><input type="checkbox"/> HMFA Special Needs Housing Trust Fund \$ _____</p> <p><input type="checkbox"/> Balanced Housing – Amount \$ _____</p> <p><input type="checkbox"/> HUD – Amount \$ _____ Program _____</p> <p><input type="checkbox"/> Federal Home Loan Bank – Amount \$ _____</p> <p><input type="checkbox"/> Farmers Home Administration – Amount \$ _____</p> <p><input type="checkbox"/> Development fees – Amount \$ _____</p> <p><input type="checkbox"/> Bank financing – Amount \$ _____</p> <p><input checked="" type="checkbox"/> Other – Please specify: <u>Community Residential Facility Funding Program</u> Amount- <u>\$265,759.00</u></p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p>
<p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for:</p> <p>Very low-income clients/households <u>4</u></p> <p>Low-income clients/households _____</p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p>	<p>Section 4: For permanent supportive housing:</p> <p>Total # of units _____, including:</p> <p># of very low-income units _____</p> <p># of low-income units _____</p> <p># of moderate-income units _____</p> <p># of market-income units _____</p>
<p>Section 5:</p> <p>Length of Controls: <u>20</u> years</p> <p>Effective Date of Controls: <u>10/1/2018</u></p> <p>Expiration Date of Controls: <u>9/30/2038</u></p> <p>Average Length of Stay: _____ months (transitional facilities only)</p>	<p>Section 6:</p> <p><input type="checkbox"/> CO Date: <u>3/17/1988</u></p> <p>For licensed facilities, indicate licensing agency:</p> <p><input checked="" type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: <u>4/25/1988</u></p> <p>Current License Date: <u>4/30/2023</u></p>



Section 7: Has the project received project-based rental assistance? ___ Yes <u>X</u> No; Length of commitment: _____ Other operating subsidy sources: _____; Length of commitment: _____ Is the subsidy renewable? ___ Yes ___ No	
Section 8: The following verification is attached: <div style="margin-left: 40px;"> <input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.) <input checked="" type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required) </div>	
Section 9: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> Residents 18 yrs or older? <u>X</u> Yes ___ No Population Served (describe): <u>Developmentally Disabled</u> </div> <div style="width: 45%;"> Age-restricted? ___ Yes <u>X</u> No Accessible (in accordance with NJ Barrier Free Subcode)? ___ Yes <u>X</u> No </div> </div>	
Section 10: Affirmative Marketing Strategy (check all that apply): <div style="margin-left: 40px;"> <input checked="" type="checkbox"/> DDD/DMHS/DHSS waiting list <input type="checkbox"/> Affirmative Marketing Plan approved by the Council's Executive Director </div>	

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by:

[Signature]
Project Administrator

2/10/23
Date

Certified by:

Municipal Housing Liaison

Date

APPENDIX F

HABITAT FOR HUMANITY DOCUMENTATION

Resolution 2012-201

*BOROUGH OF HIGHTSTOWN
COUNTY OF MERCER
STATE OF NEW JERSEY*

A RESOLUTION AUTHORIZING THE BOROUGH OF HIGHTSTOWN TO ENTER INTO AN AGREEMENT WITH "HABITAT FOR HUMANITY MILLSTONE BASIN AFFILIATE" FOR THE PROVISION OF AFFORDABLE HOUSING TRUST FUNDS IN ORDER TO ASSIST WITH THE CONSTRUCTION OF NEW AFFORDABLE HOUSING UNITS WITHIN THE BOROUGH.

WHEREAS, the Borough of Hightstown (the "Borough") petitioned the Council on Affordable Housing ("COAH") for substantive certification of its housing element and fair share plan in 2005; and

WHEREAS, the Borough has previously adopted Ordinance(s) authorizing the imposition and collection of development fees in connection with certain new residential and non-residential construction in the Borough, which funds were to be deposited into an Affordable Housing Trust Fund (also referenced as the "Trust Fund"); and

WHEREAS, the monies collected and deposited into the Trust Fund were intended to be utilized in order to facilitate the construction and/or rehabilitation of affordable units within the Borough; and

WHEREAS, COAH has previously approved the Borough's Development Fees Ordinance(s); and

WHEREAS, to date, the Borough has collected in excess of \$400,000 in development fees; and

WHEREAS, as of December 31, 2011, the balance of funds on deposit in the Trust Fund was \$395,881.73; and

WHEREAS, the Borough has previously approved a Spending Plan concerning the Borough's intentions with regard to the expenditure of the funds on deposit in the Trust Fund, in an effort to facilitate the construction and/or rehabilitation of affordable housing units within the Borough; and

WHEREAS, following the Borough Council's approval of the proposed Spending Plan, the Borough forwarded the same to COAH on or about December 30, 2008 seeking COAH's formal review and approval of the same; and

WHEREAS, notwithstanding the good faith filing of the Spending Plan with COAH at that time by the Borough, COAH has never formally taken any action with regard to the Borough's Spending Plan; and

WHEREAS, during the years which have elapsed since the initial filing of the Borough's Spending Plan with COAH, the Borough's intentions with respect to the expenditure of the funds collected and deposited into the Trust Fund have evolved, and certain revisions to the Spending Plan became necessary; and

WHEREAS, those revisions have recognized the negotiations that have taken place over the years between the Borough and various entities relating to the construction of new affordable housing units within the Borough; and

WHEREAS, the said revisions have been incorporated into a Revised Spending Plan, which was approved by the Hightstown Borough Council on July 16, 2012, and which was filed with COAH immediately thereafter; and

WHEREAS, the Revised Spending Plan incorporates an affordable housing project to be constructed by Habitat for Humanity Millstone Basin Affiliate ("HFHMBA"); and

WHEREAS, HFHMBA is a non-profit charitable corporation formed for the purpose of enabling low and moderate income families to purchase affordable housing; and

WHEREAS, pursuant to negotiations which have taken place between the Borough and HFHMBA (collectively, the "parties"), HFHMBA intends to construct an affordable housing project (the "project") along

South Academy Street within the Borough, more specifically to be located at Block 40, Lots 22, 23 and 24 on the Borough's Tax Map (the "property"); and

WHEREAS, the project involves the construction of four (4) affordable housing units in the form of two (2) single-family duplexes to be constructed by HFHMBA, with the Borough sponsoring two (2) of the said units; and

WHEREAS, the project received approvals from the Hightstown Borough Planning Board in 2011; and

WHEREAS, in exchange for the deed restrictions and controls on affordability to be established on the affordable units at the property, the Borough has already committed to provide the sum of Two Hundred Thousand Dollars (\$200,000) to HFHMBA to assist with the construction of this project; and

WHEREAS, the specific terms and conditions associated with this venture are set forth in an Agreement between the parties; and

WHEREAS, the Borough of Hightstown wishes to provide its authorization for the Mayor to execute and the Borough Clerk to attest the said Agreement, which shall memorialize the understanding previously reached between the parties (i.e., prior to the Borough's approval of the Revised Spending Plan referenced above) regarding the project; and

WHEREAS, the said Agreement shall be in a form satisfactory to the Borough Attorney; and

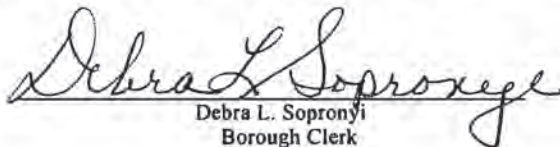
WHEREAS, the Hightstown Borough Council finds and declares that the execution of the said Agreement is in the best interests of the residents of the Borough.

NOW, THEREFORE, BE AND IT IS HEREBY RESOLVED, by the Borough Council of the Borough of Hightstown, in the County of Mercer and the State of New Jersey, as follows:

1. That the Mayor is hereby authorized to execute and the Borough Clerk to attest the above-referenced Agreement, which shall memorialize the understanding previously reached between the parties (i.e., prior to the Borough's approval of the Revised Spending Plan referenced above) regarding the project, which shall involve the payment of \$200,000 from the Trust Fund to HFHMBA to assist with the construction of this project.
2. That a certified copy of this Resolution shall be provided to each of the following:
 - a. COAH;
 - b. Michael Theokas, Borough Administrator;
 - c. Tamara Lee, Borough Planner;
 - d. Frederick C. Raffetto, Esq., Borough Attorney;
 - e. Gary Rosensweig, Esq., Planning Board Attorney; and
 - f. Carmela Roberts, P.E., Borough Engineer.

CERTIFICATION

I hereby certify the foregoing to be a true copy of a resolution adopted by the Borough Council at a meeting held on August 6, 2012.


Debra L. Sopronyi
Borough Clerk

AFFORDABLE HOUSING AGREEMENT

This AGREEMENT, made this 13th day of August, 2012, by and between:

THE BOROUGH OF HIGHTSTOWN, a municipal corporation in the County of Mercer and State of New Jersey, having its principal office located at 148 North Main Street, Hightstown, New Jersey 08520, also referenced as the "Borough" or "Hightstown"; and

HABITAT FOR HUMANITY MILLSTONE BASIN AFFILIATE, having its principal office located at 120 South Main Street, Hightstown, New Jersey 08520, also referenced as "HFHMBA";

RECITALS:

1. Southern Burlington County NAACP v. Mount Laurel, 92 N.J. 158 (1983) ("Mount Laurel II") and the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, *et seq.*, ("FHA"), and the implementing regulations adopted by the New Jersey Council on Affordable Housing ("COAH") (collectively referenced as the "Mount Laurel Doctrine"), require Hightstown, as well as other municipalities in New Jersey, to create a realistic opportunity for the provision of low and moderate income housing ("Affordable Housing") during the third housing cycle spanning from January 1, 2004 to December 31, 2018.
2. The FHA authorized the creation of COAH as the State administrative agency with primary jurisdiction over the administration of municipal affordable housing obligations and authorized COAH and the New Jersey Housing and Mortgage Finance Agency ("HMFA") to adopt rules and regulations to guide affordable housing compliance in accordance with sound regional planning considerations.
3. COAH's Third Round rules, which took effect October 20, 2008, and are codified at N.J.A.C. 5:97-1 et seq., adopt a revised growth share approach to calculate municipal affordable housing obligations during the third housing cycle. While this methodology has been disallowed by the Courts, which have ordered the State to adopt a methodology similar to Rounds I and II, a revised formula to calculating affordable housing obligations has yet to be adopted.
4. Nonetheless, under the current COAH regulations, the Borough's projected growth share obligation is thirty (30) units for Round Three and another twenty (20) units remaining from prior rounds.
5. HFHMBA is a non-profit charitable corporation formed for the purpose of enabling low and moderate income families to purchase affordable housing.

6. In 2011, HFHMBA received approvals from the Hightstown Planning Board to construct an affordable housing project (the "Project") on South Academy Street in the Borough, more specifically to be located at Block 40, Lots 22, 23 and 24 on the Borough's Tax Map (collectively, "the Property"), which will assist the Borough in meeting its Third Round affordable housing obligations.
7. The Project involves the construction of a total of four (4) affordable housing units, in the form of two (2) single-family duplexes to be constructed by HFHMBA.
8. HFHMBA has agreed to place deed restrictions and controls on affordability on all of the affordable units at the Property, and to otherwise abide by all of the requirements set forth under Mount Laurel Doctrine, so as to permit the Borough to receive credits toward its affordable housing obligation under the Third Round.
9. In exchange for HFHMBA's actions in this regard, the Borough has agreed to contribute the sum of \$200,000.00 (Two Hundred Thousand and 00/100 Dollars) from the Borough's Affordable Housing Trust Fund to HFHMBA as a subsidy in order to facilitate the construction of two (2) of the four (4) affordable units at the Property.
10. The purpose of this Agreement is to memorialize the parties' understanding and commitment with respect to the foregoing.

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Borough and HFHMBA (collectively, the "parties") agree as follows:

I. RECITALS.

The Recitals set forth above are hereby incorporated by reference herein as if set forth at length.

II. PURPOSE OF AGREEMENT.

The purpose of this Agreement is to facilitate the construction and maintenance of four (4) housing units at the Property which are affordable to low and/or moderate income households, as defined by COAH and HMFA regulations, which shall assist Hightstown in meeting its Third Round affordable housing obligations.

III. CONSTRUCTION; AFFORDABILITY RESTRICTIONS.

HFHMBA agrees that it shall diligently pursue the construction of the four (4) affordable housing units at the Property which were previously approved by the Hightstown Borough Planning Board in 2011. HFHMBA shall then convey each of the units to a qualified low and/or moderate income household. HFHMBA shall select the low and/or moderate income

purchasers in a manner that is consistent with applicable COAH and HMFA regulations. Each of the units conveyed shall be subject to deed restrictions and controls on affordability (collectively, the "affordability restrictions"), which affordability restrictions shall endure for a period of thirty (30) years (the "affordable time period"). The affordability restrictions shall govern all transfers of the affected units during the affordable time period. The affordability restrictions shall be consistent with the requirements set forth under the Mount Laurel Doctrine, and shall be recorded with the Mercer County Clerk's Office as encumbrances against the Property. The affordability restrictions shall be subject to the review and approval of Hightstown's Borough Attorney before they are executed and recorded. All initial and subsequent transfers of the affordable units at the Property during the affordable time period shall be subject to the review and approval of the Borough's designated administrative agent.

IV. CONSTRUCTION SCHEDULE.

Subject to the contingencies listed in Paragraph VI(a) of this Agreement, HFHMBA agrees to diligently pursue a building permit for construction or seek necessary approvals from all governmental agencies for the redevelopment or construction of the aforesaid units at the Property.

V. FUNDING.

Hightstown agrees to provide a subsidy for the construction of two (2) of the four (4) affordable units at the Property in the amount of \$200,000.00 (Two Hundred Thousand and 00/100 Dollars) (referenced as the "subsidy"), representing \$100,000.00 (One Hundred Thousand and 00/100 Dollars) for each unit. Hightstown will transfer the agreed-upon subsidy as follows: Twenty-five percent (25%) of the subsidy shall be provided at the time of building permit issuance; Twenty-five percent (25%) of the subsidy shall be provided at the time of commencement of construction of the building foundation; Twenty-five percent (25%) of the subsidy shall be provided at the time that the building is fully enclosed, with windows and doors installed; and Twenty-five percent (25%) of the subsidy shall be provided at the time of issuance of the final Certificate of Occupancy for the second of the two (2) affordable units that the Borough is subsidizing.

VI. CONTINGENCIES.

a. This Agreement is contingent upon HFHMBA: (1) receiving the monies from the Borough in accordance with Paragraph V of this Agreement; and (2) obtaining all final, unappealable development approvals and/or permits necessary for the construction of the units (including, but not limited to, ingress and egress).

b. In the event that this contingency is not satisfied, then either party may terminate this Agreement.

VII. COMPLIANCE WITH COAH'S RULES AND MAINTENANCE OF PROJECT.

The affordable units shall be affirmatively marketed and sold in accordance with the applicable regulations regarding the controls on affordability, as required in N.J.A.C. 5:97-1, et seq., the Uniform Housing Affordable Controls, N.J.A.C. 5:80-26.1, et seq. ("UHAC Regulations"), and any other applicable requirements set forth under the Mount Laurel Doctrine. HFHMBA agrees to cooperate, to the extent reasonably possible, with the Borough and its designated administrative agent, to assist the Borough in satisfying its administrative enforcement obligations. The Deeds transferring title to the aforesaid units shall contain the requisite thirty (30)-year restrictions for affordability controls.

VIII. DEFAULT.

In the event that any party shall fail to perform any undertaking required to be performed by it pursuant to the terms of this Agreement, unless such obligation is waived in writing by the party or parties for whose benefit such obligation was intended, such failure to perform shall constitute an event of default under this Agreement. In the event of default, the non-defaulting party shall have available any and all rights and remedies at law or equity, including but not limited to, the right of specific performance and/or the right to bring a motion in aid of litigant's rights. Prior to such proceedings, there shall be an opportunity to cure said alleged default by notifying the defaulting party in writing specifying the nature of the default, and allowing the defaulting party thirty (30) days thereafter to effect a cure.

IX. NOTICES.

All notices required under this Agreement shall be in writing and shall be given by certified mail, return receipt requested, or by recognized overnight personal carriers with certified proof of receipt, and by duplicate facsimile transmission if under 25 pages. All notices shall be deemed received upon the date of delivery which is set forth in the mailing certifications by the mail or delivery services used, and all times for performance based on those notices shall be from the date set forth in such proof of delivery. The persons and entities to receive notice shall be as follows:

To Developer:	Habitat for Humanity Millstone Basin Affiliate 120 S. Main Street Hightstown, NJ 08520
To Borough:	Borough of Hightstown 148 North Main Street Hightstown, NJ 08520 (Attention: Borough Clerk)
With a copy to:	Frederick C. Raffetto, Esq. Ansell Grimm & Aaron PC 1500 Lawrence Avenue Ocean, New Jersey 07712

The parties acknowledge that this Agreement has been jointly prepared by the parties' attorneys. Therefore, this Agreement shall be construed on parity between the parties and any presumption for resolving ambiguities against the drafter shall not apply.

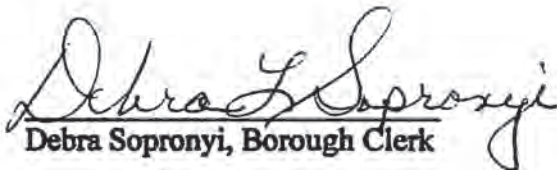
XV. COUNTERPART SIGNATURE.

This Agreement may be executed simultaneously or in one or more counterparts, each of which, when so executed and delivered, shall constitute an original, fully enforceable counterpart for all purposes. Facsimile counterparts shall be accepted and enforceable. Immediately upon delivery of a facsimile counterpart, the sending party shall deliver a counterpart with the original execution page.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year appearing below their names.

ATTEST:

THE BOROUGH OF HIGHTSTOWN

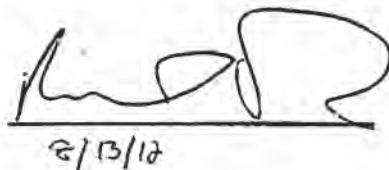

Debra Sopronyi, Borough Clerk

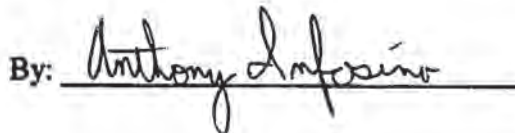
By: 
Hon. Steven Kirson, Mayor

Dated: August 13, 2012

WITNESS:

HABITAT FOR HUMANITY INC.


8/13/12

By: 

Dated: August 13, 2012

STATE OF NEW JERSEY

:
: ss.
:

COUNTY OF MERCER

I CERTIFY that on Monday August 13 2012, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared Anthony Infesino and this person acknowledged under oath, to my satisfaction, that:

- President 08/13/2012
- (a) this person is the ~~Secretary~~ of Habitat for Humanity Millstone Basin Affiliate, a New Jersey Corporation, the maker named in the within instrument;
- (b) this person is the attesting witness to the signing of this document by the proper corporate officer, who is Anthony Infesino;
- (c) this document was signed and delivered by the Corporation as its voluntary act, and was duly authorized;
- (d) this person well and truly knows the corporate seal which was affixed to this document; and
- (e) this person signed this proof to attest to the truth of these facts.

Anthony Infesino
~~Secretary~~ President of Millstone Basin Area Habitat for Humanity

Sworn to and subscribed before me
this 13 day of AUGUST, 2012

Susan D Jackson

SUSAN D JACKSON
NOTARY PUBLIC
State of New Jersey
My Comm. Exp. 6-13-2017

STATE OF NEW JERSEY :
: ss.
COUNTY OF MERCER :

I CERTIFY that on August 13, 2012 2012, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared Debra Sopronyi, and this person acknowledged under oath, to my satisfaction, that:

(a) this person is the Municipal Clerk of the Borough of Hightstown, a New Jersey Municipal Corporation, the maker named in the within instrument;

(b) this person is the attesting witness to the signing of this document by the proper corporate officer, who is Steven Kirson, the Mayor of the Borough;

(c) this document was signed and delivered by the Corporation as its voluntary act, duly authorized by a proper Resolution (Resolution # 2012-201) of the Mayor and Council of the Borough, a copy of which is attached hereto as Schedule A;

(d) this person well and truly knows the corporate seal which was affixed to this document; and

(e) this person signed this proof to attest to the truth of these facts.


Debra Sopronyi, Municipal Clerk

Sworn to and subscribed before me
this 13 day of August, 2012



SUSAN D JACKSON
NOTARY PUBLIC
State of New Jersey
My Comm. Exp. 6-13-2017

**FIRST AMENDMENT TO
AFFORDABLE HOUSING AGREEMENT**

This First Amendment to the Affordable Housing Agreement, made this 19th day of JUNE, 2017, by and between:

THE BOROUGH OF HIGHTSTOWN, a municipal corporation in the County of Mercer and State of New Jersey, having its principal office located at 156 Bank Street, Hightstown, New Jersey 08520, also referenced as the "Borough"; and

HABITAT FOR HUMANITY MILLSTONE BASIN AFFILIATE, having its principal office located at 120 South Main Street, Hightstown, New Jersey 08520, also referenced as "Habitat."

RECITALS:

WHEREAS, the Borough and Habitat are parties to an existing Affordable Housing Agreement (the "Agreement") dated August 13, 2012, whereby the Borough agreed to contribute the sum of \$200,000.00 (Two Hundred Thousand and 00/100 Dollars) from the Borough's Affordable Housing Trust Fund to Habitat as a subsidy in order to facilitate the construction of two (2) single-family duplex affordable units as part of a development project to be constructed on South Academy Street, more specifically located at Block 40, Lots 22, 23 and 24 on the Borough's Official Tax Map; and

WHEREAS, the said affordable housing units will assist the Borough to comply with its Third Round affordable housing obligation(s); and

WHEREAS, pursuant to the Agreement, the total contribution referenced above was to be made in four (4) separate installment payments in the amount of \$50,000.00 (Fifty Thousand and 00/100 Dollars) each, at specified intervals of completion, with each disbursement representing twenty-five percent (25%) of the total subsidy; and

WHEREAS, the parties have agreed that Paragraph V of the said Agreement shall be amended in order to revise the timing associated with payment of the third installment to Habitat, such that said installment will be split into two partial payments of \$25,000.00 (Twenty-five Thousand and 00/100 Dollars) each, payable as specified herein; and

WHEREAS, per Habitat's representation(s), this amendment (and the release of certain funding to Habitat immediately, as specified herein) will allow Habitat to ensure that the duplex structure is fully enclosed so that it will be protected from the elements, such that the Habitat volunteers will then be able to work on the interior of the project during the upcoming winter

months; and

WHEREAS, the parties wish to memorialize this understanding as set forth below.

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Borough and Habitat have agreed that Paragraph V of the Affordable Housing Agreement previously executed by the parties on August 13, 2012 shall hereby be amended to read as follows (deletions to the original Agreement are shown in ~~strikeout~~; additions are shown with underline):

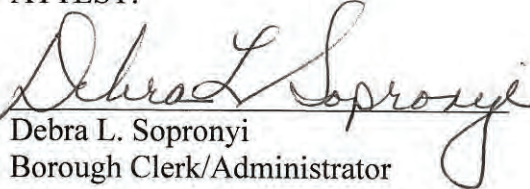
V. FUNDING.

Hightstown agrees to provide a subsidy for the construction of two (2) of the four (4) affordable housing units at the Property in the amount of \$200,000.00 (Two Hundred Thousand and 00/100 Dollars) (referenced as the "subsidy"), representing \$100,000.00 (One Hundred Thousand and 00/100 Dollars) for each unit. Hightstown will transfer the agreed-upon subsidy as follows: Twenty-five percent (25%) of the subsidy shall be provided at the time of building permit issuance; Twenty-five percent (25%) of the subsidy shall be provided at the time of commencement of construction of the building foundation; ~~Twenty-five percent (25%) of the subsidy shall be provided at the time that the building is fully enclosed, with windows and doors installed;~~ Twelve and one-half percent (12.5%) of the subsidy shall be provided immediately following the execution of this "First Amendment to Affordable Housing Agreement"; Twelve and one-half percent (12.5%) of the subsidy shall be provided at the time that the building is fully enclosed, with windows and doors installed; and the final Twenty-five percent (25%) of the subsidy shall be provided at the time of issuance of the final Certificate of Occupancy for the second of the two (2) affordable units that the Borough is subsidizing.

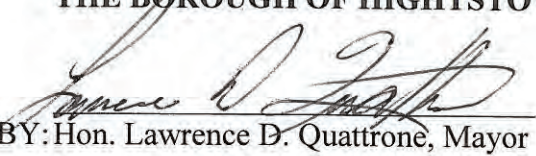
The parties further agree that all other terms and conditions contained in the initial Affordable Housing Agreement dated August 13, 2012 shall remain in full force and effect without modification.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year appearing below their names.

ATTEST:

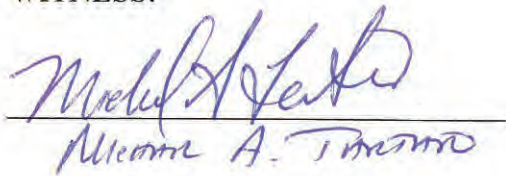

Debra L. Sopronyi
Borough Clerk/Administrator

THE BOROUGH OF HIGHTSTOWN

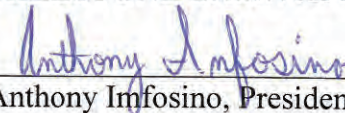

BY: Hon. Lawrence D. Quattrone, Mayor

Dated: _____

WITNESS:


Michael A. Timmo

HABITAT FOR HUMANITY
MILLSTONE BASIN AFFILIATE


BY: Anthony Imfosino, President
Millstone Basin Area Habitat for Humanity

Dated: 08-10-2017



Borough of Hightstown
156 Bank Street
Hightstown, NJ 08520
609-4905100

Block: 40 Lot: 28 Qual: _____

Work Site Location: 250 South Academy St
Hightstown, NJ 08520

Owner in Fee: Millstone Basin Habitat for Humanity

Address: 120 Main St.
Hightstown NJ 08520

Telephone: 609 448-4422

Agent/Contractor: Millstone Basin Habitat for Humanity

Address: 120 Main St.
Hightstown NJ 08520

Telephone: 609 448-4422

Lic. No./ Bldrs. Reg. No.: _____ Federal Emp. No.: _____

Social Security No.: _____

☒ **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

☐ **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

☐ **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than _____ or will be subject to fine or order to vacate:

CERTIFICATE IDENTIFICATION

Date Issued: 12/23/2010
Control #: 8275
Permit #: 20100026

Home Warranty No: _____

Type of Warranty Plan: ☐ State ☐ Private

Use Group: R-5

Maximum Live Load: 40

Construction Classification: 5B

Maximum Occupancy Load: 4

Certificate Exp Date: _____

Description of Work/Use: HABITAT FOR HUMANITY 3 BEDROOM HOUSE

☐ **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

☐ Total removal of lead-based paint hazards in scope of work

☐ Partial or limited time period(____ years); see file

☐ **CERTIFICATE OF CONTINUED OCCUPANCY**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

☐ **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until _____

George Chin Construction Official

Fees: \$108.00

Paid[X] Check No.: 1608

U.C.C 260 (rev. 5/03)

1 - APPLICANT 2 - OFFICE 3 - TAX ASSESSOR

Collected by: AG

6c

Mercer County Clerk's Office

Return To:

FIRST AMERICAN TITLE INS CO
PO BOX 327
PLAINSBORO NJ 08536

MILLSTONE BASIN AREA HABITAT
HUMANITY INC
REGENTHAL
FRANK W

Index DEEDS

Book 06090 Page 0917

No. Pages 0008

Instrument SR CIT/LOW MOD

Date : 1/12/2011

Time : 12:28:52

Control # 201101120144

INST# RD 2011 001603

Employee ID KWISNIEW

Detail

RECORDING	\$	30.00
RECORDING	\$	30.00
DD2 T1 CO	\$	95.00
DD2 T2 NPN	\$.00
DARM \$3	\$	21.00
DARM \$3	\$	3.00
NMD1PA	\$	14.00
NJPRPA	\$	2.00
	\$.00

Total: \$ 195.00

Consideration Amount	\$	95,000.00
RTF Sr/Lo/Mod Tier 1\$		95.00
RTF Sr/Lo/Mod Tier 2\$.00
	\$.00
Total	\$	95.00

STATE OF NEW JERSEY
Mercer County Clerk's Office

*****PLEASE NOTE:*****
* DO NOT REMOVE THIS COVER SHEET - *
* IT CONTAINS ALL RECORDING INFORMATION *

Paula Sollami-Covello
Mercer County Clerk



D060900917002HIB

VOL6090 PG917

①
Acct 36
record and return:
1704452
GENERAL LAND ABSTRACT CO.
P.O. Box 327
Plainsboro, NJ 08536-0327

DD2-TPGS.
100-00-#36 - Prepared by: Greg R. Muszynski, Esq.
RTF 95.00 Massar & Kurs P.A.
CK. 3452
APPENDIX A

MANDATORY DEED FORM FOR OWNERSHIP UNITS

New Construction
Deed

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

To State Regulated Property
With Covenants Restricting Conveyance
And Mortgage Debt

THIS DEED is made on this the 3rd day of December, 2010 by and between

Millstone Basin Area Habitat for Humanity, Inc. whose mailing address is P.O. Box 178 Cranbury, New Jersey 08512 (Grantor) and,

Frank W. Regenthal and Jamie A. Regenthal, husband and wife, whose address is about to be 250 South Academy Street, Hightstown, New Jersey 08520 (Grantee).

Article 1. Consideration and Conveyance

In return for payment to the Grantor by the Grantee of Ninety Five Thousand (\$95,000.00) Dollars and No/Cents, the receipt of which is hereby acknowledged by the Grantor, the Grantor hereby grants and conveys to the Grantee all of the land and improvements thereon as is more specifically described in Article 2, hereof (the Property).

Article 2. Description of Property

The Property consists of all of the land, and improvements thereon, that is located in the municipality of Hightstown, County of Mercer, State of New Jersey, and described more specifically as Block No. 40 Lot No. 28 and known by the street address: 250 South Academy Street

The legal description is attached hereto as Schedule "A" and made part hereof.

Being the same premises conveyed to Grantor, by deed from Borough of Hightstown, which deed is dated October 22, 2009, and recorded on October 30, 2009, in the Mercer County Clerk's office in Deed Book 6024, at page 239.

Article 3. Grantor's Covenant

The Grantor hereby covenants and affirms that Grantor has taken no action to encumber the Property.

**SCHEDULE C
LEGAL DESCRIPTION**

Commitment No.: 3471-1704452-PRC

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Hightstown, County of Mercer, State of New Jersey:

Beginning at a point in the Westerly line of South Academy Street, 40.00 feet wide, said point being distant 96.60 feet Northerly from the intersection of the Northwesterly line of Railroad Avenue with the said Westerly line of South Academy Street, and running; thence

- 1) North 75 degrees 00 minutes West, a distance of 119.00 feet to a point; thence
- 2) South 15 degrees 00 minutes West, a distance of 39.50 feet to a point; thence
- 3) South 75 degrees 00 minutes East, a distance of 119.00 feet to a point in the Westerly line of South Academy Street; thence
- 4) Along said Westerly line of South Academy Street, North 15 degrees 00 minutes East, a distance of 39.50 feet to the point and place of Beginning.

As shown on a plan prepared by A-1 Land Surveys, Inc., dated November 17, 2010, File No. 110-45727.

NOTE FOR INFORMATION ONLY: Being Lot(s) 28, Block 40 Tax Map of the Borough of Hightstown, County of Mercer

Article 4.

Affordable Housing Covenants

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

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

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

Article 5.

Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to the Administrative Agent and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing. Accordingly, and as set forth in N.J.A.C. 5:80-26.10A(b):

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

EXECUTION BY GRANTOR

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

Tara Roche, Vice President

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

Gwen S.D. Board member [seal]

_____ [seal]

_____ [seal]

_____ [seal]

CERTIFICATE OF ACKNOWLEDGEMENT BY INDIVIDUAL

State of New Jersey, County of Mercer

I am either (check one) _____ a Notary Public or _____ a Attorney, an officer authorized to take acknowledgements and proofs in the state of New Jersey. I sign this acknowledgement below to certify that it was executed before me. On this the 3 day of December, 2010. Tara Roche appeared before me in person. (If more than one person appears, the words "this person" shall include all persons named who appeared before the officer making this acknowledgement). I am satisfied that this person is the person named in and who signed this Deed.

State of New Jersey
SELLER'S RESIDENCY CERTIFICATION/EXEMPTION
(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, Page 2)

Name(s)

Millstone Basin Area, Habitat for Humanity

Current Resident Address:

Street: P. O. Box 178,

City, Town, Post Office

State

Zip Code

Cranbury

NJ

08512

PROPERTY INFORMATION (Brief Property Description)

Block(s)

Lot(s)

Qualifier

40

28

Street Address:

250 South Academy Street

City, Town, Post Office

State

Zip Code

Hightstown

Nj

08520

Seller's Percentage of Ownership

Consideration

Closing Date

100%

\$95,000.00

12/3/10

SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to Residents and Non-residents)

1. ☐ I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☐ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☒ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A. 54A:1-1 et seq.
6. ☐ The total consideration for the property is \$1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale (see instructions).
- ☐ No non-like kind property received.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.

SELLER(S) DECLARATION

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

3 December 2010

Date

[Signature]

Signature

(Seller) Please indicate if Power of Attorney or Attorney in Fact

December 3, 2010

Date

[Signature]

Signature

(Seller) Please indicate if Power of Attorney or Attorney in Fact

AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

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

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

STATE OF NEW JERSEY

COUNTY

Mercer

} SS. County Municipal Code
1104

MUNICIPALITY OF PROPERTY LOCATION Hightstown

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

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

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

Deponent, Tara Roche, being duly sworn according to law upon his/her oath,
(Name)

deposes and says that he/she is the Legal Representative in a deed dated December 3, 2010 transferring
(Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.)

real property identified as Block number 40 Lot number 28 located at
250 South Academy Street, Hightstown, New Jersey and annexed thereto.
(Street Address, Town)

(2) **CONSIDERATION** \$ 95,000.00 (Instructions #1 and #5 on reverse side) ☐ no prior mortgage to which property is subject.

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

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

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

\$ _____ + _____ % = \$ _____

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

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

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

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

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

A **SENIOR CITIZEN** Grantor(s) ☐ 62 years of age or over.* (Instruction #9 on reverse side for A or B)
B **BLIND PERSON** Grantor(s) ☐ legally blind or;
DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ receiving disability payments ☐ not gainfully employed*
Senior citizens, blind persons, or disabled persons must also meet all of the following criteria
☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey
☐ One or two-family residential premises ☐ Owners as joint tenants must all qualify.

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

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

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

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

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

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

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

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

Subscribed and sworn to before me
this 3 day of December, 20 10

Greg R. Muszynski Esq
Attorney At Law

[Signature]
Signature of Deponent
P. O. Box 178, Cranbury NJ
Deponent Address
XXX-XXX-10335
Last three digits in Grantor's Social Security Number

Habitat for Humanity Millersboro
Grantor Name
P. O. Box 178, Cranbury, NJ
Grantor Address at Time of Sale
Name/Company of Settlement Officer

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

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

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

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

VOL 6090 PG 923

This person also acknowledged that the full and actual consideration paid or to be paid for the transfer of title to realty evidenced by this Deed, as such consideration is defined in P.L. 1968, c. 49, sec. 1(c), is \$ 95,000.00.

Greg R. Muszynski, Esq
Officer's signature: Sign above, and print stamp or type name below Greg R. Muszynski
Attorney - At-Law

CORPORATE PROOF BY SUBSCRIBING WITNESS

State of New Jersey, County of Mercer

I am either (check one) a Notary Public or a Attorney, an officer authorized to take acknowledgements and proofs in the state of New Jersey. On this the 3 day of December, 2010, Gwen Slatas (hereinafter the "Witness") appeared before me in person. The Witness was duly sworn by me, and under oath stated and proved to my satisfaction that:

1. The Witness is the Board Member ~~secretary~~ of the corporation which is the Grantor described as such in this deed (hereinafter the "Corporation").
2. Tara Roche, the officer who signed this Deed is the (title) Vice President of the Corporation (hereinafter the "Corporate Officer").
3. The making, signing, sealing and delivery of this Deed have been duly authorized by a proper resolution of the Board of Directors of the Corporation.
4. The Witness knows the corporate seal affixed to this Deed is the corporate seal of the Corporation. The Corporate Officer affixed the seal to this Deed. The Corporate Officer signed and delivered this Deed as and for the voluntary act and deed of the Corporation. All this was done in the presence of the Witness who signed this Deed as attesting witness. The Witness signs this proof to attest to the truth of these facts.

The Witness also acknowledges that the full and actual consideration paid or to be paid for the transfer of title to realty evidenced by this Deed, as such consideration is defined in P.L. 1968, c. 49, sec. 1(c), is \$ 95,000.00.

Sworn and signed before me on the date above written:

Gwen Slatas
Witness: Sign above and print or type name below

Greg R. Muszynski, Esq
Officer's signature: Sign above, and print stamp or type name below
Greg R. Muszynski, Esq
Attorney - At - Law

In compliance with the statute I have presented an abstract of the within to the Assessor of the taxing district therein mentioned.
PAULA SOLLAMI-COVELLO
MERCER COUNTY CLERK



Borough of Hightstown
156 Bank Street
Hightstown, NJ 08520
609-4905100

Block: 40 Lot: 22.04 Qual: _____

Work Site Location: 232 S Academy St

Hightstown Borough

Owner in Fee: Habitat for Humanity Millstone Basin Area

Address: 120 S Main St

Hightstown NJ 08520

Telephone: 609 443-8744

Agent/Contractor: Millstone Basin Area Habitat for Humanity

Address: 232 S Academy St

Hightstown NJ 08520

Telephone: 609 443-8744

Lic. No./ Bldrs. Reg. No.: _____ Federal Emp. No.: _____

Social Security No.: _____

☒ **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

☐ **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

☐ **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than _____ or will be subject to fine or order to vacate:

**CERTIFICATE
IDENTIFICATION**

Date Issued: 10/28/2021
Control #: 9342
Permit #: 20130025

Home Warranty No: _____

Type of Warranty Plan: ☐ State ☐ Private

Use Group: R-5

Maximum Live Load: 30

Construction Classification: 5B

Maximum Occupancy Load: 4

Certificate Exp Date: _____

Description of Work/Use: 1,324sf, 3 bedroom, 2 story house by Habitat for Humanity

☐ **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

☐ Total removal of lead-based paint hazards in scope of work

☐ Partial or limited time period(____ years); see file

☐ **CERTIFICATE OF CONTINUED OCCUPANCY**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

☐ **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until _____

George Chin

George Chin Construction Official

Fees: \$55.00

Paid[X] Check No.: 1775

Collected by: AG



**Mercer County
Document Summary Sheet**

MERCER COUNTY CLERK

MERCER COUNTY COURTHOUSE
209 SOUTH BROAD STREET
TRENTON NJ 08650

INSTR # 2021074988
D BK 6468 PG 1309
RECORDED 12/21/2021 10:16:22 AM
PAULA SOLLAMI COVELLO, COUNTY CLERK
MERCER COUNTY, NEW JERSEY
RTF TOTAL TAX 180.00

Official Use Only

Transaction Identification Number

5783988

6915497

Submission Date(mm/dd/yyyy)

12/16/2021

No. of Pages (excluding Summary Sheet)

9

Recording Fee (excluding transfer tax)

\$120.00

Realty Transfer Tax

\$180.00

Total Amount

\$300.00

Document Type

DEED - SENIOR CITIZEN

Municipal Codes

HIGHTSTOWN BOROUGH

HIB

Batch Type L2 - LEVEL 2 (WITH IMAGES)

Return Address (for recorded documents)

ACW ABSTRACT, LLC

10000 LINCOLN E DR STE 201
MARLTON, NJ 08053

368265

Additional Information (Official Use Only)

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RETAIN THIS PAGE FOR FUTURE REFERENCE.**



**Mercer County
Document Summary Sheet**

DEED - SENIOR
CITIZEN

Type	DEED - SENIOR CITIZEN				
Consideration	\$162,000.00				
Submitted By	SIMPLIFILE, LLC. (SIMPLIFILE)				
Document Date	11/18/2021				
Reference Info					
Book ID	Book	Beginning Page	Instrument No.	Recorded/File Date	
GRANTOR	Name			Address	
	HABITAT FOR HUMANIT FORMERLY KNOWN AS MILLSTONE BASIN AREA				
	HABITAT FOR H MILLSTONE BASIN AREA				
GRANTEE	Name			Address	
	SHANIKE D BROWN				
Parcel Info					
Property Type	Tax Dist.	Block	Lot	Qualifier	Municipality
	HI	40	22.04		HIB

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RETAIN THIS PAGE FOR FUTURE REFERENCE.**

Record and Return to:
CGP&H
Att. Ximena Calle
1249 South River Road, Suite 301
Cranbury, NJ 08512

Prepared by: Ximena Calle

APPENDIX A

MANDATORY DEED FORM FOR OWNERSHIP UNITS

Deed – New Construction

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

To State Regulated Property
With Covenants Restricting Conveyance
And Mortgage Debt

THIS DEED is made on November 18, 2021, by and between Habitat for Humanity of Burlington and Mercer Counties (formerly known as Millstone Basin Area, Habitat for Humanity), a New Jersey Corporation (Grantor), having offices presently located at 530 Route 38 East, Maple Shade, NJ, 08052 and Shanika D. Brown, unmarried (Grantee), whose address is about to be 232 South Academy Street Hightstown, NJ 08520

Article 1. Consideration and Conveyance

In return for payment to the Grantor by the Grantee of **One Hundred and Sixty Two Thousand, 00/100 Dollars (\$162,000.00)**, the receipt of which is hereby acknowledged by the Grantor, the Grantor hereby grants and conveys to the Grantee all of the land and improvements thereon as is more specifically described in Article 2 hereof (the Property).

Article 2. Description of Property

The Property consists of all of the land and improvements thereon that is located in the Borough of Hightstown, County of Mercer, State of New Jersey, and described more specifically as Block

No. 40 Lot No. 22.04 and known by the street address: 232 South Academy Street, Hightstown, NJ 08520, as more particularly described in Schedule A attached hereto (attach metes and bounds description - "Schedule A.")

Being the same land conveyed to Millstone Basin Area, Habitat for Humanity, by deed from DM Properties, Inc., Shri O. Dalal, President, dated October 6, 2010, recorded December 28, 2010, in the Clerk's Office of the County of Mercer, New Jersey, in Deed Book 6088, page 35 and covering premises in question along with other lands and by Subdivision Map No. 4108 for Lot 22.04.

Article 3. Grantor's Covenant

The Grantor hereby covenants and affirms that Grantor has taken no action to encumber the Property.

Article 4. Affordable Housing Covenants

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

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

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

- G. No improvements may be made to the Property that would affect its bedroom configuration, and in any event, no improvement made to the Property will be taken into consideration to increase the MRP, except for improvements approved in advance and in writing by the Administrative Agent.
- H. The affordable housing covenants, declarations and restrictions implemented by this Declaration and by incorporation, N.J.A.C. 5:80-26.1 et seq., shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to the Affordable Unit so long as the Affordable Unit remains subject to the affordability controls being implemented by this Declaration.
- I. The Affordable Unit at the Property is subject to a 30-year affordability control period that commenced on the date of first conveyance of title, which is November 18, 2021, of this Affordable Unit governed by this Declaration to a certified affordable purchaser who has executed the documents required by N.J.S.A. 5:80-26.1 et seq.

Article 5. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to the Administrative Agent and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing. Accordingly, and as set forth in N.J.A.C. 5:80-26.18:

- A. In the event of a threatened breach of any of the Covenants by the Grantee, or any successor in interest or other owner of the Property, the Administrative Agent shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.
- B. Upon the occurrence of a breach of any Covenants by the Grantee, or any successor in interest or other owner of the Property, the Administrative Agent shall have all remedies

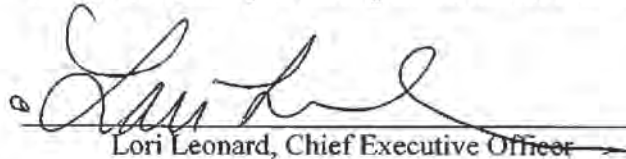
provided at law or equity including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry on the premises, those provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code and specific performance.

EXECUTION BY GRANTOR

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

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

Habitat for Humanity of Burlington and Mercer Counties


Lori Leonard, Chief Executive Officer

CORPORATE PROOF BY SUBSCRIBING WITNESS

State of New Jersey, County of Burlington

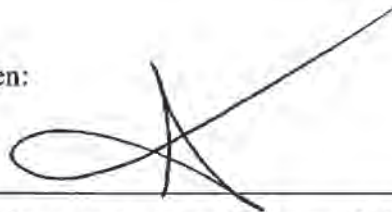
I am either (check one) ☒ a Notary Public or ☐ a _____, an officer authorized to take acknowledgements and proofs in the state of New Jersey. On this the _____ day of 11/18, 2021 (hereinafter the "Witness") appeared before me in person. The Witness was duly sworn by me, and under oath stated and proved to my satisfaction that:

1. The Witness is the _____ secretary of the corporation which is the Grantor described as such in this deed (hereinafter the "Corporation").

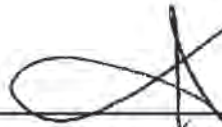
2. Lori Leonard, the officer who signed this Deed is the (title) Chief Executive Officer of the Corporation (hereinafter the "Corporate Officer").
3. The making, signing, sealing and delivery of this Deed have been duly authorized by a proper resolution of the Board of Directors of the Corporation.
4. The Witness knows the corporate seal affixed to this Deed is the corporate seal of the Corporation. The Corporate Officer affixed the seal to this Deed. The Corporate Officer signed and delivered this Deed as and for the voluntary act and deed of the Corporation. All this was done in the presence of the Witness who signed this Deed as attesting witness. The Witness signs this proof to attest to the truth of these facts.

The Witness also acknowledges that the full and actual consideration paid or to be paid for the transfer of title to realty evidenced by this Deed, as such consideration is defined in P.L. 1968, c. 49, sec. 1(c), is \$162,000.00.

Sworn and signed before me on the date above written:




Witness: Sign above and print or type name below



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

Gabrielle L. Bergman
Notary Public
New Jersey
My Commission Expires 1-24-2023

 First American Title™	ALTA Commitment for Title Insurance <small>ISSUED BY</small> First American Title Insurance Company
Schedule C	ACW-1358

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF MERCER, STATE OF NEW JERSEY AND IS DESCRIBED AS FOLLOWS:

ALL that certain lot, parcel or tract of land, situate and lying in the Borough of Hightstown, County of Mercer, State of New Jersey, and being more particularly described as follows:

BEING Lot 22.04, Block 40 as shown on subdivision Plat Map No. 4108, prepared by Langan Engineering.

BEING Lot 22.04, Block 40 as shown on the Tax Map.

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 22.04 in Block 40 on the Borough of Hightstown Tax Map.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its Issuing agent that may be in electronic form.

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State of New Jersey
Seller's Residency Certification/Exemption

Seller's Information

Name(s) **Habitat for Humanity of Burlington and Mercer Counties, Inc. , a non profit of the State of New Jersey**

Current Street Address
530 Route 38 East

City, Town, Post Office
Maple Shade

State
NJ

ZIP Code
08052

Property Information

Block(s) **40** Lot(s) **22.04** Qualifier

Street Address
232 South Academy Street

City, Town, Post Office
Hightstown

State
New Jersey

ZIP Code
08520

Seller's Percentage of Ownership 100	Total Consideration 162,000.00	Owner's Share of Consideration 162,000.00	Closing Date 11/18/21
--	--	---	---------------------------------

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

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

Seller's Declaration

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

November 18, 2021

Date

Signature (Seller)

Indicate if Power of Attorney or Attorney in Fact

Lori Leonard, CEO

Date

Signature (Seller)

Indicate if Power of Attorney or Attorney in Fact

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER
(Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)
BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY

COUNTY Mercer } SS. County Municipal Code 1104

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

MUNICIPALITY OF PROPERTY LOCATION Borough of Hightstown

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

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

Deponent, Lori Leonard, CEO, being duly sworn according to law upon his/her oath,
(Name)
deposes and says that he/she is the Grantor in a deed dated 11/18/2021 transferring
(Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.)
real property identified as Block number 40 Lot number 22.04 located at
232 South Academy Street, Borough of Hightstown, Mercer and annexed thereto.
(Street Address, Town)

(2) CONSIDERATION \$ 162,000.00 (Instructions #1 and #5 on reverse side) ☐ no prior mortgage to which property is subject.

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

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

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

\$ _____ + _____ % = \$ _____

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

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

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

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

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

- A. SENIOR CITIZEN Grantor(s) ☐ 62 years of age or over.* (Instruction #9 on reverse side for A or B)
- B. ☒ BLIND PERSON Grantor(s) ☐ legally blind or,*
- ☒ DISABLED PERSON Grantor(s) ☐ permanently and totally disabled ☐ receiving disability payments ☐ not gainfully employed*
- Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:
- ☐ Owned and occupied by grantor(s) at time of sale. ☐ Resident of State of New Jersey.
- ☐ One or two-family residential premises. ☐ Owners as joint tenants must all qualify.

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

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

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

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

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

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

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

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

Subscribed and sworn to before me
this 18th day of November, 2021

Gabrielle L. Bergman
Notary Public
New Jersey

My Commission Expires 1-24-2023

Signature of Deponent
530 Route 38 East
Maple Shade, NJ 08052

Deponent Address

XXX-XXX-1111

Last three digits in Grantor's Social Security Number

Habitat for Humanity of Burlington and
Mercer Counties, Inc., a non profit of the

Grantor Name
530 Route 38 East
Maple Shade, NJ 08052

Grantor Address at Time of Sale

Name/Company of Settlement Officer

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

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

STATE OF NEW JERSEY
PO BOX 281
TRENTON, NJ 08646-0281
ATTENTION: REALTY TRANSFER FEE UNIT

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



Borough of Hightstown
156 Bank Street
Hightstown, NJ 08520
609-4905100

Block: 40 Lot: 22.03 Qual:

Work Site Location: 230 S Academy St
Hightstown Borough
Owner in Fee: Habitat for Humanity Millstone Basin Area
Address: 120 S Main St
Hightstown NJ 08520
Telephone: 609 443-8744
Agent/Contractor: Millstone Basin Area Habitat for Humanity
Address: 120 Main St
Hightstown NJ 08520
Telephone: 609 443-8744
Lic. No./ Bldrs. Reg.No.: Federal Emp. No.:
Social Security No.:

☒ **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

☐ **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

☐ **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than or will be subject to fine or order to vacate:

**CERTIFICATE
IDENTIFICATION**

Date Issued: 01/20/2022
Control #: 9341
Permit #: 20130027

Home Warranty No:

Type of Warranty Plan: ☐ State ☐ Private

Use Group:

R-5

Maximum Live Load:

40

Construction Classification:

5B

Maximum Occupancy Load:

4

Certificate Exp Date:

Description of Work/Use: 1,304sf, 3 bedroom, 2 story house by Habitat for Humanity

☐ **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

☐ Total removal of lead-based paint hazards in scope of work

☐ Partial or limited time period(____ years); see file

☐ **CERTIFICATE OF CONTINUED OCCUPANCY**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

☐ **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until

George Chin Construction Official

U.C.C 260 (rev. 5/03)

1 - APPLICANT 2 - OFFICE 3 - TAX ASSESSOR

Fees: \$55.00

Paid ☒ X ☐ Check No.: 1775

Collected by: AG

CERTIFICATION

CGP&H, LLC has reviewed the application and all supporting documents supplied to our office by the applicant for the affordable unit 230 South Academy Street at Hightstown Habitat in Hightstown Borough. I hereby certify that this application complies with UHAC & DCA Rules governing affordable housing units.

Name of Applicant: **Elba Quinones**

Number of Household Members: **4 People**

Applicant Qualifies within the Income Limit: **Moderate**

Applicant Household Gross Annual Income: **\$55,060.64**

Purchase Price Used for Certification at 230 South Academy Street: **\$100,000.00**

Applicant Income as a Percent of Median Income: **50%**

Applicant's Maximum (33%) Allowed for Monthly Housing Expense: **\$1,514.17***

Recommended Bedroom Size: **3 Bedrooms**

Certifying Agency: **CGP&H, LLC**

Certifying Officer: **Katherine Ritenband**

Signature of Certifying Officer:

Katherine Ritenband

Date: February 8, 2022

** As per UHAC 5:80-26.7 (b) housing expense includes principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees. For Mobile Homes, the monthly rental pad rate is in lieu of a condominium/homeowner's association fee.*

THIS CERTIFICATION IS VALID ONLY FOR 180 DAYS.

This certification is only valid for 180 days and will expire unless the certification is extended prior to the expiration date or unless you submit a fully executed Contract of Sale. If you wish to extend this certification, you must put this in writing to our attention with four new pay stubs and new bank statements. An approved extension (if you meet all requirements) may be issued for an additional 180 days. If the certification expires your household will be deemed "no longer interested" in this home.

APPENDIX J
FORM OF CERTIFICATE FOR APPLICANTS CERTIFIED TO
OWNERSHIP UNIT, REQUIRED BY SECTION 5:80-26.18(c)(2)

CERTIFICATE FOR APPLICANT
CERTIFIED TO AN OWNERSHIP UNIT SUBJECT TO
AFFORDABLE HOUSING RESTRICTIONS

My name is Elba Quinones and I am making this certificate in connection with my certification to purchase 230 South Academy Street, Hightstown, NJ, a home provided under the New Jersey Affordable Housing Program.

I am aware, as the purchaser of an Affordable Home, that from this date until the first non-exempt sale, I have to follow the rules and requirements that are listed below:

1. I am allowed to sell my home only a person or a family who is part of the Affordable Housing Program, and who has been certified, like I have been, in writing by CGP&H, LLC.
2. The price for which I can sell my house is limited by law, and may be much less than the sale prices of other homes similar to mine, but which are not part of the Affordable Housing Program.
3. I cannot take out any loans of any kind secured by my house (a "mortgage loan") unless my plans to get the loan are approved by the Administrative Agent, currently CGP&H, LLC before I sign any loan papers. The total amount of mortgage loans I am allowed to have is limited by law.
4. I know that I am required to live in my house, and that I cannot rent it out to any other person, not even to members of my family. If I have a temporary need to move away that is not my fault, such as if my employer is temporarily sending me to a work place a great distance from my home, or if I am being called up for military service, I should call the Administrative Agent, currently CGP&H, LLC and ask for a "temporary waiver" of this rule. It is up to the Administrative Agent, currently CGP&H, LLC whether I get a temporary waiver.
5. If my home is a two-family home, I know that I am allowed to rent the rental apartment in my home only to a person or to a family who is part of the Affordable Housing Program, and who has been certified to rent my rental apartment in writing by the Administrative Agent, currently CGP&H, LLC. N/A
6. Furthermore, I know that the rent I am allowed to charge a tenant is limited by law, and is announced each year by the Administrative Agent, currently CGP&H, LLC I know that it is my responsibility to find out what is the maximum rent I am allowed to charge by calling the Administrative Agent, currently CGP&H, LLC. N/A
7. I know that I am required to send copies of all leases with my tenants to the Administrative Agent, currently CGP&H, LLC. N/A
8. I know that I am not allowed to make any improvements to my home unless they have been approved in writing by the Administrative Agent, currently CGP&H, LLC.

9. Finally, I know that if I break any of these rules I will be breaking the law, and that I will be subject to penalties provided by law, including having to pay fines and possibly losing my home.

Owner: Elba Quinones's Signature

Date

Co-Owner: n/a

Date

State of _____

ss.)

County of _____

BE IT REMEMBERED, that on this the _____ day of _____, 20____ the signer of this Certificate **Elba Quinones** appeared personally before me and who, being duly sworn by me, deposed and made proof to my satisfaction (i) that he/she is the Purchaser of the Affordable unit that is identified as said Purchaser in the foregoing Certificate, and (ii) and that he/she has executed said Certificate with respect to the purchase of the property described in the Certificate and for the purposes described and set forth therein.

Sworn to and subscribed before me, on the date set forth above.

NOTARY PUBLIC

Attn:

APPENDIX G

WILLIAM STREET DOCUMENTATION



INSTR # 2018004042
D BK 6315 PG 473 Pgs 473 - 480 (8 pgs)
RECORDED 01/30/2018 10:19:51 AM
PAULA SOLLAMI COVELLO, COUNTY CLERK
MERCER COUNTY, NEW JERSEY



Mercer County Document Summary Sheet

Mercer County Clerk
PO Box 8068
240 West State Street
6th Floor
Trenton NJ 08650

Return Name and Address
Frederick C. Raffetto, Esq.
Ansell Grimm & Aaron, P.C.
1500 Lawrence Avenue
CN 7807
Ocean, NJ 07712

Official Use Only

Submitting Company		Ansell Grimm & Aaron, P.C.			
Document Date (mm/dd/yyyy)					
Document Type		Deed Restriction			
No. of Pages of the Original Signed Document (Including the cover sheet)		8			
Consideration Amount (If applicable)					
First Party (Grantor or Mortgagor or Assignor) (Enter up to five names)	Name(s)	(Last Name First Name Middle Initial Suffix) (or Company Name as written)		Address (Optional)	
	Borough of Hightstown		156 Bank Street Hightstown, NJ 08520		
Second Party (Grantee or Mortgagee or Assignee) (Enter up to five names)	Name(s)	(Last Name First Name Middle Initial Suffix) (or Company Name as written)		Address (Optional)	
	Perry Lot 02 Limited Liability Company Shaya Britz		104 Leonard Street Lakewood, NJ 08701 1D Carnation Dr. Lakewood, NJ 08701		
Parcel Information (Enter up to three entries)	Municipality	Block	Lot	Qualifier	Property Address
	Borough of Hightstown	13	24.02		132A-132F William St.
Reference Information (Enter up to three entries)	Book Type	Book	Beginning Page	Instrument No.	Recorded/File Date

DDS \$11,000 - 117304

Record & Return to:
Frederick C. Raffetto, Esq.
Ansell Grimm & Aaron, P.C.
1500 Lawrence Ave.
CN 7807
Ocean, NJ 07712

Prepared By:


Frederick C. Raffetto, Esq.

APPENDIX E-2

MANDATORY DEED RESTRICTION FOR RENTAL PROJECTS

Deed Restriction

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

To Rental Property
With Covenants Restricting Rentals, Conveyance and Improvements
And Requiring Notice of Foreclosure and Bankruptcy

THIS DEED RESTRICTION, entered into as of this 23rd day of January, 2018, by and between:

Borough of Hightstown, a municipal corporation of the State of New Jersey, with offices located at 156 Bank Street, Hightstown, New Jersey 08520 (the "Borough"); and

Perry Lot 02 Limited Liability Company, having offices at 104 Leonard Street, Lakewood, New Jersey 08701 and **Shaya Britz**, with an address of 1D Carnation Drive, Lakewood, New Jersey 08701, as tenants in common (collectively referenced as the "Owner"), each having a 50% ownership interest in and to the property located at **132A-132F William Street (Block 13, Lot 24.02)** within the Borough (the "Property"), which Property shall be the site of a residential low and moderate-income rental housing project (the "Project"), to be developed by the Owner as the developer/sponsor thereof, along with all successors in interest or title to the Property; and

Rehabco, Inc., the Borough's Affordable Housing Administrative Agent (the "Administrative Agent"), with an address of 470 Mantoloking Road, Brick, New Jersey 08723, or its successors.

WITNESSETH

Article 1. Consideration.

In consideration of benefits and/or right to develop received by the Owner from the Borough regarding this rental Project, the Owner and all successors in interest or title to the Property, hereby agrees to abide by the Covenants, terms and conditions set forth in this Deed Restriction, with respect to the Property, for the Control Period specified in Article 3 below.

Article 2. Description of Property Subject to Restriction.

The Property to be restricted pursuant to the within Deed Restriction consists of a portion of the improvements located on the land known as **Block 13, Lot 24.02** on the official Hightstown Borough Tax Map, and known by the following street address: **132A-132F William Street, Hightstown, New Jersey 08520**, located in the Borough of Hightstown, County of Mercer, State of New Jersey;

More specifically, this Deed Restriction relates to the following three (3) individual dwelling rental apartment units to be located at the Property and identified as follows:

1. Unit C
2. Unit E
3. Unit F

Being a portion of the same premises conveyed to Perry Lot 02 Limited Liability Company, by deed from Seymour Investment LLC, dated September 11, 2013, recorded October 16, 2013 in the Mercer County Clerk's/Register's office in Deed Book 6180, Page 1556.

Being also a portion of the same premises conveyed to Shaya Britz, as to a 50% interest and Perry Lot 02 Limited Liability Company, as to an undivided 50% interest, as tenants in common, by deed from Perry Lot 02 Limited Liability Company, dated December 4, 2017, recorded December 12, 2017 in the Mercer County Clerk's/Register's Office in Deed Book 6309, Page 1860.

Article 3. Affordable Housing Covenants.

The following covenants (the "Covenants") shall run with the land and be binding upon the Owner, as well as all successors in interest or title to the Property, and shall inure to the benefit of the Borough, for the period of time (the "Control Period") as determined under the Uniform Housing Affordability Controls, as defined below.

In accordance with N.J.A.C. 5:80-26.11, each restricted dwelling unit at the Property shall remain subject to the requirements of this subchapter and those specifically set forth in the within Deed Restriction during the "Control Period" as set forth below, or until the Borough elects to release the unit from such requirements. Prior to such a municipal election, each restricted dwelling unit at the Property must remain subject to the requirements of this

subchapter and those specifically set forth herein for a period of at least **thirty (30)** years from the date of this Deed Restriction (representing the “Control Period”).

- a. Sale and use of the Property is governed by regulations known as the Uniform Housing Affordability Controls, which are found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, *et seq.*) (referenced herein as the “Uniform Controls”).
- b. The restricted rental apartment units at the Property shall be used solely for the purpose of providing three (3) rental dwelling units for low- and moderate-income households (as more specifically provided below), and no commitment for any such dwelling unit(s) shall be given or implied, without exception, to any person who has not been certified as eligible for that unit in writing by the Administrative Agent. Rents charged for all of the restricted dwelling units at the Property shall not exceed prevailing acceptable rent levels for low- and moderate-income housing units, as applicable. So long as any restricted dwelling unit at the Property remains within its Control Period, sale of the Property must be expressly subject to these Deed Restrictions, deeds of conveyance must have these Deed Restrictions appended thereto, and no sale of the Property shall be lawful, unless approved in advance and in writing by the Administrative Agent, whose approval shall not be unreasonably withheld. To that end, the Owner, and all successors in interest or title to the Property, shall notify the Administrative Agent of any potential intent to sell or transfer title to the Property before the earliest of the following occurs: the Property is offered for sale through a realtor, a contract to sell the Property is executed, or a Deed transferring title to the Property is executed.
- c. Of the three (3) rental dwelling units at the Property, two (2) units shall be rented to and occupied by low-income households (only), and one (1) unit shall be rented to and occupied by moderate-income households (only). Eligibility for the low- and moderate-income apartment units shall be determined by the Administrative Agent prior to the commencement of each tenancy, in accordance with the Uniform Controls and/or other established prevailing criteria, during the Control Period.
- d. No improvements, alterations or demolition may be undertaken at the Property that would affect the bedroom configuration of any of the restricted dwelling units. Any proposed improvements, alterations or demolition intended to be undertaken in any respect at the Property (other than ordinary maintenance and repairs) must be approved in advance and in writing by the Administrative Agent, whose approval shall not be unreasonably withheld.
- e. Should any of the three (3) restricted rental dwelling units at the Property be damaged by fire, vandalism, flood, or otherwise, the Owner, and all successors in interest or title to the Property, shall be required to undertake necessary repairs as quickly as possible so that the affected unit(s) may continue to be inhabited by

low- and moderate-income tenants, as applicable. All such repairs shall be approved by the Administrative Agent, whose approval shall not be unreasonably withheld.

- f. The Owner, and all successors in interest or title to the Property, shall notify the Administrative Agent and the Borough of any foreclosure action(s) filed with respect to the Property within five (5) business days of service upon the Owner or the Owner's successor(s) in interest or title.
- g. The Owner, and all successors in interest or title to the Property, shall notify the Administrative Agent and the Borough within three (3) business days of the filing of any petition for protection from creditors, bankruptcy or reorganization filed by or on behalf of the Owner or the Owner's successor(s) in interest or title.
- h. The Owner, and all successors in interest or title to the Property, shall be required to directly fund, at its/their own cost and expense, any and all reasonable fees incurred by the Administrative Agent that are associated with the Administrative Agent's responsibilities relating to the Property, or which are in any way related to oversight of the low- and moderate-income apartment units at the Property, for the entire duration of the Control Period. If the Owner or any successor(s) in interest or title to the Property fails to pay any reasonable fees that are due and owed to the Administrative Agent as set forth above, then the Borough and/or the Administrative Agent may pursue all remedies provided at law or equity, and the Borough and/or the Administrative Agent shall be entitled to recoup its/their legal fees. At the current time, for context purposes, the fee charged by the Administrative Agent for certifying the income level of a prospective tenant is Two Hundred and 00/100 Dollars (\$200.00).
- i. The Owner, and all successors in interest or title to the Property, agrees to cooperate in good faith with the Borough and the Administrative Agent in order to ensure that all of the three (3) restricted housing units at the Property continue to be operated in a manner which is consistent with the requirements of this Deed Restriction, as well as those prescribed by applicable New Jersey affordable housing rules and regulations, including the Uniform Controls, for the entire duration of the Control Period.
- j. The Owner, and all successors in interest or title to the Property, warrants and represents that any future mortgage(s), loan(s), refinancing, etc., taken against or secured by the Property during the Control Period shall be subject to the within Deed Restriction, including all of the requirements set forth herein. Moreover, the Owner, and all successors in interest or title to the Property, shall first provide advance notice and obtain the written approval of the Administrative Agent before any mortgage(s), loan(s) refinancing, etc., are executed against or secured by the Property during the Control Period. The Administrative Agent's approval shall not be unreasonably withheld.

- k. The Owner represents that it has satisfied any judgments which exist as of record against the Owner and/or the Property as of the date of execution of the within Deed Restriction.

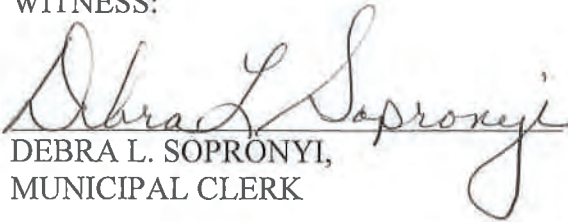
Article 4. Remedies for Breach of Affordable Housing Covenants/Deed Restriction.

The parties hereto acknowledge and agree that a breach of the Covenants referenced in Article 3 above, or any breach of this Deed Restriction, will cause irreparable harm to the Borough, and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing. As such, the parties agree that the following provisions shall apply:

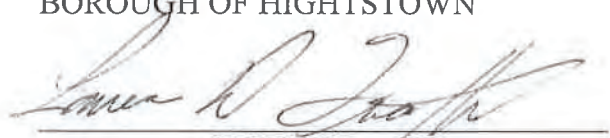
- a. In the event of a threatened breach of any of the Covenants (or any provision of this Deed Restriction) by the Owner, or any successor in interest or title to the Property, the Administrative Agent and the Borough shall have all remedies provided at law or equity, including the right to seek immediate injunctive relief or specific performance, and the Administrative Agent and the Borough shall be entitled to damages and costs, including attorney's fees.
- b. Upon the occurrence of a breach of any of the Covenants (or any provision of this Deed Restriction) by the Owner, or any successor in interest or title to the Property, the Administrative Agent and the Borough shall have all remedies provided at law or equity, including the right to seek immediate injunctive relief, as well as forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants (or any provision of this Deed Restriction), or from any other violation of the Covenants (or any provision of this Deed Restriction), diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry onto the premises, all remedies provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code, and specific performance, and the Administrative Agent and the Borough shall be entitled to damages and costs, including attorney's fees.

IN WITNESS WHEREOF, the Borough, the Owner and the Administrative Agent have executed this Deed Restriction in triplicate as of the date first above written.

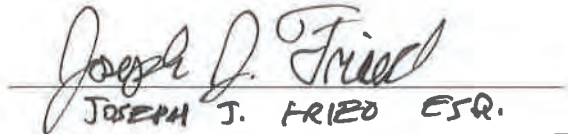
WITNESS:


DEBRA L. SOPRONYI,
MUNICIPAL CLERK

BOROUGH OF HIGHTSTOWN

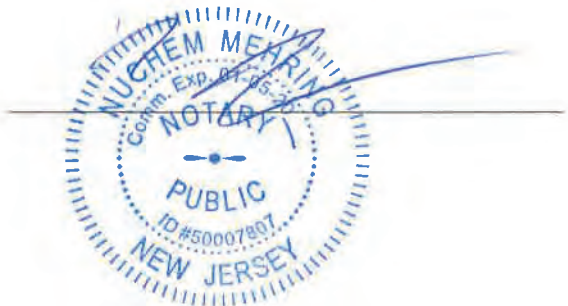

MAYOR LAWRENCE D. QUATTRONE


PERRY LOT 02 LIMITED LIABILITY
COMPANY, Owner of an undivided 50%
interest in the Property


JOSEPH J. FRIED ESQ.


BY: Shimon Grinberger
TITLE: Sole and Managing Member






SHAYA BRITZ, Owner of a 50% interest in
the Property

REHABCO, INC.,
ADMINISTRATIVE AGENT


Frederick C. Raffetto, Esq.
FREDERICK C. RAFFETTO, ESQ.
An Attorney at Law
Of The State of New Jersey

BY: ERVIN OROSS, JR., PP, AICP, CPM



ACKNOWLEDGEMENT AS TO **BOROUGH OF HIGHTSTOWN**:

On this 23rd day of January, 2018, before me came LAWRENCE D. QUATTRONE, known to me to be the Mayor of the Borough of Hightstown, the municipal corporation identified as such in the foregoing Agreement, who states that he has been duly authorized to execute the within Agreement on behalf of the Borough by virtue of a Resolution duly adopted by the Hightstown Borough Council, and that he has so executed the foregoing Agreement on behalf of the Borough of Hightstown for the purposes stated therein.

Margaret M. Riggs
NOTARY PUBLIC

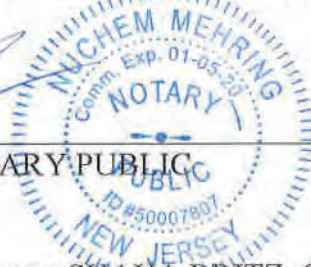
MARGARET M RIGGS
NOTARY PUBLIC
State of New Jersey
My Comm. Exp. 6-13-2017

ACKNOWLEDGEMENT AS TO **OWNER**:

On this 16 day of Jan, 2018, before me came SHIMON GRINBERGER, known to me to be the duly authorized representative of Perry Lot 02 Limited Liability Company, Owner of an undivided 50% interest in the Property referenced in the within Agreement, who states that he has signed said Agreement on behalf of Perry Lot 02 Limited Liability Company for the purposes stated therein.

[Signature]

NOTARY PUBLIC



On this 16 day of Jan, 2018, before me came SHAYAN BRITZ, Owner of a 50% interest in the Property referenced in the within Agreement, who states that he has signed said Agreement for the purposes stated therein.

[Signature]

NOTARY PUBLIC



ACKNOWLEDGEMENT AS TO **ADMINISTRATIVE AGENT**:

On this 18th day of Jan., 2018, before me came Ervin Gross, Jr., known to me to be the duly authorized representative of Rehabco, Inc., the Affordable Housing Administrative Agent for the Borough of Hightstown, the municipal corporation identified as such in the foregoing Agreement, who states that he has signed said Agreement as an agent of the Borough, for the purposes stated therein and is fully authorized to do so.

[Signature]
NOTARY PUBLIC

FREDERICK C. RAFFETTO, ESQ.
An Attorney at Law
Of The State of New Jersey

Williams Street Rental Property Report

Property: Property Address	Status	Number of Bedrooms	Income Level	Property: Record Type	Property Type
132E Williams Street	Rented	2	Low	Rental Unit	Apartment
132C Williams Street	Rental Pending	3	Moderate	Rental Unit	Apartment
132F Williams Street	Rented	2	Low	Rental Unit	Apartment

CTM rental report
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Generated By: Dan Levin 2/18/2022 3:02 PM
CGP&H



Borough of Hightstown
156 Bank Street
Hightstown, NJ 08520
609-4905100

Block: 13 Lot: 24.02 Qual: 3
Work Site Location: 132C William St
Hightstown, NJ 08520
Owner in Fee: Perry Lot 02 LLC
Address: 104 Leonard St
Lakewood NJ 08701
Telephone: 732 730-9049
Agent/Contractor: Baron Builders LLC
Address: 104 Leonard St
Lakewood NJ 08701
Telephone: 732 730-9049
Lic. No./ Bldrs. Reg. No.: 043652 Federal Emp. No.: 27-0407837
Social Security No.: _____

☒ [X] **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

☐ [] **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

☐ [] **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than _____ or will be subject to fine or order to vacate:

George Chin Construction Official

**CERTIFICATE
IDENTIFICATION**

Date Issued: 07/18/2017
Control #: 9820
Permit #: 20150197

Home Warranty No: _____

Type of Warranty Plan: ☐ [] State ☐ [] Private

Use Group: _____

Maximum Live Load: 40

Construction Classification: 5B

Maximum Occupancy Load: 4

Certificate Exp Date: _____

Description of Work/Use: Change of use of existing building from storage use to a three bedroom single family house.

Includes Description of Work/Use: Diminishing for three bedroom single family house. Unit C. Install

☐ [] **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

☐ [] Total removal of lead-based paint hazards in scope of work

☐ [] Partial or limited time period(____ years); see file

☐ [] **CERTIFICATE OF CONTINUED OCCUPANCY**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

☐ [] **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until _____

Fees: \$100.00

Paid[X] Check No.: 1008

Collected by: SB



Borough of Hightstown
156 Bank Street
Hightstown, NJ 08520
609-4905100

Block: 13 Lot: 24.02 Qual: 5
Work Site Location: 132E William St
Hightstown, NJ 08520
Owner in Fee: Perry Lot 02 LLC
Address: 104 Leonard St
Lakewood NJ 08701
Telephone: 732 730-9049
Agent/Contractor: Baron Builders LLC
Address: 104 Leonard St
Lakewood NJ 08701
Telephone: 732 730-9049
Lic. No./ Bldrs. Reg.No.: 043652 Federal Emp. No.: 27-0407837
Social Security No.:

☒ [X] **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

☐ [] **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

☐ [] **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than or will be subject to fine or order to vacate:

CERTIFICATE IDENTIFICATION

Date Issued: 07/18/2017
Control #: 9822
Permit #: 20150193

Home Warranty No:

Type of Warranty Plan: ☐ [] State ☐ [] Private

Use Group:

R-5

Maximum Live Load:

40

Construction Classification:

5B

Maximum Occupancy Load:

3

Certificate Exp Date:

Description of Work/Use: Change of use of existing building from storage use to a two bedroom single family house.

Use Data: None of W/L/A/Use: Plumbing for two bedrooms, single family, townhouse Unit E Install

☐ [] **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

☐ [] Total removal of lead-based paint hazards in scope of work

☐ [] Partial or limited time period(____ years); see file

☐ [] **CERTIFICATE OF CONTINUED OCCUPANCY**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

☐ [] **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until

George Chin Construction Official

Fees: \$100.00

Paid[X] Check No.: 1008

Collected by: SB



Borough of Hightstown
156 Bank Street
Hightstown, NJ 08520
609-4905100

Block: 13 Lot: 24.02 Qual: 6
Work Site Location: 132F William St
Hightstown, NJ 08520
Owner in Fee: Perry Lot 02 LLC
Address: 104 Leonard St
Lakewood NJ 08701
Telephone: 732 730-9049
Agent/Contractor: Baron Builders LLC
Address: 104 Leonard St
Lakewood NJ 08701
Telephone: 732 730-9049
Lic. No./ Bldrs. Reg.No.: 043652 Federal Emp. No.: 27-0407837
Social Security No.:

☒ **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

☐ **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

☐ **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than or will be subject to fine or order to vacate:

George Chin Construction Official

**CERTIFICATE
IDENTIFICATION**

Date Issued: 07/18/2017
Control #: 9823
Permit #: 20150194

Home Warranty No: _____
Type of Warranty Plan: ☐ State ☐ Private
Use Group: R-5
Maximum Live Load: 40
Construction Classification: 5B
Maximum Occupancy Load: 3
Certificate Exp Date: _____
Description of Work/Use: Change of use of existing building from storage use to a two bedroom single family house.
Update Date of WL/Flies: Plumbing for two bedroom single family townhouse Unit F Install

☐ **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

☐ Total removal of lead-based paint hazards in scope of work
☐ Partial or limited time period(____ years); see file

☐ **CERTIFICATE OF CONTINUED OCCUPANCY**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

☐ **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until

Fees: \$100.00

Paid[X] Check No.: 1008

Collected by: SB

APPENDIX H

RANDOLPH BOARDING HOME DOCUMENTATION

AGREEMENT

FOR THE CREATION OF AN AFFORDABLE HOUSING PROJECT AND DISBURSEMENT OF MUNICIPAL HOUSING TRUST FUNDS IN RELATION THERE TO – 278 ACADEMY STREET (BLOCK 38, LOT 1).

This **AGREEMENT**, made this 1st day of May, 2017, by and between:

THE BOROUGH OF HIGHTSTOWN, a municipal corporation in the County of Mercer and State of New Jersey, having its principal office located at 156 Bank Street, Hightstown, New Jersey 08520, also referenced herein as the “Borough” or “Hightstown”; and

NORMAN A. RANDOLPH, JR., having a principal office located at 200 Mercer Street, Suite B, Hightstown, NJ 08520, also referenced herein as “Randolph” or “Owner”;

WHEREAS, the Governing Body of the Borough of Hightstown is committed to addressing its Third Round obligation for the provision of affordable housing to satisfy the regional need for the same, in accordance with requirements still to be finally determined; and

WHEREAS, to that end, the Borough is in the process of updating its Housing Element and Fair Share Plan (the “Fair Share Plan”); and

WHEREAS, the Borough’s updated Fair Share Plan shall promote an affordable housing program pursuant to the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, *et seq.*); and

WHEREAS, the Borough intends to include within the Borough’s updated Fair Share Plan, the property located at 278 Academy Street, more commonly known and designated as Block 38, Lot 1 on the Borough’s Tax Map (the “Property”), which Property is under the record ownership of Norman A. Randolph, Jr., as a site for the provision of affordable housing, so long as certain conditions are fulfilled; and

WHEREAS, the Property currently comprises a “Class A” rooming/boarding home commonly known as the “Randolph Rooming House,” which contains nine (9) separate living units; and

WHEREAS, the Owner has proposed the imposition of deed restrictions on all nine (9) units at the Property, with the length of the restrictions to endure for a period of thirty (30) years, so that the units may only be occupied as affordable units by income-eligible inhabitants; and

WHEREAS, the Owner’s proposal is premised upon the Borough providing a contribution to the Owner to underwrite the provision of these new affordable units; and

WHEREAS, the Borough has previously adopted Ordinance(s) authorizing the imposition and collection of development fees in connection with certain new residential and non-residential construction in the Borough, which funds were to be deposited into an Affordable Housing Trust Fund (also referenced as the "Trust Fund"); and

WHEREAS, the monies collected and deposited into the Trust Fund are intended to be utilized in order to facilitate the provision of affordable housing units within the Borough; and

WHEREAS, subject to certain conditions, the Borough has agreed to contribute certain funding from the Trust Fund to the Owner, in order to facilitate the creation of these new affordable units, which will assist the Borough in satisfying its affordable housing requirements for the Third Round; and

WHEREAS, the terms and conditions associated with this undertaking are set forth below.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Borough and the Owner (hereafter collectively referenced as the "parties") agree as follows:

1. **DEED RESTRICTION.** The Owner hereby agrees to the placement of a deed restriction (the "deed restriction" or "restriction") which shall endure for a period of not less than thirty (30) years on the Property, which deed restriction shall impose affordability controls on nine (9) housing units located at the Property, in an effort to assist the Borough in satisfying its Third Round fair share affordable housing obligation. The deed restriction shall ensure that the nine (9) housing units at the Property may only be occupied by income-eligible households during the term of the restriction (with a break-down between low and moderate-income units as specified below), and that the rents charged shall not exceed prevailing acceptable rent levels for low and moderate-income affordable housing units, as applicable. The deed restriction shall inure to the benefit of the Borough, and shall run with the land and be binding upon the Owner, as well as all successors in title to the Property, during the term of the deed restriction. Of the nine (9) housing units at the Property to be deed restricted with affordability controls, seven (7) units shall be occupied by low-income households and two (2) units shall be occupied by moderate-income households, eligibility for which shall be determined in accordance with established prevailing criteria. Said deed restriction shall be in a form which is generally consistent with the "model" form of deed restriction utilized for rental properties (a copy of which is attached hereto as "Exhibit "A"), as sanctioned by the State of New Jersey, and shall be satisfactory to the Borough.
2. **PAYMENT TO PROPERTY OWNER.** In consideration for the Owner's placement of the thirty (30)-year deed restriction on the nine (9) housing units at the Property, as referenced in Paragraph 1 above, and subject to the conditions set forth in Paragraph 3 below, the Borough hereby agrees to make a payment to the Owner in the amount of One Hundred and Eleven Thousand and 00/100 Dollars (\$111,000.00)

from the Borough's Affordable Housing Trust Fund. This payment represents approximately Twelve Thousand Three Hundred Thirty-Three and 33/100 Dollars (\$12,333.33) per unit restricted, and shall be made in accordance with the schedule set forth in Paragraph 3 below.

3. **CONDITIONS TO PAYMENT.** The parties agree that full payment of the amount referenced in Paragraph 2 above from the Borough to the Owner is hereby expressly contingent upon the following conditions:

- a. The final execution of the within Agreement; and
- b. The Borough's receipt of a written property inspection report from the Borough's designated Affordable Housing Administrative Agent certifying that the Property is in satisfactory condition according to applicable prevailing requirements; and
- c. The execution of a deed restriction relating to the Property by duly authorized representatives of the Borough and the Owner (which deed restriction shall be forwarded by the Borough Attorney to the Mercer County Clerk's Office for recording) which is generally consistent with the "model" form of deed restriction attached hereto as "Exhibit "A," which imposes affordability controls on nine (9) housing units located at the Property (seven (7) of which shall be occupied by low-income households and two (2) of which shall be occupied by moderate-income households) for a period of not less than thirty (30) years, as referenced in Paragraph 1 above, and which requires the Property to maintain its licensure as a "Class A" boarding/rooming house for the duration of the 30-year deed restriction.

Payment shall be made to the Owner by the Borough following the completion of all of the above conditions.


- d. **CONTINUED MONITORING OF AFFORDABLE UNITS; PROPERTY OWNER'S RESPONSIBILITIES.** During the term of the thirty (30)-year period of affordability controls on the Property, the Borough's designated Affordable Housing Administrative Agent shall be responsible for, among other things, ensuring that all proposed occupants of the nine (9) restricted housing units at the Property (seven (7) of which shall be occupied by low-income households and two (2) of which shall be occupied by moderate-income households) are income qualified accordingly prior to the commencement of their respective tenancies, that the rents charged to occupants of the units do not exceed prevailing acceptable rent levels for the respective affordable housing units, that the units meet all applicable criteria associated with their designation as affordable housing, and that the units continue to be operated in all respects in accordance with the requirements set forth in the recorded deed restriction, as well as those prescribed by applicable

N.J. affordable housing rules and regulations. The Owner shall be required to directly fund, at its own cost and expense, any and all fees incurred by the Borough's Affordable Housing Administrative Agent that are associated with the above responsibilities, or which are in any way related to oversight of the Property. The Owner hereby agrees to cooperate in good faith with the Borough and the Borough's designated Affordable Housing Administrative Agent in order to ensure that all of the restricted housing units continue to be operated in a manner which is consistent with the requirements of the recorded deed restriction, as well as those prescribed by applicable N.J. affordable housing rules and regulations. This requirement shall run with the land and be binding upon the Owner, as well as all successors in title to the Property, during the term of the deed restriction.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year appearing below their names.

ATTEST:

THE BOROUGH OF HIGHTSTOWN

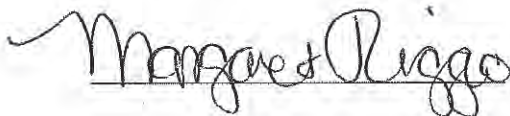

Debra Sopronyi, Borough Clerk

By:


Hon. Lawrence Quattrone, Mayor

WITNESS:

PROPERTY OWNER



By:


Norman A. Randolph, Jr.



Mercer County Clerk Recording Data Page

Paula Sollami Covello Esq

Mercer County Clerk



INSTR 4 2017036035 D BK 6295 PG 427 08/07/2017 11:49:23 AM
PAULA SOLLAMI COVELLO COUNTY CLERK, MERCER COUNTY NEW JERSEY

Record and Return to:

Frederick C. Raffetto, Esq.

Ansell, Grimm & AaronPC/mg

1500 Lawrence Avenue

Ocean, NJ 07712

Official Use Only – Realty Transfer Fee

Date of Document July 21, 2017

Type of Document Deed Restriction

First Party Name
Borough of Hightstown

Second Party Name
Norman A. Randolph, Jr.

Additional Parties
Rehabco, Inc.

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY

Lot 1

Block 38

Municipality Hightstown

Consideration n/a

Mailing Address of Grantee

THE FOLLOWING SECTION IS FOR ORIGINAL MORTGAGE BOOKING AND PAGING INFORMATION FOR ASSIGNMENTS, RELEASES,
SATISFACTIONS, DISCHARGES AND OTHER MORTGAGE AGREEMENTS ONLY

Original Book

Original Page

Deed

4p

113

115197

Record & Return to:
Frederick C. Raffetto, Esq.
Ansell Grimm & Aaron, P.C.
1500 Lawrence Ave.
CN 7807
Ocean, NJ 07712

Prepared By:


Frederick C. Raffetto, Esq.

APPENDIX E-2

MANDATORY DEED RESTRICTION FOR RENTAL PROJECTS

Deed Restriction

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

To Rental Property
With Covenants Restricting Rentals, Conveyance and Improvements
And Requiring Notice of Foreclosure and Bankruptcy

THIS DEED RESTRICTION, entered into as of this 21 day of July, 2017, by
and between:

Borough of Hightstown, a municipal corporation of the State of New Jersey, with offices
located at 156 Bank Street, Hightstown, New Jersey 08520 (the "Borough"); and

Norman A. Randolph, Jr., having offices at 200 Mercer Street, Suite B, Hightstown, New
Jersey 08520, the developer/sponsor (the "Owner") of a residential low- and moderate-
income rental housing project (the "Project") subsidized by the Borough, located at 278
Academy Street (Block 38, Lot 1) within the Borough (the "Property"), along with all
successors in interest or title to the Property; and

Rehabco, Inc., the Borough's Affordable Housing Administrative Agent (the
"Administrative Agent"), with an address of 470 Mantoloking Road, Brick, New Jersey
08723, or its successors.

WITNESSETH

Article 1. Authority: Consideration.

In accordance with the authority provided by The Hightstown Borough Council pursuant to Resolution 2017-100, adopted on May 1, 2017, and the Agreement executed thereafter by the Borough and the Owner, also dated May 1, 2017, which was captioned "Agreement for the Creation of an Affordable Housing Project and Disbursement of Municipal Housing Trust Funds in Relation Thereto – 278 Academy Street (Block 38, Lot 1)," copies of which are on file in the office of the Hightstown Borough Clerk, the Borough, the Owner, and the Administrative Agent hereby execute the within Deed Restriction, as of the date referenced above, in accordance with all of the terms and conditions set forth herein.

In that regard, in consideration of an affordable housing subsidy in the amount of **One Hundred Eleven Thousand and 00/100 Dollars (\$111,000.00)**, representing Twelve Thousand Three Hundred Thirty-Three and 33/100 Dollars (\$12,333.33) per dwelling rental apartment unit (relating to the nine (9) separate dwelling rental apartment units located at the Property that are the subject of the within Deed Restriction, as more specifically described in Article 2 below), to be provided to the Owner from the Borough for the Project, the Owner and all successors in interest or title to the Property, hereby agrees to abide by the Covenants, terms and conditions set forth in this Deed Restriction, with respect to the Property, for the Control Period as specified in Article 3 below.

Article 2. Description of Property Subject to Restriction.

The Property to be restricted pursuant to the within Deed Restriction consists of a portion of the improvements located on the land known as **Block 38, Lot 1** on the official Hightstown Borough Tax Map, and known by the following street address: **278 Academy Street, Hightstown, New Jersey 08520**, located in the Borough of Hightstown, County of Mercer, State of New Jersey;

More specifically, this Deed Restriction relates to the following nine (9) individual dwelling rental apartment units located at the Property and identified as follows:

- Room 1A (First Floor)
- Room 2A (First Floor)
- Room 1B (Second Floor)
- Room 2B (Second Floor)
- Room 3B (Second Floor)
- Room 4B (Second Floor)
- Room 5B (Second Floor)
- Room 6B (Second Floor)
- Room 7B (Second Floor);

Being a portion of the same premises conveyed to the Owner by Deed dated February 24, 1994, from Catherine Randolph, widow, which was recorded on March 25, 1994, in the Mercer County Clerk's/Register's office in Deed Book 2791, at Page 270.

Article 3. Affordable Housing Covenants.

The following covenants (the "Covenants") shall run with the land and be binding upon the Owner, as well as all successors in interest or title to the Property, and shall inure to the benefit of the Borough, for the period of time (the "Control Period") as determined under the Uniform Housing Affordability Controls, as defined below.

In accordance with N.J.A.C. 5:80-26.11, each restricted dwelling unit at the Property shall remain subject to the requirements of this subchapter and those specifically set forth in the within Deed Restriction during the "Control Period" as set forth below, or until the Borough elects to release the unit from such requirements. Prior to such a municipal election, each restricted dwelling unit at the Property must remain subject to the requirements of this subchapter and those specifically set forth herein for a period of at least thirty (30) years from the date of this Deed Restriction (representing the "Control Period").

- a. Sale and use of the Property is governed by regulations known as the Uniform Housing Affordability Controls, which are found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, et seq.) (referenced herein as the "Uniform Controls").
- b. The restricted rental apartment units at the Property shall be used solely for the purpose of providing nine (9) rental dwelling units for low- and moderate-income households (as more specifically provided below), and no commitment for any such dwelling unit(s) shall be given or implied, without exception, to any person who has not been certified as eligible for that unit in writing by the Administrative Agent. Rents charged for all of the restricted dwelling units at the Property shall not exceed prevailing acceptable rent levels for low- and moderate-income housing units, as applicable. So long as any restricted dwelling unit at the Property remains within its Control Period, sale of the Property must be expressly subject to these Deed Restrictions, deeds of conveyance must have these Deed Restrictions appended thereto, and no sale of the Property shall be lawful, unless approved in advance and in writing by the Administrative Agent, whose approval shall not be unreasonably withheld. To that end, the Owner, and all successors in interest or title to the Property, shall notify the Administrative Agent of any potential intent to sell or transfer title to the Property before the earliest of the following occurs: the Property is offered for sale through a realtor, a contract to sell the Property is executed, or a Deed transferring title to the Property is executed.
- c. Of the nine (9) rental dwelling units at the Property, seven (7) units shall be rented to and occupied by low-income households (only), and two (2) units shall be rented to and occupied by moderate-income households (only). Eligibility for the low- and moderate-income apartment units shall be determined by the Administrative Agent prior to the commencement of each tenancy, in accordance with the Uniform Controls and/or other established prevailing criteria, during the Control Period.

- d. The Owner, and all successors in interest or title to the Property, shall be required to maintain the Property's licensure as a "Class A" boarding/rooming house (or equivalent), pursuant to N.J.S.A. 55:13B-1, *et seq.*, and N.J.A.C. 5:27-1.1, *et seq.*, for the entire duration of the Control Period.
- e. No improvements, alterations or demolition may be undertaken at the Property that would affect the bedroom configuration of any of the restricted dwelling units. Any proposed improvements, alterations or demolition intended to be undertaken in any respect at the Property (other than ordinary maintenance and repairs) must be approved in advance and in writing by the Administrative Agent, whose approval shall not be unreasonably withheld.
- f. Should any of the nine (9) restricted rental dwelling units at the Property be damaged by fire, vandalism, flood, or otherwise, the Owner, and all successors in interest or title to the Property, shall be required to undertake necessary repairs as quickly as possible so that the affected unit(s) may continue to be inhabited by low- and moderate-income tenants, as applicable. All such repairs shall be approved by the Administrative Agent, whose approval shall not be unreasonably withheld.
- g. The Owner, and all successors in interest or title to the Property, shall notify the Administrative Agent and the Borough of any foreclosure action(s) filed with respect to the Property within five (5) business days of service upon the Owner or the Owner's successor(s) in interest or title.
- h. The Owner, and all successors in interest or title to the Property, shall notify the Administrative Agent and the Borough within three (3) business days of the filing of any petition for protection from creditors, bankruptcy or reorganization filed by or on behalf of the Owner or the Owner's successor(s) in interest or title.
- i. The Owner, and all successors in interest or title to the Property, shall be required to directly fund, at its/their own cost and expense, any and all reasonable fees incurred by the Administrative Agent that are associated with the Administrative Agent's responsibilities relating to the Property, or which are in any way related to oversight of the low- and moderate-income apartment units at the Property, for the entire duration of the Control Period. If the Owner or any successor(s) in interest or title to the Property fails to pay any reasonable fees that are due and owed to the Administrative Agent as set forth above, then the Borough and/or the Administrative Agent may pursue all remedies provided at law or equity, and the Borough and/or the Administrative Agent shall be entitled to recoup its/their legal fees. At the current time, for context purposes, the fee charged by the Administrative Agent for certifying the income level of a prospective tenant is Two Hundred and 00/100 Dollars (\$200.00).
- j. The Owner, and all successors in interest or title to the Property, agrees to cooperate in good faith with the Borough and the Administrative Agent in order to ensure that all of the nine (9) restricted housing units at the Property continue to be operated in

a manner which is consistent with the requirements of this Deed Restriction, as well as those prescribed by applicable New Jersey affordable housing rules and regulations, including the Uniform Controls, for the entire duration of the Control Period.

- k. Simultaneously with the execution of the within Deed Restriction, the Owner and the Owner's lender, **1st Constitution Bank** (by virtue of that certain "Mortgage and Security Agreement" dated April 22, 2009 (also referenced as the "Mortgage"), recorded May 28, 2009 in Mortgage Book 10306, at Page 159, securing the sum of \$584,000.00), have executed an "Agreement of Amendment and Modification of Loan Terms" relating to said Mortgage, which confirms that 1st Constitution Bank consents to the within Deed Restriction and to all of the terms and conditions contained herein, and which further confirms that 1st Constitution Bank has agreed and acknowledged that the within Deed Restriction shall not be affected, disturbed or extinguished in the event of a foreclosure of the Mortgage or otherwise. This warranty and representation is a material aspect of the within transaction.
- l. The Owner, and all successors in interest or title to the Property, warrants and represents that any future mortgage(s), loan(s), refinancing, etc., taken against or secured by the Property during the Control Period shall be subject to the within Deed Restriction, including all of the requirements set forth herein. Moreover, the Owner, and all successors in interest or title to the Property, shall first provide advance notice and obtain the written approval of the Administrative Agent before any further mortgage(s), loan(s) refinancing, etc., are executed against or secured by the Property during the Control Period. The Administrative Agent's approval shall not be unreasonably withheld.
- m. The Owner represents that he has satisfied any judgments which exist as of record against the Owner and/or the Property as of the date of execution of the within Deed Restriction.

Article 4. Remedies for Breach of Affordable Housing Covenants/Deed Restriction.

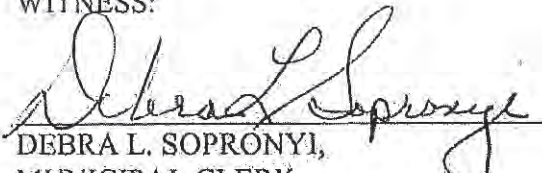
The parties hereto acknowledge and agree that a breach of the Covenants referenced in Article 3 above, or any breach of this Deed Restriction, will cause irreparable harm to the Borough, and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing. As such, the parties agree that the following provisions shall apply:


- a. In the event of a threatened breach of any of the Covenants (or any provision of this Deed Restriction) by the Owner, or any successor in interest or title to the Property, the Administrative Agent and the Borough shall have all remedies provided at law or equity, including the right to seek immediate injunctive relief or specific performance, and the Administrative Agent and the Borough shall be entitled to damages and costs, including attorney's fees.

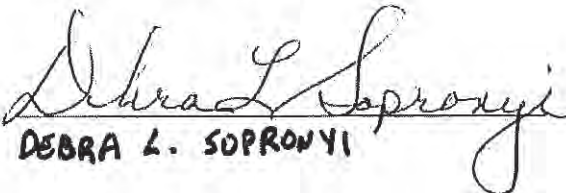
- b. Upon the occurrence of a breach of any of the Covenants (or any provision of this Deed Restriction) by the Owner, or any successor in interest or title to the Property, the Administrative Agent and the Borough shall have all remedies provided at law or equity, including the right to seek immediate injunctive relief, as well as forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants (or any provision of this Deed Restriction), or from any other violation of the Covenants (or any provision of this Deed Restriction), diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry onto the premises, all remedies provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code, and specific performance, and the Administrative Agent and the Borough shall be entitled to damages and costs, including attorney's fees.

IN WITNESS WHEREOF, the Borough, the Owner and the Administrative Agent have executed this Deed Restriction in triplicate as of the date first above written.

WITNESS:


DEBRA L. SOPRONYI,
MUNICIPAL CLERK

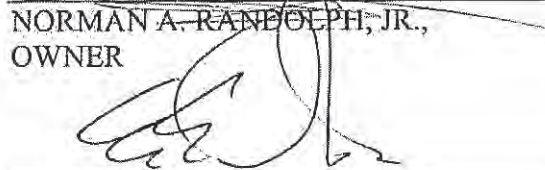

Kristen H. Hamilton


DEBRA L. SOPRONYI

BOROUGH OF HIGHTSTOWN


MAYOR LAWRENCE D. QUATTRONE


NORMAN A. RANDOLPH, JR.,
OWNER


REHABCO, INC.
ADMINISTRATIVE AGENT
BY: ERVIN OROSS, JR., PP, AICP, CPM

ACKNOWLEDGEMENT AS TO BOROUGH OF HIGHTSTOWN:

On this 20th day of July, 2017, before me came LAWRENCE D. QUATTRONE, known to me to be the Mayor of the Borough of Hightstown, the municipal corporation identified as such in the foregoing Agreement, who states that he has been duly authorized to execute the within Agreement on behalf of the Borough by virtue of a Resolution duly adopted by the Hightstown Borough Council, and that he has so executed the foregoing Agreement on behalf of the Borough of Hightstown for the purposes stated therein.


NOTARY PUBLIC

MARGARET M RIGGIO
NOTARY PUBLIC

ACKNOWLEDGEMENT AS TO OWNER:

On this 18 day of July, 2017, before me came NORMAN A. RANDOLPH, JR., known to me to be the Owner of the Property referenced in the within Agreement, who states that he has signed said Agreement for the purposes stated therein.


NOTARY PUBLIC

KRISTEN H. HAMILTON
Notary Public State of New Jersey
NO. 2408115
Commission Expires May 02, 2021

ACKNOWLEDGEMENT AS TO ADMINISTRATIVE AGENT:

On this 20th day of July, 2017, before me came Ervin Oross, known to me to be the duly ~~authorized~~ representative of Rehabco, Inc., the Affordable Housing Administrative Agent for the Borough of Hightstown, the municipal corporation identified as such in the foregoing Agreement, who states that he has signed said Agreement as an agent of the Borough, for the purposes stated therein and is fully authorized to do so.

Margaret M. Riggio
NOTARY PUBLIC

MARGARET M RIGGIO
NOTARY PUBLIC
State of New Jersey
My Comm. Exp. 6-13-2017
2022

CERTIFICATE OF REGISTRATION

Registration No.: 1104-057652
Business Name: ROOMING HOUSE
Business Address: 278 Academy ST
Municipality/County: HIGHTSTOWN BORO, MERCER COUNTY

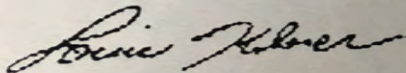
Building Name: Rooming House <1>
Building Address: 278 ACADEMY ST
HIGHTSTOWN BORO, MERCER COUNTY

Floor #:

Location: :
Primary Business Owner: NORMAN JR RANDOLPH
Primary Business Owner Address: 200 MERCER STREET
SUITE-B
Hightstown, NJ 08520

Use No.: 1104-057652-001-001
Use Code: LHU Code: AF04 -: AF04
Use Description: Rooming and boarding homes of two or three stories.

Issuance Date: 7/2/2024
Expiration Date: 2/6/2025



Louis Kilmer, Bureau Chief
Department of Community Affairs

STATE OF NEW JERSEY
DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF CODES AND STANDARDS
BUREAU OF ROOMING AND BOARDING
HOUSE STANDARDS
(609) 633-6251

BRBHS-1
8/02

PAGE 1 of 2
Control No. 1104-0001
License No. _____
Type of Construction FRAME
No. of Stories 2 Units 9
Lic. Capacity 9 No. of Res. 9
Class A
DATE: 6-21-16

◀ EVALUATION REPORT AND ORDERS OF THE COMMISSIONER ▶

Owner's Name, Address, Zip, County <u>RANDOLPH JR., NORMAN</u>
<u>200 MARJOR ST. STE B HIGHTSTOWN N.J.</u>
Owner's Phone Number
Operator's Name <u>SAMUELS, MARGARET</u>

Property Address, Zip, County <u>278 ACADEMY ST.</u>
<u>HIGHTSTOWN N.J.</u>
Property Phone Number

TYPE OF EVALUATION

SOCIAL ☒
PHYSICAL ☒

ADDENDUM ☐
CYCLICAL ☒

— PLEASE READ CAREFULLY —

This evaluation performed by the Bureau of Rooming and Boarding House Standards is being conducted pursuant to the Rooming and Boarding House Act of 1979. (N.J.S.A. 55:13B-1 et seq.).

You are ORDERED to correct the conditions described in the attached notice of violations by the compliance date indicated for each violation. Failure to comply with these orders will result in penalties and/or a court action in accordance with section 10 and 11 of the Act. Please review the violations with the Bureau representative.


You may contest these orders at an administrative hearing. The request for a hearing must be made within 15 days after receipt of these orders. Each issue intended to be raised at the hearing must be set forth in detail in the letter. Any issue not so raised shall be deemed waived. The hearing shall be held pursuant to The Administrative Procedure Act, (C.52:14B-1 et seq.). Refer to the property address and date of compliance (*if applicable*) and address the hearing request to:

Division of Codes and Standards, Hearing Coordinator, P.O. Box 804, Trenton, New Jersey 08625 with a copy to the **Chief, Bureau of Rooming and Boarding House Standards**, at the same address. A corporation may be represented only by a licensed attorney.

You will be notified of the time and place of the hearing.

If you find an extension of time necessary to abate any violation, a letter must be submitted two (2) weeks prior to the date of compliance which states in detail: (1) The violations abated to date; (2) The reason why each unabated violation cannot be corrected prior to the date of penalty; and (3) The date by which all violations can be abated.

By requesting an extension, one expressly waives the right to a hearing and admits that the Notice and Orders are correct and free from procedural and substantive defects.

	
Received By	<u>Norman Randolph</u>
Printed Name of Person Served	
Date	Time Served

Commissioner	
By <u>Bernard J. Raywood</u>	<u>6-21-16</u>
Bureau of Rooming and Boarding House Standards	
<u>STEPHEN BRANDECKER</u>	
<u>Steph Branel</u>	
Bureau Representative	Evaluator #

White – Owner's Copy

Yellow – File Copy

Pink and Goldenrod – Evaluator Copies

1104-0001

EVALUATION REPORT AND ORDERS OF THE COMMISSIONER

278 ACADEMY ST.

Administrative Code Reference		Compliance Date	Reinspection Date	Compliance Date
	FIRE CARD. EXP. 10-14-16			
NAC 5.27-1.6	POST CURRENT MONITOR LIC.	7-22-16		
NAC 5.27-1.6	POST CURRENT GENERATOR LIC.	7-22-16		
	FIRST FL.			
NAC 5.27-4.9	Rm 1A - MAINTAIN SMOKE DETECTOR	7-22-16		
	Rm 2A - NO VIOLATIONS			
NAC 5.27-4.7	HALL - REPAIR EGRESS LIGHT	7-22-16		
NAC 5.27-14.1	- MAINTAIN CARBON MONOXIDE DETECTOR	7-22-16		
	SECOND FL.			
	Rm 2B - NO VIOLATIONS			
	Rm 1B - NO VIOLATIONS			
NAC 5.27-4.7	HALL - REPAIR EGRESS LIGHT	7-22-16		
	Rm 3B - NO VIOLATIONS			
NAC 5.27-4.9	Rm 4B - MAINTAIN SMOKE DETECTOR	7-22-16		
	Rm 5B - NO VIOLATIONS			
	Rm 6B - NO VIOLATIONS			
	Rm 7B - NO VIOLATIONS			
NAC 5.27-4.7	BATHROOM - MAINTAIN WATER (HOT) TEMPERATURE OF 120°-180°F	7-22-16		

**Department of Community Affairs
Council on Affordable Housing
Supportive and Special Needs Housing Survey**

Municipality: Hightstown Borough County: Mercer County
Sponsor: _____ Developer: _____
Block: 38 Lot: 1 Street Address: 278 S. Academy Street
Facility Name: Randolph's Rooming House

Section 1: Type of Facility: <input checked="" type="checkbox"/> Licensed Group Home <input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008) <input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS) <input type="checkbox"/> Permanent supportive housing <input type="checkbox"/> Supportive shared housing <input type="checkbox"/> Other – Please Specify: _____	Section 2: Sources and amount of funding committed to the project: <input type="checkbox"/> Capital Application Funding Unit \$ _____ <input type="checkbox"/> HMFA Special Needs Housing Trust \$ _____ <input type="checkbox"/> Balanced Housing – Amount \$ _____ <input checked="" type="checkbox"/> HUD – Amount \$ <u>111K</u> Program <u>30</u> <input type="checkbox"/> Federal Home Loan Bank – Amount \$ _____ <input type="checkbox"/> Farmers Home Administration – Amount \$ _____ <input type="checkbox"/> Development fees – Amount \$ _____ <input type="checkbox"/> Bank financing – Amount \$ _____ <input type="checkbox"/> Other – Amount \$ _____ Program _____ <input type="checkbox"/> For proposed projects, please submit a pro forma <input type="checkbox"/> Municipal resolution to commit funding, if applicable <input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)
Section 3: For all facilities other than permanent supportive housing: Total # of bedrooms reserved for: Very low-income clients/households <u>1</u> Low-income clients/households _____ Moderate-income clients/households <u>2</u> Market-income clients/households _____	Section 4: For permanent supportive housing: Total # of units _____, including: # of very low-income units _____ # of low-income units _____ # of moderate-income units _____ # of market-income units _____
Section 5: Length of Controls: <u>30</u> years Effective Date of Controls: <u>7/2017</u> Expiration Date of Controls: <u>7/2047</u> Average Length of Stay: _____ months (transitional facilities only)	Section 6: <input type="checkbox"/> CO Date: _____ For licensed facilities, indicate licensing agency: <input type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF <input type="checkbox"/> Other _____ Initial License Date: _____ Current License Date: _____
Section 7: Has the project received project-based rental assistance? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No; Length of commitment: _____ years Other operating subsidy sources: _____; Length of commitment: _____ years Is the subsidy renewable? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Section 8: The following verification is attached: <input checked="" type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.) <input type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)	
Section 9: Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Population Served (describe): _____ Age-restricted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Accessible (in accordance with NJ Barrier Free Subcode)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Section 10: Affirmative Marketing Strategy (check all that apply): <input type="checkbox"/> DDD/DMHS/DHSS waiting list <input type="checkbox"/> Affirmative Marketing Plan approved by the Council's executive Director	

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by: Norman Randolph Date: 8/1/2024
Project Administrator

Certified by: _____ Date: _____
Municipal Housing Liaison



APPENDIX I

WATER AND SEWER CAPACITY TO SERVE



Roberts
ENGINEERING GROUP LLC
Women Business Enterprise Certified

1670 Whitehorse-Hamilton Square Rd.
Hamilton, New Jersey 08690
609-586-1141 Fax 609-586-1143
www.RobertsEngineeringGroup.com

March 18, 2022

Elaine Clisham, Planner
Clarke Caton Hintz
100 Barrack Street
Trenton, NJ 08608

Re: Hightstown Borough Water and Sewer Capacity
Housing Element and Fair Share Plan
Borough of Hightstown, Mercer County, New Jersey
Our File No.: H1759

Dear Elaine:

We have evaluated the Borough of Hightstown properties that are being considered for redevelopment as listed in your email dated February 7, 2022, and their potential impact on the Borough's water and sanitary sewer systems as shown in the attached table.

There are 11 existing units proposed for redevelopment for a future total of 318 units. Therefore, there is a net increase of 307 potential units which are expected to increase water demand by 62,750 gallons per day (GPD) and sewer demand by 88,331 GPD. The Borough Water Treatment Plant (WTP) and Advanced Wastewater Treatment Plant (AWWTP) both appear to have adequate capacity to treat the additional flows.

The water distribution system appears to have adequate capacity to service the potential units but may not provide adequate fire flow for the degree of development proposed in certain areas. Hydrant flow tests will be required, and water mains may need to be upgraded. We expect hydrant flow testing will be required in the area by Manlove Avenue and Franklin Street (Block 24, Lots 4, 6, 7, 9, 15, and 17).

The sanitary sewer system appears to have adequate capacity to service the potential units. However, it is unclear how several lots by Franklin Street and Manlove Avenue (Block 24, Lots 7, 5, and 17) are currently sewered and improvements may be required to provide sewer service.

Our review of the potential impacts due to the increased water and sewer demand at each Block and Lot are outlined as follows:

Broad Street and Monmouth Street

Two Auto Repair Shops and a Parking Lot

Block 11; Lots 17.01, 17.02, & 19.01

Redevelopment of these lots is estimated to yield a total of 26 units. Build-out of these lots is estimated to increase water demand by 4,553 GPD and sewer demand by 6,763 GPD. Both the water and sewer systems appear capable of conveying these flows.

107 Manlove Avenue

Five Two-Story, 50-Unit Townhouses

Block 24; Lot 4

No redevelopment is proposed for these lots and therefore there are no changes to the water and sewer demands.

115 Manlove Avenue

Comisky's Greenhouse, Inc.

Block 24; Lot 6

Redevelopment of this lot is estimated to yield a total of 32 units. Build-out of this lot is estimated to increase water demand by 3,420 GPD and sewer demand by 6,576 GPD.

Both the water and sewer systems appear capable of conveying these flows. However, the water system may not provide adequate fire flow. Fire flow tests will be required, and an upgrade may be required.

265 Franklin Street

Lucy's Nail Therapy

Block 24; Lot 7

Redevelopment of this lot is estimated to yield a total of 5 units. Build-out of this lot is estimated to increase water demand by 900 GPD and the water system appears capable of conveying this flow. However, the water system may not provide adequate fire flow. Fire flow tests will be required and an upgrade may be required.

Build-out of this lot is estimated to increase sewer demand by 1,200 GPD. In order to provide sewer service to this lot, an extension of the sewer main must be constructed and connected to the existing main on Manlove Avenue.

Franklin Street

Empty Lot

Block 24; Lot 15

Development of this lot is estimated to yield a total of 6 units. Build-out of this lot is estimated to increase water demand by 1,350 GPD and the water system appears capable of conveying this flow. However, the water system may not provide adequate fire flow. Fire flow tests will be required and an upgrade may be required.

Build-out of this lot is estimated to increase sewer demand 1,800 GPD. It is unclear how this lot is sewered and an extension of the sewer main may be required in order to provide sewer service to this lot.

315 Franklin Street

Antique Store

Block 24; Lot 17

Redevelopment of this lot is estimated to yield a total of 7 units. Build-out of this lot is estimated to increase water demand by 1,120 GPD and the water system appears capable of conveying this flow. However, the water system may not provide adequate fire flow, and fire flow tests will be required and an upgrade may be required.

Build-out of this lot is estimated to increase sewer demand by 1,736 GPD. It is unclear how this lot is sewered and an extension of the sewer main may be required in order to provide sewer service to this lot.

278 Monmouth Street

AA Empire Antique and AutoParts Warehouse

Block 24; Lot 9

Redevelopment of this lot is estimated to yield a total of 59 units. Build-out of this lot is estimated to increase water demand by 13,125 GPD and sewer demand by 17,550 GPD. Both the water and sewer systems appear capable of conveying these flows. However, the water system may not provide adequate fire flow, and fire flow tests will be required and an upgrade may be required.

105 Main Street

Wells Fargo Bank

Block 28; Lots 51, 52, & 53

Redevelopment of these lots is estimated to yield a total of 54 units. Build-out of these lots is estimated to increase water demand by 11,925 GPD and sewer demand by 15,900 GPD. Both the water and sewer systems appear capable of conveying these flows.

207 Grant Avenue

Empty Lot

Block 34; Lot 4.02

Development of this lot is estimated to yield a total of 1 unit. Build-out of this lot is estimated to increase water demand by 225 GPD and sewer demand by 300 GPD. The existing conveyance systems both appear capable of conveying these flows.

216-222 Academy Street

Empty Lot

Block 40; Lot 20

Development of this lot is estimated to yield a total of 4 units. Build-out of this lot is estimated to increase water demand by 900 GPD and sewer demand by 1,200 GPD. The existing conveyance system appears to be capable of conveying these flows.

25 Westerlea Avenue

Fourteen Two-Story Townhouses

Block 55; Lot 74

Additional development of this lot is estimated to yield a total of 45 units. Build-out of this lot is estimated to increase water demand by 10,125 GPD and sewer demand by 13,500 GPD. Both the water and sewer systems appear capable of conveying these flows.

319 Mercer Street

Garage

Block 61.01; Lot 25

Redevelopment of this lot is estimated to yield a total of 21 potential units. Build-out of this lot is estimated to increase water demand by 4,309 GPD and sewer demand by 5,967 GPD. Both the water and sewer systems appear capable of conveying these flows. The lot must connect to the water main on Mercer Street.

415 Mercer Street

Hightstown Police Department and Autoshop

Block 61.01; Lots 44 & 45

Redevelopment of these lots is estimated to yield a total of 60 potential units. Build-out of this lot is estimated to increase water demand by 10,798 GPD and sewer demand by 15,839 GPD. Both the water and sewer systems appear capable of conveying these flows.

132 Maxwell Avenue

Empty Lot

Block 27; Lot 38

No development is anticipated for this lot at this time and therefore there are no changes to the water and sewer demands.

202 South Academy Street

House

Block 40; Lot 16

No redevelopment is anticipated for this lot at this time and therefore there are no changes to the water and sewer demands.

Please note the Total Potential Units were provided with decimal units whereas our calculations rounded up the units. Therefore, our unit count is slightly higher.

The Borough of Hightstown does not reserve capacity for proposed development until final approval of the project is granted and all necessary permits from the NJDEP are received.

Should you have questions, please do not hesitate to contact me.

Very truly yours,



Carmela Roberts, P.E., C.M.E.
Borough Engineer

cc: Dimitri Musing, Borough Administrator
Beverly Asselestine, Planning Board Chair
Brian M. Slauch, PP, AICP, Borough Planner
Scott Miccio, Esq., Planning Board Attorney
Jane Davis, Planning Board Secretary
Kelly Pham, EIT, Roberts Engineering Group, LLC

Hightstown Borough Water and Sewer Capacity Review Housing Element and Fair Share Plan March 14, 2022										
Block	Lot	Existing Units	Total Potential Units (Provided)	Feasible Affordable Units from Total (Provided)	Existing Water Usage [GPD]	Proposed Water Usage [GPD]	Existing Sewer Usage [GPD]	Proposed Sewer Usage [GPD]	Notes	Intersection
11	17.01	2	25.8	5	1,297	5,850	1,037	7,800	17.01 - Auto Repair Shop/Garage	Monmouth Street and Cranbury Station Road.
	17.02								17.02 - Small Parking Lot	
	19.01								17.03 - Auto Repair Shop	
24	4	0	0	0	-	-	-	-	Five (5) Two-story Townhouses (50 Units).	
24	6	1	31.64	6	3,781	7,200	3,025	9,600	Greenhouse	Monmouth Street and Manlove Avenue.
24	7	1	4.76	1	225	1,125	300	1,500	House with in-house Nail Business	Monmouth Street and Manlove Avenue.
24	15	0	5.60	1	0	1,350	0	1,800	Empty Lot (With Trees)	Monmouth Street and Manlove Avenue.
24	17	1	7	1	455	1,575	364	2,100	Antique Store	Monmouth Street and Manlove Avenue.
24	9	2	58.52	12	150	13,275	150	17,700	Antique Store	Monmouth Street and Manlove Avenue.
28	51	1	54	11	225	12,150	300	16,200	51 - Parking Lot	South Main Street and Stockton Street.
	52								52 & 53 - Building	
	53								AutoParts Warehouse Store	
34	4.02	0	1	1	0	225	0	300	Empty Lot	Grant Avenue and North Academy Street.
40	20	0	3.336	1	0	900	0	1,200	Empty Lot	South Academy Street and Rogers Avenue.
55	74	0	44.88	9	-	10,125	-	13,500	Thirteen and a Half (13.5) Two-Story Townhouses	Westerlea Avenue and Grape Run Road.
61.01	25	1	21	4	416	4,725	333	6,300	54 Units 2-BR Garage	Mercer Street and Grape Run Road.
	44	2	60	12	2,702	13,500	2,161	18,000	44 - Hightstown Police Department	South of Mercer Street and Summit Street.
	45								45 - Autoshop	
27	38	0	0	0	-	-	-	-	Empty Lot	Monmouth Street and Maxwell Avenue.
40	16	0	0	0	-	-	-	-	House	South Academy Street and Rogers Avenue.
TOTAL		11	318	64	9,251	72,000	7,670	96,000		
				INCREASE IN FLOW [GPD]				88,331		

APPENDIX J

REZONING/OVERLAY ORDINANCE

APPENDIX K

ORDONEZ PROPERTY DOCUMENTATION

RESOLUTION 2006-02

**ORDONEZ REALTY, LLC
216-222 SOUTH ACADEMY STREET
BLOCK 40, LOTS 20 AND 21
PRELIMINARY AND FINAL SITE PLAN APPROVAL
WITH USE VARIANCE TO CONSTRUCT A TRIPLEX UNIT**

WHEREAS, Ordonez Realty, LLC, 138 S. Main Street, Hightstown, New Jersey 08520 has applied for preliminary and final site plan approval, and related relief in order to construct a triplex unit on consolidated Lots 20 and 21. The applicant also requests use variance approval, as well as checklist waivers. Said property, known as Block 40, Lots 20 and 21, is located on South Academy Street in the Borough of Hightstown; and

WHEREAS, this application was the subject of a public hearing on May 8, 2006 at which time the applicant and all interested parties were provided the opportunity to be heard; and

WHEREAS, the Planning Board considered the testimony of the applicant's witnesses, considered all plans, the report of the Borough Engineer and other agencies, as well as all other documents submitted with this application and exhibits submitted at the public hearing.

Additionally, this decision is based on the representations of the applicant on the record of the public hearing; and

WHEREAS, the Planning Board finds as follows:

1. The subject property is located in the R-4 Residential District. Triplex housing is not a permitted use in this zoning district or any other Zoning District in the Borough.
2. The Applicant acquired the subject property from the Borough in a public open bid process.
3. The subject property is located within Sub Area 2 of the Borough's approved Redevelopment Plan. In particular, the Plan's objectives for the South Academy Street area are

to: (1) create new opportunities for homeownership in the Borough and (2) eliminate blighted, vacant units to stabilize the neighborhood. A specific plan for the Sub Area 2 has not yet been created.

4. This site plan requires several variances for front yard, (25 feet is required; 15 feet is provided); and impervious coverage (50 % is required; 60% is provided).

5. This application also necessitates consolidation of two existing lots into one lot. The lot will consist of 11,865 square feet, where 7,500 square feet is required for permitted uses in the R-4 District. The Borough's Tax Map for this area indicates that the average lot size is over 5,000 square feet and lot width of 65 feet. The applicant requests a use variance for the construction of one triplex building where triplex housing is not permitted. The lot is currently vacant and was formerly used for three residential units.

6. The Borough Engineer reviewed this application, including comments on stormwater management, concluding, among other things, that the drainage could be accommodated in a Borough drainage pipe adjacent to Lot 22.

7. The Applicant has agreed to accept title to the "gore" area containing the Borough's drainage pipe and to grant the Borough a perpetual easement for use of the drainage pipe; and

WHEREAS, the Planning Board finds that special reasons exist for the granting of the use variance sought by this application. The proposed construction of three residential units in the design submitted is consistent with the Borough's Master Plan and the objectives of the 2004 Redevelopment Plan approved by the Planning Board and the Borough Council. Further, the project is located in an area where small lots predominate

that the Planning Board and Council have determined to be in need of redevelopment due to the existing conditions of buildings and properties.

WHEREAS, the Planning Board believes the improvement of this area will be fostered by the development proposed by the applicant; and

WHEREAS, the Planning Board also finds that the relief sought may be granted without substantial detriment to the public good or substantial impairment of the Zone Plan and Zoning Ordinance. The improvement of this Academy Street area is entirely consistent with the goals of the Borough's 1998 Master Plan, the 2004 Redevelopment Plan and the 2005 Master Plan Reexamination Report.

NOW, THEREFORE, BE IT RESOLVED, that use variance relief permitting three units to be constructed in the configuration and design approved by the Planning Board on Lots 20 and 21, in Block 40, Preliminary and Final Site Plan approval and waivers be granted subjected to the following conditions:

1. Mercer County Planning Board approval, if applicable, and compliance with all other governmental, local, State and Federal laws.
2. The approval granted here permits one triplex unit to be built on the subject consolidated lot in the R-4 Zone, based on the plans and designs submitted.
3. Publication of the Notice of Decision in the official Borough newspaper.
4. Compliance with all applicable conditions of the Borough Engineer's Report, dated February 28, 2006.
5. At least one unit shall be designated an affordable housing unit consistent with NJCOAH requirements.
6. Submission of a revised Preliminary and Final Site Plans.

7. Submission of a landscape plan for approval by the Borough Engineer.
8. Submission of a lighting plan with no lighting from the second floor and no lighting fixtures in the parking lot for the Borough Engineer's approval.
9. The one way drive shall be 10 feet instead of 9 feet.
10. Submission of fencing/screening plan to be approved by the Borough Engineer.
11. Submission, execution and recording of an easement to the Borough of Hightstown, and permitting DM Properties, an adjacent owner, to connect to the storm sewer pipe located in the "gore" area.
12. If for sale units are proposed, the imposition of deed restrictions regarding the maintenance of all common elements and areas, including but not limited to, exteriors, landscaping, waste pick up and disposal and snow plowing.
13. Consolidation of Lots 20 and 21 into one Lot by Deed or Map filing.

This Resolution was adopted at a regularly scheduled meeting by the Planning Board of the Borough of Hightstown, held on June 12, 2006, memorializing the action taken by the Planning Board of the Borough of Hightstown at its regular meeting of May 8, 2006.

I hereby certify this to be a true copy of the Resolution adopted by the Planning Board at a meeting held on June 12, 2006.

Debbie Kolo, Planning Board Secretary

APPENDIX L

105 NORTH MAIN STREET
CONCEPT PLAN

BLOCK 28
LOT 49
N/FLANDS OF
TRUSTEES OF BAPTIST CHURCH



APPENDIX M

AFFORDABLE HOUSING
ORDINANCE

DEVELOPMENT FEE
ORDINANCE

Section 28-17

AFFORDABLE HOUSING PROCEDURAL AND ELIGIBILITY REQUIREMENTS

Subsections:

28-17-1	Purpose and General Provisions
28-17-2	Affordable Housing Required.
28-17-3	Borough Administrative Agent and Administrative Agent.
28-17-4	Submission of Affordable Housing Plan.
28-17-5	Household Income Limitations.
28-17-6	Household Income Verification.
28-17-7	Certificate of Eligibility, Waiting List and Selection
28-17-8	Unit Standards and Requirements.
28-17-9	Initial Selling and Renting Determinations.
28-17-10	Affordability Controls for Ownership Units.
28-17-11	Affordability Controls on Rental Dwellings.
28-17-12	Accessibility Requirements.
28-17-13	Exempt Transactions.
28-17-14	Leasing Restriction.
28-17-15	Effect on Landlord and Tenant Relationship.
28-17-16	Affirmative Marketing for Affordable Housing
28-17-17	Violations of Affordable Housing Regulations

28-17-1 Purpose and General Provisions.

1. The purpose of this Article is to implement the Uniform Housing Affordability Controls (“UHAC”, *N.J.A.C. 5:80-26.1 et seq.*, as they may be amended or superseded), the New Jersey Fair Housing Act (*N.J.S.A. 52:27D-301, et seq.*), extant rules of the NJ Council on Affordable Housing, and the Housing Element and Fair Share Plan of Hightstown Borough. This Article is designed to ensure that affordable housing created under the Fair Housing Act is occupied by low- and moderate-income households for the appropriate period of time. The words, phrases, and terms herein shall be interpreted to have the same meanings and usages as in the Fair Housing Act and related regulations. It is the further purpose of this Article to regulate the development and management of low- and moderate-income housing units constructed in compliance with these regulations.
2. All units, including those funded with Low Income Housing Tax Credits or other subsidy programs, shall include the required bedroom distribution and income distribution, shall be subject to affordability controls, and shall be affirmatively marketed in accordance with UHAC, with the exception that instead of 10% of all rental affordable units being affordable to households earning 35% of less of the regional median household income by household size, 13% of all rental affordable units shall be affordable to households earning 30% or less of the regional median household income by household size, and all other applicable law.
3. All new construction units shall be adaptable in conformance with *N.J.S.A. 52:27D-311a* and *-311b* and all other applicable law.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-2 Affordable Housing Required.

1. Any residential development approved by the Planning Board of the Borough of Hightstown, including those developments consisting in whole or in part of beds counted as a residential dwelling, shall set aside dwelling units for persons of low and moderate income as defined in this Article, except for development within a redevelopment district. Affordable housing within a redevelopment district shall be as established in a redevelopment agreement between the Borough and the redeveloper. Unless otherwise stated or as may be required within specific zoning districts, the minimum set aside shall be 15% of the total number of units if the affordable units will be for rent and 20% of the total number of units if the affordable units will be for sale. In assisted living residence developments, the set-aside shall be a minimum of 10% of the total number of units. At least half of all affordable units shall be affordable to low or very low income households. Except when part of a larger development of a tract zoned or otherwise permitted to be developed at a residential density of 6 units per acre or more, developments of single-family detached and/or duplex or two-family dwellings shall be exempt from the inclusionary development requirements of this section, but shall pay an affordable housing development fee. Properties shall not be permitted to be subdivided to avoid compliance with the inclusionary development requirements of this section.
2. All developers with sites identified for affordable housing pursuant to the most recent Housing Element and Fair Share Plan adopted by the Planning Board and Borough Council of Hightstown, according to their respective duties, shall provide affordable housing units in accordance with the plan. All development, whether residential, commercial, or industrial shall construct units or pay a development fee in accordance with this Article, except as otherwise exempted.
3. This requirement does not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of the Borough of Hightstown to grant such rezoning, variance or other relief.
4. This Borough-wide mandatory set-aside requirement does not supersede the effects or requirements of any inclusionary overlay zoning districts for any inclusionary multi-family residential development that occurs within the boundaries of those districts.
5. In the event that the inclusionary set-aside percentage (15% or 20%, as the case may be) of the total number of residential units does not result in a full integer, the developer may choose one of two options of addressing the fractional unit:
 - a. The developer shall round the set-aside upward to construct a whole additional affordable unit; or
 - b. If the set-aside includes a fractional unit less than 0.5, the developer may round the set-aside downward and construct the lesser whole number of affordable units, but must also make a payment in lieu of constructing the fractional additional unit (“fractional payment in lieu”).
 - c. The fractional payment in lieu amount shall be calculated as the fractional unit multiplied by the payment in lieu amount of \$250,000.00, increased annually by the construction Consumer Price Index.
 - d. 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:
 1. The developer may round up the 0.4 unit to one whole affordable unit and construct a total of two affordable units, in accordance with this section; or
 2. The developer may round the set-aside downward, construct only one affordable unit and pay into the Borough’s affordable housing trust fund a fractional in lieu payment

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equal to the dollar amount established hereinabove multiplied by 0.4 units.
(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-3 Borough Administrative Agent and Administrative Agent.

1. The Borough Council shall yearly appoint a Borough Administrative Agent to monitor sales and resales of affordable housing units, and the leasing of units to tenants. The Borough Administrative Agent may be the Municipal Housing Liaison, but is not required to be the same person.
2. The Borough Administrative Agent shall monitor the designated Administrative Agent of the developer in the initial sales and rental transactions for low- and moderate-income dwellings in accordance with *N.J.A.C. 5:80-26.14*, as it may be amended or superseded. The developer's Administrative Agent shall have all of responsibilities as put forth in this rule. After the initial sales and rental transactions, the Borough Administrative Agent, the activities of the Administrative Agent for any re-sales or re-rentals. If the Borough Administrative Agent is the Administrative Agent for the municipality, then he or she shall assume all of the duties and responsibilities set forth in *N.J.A.C. 5:80-26.14* following the initial renting, sales and occupancy of low- and moderate-income dwellings. The affordability controls set forth in this chapter shall be administered and enforced by the Administrative Agent regardless of association. The primary responsibility of the Administrative Agent shall be to ensure that the restricted units are sold or rented, as applicable, only to low- and moderate-income households in accordance with the Fair Housing Act.
3. The Borough Council may establish a reasonable fee to program participants for the administration of the affordability controls program.
4. The Borough Council shall approve the credentials of any person who is an Administrative Agent by resolution prior to such person engaging in such work in the Borough of Hightstown.
5. The Administrative Agent, whether the Borough Administrative Agent, developer's agent, or a delegated agent, shall have the responsibility to income qualify low and moderate-income households, to place income eligible households in low- and moderate-income units upon initial occupancy, to provide for the initial occupancy of low- and moderate-income units with income qualified households, to continue to qualify households for re-occupancy of units as they become vacant during the period of affordability controls, to assist with advertising and outreach to low- and moderate-income households, and to enforce the terms of the deed restriction and mortgage loan. The Administrative Agent shall 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.
6. The Borough Administrative Agent shall coordinate his or her activities with any outside Administrative Agent to ensure the accurate tracking of the progress of affordable housing in the municipality, answer inquiries regarding affordable housing from the public or direct same to the appropriate official or agency, and comply with the affordable housing monitoring and reporting requirements of the state.
7. In order to ensure an orderly transfer of control responsibility from a municipality to an administrative agent, from one administrative agent to another administrative agent, or other transfer, the requirements as set forth in *N.J.A.C. 5:80-26.17* shall apply as are necessary before or during the transition. The Administrative Agent's enforcement responsibility for implementing such practices and procedures shall not be delegated or otherwise transferred to any other party, except to a successor administrative agent and as approved by the Borough Council.
8. By accepting state funds for affordable housing purposes, or by submitting to the jurisdiction of the NJ Council on Affordable Housing or its successor agency, the Borough of Hightstown shall be deemed to have delegated to the Administrative Agent the day-to-day responsibility for implementing practices and procedures designated to ensure effective compliance with the controls set forth in this Article. The

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governing body of the municipality, however, shall retain the ultimate responsibility for ensuring effective compliance with the requirements as set forth in UHAC and any settlement agreements pertaining to affordable housing matters.

9. The Borough Administrative Agent shall complete and return to the NJ Council on Affordable Housing (COAH), its successor, or court of competent jurisdiction all forms necessary for monitoring requirements related to dwelling units in affordable housing projects and the collection of development fees from residential and non-residential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with the Borough of Hightstown's approved housing program, as well as to the expenditure of revenues and implementation of the approved plan.
10. The Borough Administrative Agent shall keep records of the affirmative marketing activities undertaken in accordance with the affirmative marketing plan established by any developer's administrative agent. The records shall include, but not be limited to, the following:
 - a. Electronic reporting of affordable housing activity; any required paper forms;
 - b. Copies of any press releases, brochures, flyers, print advertisements and application forms used in the affirmative marketing program.
 - c. The income and demographic characteristics of each household applying for and occupying income-restricted housing.
 - d. An evaluation of any necessary adjustments required to the affirmative marketing program as communicated by the Administrative Agent.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-4 Submission of Affordable Housing Plan.

1. The developer of low- and moderate-income housing units shall submit to the Borough Administrative Agent a description of the means to be used to insure that the required low- and moderate-income units are sold or rented only to low- and moderate-income households for a period of not less than 30 years, that such units meet bedroom distribution and phasing requirements, and comports with the requirements of this Article pertaining to the provisions, leasing, selling and transferring units among eligible low- and moderate-income households.
2. The Affordable Housing Plan shall indicate how the developer will comply with the procedures of this Article for selecting occupants of low- and moderate-income housing and the required affirmative marketing requirements. The requirements for affirmative marketing are found in §28-17-16. Whenever a developer proposes a third party operator or manager of affordable housing units, the Borough Council shall specifically approve such operator and manager. The Borough Council may delegate this approval to the Borough Administrative Agent.
3. The following information shall promptly be provided to the Borough Administrative Agent by the developer or sponsor of any project containing any affordable units' subject to the requirements of this Article, upon the later of either final municipal land use approval or issuance of a grant contract by a governmental authority:
 - a. The total number of units in the project, and number of restricted units, broken down by bedroom size, identifying which are low- and which are moderate-income dwellings, and including street addresses of restricted dwellings;

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- b. Floor plans of all affordable dwellings, including complete and accurate identification of uses and dimensions of all rooms;
 - c. A project map identifying the locations of low- and moderate-income and market dwellings;
 - d. A list of project principals or partners, together with a list of all other affordable projects in which they have been involved over the previous five years;
 - e. Projected construction schedule;
 - f. Proposed pricing for all units, including any purchaser options and add-on items;
 - g. A list of all public funding sources and copies of grant or loan agreements for those sources;
 - h. Condominium fees or homeowner association and any other maintenance or other fees;
 - i. Estimated real property taxes for sale units;
 - j. Sewer, trash disposal and any other utility assessments;
 - k. Flood insurance requirement, if applicable;
 - l. A description of all HVAC systems;
 - m. Location of any common areas and elevators;
 - n. Proposed form of lease for any rental units;
 - o. The name of the person who will be responsible for official contact with the Borough Administrative Agent for the duration of the project;
 - p. The name and qualifications of the developer's administrative agent, if applicable; and
 - q. The State-approved Planned Real Estate Development public offering statement and/or master deed where available or applicable.
4. The developer shall submit the marketing plan to the Borough Administrative Agent at least 45 days prior to the advertising of the availability of the units. The Borough Administrative Agent will approve or modify the plan within 30 working days of receipt of the plan or within such time as additionally granted by the developer.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-5 Household Income Limitations.

- 1. The incomes of low- and moderate-income households occupying affordable housing shall not exceed the income limits as of January 1 of the current year.
- 2. Median Income Determination. Income limits for all units for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to *N.J.A.C. 5:80-26.1* shall be updated by the Borough annually following the publication of determinations of median income by the U.S. Department of Housing and Urban Development (HUD) and calculation by the Affordable Housing Professionals of New Jersey in the absence of such calculation by COAH.
- 3. Affordable Housing Purchase or Rent. Very low-income housing units shall be reserved for households with a gross household income less than or equal to 30% of the median regional income. Very low-income households shall be considered a subset of low-income units. Of the number of very low-income households, at least 50% shall be for family households. Low-income housing units shall be reserved

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for households with a gross household income less than or equal to 50% of the median regional income. Moderate-income units shall be reserved for households with a gross household income more than 50% but equal to or less than 80% of the median income.

4. Assisted Living Facilities. Income determination and eligibility for assisted living facilities shall also comply with the New Jersey Housing and Mortgage Finance Agency's Assisted Living Underwriting Guidelines and Financing Policy, dated May 28, 1996, as it may be amended or superseded. The monthly fee for rent, meals, and basic services for the affordable units in the assisted living facility shall not exceed 80% of household income. For the purposes of this section, 62.5% of the fee shall be assumed to be for meals and basic services and 37.5% of the fee for rent.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-6 Household Income Verification.

1. Any Administrative Agent shall secure the information from applicant households necessary and appropriate to determine that restricted dwellings are occupied by properly sized households with appropriate very low, low or moderate income levels. No household may be referred to a restricted dwelling, or may receive a commitment with respect to a restricted dwelling, unless that household has received a signed and dated certification, as set forth in this section, and has executed the certificate in the form provided.
2. Any Administrative Agent shall use a random selection process to select occupants of very low-, low- and moderate-income housing.
3. Any Administrative Agent shall prepare a standard form of certification and shall sign and date one for each household when certified. This certification shall be known as a Certificate of Eligibility and shall be a prerequisite for the purchase or rental of an income-restricted dwelling. An initial certification shall be valid for no more than 180 days unless a valid contract for sale or lease has been executed within that time period. In this event, certifications shall be valid until such time as the contract for sale or lease is ruled invalid and no occupancy has occurred. Certifications may be renewed in writing at the request of a certified household for an additional period of 180 days at the discretion of the Borough Administrative Agent or Administrative Agent.
4. When reviewing an applicant household's income to determine eligibility, any Administrative Agent shall compare the applicant household's total gross annual income to the regional very low-, low- and moderate-income limits then in effect, as approved by the court of competent jurisdiction. For the purposes of this subchapter, income includes, but is not limited to, wages, salaries, tips, commissions, alimony, regularly scheduled overtime, pensions, social security, unemployment compensation, Temporary Assistance for Needy Families (TANF), verified regular child support, disability, net income from business or real estate, and income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds and imputed income from non-income producing assets, such as equity in real estate.
5. Except as otherwise specifically stated in this subchapter, the sources of income considered by the Borough Administrative Agent or Administrative Agent shall be the types of regular income reported to the Internal Revenue Service and which is eligible to be used for mortgage loan approval. Household annual gross income shall be calculated by projecting current gross income over a 12-month period.
6. Assets not earning a verifiable income shall have an annual imputed interest income using a current average annual savings interest rate. Assets not earning income include, but are not limited to, present real estate equity. Applicants owning real estate shall produce documentation of a market value appraisal and outstanding mortgage debt. The difference shall be treated as the monetary value of the

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asset and the imputed interest added to income. If the applicant household owns a primary residence with no mortgage on the property valued at or above the regional asset limit, a Certificate of Eligibility shall be denied by the Borough Administrative Agent or Administrative Agent, unless the applicant's existing monthly housing costs (including principal, interest, taxes, homeowner and private mortgage insurance, and condominium and homeowner association fees as applicable) exceed 33% of the household's eligible monthly income.

7. Rent from real estate shall be considered income, after deduction of any mortgage payments, real estate taxes, property owner's insurance and reasonable property management expenses as reported to the Internal Revenue Service. Other expenses are not deductible. If actual rent is less than fair market rent, the Borough Administrative Agent or Administrative Agent shall impute a fair market rent.
8. Income does not include benefits, payments, rebates or credits received under any of the following:
 - a. Federal or State low income energy assistance programs;
 - b. Food stamps, payments received for foster care, relocation assistance benefits;
 - c. Income of live-in attendants, scholarships, student loans, and personal property, including but not limited to, automobiles; and
 - d. Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements, and part-time income of persons enrolled as full-time students.
 - e. Income, however, does include interest and other earnings from the investment of any of the foregoing benefits, payments, rebates, or credits.
9. Any Administrative Agent shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify the member's income, including income received by adults on behalf of minor children for their benefit. Household members 18 years of age or older who do not receive income must produce documentation of current status. Income verification documentation may include, but is not limited to, the following for each and every member of a household who is 18 years of age or older:
 - a. Four consecutive pay stubs, not more than 120 days old, including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure;
 - b. Copies of Federal and State income tax returns for each of the preceding three tax years;
 - c. A letter or appropriate reporting form verifying monthly benefits such as Social Security, unemployment, TANF, disability or pension income (monthly or annually);
 - d. A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support;
 - e. Income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds; and
 - f. Evidence or reports of income from directly held assets such as real estate or businesses.
 - g. Court ordered payments for alimony or child support to another household, whether or not it is being paid regularly, shall be excluded from income for purposes of determining income eligibility.
10. At the discretion of the Borough Administrative Agent or Administrative Agent, households may also be required to produce documentation of household composition for determining the correct dwelling size and applicable median income guide.

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11. Tenant Income Eligibility. In addition to the foregoing requirements, tenant income eligibility shall be in accordance with the median income limits of *N.J.A.C. 5:80-26.13*. 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 household income by household size. Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of the regional median household income by household size. Moderate-income rental units shall be reserved for households with a gross household income less than 80% of the regional median household income by household size.
12. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35% (40% for age-restricted units) of the household's eligible monthly income as determined pursuant to *N.J.A.C. 5:80-26.16*, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
 - a. The household currently pays more than 35% (40% for households eligible for 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 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.
13. The applicant shall file documentation sufficient to establish the existence of the circumstances in 12.a through 12.e above with the Administrative Agent, who shall counsel the household on budgeting.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-7 Certificate of Eligibility, Waiting List and Selection

- A. If the household is found to be eligible for low- and moderate-income housing, they shall be issued a Certificate of Eligibility and placed on the affordable housing waiting list, except in the event that such a certificate is withheld or removed in accordance with this section. Eligible persons that live or work within the East Central Housing Region (Region 4) shall have preference over those that live or work in another housing region.
- B. Applicants shall be selected in the order in which their applications are certified and in accordance with the provisions of this section.
- C. Households remaining on a waiting list shall update its application no later than April 30 each year, including the most recent federal income tax return of each member of the proposed household and such other updated income and other information requested on the application.

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- D. Households on the waiting list who have not submitted the required information by May 15 each year shall be notified by certified mail, mailed to the address on file that they have until June 30 of that year to provide the information or they shall be removed from the waiting list.
- E. Any household whose income or priority category has changed such that the household has become eligible for a different category of housing or priority list shall be placed on the appropriate list without penalty or favor as of the date of the original application.
- F. Any household whose income has increased to the degree that it is no longer eligible for low or moderate income housing shall be removed from the waiting list.
- G. If the Borough Administrative Agent or Administrative Agent has reason to believe that the information on file is erroneous or incomplete, he or she shall have the right to conduct an investigation and request any additional information deemed necessary to obtain accurate household information. If an applicant does not cooperate in such investigation or refuses to reply with the requested additional information within 30 days of said request, the applicant shall be removed from the list.
- H. All applications shall be notarized and certified complete and accurate. Anyone knowingly submitting incomplete, inaccurate, incorrect or false information may be removed from eligibility for very low-, low- and moderate-income dwellings. All information submitted to the Borough Administrative Agent or Administrative Agent for the purposes of determining applicant eligibility shall be strictly confidential and not considered a public record.
- I. Prior to the time of availability of a very low-, low- and moderate-income dwelling, the Borough Administrative Agent or Administrative Agent shall notify by certified mail the top three households on the waiting list for the type of dwelling available, its location and the estimated date it will be available. If a purchaser or tenant cannot be found from the top three households on the waiting list, notice shall be sent to the fourth, fifth, etc., household until a purchaser or tenant is found. The household shall, within 14 days of mailing, notify the Borough Administrative Agent or Administrative Agent, in writing, of its intent to occupy the dwelling and, if selected, its intent to comply with the requirements of paragraph J, below, within 15 days. Any household which fails to respond to the notice or chooses to reject a specific dwelling by informing the Administrative Agent in writing, shall retain its priority and shall be notified of available dwellings in the future, except that if a household chooses to reject a dwelling or fails to respond three times, it shall be removed from the list and must reapply and re-qualify if it wishes to be placed on the list at a new qualified priority.
- J. At the time of notice to a household of the availability of an appropriate type of dwelling and if the household notifies the Administrative Agent of its intent to occupy the dwelling and that household is selected for occupancy, each household member shall update the records on file and recertify the accuracy of the information as required herein. Information shall be reviewed and the eligibility status reconfirmed. The household selected shall only at that point proceed to make the legal and financial arrangements to acquire or lease the dwelling.
- K. If a household selected for occupancy is unable to obtain financing, it shall lose its eligibility for that dwelling, after notice, but shall retain its priority status for a similar appropriate dwelling as other dwellings become available and as long as the household remains eligible. When notified of the availability of another dwelling, updating and recertifying data as outlined in Subsection –H above is required.
- L. A certificate of eligibility may be withheld by the Borough Administrative Agent or Administrative Agent as a result of an applicant's inability to demonstrate sufficient present assets for down payment or security deposit purposes.

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- M. A certificate of eligibility may be withheld by the Borough Administrative Agent or Administrative Agent as a result of an applicant's inability to verify funds claimed as assets, household composition or other facts represented.
- N. A certificate of eligibility shall be denied by the Borough Administrative Agent or Administrative Agent as a result of any willful and material misstatement of fact made by the applicant in seeking eligibility.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-8 Unit Standards and Requirements.

- A. In each affordable development, at least 50 percent of the restricted units within each bedroom distribution shall be very low and low-income units, while the remainder may be moderate-income units.
- B. Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:
 - 1. The combined number of efficiency and one-bedroom units is no greater than 20 percent of the total low- and moderate-income units;
 - 2. At least 30 percent of all low- and moderate-income units are two bedroom units;
 - 3. At least 20 percent of all low- and moderate-income units are three bedroom units; and
 - 4. The remainder, if any, may be allocated at the discretion of the developer.
- C. Age-restricted low- and moderate-income units may utilize a modified bedroom distribution. At a minimum, the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the affordable development. The standard may be met by creating all one-bedroom units or by creating a two-bedroom unit for each efficiency unit.
- D. In determining the initial rents and initial sales prices for compliance with the affordable average requirements for restricted units other than assisted living facilities, the following standards shall be used:
 - 1. An efficiency shall be affordable to a one-person household;
 - 2. A one-bedroom dwelling shall be affordable to a one and one-half person household;
 - 3. A two-bedroom dwelling shall be affordable to a three-person household;
 - 4. A three-bedroom dwelling shall be affordable to a four and one-half person household;
 - 5. A four-bedroom dwelling shall be affordable to a six-person household.
 - 6. In referring certified households to specific income-restricted units, to the extent feasible and without causing an undue delay in occupying the dwelling, the Borough Administrative Agent shall strive to:
 - a. Provide an occupant for each unit's bedroom;
 - b. Provide children of different sex with separate bedrooms; and
 - c. Prevent more than two persons from occupying a single bedroom.

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- E. Size of Units. The minimum size of affordable housing units, which is necessary to ensure the public health safety and welfare of its occupants, shall be as indicated in the following table.

Minimum Size of Affordable Housing Units.

Type of Unit	Minimum Size (gross square feet)
Efficiency	500
One-bedroom	600
Two-bedroom	750
Three-bedroom	900

- F. Certificates of Occupancy. The following additional requirements for the issuance of certificates of occupancy shall apply to inclusionary developments:

1. The initial issuance of certificates of occupancy for market units shall be linked to the issuance of certificates of occupancy for affordable units. Prior to the issuance of the certificates of occupancy for market units, certificates of occupancy for affordable units shall be required in the following minimum ratios:

Required Percentage of Affordable to Market Units

Percentage of Affordable Housing Units Completed	Allowed Percentage of Market Housing Units Completed
0%	25%
10%	25% + 1
50%	50%
75%	75%
100%	90%

2. Each unit of affordable housing shall require a certificate of occupancy, which shall become void upon a change of owner or tenant.
 3. No certificate of occupancy shall be issued for a low- and moderate-income unit unless the provisions of *N.J.A.C. 5:93-9.3*, or superseding administrative code, are met.
- G. Unit Type and Household Size. The following housing type shall be used in determining affordability as it relates to household size:

Unit Type and Household Size

Unit Size	Household Size (persons)
Efficiency	1
One-bedroom	1.5
Two-bedroom	3
Three-bedroom	4.5
Four-bedroom	6

- H. Distribution of Low- and Moderate-Income Units. At least 50% of all units within each inclusionary development shall be affordable to low-income households. At least 50% of all rental units shall be affordable to low-income households. Of the total number of affordable housing units, 13% of the total

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shall be earmarked as very low-income units and shall be counted towards the minimum low-income requirement.

- I. Utilities and Heating Source. Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by the NJ Department of Community Affairs for its Section 8 program. Affordable units shall utilize the same type of heating source as market units within the affordable development.
- J. Appearance and Location. The facade of an affordable housing dwelling shall be indistinguishable from those of market units in terms of the use of exterior materials, windows, doors, reveal, roof pitch, color, or other material. Affordable housing units shall be fully integrated with market rate housing to the greatest extent feasible and shall have access to open space and site amenities comparable to that of market rate units.
- K. Tenure. For inclusionary developments with a single housing type, the affordable housing units shall have the same tenure as the market housing units.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-9 Initial Selling and Renting Determinations.

- A. In establishing rents and sales prices of affordable housing units, the administrative agent shall follow the procedures as set forth in the Uniform Housing Affordability Controls.
- B. Required pricing stratification.
 - 1. The maximum rent for affordable units within each affordable development shall be affordable to households earning no more than 60% of median income and the average rent for low- and moderate-income units shall be affordable to households earning no more than 52% of median income. 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 units shall be affordable to households earning no more than 30% of median income.
 - 2. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70% of median income. Each affordable development shall achieve an affordability average of 55% for restricted ownership units. In achieving this affordability average, moderate income ownership units shall be available for at least three different prices for each bedroom type, and low income ownership units shall be available for at least two different prices for each bedroom type.
- C. Initial Pricing and Annual Increases of Affordable Dwellings.
 - 1. Owner-occupied dwellings initial pricing. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the dwelling, including principal and interest (based on a mortgage loan equal to 95% of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28% of the eligible monthly income of the appropriate size household as determined under *N.J.A.C. 5:80-26.4*; provided, however, that the price shall be subject to the affordability average requirement as noted above.
 - 2. Rental dwellings initial pricing. The initial rent for a restricted rental dwelling shall be calculated so as not to exceed 30% of the eligible monthly income of the appropriate household

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size as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement.

3. Owner-occupied dwellings annual increase. The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.
 4. Rental dwellings annual increase. The rent of low and moderate income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the United States. This increase shall not exceed 9% in any one year. Rents for units constructed pursuant to low income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.
 5. Utilities. Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by the NJ Department of Community Affairs for its Section 8 program.
- D. Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices.
1. The initial purchase price for a restricted ownership dwelling shall be approved by the Borough Administrative Agent.
 2. The Borough Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.
 3. The method used to determine the condominium association fee amounts and special assessments shall be indistinguishable between the low- and moderate-income homeowners and the market homeowners.
- E. The owners of restricted ownership units may apply to the Borough Administrative Agent to increase the maximum sales price for the dwelling on the basis of eligible capital improvements. Eligible capital improvements shall be those that render the dwelling suitable for a larger household or the addition of a bathroom.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-10 Affordability Controls for Ownership Units.

- A. The affordability control period for a restricted ownership dwelling shall commence on the date the initial certified household takes title to the dwelling.
- B. Each restricted ownership dwelling shall remain subject to the requirements of UHAC until the Borough of Hightstown elects to release the dwelling from such requirements pursuant to action taken in compliance with *N.J.A.C. 5:80-26.5(g)*. Prior to such municipal election, a restricted ownership dwelling shall remain subject to the requirements of *N.J.A.C. 5-80-26.5*, for a period of at least 30 years, and for a period of at least 10 years or the sale and repayment of any loan proceeds for owner-occupied units that were rehabilitated. Where a dwelling unit is entered into an extension of expiring controls program, the time period for the ownership restriction shall be at least 30 years from the date that the existing or prior restriction would have expired.

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- C. The affordability control period for a restricted ownership dwelling shall commence on the date the initial certified household takes title to the dwelling.
- D. Each restricted ownership dwelling shall remain in compliance with and subject to the requirements of *N.J.A.C. 5:80-26.5* for control periods, *N.J.A.C. 5:80-26.6* for price restrictions, *N.J.A.C. 5:80-26.7* for buyer income eligibility, *N.J.A.C. 5:80-26.8* for limitations on indebtedness and subordination, *N.J.A.C. 5:80-26.9* for capital improvements, and *N.J.A.C. 5:80-26.10* for maintenance.
- E. Limitations on Indebtedness Secured by Ownership Dwelling; Subordination.
 - 1. Prior to incurring any indebtedness to be secured by a restricted ownership dwelling, the Borough Administrative Agent shall determine in writing that the proposed indebtedness complies with the provisions of this section.
 - 2. With the exception of original purchase money mortgages, during a control period neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership dwelling to exceed 95% of the maximum allowable resale price of that dwelling, as such price is determined by the Borough Administrative Agent in accordance with *N.J.A.C. 5:80-26.6(b)*.
- F. Capital Improvements to Ownership Units.
 - 1. The owners of restricted ownership units may apply to the Borough Administrative Agent to increase the maximum sales price for the dwelling on the basis of capital improvements made since the purchase of the dwelling. Eligible capital improvements shall be those that render the dwelling suitable for a larger household or that adds an additional bathroom. In no event shall the maximum sales price of an improved housing dwelling exceed the limits of affordability for the larger household.
 - 2. Upon the resale of a restricted ownership dwelling, all items of property that are permanently affixed to the dwelling or were included when the dwelling 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 Borough Administrative Agent at the time of the signing of the agreement to purchase. The purchase of central air conditioning installed subsequent to the initial sale of the dwelling and not included in the base price may be made a condition of the dwelling resale provided the price, which shall be subject to 10-year, straight-line depreciation, has been approved by the Borough Administrative Agent. Unless otherwise approved by the Borough Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the dwelling resale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.
- G. Notice of Resale, Recapture Covenant and 95/5 Purchase Options.
 - 1. The owner of the property is required to notify the Borough Administrative Agent by certified mail of any intent to sell the property 90 days prior to entering into an agreement for the first non-exempt sale of the Property after the conclusion of the period of affordability controls on restricted units in effect at the time the Property was first restricted as part of the Affordable Housing Program.
 - 2. The municipal construction code official shall inspect the available affordable resale unit for construction and property maintenance code violation(s). The code official shall submit in writing to the owner and the Borough Administrative Agent a listing of the violation(s). The estimated cost of the repairs not completed by the owner prior to resale shall be deducted from the resale price. The cost of repairs not undertaken by the owner will be determined by

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estimator(s) and/or contractor(s) supplied by the Borough Administrative Agent and charged back to the seller.

3. Upon the first such non-exempt sale of the Property, 95% of the difference between, (i), the actual sale price; and (ii), the regulated maximum sales price that would be applicable were the period of affordability controls on restricted units still in effect, shall be paid at closing to the Borough of Hightstown; or, to the NJ Department of Community Affairs or NJ Housing and Mortgage Finance Agency, when acting as receiving agent for the municipality. Exempt sales shall be as listed in §28-17-13.
4. Such non-exempt sale is subject to the options provided for in *N.J.A.C. 5:80-26.20* (Option to buy 95/5 units), *N.J.A.C. 5:80-26.21* (Municipal Option on 95/5 units), *N.J.A.C. 5:80-26.22* (State Option on 95/5 Units), *N.J.A.C. 5:80-26.23* (Non-Profit Option on 95/5 Units), *N.J.A.C. 5:80-26.24* (Seller Option on 95/5 Units), *N.J.A.C. 5:80-26.25* (Municipal Rejection of Repayment Option on 95/5 Units) and *N.J.A.C. 5:80-26.26* (Continued Application of Options to Create, Rehabilitate or Maintain 95/5 Units) of UHAC.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-11 Affordability Controls on Rental Dwellings.

- A. Each restricted rental dwelling shall remain subject to the requirements of UHAC until the Borough of Hightstown elects to release the dwelling from such requirement pursuant to action taken in compliance with *N.J.A.C. 5:80-26.11(e)*. Prior to such a municipal election, a restricted rental dwelling shall remain subject to the requirements of *N.J.A.C. 5:80-26.11*, for a minimum of 30 years, and for a period of at least 10 years or the sale and repayment of any loan proceeds for renter-occupied units that were rehabilitated.
- B. Each restricted rental dwelling shall remain in compliance with and subject to the requirements of *N.J.A.C. 5:80-26.11* for control periods, *N.J.A.C. 5:80-26.12* for restrictions on rents, and *N.J.A.C. 5:80-26.13* for tenant income eligibility.
- C. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Mercer. A copy of the filed document shall be provided to the Borough Administrative Agent within 30 days of the receipt of a Certificate of Occupancy.
- D. A restricted rental dwelling shall remain subject to the affordability controls of this Article, despite the occurrence of any of the following events:
 1. Sublease or assignment of the lease of the dwelling;
 2. Sale or other voluntary transfer of the ownership of the dwelling; or
 3. The entry and enforcement of any judgment of foreclosure.
- E. Rent Restrictions for Rental Units; Leases.
 1. A written lease shall be required for all restricted rental units, 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 dwelling shall be provided to the Borough Administrative Agent.
 2. No additional fees or charges shall be added to the approved rent without the express written approval of the Borough Administrative Agent.

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3. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted dwelling and shall be payable to the Borough Administrative Agent to be applied to the costs of administering the controls applicable to the dwelling as set forth in this Article.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-12 Accessibility Requirements.

The following barrier free accessibility and adaptability requirements shall apply to all new construction:

- A. The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free Sub-code, *N.J.A.C. 5:23-7*.
- B. All restricted townhouse dwellings and all restricted units in other multistory buildings in which a restricted dwelling is attached to at least one other dwelling shall have the following features:
 1. An adaptable toilet and bathing facility on the first floor;
 2. An adaptable kitchen on the first floor;
 3. An interior accessible route of travel on the first floor;
 4. An interior accessible route of travel shall not be required between stories within an individual dwelling;
 5. An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and
 6. An accessible entranceway in accordance with *N.J.S.A. 52:27D-311a*, et seq. and the Barrier Free Sub-code, *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 dwelling has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling, an accessible entrance shall be installed.
 - b. To this end, the developer of restricted units shall deposit funds within the affordable housing trust fund of the Borough of Hightstown sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.
 - c. The funds deposited under sub-paragraph –(b) above shall be used by the Borough for the sole purpose of making the adaptable entrance of any affordable dwelling accessible when requested to do so by a person with a disability who occupies or intends to occupy the dwelling and requires an accessible entrance.
 7. The developer of the restricted units shall submit a design plan and cost estimate for the conversion from an adaptable to an accessible entrance to the Construction Code Official.
 8. Once the Construction Code Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free Subcode, *N.J.A.C. 5:23-7*, and that the cost estimate of such conversion is reasonable, payment shall be made into the municipality's affordable housing trust fund by the Chief Financial Officer who

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shall ensure that the funds are deposited into the affordable housing trust fund and appropriately earmarked.

9. Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that physical or environmental conditions of the site render it impracticable to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free Subcode, *N.J.A.C. 5:23-7*.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-13 Exempt Transactions.

- A. The following transactions shall be deemed "non-sales" for purposes of these regulations and the owner receiving title by virtue of any of the following transactions shall be entitled to a statement of exemption to the owner receiving title by virtue of any of the following transactions:
 1. Transfer of ownership of an affordable sales unit between husband and wife;
 2. Transfer of ownership of an affordable sales unit between former spouses ordered as a result of a judicial decree of divorce (and not including sales to third parties);
 3. Transfer of ownership of an affordable unit between family members as a result of inheritance;
 4. Transfer of ownership of an affordable unit through an executor's deed to a Class A beneficiary;
 5. Transfer of ownership of an affordable unit through an order of the Superior Court or other court, in a foreclosure proceeding or transfer in lieu of foreclosure after a foreclosure proceeding has commenced.
- B. Except for the income level of the family acquiring title by an exempt transaction, the exempt transfer will not eliminate any restrictions set forth herein including, but not limited to, the unit remaining the prime resident and the requirement for resale to low- and moderate-income families as applicable and all such restrictions shall remain in effect following the exempt transfer except as stated in subsection A.5.
- C. Should a mortgagee acquire title pursuant to subsection A.5 it may re-sell the unit to any family, regardless of income, with the municipality having the right of first refusal. The sales price to the municipality is the amount necessary to cure the foreclosure. This includes all principal and interest due to the mortgagee and other lien holders, repayment of equity to the owner prior to foreclosure and the costs of foreclosure. If the municipality does not purchase the unit, the mortgagee may sell the unit without any of the restrictions set forth in this section. The amount of the sale above that which is necessary to cure the foreclosure will be turned over to the municipality to be used for low and moderate income housing.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-14 Leasing Restriction.

Initial and subsequent owners of affordable housing units shall occupy the dwelling as their principal residence. Rental or subleasing of the affordable housing unit is expressly forbidden. (Ord. No. 2019-01; Ord. No. 2020-03)

28-17-15 Effect on Landlord and Tenant Relationship.

- A. Nothing in these rules should be construed to limit the rights and duties of the owner and tenant to maintain the dwelling in accordance with all appropriate New Jersey State or municipal construction and property maintenance codes.
- B. Notwithstanding anything to the contrary in this Article, any member of a household occupying a dwelling under this Article and subject to the regulations of the Borough of Hightstown is subject to eviction for any reasons allowed under applicable New Jersey law. The provisions of this Article are not intended to confer any additional rights or obligations on property owners or tenants other than those mandated by statute or required by the courts of the State of New Jersey or the duly adopted regulations of any of its agencies.

(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-16 Affirmative Marketing for Affordable Housing.

- A. Purpose. The purpose of this Section is to establish administrative procedures to ensure a wide dissemination of knowledge of affordable housing units as they become available to the low and moderate income population, and that the selection of tenants or homeowners, as the case may be, meets the requirements of UHAC.
- B. An Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital, or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. An Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region.
- C. Affirmative Marketing Requirements. Within the overall framework of the municipality's affirmative marketing program, all affordable housing units in Hightstown Borough shall be marketed in accordance with the provisions in this Section unless otherwise provided for in N.J.A.C. 5:80-26-1. An Affirmative Marketing Plan shall be created for each development that contains or will contain low and moderate income units, including those that are part of the Borough's prior round Housing Element and its current Housing Element and those that may be constructed in future developments not yet anticipated. This Affirmative Marketing Plan shall also apply to any rehabilitated units that are vacated and re-rented during the applicable period of controls for rehabilitated rental units when Hightstown is allocated a rehabilitation component.
- D. Plan Preparation. The Borough Administrative Agent or Administrative Agent shall prepare an Affirmative Marketing Plan for each affordable housing program, as applicable, comporting with N.J.A.C. 5:80-26.15, for review and approval by the Borough Administrative Agent. The Borough Administrative Agent of the Borough shall oversee the work of a developer's Administrative Agent provided that the person has been approved by the Borough Administrative Agent. Regardless of the drafting agent, the Affirmative Marketing Plan is intended to be used by developers of affordable housing restricted to low and moderate income households located within the municipality. The Administrative Agent responsible for specific affordable housing programs or developments shall ensure that the affirmative marketing of all affordable units is consistent with these provisions.
- E. Affirmative Marketing Implementation. The Affirmative Marketing Plan includes regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance to N.J.A.C. 5:80-26. All newly created affordable units will comply with the thirty-year affordability control required by UHAC, N.J.A.C. 5:80-26-5 and

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5:80-26-11. This plan will be adhered to by all private, non-profit or municipal developers of affordable housing units and will cover the period of deed restriction or affordability controls on each affordable unit. The Affirmative Marketing Plan for each affordable housing development shall meet the following minimum requirements:

1. The Affirmative Marketing Plan shall provide a regional preference for all households that live and/or work in Housing Region 4, comprised of Mercer, Monmouth and Ocean Counties.
2. Although the Borough has the ultimate responsibility for implementing all aspects of Hightstown's affordable housing program, the Administrative Agent designated by the Borough Administrative Agent shall assure that the affirmative marketing of all affordable units is consistent with the Affirmative Marketing Plan for the municipality.
3. 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.
4. The affirmative marketing process for available affordable units shall begin at least four months prior to the expected date of occupancy. Advertising and outreach shall take place during the first week of the marketing program and each month thereafter until all of the affordable units have been leased or sold.
5. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by the Borough of Hightstown.
6. The Affirmative Marketing Plan for each affordable housing development shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Plan, the Administrative Agent shall consider the use of language translations where appropriate.
7. Applications for affordable housing 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 the municipal library in Hightstown; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.
8. The Borough Administrative Agent shall develop, maintain and update a list of community contact person(s) and/or organizations(s) in the Region 4 Housing Area for the use of the Borough and other Administrative Agents. In addition, the list shall also include Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, the Trenton, Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, Greater Long Branch Branches of the NAACP, Shiloh Baptist Church, and the Supportive Housing Association, which entities shall receive specific notice of all available affordable housing units along with copies of application forms. This list shall be updated periodically. The list shall contain organizations that will aid in the affirmative marketing program with particular emphasis on contacts with outreach to groups and individuals that are least likely to apply for affordable housing within the region. A representative sample of the organizations on the list not otherwise requiring specific notice herein shall be contacted as part of the affirmative marketing effort as approved by the Borough Administrative Agent.
9. The Affirmative Marketing Plan shall be approved by the Borough Administrative Agent prior to implementation.

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(Ord. No. 2019-01; Ord. No. 2020-03)

28-17-17 Violations of Affordable Housing Regulations

- A. Upon the occurrence of a breach of any of the regulations governing the affordable dwelling by an owner, developer or tenant the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- B. After providing written notice of a violation to an owner, developer or tenant of a low- or moderate-income dwelling and advising the owner, developer or tenant of the penalties for such violations, the municipality may take the following action against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
 - 1. The municipality may file a court action pursuant to *N.J.S.A. 2A:58-11* alleging a violation, or violations, of the regulations governing the affordable housing unit. If the owner, developer or tenant is found by the court to have violated any provision of the regulations governing affordable housing units the owner, developer or tenant shall be subject to one or more of the following penalties, at the discretion of the court:
 - a. A fine of not more than \$1,000.00 or imprisonment for a period not to exceed 90 days, or both. Each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not as a continuing offense;
 - b. In the case of an owner who has rented his or her low- or moderate-income dwelling in violation of the regulations governing affordable housing units, payment into the Borough of Hightstown's Affordable Housing Trust Fund of the gross amount of rent illegally collected;
 - c. In the case of an owner who has rented his or her low or moderate income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the court.
 - 2. The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the Owner's equity or other interest in the dwelling, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the first purchase money mortgage and shall constitute a lien against the low and moderate income unit.
 - 3. Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the County Sheriff, at which time the low and moderate income unit of the violating owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any first purchase money mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.
- C. The proceeds of the Sheriff's sale shall first be applied to satisfy the first purchase money mortgage lien upon the dwelling and any prior liens on the dwelling. The excess, if any, shall be applied to reimburse the Borough 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 Borough in full as aforesaid, the violating owner shall be

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personally responsible for the deficiency, in addition to any and all costs incurred by the Borough in connection with collecting said deficiency. The remainder, if any, up to a maximum of the amount the owner would be entitled to if he or she were to sell the dwelling as permitted by *N.J.S.A. 5:80-26.1 et seq.*, shall be placed in escrow by the Borough for the owner and shall be held in such escrow for a period of two years or until such time as the owner shall make a claim with the Borough for the same. Failure of the owner to claim said sum within the two-year period shall automatically result in a forfeiture of said remainder to the municipality and paid into the Affordable Housing Trust Fund. Any interest accrued or earned on the remainder while being held in escrow shall belong to and shall be paid to the Hightstown Borough Affordable Housing Fund whether the remainder is paid to the owner or forfeited to the Borough. Any excess funds derived over and above the sum due the owner shall be paid over to the Borough's Affordable Housing Trust Fund.

- D. Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low and moderate income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing dwelling. 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.
- E. If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the first purchase money mortgage and any prior liens, the municipality may acquire title to the low- and moderate-income unit by satisfying the first purchase money mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the first purchase money mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low- and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.
- F. Failure of the very low-, low- and moderate- income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the owner to accept an offer to purchase from any qualified purchaser which may be referred to the owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.
- G. The owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the owner.
- H. Right to Cure. The Borough may, at its option, advance and pay all sums necessary to protect, preserve and retain the dwelling as an affordable dwelling, subject to the terms of this Article. All sums so advanced and paid by the Borough shall become a lien against said dwelling and shall have a higher priority than any lien except the first purchase money mortgage lien and liens by duly authorized government agencies. Such sums may include but are not limited to insurance premiums, taxes, assessments (public or private) and costs of repair necessary to bring the dwelling up to any and all applicable local, state or federal codes and liens which may be or become prior and senior to any first purchase money mortgage as a lien on the dwelling or any part thereof. If, in the event of a default or nonpayment by the owner of an affordable dwelling, any first mortgagee or other creditor of an owner of an affordable dwelling exercises its contractual or legal remedies available, the owner shall notify the Administrative Agent and the Borough Solicitor of the Borough, in writing, within 10 days of notification by the first mortgagee or creditor and no later than 10 days after service of any summons and complaint, and the Borough shall have the option to purchase, redeem or cure any default upon such terms and conditions as may be agreeable to all parties in interest and/or to acquire the first

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purchase money mortgage to the dwelling, thereby replacing the first mortgagee as the first mortgagee of the dwelling. The Borough shall have the same priority of lien as was held by the first mortgagee at the time the Borough acquires such first purchase money mortgage and shall have the right of subrogation with respect to any other claim or lien it satisfies or acquires.

I. Provisions for First Purchase Money Mortgagees.

1. The terms and restrictions of this section shall be subordinate only to a first purchase money mortgage lien on any affordable dwelling and in no way shall impair the first mortgagee's ability to exercise the contract remedies available to it in the event of default as set forth in the first purchase money mortgage. The first mortgagee and/or mortgage servicer shall serve written notice upon the Borough within 10 days after the first purchase money mortgage is two months in arrears and again within 10 calendar days of the filing of a complaint seeking foreclosure of the first purchase money mortgage held on an affordable dwelling. However, a judgment of foreclosure upon the property shall in no instance terminate the conditions and requirements of this Article maintaining the dwelling as an affordable, income-restricted residence.
2. The obligation of the first mortgagee and servicer to notify the Borough shall cease automatically and immediately upon the sale of the first purchase money mortgage to the Federal National Mortgage Association or in the secondary mortgage market, unless the rules and regulations or guidelines of the Federal National Mortgage Association are amended so as to not prohibit or exclude placing such obligation upon the holder of the mortgage or its service representative, in which case, an instrument duly evidencing the same shall be recorded with the Register of Deeds, Mercer County, New Jersey, before any such obligation shall exist. Provided that the first mortgagee is obligated to give the Borough the above-mentioned notices, the first mortgagee shall also serve written notice of any proposed foreclosure sale upon the Borough at least 30 days prior to the first scheduled date of such sale. The first mortgagee shall serve notice upon the Borough within 30 days of the sale of the first purchase money mortgage to the Federal National Mortgage Association or in the secondary mortgage market.
3. The Borough of Hightstown or any instrumentality designated by the Borough shall have the right to purchase any mortgage which is in default at any time prior to the entry of a foreclosure judgment or within the redemption period thereafter. Notification of a default and of the institution of a foreclosure action and of a sheriff's sale shall be served, in writing, upon the Borough Clerk and Municipal Attorney. The Borough of Hightstown shall at all times be considered a party in interest and shall have the right to be joined as a party defendant and/or shall have the right to intervene in any foreclosure action seeking foreclosure of a first mortgage and/or shall have the right to redeem and acquire the owner's equity of redemption or to acquire the dwelling from the owner upon such terms and conditions as may be determined by the Borough.
4. Surplus funds. In the event of a foreclosure sale by the holder of the first purchase money mortgage, the owner shall be personally obligated to pay to the Borough any excess funds, but only to the extent that such excess funds exceed the difference between what the owner could have resold his dwelling for under this Article at the time of the foreclosure sale and the amount necessary to redeem and satisfy the first purchase money mortgage debt, including costs of foreclosure and costs of repairs necessary to bring the dwelling up to any and all applicable local, state or federal codes. For the purposes of this subsection, excess funds shall be the total paid to the sheriff in excess of the amount required to pay and satisfy the first purchase money mortgage, including the costs of foreclosure, even if junior creditors actually receive payment

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from said surplus funds to the exclusion of the owner. The Borough is hereby given a first priority lien, second only to the first mortgagee for any taxes or public assessments by a duly authorized governmental body up to the full amount of excess funds. This obligation of the owner to pay this full amount to the Borough shall be deemed to be a personal obligation of the owner of record at the time of the foreclosure sale, and the Borough is hereby empowered to enforce this obligation in any appropriate court of law or equity as though the same were a personal contractual obligation of the owner. Neither the first mortgagee nor the purchaser at the foreclosure sale shall be responsible or liable to the Borough for any portion of this excess. The Borough shall deposit any funds received in the Affordable Housing Trust Fund and use it for the purposes as set forth in the Housing Element and Fair Share Plan.

(Ord. No. 2019-01; Ord. No. 2020-03)

Section 26-10

MANDATORY DEVELOPMENT FEES

Subsections:

26-10-1	Purpose.
26-10-2	Definitions.
26-10-3	Residential Development Fees.
26-10-4	Non-Residential Development Fees.
26-10-5	Exemptions.
26-10-6	Collection of Fees.
26-10-7	Housing Trust Fund.
26-10-8	Use of Funds.

Subsection 26-10-1. Purpose.

This Section establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with COAH's regulations developed in response to P.L. 2008, c. 46, Sections 8 and 32-38 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7). Fees collected pursuant to this Section shall be used for the sole purpose of providing very low-, low- and moderate-income housing.

Subsection 26-10-2. Definitions.

The following terms shall have the meanings indicated:

- a. "COAH" means the New Jersey Council on Affordable Housing.
- b. "Development fees" means money paid by an individual, person, partnership, association, company or corporation for the improvement of property as permitted in current affordable housing rules.
- c. "Equalized assessed value" means the value of a property determined by the municipal tax assessor through a process designed to ensure that all property in the municipality is assessed at the same assessment ratio or ratios required by law. Estimates at the time of issuance of a building permit may be obtained utilizing estimates for construction cost. Final equalized assessed value will be determined at project completion by the municipal tax assessor.
- d. "Judgment of Compliance" means a judgment issued by the Superior Court approving a municipality's housing element and fair share plan in accordance with the provisions of the Fair Housing Act and the rules and criteria as set forth herein. A grant of substantive certification shall be valid for a period of ten years or as otherwise may be determined by the Superior Court in accordance with the terms and conditions therein.

Subsection 26-10-3. Residential Development Fees.

- a. Imposition of fees.
 1. Within the Borough of Hightstown, 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.
 2. 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% of the equalized assessed value for each additional unit that may be realized, except that this provision shall not be applicable to a

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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

1. Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the municipality, and developments where the developer has made a payment in lieu of on-site construction of affordable units, or by redevelopment agreement or other agreement with the Borough of Hightstown, shall be exempt from the payment of development fees.
2. Developments that received preliminary or final site plan or subdivision approval prior to January 1, 2005 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.
3. Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
4. No development fee shall be collected for a demolition and replacement of a residential building resulting from fire, war, or a natural disaster.

Subsection 26-10-4. Non-Residential Development Fees.

a. Imposition of fees.

1. Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted below, 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.
2. Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted below, 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.
3. Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the 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.

1. 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.

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2. 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.
3. 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.
4. 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.
5. 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 Borough of Hightstown as a lien against the real property of the owner.

Subsection 26-10-5. Exemptions.

- a. Developers of low and moderate income units shall be exempt from paying development fees.
- b. Developers that have received preliminary or final Approval(s) prior to the effective date of this Ordinance shall be exempt from paying a development fee unless the developer seeks a substantial change in the approval.
- c. Developers who demolish and replace or renovate and re-occupy abandoned housing units shall be exempt from paying development fees, provided the number of housing units on the property does not increase.
- d. Home improvements or expansions shall be exempt from development fees, provided the improvements or expansions do not create any new housing units.
- e. There shall be no fee for improvements to non-residential uses when the improvements do not increase the intensity of the existing use. For instance, there shall be no fee for façade or signage improvements.
- f. Development projects that are the subject of redevelopment agreements, in which case development fee obligations will be negotiated as part of the redevelopment agreement.

Subsection 26-10-6. Collection of Fees.

- a. The Borough of Hightstown shall use the following procedures in the collection of fees:
 1. Upon the passage of the resolution of memorialization granting of a preliminary, final or other applicable approval for a development, the Planning Board Secretary shall notify the construction code official responsible for the issuance of a building permit of the approving authority's action.
 2. Once all prior approvals have been obtained, the person requesting a building permit application for a non-residential development, only, 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 part of the building permit application. The construction code official shall verify the information submitted by the non-residential developer or developer's designee. The Hightstown Borough tax assessor shall verify any requested exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.

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3. The construction code official responsible for the issuance of a building permit shall notify the Borough tax assessor of the issuance of the first construction permit for a development that is subject to a development fee.
 4. Within 90 days of receipt of that notice, the Borough tax assessor shall provide an estimate, based on the plans filed, of the equalized assessed value of the development.
 5. The construction code official responsible for the issuance of a final certificate of occupancy shall notify the Borough tax assessor of any and all requests for the scheduling of a final inspection on property that is subject to a development fee.
 6. Within 10 business days of a request for the scheduling of a final inspection, the Borough 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.
 7. Should the Borough of Hightstown 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 (C.40:55D-8.6).
 8. 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.
- b. Appeal of development fees.
1. A developer may challenge residential development fees imposed by filing a challenge with the Mercer 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 Municipal Finance Officer of the Borough of Hightstown. 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.
 2. A developer may challenge non-residential development fees imposed by filing a challenge with the director of the New Jersey 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 Borough of Hightstown. 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.

Subsection 26-10-7. Housing Trust Fund.

There is hereby created an interest bearing housing trust fund for the purpose of receiving development fees from all residential and nonresidential developers. All development fees paid by developers pursuant to this Ordinance shall be deposited into this fund. No money shall be expended from the housing trust fund unless the expenditure conforms to an approved spending plan.

Subsection 26-10-8. Use of Funds.

a. Money deposited in the housing trust fund may be used for any activity identified in the Borough's approved housing plan for addressing the Borough of Hightstown's low and moderate income housing obligation. Such activities may include, but are not necessarily limited to: housing rehabilitation, new construction, the purchase of land for low and moderate income housing, extensions and/or improvements of roads and infrastructure to low and moderate income housing sites, assistance designed to

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render units for more affordable to low and moderate income households and administrative costs necessary to implement the Borough of Hightstown's housing element. The expenditure of all money shall conform to an approved spending plan.

b. At least thirty percent (30%) of the revenues collected shall be devoted to render units more affordable. Examples of such activities include, but are not limited to: down payment and closing cost assistance, low interest loans and rental assistance.

c. No more than twenty percent (20%) of the revenues collected each year shall be expended on administrative costs necessary to develop, revise or implement the housing element. Examples of eligible administrative activities include: personnel, consultant services, space costs, consumable supplies and rental or purchase of equipment directly associated with plan development or plan implementation.

d. Development fee revenues shall not be expended to reimburse the Borough of Hightstown for housing activities that preceded a first or second round substantive certification.

(Ord. No. 2004-28; Ord. No. 2005-16; Ord. No. 2005-27; Ord. No. 2016-02; Ord. No. 2021-15)

APPENDIX N

AFFORDABLE HOUSING ADMINISTRATION

**RESOLUTION AMENDING RESOLUTION 2025-07 MAKING AND CONFIRMING
BOROUGH OFFICIAL APPOINTMENTS FOR 2025**

WHEREAS, on January 6, 2025, Borough Council adopted Resolution 2025-07 making and confirming Borough official appointments for the year 2025; and

WHEREAS, the positions of Municipal Housing Liaison and Deputy Emergency Management Coordinator were inadvertently left off the list of officials appointed; and

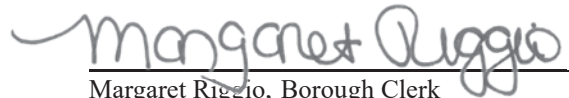
WHEREAS, Resolution **2025-07** is amended to include the following:

	<u>Municipal Housing Liaison</u>	
Jane Davis	1 yr.	December 31, 2025

	<u>Deputy Emergency Management Coordinator</u>	
Scott Krakowski	1 yr.	December 31, 2025

NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of Hightstown Borough that Resolution 2025-07 Making and Confirming Borough Officials Appointments is hereby amended to read as noted herein.

I hereby certify this to be a true copy of a resolution adopted by the Borough Council of the Borough of Hightstown at a meeting held on January 21, 2025.


Margaret Riggio, Borough Clerk

Appendix III

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.)

1a. Administrative Agent Name, Address, Phone Number CGP&H 1249 S. River Rd, Suite 301 Cranbury, NJ, 08512-3633 609-664-2769		1b. Development or Program Name, Address TBD for each project	
1c. Number of Affordable Units: TBD Number of Rental Units: TBD Number of For-Sale Units: TBD	1d. Price or Rental Range From TBD for each project To	1e. State and Federal Funding Sources (if any) <div style="text-align: center;">TBD</div>	
1f. <input type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	1g. Approximate Starting Dates TBD for each project		
1h. County <div style="text-align: center;">Mercer, Monmouth, Ocean</div>		1i. Census Tract(s):	
1j. Managing/Sales Agent's Name, Address, Phone Number TBD for each project			
1k. Application Fees (if any): TBD for each project			

(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

<p>2. Describe the random selection process that will be used once applications are received.</p> <p>The Administrative Agent will assign random numbers to each applicant through a computerized random number generator. After the list of applications submitted during the initial lottery period is exhausted, the priority of preliminary applications is established by the date the household submitted their preliminary application (Interest Date). In addition to the random number assigned to the household and/or the interest date, there are other factors impacting waiting priority which are described below.</p> <p>a) Regional Preference: Applicants that indicated that they lived or work in the Affordable Housing Region will be contacted first. Once those applicants are exhausted, applicants outside the region will be contacted.</p> <p>b) Household Size: Whenever possible, there will be at least one person for each bedroom. If the waiting list is exhausted and there are no in or out region households with a person for each bedroom size, units will be offered to smaller sized households that do not have a person for each bedroom. 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.</p>

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)			
<input type="checkbox"/> White (non-Hispanic) <input checked="" type="checkbox"/> Black (non-Hispanic) <input checked="" type="checkbox"/> Hispanic <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Asian or Pacific Islander <input type="checkbox"/> Other group:			
3b. HOUSING RESOURCE CENTER (www.njhousing.gov) A free, online listing of affordable housing X			
3c. Commercial Media (required) (Check all that applies)			
	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL NEWSPAPER(S)	CIRCULATION AREA
TARGETS ENTIRE HOUSING REGION 4			
Daily Newspaper			
X		Star-Ledger	
TARGETS PARTIAL HOUSING REGION 4			
Daily Newspaper			
X		Trenton Times	Mercer
<input type="checkbox"/>		Trentonian	Mercer
X		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	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 WHYI-TV WHYI, 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
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
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"/>		WNTP 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"/>		WOGL 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
TARGETS ENTIRE HOUSING REGION 4			
Weekly			
<input checked="" type="checkbox"/>	Latinos Unidos de NJ	Central/South Jersey	Spanish-Language
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)

Please see appendix I of the Hightstown Affirmative Marketing Plan

DURATION & FREQUENCY OF OUTREACH	NAME OF EMPLOYER/COMPANY	LOCATION
Please see Appendix I of the Hightstown Affirmative Marketing Plan for the complete listing		
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 Harbourn 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)

Please see appendix I of the Hightstown Affirmative Marketing Plan

3g. Direct notification of the availability of affordable housing units, along with copies of application forms shall be provided to the following locations:

- Fair Share Housing Center (510 Park Boulevard, Cherry Hill, NJ 08002)
- New Jersey State Conference of the NAACP (4326 Harbor Beach Blvd. #775, Brigantine, NJ 08203)
- The Latino Action Network (P.O. Box 943, Freehold, NJ 07728)
- STEPS (14 Clifton Ave S, Lakewood, NJ, 08701)
- Greater Red Bank Branch of the NAACP (PO Box 2147, Red Bank, NJ, 07701)
- Asbury Park/Neptune Branch of the NAACP (PO Box 1143, Asbury Park 07712)
- Bayshore Branch of the NAACP (PO Box 865, Matawan, NJ, 07747)
- Greater Freehold Branch of the NAACP (PO Box 246, Marlboro Annex, NJ, 07746)
- Greater Long Branch Branch of the NAACP (38 Memorial Parkway, Long Branch, NJ, 07740)
- Trenton Branch of the NAACP (PO Box 1355, Trenton, NJ, 08608)
- Supportive Housing Association (185 Valley Street, South Orange, NJ 07079)

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)	
Please refer to appendix II of the Hightstown Affirmative Marketing Plan	
<input type="checkbox"/>	BUILDING
<input type="checkbox"/>	LOCATION
<input type="checkbox"/>	Mercer County Library Headquarters
<input type="checkbox"/>	2751 Brunswick Pike, Lawrenceville, NJ 08648
<input type="checkbox"/>	Monmouth County Headquarters Library
<input type="checkbox"/>	125 Symmes Drive, Manalapan, NJ 07726
<input type="checkbox"/>	Ocean County Library
<input type="checkbox"/>	101 Washington Street, Toms River, NJ 08753
4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)	
Please refer to appendix II of the Hightstown Affirmative Marketing Plan	
4c. Sales/Rental Office for units (if applicable)	

V. CERTIFICATIONS AND ENDORSEMENTS

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the (select one: Municipality's substantive certification or DCA Balanced Housing Program funding or HMFA UHORP/MONI/CHOICE funding).

Name (Type or Print)

Title/Municipality

Signature

Date

APPENDIX O

SPENDING PLAN

**FOURTH ROUND SPENDING PLAN OF THE
HOUSING ELEMENT AND FAIR SHARE PLAN
BOROUGH OF HIGHTSTOWN**

INTRODUCTION

Hightstown Borough has prepared a Housing Element and Fair Share Plan (“HEFSP”) that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (*N.J.S.A. 40:55D-1 et seq.*), the Fair Housing Act (*N.J.S.A. 52:27D-301*) as amended by P.L. 2024, c.2, and the remaining valid regulations of the Council on Affordable Housing (“COAH”) found at N.J.A.C. 5:93-1 and N.J.A.C. 5:97-8.

Hightstown first adopted a development fee ordinance in 2004, which created a dedicated revenue source for affordable housing and establishing the Borough’s affordable housing trust fund, for which this Spending Plan is prepared. The ordinance was updated in 2005 to raise the residential development fee assessment from 0.5% to 1% of equalized assessed property value and was updated again in 2021 to conform to recent allowances. As amended, the ordinance now sets development fees at 1.5% and 2.5% of equalized assessed property value, for residential development and non-residential development, respectively.

As of December 31, 2024, the Borough has collected a total of \$482,234.92 in development fees and interest and \$15,500 in other income, and has expended \$242,818 in affordability assistance, \$111,000 in housing activity, and \$92,591.50 in administrative expenditures, for a balance in the account of \$51,325.42. All development fees, payments in lieu of constructing affordable units on site, other income, and interest generated by the fees are deposited in a separate interest-bearing affordable housing trust fund account at Provident Bank for affordable housing purposes. In addition to the current balance of \$51,325, Hightstown anticipates \$607,076 in future revenues by the end of the Fourth Round period, for a total of \$658,401. These funds shall be spent for affordable housing purposes in accordance with N.J.A.C. 5:93-8.16, as described in the sections that follow.

The Borough asserts that the expenditures of funds contemplated under the Borough’s Housing Element and Fair Share Plan and Spending Plan constitute a “commitment” for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure beginning to run with the adoption of the Borough’s HEFSP and Spending Plan. This commitment is made in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff’d 442 N.J. Super. 563).

1. REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated during the Fourth Round (2025-2035), Hightstown Borough considered the following:

A. Development Fees: \$448,750

1. Residential and non-residential projects that have had development fees imposed upon them at the time of preliminary or final development approvals.
2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy.
3. Future development that is likely to occur based on historical rates of development.

B. Payments in Lieu (PIL) of Construction: \$0

Actual and committed payments in lieu (PIL) of construction from developers. No revenues from PILs are expected over the Fourth Round period as the FHA was amended by P.L. 2024, c.2 to eliminate NJSA 52:27D-329.3 which had enabled PILs.

C. Other Funding Sources: \$156,510

The Borough has \$156,510 in unexpended funds from its regional contribution agreement ("RCA") with Manalapan Township. These monies will be transferred to the Affordable Housing Trust fund and recorded as Other Income.

D. Projected Interest: \$1,816

Based on the current interest rate and projected development fee revenue, Hightstown Borough anticipates collecting \$1,816 in interest through 2035.

Table SP-1. Projected Affordable Housing Trust Fund Revenues – January 1 2025 through June 30, 2035

Year Source of Funds	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2025-2035 Total
Projected Residential Development Fees	\$4,000	\$4,000	\$4,000	\$4,000	\$256,000	\$4,000	\$4,000	\$138,000	\$4,000	\$4,000	\$4,000	\$430,000
Projected Non Residential Development Fees	\$0	\$0	\$18,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,750
Other Income	\$156,510	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$156,510
Interest	\$482	\$12	\$68	\$12	\$768	\$12	\$12	\$414	\$12	\$12	\$12	\$1,816
Total	\$160,992	\$4,012	\$22,818	\$4,012	\$256,768	\$4,012	\$4,012	\$138,414	\$4,012	\$4,012	\$4,012	\$607,076

\$51,325.42
STARTING BALANCE
(As of 12/31/2024)

Assumptions: Hightstown Borough projects a total of \$607,076 in revenue to be collected between 2025 and 2035 from residential and non-residential development fees and accrued interest. Projected residential development fees are based on existing approvals and anticipated development, including a 386-unit residential development at the Bank Street Redevelopment site (generating \$386,000 in development fees, or \$1,000 per unit); a mixed-use development at the former Wells Fargo property at 150 Main Street (\$18,750 fee); and an additional \$4,000 per year, based on the average annual residential development fees collected in recent years. Interest is anticipated at 0.3%, the current interest rate as of December 2024.

ADMINISTRATIVE MECHANISMS TO COLLECT AND DISTRIBUTE FUNDS

The following steps for the collection and distribution of development fee revenues shall be followed by Hightstown Borough.

A. Collection of development fee revenues.

All collection of development fee revenues will be consistent with local regulations which follow COAH administrative models for both residential and non-residential developments and in accordance with N.J.S.A. 40:55D-8.1 through 8.7 and the amended FHA at P.L. 2024, c.2 (N.J.S.A. 52:27D-329.2).

B. Distribution of development fee revenues.

The governing body reviews a request for expenditure for consistency with the spending plan and adopts the recommendation by resolution.

The release of funds requires the adoption of the governing body resolution. Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the governing body's resolution.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

Rehabilitation Program (N.J.A.C. 5:93-5.2)

The Borough will utilize \$165,000 in trust funds to support the rehabilitation of up to 47 housing units. Hightstown will primarily rely on Mercer County's Housing Rehabilitation Program, which provides assistance to income-eligible homeowners for repairs and improvements that address health, safety, and municipal code violations. In addition, the Borough will establish a local rental rehabilitation program to be administered by its Administrative Agent, Community Grants, Planning and Housing ("CGP&H"). By the midpoint of the certification period, the Borough will evaluate the effectiveness of the County's owner-occupied rehabilitation program and, if necessary, expand its local rehabilitation program to include owner-occupied units, accompanied by a targeted marketing effort using flyers, mailers, and digital outreach to eligible households.

All rehabilitated units before completion will comply with N.J.A.C. 5:93-5.2(b), which defines a substandard unit as "a unit with health and safety code violations that require the repair or replacement of a major system." Major systems include weatherization, roofing, plumbing, heating electricity, sanitary plumbing, lead paint abatement and/or load bearing structural systems. All rehabilitated units are required to meet the applicable construction code. All rehabilitated units must be occupied by low- or moderate-income households and subject to 10-year affordability controls, which are

placed on the property in the form of a lien or deed restriction. All rehabilitation projects must have a minimum average hard cost of \$10,000.

Affordability Assistance (N.J.A.C. 5:93-8.16(c))

As of December 31, 2024, Hightstown Borough has expended \$212,818 in affordability assistance funds for the Habitat for Humanity units at 224-230 Academy Street, and \$30,000 in very low-income affordability assistance toward extensions of affordability controls on the Spring Crest group home. The Borough is required to spend a minimum of 30 percent of trust fund revenue generated from development fees and interest to render existing affordable units more affordable and at least one-third of that amount must be dedicated to very low-income households or to create very low-income units (i.e. households earning less than 30 percent of the regional median income). As shown in Table SP-2 the Borough's projected minimum affordability assistance requirement through June 30, 2035 is \$37,022.21. The actual affordability assistance minimums are calculated on an ongoing basis based on actual revenues.

Table SP-2. Projected Minimum Affordability Assistance Requirement.

Actual development fees to 12/31/2024		\$438,158.34
Actual interest earned to 12/31/2024	+	\$44,076.58
Development fees projected 1/1/2025-6/30/2035	+	\$448,750.00
Interest projected 1/1/2025-6/30/2035	+	\$1,815.78
Amount Subject to Requirement Total	=	\$932,801
30% requirement	x 0.30 =	\$279,840.21
Less affordability assistance expenditures to 12/31/2024	-	\$242,818.00
Projected Minimum Affordability Assistance Requirement	=	\$37,022.21

As shown in Table SP-3, Hightstown's minimum very low-income affordability assistance requirement is \$43,634.44, which is calculated based upon one-third of 30 percent of actual and projected development fees and interest as of July 17, 2008.

**Table SP-3. Projected Minimum Very Low-Income
Affordability Assistance Requirement**

Actual development fees 7/17/2008-12/31/2024		\$253,968.34
Actual interest earned 7/17/2008-12/31/2024	+	\$31,810.30
Development fees projected 1/1/2025-6/30/2035	+	\$448,750.00
Interest projected 1/1/2025-6/30/2035	+	\$1,815.78
Amount Subject to Requirement Total	=	\$736,344.42
30% requirement	x 0.30 =	\$220,903.33
1/3 requirement	÷ 3 =	\$73,634.44
Less very low-income affordability assistance expenditures to 12/31/2024	-	\$30,000.00
Projected Minimum Very Low-Income Affordability Assistance Requirement	=	\$43,634.44

Trust funds may be expended on required affordability assistance via a variety of vehicles, including but not limited to the following:

- Rental assistance;
- Security deposit assistance; and/or
- Converting low-income units to very-low-income units or creating new very-low income units, etc.

The Borough will commit \$400,000 toward affordability assistance in the form of subsidies to developers constructing inclusionary developments in the Borough. These funds will be used to write down the cost of producing very low-income units within the inclusionary developments pursuant to an agreement with the developer or redeveloper of the project. All subsidized units must be fully creditworthy toward the Borough's affordable housing obligation and must comply with the Uniform Housing Affordability Control ("UHAC") at N.J.A.C. 5:80-26.1 *et seq.*, and COAH's regulations at N.J.A.C. 5:93.

Administrative Expenses (N.J.A.C. 5:93-8.16(e))

Hightstown Borough may use up to 20 percent of affordable housing trust funds collected, exclusive of funds collected prior to July 17, 2008, to fund an RCA, for administrative expenditures, pending availability after programmatic and affordability

assistance expenditures. The actual administrative expense maximum is calculated on an ongoing basis based on actual revenues.

Table SP-4. Projected Allowed Administrative Expense

Actual development fees to 12/31/2024		\$438,158.34
Actual interest earned to 12/31/2024	+	\$44,076.58
Development fees projected 1/1/2025-6/30/2035	+	\$448,750.00
Interest projected 1/1/2025-12/31/2035	+	\$1,815.78
Total	=	\$932,800.70
20% maximum permitted administrative expenses	x 0.20 =	\$186,560.14
Less administrative expenditures through 12/31/2024	-	\$90,591.50
Projected allowed administrative expenditures 1/1/2025 to 6/30/2035	=	\$95,968.64

Hightstown Borough projects that \$95,968.64 may be available from the affordable housing trust fund to be used for administrative purposes. Projected administrative expenditures, subject to the 20 percent cap, are as follows:

- Borough Administrator, Attorney, Engineer, and Planner fees related to plan preparation and implementation;
- Full Administrative Agent duties including income qualification of households, affirmative marketing, etc.;
- Monitoring the turnover of for-sale and rental units;
- Compliance with court-ordered monitoring requirements.

5. EXPENDITURE SCHEDULE

The Borough intends to use affordable housing trust fund revenues for rehabilitation of substandard units, for tenant and home purchaser assistance, and for the creation of additional family low- and very low-income units. The projected funding schedule is set forth as follows:

Table SP-5 - Projected Expenditure Schedule January 1, 2025 through June 30, 2035

Program	Units	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2025-2035 Total
Rehabilitation	47	\$15.7k	\$15.7k	\$15.7k	\$15.7k	\$15.7k	\$15.7k	\$15.7k	\$15.7k	\$15.7k	\$15.7k	\$7.9k	\$165k
Affordability Assistance	-	\$38.1k	\$38.1k	\$38.1k	\$38.1k	\$38.1k	\$38.1k	\$38.1k	\$38.1k	\$38.1k	\$38.1k	\$19k	\$400k
Administration	-	\$8.9k	\$8.9k	\$8.9k	\$8.9k	\$8.9k	\$8.9k	\$8.9k	\$8.9k	\$8.9k	\$8.9k	\$4.4k	\$93.4k
Total	47	\$62.7k	\$62.7k	\$62.7k	\$62.7k	\$62.7k	\$62.7k	\$62.7k	\$62.7k	\$62.7k	\$62.7k	\$31.4k	\$658.4k

6. EXCESS OR SHORTFALL OF FUNDS

The Borough intends to expend all current and future revenues toward the rental rehabilitation and new construction mechanisms described in the Fourth Round Housing Element and Fair Share Plan. Should a shortfall occur between now and the end of the Fourth Round that cannot be covered by other municipal sources, the Borough commits to adopting a resolution of intent to bond to cover such shortfall. Any excess in funds collected over what has been projected will be dedicated to additional affordability assistance to the extent required, and toward the Borough's Rehabilitation program as available.

7. SUMMARY

The Borough intends to spend affordable housing trust fund revenues pursuant to the extant regulations governing such funds and consistent with the housing programs outlined in its 2023 Housing Element and Fair Share Plan. As of December 31, 2024, the Borough had a balance in the trust account of approximately \$51,325. The Borough anticipates an additional \$607,076 to be collected between January 1, 2025 and June 30, 2035, for a total of approximately \$658,401 in available funds. The Borough will spend up to \$165,000 on its Rehabilitation program, up to \$400,000 on affordability assistance, and may also expend up to \$93,401 of trust funds on administrative costs.

Table SP-6. Spending Plan Summary

Revenues		
Balance as of December 31, 2024		\$51,325
Projected Revenue from 1/1/2025 through 6/31/2035		
1. Residential Development fees	+	\$430,000
2. Non-Residential Development fees	+	\$18,750
3. Other Income	+	\$156,510
4. Interest	+	\$1,816
Total Projected Funds	=	\$658,401
Expenditures		
Rehabilitation		\$165,000
Affordability Assistance, including very low-income units	+	\$400,000
Administration	+	\$93,401
Total Projected Expenditures	=	\$658,401

