



2020

Amended Third Round Housing Element & Fair Share Plan

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Endorsed December 17, 2020

Montgomery Township, Somerset County, New Jersey

Prepared by:

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Amended Housing Element & Fair Share Plan

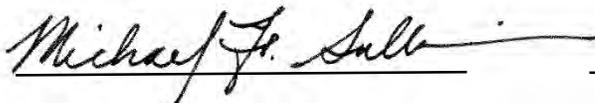
Montgomery Township, Somerset County, New Jersey

Adopted by the Planning Board on December 7, 2020.

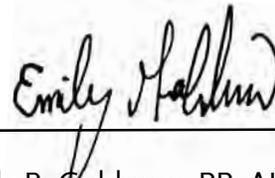
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A signed and sealed version is available at the municipal building.



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11. Third Round: Sharbell-Hillside
12. Third Round: Railsedge / Blawenburg Village
13. Third Round: Country Club Meadows
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29. Affirmative Marketing Plan
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EXECUTIVE SUMMARY

This Amended Third Round Housing Element and Fair Share Plan (“HE/FSP”) has been prepared for the Township of Montgomery (“Township” or “Montgomery”), Somerset County in accordance with the New Jersey Fair Housing Act (“FHA”) at *N.J.S.A. 52:27D-310*, and the rules of the New Jersey Council on Affordable Housing (“COAH”) at *N.J.A.C. 5:93 et seq.* This Plan is an amendment to the prior Third Round HE/FSP that was adopted by the Planning Board and endorsed by the Township Committee on July 2, 2018. This amended Plan will serve as the foundation for the Township’s submission to the Honorable Thomas C. Miller, A.J.S.C. for a Third Round Judgment of Compliance and Repose to July 7, 2025.

There are three (3) components to a municipality’s affordable housing obligation: the Rehabilitation Share, the Prior Round obligation, and the Third Round obligation. As will be discussed in detail in this Plan, Montgomery has entered into a Settlement Agreement with Fair Share Housing Center (“FSHC”) to establish the Township’s Third Round affordable housing obligations. The Township’s Settlement Agreement with FSHC and the Township’s preliminary compliance efforts were approved by Judge Miller at a Fairness Hearing held on February 13, 2018 as reflected in a Court Order dated February 20, 2018. The Settlement Agreement identifies a 0-unit rehabilitation, or present need, obligation, a 307-unit Prior Round obligation, and a 616-unit Third Round “gap” + prospective need obligation (1999-2025).

Montgomery’s Affordable Housing Obligation:

- Rehabilitation Share: 0 units
- Prior Round Obligation: 307 units
- Third Round Obligation: 616 units

The Township has fully satisfied the 307-unit Prior Round obligation with completed affordable family rental units in an inclusionary housing development, completed affordable family sale units in two (2) inclusionary housing developments, affordable age-restricted sale units in an inclusionary housing development, three (3) completed alternative living arrangement facilities comprised of 14 total units/bedrooms, and eligible Prior Round rental bonuses. Of the total 210 affordable family rental units at the existing inclusionary housing development, Pike Run, 102 will address the Township’s Prior Round obligation. Montgomery previously received COAH approval of these Prior Round compliance mechanisms as part of its Second Round substantive certification issued in 1997.

The 616-unit Third Round obligation will be addressed with the remaining 108 affordable family rental units at Pike Run inclusionary development, affordable family rental units at three (3) completed inclusionary housing developments, affordable family rental units at an approved inclusionary housing development, affordable family units at six (6) proposed inclusionary developments, affordable age-restricted units at a proposed assisted living facility,



four (4) group homes, a 100% affordable municipally-sponsored age-restricted development, a family for-sale project, and Third Round rental bonuses.

AFFORDABLE HOUSING JUDICIAL & LEGISLATIVE BACKGROUND

Providing affordable housing within each municipality was found to be a constitutional obligation by the New Jersey Supreme Court in its landmark 1975 decision now referred to as Mount Laurel I. The Court found that developing municipalities have a constitutional obligation to provide a realistic opportunity for the construction of low- and moderate-income housing.¹ In its 1983 Mount Laurel II decision, the Supreme Court extended the obligation to all municipalities. Subject to a number of limitations, Mount Laurel II also gave developers under appropriate circumstances the opportunity to secure a “builder’s remedy.”² A builder’s remedy is where a developer is granted the right to develop what is typically a multi-family project on land that was not zoned to permit this use or at densities desired by the developer at the time of the suit and where a “substantial” percentage of the units are reserved for low- and moderate-income households.

In 1985, the Legislature enacted the Fair Housing Act (“FHA”)³ in response to Mount Laurel II. The FHA created the Council on Affordable Housing (“COAH”) as an administrative alternative to municipal compliance in a court proceeding. The Legislature conferred “primary jurisdiction” on the agency and charged COAH with promulgating regulations: (i), to establish housing regions; (ii), to estimate low- and moderate-income housing needs; (iii), to set criteria and guidelines for municipalities to determine and address their fair share numbers, and (iv), to create a process for the review and approval of appropriate housing elements and fair share plans. As will be seen, COAH has been declared a moribund agency, which has forced the New Jersey Supreme Court to reactivate a judicial process in the review and approval of affordable housing plans. This document is being created to submit to the judicial process for determining affordable housing allocations and responses and ultimately, to receive a Third Round Judgment of Compliance and Repose for a 10-year period.

¹ Southern Burlington NAACP v. Twp. of Mt. Laurel, 67 NJ 151 (1975)

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

³ N.J.S.A. 52:27D-301



COAH's First and Second Rounds

COAH created the criteria and guidelines for municipalities to address their respective affordable housing obligation⁴, or number of affordable dwellings. Following guidelines established by the U.S. Department of Housing and Urban Development (“HUD”), COAH defined affordable housing as dwellings that could be occupied by households making 80% or less of the regional household income – typically from 38-41% of the total population. COAH originally established a formula for determining municipal affordable housing obligations for the six-year period between 1987 and 1993 (*N.J.A.C. 5:92-1 et seq.*), which became known as the “First Round.” The First Round rules established an existing need where sub-standard housing was being occupied by low- and moderate-income households (variously known as “present need” or “Rehabilitation Share”) and future demand to be satisfied with new construction (“prospective need” or “fair share”).

The First Round formula was superseded by COAH regulations in 1994 (*N.J.A.C. 5:93-1.1 et seq.*). The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 U.S. Census data. The regulations COAH adopted in 1994 are known as “the Second Round” or 12-year cumulative obligation. In the Third Round, the new construction component from any earlier rounds is called either the prior obligation or “Prior Round.”

COAH's Third Round

On December 20, 2004, COAH's first version of the Third Round rules became effective some five years after the end of Second Round in 1999 (*N.J.A.C. 5:94-1 and 5:95-1*). The FHA had originally required housing rounds to be for a six-year period, but in 2001, this was amended to extend that time period to 10-year intervals. Therefore, the Third Round should have been from 1999 through 2009. However, because of the delay, the Third Round was extended by five (5) years to 2014 and condensed into an affordable housing delivery period of 10 years from January 1, 2004 through January 1, 2014. In other words, 15 years of affordable housing activity was to take place in 10 years.

The Third Round rules marked a significant departure from the methods utilized in COAH's Prior Rounds. Previously, COAH assigned an affordable housing obligation that included the new construction number for each municipality. These Third Round rules implemented a “growth share” approach that linked the production of affordable housing to future residential

⁴ Also called a municipality's “fair share” of affordable housing.



and non-residential development within a municipality. Each municipality was required to project the amount of residential and non-residential growth that would occur during the period 2004 through 2014. Municipalities were then required to provide the opportunity of one (1) affordable unit for every eight (8) market-rate housing units developed and one (1) affordable unit for every 25 jobs created. Jobs were not counted directly, but rather by using non-residential building square footage as a substitute for employment. The Township prepared a housing plan based on these rules as will be discussed below.

This set of rules changed, however, when the New Jersey Appellate Court invalidated key elements of the first version of the Third Round rules on January 25, 2007. The Court ordered COAH to propose and adopt amendments to its rules within six months to address the deficiencies identified by the Court. COAH missed this deadline, but eventually issued revised rules effective June 2, 2008 (as well as a further rule revision effective on October 20, 2008). It provided residential development and job projections for the Third Round. The Third Round was expanded again from 2014 out to 2018. COAH retained the growth share approach, but revised its ratios to require one (1) affordable housing unit for every four (4) market-rate housing units developed and one (1) affordable housing unit for every 16 jobs created.

Just as various parties challenged COAH's initial Third Round "growth share" regulations, parties challenged COAH's 2008 revised Third Round "growth share" rules. The Appellate Court issued a decision on October 8, 2010 deciding those challenges (see below).

Fair Housing Act Amendments and the New Jersey Economic Stimulus Act

On July 17, 2008, Governor Corzine signed P.L. 2008, c. 46, which amended the FHA in a number of ways.⁵ Key provisions of the legislation included the following:

- Establishing a mandatory statewide 2.5% nonresidential development fee instead of requiring nonresidential developers to provide affordable housing.
- Eliminating regional contribution agreements ("RCA's") as a means available to municipalities to transfer up to 50% of their required affordable housing to a "receiving" municipality.
- Adding a requirement that 13% of all affordable housing units be restricted to very low-income households (earning 30% or less of median income).

⁵ Also known as the "Roberts Bill" after former New Jersey Assembly Speaker Joseph Roberts who sponsored the bill.



- Adding a requirement that municipalities had to commit to spend development fees within four years of the date of collection after its enactment or initially by July 17, 2012.⁶

On July 27, 2009, Governor Corzine signed the “NJ Economic Stimulus Act of 2009”,⁷ which instituted a moratorium on the collection of non-residential affordable housing development fees through July 2010. This moratorium was later extended until July 1, 2013 (P.L. 2011, c. 122). Since the moratorium has now expired, municipalities are obligated to collect the fee of 2.5% of the equalized assessed value of a non-residential development. Municipalities were always permitted to impose and collect residential affordable housing development fees approved by COAH following a 1990 New Jersey Supreme Court decision.⁸

Appellate Court’s 2010 Decision

On October 8, 2010, the Appellate Division issued a decision on the legal challenges to the second iteration of COAH regulations.⁹ The Appellate Division affirmed the COAH regulations that assigned rehabilitation and Prior Round numbers to each municipality, but invalidated the regulations by which the agency allocated affordable housing obligations in the Third Round. Specifically, the Appellate Division ruled that COAH could not allocate obligations through a “growth share” formula and directed COAH to use similar methods to those previously used in the First and Second Rounds. Other highlights of the Appellate Court’s decision include:

- To be credited, municipally-sponsored or 100% affordable housing sites must show site control, site suitability, and a proposed source of funding.
- COAH’s rules did not provide sufficient incentive for the private construction of inclusionary developments (market-rate and affordable units). Clearly defined percentages supported by economic data must be provided. The Court noted that a 20% affordable housing set-aside was typical.

⁶ This initial deadline was subsequently revised by an Appellate Court decision that extended the deadline until four (4) years after the Superior Court approves the municipal housing plan including the spending plan.

⁷ P.L. 2009, c.90.

⁸ Holmdel Builders Assn. v. Tp. of Holmdel, 121 N.J. 550, 583 A.2d 277 (1990).

⁹ In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing.



- The Court invalidated Prior Round rental bonuses for developments that were not built within a reasonable time-frame.
- Bonuses for smart growth and redevelopment activities were upheld; however, the Court invalidated Third Round compliance bonuses.

The Court upheld its prior ruling on COAH's formula that did not reallocate present need obligation from Urban Aid eligible municipalities to other municipalities in the region. The Court also questioned whether or not Urban Aid municipalities should be assigned an allocation for future growth.

Judicial Activity from 2011 to 2014

COAH sought a stay from the New Jersey Supreme Court regarding the March 8, 2011 deadline the Appellate Division had imposed in its October 2010 decision for the agency to issue new Third Round housing numbers. The Supreme Court granted COAH's application for a stay on January 18, 2011 and on March 31, 2011, the Court granted petitions and cross-petitions to all of the various challenges to the Appellate Division's 2010 decision. However, the Supreme Court did not hear oral argument on the various petitions and cross petitions until November 14, 2012.

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

On September 26, 2013 the New Jersey Supreme Court upheld the Appellate Court decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing, 215 N.J. 578 (2013), and ordered COAH to prepare the necessary rule revisions. Subsequent delays in COAH's rule preparation and ensuing litigation led to the New Jersey Supreme Court, on March 14, 2014, setting forth a schedule for adoption. COAH approved draft Third Round rules on April 30, 2014. Although ordered by the New Jersey Supreme Court to adopt revised new rules on or before October 22, 2014, COAH deadlocked 3-3 at its October 20 meeting and failed to adopt the draft rules. An initial motion to table the rule adoption for 60 days to consider amendments also deadlocked at 3-3 and thus also failed.

March 2015 New Jersey Supreme Court Decision

The failure of COAH to adopt new regulations in October/November 2014 as ordered by the New Jersey Supreme Court led one of the litigants – FSHC – to file a Motion In Aid of Litigants' Rights to compel the government to produce constitutional affordable housing regulations.



The New Jersey Supreme Court heard oral arguments on the motion on January 6, 2015. Two months later, on March 10, 2015, the Supreme Court issued its ruling, entitled, In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, now known as Mount Laurel IV.

The decision provides a new direction for the means by which New Jersey municipalities are to comply with the constitutional requirement to provide their fair share of affordable housing. The Court transferred responsibility to review and approve Housing Elements and Fair Share Plans (e.g., Housing Plans) from COAH to designated Mount Laurel trial judges. The implication of this is that municipalities could no longer wait for COAH to adopt Third Round rules before preparing new Housing Plans and municipalities must now apply to Court, instead of COAH, if they wish to be protected from exclusionary zoning lawsuits. These trial judges will review municipal plans much in the same manner as COAH previously did. Those towns whose plans are approved by the Court will receive a Judgment of Compliance and Repose, the judicial-equivalent of COAH's substantive certification.

The decision established a 90-day transitional period and then a 30-day filing period when municipalities could petition the Superior Court in a Declaratory Judgment action seeking confirmation that their means of addressing affordable housing meets constitutional muster. Municipalities were also permitted to file motions for temporary immunity from builder's remedy lawsuits. Montgomery filed its Declaratory Judgment action with the Superior Court on July 7, 2015.

The New Jersey Supreme Court indicated in its ruling that Housing Plans are to be drawn up using similar rules as to those in place during the Second Round as well as Third Round housing compliance mechanisms that the justices found constitutional, such as smart growth and redevelopment bonuses and extensions of controls. This document has been drafted using the Supreme Court's direction in its decision.

January 2017 New Jersey Supreme Court Decision

On January 17, 2017, the New Jersey Supreme Court issued its decision In Re Declaratory Judgment Actions Filed By Various Municipalities, County Of Ocean, Pursuant To The Supreme Court's Decision In In Re Adoption of N.J.A.C. 5:96, 221 N.J. 1(2015). The Supreme Court found that the "gap period," defined as the period between the end of the Second Round in 1999 and 2015, generates an affordable housing obligation. The decision requires an expanded definition of the municipal present need obligation to include low- and moderate-income households formed during the gap period that are entitled to their delayed opportunity to seek affordable housing. Present need, or the Rehabilitation Share, has historically been an estimate of low- and moderate-income households living in substandard housing at the beginning of an affordable housing round. Although some parties argued the gap obligation should be calculated as part of the prospective need, or new construction obligation, the Supreme Court found that such a position is not supported by the Fair Housing Act, which



defines prospective need as a projection of new low and moderate income households formed during a future housing cycle.

Accordingly, the municipal affordable housing obligation is now composed of the following four (4) parts: present need (Rehabilitation Share); Prior Round (1987 to 1999, new construction); “gap” present need (1999 to 2015, third round new construction); and prospective need (Third Round, 2015 to 2025, new construction).

March 2018 New Jersey Superior Court Decision

In a March 8, 2018 ruling on two Mercer County municipalities’ affordable housing obligations, Superior Court Assignment Judge Mary Jacobson tackled directly the absence of a statewide set of guidelines for calculating a municipality’s fair share obligation. Her decision laid out a methodology, spelled out in detail along with her reasons for preferring certain formulas over others proposed, struck a compromise between the higher number that housing advocates claimed was needed and the smaller amount that municipalities had sought. Incorporating estimates of households and wealth, projections of job and population growth, and calculations of acreage available for development, Jacobson’s methodology could be used as a template statewide for determining the need for new affordable housing development.



AFFORDABILITY REQUIREMENTS

Affordable housing is defined under New Jersey’s Fair Housing Act as a dwelling, either for sale or rent, that is within the financial means of households of low- or moderate-income, as is measured within each housing region. Montgomery Township is in COAH’s Region 3, which includes Somerset, Hunterdon and Middlesex counties. Moderate-income households are those with annual incomes greater than 50%, but less than 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 households are a subset of “low-income” households and are defined as those with incomes 30% or less than the regional median income.

Income Categories

Moderate = 50% to 80% regional median income

Low = 50% regional median income or less

Very Low = 30% regional median income or less

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

The regional median income has historically been defined by COAH using the federal income limits established by HUD on an annual basis. In the spring of each year, HUD releases updated regional income limits, which COAH reallocated to its regions. It is from these income limits that the rents and sale prices for affordable units are derived. However, COAH has not published updated income limits or rent increases since 2014. As a result, the Township will calculate and set updated income limits annually pursuant to the Court’s February 20, 2018 Order granting Montgomery the ability to adopt such limits set forth in the Township’s Settlement Agreement with FSHC.

To update income limits, the Township will rely on the methodology set forth and approved by the Superior Court that establishes the criteria to follow to annually update income limits. The criteria adhere to COAH’s Prior Round methodologies, the key aspects of which are outlined below and are to be utilized by Montgomery pursuant to the Settlement Agreement.

Income limits for all units that are part of the Township's Housing Element and Fair Share Plan, excluding those which income limits are already established through a federal program, shall be updated by the Township as HUD publishes median incomes and income limits as follows:

- Regional income limits shall be established for the region that the Township is located within (i.e. Region 3) 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 (4) is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four (4).

- The income limit for a moderate-income unit for a household of four (4) shall be 80% of the regional weighted average median income for a family of four (4). The income limit for a low income unit for a household of four (4) shall be 50% of the HUD determination of the regional weighted average median income for a family of four (4). The income limit for a very low-income unit for a household of four (4) shall be 30% of the regional weighted average median income for a family of four (4). 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.
- The Regional Asset Limit used in determining an applicant’s eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to the methodology outlined 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.

For 2020, the Affordable Housing Professionals of New Jersey (“AHPNJ”) and FSHC have jointly developed updated income limits for all housing regions in New Jersey, which were calculated using the methodology outlined above. As approved by the Court, these income limits for Region 3 will be utilized for Montgomery. See Table 1 for 2020 income limits for Region 3.

Household Income Levels	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household
Moderate	\$66,920	\$76,480	\$86,040	\$95,600	\$103,248
Low	\$41,825	\$47,800	\$53,775	\$59,750	\$64,530
Very Low	\$25,095	\$28,680	\$32,265	\$35,850	\$38,718

Source: 2020 Income Limits prepared by Affordable Housing Professionals of New Jersey.

The Township will further rely on this process to establish sale prices and rents of affordable housing units throughout the Third Round. The Administrative Agent shall establish these



prices and rents pursuant to procedures set forth in UHAC and by utilizing the regional income limits established through the procedures outlined above. Montgomery will specifically adhere to the following:

- 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. In no event shall the maximum resale price established by the Administrative Agent be lower than the last recorded purchase price.
- The rent levels of very low-, low-, and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed 9% in any one year. Rents for units constructed pursuant to low-income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.

Tables 2 and 3 provide illustrative sale prices and gross rents for 2017. The sample rents and sale prices are illustrative and are gross figures, which do not account for the specified utility allowances for rental units or for specific mortgage rates, taxes, etc. for sales units. As a note, rents have increased by a collective 7.1% in 2015, 2016, 2017, 2018 and 2019 and by 1.9% in 2020.

Household Income Levels (% of Median Income)	1-Bedroom Unit Rent	2-Bedroom Unit Rent	3-Bedroom Unit Rent
Moderate	\$1,344	\$1,613	\$1,864
Low	\$1,120	\$1,344	\$1,554
Very Low	\$672	\$807	\$932

Source: 2020 Affordable Housing Unit Rental Rate Calculations for Pricing Newly Constructed Units prepared by Affordable Housing Professionals of New Jersey.

Household Income Levels (% of Median Income)	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate	\$219,632	\$263,558	\$304,556
Low	\$156,680	\$188,256	\$217,540
Very Low	\$94,128	\$112,953	\$130,524

Source: 2020 Affordable Housing Unit Sales Price Calculations for Pricing Newly Constructed Units prepared by Affordable Housing Professionals of New Jersey.



HOUSING ELEMENT & FAIR SHARE PLAN REQUIREMENTS

In accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1, et seq.), a municipal Master Plan must include a housing element as the foundation for the municipal zoning ordinance (see N.J.S.A. 40:55D-28b(3) and -62). 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 Plan element contain at least the following:

- An **inventory of the municipality's housing stock** by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated;
- A **projection of the municipality's housing stock**, including the probable future construction of low and moderate income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development trends;
- An **analysis of the municipality's demographic characteristics**, including, but not necessarily limited to, household size, income level, and age;
- An **analysis of the existing and probable future employment characteristics** of the municipality;
- A **determination of the municipality's present and prospective fair share of low- and moderate-income housing and its capacity to accommodate** its present and prospective housing needs, including its fair share of low- and moderate-income housing; and
- A **consideration of the lands most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing**, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.

See the section titled "Housing, Demographic, and Employment Analysis."

See the section titled "Montgomery's Affordable Housing Plan" for information on the Township's fair share of low- and moderate-income housing.

See the section titled "Consideration of Lands Appropriate for Affordable Housing" for this information.



MONTGOMERY'S AFFORDABLE HOUSING HISTORY

The New Jersey State Supreme Court decided the “Mt. Laurel II” Supreme Court Decision on January 20, 1983. The decision addressed the responsibilities of municipalities throughout New Jersey to permit the construction of “low” and “moderate” income affordable housing units within their bounds.

Approximately one and one-half (1 ½) years after the “Mt. Laurel II” Supreme Court Decision, and prior to the creation of the COAH, Judge Eugene Serpentelli, as part of his July 16, 1984 Decision regarding “Mt. Laurel” litigation against Warren Township in Somerset County, sanctioned the so-called “consensus methodology”. The methodology was the required way in which municipalities were to calculate their “fair share” housing obligation.

In accordance with the “consensus methodology”, Montgomery Township’s “fair share” housing obligation through December 31, 1993 initially was calculated to be a very high seven hundred thirty-one (731) affordable housing units.

However, Montgomery Township disagreed with certain aspects of the “consensus methodology” and, in the face of imminent litigation, *voluntarily* petitioned Judge Serpentelli’s court during March 1985 for a review of its “Mt. Laurel II” “fair share” housing obligation, as well as for approval of the zone plan that the Township proposed to satisfy the obligation.

During the Court proceedings, Montgomery corrected certain of the statistical data from the Department of Labor which were utilized in the “consensus methodology”, and the Township also successfully argued certain other aspects of the methodology. As a result of these efforts, the Court entered a Judgment of Compliance on July 31, 1985 which found that Montgomery’s “fair share” housing obligation was three hundred twenty-five (325) “low” and “moderate” income units, versus the originally calculated 731 units.

Moreover, the Court found that the Township’s zoning provisions for the “APT/TH” Apartment/Townhouse district in the southern portion of the Township and the “PRD” Planned Residential Development option in the northern portion of the Township provided a reasonable opportunity for the construction of the required 325 affordable units.

Montgomery Township was the *first municipality* in the State of New Jersey to *voluntarily* petition for a Judgment of compliance. As a result of the July 31, 1985 “Judgment of Compliance”, Montgomery Township was deemed to be in compliance with its “Mt. Laurel II” housing obligation through *voluntary* measures.

The Township petitioned COAH for Second Round substantive certification on April 26, 1995. The Township was eventually granted Second Round substantive certification on March 5, 1997, and extensions on December 4, 2002 and February 9, 2005. The Township’s Second Round fair housing obligation was 315 consisting of a rehabilitation obligation of eight (8) and new construction obligation of 307.



The Township petitioned COAH for Third Round substantive certification on December 16, 2005. However, COAH did not conduct a substantive review of the 2005 Housing Element and Fair Share Plan prior to the 2007 Appellate Division decision overturning COAH's 2004 Third Round rules. On November 25, 2008, Montgomery adopted a 2008 Third Round Housing Element and Fair Share Plan consistent with COAH's second iteration of Third Round rules. The Township submitted the 2008 Plan to COAH on December 30, 2008 as part of their second petition for Third Round substantive certification; the petition was deemed complete by COAH on March 27, 2009. The Township's 2008 Plan did not receive substantive certification prior to the 2010 Appellate Division decision invalidating COAH's second iteration of Third Round rules.

To comply with the March 10, 2015 Mount Laurel IV decision, Montgomery filed a declaratory judgment action with the Superior Court on July 7, 2015 for a Third Round Judgment of Compliance and Repose and temporary immunity from builder's remedy suits. FSHC was an interested party in the Township's declaratory judgment action, and in 2017, the Township entered into successful negotiations with FSHC to identify its fair share obligation and preliminarily how that obligation would be satisfied. These negotiations resulted in a Settlement Agreement between the Township and FSHC that was executed by the Township on December 8, 2017 (see Appendix 1 for a copy of this Settlement Agreement).¹⁰ After a Fairness Hearing, the Court issued an Order on February 20, 2018 stating that the Settlement Agreement was fair to the interests of low and moderate income households (see Appendix 1 for a copy of the Court Order). The Court Order established the Township's fair share obligations and also preliminarily found that the manner in which the Township satisfied the obligation was reasonable. The 2018 Third Round Housing Element and Fair Share Plan incorporated and implemented the terms of the 2017 Settlement Agreement between the Township and FSHC and served as the foundation for the Township's application for a Judgment of Compliance and Repose by the Court. However, as identified in the 2019 Court Order, some projects have changed necessitating a revised HE/FSP. As discussed in detail below, this 2020 Amended HE/FSP makes minor modifications to the preliminary compliance charts in the Settlement Agreement to account for new unit count details.

¹⁰ By the terms of the Agreement, FSHC is now an Intervenor in the Township's DJ action.



HOUSING, DEMOGRAPHIC & EMPLOYMENT ANALYSIS

Housing Characteristics

The 2014-2018 American Community Survey (ACS)¹¹ indicates that Montgomery has approximately 7,862 housing units, of which 256, or 3.26%, are vacant. The Township’s housing stock predominantly consists of single-family detached units (68.79%) and single-family attached units (14.96%). The Township’s percentage of single-family detached units is slightly higher than that of the State (53.57%) and approximately 10% higher than that of Somerset County (58.70%). The renter population represents approximately 17.8% of all occupied units in Montgomery (with 82.2% owner-occupied), which is 6.6% less than the renter population in the County (24.4%) and 18.3% less than the renter population in the State as a whole (36.1%). See Table 4, Housing Units by Number of Units in Structure, for a detailed explanation of the housing units in 2016.

Number of Units	Owner-occupied	Percent	Rental	Percent	Vacant	Percent	Total
1, Detached	5,097	81.51%	147	10.86%	164	64.06%	5,408
1, Attached	963	15.40%	196	14.49%	17	6.64%	1,176
2	0	0%	10	0.74%	0	0%	10
3 or 4	0	0%	125	9.24%	0	0%	125
5 to 9	51	0.82%	187	13.82%	0	0%	238
10 to 19	62	0.99%	433	32.00%	0	0%	495
20 or more	69	1.10%	255	18.85%	75	29.30%	399
Mobile Home	11	0.18%	0	0%	0	0%	11
Other	0	0%	0	0%	0	0%	0
Total	6,253	100	1,353	100	256	100	7,862

Source: 2014-2018 American Community Survey 5-Year Estimate (B25002, B25024, B25032, DP04).

Table 5, Housing Units by Year Built, illustrates the age of the Township’s housing stock. Only 4.0% of Montgomery’s housing stock was constructed prior to 1949. The majority of the

¹¹ The American Community Survey replaced the long-form Census as the source for much of the housing data necessary to complete this section. The Census is a one-time count of the population while this ACS is an estimate taken over five years through sampling. As such, data in the ACS is subject to a margin of error.



Township’s housing stock was constructed between 1980 and 2009 (75.3%), including 1,138 multi-family renter-occupied units, and construction slowed with the Great Recession (see Table 26 below for information on building permits since 2000). The median year homes were built in the Township (1993) is more recent than both the State’s median (1967) and the County’s (1980).

TABLE 5. HOUSING UNITS BY YEAR BUILT, 2018					
Year Built	Total Units	Percent	Owner	Renter	Vacant
2010 or later	279	3.5%	217	62	0
2000 to 2009	1,757	22.3%	1,309	428	20
1990 to 1999	2,793	35.5%	2,074	573	146
1980 to 1989	1,369	17.4%	1,195	137	37
1970 to 1979	556	7.1%	487	69	0
1960 to 1969	514	6.5%	475	39	0
1950 to 1959	276	3.5%	262	14	0
1940 to 1949	43	0.5%	43	0	0
1939 or earlier	275	3.5%	191	31	53
Totals	7,862	100%	6,253	1,353	256
Median Year Built:	1993		1992	1997	
<i>Source: 2014-2018 American Community Survey 5-Year Estimate (DP04, B25036, B25037)</i>					

Table 6, Housing Units by Number of Rooms, shows 5.0% of housing units have between one (1) and three (3) rooms; 28.4% have between four (4) and six (6) rooms; and 66.6% have seven (7) or more rooms. The data from this and other tables indicate that the housing stock in Montgomery is, on average, moderate to large in size. In addition, the largest concentration of housing units in Montgomery (41.1%) contains four (4) bedrooms and 74.1% of all units have three (3) or more bedrooms. For both the County and the State, the largest concentration of housing units has three (3) bedrooms (28.6% and 32.6%, respectively). See Table 7, Number of Bedrooms per Housing Unit, for more detail.

TABLE 6. HOUSING UNITS BY NUMBER OF ROOMS, 2018		
Rooms	Number of Units	Percent
1	0	0.0%
2	16	0.2%
3	380	4.8%
4	810	10.3%
5	637	8.1%



TABLE 6. HOUSING UNITS BY NUMBER OF ROOMS, 2018		
Rooms	Number of Units	Percent
6	786	10.0%
7	869	11.1%
8	1,279	16.3%
9+	3,085	39.2%
Total	7,862	100%
Median Rooms	7.8	

Source: 2014-2018 American Community Survey 5-Year Estimate (DP04)

TABLE 7. NUMBER OF BEDROOMS PER HOUSING UNIT, 2018		
Bedrooms	Number of Units	Percent
Efficiency	0	0%
1	581	7.4%
2	1,456	18.5%
3	1,548	19.7%
4	3,230	41.1%
5+	1,047	13.3%
Total	7,862	100%

Source: 2014-2018 American Community Survey 5-Year Estimate (DP04)

Table 8, Housing Values, shows that the median value of owner-occupied housing units in Montgomery increased by 78.6% between 2000 and 2018 from \$345,800 to \$617,500. Somerset County saw a slightly higher percent growth in owner-occupied home values during this same period time (89.1%). Montgomery had higher median housing values both in 2000 (\$345,800 vs. \$222,400) and 2018 (\$617,500 vs. \$420,500) than the County as a whole.

Based on the 2020 illustrative sales prices provided in Table 3 and the estimated value of owner-occupied homes in 2018 as provided in Table 8, approximately 77 housing units, or 1.2% of owner-occupied units, in Montgomery may be affordable to very low-income households (depending on the number of bedrooms in the unit). Approximately 7 housing units, or 0.1%, (exclusive of units that may be affordable to very low-income households) may be affordable to low-income households, and approximately 202 units (3.2%) may be affordable to moderate-income households (excluding those units affordable to low- or very low income-households). In total, 286 owner-occupied units, or 4.6% of owner-occupied units in the Township, may be affordable to low- or moderate-income households.



TABLE 8. OWNER-OCCUPIED HOUSING VALUES, 2018 & 2000				
Housing Unit Value	2018 Units	Percent	2000 Units	Percent
Less than \$10,000	0	0%	0	0%
\$10,000 to \$14,999	0	0%	0	0%
\$15,000 to \$19,999	0	0%	0	0%
\$20,000 to \$24,999	0	0%	0	0%
\$25,000 to \$29,999	0	0%	0	0%
\$30,000 to \$34,999	0	0%	7	0.2%
\$35,000 to \$39,999	12	0.2%	7	0.2%
\$40,000 to \$49,999	0	0%	0	0%
\$50,000 to \$59,999	0	0%	0	0%
\$60,000 to \$69,999	0	0%	0	0%
\$70,000 to \$79,999	0	0%	15	0.3%
\$80,000 to \$89,999	24	0.4%	0	0%
\$90,000 to \$99,999	11	0.2%	8	0.2%
\$100,000 to \$124,999	30	0.5%	10	0.2%
\$125,000 to \$149,999	0	0%	172	3.6%
\$150,000 to \$174,999	0	0%	226	4.8%
\$175,000 to \$199,999	7	0.1%	145	3.1%
\$200,000 to \$249,999	82	1.3%	509	10.8%
\$250,000 to \$299,999	120	1.9%	621	13.2%
\$300,000 to \$399,999	666	10.7%	1,320	28.0%
\$400,000 to \$499,999	965	15.4%	910	19.3%
\$500,000 to \$749,999	2,574	41.2%	650	13.8%
\$750,000 to \$999,999	1,316	21.0%	121	2.6%
\$1,000,000 or more	446	7.1%	0	0%
Total	6,253	100%	4,721	100%
Median	\$617,500		\$345,800	
<i>Sources: 2000 Census (Ho74, Ho85), 2014-2018 American Community Survey 5-Year Estimate (DPo4, B25075)</i>				

The median rent in Montgomery in 2018 was \$2,000, compared to \$1,552 across Somerset County. Based on the 2020 illustrative rents provided in Table 2, approximately 33 renter-occupied units, or 2.4%, may be affordable to very low-income renters, depending on the number of bedrooms being rented. Similarly, approximately 267 rental units (exclusive of units that may be affordable to very low-income households), or 19.7%, may be affordable to low-income renters and approximately 264 rental units (excluding units that may be affordable



to low-income households), or 19.5%, may be affordable to moderate-income renters. In total, approximately 564 rental units, or 41.7% of all renter-occupied housing units, may be affordable to low- or moderate-income households depending on the number of bedrooms being rented. See Table 9, Comparison of Montgomery and Somerset County, Gross Rent.

TABLE 9. COMPARISON OF MONTGOMERY TOWNSHIP AND SOMERSET COUNTY, GROSS RENT, 2018				
Gross Rent	Montgomery Township		Somerset County	
	Units	Percent	Units	Percent
Less than \$100	0	0%	33	0.2%
\$100 to \$149	0	0%	23	0.2%
\$150 to \$199	0	0%	58	0.3%
\$200 to \$249	0	1.8%	111	0.6%
\$250 to \$299	0	0%	195	0.7%
\$300 to \$349	0	0%	196	0.5%
\$350 to \$399	11	0%	101	0.3%
\$400 to \$449	0	0%	53	0.4%
\$450 to \$499	0	0%	138	0.9%
\$500 to \$549	0	0%	90	0.2%
\$550 to \$599	0	0%	82	0.3%
\$600 to \$649	16	0%	204	0.5%
\$650 to \$699	0	0%	125	0.3%
\$700 to \$749	0	0%	103	0.7%
\$750 to \$799	0	0%	120	0.8%
\$800 to \$899	6	1.7%	636	2.6%
\$900 to \$999	14	3.1%	675	3.4%
\$1,000 to \$1,249	109	5.1%	4,147	19.8%
\$1,250 to \$1,499	144	18.8%	5,751	21.0%
\$1,500 to \$1,999	363	30.0%	8,314	26.3%
\$2,000 or more	663	37.6%	6,246	16.2%
No cash rent	27	1.9%	1,111	4.1%
Total	1,353	100%	28,512	100%
Median Rent	\$2,000		\$1,552	
<i>Source: 2014-2018 American Community Survey 5-Year Estimate (DP04, B25063)</i>				

Housing is generally considered to be affordable if 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. This percentage is lower for homeowners to account for the additional home maintenance costs associated with ownership. In Montgomery, 28.1% of all households in



occupied units are expending more than 30% of their incomes on housing costs. The percent of renter-occupied households expending more than 30% of their incomes on housing (44.9%) is higher than the percent of owner-occupied households (23.1%). Nearly two-thirds of renters are spending over 30% of income on housing, which suggests that some of Montgomery’s existing rental housing may be unaffordable to the population. Although it was estimated that 41.7% of rental housing units in Montgomery may be affordable to very-low-, low- or moderate-income households, this analysis was based on rents affordable to a moderate-income household occupying a three-bedroom unit. Therefore, it appears that Montgomery’s renter population is likely comprised of smaller households that occupy smaller units.

Monthly Housing Costs as Percent of Income	Owner-Occupied	Percent	Renter	Percent	All Occupied*	Percent
Less than 20 Percent	1,999	44.6%	333	25.1%	2,332	40.2%
20 to 29 Percent	1,447	32.3%	398	30.0%	1,845	31.8%
30 Percent or More	1,035	23.1%	595	44.9%	1,630	28.1%
Total	4,481	100%	1,326	100%	5,807	100%

Source: 2014-2018 American Community Survey 5-Year Estimate (DP04)
 *Information not computed for all units.

In 2018, there were an estimated 42 units that had incomplete kitchen facilities and 11 units with incomplete plumbing facilities. There were also an estimated nine (9) overcrowded housing units (defined as more than one (1) occupant per room) built before 1950. It should be noted that overcrowding is often associated with substandard housing due to overuse of facilities and is often occupied by lower-income households who share space to save on housing costs. Historically, the conditions mentioned in this paragraph have been indicators of housing deficiency, which are used to determine the number of units requiring rehabilitation. As noted above, the Township does not have a Third Round rehabilitation obligation.

Indicator	Incomplete Plumbing	Incomplete Kitchen	Crowded or Overcrowded, and Built Pre-1950
Number of Units	11	42	9

Source: 2014-2018 American Community Survey 5-Year Estimate (DP04, B25050)



General Population Characteristics

The population of Montgomery grew nearly 27% from 2000 to 2010, which is significantly less than the 81.9% population increase between 1990 and 2000. The Township’s rate of population growth between 2000 and 2010 is more than double the growth rate of the County (8.7%). The County’s growth rate has moderately decreased from 23.8% during the previous decade. See Table 12, [Population Growth](#). However, the rate of population growth slowed in both the County and in Montgomery between 2000 and 2010.

	1990	2000	Percent Change	2010	Percent Change
Montgomery Township	9,612	17,481	81.9%	22,254	27.3%
Somerset County	240,279	297,490	23.8%	323,444	8.7%

Sources: 1990, 2000, and 2010 US Census

Between 2000 and 2010, there were large increases in most of Montgomery’s age cohorts, especially in the senior population. The highest rate of growth was in the age 75 and older cohort, which grew more than 154% between 2000 and 2010. There was an approximately 11% decrease in the age 25 to 44 cohort and an 30.18% decrease in the under 5 age cohort. The growth in older age cohorts contributed to Montgomery’s increase in the median age from 36.8 to 40.8 years. See Table 13, [Age Distribution](#), for additional detail.

Age Group	2000	Percent	2010	Percent	Percent Change
Under 5	1,514	8.7%	1,057	4.8%	-30.2%
5-14	3,455	19.8%	4,309	19.4%	24.7%
15-24	1,476	8.4%	2,609	11.7%	76.8%
25-34	1,708	9.8%	1,453	6.5%	-14.9%
35-44	3,869	22.1%	3,503	15.7%	-9.5%
45-54	2,899	16.6%	4,717	21.2%	62.7%
55-64	1,371	7.8%	2,406	10.8%	75.5%
65-74	768	4.4%	1,129	5.1%	47.0%
75+	421	2.4%	1,071	4.8%	154.4%
Total	17,481	100%	22,254	100%	27.3%
Median Age	36.8		40.8		

Sources: 2000 and 2010 US Census



Household Characteristics

A household is defined by the U.S. Census Bureau as those persons who occupy a single room or group of rooms constituting a housing unit; however, these persons may or may not be related. As a subset of households, a family is identified as a group of persons including a householder and one (1) or more persons related by blood, marriage or adoption, all living in the same household. In 2010, there were 7,635 households in the Township, with an average of 2.90 persons per household and an average of 3.31 persons per family. Approximately 80% of the households are comprised of married couples with or without children. Approximately 20% of the Township’s households are non-family households, which include individuals living alone. See Table 14, Household Composition.

TABLE 14. HOUSEHOLD COMPOSITION, 2010		
Household Type	Households	Percent
Family households	6,074	79.6%
Married-couple family	5,410	70.9%
With Children	3,312	43.4%
Male householder, no spouse present	153	2.0%
With Own Children Under 18	81	1.1%
Female householder, no spouse present	511	6.7%
With Own Children Under 18	311	4.1%
Nonfamily households	1,561	20.4%
Householder living alone	1,350	17.7%
Total Households	7,635	100%
<i>Source: 2010 US Census</i>		

Income Characteristics

In 2018, the median income in Montgomery was \$191,798 for households and \$214,861 for families. Comparable figures for the County were \$111,772 for households and \$134,849 for families. Table 15, Household Income by Income Brackets, further illustrates these findings by noting the number of households in each of the income brackets. The Township’s poverty rate for individuals (4.0%) is less than that of the County (4.7%) and its poverty rate for families (3.3%) is higher than the County’s rate (3.1%). See Table 16, Individual and Family Poverty Rates, for the comparison.



TABLE 15. HOUSEHOLD INCOME BY INCOME BRACKETS, 2018		
	Households	Percent
Less than \$10,000	227	3.0%
\$10,000-\$14,999	158	2.1%
\$15,000-\$24,999	172	2.3%
\$25,000-\$34,999	146	1.9%
\$35,000-\$49,000	208	2.7%
\$50,000-\$74,999	354	4.7%
\$75,000-\$99,999	656	8.6%
\$100,000-\$149,999	1,040	13.7%
\$150,000-\$199,999	1,011	13.3%
\$200,000 +	3,634	47.8%
Total	7,606	100%
Median Income	\$191,798	

Source: 2014-2018 American Community Survey 5-Year Estimate (DP03)

TABLE 16. INDIVIDUAL AND FAMILY POVERTY RATES, 2018		
Location	Individuals	Families
Montgomery Township	4.0%	3.3%
Somerset County	4.7%	3.1%

Source: 2014-2018 American Community Survey 5-Year Estimate (DP03)

Employment Characteristics

Table 17, Distribution of Employment by Industry, shows the distribution of employment by industry for employed Montgomery residents. The four (4) industries representing the largest concentrations of employed residents in Montgomery in 2018 were Educational Services, and Health Care and Social Assistance with 23.2% of employed residents; Professional, Scientific, and Management, and Administrative and Waste Management Services with 19.9%; Financing, Insurance, Real Estate, Renting and Leasing with 14.2%; and Manufacturing with 12.9%.



TABLE 17. DISTRIBUTION OF EMPLOYMENT BY INDUSTRY, MONTGOMERY RESIDENTS, 2018		
Sector Jobs	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	26	0.2%
Construction	316	2.7%
Manufacturing	1,495	12.9%
Wholesale Trade	477	4.1%
Retail Trade	579	5.0%
Transportation, Warehousing, and Utilities	220	1.9%
Information	653	5.6%
Financing, Insurance, Real Estate, Renting, and Leasing	1,643	14.2%
Professional, Scientific, Management, Administrative, and Waste Management Services	2,305	19.9%
Educational, Health and Social Services	2,686	23.2%
Arts, Entertainment, Recreation, Accommodation and Food Services	661	5.7%
Other	293	2.5%
Public Administration	234	2.0%
Total	11,588	100%

Source: 2014-2018 American Community Survey 5-Year Estimate (DP03)

Table 18, Employment by Occupation, identifies the occupations of employed residents of Montgomery. While Montgomery Township residents work in a variety of industries, 74.3% of employed residents work in Management, Business, Science, and Arts occupations and 15.7h% are employed in Sales and Office occupations.

TABLE 18. EMPLOYMENT BY OCCUPATION, MONTGOMERY TOWNSHIP, 2018		
Sector Jobs	Number	Percent
Management, Business, Science, Arts	8,614	74.3%
Service	658	5.7%
Sales and Office	1,818	15.7%
Natural Resources, Construction, Maintenance	270	2.3%
Production, Transportation, Material Moving	228	2.0%
Total	11,588	100%

Source: 2014-2018 American Community Survey 5-Year Estimate (DP03)

Since 2010, the size of Montgomery’s labor force has slightly decreased. The Township was impacted by the most recent recession resulting in unemployment rates above 7% for 2010



and 2011. The unemployment rate fell to 6.4% in 2012 and 2.5% in 2019. Table 16, Change in Employment, illustrates these trends.

TABLE 19. CHANGE IN EMPLOYMENT, 2010 – 2019				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	10,530	9,768	763	7.2%
2011	10,481	9,698	783	7.5%
2012	10,539	9,861	678	6.4%
2013	10,327	9,765	562	5.4%
2014	10,393	9,929	464	4.5%
2015	10,554	10,123	431	4.1%
2016	10,481	10,128	353	3.4%
2017	10,527	10,177	350	3.3%
2018	10,449	10,131	318	3.0%
2019	10,569	10,306	263	2.5%

Source: NJ Department of Labor and Workforce Development

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

TABLE 20. COVERED EMPLOYMENT ESTIMATES		
Year	Montgomery Township	Somerset County
2014	9,932	184,103

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

The local government sector and professional/technical sector represented the largest concentration of jobs in Montgomery, with 983 and 576 jobs, respectively. The second largest private sector, the arts/entertainment sector, was significantly smaller with only 411 jobs. Table 21, Covered Employment by Sector, provides additional employment information.



TABLE 21. COVERED EMPLOYMENT BY SECTOR, 2019							
	Employment					Wages	
	March	June	Sept.	Dec.	Average	Annual	Weekly
Private Sector Total	8,162	8,351	8,021	7,976	8,149	\$109,412	\$2,104
Agriculture	-	-	-	-	-	-	-
Mining	-	-	-	-	-	-	-
Utilities
Construction	105	114	110	102	107	\$54,048	\$1,039
Manufacturing	-	-	-	-	-	-	-
Wholesale Trade	-	-	-	-	-	-	-
Retail Trade	345	388	337	368	362	\$42,201	\$812
Transportation/Warehousing	-	-	-	-	-	-	-
Information	-	-	-	-	-	-	-
Finance/Insurance	163	160	157	167	162	\$137,917	\$2,652
Real Estate	54	51	57	53	53	\$60,114	\$1,156
Professional/Technical	570	586	554	597	576	\$94,809	\$1,823
Management	-	-	-	-	-	-	-
Admin/Waste Remediation	356	364	343	315	342	\$37,155	\$715
Education	299	316	256	290	290	\$52,496	\$1,010
Health/Social	-	-	-	-	-	-	-
Arts/Entertainment	365	473	397	346	411	\$34,115	\$656
Accommodations/Food	278	288	273	270	272	\$24,999	\$481
Other Services	194	190	190	196	193	\$35,986	\$692
Unclassified	37	32	45	58	42	\$58,019	\$1,116
Federal Government Total	26	27	26	27	27	\$57,813	\$1,112
State Government Total	87	85	82	78	84	\$74,755	\$1,438
Local Government Total	1,081	1,114	964	1,065	983	\$67,130	\$1,291
Local Government Education Total	854	884	774	859	762	\$70,597	\$1,358
Total Covered Employment	10,210	10,461	9,867	10,005	10,005		

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

As Table 22, Journey to Work, below shows, 74.8% of Montgomery’s employed residents drive to work alone, compared to 78.3% for Somerset County and 71.4% for New Jersey as a whole. As compared to Somerset County, a higher percentage of Montgomery residents take public transit to work. Montgomery is serviced by NJ Transit bus route 605 that connects to bus routes 600, 603, 609, and 613 at the Quaker Bridge Mall and to the Princeton Dinky Station rail line. These transit options provide connections to Trenton, New York, and Philadelphia.



TABLE 22. JOURNEY TO WORK, 2018

Mode	Montgomery Township	Somerset County	New Jersey
Drive Alone	74.8%	78.3%	71.4%
Carpool	6.6%	7.9%	8.0%
Transit	8.1%	5.3%	11.5%
Walk	0.9%	1.9%	2.9%
Other	0.6%	0.7%	1.8%
Work at Home	8.9%	6.0%	4.4%

Source: 2014-2018 American Community Survey: Selected Economic Characteristics (DP03)

Approximately 18% of households in Montgomery have one (1) vehicle and 4.5% have no vehicle. Some one-car households likely comprise the nearly 17.7% of Township residents who live alone. For one-car households with more than one (1) adult and households with no car, the lack of available vehicles in a suburban context such as Montgomery is typically an indicator of lower income households and makes it difficult for residents to reach jobs and community and commercial services. See Table 23, Available Vehicles by Household.

TABLE 23. AVAILABLE VEHICLES BY HOUSEHOLD, 2016

Vehicles	Count	Percent
None	341	4.5%
One	1,344	17.7%
Two	3,900	51.3%
Three +	2,021	26.6%
Total	7,606	100%

Source: 2014-2018 American Community Survey: Selected Housing Characteristics (DP04)

Most residents of Montgomery work within Princeton (7.1%), followed by residents commuting to New York City (5.5%). As shown in Table 24, Top Ten Commuting Destinations for Montgomery Residents below, the majority of top employment destinations for residents are within approximately eleven (11) miles of Montgomery and along the Route 1, Route 206, and Route 27 corridors. However, the majority of residents, 75.7%, commute to dispersed locations.



Destination	Jobs	Percent
Princeton	775	7.1%
New York City	598	5.5%
New Brunswick	261	2.4%
Franklin Township	215	2.0%
Jersey City	165	1.5%
Newark	159	1.5%
Raritan Borough	145	1.3%
Florham Park Borough	126	1.2%
South Plainfield	110	1.0%
Skillman	92	0.8%
All Other Locations	8,251	75.7%

Source: US Census and Center for Economic Studies. Longitudinal Employer-Household Dynamics, 2017

Population Projections

The New Jersey Transportation Authority (NJTPA), the Metropolitan Planning Organization (MPO) that contains Montgomery as well as the remainder of Somerset County, published population and employment projections for the year 2040. The NJTPA projects that the Township’s population and employment will increase by 17.15 and 72.4%, respectively, from 2010 to 2040. As Table 25, Population, Household and Employment Projections shows, these rates are higher than for the County as a whole.

	Montgomery Township			Somerset County		
	2010	2040	% Change	2010	2040	% Change
Population	22,250	26,060	17.1%	323,400	376,600	16.5%
Employment	11,220	19,340	72.4%	177,700	252,500	42.1%

*Sources: NJTPA Regional Transportation Plan. Forecasts adopted 9/10/2013
 2010 data from NJTPA calculations and may differ from other data sources

The FHA requires that Housing Plans include a 10-year projection of new housing units based on the number of building permits, development applications approved, and probable developments, as well as other indicators deemed appropriate (N.J.S.A. 52:27D-310.b). Annual building permit issuance for residential new construction in Montgomery during the years 2000 through 2017 averaged approximately 111.6 units, although there were virtually no



building permits issued 2006, 2007, and 2011. More recently, the Township is seeing the build out of JER Herring Orchard/K.Hovnanian/Ingerman, Sharbell-Hillside, and Country Club Meadows, all inclusionary developments.

With seven (7) additional proposed inclusionary developments and one (1) proposed 100% affordable site in this Plan, it appears to be safe to assume that this rate may remain relatively constant or may increase somewhat. Montgomery may see over 1,100 new dwellings by the year 2025. Factors such as the business cycle and rate of residential unit absorption may result in a lower or higher actual number. Table 26, Housing Projections, provides an estimate of anticipated residential growth based on the extrapolation of prior housing activity into the future and the proposed inclusionary developments in this Plan.

TABLE 26. HOUSING PROJECTIONS TO 2025	
Year	Building Permits Issued
2000	206
2001	176
2002	607
2003	399
2004	58
2005	20
2006	6
2007	6
2008	16
2009	13
2010	33
2011	7
2012	14
2013	124
2014	74
2015	143
2016	50
2017	108
2018	44
2019	128
Total	2,232
Average	111.6
Ten Year Projection	1,116 dwellings
<i>Source: NJDCA Construction Reporter, Building Permits, Yearly Summary Data, and Housing Units Authorized by Building Permits for New Construction</i>	



Development Trends and Projections

Between 2000 and 2019, Montgomery Township issued on average 111 new residential building permits per year. The bulk of this activity was associated with one (1) inclusionary development – Pike Run – a family community in the early 2000s. Currently, building permit activity has begun to be seen for the Country Club Meadows inclusionary development, the PIRHL 100% affordable housing development, and the Sharbell-Kepner Tregoe development. During the Third Round, the Township expects a 34-unit single-family development and a few small-scale residential developments in addition to the proposed inclusionary zoning sites and 100% affordable site included as compliance mechanisms in this plan.

Montgomery has had minimal nonresidential growth since 2000, adding approximately 83,000 square feet of non-residential space. Nonresidential development during this period included industrial, office, and retail space that capitalized on the Township's key commercial frontage along US Route 206. However, Montgomery anticipates potential nonresidential growth during the Third Round through 2025. Based on approved or pending development projects, the Township expects approximately 928,000 square feet of additional nonresidential development through 2025, including but not limited to, Montgomery Promenade, Country Club Meadows (The Grove at Montgomery and Montgomery Place), Village Walk at Montgomery, a day-care facility, a bank, three (3) Verizon telecommunication towers, a solar field, three (3) auto dealerships and an auto service center. The Montgomery Promenade and Village Walk at Montgomery are directly the result of the August 10, 2017 Master Plan Reexamination Report and Land Use Element that modified the "Planned Shopping Complex" optional development alternative and created the "Planned Mixed Use Development" optional development alternative.



CONSIDERATION OF LANDS APPROPRIATE FOR AFFORDABLE HOUSING

As part of this Plan, Montgomery Township has considered land that is within proximity to public sewer and water and is appropriate for the construction of very-low-, low- and moderate-income housing. Although, Montgomery has known contaminated sites and many environmental constraints, including wetlands, floodplains and steep slopes, neither these environmentally sensitive lands nor contaminated sites will preclude the Township from addressing its affordable housing obligation.

Consistent with smart growth planning principles, the Township has and will continue to intersperse affordable housing throughout existing and proposed inclusionary developments in proximity to transportation corridors and Route 206. These areas of the Township provide the greatest number of employment opportunities and services, as well as proximity to regional bus service. NJ Transit Bus Route 605 connects to bus routes 600, 603, 609, and 613 at the Quaker Bridge Mall and to the Princeton Dinky Station rail line. These transit options provide connections to Trenton, New York, and Philadelphia.

The Township believes that the sites and mechanisms proposed in this document represent the best and most appropriate options for affordable housing development. These mechanisms entirely satisfy the Township's affordable housing obligation as established through the Court-approved Settlement Agreement with FSHC.



FAIR SHARE PLAN

MONTGOMERY’S AFFORDABLE HOUSING OBLIGATION

In its March 10, 2015 decision, the New Jersey Supreme Court directed that the methods of determining municipal allocation were to follow the calculations of the First and Second Round rules; specifically, the present and prospective statewide and affordable housing need. Present need is defined in the Second Round rules as the sum of the “indigenous need” and the “reallocated present need.” However, this was modified by the Court in that the reallocated present need was no longer to be assigned to municipalities in the region. Indigenous need is sub-standard housing occupied by low- and moderate-income households. This is now more commonly called the “Rehabilitation Share.” The reallocated present need that is no longer required to be distributed is the technique where excess indigenous need in a municipality was reassigned to other municipalities where their need was lower than the regional average. COAH’s elimination of the reallocated present need was first upheld by the Appellate Court on October 8, 2010.¹²

As previously indicated, Montgomery Township and FSHC have entered into a Settlement Agreement to establish the Township’s Rehabilitation Share, Prior Round obligation, and Third Round obligation, which was approved by the Superior Court at a Fairness Hearing on February 13, 2018 and reflected in a Court Order dated February 20, 2018 (Appendix 1). The Court-approved obligation is a 0-unit rehabilitation, or present need, obligation, a 307-unit Prior Round obligation, and a 616-unit Third Round “gap” and prospective need obligation. The Court issued a Judgment of Repeal on July 24, 2019 (Appendix 1).

While the structure of the Township’s affordable housing obligation as determined by the Settlement Agreement reflects three (3) main components, in accordance with the New Jersey Supreme Court’s January 2017 decision, the Township’s 616-unit Third Round obligation includes both the Gap present need obligation and the Third Round prospective need obligation.

¹² 6 A. 3d 445, 416 NJ Super. 462, Appellate Div. (2010)



Rehabilitation Obligation

The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Montgomery Township that are occupied by low- and moderate-income households. The Settlement Agreement with FSHC establishes Montgomery’s rehabilitation obligation as 0 units. The basis for this obligation is FSHC’s May 2016 calculations, which used the most recent decennial census year, 2010, as the point in time in determining the number of deteriorated housing units.

Rehabilitation
Obligation:..... 0
Prior Round
Obligation:.....307
Third Round
Obligation:.....616

Prior Round Obligation

The Prior Round obligation can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing. FSHC’s May 2016 calculations, as well as the Settlement Agreement with FSHC, establish Montgomery’s Prior Round obligation as 307 units. The May 2016 calculations adhere to the Prior Round obligations, as calculated in 1993-1994, and published by COAH in 2008.

Third Round Obligation

The future demand for affordable housing includes the portion of the Third Round (1999- 2015) that has already passed, as well as a 10-year projection into the future (2015-2025). The 10-year period is derived from the Fair Housing Act that, when amended in 2001, set the projection for this length of time (*N.J.S.A. 52:27D-310*). As established by the Township’s 2017 Settlement Agreement with FSHC, Montgomery’s Third Round obligation (1999-2025) is 616 units; this represents a 36.8% reduction in the number calculated by FSHC in May 2016.



MONTGOMERY'S AFFORDABLE HOUSING PLAN

Satisfaction of the Rehabilitation Obligation

Pursuant to the Settlement Agreement with FSHC, the Township does not have a rehabilitation obligation.

Satisfaction of the Prior Round Obligation

As confirmed in the Settlement Agreement, Montgomery's Prior Round obligation (1987-1999) is 307 units. COAH permits new construction credits and bonuses addressing a First or Second Round affordable housing obligation to be used to address the Prior Round obligation.

In addition to satisfying the total obligation, the Township must also adhere to a minimum rental obligation and maximum number of age-restricted units.

As demonstrated in the Summary Tables at the end of this section, the Township has satisfied its Prior Round obligation with inclusionary development, alternative living arrangements, and rental bonus credits. The rental obligation is satisfied with the alternative living arrangements, the McKinley Comm./Montgomery Hills project and the Pike Run (Bellemead) project.

Prior Round Rental Obligation = 77 units

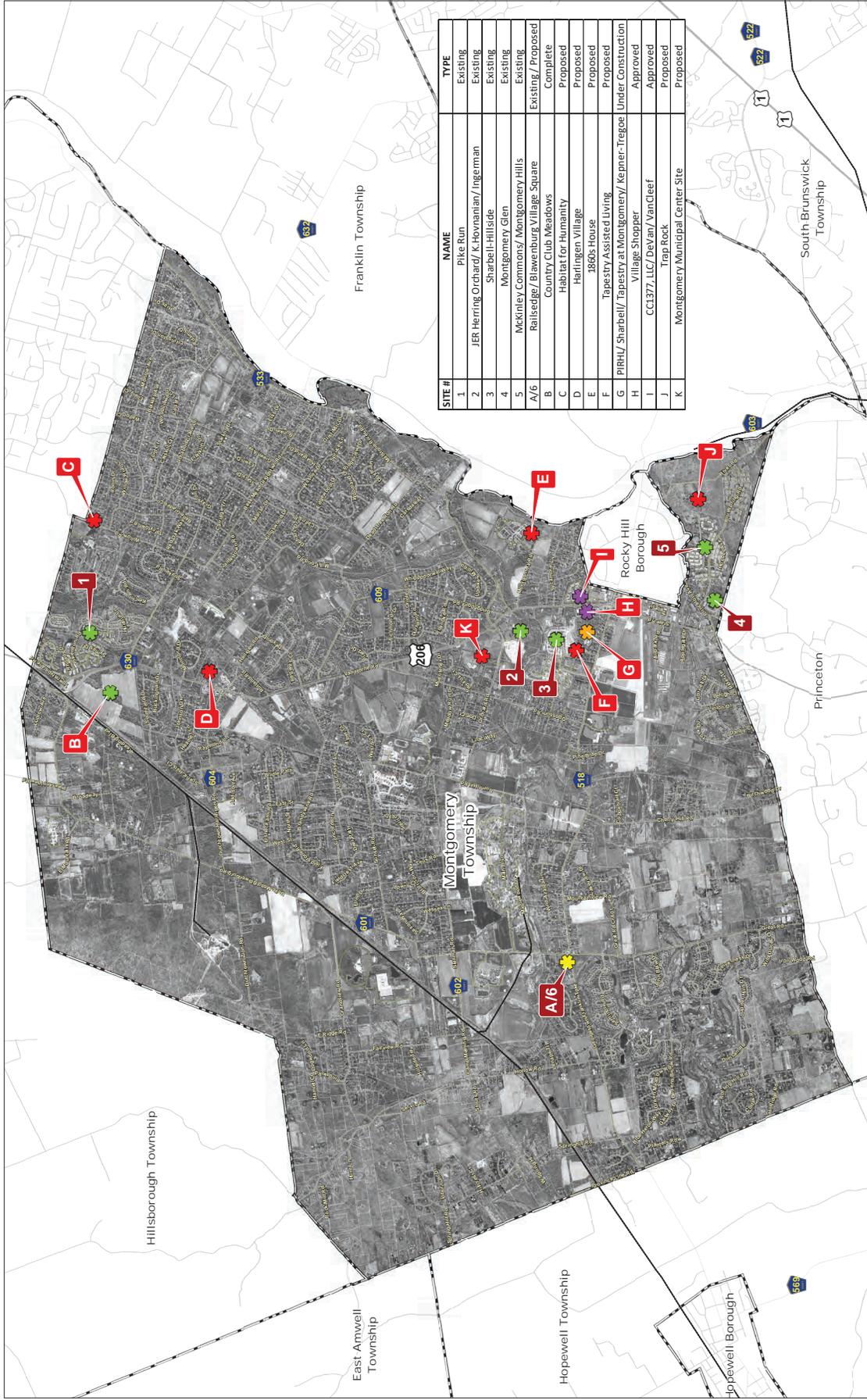
$$\begin{aligned} &0.25 \text{ (Prior Round – Prior Cycle} \\ &\text{credits)} \\ &= 0.25 (307 - 0) \\ &= 76.75, \text{ round up} \end{aligned}$$

Prior Round Maximum Age-Restricted = 76 units

$$\begin{aligned} &0.25 \text{ (Prior Round – Prior Cycle} \\ &\text{credits)} \\ &= 0.25 (307 - 0) \\ &= 76.75, \text{ round down} \end{aligned}$$

Prior Round Rental Bonus Credits

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



SITE #	NAME	TYPE
1	Pike Run	Existing
2	JER. Herring Orchard/ K. Hovnanian/ Ingelman	Existing
3	Sharbell-Hillside	Existing
4	Montgomery Glen	Existing
5	McKinley Commons/ Montgomery Hills	Existing
A/6	Railsedge/ Blawenburg Village Square	Existing / Proposed
B	Country Club Meadows	Complete
C	Habitat for Humanity	Proposed
D	Hartigan Village	Proposed
E	1860s House	Proposed
F	Tapestry Assisted Living	Proposed
G	PIRHL/ Sharbell/ Tapestry at Montgomery/ Kepner-Tregoe	Under Construction
H	Village Shopper	Approved
I	CCL377, LLC/ Devair/ VanCleef	Approved
J	Trap Rock	Proposed
K	Montgomery Municipal Center Site	Proposed

Legend

- Affordable Housing Sites (Existing/ Complete)
- Affordable Housing Sites (Existing/ Proposed)
- Affordable Housing Sites (Under Construction)
- Affordable Housing Sites (Application)
- Affordable Housing Sites (Proposed)



Clarke Caton Himiz
 Architecture
 Planning
 Landscape Architecture

Affordable Housing Sites

LOCATION: Montgomery Township, Somerset County, NJ
 DATE: October, 2020



INCLUSIONARY DEVELOPMENT

McKinley Comm./Montgomery Hills

McKinley Commons, also known as Montgomery Hills (formerly Scribner Village), was proposed in the Township's Second Round plan as an inclusionary zoning project to create 95 affordable units, resulting from the Township's First Round voluntary declaratory judgment action in July 1985. The project is located along Princeton Avenue and Blue Spring Road at Block 37001, Lot 6 and Block 37002, Lot 5. The site received preliminary approval on November 21, 1988 for 441 units, including 346 market-rate units, 35 affordable for-sale units and 60 affordable age-restricted rentals. The last Certificate of Occupancy for this project was issued on May 2, 2003. All of the for-sale units have at least 30-year affordability controls and the rental units have 30-year controls (see Appendix 4 for a copy of the Deed Restrictions). The project contains 30 low-income age-restricted rentals and 30 moderate-income age-restricted rentals as well as 17 low-income family for-sale units and 18 moderate-income family for-sale units.

Inclusionary Development

A development containing low- and moderate-income units among market rate units. Affordable housing set-asides are often 15% or 20%.

Inclusionary development may also be a non-residential development (i.e. a shopping center) with affordable units built-in.

Montgomery Glen

Nineteen (19) affordable housing units for sale were approved by the Montgomery Township Planning Board on December 10, 1997 and have been completed within the "Montgomery Glen" inclusionary residential development (a.k.a. "Montgomery Walk") located along Princeton Avenue and Blue Spring Road within the Township's "APT/TH" Apartment/Townhouse zoning district (Block 37002, Lots 7.01 and 8.43 and Blocks 37005 through 37006). The project has a total of 95 units. The project was completed in 2002, and Certificates of Occupancy were issued on the third, ninth, and twenty-ninth days of October, 2002. Additionally, the project has at least 30-year affordability controls (see Appendix 5 for a copy of the Deed Restriction). The project contains ten (10) low-income units and nine (9) moderate-income units.

Pike Run (Bellemead)

Pike Run (Bellemead) is an inclusionary development resulting from the Township's First Round voluntary declaratory judgment action in July 1985. The 267-acre site, located at Block 5001, Lot 1, received final site plan approval on December 12, 1994 for 1,288 total units including 210 affordable family rentals. The last Certificate of Occupancy for this project was issued on June 6, 2001. All of the units have 30-year affordability controls (see Appendix 6 for a copy of the Deed Restriction). The project contains 114 low-income units and 96 moderate-income units. The Township seeks credit for 102 of the 210 affordable units towards the Prior



Round; the remaining 108 units shall be used to partially satisfy the Township's Third Round obligation. Additionally, the Township seeks 77 bonus credits (capped) for this project towards the Prior Round.

ALTERNATIVE LIVING ARRANGEMENTS

Crawford Transitional Housing

This alternative living arrangement, located at Block 15001, Lot 6, was licensed by the NJ Department of Human Services, Division of Mental Health Services in December of 2005. It has seven (7) bedrooms. The facility received its Certificate of Occupancy in February of 2005. See Appendix 7 for a copy of the Supportive/Special Needs Survey.

Devereux Group Home

Located at 797 Route 601, known as Block 15024, Lot 4, in the Township, the Devereux Corporation is a NJ Department of Human Services, Division of Developmental Disabilities ("DDD") licensed Group home with four (4) bedrooms, and the residents receive Supplemental Security Disability Income ("SSDI") from the federal government, which is their only source of income. All four (4) of the bedrooms are for very low-income people. It received a certificate of occupancy in April of 2000. See Appendix 8 for a copy of the Supportive/Special Needs Survey.

Delta Comm. Support Group Home

Located at 174 Opossum Road (Block 19001, Lot 21) in the Township, Delta Community Support ("Delta", fka The Developmental Residential Corporation) provides services to individuals with developmental disabilities and is fully funded by DDD. The group home is licensed by the Department of Human Services as a group home for developmentally disabled persons. The Delta group home has three (3) bedrooms in Montgomery Township, and the residents receive SSDI from the federal government, which is their only source of income. All three (3) of the bedrooms are for very-low income people. The home received a certificate of occupancy in June of 1997. It was granted Capital Funding from the DDD in May of 1997 for acquisition and renovation of the house, and received a Certificate of Approval in October 1997. See Appendix 9 for a copy of the Supportive/Special Needs Survey and State License.

Alternative Living Arrangement / Supportive & Special Needs Housing

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

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

COAH's regulations at *N.J.A.C. 5:93-5.8* provides alternative living arrangements with credit by the bedroom.

Also, alternative living arrangements may receive credit for 10-year controls/existence per *N.J.A.C. 5:93-5.8*.



Prior Round Summary

The Township has met its 307-unit Prior Round obligation with inclusionary housing, alternative living arrangements, and rental bonus credits.



SATISFACTION OF THE THIRD ROUND OBLIGATION

Pusuant to the Settlement Agreement, Montgomery's Third Round obligation (1999-2025) is 616 units.

In addition to satisfying the total obligation, the Township must also adhere to a minimum rental obligation, minimum family rental obligation, a maximum number of age-restricted units, a minimum very low-income requirement, and a minimum number of family very-low income units.

As demonstrated in the Summary Tables at the end of this section, the Township has satisfied its Third Round obligation with completed, approved and proposed inclusionary developments, proposed alternative living arrangements, a proposed assisted living facility, a proposed 100% affordable housing development, and rental bonus credits.

Third Round Rental Bonus Credits

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

Third Round Minimum Family units = 231 units

$$\begin{aligned} &0.50(\text{Third Round obligation} - \text{bonuses}) \\ &= .50(616 - 154) \\ &= 231 \end{aligned}$$

Third Round Rental Obligation = 154 units

$$\begin{aligned} &0.25 (\text{Third Round obligation}) \\ &= .25 (616) \\ &= 154 \end{aligned}$$

Third Round Family Rental Obligation = 77 units

$$\begin{aligned} &0.5 (\text{Third Round rental obligation}) \\ &= .5 (154) \\ &= 77 \end{aligned}$$

Third Round Maximum Age-Restricted = 154 units

$$\begin{aligned} &0.25 (\text{Third Round obligation}) \\ &= .25 (616) \\ &= 154 \end{aligned}$$

Third Round Minimum Very Low Income = 38 units

$$\begin{aligned} &0.13(\text{units approved and created after 7/17/2008}) \\ &= .13(290) \\ &= 37.7 \end{aligned}$$

Third Round Minimum Low Income (includes very-low income) = 231 units

$$\begin{aligned} &0.50(\text{Third Round obligation} - \text{bonuses}) \\ &= .50(616 - 154) \\ &= 231 \end{aligned}$$



INCLUSIONARY DEVELOPMENTS

Pike Run (Bellemead)

As previously identified, Pike Run (Bellemead) is an inclusionary development resulting from the Township's First Round voluntary declaratory judgment action in July 1985. The 267-acre site, located at Block 5001, Lot 1, received final site plan approval on December 12, 1994 for 1,288 total units including 210 affordable family rentals. The last Certificate of Occupancy for this project was issued on June 6, 2001. All of the units have 30-year affordability controls. The project contains 114 low-income units and 96 moderate-income units. The Township seeks credit for 108 of the 210 affordable units towards the Third Round; the remaining 102 units shall be used to partially satisfy the Township's Prior Round obligation. Additionally, the Township seeks 108 rental bonus credits for this project towards the Third Round. Therefore, the Township is seeking a total of 216 credits to partially satisfy its Third Round obligation.

Inclusionary Development

A development containing low- and moderate-income units among market rate units. Affordable housing set-asides are typically 15% or 20%.

Inclusionary development may also be a non-residential development (i.e. a shopping center) with affordable units built-in.

JER Herring Orchard/K.Hovnanian/Ingerman ("JER Herring Orchard")

The subject property is situated at the southwestern corner of the Route 206/Orchard Road intersection. Block 28001, Lot 5.02, the lot containing the inclusionary development, is approximately 24 acres in area.

In May of 2010, the Township entered into an Affordable Housing Agreement with JER Herring Orchard, LLC, and on May 6, 2013 the Township Planning Board adopted a resolution granting preliminary and final subdivision and site plan approvals for construction of the project.

The Township has committed to dedicate up to \$306,000 to provide infrastructure assistance. A copy of the funding assistance agreement is provided in Appendix 10.

The project has a total of 152 units, including 112 market-rate family townhouse units for sale and 40 affordable family apartment units for rent. Twenty-six (26) of the affordable family units are for moderate-income households, six (6) are for low-income households, and eight (8) are for very low-income households. The project received 4% Low Income Housing Tax Credits ("LIHTCs"). Affordability controls were set for a period of 30 years (see Appendix 10 for a copy of the Deed Restriction). Certificates of Occupancy were issued for the 40 affordable units in two separate buildings on October 30, 2015 and January 28, 2016. The affordable rental units are owned and administered by the Ingerman Group. The project is fully completed,



with the last Certificate of Occupancy for the market-rate family townhouse issued in the beginning of 2017. All of the affordable family rental units are occupied. The Township is seeking credit for 40 units and 40 rental bonuses, for a total of 80 credits, to partially satisfy its Third Round obligation.

Sharbell-Hillside

Sharbell Plainsboro, Inc. requested that Phase II of its "Tapestry" age-restricted development be converted to non-age-restricted dwelling units in accordance with P.L. 2009, Chapter 82, the so-called "conversion law", which became effective on July 2, 2009. Sharbell received Planning Board approval on November 10, 2003 for a subdivision and site plan consisting of one (1) lot for an office development (Block 28004, Lot 7), and another 66.63-acre lot consisting of a 218-unit age-restricted development and assisted living facility (Block 28003, Lot 216). On June 4, 2012, the Township Planning Board approved the conversion of 112 age-restricted units to 89 market-rate non age-restricted units and 23 affordable non age-restricted units. The subject property is situated on Hartwick Drive and Research Road, all north of Route 518. The development is completed and the developer is currently leasing the affordable family rental units. Piazza and Associates, an experienced affordable housing administrative agent, administers the 23 affordable family rental units. See Appendix 11 for a copy of the Deed Restriction. The project contains three (3) very-low income units, nine (9) low-income units and 11 moderate-income units. The project received a Certificate of Occupancy on October 28, 2014 for the entire affordable housing multi-family apartment building.

Sharbell is also the owner of two additional vacant parcels (Block 28004, Lot 7 and 28003, Lot 211), having approximately four (4) acres each. Lots 211 and 7 are located adjacent to the Hillside development. As will be discussed below (see pages 8 and 12), Sharbell and the Township are currently working together to develop plans for a 120-unit assisted living residence with a 10% affordable set-aside on Lot 211, and to construct 86 affordable family rental units on Lot 7 where the office park was approved in 2003, as part of a larger area redevelopment plan.

The Township is seeking credit for 23 units and 6 rental bonuses (capped), for a total of 29 credits, to partially satisfy its Third Round obligation.

Railsedge/Blawenburg Village

The Railsedge Enterprises mixed use development (Block 26001, Lot 23) includes three (3) rental residential flats affordable to moderate-income households which are located above three (3) retail/office uses on the first floor of a building located in the "NC" Neighborhood Commercial District on Belle Mead-Blawenburg Road. The three (3) affordable family units for rent were included in the Township's third round plan, and are the result of a "use" variance approval by the Township's Zoning Board of Adjustment on April 18, 2000. The units were issued Certificates of Occupancy on March 6, 2007 and have 30-year affordability controls through March 6, 2037 (see Appendix 12 for a copy of the Deed Restriction). The units are



administered by Community Grants, Planning & Housing (CGP&H), an experienced affordable housing administrative agent. The Township is seeking credit for three (3) units to partially satisfy its Third Round obligation.

Country Club Meadows

This inclusionary project is the result of a settlement agreement (dated June 24, 2014) between the Township, Country Club Meadows, LLC, and Pike Run, LLC, et al., stemming from litigation over a sewer agreement first executed in 1985. It received general development plan (“GDP”) approval in 2014 for Block 4001, Lots 33 and 33.01; Block 4071, Lot 1; Block 5002, Lots 4, 5 and 6; Block 5003, Lot 1; Block 5023, Lot 2; Block 6001, Lot 1; and, the former Route 206 Bypass Right-of-Way. The GDP was prepared in October 2014 consistent with a July 9, 2014 “Land Use Plan Amendment Specific to Lands Owned by Country Club Meadows in the Belle Mead Portion of Montgomery Township.” The plan comprises an area of over 190 acres, and proposes a Planned Unit Development (“PUD”) containing a mixture of uses including commercial space, 148 single family homes, 27 apartments over retail, and 318 continuing care units. The GDP describes four distinct areas within the 190+ acres, including a 153.5-acre area consisting of the 148 market rate single-family homes and 27 affordable family rental units above first-story retail. They will be deed restricted for at least 30 years for occupancy by very-low-, low- and moderate-income households. Per the settlement agreement, 14 of the 27 units will be for low-income households and 13 will be for moderate-income households. In addition, there will be four (4) very-low income family affordable rentals as part of the 14 low-income units.¹³ On November 2, 2015, the Township Planning Board granted preliminary major subdivision, preliminary major site plan, bulk variances and other approvals for Phase I of the PUD, which includes the 27 affordable family units (see Appendix 13 for a copy of the Planning Board Resolution).

Construction began in 2016. The GDP indicates that the 27 affordable units will be constructed at the same time as the market-rate units. Building permits for the 27 affordable family rentals were issued on July 31, 2017. All 27 units are completed and Certificates of Occupancy were issued on November 13, 2019.

¹³ The very-low income units address the statute of 13% at 30% of the regional median income which is an exception to UHAC at 10% at 35% of the regional median income.



Trap Rock / Haven at Princeton

The Trap Rock site (now referred to as the Haven at Princeton), consisting of 72.8 acres located on Block 37003, Lot 7, is within the APT/TH Apartment Townhouse Multi-Family Residential Zoning District, which contains standards to allow for housing at a density of 8 units per acre with a 20% affordable set aside. A portion of the site (29.88 acres) falls within an existing sewer service area.

The 2018 HE/FSP indicated this would be a 250-unit project yielding 50 affordable units. Subsequently, the developer obtained a Letter of Interpretation from the New Jersey Department of Environmental Protection pursuant to the Freshwater Wetlands Act that changed the designation of the on-site wetlands from “ordinary resource value” to “exceptional resource value”; thereby increasing the minimum required wetlands buffer from 50 feet to 150 feet. The increased buffer width has caused a corresponding reduction in the developable area of the site, and will result in a planned development containing 154 units yielding 32 affordable housing units (a 20.78% affordable housing set-aside). An application for preliminary and final subdivision and site plan approval is currently pending.

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

- Site Availability – The Township does not know of any encumbrances to development.
- Site Suitability – The site is predominantly vacant and contains a building that has been utilized as Trap Rock Industry’s headquarters in the past. The site has frontage on County Route 605, which collects traffic from a number of residential neighborhoods including other developments in the APT/TH zone and connects to NJ Route 27 and US Route 1. The site is bordered by single-family detached dwellings located in the Borough of Rocky Hill to the north; River Road and the Delaware and Raritan Canal State Park to the east; multi-family residential development to the south in Montgomery; and, the McKinley Commons/Montgomery Hills multi-family inclusionary residential development to the east, also in Montgomery.

Although portions of the overall 72.8-acre site are constrained by steep slopes, flood hazard area buffers, stream buffers and critical soil areas, approximately 41.5 acres of land are not constrained. A review of New Jersey Department of Environmental Protection (“NJDEP”) GeoWeb mapping indicates the site is not on the “Known Contaminated Sites” list, does not contain a Deed Notice, nor a groundwater contamination area (CKE or CEA). The site is in the Suburban Planning Area (Planning Area 2) of the State Development and Redevelopment Plan, where



development and redevelopment is preferred and which is also a preferred location for affordable housing development.

Approximately 29.88 acres of unconstrained land is already included within the sewer service area included in the Somerset Countywide Wastewater Management Plan. The developer is preparing an application to the NJDEP apply for a Wastewater Management Plan Amendment to include the remaining 11.6 acres of unconstrained land within the sewer service area. The entire site is located within the NJ American – Raritan water purveyor area. Pursuant to a May 23, 2018 letter from the Township Engineer and a May 17, 2018 letter from NJ American Water, there is adequate sewer and water service capacity to accommodate the previously proposed 250-unit development (see Appendix 26), which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with the Residential Site Improvement Standards (“RSIS”) and all other state regulations such as those of the NJDEP.

- Accessibility – All affordable units at the site will comply with the Barrier Free Subcode at *N.J.A.C. 5:23-7*.
- Administrative Entity – An experienced administrative agent will administer the units in accordance with UHAC (except to adhere to statutory very-low income requirements noted below) including affirmative marketing, minimum 30-year controls on affordability and bedroom distribution.
- Very Low/Low/Moderate-Income Split – Income distribution will follow UHAC, except for the statutory requirement for 13% of the affordable units to be affordable to very low-income households at 30% of the regional median income per the Township’s Settlement agreement with FSHC.

PIRHL/Sharbell/Tapestry at Montgomery/Kepner-Tregoe (“PIRHL”)

Sharbell received preliminary site plan approval to construct a 30,000 square foot office building on this 4.1-acre lot, but suspended plans to construct this project based on concerns about the office real estate market. Sharbell had previously approached the Township with a proposal to construct an 80-unit housing development, of which half of the units would be affordable. Sharbell also began discussions with the Township about a separate project known as the Kepner-Tregoe development – which would involve the demolition of an existing, Sharbell-owned office building and construction of approximately 147 housing units -- and offered to provide a set-aside of 23 affordable units. As an alternative, the Township suggested that Sharbell pursue a fully market-rate project at the Kepner Tregoe site, and construct a 100%

THIRD ROUND SITES

PIRHL/Sharbell/ Tapestry at Montgomery/ Kepner-Tregoe

Block 28004, Lot 7 and Block 28005, Lot 66

LOCATION:
Montgomery Township, Somerset County, NJ

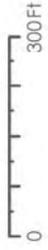
DATE:
May 2018

Legend

- Site
- Special Flood Hazard Area (100yr Flood)
- Streams
- Wetlands
- Water
- Slopes
 - 15 to 25 Percent
 - 25 Percent and above



KEY MAP



Clarke Caton Hintz
Architecture
Planning
Landscape Architecture





affordable 80-unit family rental development on Block 28004/Lot 7. Sharbell has expressed a willingness to pursue this suggestion and partnered with PIRHL Acquisitions, LLC.

On October 5, 2017, the Township, pursuant to Ordinance No. 17-1557, adopted the Planned Mixed Use Development (“PMUD”) Optional Development Alternative that established zoning for the 100% affordable family rental development. The ordinance was subsequently amended on February 1, 2018, pursuant to Ordinance No. 18-1566, to increase the maximum number of units permitted as part of this project. A copy of both the original and amended PMUD ordinance are in Appendix 15.

The Court-approved Settlement Agreement with FSHC includes specific provisions related to the PIRHL site. Specifically,

“the parties understand that the PIRHL/Sharbell/Tapestry Out-Parcel/Kepner-Tregoe site is being developed anticipating the developer seeking outside funding specifically from 9% Low Income Housing Tax Credits (“LIHTC”) as permitted in the Fair Housing Act at N.J.S.A. 52:27D-321.1, provided that if such funding is not received after two applications in successive LIHTC rounds, the inclusionary developer will adhere to a modified inclusionary zoning phasing schedule that permits certificates of occupancy (“c.o.’s”) for fifty (50%) percent of the market rate units before a building permit for the affordable building must be issued, and once the permit for the affordable building is pulled and work commences, the developer will not obtain more than sixty-five (65%) percent of the market rate c.o.s until the c.o. is issued for the affordable building.” (Section 9 of the Settlement Agreement)

The Settlement Agreement further states:

“In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary projects, a construction or implementation schedule shall be submitted for each step in the development process, including preparation of a site plan, granting of municipal approvals, applications for State and/or Federal Permits, selection of a contractor, and construction. To the extent the development remains a proposed 100% affordable housing project (with the ability to make two (2) applications in successive LIHTC rounds), the schedule for the PIRHL/Sharbell/Tapestry Out-Parcel/Kepner-Tregoe (Block 28004, Lot 7) site shall provide for the construction to begin within two years of the court’s granting of final judgment in this matter. ...” (Section 10 of the Settlement Agreement).

Lastly, the Settlement Agreement stipulates that:

“All units, including units funded through Low Income Housing Tax Credits which shall be subject to the bedroom distribution and income requirements specified at N.J.A.C. 5:80-26.3, shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. The Township shall require projects receiving nine percent Low Income



Housing Tax Credits, a control period of not less than a 30 year compliance period plus a 15 year extended use period. ...” (Section 14 of the Settlement Agreement).

The Township Committee, pursuant to Resolution #18-4-88, directed the Planning Board to undertake an investigation whether Block 28004 Lot 7 and Block 28005, Lot 66 located northwest of the intersection of State Route 206 and Country Route 518 constitute a Redevelopment Area pursuant to the New Jersey Local Redevelopment and Housing Law. The Planning Board, pursuant to a May 21, 2018 public hearing, adopted a resolution recommending Block 28004, Lot 7 and Block 28005, Lot 66 be determined to be in need of redevelopment (see Appendix 15 for a copy of the resolution). Additionally, the Township adopted an Agreement for Payments in Lieu of Taxes (“PILOT”) (see Appendix 15 for a copy of the PILOT Agreement).

PIRHL received Planning Board for the 86-unit 100% affordable family rental apartment project on July 2, 2018. The project was awarded New Jersey Housing and Mortgage Finance agency tax credit financing in November 2018. The project is currently under construction.



As stated in *N.J.A.C. 5:93-5*, affordable housing sites shall be available, 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 stated below, this PIRHL site meets these criteria:

- Site Availability – The site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. The site is owned by Sharbell Plainsboro, Inc. who has partnered with PIRHL Acquisitions, LLC to develop the project.
- Site Suitability – The site is currently vacant and part of the new “Planned Mixed Use Development” optional development alternative and proximate to existing single-family communities and the Sharbell-Hillside development, currently leasing units. It is also adjacent to an existing apartment community and across Research Road from a proposed townhouse and multi-family dwelling development. Hartwick Drive, the road serving the site, links with Research Road which has a direct connection to County Route 518 and which as identified within the Township’s Master Plan and required as part of the PMUD optional development alternative to be expanded to connect to US Route 206.



A review of NJDEP’s Geo-Web mapping indicates there is no known contamination on site, and no known environmental constraints. The site is within the Fringe Planning Area (PA3) in the State Development and Redevelopment Plan, which encourages development in designated centers or, per COAH’s rules at *N.J.A.C. 5:93-5.4(b)*, outside of a center COAH or the Court “*may permit such a site if infrastructure is available or can be easily extended from PA2*”. Montgomery Township identifies the site as within the “Rocky Hill Node” where the Township’s Development Plan guides and contains the principal commercial and higher density residential development within the Township. In addition, the entire site is located within sewer service area identified within the Somerset Countywide Wastewater Management Plan and the NJ American – Raritan water purveyor area. Pursuant to a May 23, 2018 letter from the Township Engineer and a May 17, 2018 letter from NJ American Water, there is adequate sewer and water service capacity to accommodate the full 86-unit development (see Appendix 26), which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with RSIS and all other state regulations such as those of the NJDEP.

- Accessibility – All affordable units at the site will comply with the Barrier Free Subcode at *N.J.A.C. 5:23-7*.
- Administrative Entity – PIRHL is an experienced affordable housing administrative agent that will administer the units in accordance with LIHTC regulations except for compliance per the Township’s Settlement Agreement with FSHC with certain UHAC provisions including affirmative marketing, 45-year controls on affordability (30 year compliance period plus a 15 year extended use period), very-low-, low- and moderate-income split (with 13% very-low income units) and bedroom distribution.
- Very Low/Low/Moderate-Income Split – Income distribution will follow UHAC, as well as the statutory requirement for 13% of the affordable units to be affordable to very low-income households at 30% of the regional median income.

CC1377, LLC/DeVan/VanCleaf (“DeVan”)

The project is a new inclusionary housing site located in the HC Highway Commercial Zone. The property is a five (5) acre tract known as Block 29002, Lot 45 and is located on U.S. Route 206. This inclusionary housing project will contain 115-unit multi-family apartment units with a 20% set-aside, or 23 affordable family rental units. The Township rezoned the site to allow the residential development (see Appendix 16 for new zoning ordinance). The affordable units will be developed and occupied in accordance with *N.J.A.C. 5:93-7* and UHAC, including but not limited to, bedroom distribution and affordability controls of at least 30 years, excepting 13% very-low income requirements. The units shall be administered by an experienced

THIRD ROUND SITES

CC1377, LLC/DeVan/ VanCleef

Block 29002, Lot 45

LOCATION:
Montgomery Township, Somerset County, NJ

DATE:
May 2018

Legend

-  1377, LLC
-  Special Flood Hazard Area (100yr Flood)
-  Streams
-  Wetlands
-  Water
- Slopes**
 -  15 to 25 Percent
 -  25 Percent and above



KEY MAP



Clarke Caton Hintz
Architecture
Planning
Landscape Architecture





administrative agent. This project will yield 23 credits toward the Third Round obligation. On August 17, 2020, the Planning Board approved the site plan application for the 115-unit project.

As stated in *N.J.A.C. 5:93-5*, affordable housing sites shall be available, 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 stated below, this DeVan site meets these criteria:

- Site Availability – Pursuant to the owner, the site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. The site is owned by developer CC1377, LLC.
- Site Suitability – The site fronts on Van Horne Road (US Route 206). It currently contains an EPA water monitoring station, and is adjacent to the Montgomery Shopping Center (south) and the Montgomery Knolls Condominium Office complex (north). The site is across the street from the proposed Village Shopper inclusionary zoning site. It is also surrounded by multi-family and single-family residences (east). The site is also within a quarter mile (less than a five-minute walk) from a bus stop.

The site is within the Fringe Planning Area (PA3) in the State Development and Redevelopment Plan, which encourages development in designated centers or, per COAH's rules at *N.J.A.C. 5:93-5.4(b)*, outside of a center COAH or the Court "*may permit such a site if infrastructure is available or can be easily extended from PA2*". Montgomery Township identifies the site as within the "Rocky Hill Node" where the Township's Development Plan guides and contains the principal commercial and higher density residential development within the Township.

NJDEP's Geo-Web mapping indicates the site is located within a groundwater contamination area (CEA); therefore, the site will be served by public sewer and water, rather than private well. It is located in a 523-acre groundwater pollution plume identified by the DEP in 1990. DeVan is in the process of mitigating the contamination; however, the pollution will have no impact on the project because the site will be served by public sewer and water. The site is located entirely within sewer service area identified within the Somerset Countywide Wastewater Management Plan and the NJ American – Raritan water purveyor area. Pursuant to a May 23, 2018 letter from the Township Engineer and a May 17, 2018 letter from NJ American Water, there is adequate sewer and water service capacity to accommodate the full 115-unit development (see Appendix 26), which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with RSIS and all other state regulations such as those of the NJDEP.



- Accessibility – All affordable units at the site will comply with the Barrier Free Subcode at *N.J.A.C. 5:23-7*.
- Administrative Entity – CC1377, LLC will be required to hire an experienced affordable housing administrative agent to administer the units in accordance with UHAC (exception noted below) including affirmative marketing, at least 30-year controls on affordability and bedroom distribution.
- Very Low/Low/Moderate-Income Split – Income distribution will follow UHAC except for the statutory requirement for 13% of the affordable units to be affordable to very low-income households at 30% of the regional median income.

Harlingen Village

The project is a new inclusionary housing site located in the NC Neighborhood Commercial Zone and R-2 Residential Zone. The property is a 22.18-acre tract known as Block 6001, Lots 33, 34, 34.01, 35, and 36, and is located on U.S. Route 206. The site is owned by Harlingen Associates, LLC (“Harlingen”), which is an affiliated entity of CC1377, LLC/DeVan/Van Cleef, mentioned above. This inclusionary housing project will contain 45 units with a 20% set-aside, or 9 affordable family rental units on a 10.51-acre portion of the 22.18-acre tract. Additionally, 11.67 acres on Lots 33, 35 and 36 that are not planned for development as part of this proposal will be dedicated to the Township as open space.

The Township rezoned the site to allow the inclusionary residential development (see Appendix 17 for new zoning ordinance). The affordable units will be developed and occupied in accordance with *N.J.A.C. 5:93-7* and UHAC, including but not limited to, bedroom distribution and affordability controls of at least 30 years, excepting 13% very-low income requirements. The units shall be administered by an experienced administrative agent. This project will yield 9 credits toward the Third Round obligation.

As stated in *N.J.A.C. 5:93-5*, affordable housing sites shall be available, 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 stated below, this Harlingen Village site meets these criteria:

- Site Availability – Per the owner, the site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. The site is owned by developer Harlingen Associates, LLC.
- Site Suitability – The site fronts on US Route 206, which connects rural and low-density residential neighborhoods to major highways and urban job centers such as New Brunswick, Trenton, and Princeton. The site is surrounded by large lot residential

THIRD ROUND SITES

Harlingen Village

Block 6001, Lots 33, 34, 34-01, 35 & 36

LOCATION:
Montgomery Township, Somerset County, NJ

DATE:
May 2018

Legend

-  Harlingen Village
-  Special Flood Hazard Area (100yr Flood)
-  Streams
-  Wetlands
-  Water
- Slopes**
 -  15 to 25 Percent
 -  25 Percent and above



KEY MAP



0 300FT

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture





subdivisions (north and west), farmland (east and south), commercial offices and a church (south and west).

As aforementioned, approximately 11.67 acres will be dedicated to the Township. This area contains wetlands, floodplains, and a riparian buffer, which will not impact the developability of the site as a whole. A review of NJDEP's Geo-Web mapping indicates there is no known contamination on site. The site is within the Fringe Planning Area (PA3) in the State Development and Redevelopment Plan, which encourages development in designated centers or, per COAH's rules at *N.J.A.C. 5:93-5.4(b)*, outside of a center COAH or the Court "*may permit such a site if infrastructure is available or can be easily extended from PA2*".

The unconstrained portion of the site is located within the sewer service area identified within the Somerset Countywide Wastewater Management Plan and the entire site is located within the NJ American – Raritan water purveyor area. Pursuant to a May 23, 2018 letter from the Township Engineer and a May 17, 2018 letter from NJ American Water, there is adequate sewer and water service capacity to accommodate the full 45-unit development (see Appendix 26), which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with RSIS and all other state regulations such as those of the NJDEP.

- Accessibility – All affordable units at the site will comply with the Barrier Free Subcode at *N.J.A.C. 5:23-7*.
- Administrative Entity – Harlingen Associates, LLC will be required to hire an experienced affordable housing administrative agent to administer the units in accordance with UHAC (exception noted below) including affirmative marketing, at least 30-year controls on affordability and bedroom distribution.
- Very Low/Low/Moderate-Income Split – Income distribution will follow UHAC except for the statutory requirement for 13% of the affordable units to be affordable to very low-income households at 30% of the regional median income.

Montgomery Five

The subject property is situated along the west side of Route 206 south of Applegate Road. Identified as Block 34001/Lots 60, 61 & 62 on the Township Tax Maps, the property contains approximately 1.692 acres. On September 18, 2017, the Montgomery Township Planning Board adopted a Redevelopment Plan for the subject property that requires the redeveloper to provide a payment in lieu of construction that would fund the creation of a four (4) bedroom



group home. Later, a January 22, 2018 Planning Board resolution granted site plan approval for the development. Pursuant to the Affordable Housing Agreement the redeveloper provided a \$200,000 payment in lieu of construction to the Township's Housing Trust Fund (see Appendix 18 for a copy of the Affordable Housing Agreement). The Township has a contract with Community Options, Inc., discussed in more detail under "Proposed Group Homes", to acquire property for the purposes of renovating, creating and operating a group home for very-low income qualified individuals with developmental disabilities, which shall provide for four (4) bedrooms, and the four (4) credits towards the Third Round.

Village Shopper

The Village Shopper site, currently referred to as Village Walk at Montgomery, is zoned Highway Commercial (HC) which permits retail sales of goods and services and office. However, on October 5, 2017, the Township adopted the PMUD Optional Development Alternative that includes this property and others within the vicinity (see Appendix 19 for a copy of the PMUD ordinance). The new PMUD zoning allows for mixed-use commercial development and inclusionary multi-family development. The owner of the property operates an adjacent shopping center and has agreed to develop inclusionary family rental housing on the upper stories of new retail buildings that will replace obsolete office and retail buildings. The property is located at 1330 and 1340 Route 206, known as Block 28005, Lots 60, 65, 68 and 69. The project received site plan approval for a total of 52 units, including eleven (11) affordable family rental units. The developer has agreed to provide a 20% affordable housing set aside regardless of the total unit count. The project is currently under construction.

As stated in *N.J.A.C. 5:93-5*, affordable housing sites shall be available, 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 stated below, this Village Shopper site meets these criteria:

- Site Availability – Per the owner, the site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. The site is owned by the developer.
- Site Suitability – The site fronts on Route 206, and is nearby a mixture of shopping centers, single-family and apartment communities, and other compatible land uses. A review of NJDEP's Geo-Web mapping indicates there is no known contamination on site, and no known environmental constraints. The site is within the Fringe Planning Area (PA3) in the State Development and Redevelopment Plan, which encourages development in designated centers or, per COAH's rules at *N.J.A.C. 5:93-5.4(b)*, outside of a center COAH or the Court "*may permit such a site if infrastructure is available or can be easily extended from PA2*". Montgomery Township identifies the site as within the "Rocky Hill Node" where the Township's Development Plan guides and contains

THIRD ROUND SITES

Village Shopper

Block 28005, Lots 60, 65, 68 and 69

LOCATION:
Montgomery Township, Somerset County, NJ

DATE:
May 2018

Legend

-  Site
-  Special Flood Hazard Area (100yr Flood)
-  Streams
-  Wetlands
-  Water
- Slopes**
 -  15 to 25 Percent
 -  25 Percent and above



KEY MAP



Clarke Caton Hintz
Architecture
Planning
Landscape Architecture





the principal commercial and higher density residential development within the Township.

NJDEP's Geo-Web mapping indicates the site is located within a groundwater contamination area (CEA); therefore, the site will be served by public sewer and water, rather than private well. It is located in a 523-acre groundwater pollution plume identified by the DEP in 1990. However, the pollution will have no impact on the project because the site will be served by public sewer and water. The site is located entirely within sewer service area identified within the Somerset Countywide Wastewater Management Plan and the NJ American – Raritan water purveyor area. Pursuant to a May 23, 2018 letter from the Township Engineer and a May 17, 2018 letter from NJ American Water, there is adequate sewer and water service capacity to accommodate the full 52-unit development and 65,000 square feet of office/retail use (see Appendix 26), which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with RSIS and all other state regulations such as those of the NJDEP.

- Accessibility – All affordable units at the site will comply with the Barrier Free Subcode at *N.J.A.C. 5:23-7*.
- Administrative Entity – Village Shopper will be required to hire an experienced affordable housing administrative agent to administer the units in accordance with UHAC (exception noted below) including affirmative marketing, at least 30-year controls on affordability and bedroom distribution.
- Very Low/Low/Moderate-Income Split – Income distribution will follow UHAC except for the statutory requirement for 13% of the affordable units to be affordable to very low-income households at 30% of the regional median income.

Blawenburg Village Square

The Township is reviewing a proposal from the current site owner to modify an existing mixed use development at the existing Railsedge/Blawenburg Village site, mentioned above, which will include one (1) additional affordable family rental unit. The existing facilities would need to be expanded to accommodate the additional units. CGP&H, an experienced affordable housing administrative agent, will continue to administer the affordable units on-site.

The unimproved portion of the site was previously approved for a bank; however, the site owner, Blawenburg Associates, LLC, could not find a bank tenant. After some time, Blawenburg Associates, LLC approached the Township Master Plan Committee about

THIRD ROUND SITES

Blawenburg Village Square

Block 25001, Lot 31

LOCATION:
Montgomery Township, Somerset County, NJ

DATE:
May 2018

Legend

-  Blawenburg Village Square
-  Special Flood Hazard Area (100yr Flood)
-  Streams
-  Wetlands
-  Water
- Slopes**
 -  15 to 25 Percent
 -  25 Percent and above



0 200 FT

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture





modifying the zoning to permit a fourth mixed-use building on-site. As a result, the Township adopted the Site Specific Inclusionary Zone 3 (SSIZ-3) zoning regulations to permit a fourth mixed-use building containing approximately 3,000 square feet of retail and three (3) family rental apartments, including one (1) family affordable rental apartment (see Appendix 20 for a copy of the SSIZ-3 ordinance). A site plan application is currently pending for this site.

As stated in *N.J.A.C. 5:93-5*, affordable housing sites shall be available, 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 stated below, this Blawenburg Village Square site meets these criteria:

- Site Availability – Per the owner, the site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. The site is owned by Blawenburg Associates, LLC, the developer.
- Site Suitability – The site is located at the intersection of County Route 518 and County Route 601 and is nearby a mixture of commercial uses, single-family and apartment communities, and other compatible land uses.

A review of NJDEP’s Geo-Web mapping indicates there is no known contamination on site, and no known environmental constraints. The site is within the Fringe Planning Area (PA3) in the State Development and Redevelopment Plan, which encourages development in designated centers or, per COAH’s rules at *N.J.A.C. 5:93-5.4(b)*, outside of a center COAH or the Court “*may permit such a site if infrastructure is available or can be easily extended from PA2*”.

The site is located entirely within sewer service area identified within the Somerset Countywide Wastewater Management Plan and the NJ American – Raritan water purveyor area. Pursuant to a May 23, 2018 letter from the Township Engineer and a May 17, 2018 letter from NJ American Water, there is adequate sewer and water service capacity to accommodate the full 3-unit development and 3,000 square feet of office/retail use (see Appendix 26), which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with RSIS and all other state regulations such as those of the NJDEP.

- Accessibility – All affordable units at the site will comply with the Barrier Free Subcode at *N.J.A.C. 5:23-7*.
- Administrative Entity – CGP&H, an experienced affordable housing administrative agent, will continue to administer the units. in accordance with UHAC (exception



noted below) including affirmative marketing, at least 30-year controls on affordability and bedroom distribution.

- Low/Moderate-Income Split – The one (1) affordable housing units shall be affordable to a low-income household.

ALTERNATIVE LIVING ARRANGEMENTS

Allies, Inc. Group Home

Allies, Inc. is a not-for-profit organization dedicated to providing a variety of services, including residential services to individuals with disabilities and, as part of its residential services, Allies creates and operates affordable housing group homes for individuals with disabilities.

In accordance with an executed agreement dated January 25, 2010 between Allies, Inc. and Montgomery Township, Allies has agreed to renovate the "Pine Knoll" residence on an approximately one (1) acre land area within the "Skillman Village" property owned by the Township and create the group home (see Appendix 21 for a copy of the Agreement). The Township completed the subdivision for the proposed group home on October 25, 2011 to establish the one-acre site for Allies, known as Block 26001, Lot 1.07. On July 23, 2013, the Township transferred ownership to Allies, Inc. of the subdivided lot, with the conditions that Allies would renovate and maintain Pine Knoll, provide a fully functional group home, and accept 30-year affordability controls. The Township and Allies executed a Declaration of Covenants, Conditions, and Restrictions Implementing Affordable Housing Controls on Deed-Restricted Affordable Housing Unit with Restrictions on Resale and Refinances on January 29, 2014 (see Appendix 21 for a copy of the Deed Restriction).

Allies, Inc. has partnered with Monarch Housing Associates to develop the site with a six-bedroom single-family dwelling. Monarch Housing Associates is a non-profit entity that

Alternative Living Arrangement / Supportive & Special Needs Housing

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

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

COAH's regulations at [N.J.A.C. 5:93-5.8](#) provides alternative living arrangements with credit by the bedroom.

Also, alternative living arrangements may receive credit for 10-year controls/existence per [N.J.A.C. 5:93-5.8](#).



assists consumers, providers and family organizations to develop, manage and operate permanent, affordable and supportive housing for persons with disabilities.

The Township has committed to dedicate up to \$55,895.64 to provide infrastructure assistance and the replacement and installation of the HVAC system and copper piping. Copies of the funding assistance agreements are provided in Appendix 21.

Pursuant to a March 4, 2020 letter from the Division of Developmental Disabilities (“DDD”), the New Jersey Department of Human Services (“DHS”) commits to support the construction of a six-bedroom dwelling to serve individuals with medical needs. DHS has also committed up to \$30,000 for the installation of a fire alarm and sprinkler system.

The Court-approved Settlement Agreement with FSHC includes specific provisions related to the Allies, Inc. Group Home. Specifically,

“In accordance with N.J.A.C. 5:93-5.5, Montgomery recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments solely including proposed group homes totaling 14 bedrooms and the municipal site (either 1860 House or the Muni Bldg/RMP site). ... During the compliance phase of the litigation, Montgomery will provide a pro forma detailing total development costs, sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding has not been submitted or is still pending, the municipality shall provide a stable alternative source in the event that the funding request is not approved, including through the adoption of a resolution of intent to bond.” (Section 10 of the Settlement Agreement)

The Settlement Agreement further states: *“the Allies and other proposed Group Homes that provide a total of 14 bedrooms shall be available for occupancy within two years of the court’s granting of final judgment in this matter.”* (Section 10 of the Settlement Agreement).

As stated in N.J.A.C. 5:93-5, affordable housing sites shall be available, 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 stated below, this Allies, Inc. site meets these criteria:

- Site Availability – Per the owner, the site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. The site is owned by developer Allies, Inc.
- Site Suitability – The site fronts on Burnt Hill Road and is surrounded by open space to the north, a dairy farm and open space to the east, and vacant land and open space to the south and east. A review of NJDEP’s Geo-Web mapping indicates there is no known contamination on site, and no known environmental constraints. The site is within the Fringe Planning Area (PA3) in the State Development and Redevelopment



Plan, which encourages development in designated centers or, per COAH's rules at *N.J.A.C. 5:93-5.4(b)*, outside of a center COAH or the Court "*may permit such a site if infrastructure is available or can be easily extended from PA2*".

The site is located entirely within sewer service area identified within the Somerset Countywide Wastewater Management Plan and the NJ American – Raritan water purveyor area. Pursuant to a May 23, 2018 letter from the Township Engineer and a May 17, 2018 letter from NJ American Water, there is adequate sewer and water service capacity to accommodate the six (6) bedroom Group Home (see Appendix 26), which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with RSIS and all other state regulations such as those of the NJDEP.

- Accessibility – All affordable units at the site will comply with the Barrier Free Subcode at *N.J.A.C. 5:23-7*.
- Administrative Entity – Allies, Inc. is an experienced affordable housing administrative agent that will administer the units in accordance with COAH's rules on group homes including affirmative marketing, and at least 30-year controls on affordability.
- Very Low/Low/Moderate-Income Split – Income distribution will follow UHAC as well as the statutory requirement for 13% of the affordable units to be affordable to very low-income households at 30% of the regional median income. Allies, Inc. confirmed that all of the units will be very-low income units.

Proposed Group Homes (Community Options Inc.)

Community Options, Inc. ("COI"), is a non-profit housing developer that specializes in creating housing for individuals with intellectual and developmental disabilities. COI buys, builds, renovates, and furnishes homes and provides 24/7 direct support care from highly trained staff who understand the individual's Habitation or Support Plan.

The Township has committed to fund three (3) group home projects for COI; one of which shall be funded through the Montgomery Five payment in lieu of construction. Each group home shall be a four (4) bedroom home, with an aggregate of 12 bedrooms. The Township will provide \$50,000 per bedroom, with an aggregate total of \$600,000. COI will be responsible for the acquisition, renovation and operation of the group homes for very-low income qualified individuals with developmental disabilities. Funding is contingent upon the execution of a Funding Agreement for each property. A sample Funding Agreement is provided in Appendix 22. The status of the three (3) group homes is provided in Table 27.



Address	Block	Lot	Status
91 Willow Run Lane	7003	1	Complete
19 Heather Lane	4066	7	Under Construction
231 Belle Mead-Griggstown Road	6001	8.04	Under Construction

The Court-approved Settlement Agreement with FSHC includes specific provisions related to the proposed Group Homes. Specifically,

“In accordance with N.J.A.C. 5:93-5.5, Montgomery recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments solely including proposed group homes totaling 14 bedrooms and the municipal site (either 1860 House or the Muni Bldg/RMP site). ... During the compliance phase of the litigation, Montgomery will provide a pro forma detailing total development costs, sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding has not been submitted or is still pending, the municipality shall provide a stable alternative source in the event that the funding request is not approved, including through the adoption of a resolution of intent to bond.” (Section 10 of the Settlement Agreement)

The Settlement Agreement further states: *“the Allies and other proposed Group Homes that provide a total of 14 bedrooms shall be available for occupancy within two years of the court’s granting of final judgment in this matter.”* (Section 10 of the Settlement Agreement).

ASSISTED LIVING

Tapestry Assisted Living

Sharbell Plainsboro, Inc. received conceptual approval from the Township Planning Board for a plan to construct an Assisted Living Residence of up to 120 beds on a 4.45-acre lot contiguous to the existing Sharbell-Hillside property, known as Block 28003, Lot 211 (see Appendix 23 for a copy of the Resolution). It is expected that this site will have imposed on it a 10% mandatory State-wide set-aside for the acceptance of Medicaid waivers by Assisted Living facilities created after 2001 that would create 12 affordable assisted living units. These units will address COAH’s regulations at *N.J.A.C. 5:93-5.16*.

Assisted Living

A development which is a facility licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed. These units are considered age-restricted housing.

THIRD ROUND SITES

Tapestry Assisted Living

Block 28003, Lot 211

LOCATION:
Montgomery Township, Somerset County, NJ

DATE:
May 2018

Legend

- Site
- Special Flood Hazard Area (100yr Flood)
- Streams
- Wetlands
- Water
- Slopes
- 15 to 25 Percent
- 25 Percent and above



KEY MAP



Clarke Caton Hintz
Architecture
Planning
Landscape Architecture





As stated in *N.J.A.C. 5:93-5*, affordable housing sites shall be available, 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 stated below, this Tapestry Assisted Living site meets these criteria:

- Site Availability – The site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. The site is owned by developer Sharbell Plainsboro, Inc.
- Site Suitability – The site fronts on Hartwick Drive and proximate to existing single-family communities and the Sharbell-Hillside development, currently leasing units. It is also adjacent to the proposed PIRHL site and proximate to a proposed townhouse and multi-family dwelling development. Hartwick Drive, the road serving the site, links with Research Road which has a direct connection to County Route 518 and which as identified within the Township’s Master Plan and required as part of the PMUD optional development alternative to be expanded to connect to US Route 206.

A review of NJDEP’s Geo-Web mapping indicates there is no known contamination on site, and no known environmental constraints. The site is within the Fringe Planning Area (PA3) in the State Development and Redevelopment Plan, which encourages development in designated centers or, per COAH’s rules at *N.J.A.C. 5:93-5.4(b)*, outside of a center COAH or the Court “*may permit such a site if infrastructure is available or can be easily extended from PA2*”. Montgomery Township identifies the site as within the “Rocky Hill Node” where the Township’s Development Plan guides and contains the principal commercial and higher density residential development within the Township.

The site is located entirely within sewer service area identified within the Somerset Countywide Wastewater Management Plan and the NJ American – Raritan water purveyor area. Pursuant to a May 23, 2018 letter from the Township Engineer and a May 17, 2018 letter from NJ American Water, there is adequate sewer and water service capacity to accommodate the 120-bed assisted living facility (see Appendix 26), which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with the Residential Site Improvement Standards and all other state regulations such as those of the NJDEP.

- Accessibility – All affordable units at the site will comply with the Barrier Free Subcode at *N.J.A.C. 5:23-7*.
- Administrative Entity – Sharbell will be required to hire an experienced affordable housing administrative agent to administer the units in accordance with UHAC



including affirmative marketing, at least 30-year controls on affordability. Bedroom distribution and income split will address COAH's requirements. Per N.J.A.C. 5:93-5.15(b), "at least half of the affordable units shall be affordable to low income households or all of the affordable units may be affordable to households at 60 percent of median income." Per N.J.A.C. 5:93-5.16(e), "assisted living residences shall be considered as age-restricted housing, and as such, ... each apartment qualifies as one credit except for an apartment with two distinct bedrooms that house two unrelated low or moderate income adults. In that instance, the apartment is eligible to receive two credits."

100% AFFORDABLE HOUSING PROJECTS

Habitat for Humanity

Habitat for Humanity, a recognized leader in providing affordable single-family housing to New Jersey residents, is currently constructing a three-bedroom single-family home located at Block 7002, Lot 5.

100% Affordable Development

A development in which all units are affordable to very-low-, low- and moderate-income households.

The Habitat for Humanity unit will be administered through Raritan Valley Habitat for Humanity and the income level of the household will be certified by Community Grants Planning and Housing (CGP&H), the Township's Administrative Agent. A representative deed restriction is provided in Appendix 24.

Montgomery Municipal Center Site / ConvaTec Inc. / RPM Site

The Township will sponsor a 100% affordable housing project at the new Montgomery Municipal Center Site (formerly referred to as the ConvaTec. Inc. / RPM Site) in lieu of either the "Municipal Building/RPM" site or the "1860 House" site as identified in the Settlement Agreement.

Montgomery Township is pursuing development of a portion of the property containing its future municipal building known as Block 20001, Lot 10.05. The Township is in discussion with RPM Development Group – an experienced affordable housing developer – to be the selected developer of the site. The site will be developed with a 100% affordable development consisting of 70 senior rental apartment units and one superintendent unit.

The entire future municipal complex consists of, approximately, 45.052 acres of developed and undeveloped land in the east-central quadrant of the Township. The site was formerly developed with a corporate campus composed of two office buildings totaling 155,928 square feet in floor area, along with 490 off-street parking spaces, driveways, stormwater management elements (basins) and open space areas. The complex was constructed in the late 1980's and

THIRD ROUND SITES

Montgomery Municipal Center Site

Block 20001, Lot 10.05

LOCATION:

Montgomery Township, Somerset County, NJ

DATE:

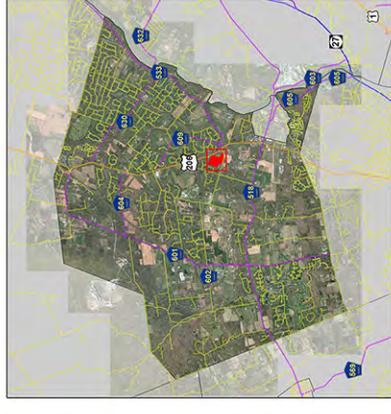
October 2020

Legend

- Site
- Special Flood Hazard Area (100yr Flood)
- Streams
- Wetlands
- Water

Slopes

- 15 to 25 Percent
- 25 Percent and above



Clarke Caton Hintz

Architecture
Planning
Landscape Architecture





was last occupied by ConvaTec, a medical device company, who vacated the site between 2013 and 2017. Since that time, both buildings have been demolished.

Somerset County owns the entire site, through the Somerset County Improvement Authority (SCIA). The SCIA was created pursuant to New Jersey's County Improvement Authorities Law, N.J.S.A. 40:37A-44 and acts as an agent of Somerset County. Somerset County acquired this vacant property in order to act as an ownership "bridge" between the former corporate entity and Montgomery Township. On October 20, 2016, Montgomery Township authorized a Lease Purchase Agreement with the SCIA through the adoption of ordinance #16-1530. Subsequently, a Lease Purchase Agreement was executed between the Township and the SCIA on December 1, 2016. Of the 45.052 acres, approximately 7 acres in the northwesterly quadrant of the site are being considered for residential redevelopment of 100% affordable units.

The experienced affordable housing developer intends to seek funding for this development including low-income housing tax credits, a deferred developer's fee, HOME funds, and any other financing that may be available. Consistent with N.J.A.C. 5:93-5.5, the experienced affordable housing developer and the Township will provide the Court with a pro-forma, and a construction schedule that provides that construction will begin within four years of a final judgement of repose. Additionally, the experienced affordable housing developer and the Township will enter into a developer's agreement to create affordable rental housing consistent with COAH's rules, UHAC, and the Settlement Agreement noted above.

As stated in *N.J.A.C. 5:93-5*, affordable housing sites shall be available, 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 stated below, this Municipal Building/RPM site meets these criteria:

- Site Control – The site is owned by Somerset County; however, Montgomery Township has entered into a Lease/Purchase agreement with the County. The agreement provides that the responsibility for the development, management and maintenance of the site lies with Montgomery Township.
- Site Suitability – The site is located on Orchard Road with a small amount of frontage along U.S. Route 206. The proposed development area is an approximately 7 acre portion of the northwesterly quadrant of the site. The remaining portion of the site will be the future site of a new Township Municipal Complex, including a County library branch. To the north is a restaurant and a large lot single-family neighborhood, to the east will be the future municipal complex, to the south is a corporate campus and to the west is a large lot single-family neighborhood. U.S. Route 206 is a major highway connecting rural and low-density communities to job centers including Princeton, Trenton, and New Brunswick. Access to the site would be from Headquarters Park Road, which passes through the lot as an access drive to the Municipal Complex.



The approximately 7 acre target area does not contain any environmental constraints. A review of NJDEP's Geo-Web mapping indicates there is no known contamination on site or deed notices. The site is within the Fringe Planning Area (PA3) in the State Development and Redevelopment Plan, which encourages development in designated centers or, per COAH's rules at *N.J.A.C. 5:93-5.4(b)*, outside of a center COAH or the Court "may permit such a site if infrastructure is available or can be easily extended from PA2".

The site is located entirely within sewer service area identified within the Somerset Countywide Wastewater Management Plan and the NJ American – Raritan water purveyor area. Pursuant to a September 22, 2020 letter from the Township Engineer and a October 1, 2020 letter from NJ American Water, there is adequate sewer and water service capacity to accommodate 71 units (see Appendix 25), which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with RSIS and all other state regulations such as those of the NJDEP.

- Accessibility – All affordable units at the site will comply with the Barrier Free Subcode at *N.J.A.C. 5:23-7*.
- Administrative Entity – An experienced affordable housing administrative agent will administer the units in accordance with UHAC (exception noted below) including affirmative marketing, 45-year controls on affordability (30 year compliance period plus a 15 year extended use period), and bedroom distribution.
- Very Low/Low/Moderate-Income Split – Income distribution will follow UHAC except for the statutory requirement for 13% of the affordable units to be affordable to very low-income households at 30% of the regional median income.

1860 House Site

The 1860 House site is located on a municipally-owned 16.19-acre plot of land, known as Block 23001, p/o Lot 13, along Montgomery Road adjacent to the "Stonebridge" continuing care retirement community owned and operated by Springpoint (f/k/a Presbyterian Homes).

The 1860 House, which is occupied by the 24 Club as a support group facility, is located toward the front of the property, near Montgomery Road. In the future, the Township may sell the 1860 House on a new 3-acre lot to be subdivided to the 24 Club. Another new lot could be created containing approximately five (5) acres to be developed with approximately 60 age-restricted affordable apartments. Affordable dwelling units developed on this site will be

THIRD ROUND SITES

1860's House

Block 23001, Lot 13

LOCATION:
Montgomery Township, Somerset County, NJ

DATE:
May 2018

Legend



Site

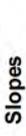
Special Flood Hazard Area (100yr Flood)



Streams



Wetlands



Water

Slopes

15 to 25 Percent

25 Percent and above



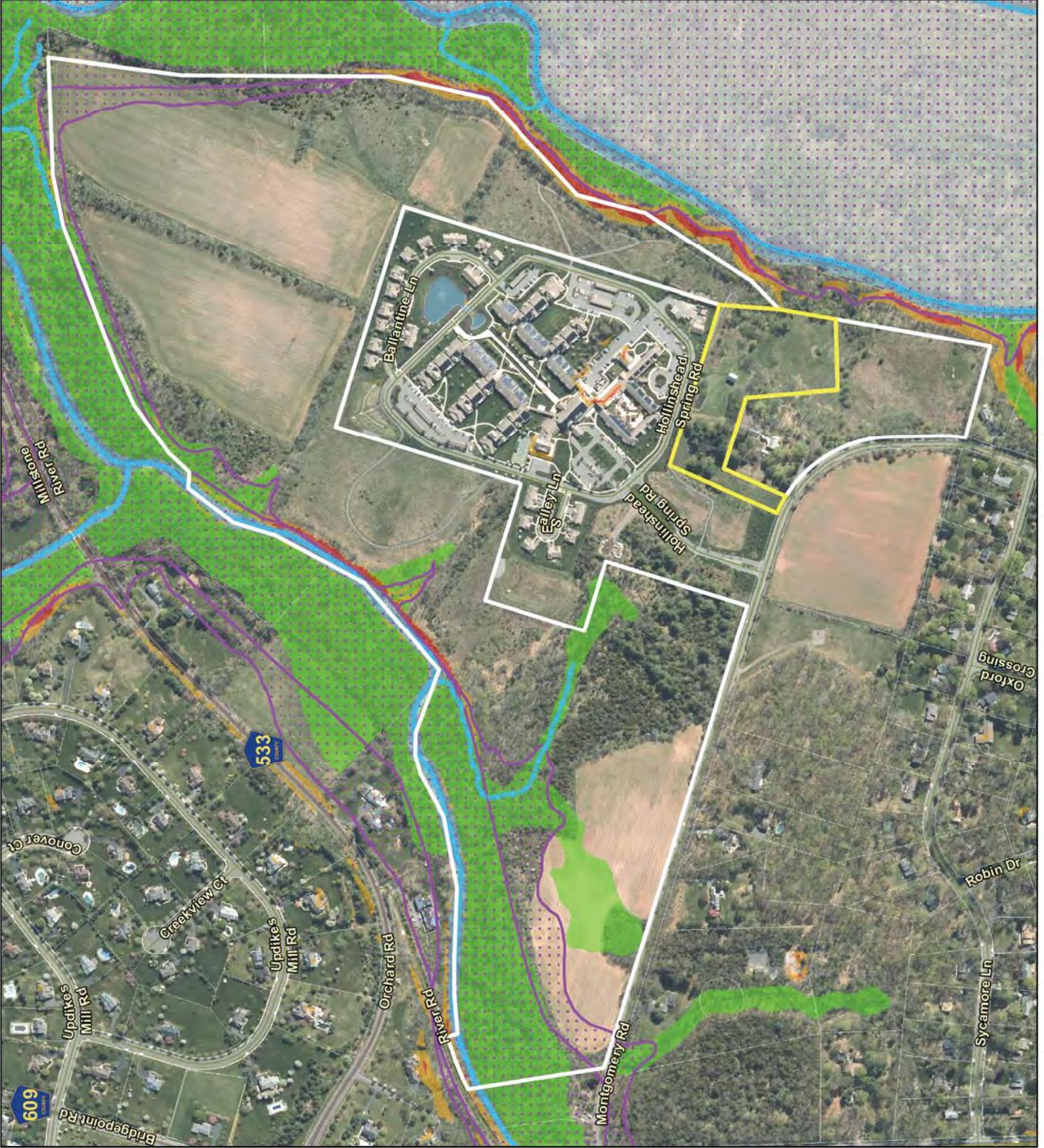
KEY MAP



0 600 FT

Clarke Caton Hintz

Architecture
Planning
Landscape Architecture





credited to the Township's prospective need for future affordable housing obligations, in accordance with then-applicable law.

As stated in *N.J.A.C. 5:93-5*, affordable housing sites shall be available, 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 stated below, this 1860 House site meets these criteria:

- Site Control – The site is owned by Montgomery Township.
- Site Suitability – The site fronts on Montgomery Road, and is adjacent to the Stonebridge at Montgomery CCRC to the north and west, and vacant lands to the south, and east. The site is partially constrained by wetlands on its eastern property line and contains a de minimis area of steep slopes. The site is within the Fringe Planning Area (PA3) in the State Development and Redevelopment Plan, which encourages development in designated centers or, per COAH's rules at *N.J.A.C. 5:93-5.4(b)*, outside of a center COAH or the Court "*may permit such a site if infrastructure is available or can be easily extended from PA2*".

The site is within the sewer service area and has a sewer access easement linking to the adjacent Stonebridge site. The site is located within the NJ American – Raritan water purveyor area. Pursuant to a May 23, 2018 letter from the Township Engineer and a May 17, 2018 letter from NJ American Water, there is adequate sewer and water service capacity to accommodate approximately 60 senior apartment rental units (see Appendix 26), which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with RSIS and all other state regulations such as those of the NJDEP.

- Accessibility – All affordable units at the site will comply with the Barrier Free Subcode at *N.J.A.C. 5:23-7*.
- Administrative Entity – An experienced affordable housing administrative agent will administer the units in accordance with UHAC (exception noted below) including affirmative marketing, 45-year controls on affordability (30 year compliance period plus a 15 year extended use period), and bedroom distribution.
- Very Low/Low/Moderate-Income Split – Income distribution will follow UHAC except for the statutory requirement for 13% of the affordable units to be affordable to very low-income households at 30% of the regional median income.



SATISFACTION OF THE PRIOR ROUND & THIRD ROUND OBLIGATIONS											
Program	Rental	Senior	Family	Total Units	Prior Round: 397 units			Third Round: 616 units			
					Units	Bonus Credits	Total Credits	Units	Bonus Credits	Total Credits	
<u>Special Needs</u>											
Crawford Transitional Housing	x			7	7	0	7				
Devereux Group Home	x			4	4	0	4				
Delta Comm Support Group Home	x			3	3	0	3				
Allies Group Home	x			6				6	0	6	
Proposed Group Homes, including Montgomery 5 payment-in-lieu	x			12				12	0	12	
<u>Inclusionary Housing Developments</u>											
McKinley Comm. / Montgomery Hills	x	x		60	60	0	60				
McKinley Comm./Montgomery Hills			x	35	35	0	35				
Montgomery Glen			x	19	19	0	19				
Pike Run (Bellmead)	x		x	210	102	77, cap	179	108	108	216	
JER Herring Orchard	x		x	40				40	40	80	
Sharbell-Hillside	x		x	23				23	6, cap	29	
Raisedge/Blawenburg Village	x		x	3				3	0	3	
Country Club Meadows	x		x	27				27	0	27	



SATISFACTION OF THE PRIOR ROUND & THIRD ROUND OBLIGATIONS										
Program	Rental	Senior	Family	Total Units	Prior Round: 307 units			Third Round: 616 units		
					Units	Bonus Credits	Total Credits	Units	Bonus Credits	Total Credits
Trap Rock / Haven at Princeton			X	32				32	0	32
PIRHL	X		X	86				86	0	86
DeVan / CC1377, LLC	X		X	23				23	0	23
Harlingen Village	X		X	9				9	0	9
Village Shopper	X		X	11				11	0	11
Blawenburg Village Square	X		X	1				1	0	1
Assisted Living										
Tapestry Assisted Living	X	X		12				12	0	12
100% Affordable Housing Developments										
Habitat for Humanity			X	1				1	0	1
Montgomery Municipal Center Site / ConvaTec Inc./ RPM Site (formerly Municipal Building / RPM or 1860 house) (65 of 70 senior rental)	X	X		65				65	0	65
Montgomery Municipal Center Site / ConvaTec Inc./ RPM Site (formerly Municipal Building / RPM or 1860 house) (5 of 70 special needs)	X			5				5	0	5
Total				699	230	77	307	464	154	618
Third Round Surplus (over 616)								2	0	2



PRIOR ROUND CREDIT SUMMARY		
	Required	Provided
Prior Round Total Credits	307	307
Prior Round Total Units		230
Prior Round Rental	77 (min.)	176
Prior Round Senior	76 (max.)	60

THIRD ROUND CREDIT SUMMARY		
	Required	Provided
Third Round Total Credits	616	618
Third Round Total Units		464
Third Round Rental	154 (min.)	431
Third Round Family Rental	77 (min.)	331
Third Round Senior	154 (max.)	77
Third Round Family	231 (min.)	364
Third Round Very-Low Income	38 (min.)	67
Third Round Family Very-Low Income	19 (min.)	39



INCOME DISTRIBUTION

Affordable units addressing the prior round or third round obligation and which are subject to UHAC shall be composed of a minimum of 50% low income units; the remaining units may be moderate income.

One exception to UHAC, pursuant to the 2008 amendments to the FHA, P.L. 2008, c. 46 (codified as N.J.S.A. 52:27D-329.1), municipalities must provide very low-income units equal to 13% of all affordable units approved and constructed after July 17, 2008 at 30% of the regional median income instead of the UHAC standard of 10% at 35% of the regional median income.

Low Income Units

The Township is eligible for credit for 696 units to satisfy the prior round and third round obligations. Of these, 362 units, or 52.0%, are low income units; the remaining 334 units, or 48.0%, are moderate income units.

SATISFACTION OF INCOME DISTRIBUTION						
Program	Rental	Senior	Family	Income Level		
				Very Low	Low	Moderate
Special Needs						
Crawford Transitional Housing	x			7	0	0
Devereux Group Home	x			4	0	0
Delta Comm Support Group Home	x			3	0	0
Allies Group Home	x			6	0	0
Proposed Group Homes, including Montgomery 5 payment-in-lieu	x			12	0	0
Inclusionary Housing Developments						
McKinley Comm. / Montgomery Hills	x	x		0	30	30
McKinley Comm./Montgomery Hills			x	0	17	18
Montgomery Glen			x	0	10	9
Pike Run (Bellmead)	x		x	0	114	96



SATISFACTION OF INCOME DISTRIBUTION						
Program				Income Level		
	Rental	Senior	Family	Very Low	Low	Moderate
JER Herring Orchard	x		x	8	6	26
Sharbell-Hillside	x		x	3	9	11
Railsedge/Blawenburg Village	x		x	0	0	3
Country Club Meadows	x		x	4	10	13
Trap Rock / Haven at Princeton			x	5	11	16
PIRHL	x		x	14	29	43
DeVan / CC1377, LLC	x		x	3	9	11
Harlingen Village	x		x	2	3	4
Village Shopper	x		x	2	4	5
Blawenburg Village Square				0	1	0
Assisted Living						
Tapestry Assisted Living	x	x		0	0	12
100% Affordable Housing Developments						
Habitat for Humanity			x	0	0	1
Montgomery Municipal Center Site / ConvaTec Inc./ RPM Site (formerly Municipal Building / RPM or 1860 house)	x	x		10	25	35
Total				83	278	333



Very Low Income Units

The Township has 290 affordable units proposed, approved, and constructed on or after July 17, 2008. As such, the very low income obligation is 38 units (.13 x 290), including the following:

VERY-LOW INCOME OBLIGATION CALCULATION	
Project	Affordable Units
Country Club Meadows	27
Trap Rock / Haven at Princeton	32
Allies Inc. Group Home	6
Proposed Group Homes	12
PIRHL	86
DeVan / CC1377, LLC	23
Harlingen Village	9
Village Shopper	11
Blawenburg Village Square	1
Tapestry Assisted Living	12
Habitat for Humanity	1
Montgomery Municipal Center Site/ConvaTec Inc./RPM	70
Total	290
13%	37.7

As illustrated in the Income Distribution table, the Township far exceeds its very low income obligation. Additionally, 69 of the very low income units are to be provided in the Third Round and 41 of the Township's Third Round very low income units are family units in that they are not restricted to special needs or age-restricted households.



AFFORDABLE HOUSING ADMINISTRATION & AFFIRMATIVE MARKETING

Montgomery Township has prepared an Affordable Housing Ordinance in accordance with COAH's substantive rules and UHAC. The Affordable Housing Ordinance will govern the establishment of affordable units in the Township as well as regulating the occupancy of such units. The Township's Affordable Housing Ordinance covers the phasing of affordable units, the low/moderate income split, very-low income units, bedroom distribution, occupancy standards, affordability controls, establishing rents and prices, affirmative marketing, income qualification, etc. One exception to UHAC, pursuant to the 2008 amendments to the FHA, P.L. 2008, c. 46 (codified as N.J.S.A. 52:27D-329.1), municipalities must provide very low-income units equal to 13% of all affordable units approved and constructed after July 1, 2008 at 30% of the regional median income instead of the UHAC standard of 10% at 35% of the regional median income.

Affirmative Marketing

The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups...to housing units which are being marketed by a developer or sponsor of affordable housing. It is a continuing program and covers the period of deed restriction.

In addition, the Township's Affirmative Marketing Plan will address the Settlement Agreement provisions to add more community groups for direct notification of affordable housing unit availability. The additional community groups include:

- Fair Share Housing Center;
- New Jersey State Conference of the NAACP;
- Latino Action Network;
- New Brunswick branch of the NAACP;
- Plainfield Area branch of the NAACP;
- Perth Amboy branch of the NAACP; and,
- Metuchen/Edison branch of the NAACP.

The Township has established the position of the Municipal Housing Liaison and has appointed a staff member to the position. However, the Township relies on outside experienced affordable housing organizations to conduct the administration and affirmative marketing of its affordable housing sites. The affirmative marketing plans are 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 Township. 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



Township's housing region, Region 3, consisting of Hunterdon, Middlesex, and Somerset counties.

The affirmative marketing plans include 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. 5:80-26.1* et seq. All newly created affordable units will comply with at least 30-year affordability control required by UHAC, *N.J.A.C. 5:80-26.5* and *5:80-26.11*. This plan must be adhered to by all private, non-profit, and municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit.

AFFORDABLE HOUSING TRUST FUND

On March 5, 1997, COAH approved the Township's mandatory development fee ordinance. This ordinance was adopted by the municipality on April 17, 1997. An amendment to the development fee ordinance was approved by COAH on December 5, 2008, which set to establish residential development fees in the amount of 1.5% of the equalized assessed value of residential development and nonresidential development fees in the amount of 2.5% of the equalized assessed value of nonresidential development. The amendment was formally adopted by the Township on December 18, 2008. Subsequently, the Township adopted an amended development fee ordinance on July 19, 2018 (see Appendix 28).

COAH approved the Township's Spending Plan on March 5, 1997 and the Court approved the Township's 2018 Spending Plan on July 24, 2019. Pursuant to the July 24, 2019 Judgment of Repose, the Township has prepared this amended Housing Element and Fair Share Plan. As such, a new spending plan has been prepared consistent with this Amended Plan. The Spending Plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, was prepared in accordance with COAH's applicable substantive rules (see Appendix 25). The Spending Plan also demonstrates compliance with the requirement to expend development fee revenues within four years of collection, beginning on the date which the Spending Plan is approved by the Superior Court. All collected revenues will be placed in the Township's Affordable Housing Trust fund and may be disbursed for the use of affordable housing activities, including the following:

Eligible Trust Fund Expenditures

"A municipality may use revenues collected from the development fees for any activity approved by the Council (now the Court) for addressing the municipal fair share...Municipalities are encouraged to use development fee revenues to attract other funds..."

- New construction of affordable housing units and related development costs;



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

At least 30% of collected development fees, excluding expenditures made from the inception of the fund to June 2, 2008 on all new construction, previously funded RCAs and rehabilitation activities, shall be used to provide affordability assistance to very-low-, low- and moderate-income households in affordable units included in a municipal Fair Share Plan. Additionally, no more than 20% of the revenues collected from development fees each year, exclusive of the fees used to fund an RCA, shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to prepare or implement a rehabilitation program, a new construction program, a housing element and fair share plan, and/or an affirmative marketing program.

COST GENERATION

Montgomery Township's Land Development Ordinance has been reviewed to eliminate unnecessary cost generating standards; it provides for expediting the review of development applications containing affordable housing. Such expedition may consist of, but is not limited to, scheduling of pre-application conferences and special monthly public hearings. Furthermore, development applications containing affordable housing shall be reviewed for consistency with the Land Development Ordinance, Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.), 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. Montgomery Township shall comply with COAH's requirements for unnecessary cost generating requirements, 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.



MONITORING/STATUS REPORTS

On the first anniversary of the execution of the FSHC agreement which is December 8, 2018, and every anniversary thereafter through the end of the agreement, the Township agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs (“NJDCA”), COAH, or NJ Local Government Services (“NJLGS”), or other entity designated by the State of New Jersey, with a copy provided to FSHC and posted on the municipal website, using forms developed for this purpose by the NJDCA, COAH, or LGS.

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

In addition, on the first anniversary of the execution of the FSHC agreement dated December 8, 2017, and every anniversary thereafter through the end of the agreement, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC, using forms previously developed for this purpose by COAH or any other forms endorsed by the Special Master and FSHC.

The Fair Housing Act includes two provisions regarding action to be taken by the Township during the ten-year period of protection acknowledged by the Settlement Agreement. The Township agrees to comply with those provisions as follows:

- a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced. Any interested party may by motion request a hearing before the court regarding these issues.
- b. For the review of very-low income housing requirements required by N.J.S.A. 52:27D-329.1 within 30 days of the third anniversary of the FSHC agreement dated December 8, 2017, and every third year thereafter, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very-low income requirements, including the family very-low income requirements. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very low income housing obligation under the terms of the settlement with FSHC.



SUMMARY

The Township of Montgomery does not have a Third Round Rehabilitation obligation. Pursuant to the 2017 Settlement Agreement with Fair Share Housing Center, the Township has addressed its 307-unit Prior Round obligation with three (3) completed inclusionary housing developments, three (3) completed alternative living arrangements, and Prior Round rental bonuses. Montgomery will address its Third Round obligation with inclusionary developments completed and under construction, adopted inclusionary zoning, proposed inclusionary zoning, alternative living arrangements, a proposed 100% affordable housing site, and Third Round rental bonuses.

The Township has entirely satisfied its Prior Round obligation. These Prior Round compliance mechanisms include McKinley Commons/Montgomery Hills (formerly known as Scribner Village), an inclusionary development, with 35 affordable family sale units and 60 affordable senior rentals; Montgomery Glen, an inclusionary development, with 19 affordable family sale units; and Pike Run (Bellemead), an inclusionary development, with 210 affordable family rental units, 102 of which address the Township's Prior Round obligation, that received COAH Second Round Substantive Certification in 1997 with extensions in 2002 and 2005. Additionally, these units are eligible for the maximum 77 rental bonuses pursuant to *N.J.A.C. 5:93-5.15(d)*. Montgomery addressed the remaining Prior Round obligation with three (3) alternative living arrangements totaling 14 bedrooms/credits.

The Township's Third Round obligation will be addressed with the remaining 108 affordable family rental units at Pike Run (Bellemead) inclusionary development, 40 affordable family rental units at JER Herring Orchard inclusionary development, 23 family rentals at Sharbell-Hillside inclusionary development, 3 affordable family rentals at Railsedge/Blawenburg Village inclusionary development, 154 rental bonuses associated with Pike Run, JER Herring Orchard, and Sharbell-Hillside, and 27 affordable family rental units currently under construction as part of the Country Club Meadows inclusionary development. Additionally, the Township has identified seven (7) sites suitable for inclusionary zoning; the Trap Rock site, PIRHL site, DeVan/CC1377, LLC site, Harlingen Village site, Village Shopper, Blawenburg Village Square and the Tapestry Assisted Living site. The Township has already adopted inclusionary zoning provisions for the Trap Rock, PIRHL, Village Shopper, Tapestry Assisted Living, DeVan/CC1377, LLC, Harlingen Village, and Blawenburg Village Square sites that will support the development of 174 affordable housing units. The Township also has agreements with Allies, Inc. and Community Options, Inc. to acquire and renovate existing dwellings into alternative living arrangements; resulting in 18 bedrooms/credits including a 4-bedroom group home funded by Montgomery Five. Lastly, the Township's Third Round obligation will be addressed with a 100% affordable housing site located at the Montgomery Municipal Center Site/ConvaTec Inc./RPM Site, which will result in 70 senior rentals and special needs units.

1. 2017 SETTLEMENT AGREEMENT, 2018
COURT ORDER APPROVING
AGREEMENT AND 2019 JOR



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

December 8, 2017

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

**Re: In the Matter of the Application of the Township of Montgomery,
County of Somerset, Docket No. SOM-L-924-15**

Dear Mr. Van Hise:

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

Background

Montgomery filed the above-captioned matter on July 7, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq. in accordance with In re N.J.A.C. 5:96 and 5:97, supra. Through the declaratory judgment process, the Township and FSHC agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

Settlement terms

The Township and FSHC hereby agree to the following terms:

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

Rehabilitation Share (per Kinsey Report ¹)	0
Prior Round Obligation (pursuant to <u>N.J.A.C. 5:93</u>)	307
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this Agreement)	616

4. For purposes of this Agreement, the Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017). The parties have agreed, by this Agreement, to reduce Montgomery's Third Round Obligation to 616 units by virtue of a reduction of the 975-unit Third Round Obligation calculated in the Kinsey May 2016 report.
5. The Township does not have a present need obligation.
6. As noted above, the Township has a Prior Round prospective need of 307 units, which is met through the following compliance mechanisms:

Montgomery's Prior Round Compliance Mechanisms			
	Credits	Bonuses	Total
<i>Inclusionary Developments – completed</i>			
McKinley Comm./Montgomery Hills – family sales	35	0	35
McKinley Comm./Montgomery Hills – senior rentals	60	0	60
Montgomery Glen – family sales	19	0	19
Pike Run (Bellemead) – family rentals, 102 of 210	102	77, cap	179
<i>Alternative Living Arrangements – completed, credit - bedroom</i>			
Crawford Transitional Housing – 7 bedrooms	7	0	7
Devereux Group Home – 4 bedrooms	4	0	4
Delta Comm Support Group Home – 3 bedrooms	3	0	3
Total	230	77	307

7. The Township has implemented or will implement the following mechanisms to address its Third Round prospective need of 616 units:

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

Montgomery's Third Round Compliance Mechanisms			
	Credits	Bonuses	Total
<i>Inclusionary Developments - Completed</i>			
Pike Run (Bellemead) – family rentals, 108 of 210, balance, bonus cap	108	108	216
JER Herring Orchard/K. Hov/Ingeman – family rentals	40	40	80
Sharbell-Hillside – family rentals	23	6, cap	29
Railsedge/Blawenburg Village – family rentals	3	0	3
<i>Inclusionary Developments - approved</i>			
Country Club Meadows – family rentals, approved, agreement, under construction	27	0	27
<i>Inclusionary Zoning - existing</i>			
Trap Rock – family units, 250 total x 20% = 50	50	0	50
<i>Alternative Living Arrangements – agreement, proposed</i>			
Allies group home – developer's agreement, donated land	6	0	6
Proposed group homes –bedrooms	8	0	8
<i>Inclusionary Developments – Proposed</i>			
PIRHL/Sharbell/Tapestry at Montgomery / Kepner-Tregoe – 80 total affordable family rentals	80	0	80
DeVan/Van Cleef – family rentals 90 total units x 20% = 18	18	0	18
Harlingen Village – family rentals 30 total units x 20% = 6	6	0	6
Montgomery Five - Payment in Lieu - 4br group home	4	0	4
Village Shopper – family apts above retail, 50 units x 20% = 10	10	0	10
Blawenburg Village Sq. – add'l mixed use bldg. – 3 afford. units	3	0	3
<i>Inclusionary Developments – proposed seniors</i>			
Tapestry assisted living – 120 beds x 10% = 12 seniors	12	0	12
<i>Proposed 100% Sites– senior units, special needs</i>			
Muni Bldg/RPM Or 1860 House - senior rentals including special needs	64	0	64
Total	462	154	616

8. As an essential term of this settlement, in addition to the crediting discussed above, within one hundred and twenty days (120) days of Court Approval of this Settlement Agreement, the Township shall adopt an ordinance providing for the amendment of the Township's Housing Ordinance, in a form satisfactory to FSHC and the Special Master, so as to establish zoning standards that provide for an inclusionary zoning requirement on future multifamily development at a density of at least six (6) units per acre, yielding at least five (5) or more new units in the Township developed through municipal rezoning, zoning board use "d" variance approval, redevelopment or rehabilitation plan requiring a set-aside of at least 15 percent of all units in rental developments as

affordable, and 20 percent of all units in for-sale developments as affordable, with at least 50 percent of the units in each development being affordable to low-income households including 13 percent in rental developments affordable to very-low-income households, with all such affordable units including the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls ("UHAC"), N.J.A.C. 5:80-26.1 *et seq.* or any successor regulation, and all other applicable law. Language shall be included in the Ordinance to explicitly address that developers cannot, for example, subdivide a project into two lots and then make each of them a number of units just below the threshold. The Township shall maintain this Ordinance as a part of its Code through at least July 7, 2025. This ordinance does not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of the Township to grant such rezoning, variance or other relief.

9. The Township will provide a realistic opportunity for the development of affordable housing through the maintenance of inclusionary zoning on the Country Club Meadows site, PIRHL/Sharbell/Tapestry at Montgomery/Kepner-Tregoe, Village Shopper, and Trap Rock site and adoption of inclusionary zoning on the DeVan/Van Cleef, Harlingen Village, and Blawenburg Village Square site. The parties understand that the PIRHL/Sharbell/Tapestry Out-Parcel/Kepner-Tregoe site is being developed anticipating the developer seeking outside funding specifically from 9% Low Income Housing Tax Credits ("LIHTC") as permitted in the Fair Housing Act at N.J.S.A. 52:27D-321.1, provided that if such funding is not received after two applications in successive LIHTC rounds, the inclusionary developer will adhere to a modified inclusionary zoning phasing schedule that permits certificates of occupancy ("c.o.'s") for fifty (50%) per cent of the market rate units before a building permit for the affordable building must be issued, and once the permit for the affordable building is pulled and work commences, the developer will not obtain more than sixty-five (65%) of the market rate unit c.o.'s until the c.o. is issued for the affordable building. This property is further described in paragraph 10 below.
10. The Township will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:

In accordance with N.J.A.C. 5:93-5.5, Montgomery recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments solely including proposed group homes totaling 14 bedrooms and the municipal site (either 1860 House or Muni Bldg/RPM site). This specifically does not pertain to the PIRHL/Sharbell/Tapestry Out-Parcel/Kepner-Tregoe site. During the compliance phase of the litigation, Montgomery will provide a pro forma detailing total development costs, sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding has not been submitted or is still pending, the municipality shall provide a stable alternative source in the event that the funding request is not approved, including through the adoption of a resolution of intent to bond.

In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary projects, a construction or implementation schedule shall be submitted for each step in the development process, including preparation of a site plan, granting of municipal approvals, applications for

State and/or Federal Permits, selection of a contractor and construction. To the extent the development remains a proposed 100% affordable housing project (with the ability to make two (2) applications in successive LIHTC rounds), the schedule for the PIRHL/Sharbell/Tapestry Out-Parcel/Kepner-Tregoe (Block 28004, Lot 7) site shall provide for construction to begin within two years of the court's granting of final judgment in this matter. So as to enable the Township to prioritize seeking funding for the family rental housing at the PIRHL/Sharbell/Tapestry Out-Parcel/Kepner-Tregoe site, the schedule for the 1860 House (Block 23001, Lot 13) or Muni Bldg/RPM site, which the Township may choose between within two years of final judgment in this matter, shall provide for funding applications to be filed within four years of the court's granting of final judgment in this matter and for construction to be started within four years of the court's granting of final judgment in this matter, but in no event later than July 1, 2022. The Allies and other proposed Group Homes that provide a total of 14 bedrooms shall be available for occupancy within two years of the court's granting of final judgment in this matter.

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

Based on the chart in #7 above, a total of 37 very-low income units will be required and provided. At least thirteen (13%) percent of the total affordable units in the following will be required to be reserved for very-low income households/individuals: Country Club Meadows, Trap Rock, proposed group homes, PIRHL/Sharbell/Tapestry Out-Parcel/Kepner-Tregoe site, DeVan/Van Cleef, Harlingen Village, Montgomery Five group home, Village Shopper, Blawenburg Village Sq., Tapestry assisted living, Muni Bldg/RPM or 1860 House site.

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

13. The Township shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, and the New Brunswick, Plainfield Area, Perth Amboy, and Metuchen/Edison branches of the NAACP, and shall, as part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, provide notice to those organizations of all available affordable housing units. The Township also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.
14. All units, including units funded through Low Income Housing Tax Credits which shall be subject to the bedroom distribution and income requirements specified at N.J.A.C. 5:80-26.3, shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. The Township shall require projects receiving nine percent Low Income Housing Tax Credits, a control period of not less than a 30 year compliance period plus a 15 year extended use period. The Township as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied.

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

- a. Regional income limits shall be established for the region that the Township is located within (i.e. Region 3) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.

- b. The income limits attached hereto as Exhibit A are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2017, and shall be utilized until the Township updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
 - c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
 - d. The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement.
15. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
 16. As an essential term of this Agreement, within one hundred and twenty (120) days of Court's approval of this Agreement, the Township shall introduce and adopt an ordinance or ordinances providing for the amendment of the Township's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this Agreement and the zoning contemplated herein and adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement.
 17. The parties agree that if a decision of a court of competent jurisdiction in Somerset County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Township for the period 1999-2025 that would be lower by more than ten (10%) percent than the total prospective Third Round need obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
 18. The Township shall prepare a Spending Plan within the period referenced above, subject to the review of FSHC and approval of the Court, and reserves the right to seek approval from the Court that the expenditures of funds contemplated under the Spending

Plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of this Agreement, which shall be established by the date on which it is executed by a representative of the Township, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the Township agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

19. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
20. The Fair Housing Act includes two provisions regarding action to be taken by the Township during the ten-year period of protection provided in this Agreement. The Township agrees to comply with those provisions as follows:
 - a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of the Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity. Such posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center, regarding the continued realistic opportunity of unbuilt sites or unfulfilled mechanisms. Any interested party may by motion request a hearing before the court regarding these issues.
 - b. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of this Agreement, and every third year thereafter, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
21. FSHC is hereby deemed to have party status in this matter and to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading. The parties to this Agreement agree to request the Court to enter an

order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.

22. This Agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The Township shall present its planner as a witness at this hearing. FSHC agrees to support this Agreement at the fairness hearing. In the event the Court approves this proposed settlement, the parties agree the Township will receive a Judgment of Compliance and Repose or "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015), which shall be determined by the trial judge. Both parties agree not to appeal the decision of the trial judge as to whether the Township receives a Judgment of Compliance and Repose or the judicial equivalent of substantive certification. The "accompanying protection" shall remain in effect through July 7, 2025. If this Agreement is rejected by the Court at a fairness hearing it shall be null and void.
23. The Township agrees to pay FSHC's attorneys fees and costs in the amount of \$7,500 within thirty (30) days of the Court's approval of this Agreement pursuant to a duly-noticed fairness hearing.
24. If an appeal is filed of the Court's approval or rejection of this Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of this Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
25. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Somerset County.
26. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
27. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
28. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
29. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
30. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains

the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.

31. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.
32. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.
33. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.
34. No member, official or employee of the Township shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
35. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.
36. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

TO FSHC:

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

TO THE TOWNSHIP:

Kevin A. Van Hise, Esq.
Mason, Griffin & Pierson
101 Poor Farm Road
Princeton, NJ 08540
Phone: (609) 921-6543
Telecopier: (609) 683-7978
Email: k.vanhise@mgplaw.com

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

Donna Kukla
2261 Van Horne Road
Belle Mead, NJ 08502
Phone: (908) 359-8211
Telecopier: (908) 281-3266
Email: clerk@twp.montgomery.nj.us

Please sign below if these terms are acceptable.

Sincerely,



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

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


Clerk for Montgomery Twp
Dated: 12/8/17

EXHIBIT A: 2017 INCOME LIMITS

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - August 2017

2017 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**	Soles****	Regional Asset Limit*****
Region 1													
Median	\$60,271	\$64,576	\$68,882	\$77,492	\$86,102	\$89,546	\$92,990	\$99,878	\$106,766	\$113,655			
Moderate	\$48,217	\$51,661	\$55,105	\$61,993	\$68,882	\$71,637	\$74,392	\$79,903	\$85,413	\$90,924	1.7%	1.99%	\$166,493
Low	\$30,136	\$32,288	\$34,441	\$38,746	\$43,051	\$44,773	\$46,495	\$49,939	\$53,383	\$56,827			
Very Low	\$18,081	\$19,373	\$20,664	\$23,248	\$25,831	\$26,864	\$27,897	\$29,963	\$32,030	\$34,096			
Region 2													
Median	\$65,953	\$70,663	\$75,374	\$84,796	\$94,218	\$97,987	\$101,755	\$109,293	\$116,830	\$124,368			
Moderate	\$52,762	\$56,531	\$60,299	\$67,837	\$75,374	\$78,389	\$81,404	\$87,434	\$93,464	\$99,494	1.7%	3.25%	\$180,756
Low	\$32,976	\$35,332	\$37,687	\$42,398	\$47,109	\$48,993	\$50,878	\$54,646	\$58,415	\$62,184			
Very Low	\$19,786	\$21,199	\$22,612	\$25,439	\$28,265	\$29,396	\$30,527	\$32,788	\$35,049	\$37,310			
Region 3													
Median	\$73,780	\$79,050	\$84,320	\$94,860	\$105,400	\$109,616	\$113,832	\$122,264	\$130,696	\$139,128			
Moderate	\$59,024	\$63,240	\$67,456	\$75,888	\$84,320	\$87,693	\$91,066	\$97,811	\$104,557	\$111,302	1.7%	0.38%	\$200,698
Low	\$36,890	\$39,525	\$42,160	\$47,430	\$52,700	\$54,808	\$56,916	\$61,132	\$65,348	\$69,564			
Very Low	\$22,134	\$23,715	\$25,296	\$28,458	\$31,620	\$32,885	\$34,150	\$36,679	\$39,209	\$41,738			
Region 4													
Median	\$66,022	\$70,738	\$75,454	\$84,885	\$94,317	\$98,090	\$101,862	\$109,408	\$116,953	\$124,498			
Moderate	\$52,817	\$56,590	\$60,363	\$67,908	\$75,454	\$78,472	\$81,490	\$87,526	\$93,562	\$99,599	1.7%	1.53%	\$177,413
Low	\$33,011	\$35,369	\$37,727	\$42,443	\$47,158	\$49,045	\$50,931	\$54,704	\$58,476	\$62,249			
Very Low	\$19,807	\$21,221	\$22,636	\$25,466	\$28,295	\$29,427	\$30,559	\$32,822	\$35,086	\$37,349			
Region 5													
Median	\$58,240	\$62,400	\$66,560	\$74,880	\$83,200	\$86,528	\$89,856	\$96,512	\$103,168	\$109,824			
Moderate	\$46,592	\$49,920	\$53,248	\$59,904	\$66,560	\$69,222	\$71,885	\$77,210	\$82,534	\$87,859	1.7%	2.09%	\$154,194
Low	\$29,120	\$31,200	\$33,280	\$37,440	\$41,600	\$43,264	\$44,928	\$48,256	\$51,584	\$54,912			
Very Low	\$17,472	\$18,720	\$19,968	\$22,464	\$24,960	\$25,958	\$26,957	\$28,954	\$30,950	\$32,947			
Region 6													
Median	\$51,085	\$54,734	\$58,383	\$65,681	\$72,979	\$75,898	\$78,817	\$84,655	\$90,494	\$96,332			
Moderate	\$40,868	\$43,787	\$46,706	\$52,545	\$58,383	\$60,718	\$63,054	\$67,724	\$72,395	\$77,066	1.7%	0.00%	\$136,680
Low	\$25,543	\$27,367	\$29,192	\$32,840	\$36,489	\$37,949	\$39,409	\$42,328	\$45,247	\$48,166			
Very Low	\$15,326	\$16,420	\$17,515	\$19,704	\$21,894	\$22,769	\$23,645	\$25,397	\$27,148	\$28,900			

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 per N.J.A.C. 5:97-9.3. The increase for 2015 was 2.3%, the increase for 2016 was 1.1% and the increase for 2017 is 1.7% (Consumer Price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015 or 2016 may increase rent by up to the applicable combined percentage from their last rental increase for that unit. 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 per N.J.A.C. 5:97-9.3. As per 5:97-9.3.(b), 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.

Note: Since the Regional Income Limits for Region 6 in 2016 were higher than the 2017 calculations, the 2016 income limits will remain in force for 2017. See N.J.A.C. 5:97-9.2(c).

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February 26, 2018

TO: Attached Service List

RE: ***In the Matter of the Application of the Township of Montgomery in Somerset County***
Docket No.: SOM-L-924-15

Dear Sir / Madam:

With respect to the above captioned matter, attached please find the Order on Fairness Hearing entered by the Honorable Thomas C. Miller, P.J.Cv. on February 20, 2018.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Kevin Van Hise'.

Kevin Van Hise

Direct Dial: (609) 436-1209

Direct E-Mail: k.vanhise@mgplaw.com

Encls.

SERVICE LIST
I/M/O Application of the Township of Montgomery in Somerset County
Docket No. SOM-L-924-15

Court Special Masters:

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**Attorneys for Petitioner,
Township of Montgomery**

)) SUPERIOR COURT OF NEW JERSEY
)) SOMERSET COUNTY - LAW DIVISION
))
IN THE MATTER OF THE) DOCKET NO.: SOM-L-924-15
APPLICATION OF THE TOWNSHIP OF)
MONTGOMERY IN SOMERSET) CIVIL ACTION
COUNTY, Petitioner.) (Mount Laurel)
))
)) **ORDER ON FAIRNESS HEARING**
))
))

THIS MATTER having been opened to the Court upon the filing of a Verified Complaint for Declaratory Judgment in accordance with In re Adoption of N.J.A.C. 5:96 & 5:07 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015)(“Mount Laurel IV”), filed by Mason, Griffin & Pierson, PC, attorneys for Petitioner, the Township of Montgomery (Kevin A. Van Hise, Esquire appearing), and Fair Share Housing Center (Adam Gordon, Esquire appearing) participating in this action as an Interested Party; and the Court having appointed Christine A. Nazzaro-Cofone, PP/AICP as Special Master; and the Township of Montgomery (“Township”) and Fair Share Housing Center (“FSHC”) having entered into a Settlement Agreement dated December 8, 2017 (the “Settlement Agreement”) resolving the above captioned litigation; and the Court having conducted a Fairness Hearing on February 13, 2018 to determine whether the

Settlement Agreement adequately protects, and is fair and reasonable to low and moderate income households in the Township and housing region; and notice of said hearing have been served on all parties and posted and published in accordance with law; and there being no written or oral comments or objections received from any interested persons or parties regarding the Settlement Agreement; and the Court having considered the report of Special Master Cofone dated January 4, 2018; and the Court having heard the testimony of Special Master Cofone and Township Affordable Housing Planning Consultant Mary Beth Lonergan, AICP/PP, and considered the representations of counsel; and the Court having found, upon the conclusion of said hearing, that the criteria set forth in Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J.Super. 359, 367-69 (Law Div. 1984), *aff'd o.b.*, 209 N.J.Super. 108 (App. Div. 1986) and East/West Venture vs. Borough of Fort Lee, 286 N.J.Super. 311 (App. Div. 1996) have been satisfied; and good and sufficient cause having been shown for entry of this Order; and for the reasons placed on the record during the February 13, 2018 Fairness Hearing;

IT IS on this 20th day of February, 2017,

ORDERED AND ADJUDGED as follows:

1. The Settlement Agreement reached by and between the Township of Montgomery (“Township”) and Fair Share Housing Center (“FSHC”), dated December 8, 2017, is fair and reasonable to the interests of low and moderate income households and is therefore approved.
2. The Township has a cumulative 1987 – 2025 third round Mount Laurel affordable housing obligation comprised of:
 - a. A Present Need / Rehabilitation Share obligation of 0 (no) units;

- b. A Prior Round obligation of 307 units; and
 - c. A Third Round New Construction obligation (including the “Gap Present Need” and “Prospective Need”) of 616 units.
3. The parties shall comply with the terms and conditions set forth in the Settlement Agreement approved herein.
 4. Pursuant to Paragraph 21 of the Settlement Agreement, FSHC is hereby deemed to be an Intervenor-Defendant in this matter.
 5. The Township shall, within 120 days of the entry of this Order, adopt a Housing Element and Fair Share Plan (“HEFSP”), Spending Plan and its implementing ordinances in accordance with the terms of the Settlement Agreement.
 6. The Township shall provide a copy of the adopted HEFSP, Spending Plan and implementing ordinances to the Special Master and FSHC in advance of the Compliance Hearing.
 7. The Income Limits and methodology for calculating such limits in the future contained in the Settlement Agreement (Par. 14) are hereby approved.
 8. Final approval of the Township’s Housing Element and Fair Share Plan, Spending Plan, and grant of compliance and repose shall be determined following a Compliance Hearing:

To be scheduled by the Court at the conclusion of the 120-day action period.

~~With said Compliance Hearing hereby scheduled for _____,~~
 2018 at _____ a.m. / p.m.

9. The temporary immunity from Mount Laurel lawsuits previously granted to the Township is hereby extended and shall remain in full force and effect through the date of the Compliance Hearing.
10. A copy of this Order shall be served on the Special Master, all counsel of record and the official service list within seven days of receipt by counsel for Petitioner.

/s/ Thomas C. Miller, P.J. Civ.
HON. THOMAS C. MILLER, P.J. Civ.

Unopposed.

Opposed.

MASON, GRIFFIN & PIERSON, P.C.

By: Kevin A. Van Hise, Esq. - ID #016382003

101 Poor Farm Road

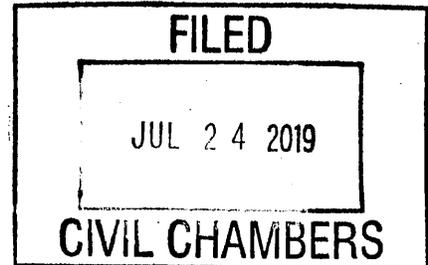
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**Attorneys for Petitioner,
Township of Montgomery**



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IN THE MATTER OF THE
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APPLICATION OF THE TOWNSHIP OF
)
MONTGOMERY IN SOMERSET
)
COUNTY, Petitioner.
)
)
)
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)

) SUPERIOR COURT OF NEW JERSEY
) SOMERSET COUNTY - LAW DIVISION
)

) DOCKET NO.: SOM-L-924-15

CIVIL ACTION
(Mount Laurel)

) **FINAL JUDGMENT OF MOUNT**
) **LAUREL COMPLIANCE AND REPOSE**
) **and APPROVING MUNICIPAL**
) **AFFORDABLE HOUSING SPENDING**
) **PLAN**

THIS MATTER having been opened to the Court upon the filing of a Verified Complaint for Declaratory Judgment in accordance with In re Adoption of N.J.A.C. 5:96 & 5:07 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (“Mount Laurel IV”), filed by Mason, Griffin & Pierson, PC, attorneys for Petitioner, the Township of Montgomery (Kevin A. Van Hise, Esquire appearing), and Fair Share Housing Center (Adam Gordon, Esquire appearing) participating in this action as an Interested Party and by virtue of the Settlement Agreement dated December 8, 2017 (the “Settlement Agreement”), an Intervenor-Defendant; and the Court having appointed Christine Nazzaro-Cofone, PP/AICP as the Special Master; and the Parties having reached

agreement that the Township's cumulative 1987 – 2025 third round Mount Laurel affordable housing obligation is comprised of a Present Need / Rehabilitation Share obligation of 0 (no) units, a Prior Round obligation of 307 units, and a Third Round New Construction Need obligation of 616 units (including the "Gap Present Need" and "Prospective Need"); and on February 13, 2018, the Court having conducted a Fairness and Preliminary Compliance Hearing pursuant to East/West Venture vs. Borough of Fort Lee, 286 N.J. Super 311 (App. Div. 1996), and by Order entered February 20, 2018, the Court finding that the settlement reached in this matter is fair and reasonable to low and moderate income households; and the Montgomery Township Planning Board (the "Planning Board" or "Board") having adopted a 2018 Amended Third Round Housing Element & Fair Share Plan (the "Plan") on July 2, 2018, endorsed by the Montgomery Township Committee on July 5, 2018, to satisfy the Township's cumulative third round affordable housing obligations; and the Township having prepared and adopted the required implementing ordinances and materials; and the Court having scheduled a Compliance Hearing to be held on July 24, 2019 for the purposes of reviewing the Township's adopted Plan and to make a determination as to the Township's entitlement to a Judgment of Compliance and Repose; and the Township having properly caused notice of the Compliance Hearing to be published on June 22 and 24, 2019 in the Courier News, with said notice providing an opportunity for any interested party to file an objection on or before July 14, 2019; and no parties having entered objection; and the Special Master having prepared a comprehensive report dated July 22, 2019; and the Court having considered the moving papers, the matters of record submitted by the parties, the reports and testimony of the Special Master, the testimony of Township's Affordable Housing Planning Consultant, Mary Beth Lonergan, AICP, PP, and the representations of counsel; and the Court

having provided an opportunity for the parties and members of the public to ask questions and provide comments on the Plan and matters addressed in the proceedings; and good and sufficient cause having been shown for entry of this Judgment; and for the reasons placed on the record during the July 24, 2019 Compliance Hearing;

IT IS ON this 24th day of July, 2019,

ORDERED AND ADJUDGED as follows:

1. Judgment is hereby entered in favor of Petitioner, the Township of Montgomery (“Township”) for a Final Judgment of Compliance and Repose (“Judgment”) pursuant to East/West Venture and Mount Laurel IV, subject to the conditions set forth herein.
2. As set forth in the Settlement Agreement and established at the February 13, 2018 Fairness Hearing, the Township’s cumulative 1987 – 2025 third round Mount Laurel affordable housing obligation is comprised of:
 - a. A Present Need / Rehabilitation Share obligation of 0 (no) units;
 - b. A Prior Round obligation of 307 units; and
 - c. A Third Round New Construction obligation (including the “Gap Present Need” and “Prospective Need”) obligation of 616 units;
 - d. Subject to the terms and conditions of the Settlement Agreement and the Court’s February 20, 2018 Order on Fairness Hearing.
 - e. As set forth in Paragraph 17 of the Settlement Agreement, if a decision of a court of competent jurisdiction in Somerset County, the Appellate Division of the Superior Court, or New Jersey Supreme Court, or a determination by

an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Township for the period 1999-2025 that would be lower by more than ten (10%) percent than the total prospective Third Round need obligation established above, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend this Judgment to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township shall remain obligated to complete and leave in place any site specific zoning change made in connection with the plan approved pursuant to the Settlement Agreement and continue to implement all aspects of the plan approved pursuant to the Settlement Agreement and this Judgment. The Township may carry over any resulting extra credits to future round(s).

3. Having reviewed the Township's Housing Element and Fair Share Plan and implementing ordinances, the Court finds and declares that the Township has demonstrated that it has met its prior round obligation and has in place a plan to meet its present need / rehabilitation share obligation and its third round (gap present need and prospective need) obligations. As such, the Court finds that the Township's Plan and implementing ordinances are constitutionally compliant and satisfy the Township's cumulative third round Mount Laurel affordable housing obligations and are therefore approved.

- a. The Court notes that, pursuant to a letter submitted to the Court by Richard Schatzman, Esquire of Schatzman Baker, PC, counsel for “The Haven at Princeton, LLC”, the owner and applicant of a proposed inclusionary development designated as Lot 7 in Block 37003 on the Montgomery Township Tax Map, referred to in the Plan as the “Trap Rock Property,” a Letter of Interpretation obtained from the New Jersey Department of Environmental Protection pursuant to the Freshwater Wetlands Act changed the designation of the on-site wetlands from “ordinary resource value” to “exceptional resource value” pursuant to N.J.A.C. 7:7A-2.4(b), thereby increasing the wetlands buffer from 50 feet to 150 feet. The increased buffers have caused a corresponding reduction in the development of the site, and will result in a planned development of 128 market rate units and 34 affordable housing units rather than the 250 units with at least 50 affordable housing units referenced in the Township’s Plan.
- b. With 9 originally proposed third round surplus credits set forth in the Plan (inclusive of the Trap Rock Property as originally proposed), the revised development plan leaves a 7-credit deficiency, which the Township represents and affirms it will satisfy by increasing the unit count for the municipally sponsored affordable senior rental site (the “Municipal Building / RPM” or “1860 House” sites) from 60 units to approximately 70 units.

- c. The Parties represent that the proposed plan modification, and other minor variations in the number of credits for particular Third Round sites between the Settlement Agreement and final adopted Plan, satisfactorily addresses the changes to the Trap Rock Project, and will be codified in an Amendment to the Settlement Agreement, *to be adopted within 60 days of entry of this Judgment.*
 - d. The Parties also represent and agree that the Plan will be amended to incorporate these changes as part of next year's mid-point review (referenced in Paragraph 4.c below) and in any event the Plan amendment shall be completed no later than September 30, 2020.
4. The findings, conclusions and grant of Final Judgment set forth herein are conditioned upon satisfaction of the following requirements:
- a. The Township shall fully implement its Housing Element and Fair Share Plan.
 - b. Pursuant to Paragraphs 3.c and 3.d above, the Parties will enter into an amendment to the Settlement Agreement within 60 days of entry of this Judgment, and the Township will adopt an amendment to the Plan following the midpoint review.
 - c. Pursuant to the Fair Housing Act and the terms of the Settlement Agreement, a midpoint realistic opportunity review shall be due on July 1, 2020.

- d. On the first anniversary of the execution of the Settlement Agreement (December 8, 2018) and every anniversary thereafter, the Township shall:
- i. Report on trust fund activity to the Department of Community Affairs, New Jersey Council on Affordable Housing or Division of Local Government Services or other entity designated by the State of New Jersey, with said report posted on the Township's website and a copy forwarded to Fair Share Housing Center.
 - ii. Prepare a report on the status of all affordable housing activity in the municipality. The report shall be posted on the Township's website and a copy provided to Fair Share Housing Center.
- e. By July 1, 2020, the Township shall provide a status report of its plan implementation efforts for the midpoint realistic opportunity review required by the Fair Housing Act and Settlement Agreement. The report shall be posted on the Township's website and a copy provided to Fair Share Housing Center. The report shall address whether any unbuilt site still creates a realistic opportunity and will invite any interested party to submit comments to the Township.
- f. Within 30 days of the Settlement Agreement's third anniversary (January 8, 2021) and sixth anniversary (January 8, 2024), the Township shall prepare a status report regarding its efforts to produce very low income units. The report shall be posted on the Township's website and a copy provided to Fair Share Housing Center. The posting will invite any interested party to

submit comments to the Township and Fair Share Housing Center as to the Township's efforts to comply with its affordable housing obligation.

5. The Township's Affordable Housing Spending Plan has been reviewed and is hereby approved.
 - a. The Township is authorized to impose and collect affordable housing development fees, to deposit and maintain those fees in the Township's Affordable Housing Trust Fund, and to expend those fees in accordance with its approved Spending Plan and this Judgment, subject to applicable law.
 - b. The proposed expenditure of funds from the Township's Affordable Housing Trust Fund is found and determined to be consistent with and authorized by the Fair Housing Act, and as such, those funds are properly committed for expenditure as required by the 2008 amendments to the Fair Housing Act, P.L. 2008, c.46.
6. The Township is authorized and directed to use the regional income limits as set forth in the "2019 Affordable Housing Regional Income Limits by Household Size" summary chart prepared by the Affordable Housing Professionals of New Jersey ("AHPNJ") dated May, 2019, and the methodology developed thereto by AHPNJ that replicate's COAH's procedures for annually updating and establishing said income limits, for use in establishing annual eligibility and qualification levels and the maximum rental levels and sales prices for affordable housing units,

consistent with the prior Vicinage-wide order establishing income limits entered by this court on October 11, 2018.

7. Subject to the conditions set forth herein, the Township is entitled to this Judgment of Compliance and Repose and immunity from exclusionary zoning lawsuits, including but not limited to “builder’s remedy” lawsuits, for its third round Mount Laurel affordable housing obligations for a period of ten (10) years, retroactive to the date of the Township’s filing of the instant action on July 6, 2015, with said protections extending through and expiring on July 6, 2025 other than actions brought to enforce the terms of the Settlement Agreement and the court’s orders.
8. A copy of this Judgment shall be served on the Special Master, all counsel of record and the official service list within seven days of receipt by counsel for Petitioner.



HON. THOMAS C. MILLER, P.J.Cv.

2. PLANNING BOARD RESOLUTION ADOPTING PLAN

**RESOLUTION OF THE PLANNING BOARD OF THE TOWNSHIP OF MONTGOMERY,
SOMERSET COUNTY, NEW JERSEY**

**RESOLUTION GRANTING APPROVAL OF MONTGOMERY TOWNSHIP'S
AMENDED THIRD ROUND HOUSING ELEMENT AND FAIR SHARE PLAN OF THE
MASTER PLAN**

WHEREAS, the Montgomery Township Planning Board is organized in accordance with N.J.S.A. 40:55D-23 and 24; and

WHEREAS, the Montgomery Township Planning Board has the statutory power to adopt and amend its Master Plan under N.J.S.A. 40:55D-25(1); and

WHEREAS, the Township filed for Declaratory Judgment with the New Jersey Superior Court on July 7, 2015; and

WHEREAS, the Township executed a Settlement Agreement with Fair Share Housing Center (FSHC) on December 8, 2017 that identified the Township's affordable housing obligation and a preliminary indication of how the Township would satisfy the affordable housing obligation; and

WHEREAS, the Settlement Agreement was subject to a Fairness Hearing on February 13, 2018 during which the Court found that the Settlement Agreement was fair to the interests of low and moderate income households; and

WHEREAS, the Court's review and approval of the Settlement Agreement is reflected in an Order on Fairness and Preliminary Compliance Hearing signed by the Honorable Thomas C. Miller, P.J.Civ. and filed on February 20, 2018; and

WHEREAS, said Order required the Township to adopt a housing element and fair share plan and implementing ordinances that are consistent with the Settlement by June 20, 2018; and

WHEREAS, the Planning Board of Montgomery Township, Somerset County, State of New Jersey adopted its current Housing Element and Fair Share Plan pursuant to N.J.S.A. 40:55D-28 on July 2, 2018; and

WHEREAS, the Governing Body endorsed the Housing Element and Fair Share Plan on July 5, 2018; and

WHEREAS, the Township's Housing Element and Fair Share Plan and implementing ordinances was subject to a Compliance Hearing on July 24, 2019; and

WHEREAS, the Court's review and approval of the Township's adopted housing element and fair share plan is reflected in an Order granting Final Judgment of Compliance and Repose and approved the Township's Spending Plan signed by the Honorable Thomas C. Miller, P.J.Civ. and filed on July 24, 2019; and

WHEREAS, said Order required the Township to adopt an amended housing element and fair share plan and implementing ordinances by September 30, 2020; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board held a public hearing on the amended Housing Element and Fair Share Plan on November 16, 2020 and December 7, 2020; and

WHEREAS, Clarke Caton Hintz, the Township Planners, have prepared an Amended Housing Third Round Housing Element and Fair Share Plan dated November 2020, hereafter the “Amended Plan;” and

WHEREAS, the Amended Plan has been prepared in accordance with the Municipal Land Use Law, specifically N.J.S.A. 40:55D-28b(3) and pursuant to the New Jersey Fair Housing Act, N.J.S.A. 52:27D-310, et seq.; and

WHEREAS, a public hearing on the Amended Plan was duly noticed and held on November 16, 2020 and December 7, 2020, at a regular meeting of the Planning Board; and

WHEREAS, Emily Goldman, PP/AICP, License No. 6088, presented the Amended Plan to the Planning Board and the public at the November 16, 2020 and December 7, 2020 meetings; and

WHEREAS, no members of the public participated in the hearing; and

WHEREAS, the Board has made the following findings of fact and conclusions:

1. Montgomery has entered into a Settlement Agreement with FSHC to establish the Township’s Third Round affordable housing obligation.
2. The Township’s Settlement Agreement with FSHC and the Township’s preliminary compliance efforts were approved by Judge Miller at a Fairness Hearing held on February 13, 2018, as reflected in a Court Order dated February 20, 2018.
3. The Township’s compliance efforts were approved by Judge Miller at a Compliance Hearing held on July 24, 2019, as reflected in a Court Order granting a Final Judgment of Compliance and Repose and approving the Township’s Spending Plan dated July 24, 2020.
4. The July 24, 2020 Court Order required the Township to adopted an Amended Plan.

WHEREAS, based upon the foregoing information, testimony and evidence as well as the Amended Plan, the Planning Board makes the following ultimate findings of fact and conclusions of law:

1. All jurisdictional requirements have been met.
2. The planning Board finds and concluded that the Amended Third Round Housing Element and Fair Share Plan of the Master Plan does address the Township’s cumulative housing obligation for the period commencing in 1987 and extending to June 30, 2025.
3. The Planning Board finds and concluded that the Amended Plan has been prepared pursuant to the New Jersey Fair Housing Act (N.J.S.A. 52:27D-310, et seq.

4. The Planning Board has determined that the Amended Plan is consistent with the goals and objectives of Montgomery Township's 2017 Period Reexamination of the Master Plan and that adoption and implementation of the Amendment of the Housing Element and Fair Share Plan are in the public interest and protect public health and safety and promote the general welfare.

NOW THEREFORE BE IT RESOLVED on this 7th day of December, 2020, by the Planning Board of Montgomery Township, Somerset County, State of New Jersey, that the Planning Board hereby approves and adopts the Plan entitled "2020 Amended Third Round Housing Element and Fair Share Plan", dated November 2020, which is a part of the record in these proceedings and a copy of which is attached hereto.

BE IT FURTHER RESOLVED that the Planning Board will give notice of the adoption of this Amended Third Round Housing Element and Fair Share Plan of the Master Plan by publication together with actual notice to the Somerset County Planning Board including a copy of the Amended Plan as adopted.

BE IT FURTHER RESOLVED that a copy of the Amended Plan as adopted will be submitted to the Montgomery Township Committee.

Roll Call Vote

Those in Favor: Bell, DeRochi, Keenan, Mani, Roberts, Schuldiner, Glockler, Battle and Campeas

Those Opposed: None

The foregoing is a true copy of a resolution adopted by the Planning Board of the Township of Montgomery at its meeting on December 7, 2020, as copied from the minutes of said meeting.

The within resolution memorializes action that was taken by the Planning Board of the Township of Montgomery at its meeting on December 7, 2020.



LORI SAVRON
PLANNING BOARD SECRETARY
TOWNSHIP OF MONTGOMERY
STATE OF NEW JERSEY

3. GOVERNING BODY RESOLUTION
ENDORSING ADOPTED PLAN

RESOLUTION #20-12-249 - RESOLUTION ENDORSING HOUSING ELEMENT AND FAIR SHARE PLAN

WHEREAS, The New Jersey Council on Affordable Housing ("COAH") failed to adopt new third round affordable housing rules for the administration of affordable housing within the State; and

WHEREAS, By decision and Order entered on March 10, 2015 in In re Adoption of N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) ("Mount Laurel IV"), the New Jersey Supreme Court authorized the State's trial courts to resume their role as the forum for evaluating municipal compliance with their fair share obligations via a process that permitted municipalities to file a declaratory judgment action ("DJ Action") with the court seeking a declaration that its municipal Housing Element and Fair Share Plan ("HEFSP"), to be prepared in accordance with COAH's Prior Round Rules, N.J.A.C. 5:91 and N.J.A.C. 5:93, presents a realistic opportunity for the production of affordable housing; and

WHEREAS, In accordance with Mount Laurel IV, on July 7, 2015, the Township filed a DJ Action with the Superior Court captioned In the Matter of the Application of the Township of Montgomery in Somerset County, Docket No. SOM-L-924-15, and during the pendency of the proceedings, was able to reach a settlement with Fair Share Housing Center ("FSHC") regarding satisfaction of the Township's third round fair share obligation; and

WHEREAS, By Order entered February 20, 2018, the Court found that the December 8, 2017 settlement agreement between the Township and FSHC was fair and reasonable and protects the interests of low and moderate income households and is therefore approved; and

WHEREAS, As required by the Settlement Agreement and the Court's February 20, 2018 Order, the Planning Board prepared, and on July 2, 2018, adopted, an amended HEFSP in accordance with the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., COAH's Second Round Rules at N.J.A.C. 5:93 et seq., and the Settlement Agreement and the Governing Body endorsed said plan on July 5, 2018; and

WHEREAS, By Order entered July 24, 2019, the Court approved of the Township's amended HEFSP and granted Final Judgment of Compliance and Repose subject to the adoption of a revised amended HEFSP to update and incorporate certain changes that occurred subsequent to the adoption of the July 2, 2018 plan; and

WHEREAS, As required by the Court's July 24, 2019 Order, the Planning Board prepared, and on December 7, 2020 adopted, an amended HEFSP in accordance with the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., COAH's Second Round Rules at N.J.A.C. 5:93 et seq., and the Settlement Agreement; and

WHEREAS, COAH's Prior Round rules at N.J.A.C. 5:91-2.2(a) requires that the municipal governing body endorse a HEFSP adopted by the municipal planning board;

WHEREAS, The Township now adopts this resolution to meet the procedural requirements for submission of the amended HEFSP to the Court pursuant to Mount Laurel IV.

NOW, THEREFORE, BE IT RESOLVED By the Township Committee of the Township of Montgomery, that the 2020 Amended Third Round Housing Element and Fair Share Plan, adopted by the Montgomery Township Planning Board on December 7, 2020, is hereby endorsed.

CERTIFICATION

**I HEREBY CERTIFY THE ABOVE TO BE A
TRUE COPY OF A RESOLUTION ADOPTED BY THE
TOWNSHIP COMMITTEE OF THE TOWNSHIP OF
MONTGOMERY AT A MEETING HELD**

December 17, 2020



Township Clerk

4. PRIOR ROUND: MCKINLEY COMM. /
MONTGOMERY HILLS

Deed Restrictions – For-sale and Rental

AFFORDABLE HOUSING AGREEMENT

Prepared by:

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This AGREEMENT is entered into on this 1st day of August 2002 between TOWN HOMES AT MONTGOMERY, L.L.C., owner of the properties designated in Section II PROPERTY DESCRIPTION, hereafter "OWNER", and The HOUSING AUTHORITY OF THE TOWNSHIP OF MONTGOMERY, which is an instrumentality of the Township of Montgomery hereafter the "AUTHORITY", both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing units described in Section II PROPERTY DESCRIPTION for a period of at least thirty (30) years beginning on the date of the first sale of an Affordable For Sale unit and ending at the first non-exempt transfer of title occurring more than thirty (30) years thereafter, unless extended by municipal resolution as described in Section III TERM OF RESTRICTIONS.

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

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

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

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

~~WHEREAS, the purpose of this Agreement is to ensure that the described housing units~~
remain affordable to low and moderate income-eligible households for that period of
time described in Section III TERM OF RESTRICTIONS.

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

I. DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Hardship Waiver" shall mean an approval by the Authority of a non-exempt transfer of title to sell an affordable unit to a household that exceeds the income eligibility criteria

~~after the Owner has demonstrated that no Certified Household has signed an agreement to purchase the unit. The Owner shall have marketed the unit for 90 days after a Notice of Intent to Sell, has been received by the Authority and the Authority shall have 30 days thereafter to approve a Hardship Waiver. The Hardship Waiver shall permit a low income unit to be sold to a moderate income household or a moderate income unit to be sold to a household whose income is at 80% or above the applicable median income guide. The Hardship Waiver is only valid for a single sale.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SEE EXHIBIT A

III. TERM OF RESTRICTIONS

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

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

1 At the first non-exempt sale after thirty (30) years from the beginning date established pursuant to Paragraph A above; or

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

C. The terms, restrictions and covenants of this Affordable Housing Agreement may be extended by municipal resolution as provided for in N.J.A.C. 5:92.1 et seq. Such municipal resolution shall provide for a period of extended restrictions and shall be effective upon filing with the Council and the Authority. The municipal resolution shall specify the extended time period by providing for a revised ending date. An amendment to the Affordable Housing Agreement shall be filed with the recording office of the county in which the Affordable Housing unit or units is/are located.

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

IV. RESTRICTIONS

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

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

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

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

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

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

D. The Affordable Housing unit shall be sold in accordance with all rules, regulations, and requirements duly promulgated by the Council (N.J.A.C. 5:92-1 et seq.), the intent of which is to ensure that the Affordable Housing unit remains affordable to and occupied by Low and Moderate Income-Eligible Households throughout that duration of the Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the recording office of the County of Somerset. The Agreement shall be filed no earlier than the recording of an applicable Master Deed and no later than the closing of the initial sale.

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

C. A Repayment Mortgage and a Repayment Note shall be executed between the Owner and Township of Montgomery at the time of closing and transfer of title to any purchaser of an Affordable Housing unit. The Repayment Mortgage shall provide for the repayment of 95% of the Price Differential at the first non-exempt transfer of title after the ending date of restrictions as specified in Section III TERM OF

~~RESTRICTIONS: The Repayment Mortgage shall be recorded with the records office of the County of Somerset.~~

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

All Deeds of Conveyance and Contracts to Purchase from owners to Certified Purchasers of Affordable housing units shall include the following clause in a conspicuous place:

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

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

VII. COVENANTS RUNNING WITH LAND

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

VIII. OWNER RESPONSIBILITIES

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

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

B. All home improvements made to an Affordable Housing unit shall be at the Owner's expense except that expenditures for any alteration that allows a unit to be sold to a larger household size because of increased capacity for occupancy shall be

~~considered for a recalculation of Base Price. Owners must obtain prior approval for such alteration from the Authority to qualify for this recalculation.~~

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

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

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

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

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

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

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

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

K. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5 :92-1 et seq.), for determining that a resale transaction is qualified for a Certificate of Exemption. The Owner shall notify the Authority in writing of any proposed Exempt Transaction and supply the necessary documentation to qualify for a Certificate of Exemption. An Exempt Transaction does not terminate the resale restrictions or existing liens and is not considered a certified sales transaction in calculating subsequent resale prices. A Certificate of Exemption shall be filed with the deed at the time of title transfer.

L. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:92-1 et seq.), for determining that a resale transaction is qualified for a Hardship Waiver. The Owner may submit a written request for a Hardship Waiver if no Certified Household has executed an agreement to purchase within ninety (90) days of notification of an approved resale price and referral of potential purchasers. Prior to issuing a Hardship Waiver, the Municipality shall have 30 days in which to sign an agreement to purchase the unit at the approved resale price and subsequently rent or convey it to a Certified Household. The Municipality may transfer this option to the Department, the Agency, or a qualified non-profit organization as determined by the Council. For approval of a Hardship Waiver, an Owner must document efforts to sell the unit to an income eligible household. If the waiver is granted, the Owner may offer a low income unit to a moderate income household or a moderate income unit to a household whose income exceeds 80% of the applicable median income guide. The Hardship Waiver shall be filed with the deed at the time of closing and is only valid for the designated resale transaction. It does not affect the resale price. All future resales are subject to all restrictions stated herein.

M. The Owner shall be obligated to pay a reasonable service fee to the Authority at the time of closing and transfer of title in the amount specified by the Authority at the time a restricted resale price has been determined after receipt of a Notice of Intent to Sell. Such fee shall not be included in the calculation of the maximum resale price.

IX. FORECLOSURE

The terms and restrictions of this Agreement shall be subordinated only to the First Purchase Money Mortgage lien on the Affordable Housing property and in no way shall impair the First Purchase Money Mortgagee's ability to exercise the contract remedies available to it in the event of any default of such mortgage as such remedies are set forth in the First Purchase Money Mortgage documents for the Affordable Housing unit. Any Affordable Housing owner-occupied property that is acquired by a First Purchase Money Mortgagee by Deed in lieu of Foreclosure, or by a Purchaser at a Foreclosure sale conducted by the holder of the First Purchase Money Mortgagee shall be permanently released from the restrictions and covenants of this Affordable Housing Agreement. All resale restrictions shall cease to be effective as of the date of transfer of title pursuant to Foreclosure with regard to the First Purchase Money Mortgagee, a lender in the secondary mortgage market, including but not limited to the FNMA, Federal Home Loan Mortgage Corporation, GNMA, or an entity acting on their behalf and all subsequent purchasers, Owners and mortgagees of that particular Affordable Housing unit (except for the defaulting mortgagor, who shall be forever subject to the resale restrictions of this Agreement with respect to the Affordable Housing unit owned by such defaulting mortgagor at time of the Foreclosure sale).

Upon a judgment of Foreclosure, the Authority shall execute a document to be recorded in the county recording office as evidence that such Affordable Housing unit has been forever released from the restrictions of this Agreement. Execution of foreclosure sales by any other class of creditor or mortgagee shall not result in a release of the Affordable Housing unit from the provisions and restrictions of this Agreement.

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

The Authority is hereby given a first priority lien, second only to the First Purchase Money Mortgagee and any taxes or public assessments by a duly authorized governmental body, equal to the full amount of such excess funds. This obligation of the defaulting mortgagor to pay the full amount of excess funds to the Authority shall be

deemed to be a personal obligation of the Owner of record at time of the Foreclosure sale surviving such sale. The Authority shall be empowered to enforce the obligation of the defaulting mortgagor in any appropriate court of law or equity as though same were a personal contractual obligation of the defaulting mortgagor. Neither the First Purchase Money Mortgagee nor the purchaser at the Foreclosure sale, shall be responsible, or liable to, the Authority for any portion of this excess.

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

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

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

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

X. VIOLATION, DEFAULTS AND REMEDIES

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

mortgage, recoupment of any funds from a sale in violation of the Agreement, injunctive relief to prevent further violation of the Agreement, entry on the premises, and specific performance.

XI. RIGHT TO ASSIGN

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

XII. INTERPRETATION OF THIS AGREEMENT

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

XIII. NOTICES

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

To the Owner:

At the address of the Property stated in SECTION II PROPERTY DESCRIPTION hereof.

To the Authority:

Housing Authority of the Township of Montgomery
Township of Montgomery Municipal Building
2261 Route 206
Belle Mead, New Jersey 08502
Attention: Affordable Housing Administrator

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

XIV. SUPERIORITY OF AGREEMENT

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

XV. SEVERABILITY

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

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

XVI. CONTROLLING LAW

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

XVII. OWNER'S CERTIFICATION

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

XVIII. AGREEMENT

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

Witness:



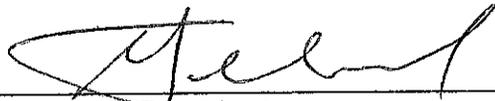
Nancy Justus, Asst. Sec

Attest:



Donna Kuhl

TOWN HOMES AT MONTGOMERY, L.L.C.
By: The Matzel & Mumford Organization, Inc,
Managing Member



Roger Mumford, President

HOUSING AUTHORITY OF THE TOWNSHIP
OF MONTGOMERY

By: Township of Montgomery



Louise Wilson, Mayor

STATE OF NEW JERSEY, COUNTY OF MONMOUTH, SS.:

I CERTIFY that on July 23, 2002, ROGER MUMFORD personally came before me and this person acknowledged under oath to my satisfaction, that:

(a) this person signed, sealed and delivered the attached document as the President of The Matzel & Mumford Organization, Inc., which is the Managing Member of the Limited Liability Company named in this document and was fully authorized to and did execute this document on its behalf; and;

(b) this document was signed and delivered by the company as its voluntary act duly authorized by a proper resolution of its Members.

Signed and sworn to before me on this 23rd day of July, 2002


PATRICIA A. DELUCO
A Notary Public of New Jersey
My Commission Expires 2/22/2006

STATE OF NEW JERSEY, COUNTY OF SOMERSET, SS.:

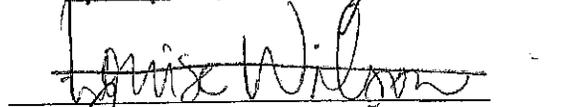
I CERTIFY that on Aug. 1, 2002, LOUISE WILSON personally came before me and this person acknowledged under oath to my satisfaction, that:

(a) this person signed, sealed and delivered the attached document as the Mayor of the Township of Montgomery, the municipal corporation named in this document;

(b) the proper corporate seal was affixed; and

(c) this document was signed and made by the municipal corporation as its voluntary act and deed.

Signed and sworn to before me on this 1st day of August, 2002




MCKINLEY COMMONS

AFFORDABLE FOR SALE CONDOMINIUMS

TOWNSHIP OF MONTGOMERY, COUNTY OF SOMERSET, STATE OF NEW JERSEY

	Block	Lot	Street Address	Model Type	% Interest
Bldg #03	37003	6.820	600 McKinley Court	D	1.05263
	37003	6.821	601 McKinley Court	E	1.05263
	37003	6.822	602 McKinley Court	B	1.05263
	37003	6.823	603 McKinley Court	D	1.05263
	37003	6.824	604 McKinley Court	B	1.05263
	37003	6.825	605 McKinley Court	D	1.05263
	37003	6.826	606 McKinley Court	D	1.05263
	37003	6.827	607 McKinley Court	E	1.05263
	37003	6.830	620 McKinley Court	D	1.05263
	37003	6.831	621 McKinley Court	E	1.05263
	37003	6.832	622 McKinley Court	B	1.05263
	37003	6.833	623 McKinley Court	D	1.05263
	37003	6.834	624 McKinley Court	B	1.05263
	37003	6.835	625 McKinley Court	D	1.05263
	37003	6.836	626 McKinley Court	D	1.05263
	37003	6.837	627 McKinley Court	E	1.05263
Bldg #04	37003	6.780	800 McKinley Court	F	1.05263
	37003	6.781	801 McKinley Court	E	1.05263
	37003	6.783	803 McKinley Court	D	1.05263
	37003	6.784	804 McKinley Court	B	1.05263
	37003	6.785	805 McKinley Court	D	1.05263
	37003	6.786	806 McKinley Court	B	1.05263
	37003	6.787	807 McKinley Court	E	1.05263
	37003	6.788	808 McKinley Court	B	1.05263
	37003	6.789	810 McKinley Court	F	1.05263
	37003	6.790	820 McKinley Court	F	1.05263
	37003	6.791	821 McKinley Court	E	1.05263
	37003	6.792	822 McKinley Court	B	1.05263
	37003	6.793	823 McKinley Court	D	1.05263
	37003	6.794	824 McKinley Court	B	1.05263
	37003	6.795	825 McKinley Court	D	1.05263
	37003	6.796	826 McKinley Court	B	1.05263
	37003	6.797	827 McKinley Court	E	1.05263
	37003	6.798	828 McKinley Court	B	1.05263
	37003	6.799	830 McKinley Court	F	1.05263

**DISCLOSURE STATEMENT FOR
AFFORDABLE UNITS
MCKINLEY COMMONS CONDOMINIUM**

The home which you are considering purchasing is an "Affordable Unit" as discussed in instruments entitled "The First Amendment to the Public Offering Statement of Montgomery Hills" and the "Master Deed for McKinley Commons Condominium", collectively referred to as the "Affordable Housing Documents" for the development know as "McKinley Commons". The "Affordable Housing Documents" were prepared for Town Homes at Montgomery L.L.C. in accordance with the requirements of Township of Montgomery and were a requirement of the Township of Montgomery in its approval of the development known as "Montgomery Hills". A complete reading of the "Affordable Housing Documents" is necessary to fully understand and be aware of all the restrictions contained in the documents which affect the home you are considering purchasing. By way of a brief summary, the following restrictions are contained in the "Affordable Housing Documents":

1. Purchasers of these "Affordable Units" are limited to "low" and "moderate" income families. These "Affordable Units" may be occupied only as permitted by the Township of Montgomery and the duly designated Housing Authority of the Township. The restrictions on the occupancy of the "Affordable Units" shall continue for the period of time noted in the "Affordable Housing Documents", and apply to the initial sale of the unit and any subsequent resale;
2. These "Affordable Units" may not be resold at a price greater than the initial sales price, plus a percentage increase based on the annual "Median Regional Income" figures issued by the U.S. Department of Housing and Urban Development for the Somerset-Hunterdon-Middlesex County region as well as in consideration of some other factors as specified in the "Affordable Housing Ordinance of the Township of Montgomery";
3. Owners of the "Affordable Units" may add amenities or improvements to the "Affordable Units", but the cost of such amenities or improvements must have been previously approved by the Montgomery Township Housing Authority or its designee, if they are to be included in any resale price;
4. These "Affordable Units" shall pay Master Association and Condominium Association assessments. Owners of these "Affordable Units" have the very same rights, privileges, duties and obligations as the owners of "Market Rate Units" within the same Master Association. The owners of these "Affordable Units" are entitled to participate fully in the affairs of the Master Association on an equal basis with any other member of the Master Association; and
5. The terms, restrictions, provisions and covenants of the "Affordable Housing Documents", including the provisions of the Master Deed referring to and incorporating the "Affordable Housing Documents", shall expire and terminate no earlier than the time period specified in the "Affordable Housing Documents", i.e., thirty (30) years from the date of the first purchase of an "Affordable Unit", and shall only expire and terminate in accordance with Section 15-110; "Recapture of Affordable Units", in the Affordable Housing Ordinance of the Township of Montgomery.

The above are the limitations and restrictions which most greatly affect the "Affordable Units" in the development know as "McKinley Commons"; however, a full understanding of the "Affordable Housing Documents" requires a thorough and complete reading of the documents.

Statement of Understanding

I/we have read the contents of this Disclosure Statement and understand same. I/we have been instructed that a thorough reading of the "Affordable Housing Documents" in their entirety is necessary to understand their requirements and limitations. I/we have further been instructed to seek the assistance and advise of an attorney in reviewing the "Affordable Housing Documents".

Date: _____

Buyer

Building No.: _____ Unit: _____

Buyer

PREPARED BY:

BY:

AFFORDABLE HOUSING AGREEMENT
RENTAL PROPERTIES

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This AGREEMENT ("Agreement") is entered into this 1st day of August 2002, between McKinley Court, L.L.C., the owner of the properties designated in Section II, PROPERTY DESCRIPTION ("Owner"), and the HOUSING AUTHORITY OF THE TOWNSHIP OF MONTGOMERY ("Authority"), which Housing Authority is an instrumentality of the Township of Montgomery ("Township"), 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 thirty (30) years and shall expire thirty (30) years from the date of the first rental of an Affordable Housing Unit by either a Low Income Household or a Moderate Income Household.

WHEREAS, pursuant to the Fair Housing Act, (P.L. 1985 c.222) ("Act"), the Affordable Housing Units ("Affordable Units") described in Section II PROPERTY DESCRIPTION hereafter and/or an attached EXHIBIT A of this Agreement, have been designated as low and moderate income rental housing as defined by the Act; and

WHEREAS, municipalities within the State of New Jersey are required by the Act to provide for their fair share of housing that is affordable to households with low or moderate incomes in accordance with the provisions of this Act; and

WHEREAS, the Act requires that municipalities ensure that such Affordable Housing Units remain affordable to low and moderate income households for a minimum period of at least six (6) years; and

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

WHEREAS, the purpose of this Agreement is to ensure that the herein described Affordable Units remain affordable for rental by low and moderate income eligible households, with certain units being further restricted to rental by senior citizen households, for that period of time described in Section III TERM OF RESTRICTION;

NOW, THEREFORE, it is the intent of this Agreement to insure that 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, its heirs and assigns as their interests may appear, and notify all future purchasers and renters of an Affordable Unit that all Affordable Units are encumbered with affordable controls; and by entering into this Agreement, the Owner of the described premises agrees to restrict the rental of Affordable Units to low and moderate income eligible households and to rental by senior citizen households, at a maximum adjusted rent determined by the Authority for the specified period of time.

I. DEFINITIONS

All terms and phrases used in this Agreement shall have the same meanings as set forth in and shall be interpreted to fulfill the intent and purpose of the Affordable Housing Ordinance of the Township of Montgomery (Chapter XV of the code of the Township of Montgomery) ("Ordinance"). Any definition pertaining to affordable housing not contained in the Ordinance shall be intended to have the meaning as defined in the New Jersey Fair Housing Act (N.J.S.A. 52:270-301, et seq.) or the "Procedural Rules of the New Jersey Council on Affordable Housing" (N.J.A.C. 5:91) or the "Substantive Rules of the New Jersey Council on Affordable Housing" (N.J.A.C. 5:92 or N.J.A.C. 5:93, as appropriate).

II. PROPERTY DESCRIPTION

This Agreement applies to the Owner's interest in the sixty (60) Affordable Units located in the "Montgomery Hills" development and being known as "McKinley Commons Condominium" and more particularly described in the property description attached as Exhibit A. Owner acknowledges that occupancy of these Affordable Units shall be limited to rental by low and moderate income-eligible Senior Citizen Households, defined in the Ordinance as household(s) with at least one (1) person fifty-five (55) years of age or older and with no person less than nineteen (19) years of age, provided that visitors less than nineteen (19) years of age are permitted for no more than eight (8) weeks during any twelve (12) month time period.

III. TERM OF RESTRICTION

A. The terms, restrictions and covenants of this Agreement shall begin on the date of the first rental of an Affordable Unit by either a Low Income Household, Moderate Income Household or Senior Citizen Household.

B. Subject to the "Recapture" provisions of this ordinance, the terms, restrictions and covenants of this Agreement shall terminate thirty (30) years after the commencement date (provided, however, any Affordable Unit occupied by an income-eligible house upon the expiration of the thirty-year period shall remain restricted until that Affordable Unit is vacated).

C. Upon termination of restrictions as they apply to each Affordable Unit(s) within the property described in Exhibit A, the Authority shall execute a document in recordable form evidencing that such Affordable Unit(s) has been forever released from the restrictions of this Agreement.

IV. RESTRICTIONS

A. The Owner of a rental Affordable Unit shall not rent the Affordable Unit for rent that is greater than the maximum rental charge allowed by the Ordinance and annual rental charge increases allowed by the Ordinance. Prior to the rental or re-rental of an Affordable Unit, the Authority shall determine the maximum rent to be charged for said Unit. Rental charge increases shall be effective as of the Lease anniversary date and shall remain in effect for at least a one (1) year period.

B. The Owner shall not rent an Affordable Unit to other than a Low Income Renter or Moderate Income Renter ("Renter") who is determined to be a "Certified Household" by the Housing Authority pursuant to the Ordinance.

C. A "Certified Household" determination shall be valid for One Hundred Twenty (120) Days and shall thereafter expire unless a valid Lease has been executed, provided:

(1) If a valid Lease has been executed within the One Hundred Twenty (120) Day time period, the certification shall remain valid unless the Lease is ruled invalid and no occupancy of the Affordable Unit has occurred; and

(2) Upon the written request of a "Certified Household", the certification may be renewed in writing by the authority, at its discretion, for no more than an additional One Hundred Twenty (120) Days.

D. The Owner of an Affordable Unit shall sell the Unit in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-9) and the Ordinance to ensure that the Affordable Unit shall remain affordable for rental and occupation by Certified Households throughout the duration of this Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the Somerset County Clerk. The Agreement shall be recorded prior to the date of the first rental of an Affordable Unit by either a Low Income Household, Moderate Income Household or Senior Citizen Household.

B. When a single Agreement is used to govern more than one Affordable Unit, the Agreement shall contain a description of each Affordable 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 Affordable Unit as described

in Section III, TERM OF RESTRICTIONS of the Agreement. The Deed of each and every individual Affordable Unit governed by such a single Agreement shall contain the recording information of the Agreement applicable to such Affordable Unit.

C. This Agreement shall be executed by the Owner or the then current title holder of record of the Property upon which the Affordable Units are to be situated prior to its recording.

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

A. All Deeds of Conveyance and Contracts to Purchase from all Owners to Purchasers of Affordable 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 an AFFORDABLE HOUSING AGREEMENT which has been filed in the Office of the Clerk of Somerset County in Misc. Book _____ at Page _____ on _____, 2002 and is on file with the Montgomery Township Municipal Clerk."

Any Master Deed which includes Affordable Unit(s) shall also reference the Affordable Units(s) and this Agreement and any variation in services, fees or other terms of the Master Deed that differentiate the Affordable Unit(s) from all other unit(s) covered in the Master Deed.

B. The Owner of Affordable Units shall provide a Disclosure Statement to all Renters of Affordable Units prior to the execution of any Lease, and such Disclosure Statement shall be included in any applicable Public Offering Statement. A sample copy of the Disclosure Statement is attached hereto as Exhibit B. All Owners of Affordable Units shall provide copies of the Disclosure Statement to subsequent Renters prior to the execution of Leases with such Renters.

VII. COVENANTS RUNNING WITH LAND

The provisions of this Agreement shall constitute covenants running with the land with respect to each Affordable Unit affected hereby, and shall bind all Purchasers, Owners and Renters of Affordable Units, 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. Ownership or rental of an Affordable Unit shall be deemed to be an acceptance and ratification of all of the applicable provisions of this Agreement.

VIII. OWNER/RENTER RESPONSIBILITIES

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

A. The Affordable Unit shall at all times remain the primary residence of the Renter. The Owner shall not rent, nor the Renter sublet, any Affordable Unit to any party whether or not that party is qualified as a Low or Moderate Income Household (or Senior Citizen Household, where applicable) without prior written approval from the Authority.

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

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

D. Owners of Affordable 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 becomes due and before penalties are imposed. This shall include, but not be limited to, any and all assessments by the Montgomery Hills Master Association and the McKinley Commons Condominium Association.

E. Owners and Renters of Affordable Units shall be responsible for compliance with the documents governing the McKinley Commons Condominium Association and the Montgomery Hills Master Association and for fines, penalties or changes assessed against said Renters pursuant thereto.

F. Owners and Renters of Affordable Units shall be subject to the terms, restrictions and provisions of the Master Deed, the Ordinance, this Agreement and/or the rules and regulations of the Authority, which shall be considered a material element of each Renter's Lease. Violation of any such terms, restrictions and provisions shall be cause for eviction pursuant to N.J.S.A. 2A:18-61.1d and/or 2A:18-61.1e. In the event of violation by the Owner or Renter of any of the terms or restrictions of any Master Deed, the Ordinance, this Agreement or the Rules and Regulations of the Authority, the Owner of said Unit(s) shall be responsible for curation of said violation and payment of all penalties in accordance with applicable law and to the reasonable satisfaction of any and all government entities. The Owner shall further agree to indemnify and hold harmless the Township and Authority for any and all damages caused by the violation and expenses of curation, including, but not limited to, judgments, fines or penalties which may be imposed upon the Township or Authority.

G. Owners of Affordable Units shall notify the Authority in writing ninety (90) days prior to a rental vacancy. Owners shall not lease or otherwise deliver possession of the Affordable Unit without the prior written approval of the Authority.

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

I. If the Authority does not refer a Certified Household within sixty (60) days of the notice of rental vacancy, the Owner may rent the property to an eligible household not referred by the Authority. The proposed Renter must complete all required household eligibility forms and submit gross annual income information (and, where necessary, proof of age) for verification by the Authority and issuance of written certification as an eligible rental transaction. This shall not limit Owner's right to petition COAH for relief pursuant to the Ordinance.

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

K. The Owner shall be obligated to pay a service fee to the Authority at the time of initial purchase of a unit, initial occupancy and at the time of each new rental occupancy.

L. In the event of issuance by the Authority of a notice of violation to an Owner or Renter, said Owner or its heirs and assigns shall cure said violation(s) to the reasonable satisfaction of the Authority.

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

IX. FORECLOSURE

A. This Agreement shall not be terminated in the event of Judgement of Foreclosure on Properties that include Affordable Housing Units that are designated as rental units unless the rental unit is located within an owner-occupied property containing four or less units.

B. If the rental unit is located 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.

C. Upon a Judgment of Foreclosure of an owner-occupied unit containing an affordable rental housing unit, the Authority shall execute a document in recordable form evidencing that such Affordable Housing Unit has been forever released from the restrictions of the Agreement. Execution of foreclosure sales by any other class of creditor of 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 or Renter, the Authority shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties to this Agreement that a breach will cause irreparable harm to the Authority, in light of the public policies set forth in the Fair Housing Act and the obligation for the provisions of low and moderate income housing. Upon the occurrence of a breach of any of the terms of the Agreement by an Owner or Renter, the Authority shall have all remedies provided at law or equity, including, but not limited to, 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 Authority may assign from time to time, its rights, and delegate its obligations hereunder without the consent of the Owner or Renter. Upon such assignment, the Authority, and/or 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 rents of designated Affordable Units remain affordable to Low Income Households and Moderate Income Households (and Senior Citizen Households, where applicable) as defined herein.

XIII. NOTICE

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

To the Owner: McKinley Court, L.L.C.
c/o The Matzel & Mumford Organization, Inc.
100 Village Court
Hazlet, New Jersey 07730

Attention: Roger Mumford

To the Authority: Housing Authority of the Township of Montgomery
Township of Montgomery Municipal Building
2261 Route 206
Belle Mead, New Jersey 08502

Attention: Affordable Housing Administrator

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

XIV. SUPERJORITY 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 the Agreement are paramount and controlling as to the rights and obligations between and among the Owner, the Authority, and their respective successors. This Agreement shall be interpreted in accordance with and is intended to fulfill the intentions of the Ordinance and Council rules and regulations.

XV. SEVERABILITY

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

XVI. CONTROLLING LAW

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

XVII. CERTIFICATIONS

A. The Owner certifies that all information provided herein is true and correct as of the date of the signing of this Agreement.

B. The Authority certifies that this Agreement is consistent with the Ordinance.

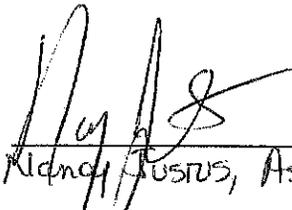
XVIII. AGREEMENT

The Owner and Authority hereby agree that all Affordable Units described herein shall be marketed and occupied in accordance with the provisions of this Agreement, the Ordinance and the Council rules and regulations. Neither the Owner nor Authority 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 it is recorded with the Somerset County Clerk.

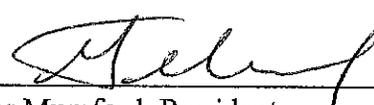
DATED: August 1, 2002

WITNESS:

McKINLEY COURT, L.L.C.
By The Matzel & Mumford Organization, Inc.,
Managing Member



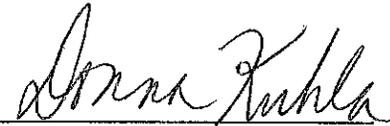
Nancy Jusus, Asst. Sec

By: 

Roger Mumford, President

HOUSING AUTHORITY OF THE TOWNSHIP
OF MONTGOMERY

By The Township of Montgomery



Anna Kubla

By: 

Louise Wilson, Mayor

STATE OF NEW JERSEY, COUNTY OF MONMOUTH, SS.:

I CERTIFY that on July 23, 2002, ~~ROGER MUMFORD~~ personally came before me and this person acknowledged under oath to my satisfaction, that:

(a) this person signed, sealed and delivered the attached document as the President of The Matzel & Mumford Organization, Inc., which is the Managing Member of the Limited Liability Company named in this document and was fully authorized to and did execute this document on its behalf; and;

(b) this document was signed and delivered by the company as its voluntary act duly authorized by a proper resolution of its Members.

Signed and sworn to before me on
this 23rd day of July, 2002



PATRICIA A. DELUCCO
A Notary Public of New Jersey
My Commission Expires 2/22/2006

STATE OF NEW JERSEY, COUNTY OF SOMERSET, SS.:

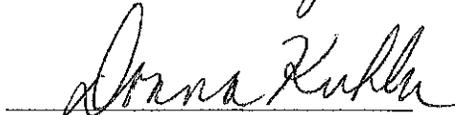
I CERTIFY that on August 1, 2002, LOUISE WILSON personally came before me and this person acknowledged under oath to my satisfaction, that:

(a) this person signed, sealed and delivered the attached document as the Mayor of the Township of Montgomery, the municipal corporation named in this document;

(b) the proper corporate seal was affixed; and

(c) this document was signed and made by the municipal corporation as its voluntary act and deed.

Signed and sworn to before me on
this 1st day of August, 2002



DONNA KUKLA
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 10/30/2006

MCKINLEY COURT
MOUNT LAUREL SENIOR RENTAL CONDOMINIUMS
TOWNSHIP OF MONTGOMERY, COUNTY OF SOMERSET, STATE OF NEW JERSEY

	Block	Lot	Street Address	Model Type	% Interest
Bldg #01	37003	6.861	201 McKinley Court	D	1.05263
	37003	6.862	202 McKinley Court	B	1.05263
	37003	6.863	203 McKinley Court	D	1.05263
	37003	6.864	204 McKinley Court	B	1.05263
	37003	6.870	220 McKinley Court	B	1.05263
	37003	6.871	221 McKinley Court	D	1.05263
	37003	6.872	222 McKinley Court	B	1.05263
	37003	6.873	223 McKinley Court	D	1.05263
Bldg #02	37003	6.840	400 McKinley Court	C	1.05263
	37003	6.841	401 McKinley Court	C	1.05263
	37003	6.842	402 McKinley Court	B2	1.05263
	37003	6.843	403 McKinley Court	D2	1.05263
	37003	6.844	404 McKinley Court	B2	1.05263
	37003	6.845	405 McKinley Court	D2	1.05263
	37003	6.846	406 McKinley Court	C	1.05263
	37003	6.847	407 McKinley Court	C	1.05263
	37003	6.850	420 McKinley Court	C	1.05263
	37003	6.851	421 McKinley Court	C	1.05263
	37003	6.852	422 McKinley Court	B2	1.05263
	37003	6.853	423 McKinley Court	D2	1.05263
	37003	6.854	424 McKinley Court	B2	1.05263
	37003	6.855	425 McKinley Court	D2	1.05263
	37003	6.856	426 McKinley Court	C	1.05263
37003	6.857	427 McKinley Court	C	1.05263	

EXHIBIT "A"

	Block	Lot	Street Address	Model Type	% Interest
Bldg #05	37003	6.910	1000 McKinley Court	A	1.05263
	37003	6.911	1001 McKinley Court	D	1.05263
	37003	6.912	1002 McKinley Court	B	1.05263
	37003	6.913	1003 McKinley Court	D	1.05263
	37003	6.914	1004 McKinley Court	B	1.05263
	37003	6.915	1005 McKinley Court	D	1.05263
	37003	6.916	1006 McKinley Court	B	1.05263
	37003	6.917	1007 McKinley Court	D	1.05263
	37003	6.918	1008 McKinley Court	B	1.05263
	37003	6.919	1010 McKinley Court	A	1.05263
	37003	6.920	1020 McKinley Court	A	1.05263
	37003	6.921	1021 McKinley Court	D	1.05263
	37003	6.922	1022 McKinley Court	B	1.05263
	37003	6.923	1023 McKinley Court	D	1.05263
	37003	6.924	1024 McKinley Court	B	1.05263
	37003	6.925	1025 McKinley Court	D	1.05263
	37003	6.926	1026 McKinley Court	B	1.05263
	37003	0.006	1027 McKinley Court	D	1.05263
	37003	6.928	1028 McKinley Court	B	1.05263
	37003	6.929	1030 McKinley Court	A	1.05263
Bldg #06	37003	6.880	1200 McKinley Court	C	1.05263
	37003	6.881	1201 McKinley Court	C	1.05263
	37003	6.882	1202 McKinley Court	B2	1.05263
	37003	6.883	1203 McKinley Court	D2	1.05263
	37003	6.884	1204 McKinley Court	B2	1.05263
	37003	6.885	1205 McKinley Court	D2	1.05263
	37003	6.886	1206 McKinley Court	C	1.05263
	37003	6.887	1207 McKinley Court	C	1.05263
	37003	6.890	1220 McKinley Court	C	1.05263
	37003	6.891	1221 McKinley Court	C	1.05263
	37003	6.892	1222 McKinley Court	B2	1.05263
	37003	6.893	1223 McKinley Court	D2	1.05263
	37003	6.894	1224 McKinley Court	B2	1.05263
	37003	6.895	1225 McKinley Court	D2	1.05263
	37003	6.896	1226 McKinley Court	C	1.05263
	37003	6.897	1227 McKinley Court	C	1.05263

**DISCLOSURE STATEMENT FOR
AFFORDABLE RENTAL UNITS
MCKINLEY COMMONS CONDOMINIUM**

The home which you are considering renting is an "Affordable Unit" as defined in instruments entitled "The First Amendment to the Public Offering Statement of Montgomery Hills" and the "Master Deed for McKinley Commons Condominium", collectively referred to as the "Affordable Housing Documents" for the development known as "McKinley Commons". The "Affordable Housing Documents" were prepared for Town Homes at Montgomery L.L.C. in accordance with the requirements of Township of Montgomery and were a requirement of the Township of Montgomery in its approval of the development known as "Montgomery Hills". A complete reading of the "Affordable Housing Documents" is necessary to fully understand and be aware of all the restrictions contained in the documents which affect the home you are considering. By way of a brief summary, the following restrictions are contained in the "Affordable Housing Documents":

1. Tenants of these "Affordable Units" are limited to "low" and "moderate" income families. These "Affordable Units" may be occupied only as permitted by the Township of Montgomery and the duly designated Housing Authority of the Township. The restrictions on the occupancy of the "Affordable Units" shall continue for the period of time noted in the "Affordable Housing Documents", and apply to the initial rental of the unit and any subsequent re-rental; and
2. The terms, restrictions, provisions and covenants of the "Affordable Housing Documents", including the provisions of the Master Deed referring to and incorporating the "Affordable Housing Documents", shall expire and terminate no earlier than the time period specified in the "Affordable Housing Documents", i.e., thirty (30) years from the date of the first purchase of a sales "Affordable Unit" or thirty (30) years from the date of the first rental of a rental "Affordable Unit", and shall only expire and terminate in accordance with Section 15-110, "Recapture of Affordable Units", in the Affordable Housing Ordinance of the Township of Montgomery.

The above are the limitations and restrictions which most greatly affect the "Affordable Units" in the development known as "McKinley Commons"; however, a full understanding of the "Affordable Housing Documents" requires a thorough and complete reading of the documents.

Statement of Understanding

I/we have read the contents of this Disclosure Statement and understand same. I/we have been instructed that a thorough reading of the "Affordable Housing Documents" in their entirety is necessary to understand their requirements and limitations. I/we have further been instructed to seek the assistance and advise of an attorney in reviewing the "Affordable Housing Documents".

Date: _____

Tennant

Building No.: _____ Unit: _____

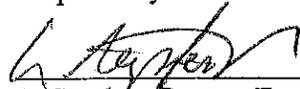
Tennant

5. PRIOR ROUND: MONTGOMERY GLEN

Deed Restriction

AFFORDABLE HOUSING AGREEMENT

Prepared by:


L. Stephen Pastor, Esquire

A DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

This AGREEMENT is entered into on this 1st day of August 2002 between Calton Homes, Inc., owner of the properties designated in Section II PROPERTY DESCRIPTION, hereafter "OWNER", and hereafter "AUTHORITY", both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing unit described in Section II PROPERTY DESCRIPTION for a period of at least thirty (30) years beginning on September 15, 2002 and ending at the first non-exempt transfer of title after thirty (30) years unless extended by municipal resolution as described in Section III TERM OF RESTRICTION.

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

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

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

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

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

NOW, THEREFORE, it is the intent of this Agreement to ensure that the affordability controls are contained directly in the property deed for the premises and incorporated into and recorded with the property deed so as to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability

controls; and by entering into this Agreement, the Owner of the described premises agrees to restrict the sale of the housing unit to low and moderate income-eligible households at a maximum resale price determined by the Authority for the specified period of time.

I. DEFINITIONS

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

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

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

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

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

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

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

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

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

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

"Exempt Transaction" shall mean the following "non-sales" title transactions: (1) Transfer of ownership between husband and wife; (2) Transfer of ownership between former

spouses ordered as a result of a judicial decree of divorce or judicial separation (but not including sales to third parties); (3) Transfer of ownership through an Executor's deed to a Class A Beneficiary; and, (4) Transfer of ownership by court order. All other title transfers shall be deemed non-exempt.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Total Monthly Housing Costs" shall mean the total of the following monthly payments associated with the cost of an owner-occupied Affordable Housing unit including the mortgage payment (principal, interest, private mortgage insurance), applicable assessments by any

homeowners, condominium, or cooperative associations, real estate taxes, and fire, theft and liability insurance.

II. PROPERTY DESCRIPTION

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

Block _____ Lot _____ Municipality: Montgomery

County: Somerset # of Bedrooms

Complete Street Address & Unit #

City: Montgomery, State: New Jersey; Zip

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

III. TERM OF RESTRICTIONS

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

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

1. At the first non-exempt sale after 10 (ten) years from the beginning date established pursuant to Paragraph A above for units located in municipalities receiving State Aid pursuant to P.L.1978, L.14 (N.J.S.A. 52:27D-178 et seq.) that exhibit one of the characteristics delineated in N.J.A.C. 5:92-5.3(b); or at the first non-exempt sale after thirty (30) years from the beginning date established pursuant to Paragraph A above for units located in all other municipalities; or

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

C. The terms, restrictions and covenants of this Affordable Housing Agreement may be extended by municipal resolution as provided for in N.J.A.C. 5:92.1 et seq. Such municipal resolution shall provide for a period of extended restrictions and shall be effective upon filing with the Council and the Authority. The municipal resolution shall specify the extended time period by providing for a revised ending date. An amendment to the Affordable Housing Agreement shall be filed with the recording office of the county in which the Affordable Housing unit or units is/are located.

D. At the first non-exempt title transaction after the established ending date, the Authority

shall execute a document in recordable form evidencing that the Affordable Housing unit has been released from the restrictions of this Affordable Housing Agreement.

IV. RESTRICTIONS

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

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

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

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

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

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

D. The Affordable Housing unit shall be sold in accordance with all rules, regulations, and requirements duly promulgated by the Council (N.J.A.C. 5:92-1 et seq.), the intent of which is to ensure that the Affordable Housing unit remains affordable to and occupied by Low and Moderate Income-Eligible Households throughout the duration of this Agreement.

V. REQUIREMENTS

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

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

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

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

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

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

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

VII. COVENANTS RUNNING WITH LAND

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

VIII. OWNER RESPONSIBILITIES

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

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

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

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

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

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

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

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

H. At resale, all items of property which are permanently affixed to the unit and/or were included when the unit was initially restricted (e.g. refrigerator, range, washer, dryer, dishwasher, wall to wall carpeting) shall be included in the maximum allowable Resale Price. Other items of property may be sold to the Purchaser at a reasonable price that has been approved by the Authority at the time of signing the Agreement to Purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the Base Price may be made a condition of the unit resale provided the price has been approved by the

Authority. Unless otherwise permitted by the Council, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The Owner and the Purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at Resale.

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

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

K. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:92-1 et seq.), for determining that a resale transaction is qualified for a Certificate of Exemption. The Owner shall notify the Authority in writing of any proposed Exempt Transaction and supply the necessary documentation to qualify for a Certificate of Exemption. An Exempt Transaction does not terminate the resale restrictions or existing liens and is not considered a certified sales transaction in calculating subsequent resale prices. A Certificate of Exemption shall be filed with the deed at the time of title transfer.

L. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:92-1 et seq.), for determining that a resale transaction is qualified for a Hardship Waiver. The Owner may submit a written request for a Hardship Waiver if no Certified Household has executed an agreement to purchase within ninety (90) days of notification of an approved resale price and referral of potential purchasers. Prior to issuing a Hardship Waiver, the Municipality shall have 30 days in which to sign an agreement to purchase the unit at the approved resale price and subsequently rent or convey it to a Certified Household. The Municipality may transfer this option to the Department, the Agency, or a qualified non-profit organization as determined by the Council. For approval of a Hardship Waiver, an Owner must document efforts to sell the unit to an income eligible household. If the waiver is granted, the Owner may offer a low income unit to a moderate income household or a moderate income unit to a household whose income exceeds 80% of the applicable median income guide. The Hardship Waiver shall be filed with the deed at the time of closing and is only valid for the designated resale transaction. It does not affect the resale price. All future resales are subject to all restrictions stated herein.

M. The Owner shall be obligated to pay a reasonable service fee to the Authority at the time of closing and transfer of title in the amount specified by the Authority at the time a restricted resale price has been determined after receipt of a Notice of Intent to Sell. Such fee shall not be included in the calculation of the maximum resale price.

IX. FORECLOSURE

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

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

Upon a judgment of Foreclosure, the Authority shall execute a document to be recorded in the county recording office as evidence that such Affordable Housing unit has been forever released from the restrictions of this Agreement. Execution of foreclosure sales by any other class of creditor or mortgagee shall not result in a release of the Affordable Housing unit from the provisions and restrictions of this Agreement.

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

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

responsible or liable to the Authority for any portion of this excess.

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

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

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

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

X. VIOLATION, DEFAULTS AND REMEDIES

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

XI. RIGHT TO ASSIGN

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

XII. INTERPRETATION OF THIS AGREEMENT

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

XIII. NOTICES

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

To the Owner:

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

To the Authority:

At the address stated below:

Attention:

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

XIV. SUPERIORITY OF AGREEMENT

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

XV. SEVERABILITY

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

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

they had been in effect at the time of the execution of this instrument.

XVI. CONTROLLING LAW

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

XVII. OWNER'S CERTIFICATION

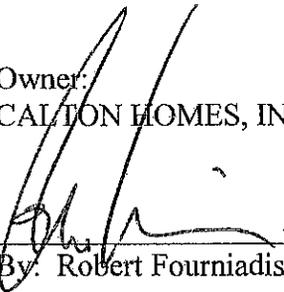
The Owner certifies that all information provided in order to qualify as the owner of the property or to purchase the property is true and correct as of the date of the signing of this Agreement.

XVIII. AGREEMENT

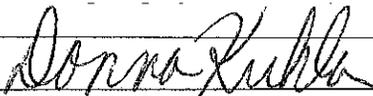
A. The Owner and the Authority hereby agree that all Affordable Housing units described herein shall be marketed, sold, and occupied in accordance with the provisions of this Agreement. Neither the Owner nor the Authority shall amend or alter the provisions of this Agreement without first obtaining the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

Dated:
ATTEST:

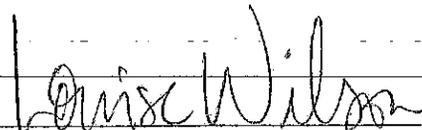


Owner:
CALTON HOMES, INC.

By: Robert Fourniadis, Senior Vice President

Dated:
ATTEST:



Authority:



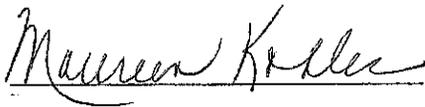
Signature (Authority)

STATE OF NEW JERSEY
COUNTY OF

SS:

BE IT REMEMBERED, that on this ___ day of _____, 2002, before me, the subscriber _____, personally appeared Robert Fourniadis who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction, that he is the Senior Vice President of Calton Homes, Inc., the 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.



MAUREEN KOHLER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 11, 2003

EXHIBIT A

Seq. #	Street Address	City	State Zip	Lot	Block	No. of Bedrooms
77	29 River Birch Circle	Princeton	NJ 08540	20.01	37006	2
78	31 River Birch Circle	Princeton	NJ 08540	20.02	37006	2
79	33 River Birch Circle	Princeton	NJ 08540	20.03	37006	1
80	35 River Birch Circle	Princeton	NJ 08540	20.04	37006	1
81	37 River Birch Circle	Princeton	NJ 08540	20.05	37006	2
82	39 River Birch Circle	Princeton	NJ 08540	20.06	37006	2
83	41 River Birch Circle	Princeton	NJ 08540	20.07	37006	2
84	43 River Birch Circle	Princeton	NJ 08540	20.08	37006	2
85	45 River Birch Circle	Princeton	NJ 08540	20.09	37006	3
86	47 River Birch Circle	Princeton	NJ 08540	20.10	37006	3
87	49 River Birch Circle	Princeton	NJ 08540	20.11	37006	3
88	51 River Birch Circle	Princeton	NJ 08540	20.12	37006	3
89	53 River Birch Circle	Princeton	NJ 08540	20.13	37006	2
90	55 River Birch Circle	Princeton	NJ 08540	20.14	37006	2
91	57 River Birch Circle	Princeton	NJ 08540	20.15	37006	2
92	59 River Birch Circle	Princeton	NJ 08540	20.16	37006	2
93	61 River Birch Circle	Princeton	NJ 08540	20.17	37006	1
94	63 River Birch Circle	Princeton	NJ 08540	20.18	37006	1
95	65 River Birch Circle	Princeton	NJ 08540	20.19	37006	Storage Unit
96	67 River Birch Circle	Princeton	NJ 08540	20.20	37006	2

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
REPAYMENT MORTGAGE

Prepared by:

This Mortgage made on _____, 2002 between _____ (referred to as "Borrower") and _____ (referred to as the "Authority"), which Authority is an instrumentality of Montgomery Township, Somerset County, New Jersey (referred to as the "Municipality")

REPAYMENT MORTGAGE NOTE

In consideration of value received by the Borrower in connection with the Property (described below) purchased by the Borrower, the Borrower has signed a note dated _____. The Borrower promises to pay the amounts due under the Note and to abide by all promises contained in the Note.

MORTGAGE AS SECURITY

This Mortgage is given to the Authority as security for the payment due and the performance of all promises under the Note. The Borrower mortgages the real estate owned by the Borrower described as follows (referred to as the "Property"):

All of the land located in the Township of Montgomery, County of Somerset and State of New Jersey, specifically described as follows:

Street Address:

Lot No.:

Block No.:

Also more particularly described as:

Together with: _____

1. All buildings and other improvements that now are or will be located on the Property.

2. All fixtures, equipment and personal property that now are or will be attached to or used with the land, buildings and improvements of or on the Property.

3. All rights which the Borrower now has or will acquire with regard to the Property.

BORROWER'S ACKNOWLEDGMENTS

1. The Borrower acknowledges and understands that:

(a) Municipalities within the State of New Jersey are required under the Fair Housing Act and regulations adopted under the authority of the Act to provide for their fair share of housing that is affordable to households of low and moderate income; and

(b) The Property which is subject to this Mortgage has been designated as housing which must remain affordable to low and moderate income households for at least thirty (30) years unless a shorter time period is authorized in accordance with rules established by any agency having jurisdiction (the "restricted period"); and

(c) To ensure that such housing, including this Property, remains affordable to low and moderate income households during the restricted period, an Affordable Housing Agreement has been executed by the Borrower that constitutes covenants running with the land with respect to the Property and the Municipality has adopted procedures and restrictions governing the resale of the Property; and

(d) The Authority to which the Property is mortgaged has been designated by the Municipality to administer the procedures and restrictions governing such housing.

2. The Borrower also acknowledges and understands that the Property has been purchased at a restricted sales price that is less than the fair market value of the Property.

BORROWER'S PROMISES

In consideration for the value received in connection with the purchase of the Property at a restricted sales price, the Borrower agrees as follows:

1. The Borrower will comply with all of the terms of the Note and this Mortgage which includes:

(a) Within the restricted period starting with the date the Borrower obtained title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds the maximum allowable resale price as established by the Authority. In the event of breach of this promise, Borrower hereby assigns all proceeds in excess of the maximum allowable resale price to the Authority, said assignment to be in addition to any and all rights and remedies the Authority has upon default.

(b) At the first non-exempt transfer of title of the Property after the ending date of the restricted period, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the

Property during the restricted period to the Authority.

2. The Borrower warrants title to the premises (N.J.S.A. 46:9-2). This means the Borrower owns the Property and will defend its ownership against all claims.

3. The Borrower shall pay all liens, taxes, assessments and other governmental charges made against the Property when due. The Borrower will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

4. The Borrower shall keep the Property in good repair, neither damaging nor abandoning it. The Borrower will allow the Authority to inspect the Property upon reasonable notice.

5. The Borrower shall use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

CONTROLS ON AFFORDABILITY

The procedures and restrictions governing resale of the Property have been established pursuant to the Fair Housing Act and the regulations adopted under the authority of the Act (all collectively referred to as "Controls on Affordability"). Reference is made to the Controls on Affordability for the procedure in calculating the maximum allowable resale price, the method of repayment described in item 1(b) of the section entitled "Borrower's Promises", and the definition of a "restricted sale" for purposes of determining when the Affordability Controls are applicable, and the determination of the restricted period of time.

RIGHTS GIVEN TO LENDER

The Borrower, by mortgaging the Property to the Authority, gives the Authority those rights stated in this Mortgage, all rights the law gives to lenders, who hold mortgages, and also all rights the law gives to the Authority and/or Municipality under the Affordability Controls. The rights given to the Authority and the restrictions upon the Property are covenants running with the land. The rights, terms and restrictions in this Mortgage shall bind the Borrower and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in the Note and Mortgage, the Authority will cancel this Mortgage at its expense.

DEFAULT

The Authority may declare the Borrower in default on the Note and this Mortgage if:

1. The Borrower fails to comply with the provisions of the Affordable Housing Agreement;

2. The Borrower fails to make any payment required by the Note and this Mortgage;

3. The Borrower fails to keep any other promise made in this Mortgage;
4. The ownership of the Property is changed for any reason without compliance with the terms of the Note and Mortgage;
5. The holder of any lien on the Property starts foreclosure proceedings; or
6. Bankruptcy, insolvency or receivership are started by or against any of the Borrowers.

AUTHORITY'S RIGHTS UPON DEFAULT

If the Authority declares that the Note and this Mortgage are in default, the Authority shall have, subject to the rights of the First Mortgage, all rights given by law or set forth in this Mortgage.

NOTICES

All notices must be in writing and personally delivered or sent by certified mail, return receipt requested, to the addresses given in this Mortgage. Address changes may be made upon notice to the other party.

NO WAIVER BY AUTHORITY

The Authority may exercise any right under this Mortgage or under any law, even if the Authority has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. The Authority does not waive its right to declare the Borrower is in default by making payments or incurring expense on behalf of the Borrower.

EACH PERSON LIABLE

This Mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Authority may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage.

SECOND MORTGAGE

The lien on this Mortgage is inferior to and subject to the terms and provisions of the First Purchase Money Mortgage executed contemporaneously herewith or any subsequent refinancing.

NO ORAL CHANGES

This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Authority.

SIGNATURES

The Borrower agrees to the terms of this Mortgage by signing below.

ACKNOWLEDGMENT:

The Borrower acknowledges receipt of a true copy of this mortgage at no charge.

WITNESS:

TO THE REGISTER OR CLERK OF SOMERSET COUNTY:

Record and return to:

This mortgage is fully paid and satisfied.
I authorize you to cancel it of Record.

Lender:

I certify that the Lender's signature is genuine.

STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
REPAYMENT MORTGAGE NOTE

_____, 2002 _____, New Jersey

FOR VALUE RECEIVED _____ (referred to as the "Borrower") promises to pay to _____ (referred to as the "Authority") an instrumentality of Montgomery Township, Somerset County, New Jersey (the "Municipality") the amounts specified in this Note and promises to abide by the terms contained below. This mortgage is subordinate to the first mortgage executed contemporaneously herewith, or any subsequent financing.

REPAYMENT MORTGAGE

As security for the payment of amounts due under this Note and the performance of all promises contained in this Note, the Borrower is giving the Authority a Repayment Mortgage, dated _____. The Repayment Mortgage covers real estate (the "Property") owned by the Borrower, the legal description of such real estate being contained in the Repayment Mortgage.

BORROWER'S PROMISE TO PAY AND OTHER TERMS

1. The Property is subject to terms, restrictions and conditions that prohibit its sale at a fair market price for an established period of time. Within the restricted period, starting with the date the Borrower obtains title to the Property, the Borrower shall not sell or transfer title to the Property for an amount that exceeds a maximum allowable resale price established by the Authority.

(a) All proceeds received during the restricted period in excess of the restricted amount shall be paid to the Authority.

(b) At the first non-exempt sale of the Property after restrictions have ended, the Borrower agrees to repay 95% of the incremental amount between the maximum allowable resale price and the fair market selling price which has accrued to the Property during the restricted period of resale (the "Price Differential") to the Authority.

2. The amount due and payable to the Authority shall be calculated as follows:

STEP I.

FAIR MARKET PRICE

- less -

MAXIMUM ALLOWABLE RESALE PRICE

equals

PRICE DIFFERENTIAL

STEP II.

BORROWER'S PROCEEDS

equals

MAXIMUM ALLOWABLE RESALE PRICE

- plus -

5% of PRICE DIFFERENTIAL

STEP III.

AMOUNT OF NOTE

equals

FAIR MARKET PRICE

- less -

BORROWER'S PROCEEDS

WAIVER OF FORMAL ACTS

The Borrower waives its right to require the Authority to do any of the following before enforcing its rights under this Note:

1. To demand payment of amount due (known as Presentment).
2. To give notice that amounts due have not been paid (known as Notice of Dishonor).
3. To obtain an official certificate of non-payment (known as Protest).

RESPONSIBILITY UNDER NOTE

All Borrowers signing this Note are jointly and individually obligated to pay the amounts due and to abide by the terms under this Note. The Authority may enforce this Note against any one or more of the Borrowers or against all Borrowers together.

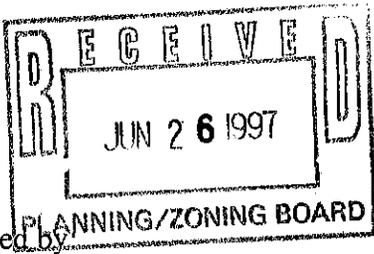
SIGNATURES

The Borrower agrees to the terms of this Note by signing below.

WITNESSED:

548647

6. PRIOR ROUND: PIKE RUN
(BELLEMEAD)
Deed Restriction



Prepared by
HUTT & BERKOW, P.C.

file
PUR
into the Packet

Richard Coppola

BY: _____
Ronald L. Shimanowitz, Esq.

State of New Jersey
Council on Affordable Housing
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
AFFORDABLE HOUSING AGREEMENT
RENTAL PROPERTIES

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This AGREEMENT is entered into on this 13th day of JUNE, 1997 between Pike Run II, L.L.C. owner of the properties designated in Section II PROPERTY DESCRIPTION, hereafter "Owner" and the HOUSING AUTHORITY OF TOWNSHIP OF MONTGOMERY (referred to as the "Housing Authority,") which Housing Authority is an instrumentality of the Township of Montgomery (referred to as the "Municipality") both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing Unit(s) described in Section II PROPERTY DESCRIPTION for a period of thirty (30) years and shall expire thirty (30) years from the date of the first rental of an Affordable Housing Unit by either a Low Income Household or by a Moderate Income Household.

WHEREAS, pursuant to the Fair Housing Act, (P.L. 1985 c. 222) hereinafter the "Act," the Affordable Housing Units described in Section II PROPERTY DESCRIPTION hereafter and/or an attached **EXHIBIT A** of this Agreement have been designated as low and moderate income rental housing as defined by the Act; and

WHEREAS, municipalities within the State of New Jersey are required by the Act, to provide for their fair share of housing that is affordable to households with low or moderate incomes in accordance with provisions of the Act, and

WHEREAS, the Act requires that municipalities ensure that such Affordable Housing Units remain affordable to low and moderate income households for a minimum period of at least six years; and

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

C. Upon termination of restrictions as they apply to each Affordable Housing Unit within the Property described in Exhibit A, the Housing Authority shall execute a document in recordable form evidencing that such Affordable Housing Unit has been forever released from the restrictions of this Affordable Housing Agreement.

IV. RESTRICTIONS

A. The Owner of a rental Affordable Housing Unit shall not rent the Affordable Housing Unit for rent that is greater than the maximum rental charge allowed by the Ordinance and annual rental charge increases allowed by the Ordinance. Prior to the rental or re-rental of an Affordable Housing Unit(s), the Housing Authority shall determine the maximum rent to be charged for said Unit(s). Rental charge increases 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 Low Income Renter or Moderate Income Renter who is determined to be a "certified household" by the Housing Authority pursuant to the Ordinance.

C. A "Certified Household" determination shall be valid for One Hundred Twenty (120) Days and shall thereafter expire unless a valid Lease has been executed, provided:

(1) If a valid Lease has been executed within the One Hundred Twenty (120) Day time period, the certification shall remain valid unless the Lease is ruled invalid and no occupancy of the affordable housing unit has occurred; and

(2) Upon the written request of the "Certified Household", the certification may be reviewed in writing by the Housing Authority, at its discretion, for an additional period not exceeding One Hundred Twenty (120) Days.

D. The Owner of the Affordable Housing Units shall sell the unit(s) in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-9) and the Ordinance to ensure that the Affordable Housing Units remain affordable for rental and occupation by Low Income Households and Moderate Income 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(s) are located. ~~The Agreement shall be recorded prior to the date of the first rental of an Affordable Housing Unit by either a Low Income Household or Moderate Income Household.~~

this Agreement as set forth herein. Ownership or rental of an Affordable Housing Unit shall be deemed to be an acceptance and ratification of all of the applicable provisions of this Affordable Housing Agreement.

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 Income Renter or Moderate Income Renter without prior written approval from the Housing Authority.

B. All home improvements made to an Affordable Housing Unit shall be at the Owner's expense except that the expenditures for any alteration that allows an Affordable Housing Unit to be rented to a larger household size because of an increased capacity for occupancy shall be considered by the Housing Authority for recalculation of rent. Owners must obtain prior approval from the Housing Authority 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 and before penalties are imposed. This shall include but not be limited to any and all assessments by a Homeowner's Association.

E. Tenants of Affordable Housing Units shall be responsible for compliance with the Homeowners Association Documents of the Pike Run Master Association, Inc., and for any fines, penalties or changes assessed against tenants pursuant thereto.

F. All renters of Affordable Housing Units shall be subject to the terms, restrictions and provisions of the Master Deed, the Ordinance, this Agreement and/or the rules and regulations of the Housing Authority, which shall be considered a material element of each renter's Lease. Violation of any such terms, restrictions and provisions shall be cause for eviction pursuant to N.J.S.A. 2A:18-61.1d and/or 2A:18-61.1e. In the event of violation by the owner or renter of any of the terms or restrictions of any Master Deed, the Ordinance, this Agreement or the Rules and Regulations of the Housing Authority, the Owner of said unit(s) shall be responsible for curation of said violation and payment of all penalties in accordance with applicable law and to the reasonable satisfaction of any and all governmental entities. The Owner shall further agree to indemnify and hold harmless the Municipality for any and all damages caused by the violation, including, but not

C. Upon a judgment of Foreclosure of an owner-occupied unit containing an Affordable Housing Unit, the Housing Authority shall execute a document in recordable form evidencing that such Affordable Housing Unit has been forever released from the restrictions of the Agreement. Execution of foreclosure sales by any other class of creditor of 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 Housing 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 Housing Authority, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low and moderate income housing. Upon the occurrence of a breach of any of the terms of the Agreement by an Owner, the Housing Authority shall have all remedies provided at law or equity, including but not limited to 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 Housing Authority may assign from time to time its rights, and delegate its obligations hereunder without the consent of the Owner. Upon such assignment, the Housing Authority, its successors or assigns shall provide written notice to the Owner.

XII. INTERPRETATION OF THIS AGREEMENT

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

XIII. NOTICES

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

To the Owner: Pike Run II, L.L.C.
c/o Atlantic Realty
90 Woodbridge Center Drive, 6th Floor
Woodbridge, New Jersey 07095

B. The Housing Authority certifies that this Affordable Housing Agreement is consistent with the Ordinance.

XVIII. AGREEMENT

The Owner and the Housing Authority hereby agree that all Affordable Housing Units described herein shall be marketed, rented, and occupied in accordance with the provisions of this Agreement, the Ordinance and the Council rules and regulations. Neither the Owner nor the Housing Authority 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 Somerset County Clerk.

Dated: JUNE 13TH, 1997

ATTEST:

W. Kevin Hayer
W KEVIN HAYER MONARCH MEMBER

PIKE RUN II, L.L.C.
A New Jersey Limited Liability Company

By: [Signature]
HENRY STEW Managing Member

Housing Authority of the
Township of Montgomery
BY: Somerset County Coalition
on Affordable Housing

Jolene Stronsky
Secretary

By: [Signature]
President

EXHIBIT A

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
1	D	113	PARSONS CT	3 BED RM.
1	B-1	111	PARSONS CT	1 BED RM.
1	B-3	127	PARSONS CT	1 BED RM.
1	B-2	109	PARSONS CT	1 BED RM.
1	C	125	PARSONS CT	2 BED RM.
1	B-2	107	PARSONS CT	1 BED RM.
1	C	123	PARSONS CT	2 BED RM.
1	B-2	105	PARSONS CT	1 BED RM.
1	C	121	PARSONS CT	2 BED RM.
1	D	103	PARSONS CT	3 BED RM.
1	A-1	101	PARSONS CT	1 BED RM.
1	A-2	120	PARSONS CT	1 BED RM.
1	D	102	PARSONS CT	3 BED RM.
1	B-2	104	PARSONS CT	1 BED RM.
1	C	122	PARSONS CT	2 BED RM.
1	B-2	106	PARSONS CT	1 BED RM.
1	C	124	PARSONS CT	2 BED RM.
1	B-2	108	PARSONS CT	1 BED RM.
1	C	126	PARSONS CT	2 BED RM.
1	B-1	110	PARSONS CT	1 BED RM.
1	B-3	128	PARSONS CT	1 BED RM.
1	D	112	PARSONS CT	3 BED RM.
1	A-1	114	PARSONS CT	1 BED RM.
1	A-2	129	PARSONS CT	1 BED RM.

* UNIT #S READ RIGHT TO LEFT FROM PARKING LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XB of the Pike Run development located at Parsons Court, Montgomery Township, Somerset County, New Jersey and being Lot 2, Block 5021 on the Township of Montgomery Tax Map and being also known as Lot 2, Block 5021 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
12	D	1203	DUNN CT	3 BED RM.
12	B-1	1205	DUNN CT	1 BED RM.
12	B-3	1221	DUNN CT	1 BED RM.
12	B-2	1207	DUNN CT	1 BED RM.
12	C	1223	DUNN CT	2 BED RM.
12	B-2	1209	DUNN CT	1 BED RM.
12	C	1225	DUNN CT	2 BED RM.
12	B-2	1211	DUNN CT	1 BED RM.
12	C	1227	DUNN CT	2 BED RM.
12	D	1213	DUNN CT	3 BED RM.
12	A-1	1214	DUNN CT	1 BED RM.
12	A-2	1229	DUNN CT	1 BED RM.
12	D	1212	DUNN CT	3 BED RM.
12	B-2	1210	DUNN CT	1 BED RM.
12	C	1228	DUNN CT	2 BED RM.
12	B-2	1208	DUNN CT	1 BED RM.
12	C	1226	DUNN CT	2 BED RM.
12	B-2	1206	DUNN CT	1 BED RM.
12	C	1224	DUNN CT	2 BED RM.
12	B-1	1204	DUNN CT	1 BED RM.
12	B-3	1222	DUNN CT	1 BED RM.
12	D	1202	DUNN CT	3 BED RM.
12	A-1	1201	DUNN CT	1 BED RM.
12	A-2	1220	DUNN CT	1 BED RM.

* UNIT #'S READ RIGHT TO LEFT FROM PARKING LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XB of the Pike Run development located at Dunn Court, Montgomery Township, Somerset County, New Jersey and being Lot 3, Block 5022 on the Township of Montgomery Tax Map and being also known as Lot 3, Block 5022 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
4	D	413	DONIMICUS	3 BED RM.
	B-1	411	COURT	1 BED RM.
4	B-3	427	DONIMICUS CT	1 BED RM.
4	B-2	409	DONIMICUS CT	1 BED RM.
4	C	425	DONIMICUS CT	2 BED RM.
4	B-2	407	DONIMICUS CT	1 BED RM.
4	C	423	DONIMICUS CT	2 BED RM.
4	B-2	405	DONIMICUS CT	1 BED RM.
4	C	421	DONIMICUS CT	2 BED RM.
4	D	403	DONIMICUS CT	3 BED RM.
4	A-1	401	DONIMICUS CT	1 BED RM.
4	A-2	420	DONIMICUS CT	1 BED RM.
4	D	402	DONIMICUS CT	3 BED RM.
4	B-2	404	DONIMICUS CT	1 BED RM.
4	C	422	DONIMICUS CT	2 BED RM.
4	B-2	406	DONIMICUS CT	1 BED RM.
4	C	424	DONIMICUS CT	2 BED RM.
4	B-2	408	DONIMICUS CT	1 BED RM.
4	C	426	DONIMICUS CT	2 BED RM.
4	B-1	410	DONIMICUS CT	1 BED RM.
4	B-3	428	DONIMICUS CT	1 BED RM.
4	D	412	DONIMICUS CT	3 BED RM.
4	A-1	414	DONIMICUS CT	1 BED RM.
4	A-2	429	DONIMICUS CT	1 BED RM.

* READ RIGHT TO LEFT FROM PARKING LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XC of the Pike Run development located at Donimicus Ct., Montgomery Township, Somerset County, New Jersey and being Lot 1, Block 5023 on the Township of Montgomery Tax Map and being also known as Lot 1, Block 5023 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
7	D	703	DONIMICUS	3 BED RM.
	B-1	705	CT.	1 BED RM.
7	B-3	721	DONIMICUS CT	1 BED RM.
7	B-2	707	DONIMICUS CT	1 BED RM.
7	C	723	DONIMICUS CT	2 BED RM.
7	B-2	709	DONIMICUS CT	1 BED RM.
7	C	725	DONIMICUS CT	2 BED RM.
7	B-2	711	DONIMICUS CT	1 BED RM.
7	C	727	DONIMICUS CT	2 BED RM.
7	D	713	DONIMICUS CT	3 BED RM.
7	A-1	714	DONIMICUS CT	1 BED RM.
7	A-2	729	DONIMICUS CT	1 BED RM.
7	D	712	DONIMICUS CT	3 BED RM.
7	B-2	710	DONIMICUS CT	1 BED RM.
7	C	728	DONIMICUS CT	2 BED RM.
7	B-2	708	DONIMICUS CT	1 BED RM.
7	C	726	DONIMICUS CT	2 BED RM.
7	B-2	706	DONIMICUS CT	1 BED RM.
7	C	724	DONIMICUS CT	2 BED RM.
7	B-1	704	DONIMICUS CT	1 BED RM.
7	B-3	722	DONIMICUS CT	1 BED RM.
7	D	702	DONIMICUS CT	3 BED RM.
7	A-1	701	DONIMICUS CT	1 BED RM.
7	A-2	720	DONIMICUS CT	1 BED RM.

* READ RIGHT TO LEFT FROM PARKING LOT

The above described twenty-four (24) Affordable Housing Units are within Phase XC of the Pike Run development located at Donimicus Ct., Montgomery Township, Somerset County, New Jersey and being Lot 1, Block 5023 on the Township of Montgomery Tax Map and being also known as Lot 1, Block 5023 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

EXHIBIT A CONTINUED

BUILDING #	UNIT TYPE	UNIT NO.	ADDRESS	# BED RMS.
2	B-1	205	Whitlock	1 BED RM
	B-2	207	COUIT	1 BED RM.
2	C	223	WHITLOCK CT	2 BED RM
2	B-2	209	WHITLOCK CT	1 BED RM
2	C	225	WHITLOCK CT	2 BED RM
2	B-2	211	WHITLOCK CT	1 BED RM
2	C	227	WHITLOCK CT	2 BED RM
2	D	213	WHITLOCK CT	3 BED RM
2	A-1	214	WHITLOCK CT	1 BED RM
2	A-2	229	WHITLOCK CT	1 BED RM
2	D	212	WHITLOCK CT	3 BED RM
2	B-2	210	WHITLOCK CT	1 BED RM
2	C	228	WHITLOCK CT	2 BED RM
2	B-2	208	WHITLOCK CT	1 BED RM
2	C	226	WHITLOCK CT	2 BED RM
2	B-2	206	WHITLOCK CT	1 BED RM
2	C	224	WHITLOCK CT	2 BED RM
2	B-1	204	WHITLOCK CT	1 BED RM

* READ LEFT TO RIGHT FROM ADDRESS LOT

The above described eighteen (18) Affordable Housing Units are within Phase XA of the Pike Run development located at Whitlock Ct., Montgomery Township, Somerset County, New Jersey and being Lot 1, Block 5023 on the Township of Montgomery Tax Map and being also known as Lot 1, Block 5023 as shown on map entitled "Pike Run Development Tract 3" prepared by Paulus-Sokolowski & Sartor dated 7/17/95 and filed in the Office of the Somerset County Clerk on 9/14/95 as Filed Map No. 3128.

7. PRIOR ROUND: CRAWFORD
TRANSITIONAL HOUSING
Supportive Special Needs Survey

**Council on Affordable Housing (COAH)
Alternative Living Arrangement Survey**

Municipality: SKILLMAN County: SOMERSET
 Sponsor: _____ Developer: _____
 Block: 15001 Lot: 6 Street Address 362 Sunset Road
 Facility Name: CRAWFORD HOUSE INC.

Type of Facility:

- Group Home for developmentally disabled as licensed and/or regulated by the NJ Dept. of Human Services (Division of Developmental Disabilities (DDD))
- Group Home for mentally ill as licensed and/or regulated by the NJ Dept. of Human Services (Division of Mental Health Services) (DMHS))
- Transitional facility for the homeless
- Residential health care facility (licensed by NJ Dept. of Community Affairs or NJ Dept. of Human Services)
- Congregate living arrangement
- Other - Please Specify: _____

For proposed new construction projects only:

- Sources of funding committed to the project (check all that apply):
- Capital funding from State - Amount \$ _____
 - Balanced Housing - Amount \$ _____
 - HUD - Amount \$ _____
 - Federal Home Loan Bank - Amount \$ _____
 - Farmers Home Administration - Amount \$ _____
 - Development fees - Amount \$ _____
 - Bank financing - Amount \$ _____
 - Other - Please specify: _____

of bedrooms occupied by low-income residents 7
 # of bedrooms occupied by moderate-income residents _____
 Separate bedrooms? ___ Yes No
 Affordability Controls? ___ Yes ___ No
 Length of Controls: _____ years
 Effective Date of Controls: ___/___/___
 Expiration Date of Controls: ___/___/___
 Average Length of Stay: 6 months (transitional facilities only)

Are funding sources sufficient to complete project?
 ___ Yes ___ No

Residents qualify as low or moderate income? DD
 ___ Yes ___ No

CO Date: ___/___/___

Indicate licensing agency:

- DDD DMHS DHSS DCA

Initial License Date: 10/1/05

Current License Date: ___/___/___

The following verification is attached:

- Copy of deed restriction (30-year minimum, HUD, FHA, FHLB, BHP deed restriction, etc.)
- Copy of Capital Application Funding Unit (CAFU) Letter (20-year minimum, no deed restriction required)
- Award letter/financing commitment (proposed new construction projects only)

Residents 18 yrs or older? Yes ___ No

Age-restricted? ___ Yes ___ No

Population Served (describe): FEMALES

Accessible (in accordance with NJ Barrier Free Subcode)? Yes ___ No

Affirmative Marketing Strategy (check all that apply):

- DDD/DMHS/DHSS/DCA waiting list
- Other (please specify): _____

CERTIFICATIONS

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

Certified by: *[Signature]* 3/28/06
Project Administrator Date

Certified by: *[Signature]* 12/26/08
Municipal Housing Liaison Date

8. PRIOR ROUND: DEVEREUX GROUP HOME

Supportive Special Needs Survey

**Council on Affordable Housing (COAH)
Alternative Living Arrangement Survey**

Municipality: Montgomery

County: Somerset

Sponsor: _____

Developer: _____

Block: 15024 Lot: 7

Street Address: 797 County Rd 601

Facility Name: Devereux CRHM

Type of Facility:

- Group Home for developmentally disabled as licensed and/or regulated by the NJ Dept. of Human Services (Division of Developmental Disabilities (DDD))
- Group Home for mentally ill as licensed and/or regulated by the NJ Dept. of Human Services (Division of Mental Health Services) (DMHS)
- Transitional facility for the homeless
- Residential health care facility (licensed by NJ Dept. of Community Affairs or NJ Dept. of Human Services)
- Congregate living arrangement
- Other - Please Specify: _____

For proposed new construction projects only:

Sources of funding committed to the project (check all that apply):

- Capital funding from State - Amount \$ _____
- Balanced Housing - Amount \$ _____
- HUD - Amount \$ _____
- Federal Home Loan Bank - Amount \$ _____
- Farmers Home Administration - Amount \$ _____
- Development fees - Amount \$ _____
- Bank financing - Amount \$ _____
- Other - Please specify: _____

Are funding sources sufficient to complete project?
Yes _____ No _____

of bedrooms occupied by low-income residents 4

Residents qualify as low or moderate income?

of bedrooms occupied by moderate-income residents _____

Yes _____ No _____

Separate bedrooms? Yes _____ No _____

Affordability Controls? _____ Yes No _____

CO Date: 07/03/00

Length of Controls: _____ years

Indicate licensing agency:

Effective Date of Controls: 1/1

DDD DMHS DMSS DCA

Expiration Date of Controls: 1/1

Initial License Date: 07/12/00

Average Length of Stay: _____ months (transitional facilities only)

Current License Date: 06/1/2005

The following verification is attached:

- Copy of deed restriction (30-year minimum, HUD, FHA, FHLB, BHP deed restriction, etc.)
- Copy of Capital Application Funding Unit (CAFU) Letter (20-year minimum, no deed restriction required)
- Award letter/financing commitment (proposed new construction projects only)

Residents 18 yrs or older? Yes _____ No _____

Age-restricted? _____ Yes No _____

Population Served (describe): Developmentally Disabled Accessible (in accordance with NJ Barrier Free Subcode)? _____ Yes _____ No _____

Affirmative Marketing Strategy (check all that apply):

DDD/DMHS/DFSS/DCA waiting list

Other (please specify): _____

CERTIFICATIONS

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

Certified by: Carole Curran
Project Administrator

4/9/02
Date

Certified by: [Signature]
Municipal Housing Liaison

12/26/08
Date

9. PRIOR ROUND: DELTA COMMUNITY
SUPPORT GROUP HOME
Supportive Special Needs Survey
State License

**Council on Affordable Housing (COAH)
Alternative Living Arrangement Survey**

Municipality: Montmorer Township
Sponsor: Developmental Resources Corporation

County: Somerset
Developer: _____

Block: 21 Lot: 19001 Street Address: 174 Popcorn Rd., Killman, NJ

Facility Name: Killman Group home

Type of Facility:

- Group Home for developmentally disabled as licensed and/or regulated by the NJ Dept. of Human Services (Division of Developmental Disabilities (DDD))
- Group Home for mentally ill as licensed and/or regulated by the NJ Dept. of Human Services (Division of Mental Health Services) (DMHS)
- Transitional facility for the homeless
- Residential health care facility (licensed by NJ Dept. of Community Affairs or NJ Dept. of Human Services)
- Congregate living arrangement
- Other - Please Specify: _____

For proposed new construction projects only:

Sources of funding committed to the project (check all that apply):

- Capital funding from State - Amount \$ _____
- Balanced Housing - Amount \$ _____
- HUD - Amount \$ _____
- Federal Home Loan Bank - Amount \$ _____
- Farmers Home Administration - Amount \$ _____
- Development fees - Amount \$ _____
- Bank financing - Amount \$ _____
- Other - Please specify: _____

Are funding sources sufficient to complete project?
___ Yes ___ No

of bedrooms occupied by low-income residents 4

Residents qualify as low or moderate income? Yes

of bedrooms occupied by moderate-income residents 0

Yes ___ No

Separate bedrooms? Yes ___ No

Affordability Controls? ___ Yes ___ No

N/A

CO Date: 1/1

Length of Controls: ___ years

Indicate licensing agency:

Effective Date of Controls: 1/1

DDD DMHS DMES DCA

Expiration Date of Controls: 1/1

Initial License Date: 1/1

Average Length of Stay: ___ months (transitional facilities only) N/A

Current License Date: 1/1

The following verification is attached:

- Copy of deed restriction (30-year minimum, HUD, FHA, FHLB, BHP deed restriction, etc.)
- Copy of Capital Application Funding Unit (CAFU) Letter (20-year minimum, no deed restriction required)
- Award letter/financing commitment (proposed new construction projects only)

Residents 18 yrs or older? Yes ___ No

Age-restricted? Yes ___ No

Population Served (describe): developmentally disabled

Accessible (in accordance with NJ Barrier Free Subcode)? ___ Yes No

Affirmative Marketing Strategy (check all that apply):

DDD/DMHS/DHSS/DCA waiting list

Other (please specify): _____

CERTIFICATIONS

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

Certified by: John F. Kelly, Jr. 4/5/06
Project Administrator Date

Certified by: [Signature] 12/26/08
Municipal Housing Liaison Date

RECEIVED MAY 1 2 1997



State of New Jersey
DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES

CHRISTINE TODD WHITMAN
Governor

WILLIAM WALDMAN
Commissioner

May 8, 1997

ROBERT B. NICHOLAS, Ph.D.
Director

John McCune, Exs. Director
Developmental Resources Corporation
1130 Route 202 South
Raritan, NJ 08869

Re: 174 Opossum Road, Montgomery Twp
New Jersey

Dear Mr. McCune:

I am pleased to inform you that the New Jersey Department of Human Services has approved your application for Capital funding for the purchase and renovation of the above property as a community residence for the developmentally disabled. You will be receiving a check within 5 weeks.

Sincerely,

A handwritten signature in cursive script, appearing to read "Anthony Anzivino".

Anthony Anzivino, CAI
Office of the Assistant Director, DDD
Lower Central Region

AA:cz

**Council on Affordable Housing (COAH)
Supportive and Special Needs Housing Survey**

Municipality: Montgomery Township

County: Somerset

Sponsor: Delta Community Support

Developer: _____

Block: 21 Lot: 19001

Street Address: 174 Opossum Rd., Skillman NJ

Facility Name: Skillman GA

<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 COAH credit 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 type="checkbox"/> Other - Please specify: _____</p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p>
<p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for:</p> <p>Very low-income clients/households _____</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 <u>4</u>, including:</p> <p># of very low-income units _____</p> <p># of low-income units <u>4</u></p> <p># of moderate-income units _____</p> <p># of market-income units _____</p>
<p>Section 5:</p> <p>Length of Controls: _____ years</p> <p>Effective Date of Controls: <u> / / </u></p> <p>Expiration Date of Controls: <u> / / </u></p> <p>Average Length of Stay: _____ months (transitional facilities only)</p>	<p>Section 6:</p> <p><input type="checkbox"/> CO Date: <u> / / </u> N/A</p> <p>For licensed facilities, indicate licensing agency:</p> <p><input type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: <u> / / </u></p> <p>Current License Date: <u> / / </u></p>

Section 7:
 Has the project received project-based rental assistance? ___ Yes ___ No; Length of commitment: _____
 Other operating subsidy sources: _____; Length of commitment: _____
 Is the subsidy renewable? ___ Yes ___ No

Section 8: The following verification is attached:
 Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, PHA, FHLB, UHAC deed restriction, etc.)
 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? Yes ___ No
 Age-restricted? Yes ___ No
 Population Served (describe): development
disabled
 Accessible (in accordance with NJ Barrier Free Subcode)? ___ Yes No

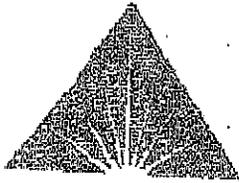
Section 10: Affirmative Marketing Strategy (check all that apply):
 DDD/DMHS/DHSS waiting list
 Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

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

Certified by: *[Signature]* 1/6/08
 Project Administrator Date

Certified by: _____
 Municipal Housing Liaison Date



FAX TRANSMITTAL

**Delta Community
Supports, Inc.**

Delta Community Supports, Inc.
Community Living - Suite 700
720 Johnsville Blvd.
Warminster, PA. 18974

FAX
215-953-9207

215-953-9255

To: Lori Seamon
From: John Komisar Komisar
Date: 1/6/08

Fax #: 908-359 2006
of Pages: 3
(including cover sheet)

Regarding:

Comments:

Sorry for the delay. I did not
include the capitol application since
it was sent previously. Please see
ref/quest

John
[Signature]

Oct 14
1997

[Signature]
Cert. of Approval
for interior
renovations

CONFIDENTIALITY NOTICE - This fax message and all documents which accompany it contain information intended solely for the use of the individual to whom it is addressed, and may contain information that is privileged, confidential and/or otherwise exempt from disclosure. If the reader is not the intended recipient, any disclosure, dissemination, distribution, copying or other use of this fax or its substance is prohibited. If you have received this fax in error, please notify the sender immediately. Thank you.

j.komisar@deltaweb.org



State of New Jersey
Department of Human Services
Office of Licensing

LICENSE

DELTA COMMUNITY SUPPORTS, INC.

1130 Route 202
Raritan, NJ 08869

*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 3 individuals**

at
174 OPOSSUM RD
SKILLMAN, NJ 08558

This License is effective from 05/31/2015 to 05/31/2016


Elizabeth Connolly, Acting Commissioner
Department of Human Services

10. THIRD ROUND: JER HERRING /

K.HOV. / INGERMAN

Recorded Extended Use Agreement

1105AN-01
RECORD & RETURN TO:
Surety Title Co., LLC
11 Eves Drive, Suite 150
Marlton, NJ 08053

HMFA Board Approved Revision 11/18/04

7P103CKJE

2-

LIHTC #1456

Prepared By:

Joyce Lini
Joyce Lini



BRETT A. RADI COUNTY CLERK
SOMERSET COUNTY, NJ
2015 JAN 12 11:27:42 AM
BK: 5766 PG: 2481-2488
INSTRUMENT # 2015001320

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

THIS DEED OF EASEMENT and RESTRICTIVE COVENANT (the "Covenant") dated as of January 9, 2015, shall run with the land and is granted by Orchard Road LIHTC, LLC and its successors and assigns (the "Project Owner") whose principal address is 5 Powell Lane, Collingswood, New Jersey 08108, to the New Jersey Housing and Mortgage Finance Agency, its successors and assigns, (the "Agency") acting as the housing credit agency for the State of New Jersey as described in Section 42(h)(3) of the Internal Revenue Code as amended, and to income eligible members of the public as defined below. As conditioned below this Covenant restricts occupancy of the described premises to income eligible occupants for a specified period of time. This Covenant is made in satisfaction of the requirements of Section 42 of the Federal Tax Reform Act of 1986, P.L. 99-514, as amended, (the "Code").

As indicated on the Determination Letter or the IRS Form(s) 8609 for the building(s) described below, the Agency has determined the eligibility for and issued Low Income Housing Tax Credits ("LIHTC") authorized under the Code in an estimated annual amount of \$226,529 to be claimed by the Project Owner over a 10 or 15 year period pursuant to the Code. In consideration of the receipt of the benefit of the LIHTC, the Project Owner hereby agrees to the following restrictive covenants, which are made in satisfaction of the requirements contained in Section 42(h)(6) of the Code.

- (1) The two buildings, which consist of a total of 40 residential rental units, of which 40 are LIHTC units, and which will constitute a qualified low-income housing project as defined in Section 42(g) (1) of the Code and regulations promulgated thereunder, the rental units which will be rented or available for rental on a continuous basis to members of the general public, shall be known as (the "Project"). The Project is located at Willows at Orchard Road, Municipal Tax Map Block No. 28001, Lot No. 5.04, 5.05 in Montgomery Township, County of Somerset, New Jersey, and title to which has been recorded in the County Clerk or Register's Office being more fully described as set forth in Attachment "A" hereto.
- (2) The applicable fraction, as defined in Section 42(c)(1)(B) of the Code (the smaller of the low-income unit fraction or the low-income floor space fraction), and as provided by the Project Owner in its low income housing tax credit application (the "Application") is 100 percent. This fraction shall not be decreased during any taxable year of the compliance period or extended use period unless terminated in accordance with the provisions enumerated at Section 42(h)(6)(E) of the Code.

- (3) This Covenant and the Section 42 occupancy and rent restrictions shall commence on the first day of the compliance period as defined in section 42 of the Code, and shall end on the date which is fifteen (15) years after the close of the initial fifteen (15) year compliance period, unless terminated by foreclosure or instrument in lieu of foreclosure, pursuant to the provisions of the Code, and any regulations promulgated thereunder.
- (4) The extended use period shall terminate, subject to the provisions regarding low-income tenancy and gross rent restrictions, on the date the buildings are acquired by foreclosure (or an instrument in lieu of foreclosure), or on the last day of the one year period beginning on the date after the fourteenth (14th) year of the initial compliance period that the Project Owner submits a written request to the Agency to present a qualified contract (as defined at Section 42(h)(6)(F) of the Code) for the acquisition of the buildings, if, and only if, the Agency is unable to present within that year's time, a qualified contract from a purchaser who will continue to operate such buildings as a qualified low-income project.
- (5) The compliance period begins at the same time as the credit period. The Project Owner elects when to begin the credit period at the time the Project Owner's first tax return is filed with the Internal Revenue Service. It is expected that the Project Owner will begin the credit period in 2016.
- (6) The federal set-aside, as defined by section 42(g)(1) of the Tax Code, which was selected by the Project Owner in its Application requires that 40 percent or more of the residential units in the Project are both rent restricted and occupied by individuals whose income is 60 percent or less of area median gross income (AMGI) ("income eligible members of the public"). The selection of this federal set-aside is irrevocable and is binding on the Project Owner and all successors in interest to the Project through the end of the extended use period.
- (7) If this box is checked, the Project is a Special Needs Project as defined in the _____ Qualified Allocation Plan, and as selected by the Project Owner in its Application and as such, the Project Owner must BOTH restrict 25% of the LIHTC units in the Project for occupancy by one or more special needs population through the end of the compliance period AND make available at a reasonable cost to all tenants with special needs a minimum of three appropriate and accessible social services throughout the compliance period. One of the social services must be a social service coordinator. With written approval from the Agency, the Project Owner may substitute another special needs population for the one(s) identified in its Application and may substitute services to better address the needs of the tenants with special needs. Notwithstanding the above, if after a period of sixty (60) days of a unit described in this paragraph becoming unoccupied the Project cannot identify an eligible person within the special needs population selected by the Project Owner in its Application to rent the unoccupied unit, such unit may be leased to any low income housing tax credit eligible person or family, with a preference given first to eligible persons in other special needs populations. The next unit of similar size in the Project that becomes unoccupied shall be rented to an eligible person within the

special needs population selected by the Project Owner in its Application on the same terms set forth herein.

- (8) Pursuant to section 42(h)(6)(B)(iii) of the Code, this Covenant prohibits the disposition to any person of any portion of a building to which this Covenant applies unless all of the building to which such Covenant applies is disposed of to such person.
- (9) Pursuant to Revenue Ruling 2004-82, this Covenant prohibits (i) the eviction or termination of tenancy (other than for good cause) of an existing tenant of any low-income unit or (ii) any increase in the gross rent with respect to the unit not otherwise permitted under section 42 of the Code for the term of the extended use period and a period of three (3) years following any termination of this Covenant, including any termination by foreclosure or instrument in lieu of.
- (10) Pursuant to section 42(h)(6)(B)(iv) of the Code, this Covenant prohibits the refusal to lease to a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937 of the status of the prospective tenant as such a holder.
- (11) This Covenant shall constitute an agreement between the Agency and the Project Owner which is enforceable in the courts of the State of New Jersey by the Agency or by individual(s), whether prospective, present, or former occupants of the Project, who meet the income limitations applicable to the Project under Section 42(g) of the Code, said individual(s) being express beneficiaries of this Covenant.
- (12) The Project Owner agrees to comply with the requirements of the federal Fair Housing Act as it may from time to time be amended.
- (13) The Project Owner agrees (i) to obtain the consent of any recorded lien holder on the Project to the terms and conditions of this Covenant and (ii) it will not grant to any lien holder an interest in the Project that is superior to the terms and conditions of this Covenant. Such consent and subordination of the interests of all recorded lien holders on the Project shall be conditions precedent to the issuance of IRS Form(s) 8609.
- (14) The Project Owner agrees to employ throughout the compliance period a staff person who has successfully completed a NJHMFA-approved tax credit certification program with a continuing education component prior to the project being placed in service. The staff person responsible for verification of tenant income must be the person to successfully pass the certification examination and maintain the certification for the term of the compliance and extended use periods.
- (15) This Covenant is binding on all successors in interest to the Project and shall run with the land until the end of the extended use period, unless terminated prior to said date in accordance with all provisions of the Code and the regulations promulgated thereunder.

- (16) These covenants may, from time to time, be amended only with the written consent of the Agency, to reflect changes to the Code or regulations promulgated thereunder. Project Owner expressly agrees to enter into such amendments as may be necessary to maintain compliance under section 42 of the Code.
- (17) In order to enable the Agency to monitor the Project Owner's compliance with these use and occupancy restrictions pursuant to the Code, Project Owner covenants and agrees that the Agency and its agents or employees shall be allowed to enter and inspect the Project during business hours and to inspect and copy all books and records pertaining to the Project.
- (18) The Project Owner covenants and agrees to comply and cooperate with the Code and all Agency tax credit compliance monitoring procedures including but not limited to completing and sending to the Agency an annual status report, or, if requested by an authorized official of the Agency, more frequent reports, in form and content acceptable to the Agency, which shall demonstrate ongoing compliance with this Covenant.
- (19) The Project Owner covenants and agrees that in the event it files for bankruptcy, liquidates, sells or otherwise transfers ownership of the Project, it will notify the Agency in writing, and further, that as a condition precedent to any sale or transfer it will enter into such agreements with the purchaser or transferee as may be prescribed by the Agency, which have the effect of causing such purchaser or transferee to be bound by these use and occupancy restrictions, as they may be amended or supplemented.
- (20) The terms of this Covenant shall be interpreted, conditioned and supplemented in accordance with and by section 42 of the Code and regulations promulgated thereunder, all of which are incorporated herein by reference, whether or not such provisions of the Code or regulations are expressed or referenced herein. In the event of any conflict between this Covenant and the requirements of the Code, the Code shall prevail. The Agency reserves the right to set conditions for the allocation of LIHTC by regulation that may be more stringent than the Code.
- (21) The invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining provisions.
- (22) This Covenant may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

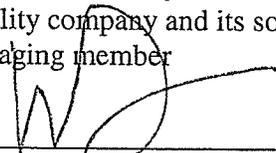
[SIGNATURES ON NEXT PAGE]

Signatures: This Covenant is granted by the Project Owner whose duly authorized representative's signature appears below.

PROJECT OWNER:

ORCHARD ROAD LIHTC, LLC, a
New Jersey limited liability company

By: Orchard Road Ingerman,
LLC, a New Jersey limited
liability company and its sole
managing member

By: 
M. Brad Ingerman
President

STATE OF NEW JERSEY :
 : SS
COUNTY OF CAMDEN :

On this, the 9th day of January, 2015, before me, a Notary Public in and for the State of New Jersey, personally appeared M. Brad Ingerman, who acknowledged himself to be the President of Orchard Road Ingerman, LLC, which is a New Jersey limited liability company and the sole managing member of Orchard Road LIHTC, LLC, a New Jersey limited liability company, and that he, as such officer, being authorized to do so, executed the foregoing instrument on behalf of such limited liability companies for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public
My Commission Expires:

KRISTINE E. DONOHUE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 2/8/2017

EXHIBIT "A"
REVISED (1/15/15)
LEGAL DESCRIPTION

File No.: 1105AV-01

ALL THAT CERTAIN tract or parcel of land and premises lying, being and situate in Montgomery Township, County of Somerset, and State of New Jersey being more particularly described as follows:

TRACT #1:

**METES AND BOUNDS DESCRIPTION
OF LOT 5.04 IN BLOCK 28001 ON THE
MONTGOMERY TOWNSHIP TAX MAP**

BEGINNING at a point on the Southerly sideline and 33 feet from the centerline of Orchard Road, said point being the Northwest corner of Lot 5.02 in Block 28001, and having New Jersey Plane Coordinate (NAD83) (NJPCS) values of N 576354.3113 feet and E 449012.5989 feet, and from said point of beginning running; thence

1. Along the lands of Lot 5.02 in Block 28001 South 03 degrees 22 minutes 52 seconds West a distance of 263.99 feet to a point; thence
2. Along the lands of Lot 5.05 in Block 28001 North 86 degrees 37 minutes 08 seconds West a distance of 150.00 feet to a point; thence
3. Along the lands of Lot 5.03 in Block 28001 North 03 degrees 22 minutes 52 seconds East a distance of 237.70 feet to a point; thence
4. Still along the lands of Lot 5.03 in Block 28001 along a curve to the right having a radius of 24.00 feet an arc length of 14.42 feet with a chord bearing of North 20 degrees 35 minutes 58 seconds East and a chord distance of 14.21 feet to a point on the Southerly sideline of Orchard Road; thence
5. Along the Southerly sideline of Orchard Road along a curve to the left having a radius of 851.51 feet an arc length of 146.53 feet with a chord bearing of North 88 degrees 23 minutes 46 seconds East and a chord distance of 146.35 feet to the point and place of **BEGINNING**.

THE herein described lands are known as Lot 5.04 in Block 28001 on the Montgomery Township Tax Map. These lands are further shown on a plan entitled "Final Plat - Phase 1 prepared for Lot 5.01 in Block 28001 situated in Montgomery Township, Somerset County, New Jersey" as prepared by Van Cleef Engineering Associates as revised February 25, 2013 and filed 2/12/2014 in Book 6700, Page 2350, Instrument No. 2014005407.

Together with the benefits of and subject to the terms and conditions as contained in a certain Deed of Cross Easements and Rights of Way as contained in Deed Book 6692, page 495.

TRACT #2:

**METES AND BOUNDS DESCRIPTION
OF LOT 5.05 IN BLOCK 28001 ON THE
MONTGOMERY TOWNSHIP TAX MAP**

BEGINNING at a point being the Southeast corner of Lot 5.04 in Block 28001 and a point on the Westerly property line on Lot 5.02 in Block 28001, said point being the following tie from a point on the Southerly sideline and 33 feet from the centerline of Orchard Road and being the Northeast corner of Lot 5.04 in Block 28001 and the Northwest corner of Lot 5.02 in Block 28001, said corner having New Jersey Plane Coordinate (NAD 83) (NJPCS) values of N 576354.3113 feet and E 449012.5989 feet, and from said tie being South 03 degrees 22 minutes 52 seconds West a distance of 263.99 feet, and from said point of beginning running; thence

1. Along the lands of Lot 5.02 in Block 28001 South 03 degrees 22 minutes 52 seconds West a distance of 254.00 feet to a point; thence
2. Along the lands of Lot 5.03 in Block 28001 North 86 degrees 37 minutes 08 seconds West a distance of 150.00 feet to a point; thence
3. Still along the lands of Lot 5.03 in Block 28001 North 03 degrees 22 minutes 52 seconds East a distance of 254.00 feet to a point; thence
4. Along the lands of Lot 5.04 in Block 28001 South 86 degrees 37 minutes 08 seconds East a distance of 150.00 feet to the point and place of **BEGINNING**.

THE herein described lands are known as Lot 5.05 in Block 28001 on the Montgomery Township Tax Map. These lands are further shown on a plan entitled "Final Plat - Phase I prepared for Lot 5.01 in Block 28001 situated in Montgomery Township, Somerset County, New Jersey" as prepared by Van Cleef Engineering Associates as revised February 25, 2013 and filed 2/12/2014 in Book 6700, Page 2350, Instrument No. 2014005407.

Together with the benefits of and subject to the terms and conditions as contained in a certain Deed of Cross Easements and Rights of Way as contained in Deed Book 6692, page 495.

BEING premises No. Orchard Road.

Block: 28001, Lots: 5.04 and 5.05

BEING the same land and premises which became vested in K. Hovnanian at Montgomery, LLC, a New Jersey limited liability company, by deed from HP Montgomery Residential, LLC, a New Jersey limited liability company, and James P. Herring, an individual, dated 2/14/2014, recorded 3/12/2014, in the Somerset County Clerk/Register's Office in Deed Book 6705, Page 812. (Covers premises in question with other lands)



BRETT A. RADI
SOMERSET COUNTY CLERK
20 GROVE STREET
P.O. BOX 3000
SOMERVILLE, NJ 08876-1262

Recorded: 01/12/2015 11:27:42 AM
Book: OPR 6766 Page: 2481-2488
Instrument No.: 2015001320
EASEMT 8 PGS \$103.00

Recorder: ECKLES

DO NOT DISCARD



2015001320

11. THIRD ROUND: SHARBELL-HILLSIDE

Deed Restriction

June 28, 2018

VIA REGULAR MAIL

Ms. Lori Savron
Montgomery Twp. Planning Director
2261 Van Horne Road
Belle Mead, NJ 08502

**RE: Original Affordable Housing Deed Restriction for Hillside at Montgomery
Address: 145 Hartwick Drive, Skillman, NJ 08558
Location: Block 28003, Lot 161 in Montgomery Township, Somerset County, NJ**

Dear Ms. Savron:

Enclosed please find the original recorded Deed Restriction dated June 19, 2018, between the Township of Montgomery and Sharbell Plainsboro, Inc., for the Hillside at Montgomery Affordable Housing Apartment Building. Note that the document was recorded in the Office of the Somerset County Clerk in Deed Book 7050, Pages 2963-2972, as Instrument No. 2018022556. Please let me know if you need anything else regarding this matter.

Regards,


Jeffrey Schactel
Property Manager and Land Use Administrator



SOMERSET COUNTY
DOCUMENT COVER SHEET

HON. STEVE PETER
SOMERSET COUNTY CLERK
PO BOX 3000
20 GROVE STREET
SOMERVILLE, NJ 08876

WWW.CO.SOMERSET.NJ.US



INSTRUMENT # 2018022556
BOOK: 7050 PAGE: 2963-2972

(Official Use Only)

DATE OF DOCUMENT: <i>June 19, 2018</i>	TYPE OF DOCUMENT: Deed Restriction
FIRST PARTY (Grantor, Mortgagor, Seller or Assignor) Township of Montgomery	SECOND PARTY (Grantee, Mortgagee, Buyer, Assignee) Sharbell Plainsboro, Inc.
ADDITIONAL PARTIES:	

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY	
MUNICIPALITY: Township of Montgomery	MAILING ADDRESS OF GRANTEE: Sharbell Plainsboro, Inc. 1 Washington Boulevard, Suite 9 Robbinsville, New Jersey 08691 
BLOCK: 28003	
LOT: 161	
CONSIDERATION:	

THE FOLLOWING SECTION IS FOR ORIGINAL MORTGAGE BOOKING & PAGING INFORMATION FOR ASSIGNMENTS, RELEASES, SATISFACTIONS, DISCHARGES & OTHER ORIGINAL MORTGAGE AGREEMENTS ONLY			
BOOK	PAGE	INSTRUMENT #	DOCUMENT TYPE

DO NOT REMOVE THIS PAGE
THIS DOCUMENT COVER SHEET IS PART OF THE SOMERSET COUNTY FILING RECORD
RETAIN THIS PAGE FOR FUTURE REFERENCE

APPENDIX E-2

MANDATORY DEED RESTRICTION FOR RENTAL PROJECTS

Deed Restriction

**DEED-RESTRICTION FOR AFFORDABLE HOUSING
RENTAL UNITS LOCATED WITHIN HILLSIDE AT
MONTGOMERY**

To Rental Property
With Covenants Restricting Rentals, Conveyance and Improvements
And Requiring Notice of Foreclosure and Bankruptcy

MONTGOMERY TOWNSHIP

SOMERSET COUNTY, NEW JERSEY

THIS DEED RESTRICTION entered into as of this 19th day of June 2018, by and between the **TOWNSHIP OF MONTGOMERY**, or its successor and assigns, with offices at 2261 Route 206, Belle Mead, New Jersey 08502, ("**Township**"), and **SHARBELL PLAINSBORO, INC.**, a New Jersey company, or its successor and assigns, with offices at One Washington Boulevard, Suite 9, Robbinsville, New Jersey 08691, (the "**Owner**"), which Owner is the sponsor of a residential very-low, low- and moderate-income rental project (the "**Project**").

WITNESSETH:

I. Consideration.

In consideration of benefits and/or rights to develop received by the Owner from the Township regarding this Project, the Owner hereby agrees to abide by the covenants, terms and conditions set forth in this Deed Restriction, with respect to the Property more specifically described in Section II hereof.

II. Description of Property.

Owner is the title holder to Property designated as Block 28003, Lot 161 on the Township of Montgomery Tax Maps, more commonly known as 145 Hartwick Drive in the development known as Hillside at Montgomery, located in the municipality of the Township of Montgomery, County of Somerset, State of New Jersey ("Property"). The legal description of the Property is attached hereto as Exhibit A. Located on the Property is a building containing

twenty-three (23) affordable family rental units ("Rental Units"), more specifically listed in Exhibit B attached hereto and made a part hereof.

III. Affordable Housing Covenants.

A. The following covenants (the "**Covenants**") shall run with Property for the period of time (the "**Control Period**"), determined separately with respect for each Rental Unit, commencing upon the latter of (1) the date hereof or (2) the date on which the first certified household occupies a Rental Unit, and shall expire as determined under the Uniform Controls, as defined below.

B. In accordance with N.J.A.C. 5:80-26.11, the Property shall remain subject to the requirements of this subchapter titled "Control Periods for rental units," until the Township elects to release the Property from such requirements. Prior to such a municipal election, the Property must remain subject to the requirements of this subchapter for a period of at least 30 years.

C. Sale and use of the Rental Units 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 "**Uniform Controls**").

D. The Property shall be used solely for the purpose of providing rental dwelling units for very-low, low- or moderate-income households, and no commitment for any such Rental Unit shall be given or implied, without exception, to any person who has not been certified for that Rental Unit in writing by the Township. So long as the Property remains within its Control Period, sale of the Property must be expressly subject to this Deed Restriction, deeds of conveyance must have this Deed Restriction appended thereto, and no sale of the Property shall be lawful unless approved in advance and in writing by the Township.

E. No improvements may be made to the Rental Units that would affect the bedroom configuration, and any improvements to the Rental Units must be approved in advance and in writing by the Township.

F. The Owner shall notify the Township of any foreclosure actions filed with respect to the Property within five (5) business days of service upon Owner.

G. The Owner shall notify the Township within three (3) business days of the filing of any petition for protection from creditors or reorganization filed by or on behalf of the Owner.

IV. Remedies for Breach of Affordable Housing Covenants.

A breach of the Covenants will cause irreparable harm to the Township 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 very-low, low and moderate-income housing.

A. In the event of a threatened breach of any of the Covenants set forth in Section III hereof by the Owner, or any successor in interest of the Property, the Township shall have all

van note - harvey

104 College Road East
 Princeton, New Jersey 08540
 609-987-2123 Fax: 609-987-0000
 NJ Accreditation #2403A2817 1300
 www.vannoteforharvey.com



Order No. 36605-910-11
 Montgomery Township Tax Map
 Sheet 55
 Block 28003
 Lot 161
 COAH Lot

DESCRIPTION OF LOT 161 IN BLOCK
 28003 AS SHOWN ON SHEET 55 OF THE
 MONTGOMERY TOWNSHIP TAX MAP
 BEING COMMONLY KNOWN AS **145
 HARTWICK DRIVE** SITUATE LYING
 AND BEING IN THE TOWNSHIP OF
 MONTGOMERY, COUNTY OF
 SOMERSET, STATE OF NEW JERSEY.

June 18, 2018

BEGINNING at a **POINT** in a easterly line of Hartwick Drive, a 50-foot wide, private roadway access, egress, utility and sanitary easement, said point being the common corner of a southwesterly corner of Lot 162, Block 28003 (Open Space) with the northwesterly corner of the lands herein described and from said **BEGINNING POINT**, running, thence;

- (1) Along the aforementioned Lot 162, Block 28003 (Open Space) the following (4) courses:
 N 87 degrees 00 minutes 13 seconds E, 335.39 feet a point, thence;
- (2) S 31 degrees 13 minutes 46 seconds E, 127.30 feet to a point, thence;
- (3) Along a curve bearing to the right in a southwesterly direction have a radius of 58.00 feet, an arc length of 188.98 feet, a delta angle of said curve being 186 degrees 41 minutes 01 seconds, having a chord bearing of S 22 degrees 15 minutes 58 seconds E, a chord distance of 115.80 feet to a point, thence;
- (4) S 02 degrees 59 minutes 47 seconds E, 26.75 feet to a point in the northerly line of Lot 65, Block 28001 lands N/F Village Shopper III, LLC, thence;
- (5) Along the northerly line of said Lot 65, Block 28001 lands N/F Village Shopper III, LLC and continuing along the northerly line of Lot 66, Block 28001 lands N/F KT Capital, LLC, S 87 degrees 00 minutes 13 seconds W, 318.79 feet a point corner to Lot 162, Block 28003 (Open Space), thence;
- (6) Along an easterly line of the aforementioned Lot 162, Block 28003 (Open Space), N 02 degrees 59 minutes 47 seconds W, 114.97 feet to a point in the northeasterly line of Lot 162, Block 28003 (Open Space), thence;
- (7) Along said Lot 162, Block 28003 (Open Space) and along Hartwick Drive, a 50-foot private roadway access, egress utility and sanitary easement, the following (2) courses:
 along a curve bearing to the right in a northerly direction having a radius of 125.00 feet an arc length of 186.37 feet the delta angle of said curve being 85 degrees 25 minutes 39 seconds having a chord bearing of N 45 degrees 42 minutes 37 seconds W, a chord distance of 169.58 feet to a point, thence;
- (8) S 02 degrees 59 minutes 47 seconds W, 8.65 feet to the **POINT and PLACE of BEGINNING.**

Containing 1.999 acres or 87,077 square feet of land more or less.

The above described premises being subject to a variable width, ingress, egress & regress easement running over and through the above described premises as more particularly shown on the hereinafter referenced final plat.

The above described premises being further subject to a variable width, pedestrian public access easement running over and through the above described premises as more particularly shown on the hereinafter referenced final plat.

The above described premises being further subject to a 20-foot wide, sanitary sewer easement running over the above described premises as more particularly shown on the hereinafter referenced final plat.

The above described premises being further subject to a 20-foot wide, storm sewer easement running over the above described premises as more particularly shown on the hereinafter referenced final plat.

The above described premises being further subject to an existing 20-foot wide, waterline easement as per deed book 1147 page 45 running parallel and adjoining course 5 as described above and as more particularly shown on the hereinafter referenced final plat.

The above described premises being subject to and/or together with any easements, restrictions and/or declarations of record.

The above described premises also being known and designated as Lot 161 in Block 28003 as shown and set forth on a certain map entitled, "Final Subdivision Plat - Section 1 of Hillside prepared for Sharbell Plainsboro, Inc., Montgomery Township, Somerset County, New Jersey, scale 1" = 80'," prepared by Van Note-Harvey Associates on April 26, 2012, last revised December 18, 2012.", Filed in the Somerset County Clerk's office on Jan. 8, 2013 as Book No. 6593, pages 935-937, Instrument No. 2013001520.



6/10/18

VAN NOTE-HARVEY ASSOCIATES, INC.
KENNETH R. RAIKE
NEW JERSEY PROFESSIONAL LAND SURVEYOR #GS36753

EXHIBIT B

**HILLSIDE AT MONTGOMERY
AFFORDABLE HOUSING APARTMENT BUILDING
UNIT BREAKDOWN**

June 15, 2018

Unit Address	Number of Bedrooms	Income Level
145 Hartwick Dr., Apt. 11, Skillman, NJ 08558	2	Moderate
145 Hartwick Dr., Apt. 12, Skillman, NJ 08558	2	Low
145 Hartwick Dr., Apt. 13, Skillman, NJ 08558	3	Low
145 Hartwick Dr., Apt. 14, Skillman, NJ 08558	1	Low
145 Hartwick Dr., Apt. 15, Skillman, NJ 08558	1	Low
145 Hartwick Dr., Apt. 16, Skillman, NJ 08558	2	Moderate
145 Hartwick Dr., Apt. 17, Skillman, NJ 08558	2	Moderate
145 Hartwick Dr., Apt. 21, Skillman, NJ 08558	3	Low
145 Hartwick Dr., Apt. 22, Skillman, NJ 08558	2	Moderate
145 Hartwick Dr., Apt. 23, Skillman, NJ 08558	2	Very Low
145 Hartwick Dr., Apt. 24, Skillman, NJ 08558	1	Moderate
145 Hartwick Dr., Apt. 25, Skillman, NJ 08558	2	Very Low
145 Hartwick Dr., Apt. 26, Skillman, NJ 08558	2	Very Low
145 Hartwick Dr., Apt. 27, Skillman, NJ 08558	3	Low
145 Hartwick Dr., Apt. 28, Skillman, NJ 08558	2	Moderate
145 Hartwick Dr., Apt. 31, Skillman, NJ 08558	3	Moderate
145 Hartwick Dr., Apt. 32, Skillman, NJ 08558	2	Moderate
145 Hartwick Dr., Apt. 33, Skillman, NJ 08558	2	Low
145 Hartwick Dr., Apt. 34, Skillman, NJ 08558	1	Moderate
145 Hartwick Dr., Apt. 35, Skillman, NJ 08558	2	Low
145 Hartwick Dr., Apt. 36, Skillman, NJ 08558	2	Low
145 Hartwick Dr., Apt. 37, Skillman, NJ 08558	3	Moderate
145 Hartwick Dr., Apt. 38, Skillman, NJ 08558	2	Moderate

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 set forth in Section III hereof by the Owner, or any successor in interest of the Property, the Township 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.

IN WITNESS WHEREOF, the Township and the Owner have executed this Deed Restriction in duplicate as of the date first above written.

MONTGOMERY TOWNSHIP

By: Mark Conforti
Name: Mark Conforti
Title: Mayor

SHARBELL PLAINSBORO, INC.

By: Thomas F. Troy
Name: Thomas F. Troy
Title: President



Steve Peter
Somerset County Clerk
20 Grove Street
P.O. Box 3000
Somerville, NJ 08876

Date Recorded:	6/20/2018	1:45:43 PM
Recorded By:	ELLMER	
Book & Page:	OPR 7050	2963-2972
Instrument No.:	2018022556	
Number of Pages:	10	
Document Type:	AGREEMENT DEED	
Recording Fee (inc all addtl charges):	\$113.00	

DO NOT DISCARD

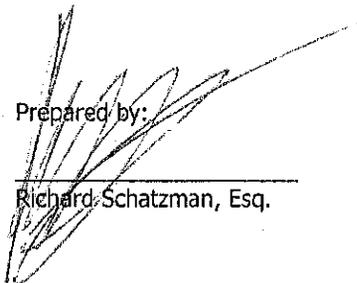
12. THIRD ROUND: RAILSEDGE –
BLAWENBURG
Deed Restriction

13p \$150 #086
06000/1
Sinc

**DEED RESTRICTION AND LIEN, DEED OF EASEMENT
NEW CONSTRUCTION – RENTAL UNITS**

**State of New Jersey
Council on Affordable Housing
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
AFFORDABLE HOUSING AGREEMENT
RENTAL PROPERTIES**

JAW

Prepared by:

Richard Schatzman, Esq.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This AGREEMENT is entered into on this 31st day of August, 2004, between **BLAWENBURG ASSOCIATES, LLC**, a limited liability company of the State of New Jersey, of 339 Amwell Road, Bldg. C, Hillsborough, NJ 08844, owner of the properties designated in Section II PROPERTY DESCRIPTION, (hereafter the "Owner") and **THE TOWNSHIP OF MONTGOMERY IN THE COUNTY OF SOMERSET**, a municipal corporation of the State of New Jersey, with an address at 2261 Route 206 (Van Horne Road), Belle Mead, NJ 08502 (hereafter the "Municipality" and the "Authority"), both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing units described in Section II PROPERTY DESCRIPTION beginning on the date this Agreement is recorded in the Somerset County Clerk's Office and ending thirty (30) years thereafter, when any Affordable Housing rental unit that continues to be occupied by an income-eligible household shall become vacant.

WHEREAS, pursuant to the Fair Housing Act (P.L. 1985 c. 222) (hereafter the "Act"), the housing unit(s) described in Section II PROPERTY DESCRIPTION hereafter and/or an attached as SCHEDULE A of this Agreement have been designated as low and moderate income rental housing as defined by the Act; and

WHEREAS, municipalities within the State of New Jersey are required by the Act to provide for their fair share of housing that is affordable to households with low or moderate incomes in accordance with the provisions of the Act; and

WHEREAS, the Act requires that municipalities ensure that such designated housing remains affordable to low and moderate income households for a minimum period of thirty (30) years; and



BRETT A. RADI COUNTY CLERK
SOMERSET COUNTY, NJ
2004 SEP 29 08:46:18 AM
BK: 5652 PG: 38-51
INSTRUMENT # 2004082076

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

WHEREAS, the purpose of this Agreement is to ensure that the described rental unit(s) remain(s) affordable to low and moderate income eligible households for that period of time described in Section III TERMS 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 Authority for the specified period of time.

I. DEFINITIONS

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

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

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

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

"Authority" shall mean the administrative organization designated by municipal ordinance for the purpose of monitoring the long term affordability controls and leasing restrictions for the period of time specified in the Agreement. The Authority shall serve as an instrument of the Municipality.

"Base Rent" shall mean the charge to a tenant for a 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 Authority.

"Consumer Price Index (CPI)" shall mean the Index published monthly by the U.S. Department of Labor Statistics and which may be used as the applicable Index for measuring increases in Base Rents.

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

"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 calculated amount of a household's annualized income from all household members who are 18 years of age or over. Sources of income include, but are not limited to, salary, wages, regular overtime, interest, tips, dividends, alimony, child support, unemployment, disability, pensions, social security, business income and capital gains, imputed income from assets and welfare benefits. Income is calculated based on a weekly, biweekly, semi-monthly or monthly figure that is effective at the time of interview and is estimated over a 12 year period.

"Gross Rent" shall mean the total cost of a rental unit to a Certified Household when a tenant-based utility allowance is added to the Base Rent.

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

"Index" shall mean the measured percentage of change in the median income established for a household of four by geographic region using the median income guideline approved for use by the Council or any other standard economic measurement such as the CPI or Section 8 income limits authorized for purposes of increasing rents.

"Low Income Household" shall mean a Household whose 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-signer or co-borrower on any First Purchase Money Mortgage unless such co-signer or co-borrower is also a named title holder of record of such Affordable Housing unit.

"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:

Name & Address:	Blawenburg Associates, LLC, a NJ limited liability company 339 Amwell Road, Bldg. C, Hillsborough, NJ 08844
Municipality:	Montgomery Township
County:	Somerset County
Unit numbers:	Residential Units 1, 2 and 3 (one bedroom)
Block:	26002
Lot:	1

and is more particularly described in the legal property description attached as Schedule A.

III. TERM OF RESTRICTION.

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 are occupied or have received permanent certificates of occupancy, whichever is first.

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 Authority 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 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 Council (N.J.A.C. 5:93-9) 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 Rental 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 with permanent occupancy permits.

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 SCHEDULE 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 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 an AFFORDABLE HOUSING AGREEMENT which has been filed in the Office of the Clerk of Somerset County, in Misc. Book _____, pages _____, on _____ and is on file with the Montgomery Township Clerk."

VII COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall constitute covenants running with the land with respect to each Affordable Housing unit affected hereby, and shall bind all Purchasers and Owners of Affordable Housing units, 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 Authority.

B. All home improvements made to an Affordable Housing unit shall be at the Owner's expense except that the expenditures for any alteration that allows a unit to be 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. Owners of Affordable Housing units shall notify the Authority 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 Authority.

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

G. If the Authority does not refer a certified household within sixty (60) days of the Notice of Rental Vacancy, the Owner may rent the property to an eligible household not referred by the Authority. The proposed Renter must complete all required Household Eligibility forms and submit Gross Annual Income information for verification to the Authority for written certification as an eligible rental transaction.

H. The owner shall not permit any lien, other than the First Purchase Money Mortgage and/or any Authority approved second mortgages 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 Authority after they have been signed, dated and recorded.

K. The Owner shall be obligated to pay a service fee to the Authority for initial occupancy and at the time of each new rental occupancy.

L. The Owner shall fully comply with the terms, restrictions and provisions of the Township of Montgomery's Affordable Housing Ordinance in effect on the date the Authority executes this Agreement.

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.

C. Upon a judgment of Foreclosure of an owner-occupied unit containing an affordable rental housing unit, the Authority 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 Authority, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low and moderate income housing. Upon the occurrence of a breach of any of the terms of the Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including but not limited to foreclosure, 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 Authority may assign from time to time its rights, and delegate its obligations hereunder without the consent of the Owner. Upon such assignment, the Authority, its successors or assigns shall provide written notice to the Owner.

XII. INTERPRETATION OF THIS AGREEMENT

The terms of this Agreement shall be interpreted so as to avoid financial speculation or circumvention of the purposes of the Fair Housing Act for the duration of this Agreement and to ensure, to the greatest extent possible, that the 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:	Blawenburg Associates, LLC Attn: Neil I. Van Cleef 339 Amwell Road, Bldg. C Hillsborough, NJ 08844
To the Authority/ Municipality	Township of Montgomery Attn: Township Clerk 2261 Route 206 (Van Horne Road) Belle Mead, NJ 08502

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

XIV. SUPERIORITY OF AGREEMENT

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

XV. SEVERABILITY

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

In the event that any provision, condition, covenant or restriction hereof, is at the time of recording of this instrument, void, voidable or unenforceable as being contrary to

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

XVI. CONTROLLING LAW

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

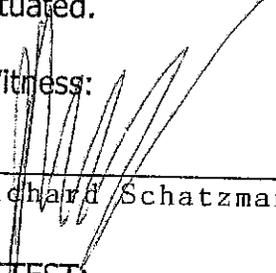
XVII. OWNER'S CERTIFICATION

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

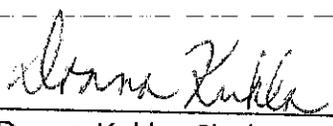
XVIII. AGREEMENT

The Owner and the Authority hereby agree that all Affordable Housing Rental units described herein shall be marketed, sold, rented, and occupied in accordance with the provisions of this Agreement. Neither the Owner nor the Authority shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party. 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.

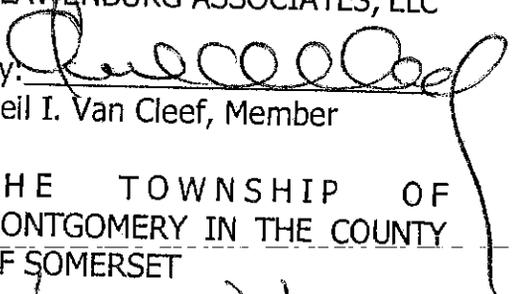
Witness:


Richard Schatzman

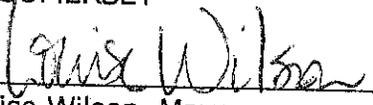
ATTEST:


Donna Kukla, Clerk

BLAWENBURG ASSOCIATES, LLC

By: 
Neil I. Van Cleef, Member

THE TOWNSHIP OF
MONTGOMERY IN THE COUNTY
OF SOMERSET

By: 
Louise Wilson, Mayor

June 6, 2001

**Metes and Bounds Description
of Reconfigured Lot 1 in Block 26002
on the Montgomery Township Tax Map**

Beginning at a point in the centerline of Belle Mead-Blawenburg Road (Somerset County Route #601), said point being North zero degrees, thirty-six minutes, fifty-three seconds East (N-00°-36'-53"-E) a distance of one hundred eighty-six and zero hundredths feet (186.00') along the centerline of Belle Mead-Blawenburg Road from the intersection with the centerline of Georgetown Franklin Turnpike (Somerset County Route #518), and from said point of beginning running, thence (1) along the centerline of Belle Mead-Blawenburg Road North zero degrees, thirty-six minutes, fifty-three seconds East (N-00°-36'-53"-E) a distance of one hundred twenty-six and five hundredths feet (126.05') to a point; thence (2) along the lands of Lot 2 in Block 26001 North eighty-eight degrees, forty-nine minutes, fifty-three seconds East (N-88°-49'-53"-E) a distance of one hundred twenty-nine and seventy-eight hundredths feet (129.78') to a point; thence (3) still along the lands of Lot 2 in Block 26001 North eighty-eight degrees, twenty-one minutes, fifty-three seconds East (N-88°-21'-53"-E) a distance of ninety-nine and seventy-nine hundredths feet (99.79') to a point; thence (4) along the lands of Lot 6 in Block 26002 South one degree, fifteen minutes, thirty-one seconds West (S-01°-15'-31"-W) a distance of one hundred twenty-seven and sixty hundredths feet (127.60') to a point; thence (5) along the lands of Lot 4 in Block 26002 South eighty-nine degrees, fourteen minutes, thirty-one seconds West (S-89°-14'-31"-W) a distance of ninety-six and twenty-five hundredths feet (96.25') to a point; thence (6) along the lands of Lot 3 in Block 26002 South eighty-eight degrees, forty-nine minutes, fifty-three seconds West (S-88°-49'-53"-W) a distance of one hundred thirty-one and eighty-four hundredths feet (131.84') to the point and place of beginning.

Containing 0.6635 acres of land.

SCHEDULE A

Reconfigured Lot 1 in Block 26002
June 6, 2001
Page 2

The herein described lands are for the purpose of merging existing Lots 1 and 2 in Block 26002 into reconfigured Lot 1 in Block 26002 on the Montgomery Township Tax Map. The herein described lands are further shown on a map entitled "Site Plan, Grading, Utilities and Soil Erosion and Sediment Control Plan for Lots 1 and 2 in Block 26002 Situated in Montgomery Township, Somerset County, New Jersey" as prepared by Van Cleef Engineering Associates and as revised June 5, 2001.

The herein described lands are subject to the following:

1. A 33' wide easement area dedicated to Somerset County for roadway purposes along Belle Mead-Blawenburg Road and consisting of 0.0955 acres.

Robert B. Heibell

Robert B. Heibell, NJ PE & LS No. 20792

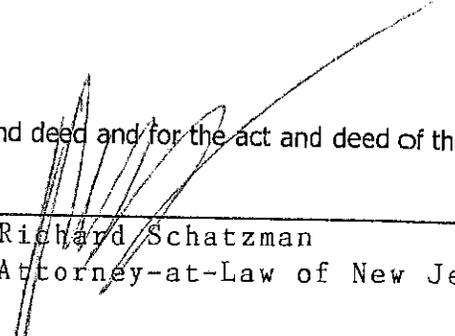
R+R

Richard Schatzman, Esq.
McCarthy and Schatzman, P.C.
731 Alexander Road, Suite 201
P. O. Box 2329
Princeton, NJ 08543-2329

STATE OF NEW JERSEY)
) ss.:
COUNTY OF SOMERSET)

I CERTIFY that on August 31, 2004, **NEIL I. VAN CLEEF**, the managing member of **BLAWENBURG ASSOCIATES, LLC**, a New Jersey limited liability company, personally came before me and acknowledged under oath, to my satisfaction, that this person:

- (a) is named in and personally signed this Instrument; and
- (b) signed, sealed and delivered this Instrument as his act and deed and for the act and deed of the limited liability company.


Richard Schatzman
Attorney-at-Law of New Jersey

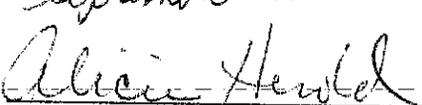
STATE OF NEW JERSEY)
) ss.:
COUNTY OF SOMERSET)

BE IT REMEMBERED that on this 10th day of September 2004, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared **DONNA KUKLA**, who, by me being duly sworn on her oath, does depose and make proof to my satisfaction that:

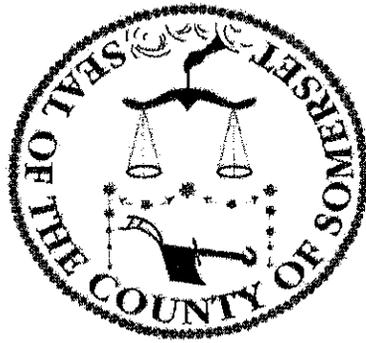
- (a) She is the Township Clerk of the Township of Montgomery, the party named in the foregoing Agreement;
- (b) She well knows the corporate seal of said corporation;
- (c) The seal affixed to said instrument is the seal of said corporation;
- (d) Said seal was so affixed and the said instrument signed and delivered by **LOUISE WILSON**, who at the date thereof was the Mayor of said Township, in the presence of this deponent;
- (e) Said Mayor at the same time acknowledged that she signed, sealed and delivered the same as her voluntary act and deed of said municipal corporation by virtue of authority from its governing body;
- (f) The deponent, at the same time subscribed her name to said Agreement as an attesting witness to the execution thereof.

Sworn to and Subscribed
before me this 10th day
of September 2004


Donna Kukla, Clerk



ALICIA HEROLD
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 8/8/2008



BRETT A. RADI
SOMERSET COUNTY CLERK
20 GROVE STREET
P.O. BOX 3000
SOMERVILLE, NJ 08876-1262

Recorded: 09/29/2004 08:46:18 AM
Book: OPR 5652 Page: 38-51
Instrument No.: 2004082076
AGTDEED 14 PGS \$150.00

AGREEMENT DEED: \$150.00

Recorder: GUYETTE

DO NOT DISCARD



2004082076

13. THIRD ROUND: COUNTRY CLUB MEADOWS

Planning Board Resolution
Affordable Housing Flyer
Deed Restriction

**PLANNING BOARD
TOWNSHIP OF MONTGOMERY
CASE NO. PB-06-15**

WHEREAS, COUNTRY CLUB MEADOWS, LLC has applied to the Planning Board of Montgomery Township for Preliminary Major Subdivision, Preliminary Major Site Plan, Bulk Variances, Design Waivers and an RSIS de minimis exception for construction of Sub-development Area 1 which is the first phase of a 4-phase development which is subject to the conditions of the approved General Development Plan (GDP) for the Belle Mead Planned Unit Development (BMPUD). Sub-development Area 1 will include 148 single family dwelling units (Country Club Meadows) and a commercial center (Belle Mead Plaza) with 28 second floor units. The commercial building will include 31,801 square feet of commercial space on the first floor and 28 units on the second floor, of which 27 will be family affordable units, with an integrated trail system to provide access to two proposed children's play areas and the greater trail network on the premises known and designated as Block 4001, Lots 33 and 33.01, Block 5023, Lots 2 and 3, and Block 6001, Lot 1 on the Montgomery Township Tax Map, located within the BMPUD zoning district; and

WHEREAS, the application was presented at the August 17, September 21, October 19, and November 2, 2015 Planning Board meetings by Ronald Shimanowitz, Esq., of the firm of Hutt & Shimanowitz and the following applicant's witnesses:

- 1) Joseph Fleming, PE, applicant's site planning engineer,
- 2) David Delle Donne, a NJ licensed architect,
- 3) Joseph Staigar of Dynamic Engineering, applicant's traffic engineer,
- 4) Art Bernard, applicant's professional planner; and

WHEREAS, the Montgomery Township Fire Company No. 1 appeared at the August 17, September 21, October 19, and November 2, 2015 hearings through Robert Simon, Esq of Herold Law; and

WHEREAS, the application was reviewed by Clarke Caton Hintz (hereinafter "CCH"), Township Planner; Jason Cline, PE, of Remington & Vernick (hereinafter "RV"), Planning Board Engineer; Richard Bartolone, ASLA, Township Landscape Architect; Joseph Fishinger, the Board's traffic consultant; Lauren Wasilowski, the Township Open Space Coordinator; the Township Environmental Commission; Board of Health; Township Engineer/Assessor; and the Township Shade Tree Committee; and

WHEREAS, the Board, after considering the evidence produced by the Applicant, the Township professionals and the public, has made the following factual findings:

A. Jurisdiction.

1. Based on the applicant's submission of an Affidavit of Publication and proof of service and based upon the subject matter of the application, the Board took jurisdiction of the application.

B. The Subject Property.

2. On January 12, 2015, the Planning Board memorialized a resolution approving the application of Country Club Meadows, LLC (hereinafter "CCM"), Pike Run LLC and Pike Run II LLC granting a General Development Plan (GDP) approval for the Belle Mead Plan Unit Development (BMPUD) which approved extended vesting for the GDP approval for a period of ten (10) years from the date of final site plan approval for Phase 1.

C. The Proposal.

3. CCM is seeking preliminary subdivision and preliminary site plan approval for construction of sub-development Area I (approximately 130 acres). Sub-development Area 1 is the first phase of a 4 phase development, which is subject to the conditions of the approved GDP for the BMPUD. Sub-development Area 1 will include 148 single family dwelling units (Country Club Meadows) and a commercial center (Belle Mead Plaza) with 28 second floor units. The commercial building will include 31,801 square feet of commercial space on the first floor and 28 units on the second floor, of which 27 will be family affordable units. Additionally, the development will include an interconnected trail system which will provide access to two proposed children's play areas and the greater trail network. The following variances and exceptions are required or may be required:

a) Variances

Section 16-4.15-1C.5b.3 – Trash and garbage location

Section 16-4.15-1C.6 – Permitted signs (Belle Mead Plaza)

Section 16-4.15-1b.5 – Permitted signs (Country Club Meadows)

Section 16-4.15.1c.7e – Building design

Section 16-4.15.1c.7h – Parking location

Section 16-4.15.1c.7g – Landscaping of lot area

Section 16-4.15.1c.5a – Off-street loading

Section 16-4.15.1c – Maximum lot coverage

Section 16-4.15.1c – Accessory structure

Section 16-4.14.1c-5a – Loading space

Section 16-5.13b – Setback of freestanding sign in front yard

b) Exceptions

Section 16-5.8a.1 – Off-street parking landscaping

Section 16-5.6d.15 – Street trees

Section 16-5.4b.2b – Light fixture

Section 16-5.4b.2c – Illumination levels

Section 16-5.3b – Fence heights

Section 16-5.6.d3 – Landscape and buffers

4. CCM is seeking to utilize the northern portion of Covert Drive as a primary access into Belle Mead Plaza.

5. CCM is seeking approval of a wet basin located north of the Belle Mead Plaza in what would be phase two (sub-development area 2 – Pike Run Plaza). This wet basin was indicated in the GDP and municipal zoning and was anticipated to be constructed with the next phase of development; however, due to the interconnection of stormwater facilities, construction is required with this sub-development (Area 1).

August 17, 2015 Public Hearing

6. Joseph Fleming, CCM's site engineer, testified as to the background of the approved GDP and presented the composite landscape plan. He informed the Board that the plan is consistent with the GDP. He further provided testimony in support of the stormwater management plan and indicated that the plan demonstrates regulatory compliance for water quality and the groundwater recharge requirements. With respect to lighting, Mr. Fleming indicated that the intent of the lighting plan was to create a balance between minimal dark sky illumination and a suburban public safety approach. Design waiver relief from the Township's ordinance lighting requirements was requested for the low level lighting fixtures.

7. CCM has proposed 497 street trees; 463 open space trees; 283 buffer zone trees; and 404 foundation trees. Mr. Fleming testified that Road D will have a neighborhood park which is part of the open space in consistency with the GDP, as well as the importance of the pathway connection back to Route 206 and Belle Mead-Griggstown Road. The pedestrian bridge required to cross this area is subject to the approval of the NJ DEP.

8. Regarding the BMP plan, he stated that it is generally consistent with the GDP for total office space which is proposed to be increased from 31,000 square feet to 31,801 square feet, and the gross floor area of 61,000 square feet is proposed to be increased to 66,402 square feet. In addition, the total lot coverage is proposed to be increased from 60% to 63%. The proposal is for 229 parking spaces for BMP which, according to Mr. Fleming, presents sufficient parking for the full residential impact as well as full parking for the commercial office space. There will be LED lighting for BMP and BMP is served by conventional sanitary sewers which will be in compliance with the municipal wastewater management plan.

9. He then presented the overall preliminary subdivision plat. Regarding the request for design waivers, he testified that in the entry and access ways, variable materials are proposed to be utilized for the trails in compliance with DEP regulatory requirements. In addition, the proposal was for cinder or mulch paths for those areas that will be owned and maintained by the homeowner's association. Regarding the design exception request for placement of street trees, CCM could not comply with the 50-foot interval but has worked with the Township Landscape Architect in the placement of the street trees. Regarding the street lighting exception or waiver, he supported the same by

testifying that there was a balance between sufficient light for public health and safety for intersections and for roads A and B. There is a de minimis exception request from the RSIS sidewalk requirements on both sides of the street.

10. David Delle Donne, CCM's architect for the BMP commercial section, testified that the first floor plan of the commercial section consisted of twelve (12) retail units to range anywhere from 1500 square feet to 3500 square feet, with a common area at the center of the "L". He testified that the first floor area comprises approximately 29,000 square feet of retail space and about 2800 square feet of common area. The second floor plan presented 27 one, two and three bedroom residential units and one manager's unit. With respect to the requested variance for breaks in the rear walls, he indicated that it is a retail standard to keep the rear line of the façade in line and CCM does not want to change the depths of the units. In addition, the rear walls are not very visible and that area on the adjacent property when approaching along Route 206 is very heavily treed.

11. Joseph Staigar prepared the traffic impact statement dated August 4, 2014. The first traffic study encompassed the whole project including the 318 unit congregate care facility. He testified that the applicant has a NJ DOT access permit and a street intersection permit for the project. He also prepared a second TIS related to the Belle Mead BMP traffic report which includes CCM's residential section as well as reports on additional traffic to encompass both projects. He testified that the site can accommodate a wheel base 50-foot tractor trailer for overnight deliveries as well as accommodate the Township's fire trucks. He supported the request for sign variances as they relate to traffic safety and providing proper identification of the site. The signs were necessary to identify the driveway and provide adequate sight visibility for safe access.

12. Mr. Staigar reviewed with the Board the RV traffic study review dated August 13, 2015, and testified that items 3 through 6 are being complied with, and items 7, 8 and 9 were addressed to RV's satisfaction. In addition, CCM has agreed to provide information and revise the traffic report to provide an analysis to determine if exclusive left turn lanes are required at the proposed driveways/intersections along Belle Mead-Griggstown Road. With respect to RV's site plan comments, CCM agreed to upgrade the signalized intersections, provide ADA compliant curb ramps, pedestrian push buttons and pedestrian indications as well as all improvements to facilitate the proposed movements at the intersection of NJSH Route 206 and Pike Run Road and coordinate the same with the NJ DOT. As to item 9 of the RV report, Mr. Staigar testified that the applicant has obtained NJ DOT permits for CCM for the exclusive left turn lane, the shared left/through lane and an exclusive right turn lane for road A and is in the process of preparing the application for BMP. With respect to the remaining items in the RV traffic review, Mr. Staigar testified as to compliance with the following:

- a) Page 4, #1 – CCM will coordinate pedestrian push buttons with the NJDOT

- b) Page 4, #2 & #3 – There will be improvements to Pike Run Road and Belle Mead-Griggstown Road; CCM will address these improvements with the NJDOT
- c) Page 4, #4 – Mr. Staigar indicated that he reviewed the horizontal separation between the two retail driveways along Belle Mead-Griggstown Road with respect to safe and efficient operation of both driveways at the time of the future Pike Run Plaza application
- d) Page 4, #5 – He indicated that adequate intersection sight distance is available at all proposed driveways and intersections and would review the plans and revise the same if required by the Planning Board Engineer to assure adequate intersection sight distance is available at all proposed driveways and intersections
- e) Page 4, #6 – Mr. Staigar agreed to revise the TIS to indicate the anticipated route of all delivery and emergency response vehicles to safely and efficiently maneuver through the continuing care facility site and all retail sites
- f) Page 5, #7 – Mr. Staigar represented that deliveries will be made during off-peak times using step vans and small trucks and that these vehicles can park in the vacant parking spaces to unload; on behalf of the applicant, he agreed to submit revised plans showing where the delivery vehicles will park during unloading
- g) Page 5, #8 – The applicant, through Mr. Staigar, agreed that the plan showing the rear driveway for Block 6001, Lot 1 would be revised to the extent reasonably practicable, to indicate a more “traditional” T intersection and he agreed to coordinate this item with the Board Engineer’s office recognizing that a “traditional” T intersection may not be possible
- h) Page 5, #10 – The applicant, through Mr. Staigar, agreed to revise the plans to indicate concrete sidewalk along the site’s frontage adjacent to Route 206 and Belle Mead-Griggstown Road; the revised plans would also indicate a pedestrian connection between the sidewalk and this site
- i) Page 5, #11 – The applicant, through Mr. Staigar, agreed to revise the plans to indicate that the mid-block crosswalk along Road “A” located approximately 100 feet north of Road “A” and Road “C” intersection would be revised to relocate the crosswalk to the intersection of Road “A” and Road “C”

13. Mr. Staigar, on questioning from Board member Wilson, indicated that he would look at the timing of the signalization of the Pike Run intersection to have a better flow of traffic.

14. Board member Wilson expressed concern that the applicant is building right next to a firehouse and inquired as to whether there is a way to provide overriding signalization for the firehouse. Mr. Staigar responded that the applicant will be proposing a plan including a crosswalk and a beacon. Mr. Cline, the Board Engineer, suggested and the applicant agreed to revising its circulation plan to reflect the largest Fire Department apparatus that is in use in the Township.

D. Public Comment.

15. Robert Simon, Esq, introduced himself as the attorney for the Montgomery Township Volunteer Fire Company No. 1 and expressed that the Fire Company had many concerns with the project, especially the ingress/egress issue on Covert Drive.

16. CCM presented the testimony of Art Bernard, its professional planner, whose testimony included the following:

a) The affordable housing units will all be rental units.

b) He stated that the uses proposed on the site are all permitted by the ordinance but that variances were requested as follows:

1) The ordinance permits 31,000 square feet of retail office space; CCM is proposing an increase of 801 square feet.

2) Gross floor area is limited to 61,000 square feet; CCM is proposing 66,402 square feet.

In support of the request for those variances, ordinance limits would provide very small livable spaces for the affordable housing tenants. CCM proposes to enlarge the building to provide more living space; the benefits of these variances is that it results in more livable space for the target population.

3) CCM is requesting an impervious coverage variance; the ordinance permits 60% and CCM is proposing 63%. Non-impervious coverage is required to be 40% and CCM is proposing 37%.

4) CCM is proposing a variance for parking setbacks and setbacks for the trash enclosures as well as a set back for the wet basin.

5) The Development Ordinance requires one (1) loading space, however since it is believed that the BMP will be served by box trucks, a parking space is sufficient in lieu of a traditional loading space.

6) A variance is requested from the requirement that all sides of the building have a similar finish; the first floor of the rear of the building does not have the visual breaks as required by the ordinance.

7) Sign variances were requested for CCM including: (a) at the northern entrance, there is 1 community identification sign permitted; CCM is proposing 2 signs (b) a variance is requested for the size of the signs; 30 square feet is permitted; 640 square feet is proposed on the northern entrance and 183 square feet on the southern entrance. Mr. Bernard testified that in reality, the sign itself would be set into the fence and it may actually comply with the 30 square foot requirement. The signs will be similar to the existing Pike Run signs that are located across the street. (c) CCM is proposing 3 free standing signs for BMP when 1 free standing sign is permitted. (d) Per Ordinance the height of the free standing sign is limited to 8 feet; CCM was proposing that the free standing sign at the corner of Belle Mead-Griggstown Road and Route 206 would be 13 feet high with a setback at 10 feet rather than the ordinance requirement of 20 feet from the road.

17. In support of the variances, Mr. Bernard provided a history of the zoning of the property as well as the court proceedings with the Township which was ultimately

resolved in a settlement agreement, the terms of which are incorporated by reference. Mr. Bernard indicated that CCM's proposal advances the settlement. He further supported the variances with the 2008 Master Plan Re-examination Report which included specific objectives promoted by the proposal including the fact that the Township is seeking a target commercial higher density development including affordable housing in two areas, one of which is the Belle Mead Node. He further pointed out that the 2008 re-examination report also indicates that development should recognize the physical characteristics of the Township and the land's limitations to accept different types of development. In the Township Planner's report, Mr. Sullivan recognized that the rezoning of the property was designed to be consistent with the Land Use Plan. Mr. Sullivan, in that report, recognized that through the joint efforts of the Township and the developer, the proposal preserves the vast majority of natural features located on the site which is consistent with the re-examination report. Mr. Bernard pointed out that last year, the Township's Land Use Element of the Master Plan was amended to specifically promote the subject of this development. He then related the Land Use Plan to the variance requests as follows:

a) It was clear from the Land Use Plan Amendment that the size of the multi-use building at 31,000 square feet was noted to be "approximately 31,000 square feet". The settlement included 27 rental units of affordable housing, thereby recognizing the applicant's proposal as an inclusionary development aspect. One of the State's regulations regarding inclusionary development is that boards are expected to cooperate in granting reasonable variances.

b) Mr. Bernard then proceeded to testify that the variances requested were C2 variances which could be granted when the proposal advances purposes of the Municipal Land Use Law and the benefit of the proposal substantially outweighs any detriment.

c) He then applied the C2 variance criteria to the variances requested and testified that the proposal specifically advances the Land Use Plan for this property and is consistent with the Master Plan providing its goal, addressing the Township's affordable housing litigation as part of a mixed use development in the Belle Mead Node.

d) He pointed out that Mr. Sullivan's report affirmed that the proposal is consistent with the 2008 Master Plan by recognizing the physical characteristics of the Township as well as being consistent with the Master Plan's goal of conserving natural resources.

e) Other benefits of the proposal are that it contributes to the Township's affordable housing obligation and results in the extension of Covert Drive and the construction of an active and passive recreation area along the pedestrian path that will be extended across the Cruiser Brook to Montgomery Park, as well as a benefit to provide more livable space to the affordable housing tenants.

Mr. Bernard, after reviewing all of the benefits, concluded that the proposal advances specific purposes of the Municipal Land Use Law including N.J.S.A. 40:55D-2 purpose (a) encouraging the appropriate use of land; purpose (e) promoting the establishment of appropriate population densities; purpose (g) providing sufficient space in appropriate locations for residential and commercial uses; purpose (j) promoting the conservation of open space and the prevention of urban sprawl; and purpose (k) encouraging planned unit developments. He applied these purposes to the site and indicated that this site is clearly

appropriate for the proposed uses because it has access on a state highway; it is adjacent to higher density housing in Pike Run and municipal services to the south. In addition, the commercial space and the affordable housing is an excellent transitional use between the municipal services and the higher density housing and the entire development is part of a planned unit development that targets growth to an area that can accommodate it; the proposal promotes the conservation of open space in that the layout has been designed to create open space within and on the perimeter of the property and includes the extension of the pathway that leads to Montgomery Park.

18. Regarding the variances for the signs, the signs will make it easier for the public to understand where the entrance is to CCM and BMP are and therefore advance N.J.S.A. 40:55D-2 purpose (h) which promotes the free flow of traffic in the community.

19. Mr. Bernard then addressed the negative criteria and addressed the impact on the public good and, in addressing the impact, he testified that there was no substantial detriment to the public good for all the variances.

20. At the conclusion of Mr. Bernard's testimony, Board member Davis questioned the height of the sign to be located on the corner of Belle Mead-Griggstown Road and Route 206. Mr. Bernard testified that the impact on the zone plan would be positive because the proposal implements the long standing goals of promoting mixed use development in the Belle Mead Node as well as promoting the 2014 settlement agreement and the Land Use Amendment, as well as making a significant contribution toward the Township's affordable housing obligation, and creating active recreation activities. Based on these factors, he concluded that none of the variance relief creates a substantial negative impact to the public good or the zone plan and the benefits of the proposal substantially outweigh the detriments associated with granting the relief.

September 21, 2015 Public Hearing

21. CCM's presentation was opened solely for the purposes of presenting a plan for Covert Drive. CCM recalled Joseph Staigar who prepared a proposed signalization and signing plan produced as Exhibit A-9 dated 8/27/15. This plan included pedestrian crossing and signage, a beacon pedestrian crosswalk which is to be push button activated, as well as a pedestrian warning sign and striping of a crosswalk. It also included signage for the firehouse (push button beacons that will be flashing and containing a warning sign). CCM now proposed to widen Covert Drive to 28 feet so that a third vehicle passing two stopped vehicles would be provided under emergency conditions. The Fire Company also has the ability to turn the light at US 206 & CR 630 green when they are going through the intersection. The purpose of the flashing lights on the emergency vehicle and sirens is to alert the motoring public that an emergency vehicle is approaching. From a traffic safety standpoint, Mr. Staigar's opinion is that the two uses (this development and the Fire Company) can operate in a safe and efficient manner.

22. Joseph Fishinger, the Planning Board's traffic consultant, informed the Board that the plan would require Somerset County approval; he also pointed out that 28 feet is an RSIS standard but would work for the commercial development. There would be no parking on either side of Covert Drive. Furthermore, he made a slight correction to the applicant's proposed system; the opticom system is a flashing strobe light, not a button to push. There is a sensor on the fire truck and a sensor on the traffic light.

23. Mr. Cline indicated that he had received comments from Roy Mondt, the Fire Marshal, and reported that the Fire Prevention Bureau is requiring: 1- any new traffic lights to be installed shall have a traffic control device (optacon); and 2- the installation of numbers for the buildings, stores and apartments as approved by the Fire Prevention Bureau.

24. Rob Simon, the attorney for Montgomery Fire Company No 1, cross-examined Joseph Fleming, the applicant's site engineer, challenging the applicant's request for variances. He reiterated the Fire Company's position that Covert Drive is a private road owned by the Fire Company. The Board Attorney reported at this meeting that he had contacted the Township Attorney regarding that issue and based on Township documentation, he shared the Township Attorney's position that Covert Drive is a public road.

October 19, 2015 Public Hearing

25. The applicant's attorney, based on comments at the last hearing, offered a revision to Exhibit A-9 (the pedestrian crossing and firehouse signage plan dated 8/27/15). Mr. Staigar was recalled and testified as to Exhibit A-11 dated 10/8/15. The changes from Exhibit A-9 were the details of the signage itself to bring it up to the MUTCD standards. He also introduced Exhibit A-12 entitled "The Covert Drive Fire Truck Circulation Plan" dated 10/8/15, the purpose of which was to demonstrate that the 28 foot cartway from curb to curb would allow passage of a fire truck on Covert Drive and permit vehicles to pull off to the side of Covert Drive to allow the truck to pass through. On questioning from Mr. Fishinger, Mr. Staigar agreed that the sign locations on Belle Mead-Griggstown Road as well as the final design of flashers or pedestrian warning signs on the County road was all subject to Somerset County approval. CCM agreed to conform to the County requirements.

26. Mr. Simon had extensive cross-examination of Mr. Staigar as well as Mr. Bernard regarding the variances and challenged the testimony of Joseph Staigar regarding Covert Drive as well as Mr. Bernard's testimony in support of the variances requested and the Montgomery Township Fire Company No 1's interpretation.

27. Mr. Simon introduced Matt Fedun as a witness. Mr. Fedun has been a member of the Montgomery Fire Company No 1 for 37 years and he provided testimony in support of the Fire Company's position that Covert Drive is not a public road, but owned privately by the Fire Company. He further testified that it was his opinion that the use of Covert Drive by the applicant would create a safety issue for the Fire Company

and the public. On cross-examination by Mr. Shimanowitz, Mr. Fedun conceded that he was not a traffic expert and did not conduct any study as to how wide Covert Drive might need to be in order for there to be sufficient clearance in an emergency.

28. Mr. Simon then introduced Hal Simoff, the Fire Company's professional engineer and professional planner. Mr. Simoff, as the Fire Company's traffic expert, challenged the applicant's analysis of the utilization of Covert Drive. He suggested that the driveway for the use of the applicant be moved more to the west in order to get sight distance for safe access. He suggested that the ingress/egress for applicant's project not be off of Covert Drive but rather across from Pike Run Plaza. Mr. Simoff also challenged the fire truck circulation plan presented by the applicant.

November 2, 2015 Public Hearing

29. Based on the issues raised by the Fire Company, the applicant's attorney informed the Planning Board and the public that the applicant, the Fire Company and the Township had arrived at a Memorandum of Understanding which would involve a new driveway from the Fire Company's property onto Belle Mead-Griggstown Road. He further reported that CCM had consented to the Memorandum of Understanding as well as the Fire Company and indicated that the Fire Company is withdrawing its objection to the application. Notwithstanding the Memorandum of Understanding, the applicant's attorney, for purposes of the record before the Planning Board, recalled Joseph Staigar, CCM's traffic engineer, to challenge the testimony of Hal Simoff, the Fire Company's traffic engineer. Mr. Staigar testified that there was adequate sight distance and that the applicant was not expecting a WB-50 to make deliveries on the site, as typically the proposed sized shopping center would not have the type of tenant that typically requires utilization of a WB-50. He concluded that the circulation plan is more than adequate for a WB-50 and offered testimony in support of applicant's position that the intersection of Griggstown Road and Covert Drive has sufficient reserve capacity for future traffic volumes and would not create an issue as to capacity. He also testified that there would be no issue for a fire truck traveling eastbound on Griggstown Road attempting to make a right hand turn with a single unit truck and to exit onto Griggstown Road on Covert Drive; if the truck could back up, it would back up to allow the truck to pull forward down Belle Mead-Griggstown Road.

30. Joseph Fishinger, the Board's traffic consultant, agreed with the applicant's traffic consultant that the sight distance was adequate and agreed with the testimony and conclusions of the applicant's traffic consultant.

31. The applicant's attorney requested that the resolution of approval ratify the extending of zoning for ten (10) years from the first final approval as set forth in the GDP approval.

32. Lori Savron, the Township's Planning Director, testified that she reviewed the issue of Covert Drive with the Township Clerk, the Township Engineer and the Township Attorney, as well as documents both off-site in storage and in the Municipal

Building dating back to the original subdivision of the project. She testified that based on those documents, Covert Drive was dedicated to the Township, funded by the Township, in public use and has never been vacated.

33. Mr. Simon acknowledged the Memorandum of Understanding and represented to the Board that the Fire Company withdraws its objection to the application contingent on full compliance with the Memorandum of Understanding. He also represented to the Board that the Fire Company supports the application.

34. Board member Wilson raised the issue of restaurants parking and use of the retail units. The Board Attorney indicated that he would include in any resolution of approval that the Zoning Officer review any tenant's permit application and reserve the right to refer the prospective tenant make application to the Planning Board should the proposed use require more parking spaces than approved by this Board.

35. Board member Wilson raised the issue of the size of potential trucks having access to the site. The applicant agreed to a condition in any resolution limiting no vehicle greater than a WB-40 except for a tenant fit-up, in which case a WB-50 would be permitted for that purpose.

36. Board member Davis began a discussion regarding the 3 free standing BMP commercial signs, specifically the one free standing sign proposed to be 13 feet high. The engineer pointed out to the Board that the ground where the sign will be is two feet higher than the center of the intersection and therefore the height of the sign could be reduced to 11 feet; applicant agreed.

37. The Board Engineer requested a condition be imposed at the time of final site plan/subdivision approval that the applicant's engineer submit revised plans detailing the design lot coverage for the residential lots.

38. The Board then discussed the proposed design exceptions requested by the applicant. The applicant withdrew its request for relief from the light intensity ordinance requirements for its signs. However, the illumination of the CCM signs are proposed to be 0.6 overall and 0.4 at intersection. The applicant agreed to downgrade the lighting in the center of the site by downgrading the wattage within those lights so that the applicant could come much closer to the 1 foot candle requirement. The applicant further agreed to make a target of a 1 foot candle average through the entire area with a request that working with the Township Engineer, it would like a 20% or a 1.2 foot candle maximum limit.

39. The Board reviewed the design exceptions requested by the applicant.

40. The applicant withdrew its request for a design exception for the signage lighting. On the CCM side, the applicant agreed to increase the lighting to meet the ordinance requirements for lighting on public roads. Board members expressed a concern regarding the parking lot illumination which almost doubles the light intensity

requirements of the ordinance. In response to the Board's concerns, the applicant agreed to revise the parking lot lighting, making sure that the perimeter of the areas remain adequately lit by reducing the wattage of the center parking lot fixtures so as to bring the overall average much closer to the 1 foot candle standard. Applicant further agreed to a target of 1 foot candle average throughout the entire area, with a cushion to work within 20% of the goal of 1 foot candle or 1.2 foot candles and submit the plan to the Board Engineer for the Board Engineer's review and approval.

41. The Board discussed with the applicant the issue of tree replacement. The applicant is asking relief from the ordinance primarily on the fact that the ordinance as written asks that the applicant replace trees that applicant is not removing. The Township Planner reported that although the tree replacement ordinance is based on gross tract acreage, there is some flexibility whereby the Board may consider applying a standard of disturbed area versus gross area. The applicant would be replacing trees based on disturbed area.

42. Regarding the request for a design exception for street trees, the Board noted that Mr. Bartolone, the Township Landscape Architect, in a report dated August 12, 2015, supported the waiver on the condition that the applicant install six (6) shade trees to be approved by his office at the Township tot lot and that the applicant provide the monetary value of the balance of the shade tree requirement (34 trees at \$300 per tree, or \$10,200) to the Township Tree Bank for the Township to plant trees at appropriate locations.

43. The applicant suggested that the signalization plan presented to the Board for Covert Drive (Exhibit A-11) receive preliminary approval, recognizing the likelihood that the configuration of site access may change and therefore change the signalization plan because of the spacing of the driveways. The Board agreed with that suggestion that when the applicant applies for final, there will be a better indication as to where the Fire Company stands with their second access drive based on the Memorandum of Understanding.

44. The applicant proposed and the Board agreed that the larger free standing sign would be a maximum of 10 feet high and a maximum of 9 feet in width.

WHEREAS, the Board has made the following ultimate findings and conclusions based on the foregoing findings of fact:

1. That the granting of the variances will not adversely affect the values of adjacent and nearby properties.
2. That the granting of the variances will not alter the essential character of the neighborhood.
3. That the granting of the variances will promote the general health, safety and welfare.

4. That the granting of the variances advances the purposes of the Municipal Land Use Law, and is based on existing site conditions as well as providing a better zoning alternative for the organization of the existing site.
5. That the granting of the variances will be without substantial detriment to the public good and without substantial impairment of the intent and purpose of the zoning ordinance.
6. That the variances can be granted because the benefits of the deviations substantially outweigh any detriment.
7. That the variances can be granted because of exceptional conditions uniquely affecting this specific piece of property which assists the Township in its affordable housing obligation and perpetuates the settlement of litigation between the Township and the applicant.
8. The design exceptions can be granted based on the following:
 - a) they are reasonable;
 - b) they are within the general purpose and intent of site plan review requirements;
 - c) literal enforcement of those provisions of the ordinance is impracticable because of peculiar conditions pertaining to the site.

WHEREAS, at the conclusion of the hearing on November 2, 2015, the Board has taken action by voting on said application and, in accordance with N.J.S.A. 40:55D-10(g) of the Municipal Land Use Law, has directed that this resolution memorializing said action be prepared;

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of Montgomery on the basis of the evidence adduced before it, the aforesaid findings of fact and ultimate findings and conclusions, that this Board does hereby grant variances from the provisions of the Zoning Ordinance as follows:

Section 16-4.15.1c – for lot coverage; elimination of loading space; landscape area coverage; buffer setback; to allow 3 free standing signs for Belle Mead Plaza with setback relief for one sign; from the building façade requirements for Belle Mead Plaza; a setback variance for the trash enclosure; and the elimination of the requirement of sidewalks along Country Club Meadows Route 206 frontage.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of Montgomery on the basis of the evidence adduced before it, the aforesaid findings of fact and ultimate findings and conclusions, that this Board does hereby grant design exceptions from the provisions of the Land Development Ordinance as follows:

Section 16-5.6.3b – fence heights

Section 16-5.6.d15 – number of street trees

Section 16-5.8a.1 – requiring a street planting, berm, fence or wall or combination thereof no less than 4 feet and no more than 7 feet high between the off-street parking areas and any lot line or street line

Section 16-5.4b.2c – street light intensity (illumination levels)

Section 16-5.4b.2b – parking lot lighting

Section 16-5.13b – to allow a free standing sign in the front yard at a height of 10 feet

Section 16-5.3b – to allow the height of the retaining wall to exceed 4 feet and located in the front yard

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of Montgomery, on the basis of the evidence adduced before it, the aforesaid findings of fact and ultimate findings and conclusions, that this Board does hereby grant preliminary subdivision and preliminary site plan approvals with variances, design exceptions and an RSIS de minimis waiver in accordance with the following plans and documents submitted by the applicant, which plans and documents are to be revised to be consistent with the approvals set forth herein:

1. point-by-point response letter prepared by Paulus, Sokolowski & Sartor, LLC, dated 8/7/15;
2. cover letter prepared by Hutt & Shimanowitz dated 5/18/15;
3. Preliminary Major Site Plan application with checklist dated 5/18/15;
4. Preliminary Major Subdivision application with checklist dated 5/18/15;
5. Planning Board Resolution of Approval of a General Development Plan (GDP) dated 12/1/14;
6. Engineering plans entitled “Application for Preliminary Site Plan and Preliminary Major Subdivision for Planned Unit Development-Area 1, Block 4001, Lots 33 & 33.01, block 5023, Lots 2 and 3, Block 6001, Lot 1, Township of Montgomery, Somerset County, New Jersey” prepared by Paulus, Sokolowski & Sartor, LLC, dated 5/15/15 last revised 8/6/15, consisting of 93 sheets;
7. Conceptual Earthwork Plan prepared by Paulus, Sokolowski & Sartor, LLC dated 4/6/15;
8. Architectural floor plans entitled “Proposed Multi Use Commercial/Apartment BLDG: Belle Mead Plaza” Route 206 & Belle Mead Griggstown Road Montgomery Twp, New Jersey, prepared by The Dietz Partnership dated 5/13/15, last revised 5/13/15, consisting of 3 sheets;
9. Architectural plans entitled “Detached Single Family Dwelling Units” prepared by APPEL Design Group, dated 2/12/15, last revised 5/14/15, consisting of 16 sheets;
10. Letter from Twp of Montgomery Tax Collector’s Office dated 5/13/15;
11. Letter to Mark Conforti, Planning Board Chairman dated 5/18/15;
12. Approved Grant of Conservation Restriction/Easement for Block 4001, Lot 33; Block 5002, Lots 4-6; Block 5003, Lot 1; Block 5023, Lot 2 and Block 6001, Lot 1, with letter to Andrew Clark of NJDEP dated 7/5/11;
13. Traffic impact study for Block 4001, Lots 33 & 33.01 prepared by Dynamic Traffic dated 8/4/15;
14. Traffic impact study for Block 6001, Lot 1 prepared by Dynamic Traffic dated 8/4/15;
15. Traffic impact study prepared by Dynamic Traffic dated 3/10/15;
16. Traffic impact study prepared by Dynamic Traffic dated 4/8/15;

17. Environmental report entitled "Environmental Impact Statement for Area 1 Belle Mead Planned Unit Development Country Club Meadows Portion block 4001, Lots 33 and 33.01, Township of Montgomery, Somerset County, New Jersey" prepared by EcolSciences Inc dated 5/15/15;
18. Stormwater management plan prepared by Paulus, Sokolowski & Sartor LLC dated May 2015, last revised August 2015;
19. Report for flood hazard area permit prepared by Paulus, Sokolowski & Sartor dated May 2015;
20. Response letter prepared by Dynamic Traffic, Inc, dated 8/4/15;

Subject, however, to the following conditions:

1. Applicant shall comply with the conditions recommended by the Township Planner, CCH, in its memorandum dated 8/13/15, which memorandum is incorporated herein by reference, as follows:

- a) Section 6.2 Bike Racks – the applicant will revise its plans to provide the required bike parking
- b) Section 6.3 Pedestrian Access – the applicant will revise its plans to include sidewalks along the Route 206 frontage of Belle Mead Plaza as well as revise its plans to provide a paved pedestrian path on Township owned land except where the NJ DEP may require a permeable surface
- c) Section 6.4 Off-street Parking – applicant will revise its plans to provide a parking summary to reflect accurate building floor areas and parking requirements
- d) Section 7.6 Off-street Parking Landscaping – applicant will revise its plans to include plantings in the gaps along the eastern and northern property lines subject to the approval of the Township Landscape Architect
- e) Section 8.3 Sign Illumination – applicant shall submit revised plans including details regarding sign illumination consistent with Planning Board approval
- f) Section 9.1 CCM freestanding signs – applicant shall revise its plans to include additional details regarding the CCM freestanding signs
- g) Section 10.1 Building Façade BMP – applicant shall submit revised plans of the elevations of the building façade of the Belle Mead Plaza subject to the approval of the Township Planner
- h) Section 11.2 Conservation Easements – subsequent to and as a condition of final site plan/subdivision approval, applicant shall submit revised plans to clarify the locations of the proposed conservation easements and shall submit conservation easements satisfactory to the Township Attorney and the Planning Board Engineer

2. The applicant shall comply with the conditions recommended by Remington & Vernick in their traffic study review dated 8/13/15, which review is incorporated herein by reference, as follows:

- a) Traffic Impact item 3 – applicant shall revise its traffic report to include an analysis at the intersection of Belle Mead-Griggstown Road and Grayson Road and Willow Road, as well as updating an analysis at the intersection when an application for approval is submitted for Block 5023, Lots 2 & 3

- b) item 4 – applicant shall revise its traffic report to include a queue analysis at the intersection of NJ State Highway 206 and Belle Mead-Griggstown Road to ensure the expected vehicles queued to not exceed the available vehicle storage
- c) item 5 – applicant shall revise its traffic report to include a queue analysis at the intersection of NJ State Highway 206 and Pike Run Road to ensure the expected vehicles queued do not exceed the available vehicle storage
- d) item 6 – applicant shall give consideration to modifying the traffic signal timing directives for both the NJ State Highway 206 and Belle Mead-Griggstown Road and NJ State Highway 206 and Pike Run Road intersections to improve the westbound left turn level of service
- e) item 7 – applicant will revise its traffic report to provide an analysis of left turn lanes at the proposed driveways/intersections along Belle Mead-Griggstown Road based upon Highway Research Record 211
- f) Site Plan item 1 – applicant will coordinate with the NJ DOT an upgrading of the signalized intersections to provide ADA compliant curb ramps, pedestrian push buttons and pedestrian indications as well as all improvements to facilitate the proposed movements at the intersection of NJ Rt 206 and Pike Run Road
- g) item 3 – applicant shall coordinate with the NJ DOT construction of acceleration and deceleration lanes to be constructed at the proposed site driveways along Route 206
- h) item 4 – applicant shall address the horizontal separation between the two retail driveways along Belle Mead-Griggstown Road with respect to safe and efficient operation of both driveways at the time of the future Pike Run Plaza application
- i) item 6 – applicant shall revise its plans to indicate that the anticipated route of all delivery and emergency response vehicles can safely and efficiently maneuver through the retail site
- j) item 7 – applicant shall revise its plans to indicate where delivery vehicles will park during unloading
- k) item 8 – applicant shall to the extent reasonably practicable revise its plans for the rear driveway for Block 6001, Lot 1, to indicate a more “traditional” T-intersection and coordinate the plan revision with the Board’s traffic engineer recognizing that a “traditional” T intersection may not be possible
- l) item 10 – applicant shall revise its plans to indicate concrete sidewalk along the site’s frontage adjacent to Route 206 and Belle Mead-Griggstown Road, as well as indicating a pedestrian connect between the sidewalk and this site
- m) item 11 – applicant shall revise its plans to relocate the crosswalk to the intersection of Road “A” and Road “C”
- n) The design of Road “A” may include an exclusive left turn lane, a shared left/through lane and an exclusive right turn lane or such other appropriate configuration deemed acceptable to NJDOT and the Township

3. The applicant shall comply with the conditions recommended by the Open Space Coordinator in her 8/13/15 memorandum, which memorandum is incorporated herein by reference, as follows:

- a) A/Common Open Space - The applicant shall submit homeowner’s association documents for the review and approval of the Township Attorney and the Township Engineer for the ownership and maintenance of the common open space areas, as the

open space areas will be owned and maintained by a homeowner's association, and the pathway on the CCM tract will be maintained by the homeowner's association. In addition, the maintenance of the bridge will be the responsibility of the HOA.

b) B/Pathways, Pedestrian Connectivity & Footbridges #2 - The applicant shall provide, if allowed by the NJ DOT, pedestrian signal heads and push buttons to facilitate non-motorized use of the intersection of Rt 206 linking the pathway from the residential neighborhood in the proposed mixed use development on the east side of Rt 206 (Block 6001, Lot 1).

c) B3 – The applicant has agreed to provide sidewalks on Route 206 for the proposed Belle Mead Plaza driveway and will attempt to comply with ADA requirements.

d) B6 – The applicant shall pave the pathway on Township property except if otherwise required by NJ DEP in regulated areas; materials approved by the NJ DEP are to be used in any non-paved areas and shall also be submitted for review and approval of the Township Engineer.

e) B7 – The applicant shall install a sidewalk along Belle Mead Griggstown Road from the Pike Run Plaza driveway to Pike Run Road as part of Phase 2 development of Pike Run Plaza.

f) C/Landscaping #1 – The applicant shall post money to the Township “Tree Bank” and plant trees at the tot lot on the Municipal Building property in lieu of the required tree planting on Route 206. A planting plan for the tot lot shall be determined in consultation with the Township Landscape Architect and the Landscape Architect shall calculate the remainder of funds to be deposited in the “Tree Bank”.

g) D/Conservation Easements #3 – Subsequent to and as a condition of final site plan/subdivision approval, the applicant shall submit revised plans indicating the placement of monuments for the conservation easements to be reviewed by the Open Space Coordinator and the Township Engineer.

h) E/General Comments #1 – The applicant shall submit a sales map at the time of final approval.

4. The applicant shall comply with the conditions recommended by the Township Landscape Architect in his memorandum dated 8/12/15, which memorandum is incorporated herein by reference.

5. The applicant shall comply with the conditions recommended by the Planning Board Engineer, Jason A Cline, in his 8/13/15 memorandum, which memorandum is incorporated herein by reference, as follows:

a) D/Site Requirements/Layout/Circulation #3 – applicant shall submit revised plans to construct a sidewalk along Route 206 to the proposed driveway into Belle Mead Plaza and will attempt to comply with ADA requirements for this sidewalk

b) D4 – applicant shall follow the procedures listed at N.J.A.C. 5:21-3.1 to apply for, obtain and document a de minimis exception from the RSIS requirements to eliminate the need to provide sidewalk along both sides of the right in/right out driveway served by the bridge

c) D9 – the applicant shall submit revised plans demonstrating that at least one of the proposed pedestal tables within the playground are ADA accessible

- d) E/Architectural #1 – applicant shall submit revised plans to include a breakdown of the projected number of bedrooms for each unit as well as for the development as a whole; guest rooms shall be included in the counts
- e) E2 – applicant shall submit revised plans clarifying the distinction between the single family lots and “patio homes” lots, whether by labeling or separate plan sets
- f) E3 – applicant shall submit revised plans in order to define the house design models
- g) F/Grading #1 - applicant shall submit revised plans to include depressed curbs and aprons as appropriate at all basin access points from the paved streets and shall further revise the plans to allow vehicular access to the headpiece on catch basin DI 191
- h) F 1-8 – applicant shall revise its plans in accordance with the 8/13/15 memorandum
- i) G/Stormwater Management – the applicant shall revise its plans in accordance with items G2, 3, 5, 7,12, 15, 19, 20, 22, 23, 26, 28, 29, 30, 32 of the 8/13/15 memorandum
- j) H4 – applicant shall revise its plans in accordance with the 8/13/15 memorandum
- k) I/Utilities #3 – applicant shall revise labels appropriately on its plans in accordance with the 8/13/15 memorandum
- l) I/Utilities #4 – applicant shall revise its plans by submitting sanitary sewer calculations
- m) I5 – applicant shall revise its plans demonstrating that the areas of the proposed sanitary sewer that are not located within paved areas be supplied with marking tape above the PVC pipe for location purposes
- n) I6 – applicant shall revise its plans to demonstrate the adequacy of provided manhole details to accommodate the depths greater than 20 feet.
- o) L/Miscellaneous #1 – applicant shall revise its plans to clarify labels on improvements on Sheet C-6

6. The applicant shall comply with the conditions recommended by the Township Planner, Clarke Caton Hintz, in their October 16, 2015 memorandum, which memorandum is incorporated herein by reference, by revising its plans as follows:

- a) Section 1.1 – showing installation of bike racks
- b) Section 1.2 – include sidewalks along the Route 206 frontage of Belle Mead Plaza and provide a paved pedestrian path on Township owned land except where NJ DEP may require a permeable surface
- c) Section 1.3 – provide a parking summary to reflect accurate building floor areas and parking requirements
- d) Section 1.4 – revised plans to include more detail regarding sign illumination
- e) Section 1.5 – revised plans for the building façade of Belle Mead Plaza
- f) Section 1.6 – clarifying the locations of proposed conservation easements as a condition of final site plan/subdivision
- g) Section 1.7 – show the relocation of the play area closer to the path and that bike racks will be provided in the vicinity of the playground
- h) Section 1.8 – include more detail regarding the CCM free standing signs
- i) Section 1.9 – include plantings in the gaps along the eastern and northern property lines

7. Unless expressly waived by the Township, Applicant shall post separate performance guarantees for each phase of this development before work commences in each phase in a

form satisfactory to the Township Attorney and the Township Engineer, in accordance with the provisions of the Municipal Land Use Law and the ordinances of the Township of Montgomery.

8. The applicant shall maintain with the Township of Montgomery an escrow account sufficient to pay the professional review and inspection fees related to this application and all construction required in conjunction therewith.

9. In the event that any soil removal, exportation or importation of more than 20 cubic yards is required, the applicant is placed on notice that Board approval will be required in accordance with the Township Ordinances. The applicant shall consult with the Township Engineer before any removal of topsoil to determine whether the Township can use the topsoil at some other location.

10. The applicant shall obtain from any other agency, board, committee, bureau or commission which may have jurisdiction over any aspect of the application either an approval or a letter of determination that no approval is required. Copies of all approvals or letters of determination shall be provided to the Planning Board.

11. All conditions contained in this Resolution and in the record of proceedings in this matter including any agreements made by applicant were essential to the Board's decision to grant the approvals set forth herein.

12. The applicant shall enter into a "Developer's Construction Sequence Agreement" with the Township Committee in accordance with Section 16-9.2 of the Land Development Ordinance of Montgomery Township.

13. The applicant shall submit homeowners association documents, which documents are subject to the approval of the Township Attorney and the Township Planner.

14. In accordance with Section 4(d)(i)(3)€ of the Consent Order and Stipulation of Settlement entered July 10, 2014 in Docket No. SOM-C-12064-10, Applicant shall have no obligation to pay non-residential affordable housing development fees for the Area ! development contemplated and approved herein.

15. When a tenant applies for a zoning permit allowing their use of the property, the Zoning Officer shall make a determination as to whether there is sufficient parking under the ordinance for the proposed tenant's use and, if not, the prospective tenant or owner of the property shall make application to the Planning Board for site plan review prior to the issuance of any zoning permit or construction permit for that use.

16. The applicant shall work with the Fire Prevention Bureau for the installation of numbers for the buildings, stores and apartments as approved by the Fire Prevention Bureau.

17. The applicant shall work with the Planning Board Engineer targeting a 1 foot candle average throughout the entire site, subject to a 20% or 1.2 foot candle maximum limit.

18. The applicant shall install six (6) shade trees at the Township tot lot and provide the monetary value of the balance of the shade tree requirement (34 trees at \$300 per tree, or \$10,200) to the Township Tree Bank for the Township to plant trees at appropriate locations as per the recommendations of the Township Landscape Architect.

19. The operating costs for lighting requirements are to be paid by the homeowners association as required by Code.

Roll Call Vote

Those in Favor: Davis, DeRochi, Mani, Matthews, Smith and Wilson

Those Opposed:

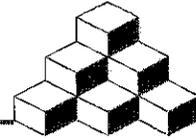
The foregoing is a true copy of a resolution adopted by the Planning Board of the Township of Montgomery at its meeting on January 11, 2016, as copied from the minutes of said meeting.

The within resolution memorializes action that was taken by the Planning Board of the Township of Montgomery at its meeting on November 2, 2015.

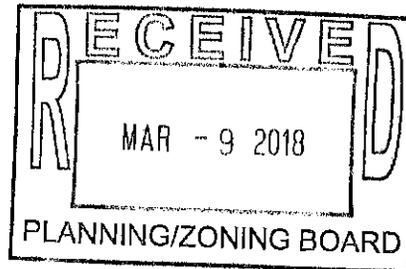


LORI SAVRON
PLANNING BOARD SECRETARY
TOWNSHIP OF MONTGOMERY
STATE OF NEW JERSEY

Piazza & Associates, Inc.



216 Rockingham Row ♦ Princeton Forrestal Village ♦ Princeton, NJ 08540-5758



March 5, 2018

Dear County and Municipal
Administrators, Clerks and Librarians:

Enclosed, please find a flyer, announcing the availability of 27 very-low-, low-, and moderate-income apartments that will be for rent at The Grove at Montgomery, located in the Township of Montgomery, Somerset County, New Jersey. These one-, two-, and three-bedroom rental apartments are available to income and credit qualified households at reduced rents.

Please feel free to share this information with your employees as you deem appropriate. This flyer is being provided to you, pursuant to **N.J.A.C 5:80-26.15**, with the hope that you will make this information readily accessible to all who visit your facility.

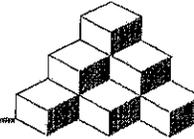
If you have any questions or are in need of further information in this regard, please contact me at your convenience. In the meantime, I thank you for your help and assistance in this matter.

Sincerely,

Frank Piazza, Jr.
Piazza & Associates, Inc.
Administrative Agents for Affordable Housing



Piazza & Associates, Inc.



216 Rockingham Row ♦ Princeton Forrestal Village ♦ Princeton, NJ 08540-5758

Dear Applicant,

On behalf of the developers and managers of The Grove at Montgomery, located in Montgomery Township, Somerset County, New Jersey, I want to thank you for your interest in our affordable housing program. This "town center-style" building along Rt. 206 combines retail on the first floor with residential, above. There is a total of 27 one-, two- and three- bedroom apartments set aside for very-low-, low- and moderate- income-qualified households.

If you are interested in applying for an affordable rental apartment at The Grove at Montgomery, please complete the attached Preliminary Application as soon as possible and mail it directly to us, at: Piazza & Associates, Inc., 216 Rockingham Row, Princeton, NJ 08540.

Within three weeks, you will receive a letter of determination with regard to your preliminary eligibility for the program. A random selection will be held to determine the priority order of the applications received on or before May 6, 2018. After that, applications will be processed on a "first-come, first-served" basis. When an apartment (of the size and type for which you were prequalified) becomes available, you will be notified in priority order. At that time, we will send you the final Application for Affordable Housing, which will require you to document your income and household membership. Pursuant to State regulations and Municipal ordinance, a preference will be given to applicants who live or work in COAH Region 3 (Somerset, Hunterdon and Middlesex Counties). Minimum and maximum income, credit standards and other requirements will apply.

Availability is limited! So don't delay! **Return your application today!**

Sincerely,

Frank Piazza

MAXIMUM INCOME BY HOUSEHOLD SIZE³

Number of Bedrooms	Income Category	Monthly ¹ Rent	Minimum ² Income	Household Size					
				1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
One	Very Low	\$404	\$20,297	\$22,134	\$25,296				
One	Low	\$800	\$33,874	\$36,890	\$42,160				
One	Moderate	\$997	\$40,629	\$59,024	\$67,456				
Two	Very Low	\$482	\$24,377		\$25,296	\$28,458	\$31,620		
Two	Low	\$956	\$40,629		\$42,160	\$47,430	\$52,700		
Two	Moderate	\$1,193	\$48,754		\$67,456	\$75,888	\$84,320		
Three	Very Low	\$550	\$28,183			\$28,458	\$31,620	\$34,150	\$36,679
Three	Low	\$1,098	\$46,971			\$47,430	\$52,700	\$56,916	\$61,132
Three	Moderate	\$1,372	\$56,366			\$75,888	\$84,320	\$91,066	\$97,811

Rental Rate and Income Limits are subject to error and change without notice. ¹Rental rates do not include utilities. ²Minimum Income standards generally do not apply to applicants with Section 8 Rental Assistance. ³Household composition, household income and current residency requirements will apply. Applicants from Middlesex, Hunterdon and Somerset Counties will be given a priority pursuant to regulations set forth by the State of New Jersey and the Township of Montgomery. This is an equal housing opportunity.

(REV. 3/3/2018)

www.HousingQuest.com
TheGrove@HousingQuest.com

Telephone: 609-786-1100
Facsimile: 609-786-1105



Preliminary Application
for
Affordable Housing
at
The Grove at Montgomery

Township of Montgomery
Somerset County, New Jersey

This is a Preliminary Application only. Do not send supporting documentation at this time. You will be notified as to the status of your preliminary eligibility based on the information that you provide in this application. When an affordable rental home becomes available, eligible candidates will be contacted. At that time, we will provide you with a list of documentation required to support and verify the information submitted in this application. We can not and do not guarantee housing based on the approval of this Preliminary Application. The Grove at Montgomery is a development of The Grove at Montgomery, LLC. Affordable Housing application services are provided by Piazza & Associates, Inc., an affordable housing services corporation. This is an Equal Housing Opportunity. This program is subject to municipal and state affordable housing regulations, but no guarantee can be made that these homes are affordable to all applicants. This program is subject to availability. Prices, terms and conditions are subject to change without notice.

Piazza & Associates, Inc. ♦ Affordable Housing Services

216 Rockingham Row ♦ Princeton Forrestal Village ♦ Princeton, NJ 08540

Telephone: 609-786-1100 ♦ Facsimile: 609-786-1105

E-mail: TheGrove@HousingQuest.com



Preliminary Application for Affordable Housing



The Grove at Montgomery Montgomery Twp., N. J.

A. Head of Household Information

1. Last Name: _____	Soc. Sec. No: _____
2. First Name: _____	Home Phone: _____
3. Home Address: _____	Work Phone: _____
4. P.O. Box or Apt. No.: _____	County: _____
5. City: _____	State: _____ ZIP: _____

B. Household Composition and Income (List ALL sources of income, including, but not limited to Salary, Dividends, Social Security, Child Support, Alimony & Pensions. DO NOT include income from Assets listed in Section C.)

Full Name (First, Middle & Last) List everyone who will occupy the apartment.	Relation To	Date of Birth	Sex	Gross Annual Income
#1	Head of Household			\$
#2				\$
#3				\$
#4				\$
#5				\$
#6				\$

C. Assets (Bank Accounts, Cert. of Deposit, Mutual Funds, Real Estate, Etc. If you own the home in which you live, clearly indicate BOTH the market value & your equity in the home. Your equity equals the market value less any outstanding mortgage Principal.)

Type of Asset	Current Market Value of Asset	Estimated Annual Income	Interest Rate
			%
			%
			%
			%

D. Addition Information

Do you receive Section 8 Rental Assistance that will apply to the affordable apt?: _____

Do you PAY alimony and/or child support to someone outside the household? _____

If you do, how much do you pay per month?
\$ _____

E. Preferences

No. of Bedrooms (limited by number in household):

- One?
 Two?
 Three?

Do you require a handicap-accessible home?: _____

F. Important Information (Must be signed by everyone over the age of 17.)

I(We) hereby authorize the Township of Montgomery, The Grove at Montgomery, LLC and/or Piazza & Associates, Inc., their agents and/or employees to obtain information regarding the status of my(our) credit, and to check the accuracy of any and all statements and representations made in this application. I(We) certify that all information in this application is accurate, complete and true. I(We) understand that if any statements made are willingly false, the application is null and void, and I(we) may be subject to penalties imposed by law. Void if not signed.

Signed: _____ Date: _____

Signed: _____ Date: _____



SOMERSET COUNTY
DOCUMENT COVER SHEET

HON. BRETT A. RADI
SOMERSET COUNTY CLERK
PO BOX 3000
20 GROVE STREET
SOMERVILLE, NJ 08876

WWW.CO.SOMERSET.NJ.US



INSTRUMENT # 2018018278

BOOK: 7043 PAGE: 3451-3456

(Official Use Only)

DATE OF DOCUMENT: May 4, 2018	TYPE OF DOCUMENT: Affordable Housing Deed Restriction
FIRST PARTY (Grantor, Mortgagor, Seller or Assignor) Township of Montgomery	SECOND PARTY (Grantee, Mortgagee, Buyer, Assignee) Grove at Montgomery, LLC
ADDITIONAL PARTIES:	

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY

MUNICIPALITY:	MAILING ADDRESS OF GRANTEE:
BLOCK:	
LOT:	
CONSIDERATION:	

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

BOOK	PAGE	INSTRUMENT #	DOCUMENT TYPE

DO NOT REMOVE THIS PAGE
THIS DOCUMENT COVER SHEET IS PART OF THE SOMERSET COUNTY FILING RECORD
RETAIN THIS PAGE FOR FUTURE REFERENCE

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 the 4th day of May, 2018, by and between the Township of Montgomery [Municipality], with offices at 220 Van Home Road, Belle Mead, NJ 08502 and Grove at Montgomery, LLC, a New Jersey Limited Liability Company, having offices at 90 Woodbridge Center Drive, Suite 600, Woodbridge, NJ 07095, the developer/sponsor (the "Owner") of a residential very-low, low- and moderate-income rental project (the "Project"):

WITNESSETH

Article 1. Consideration

In consideration of benefits and/or right to develop received by the Owner from the Municipality regarding this rental Project, the Owner hereby agrees to abide by the covenants, terms and conditions set forth in this Deed restriction, with respect to the land and improvements more specifically described in Article 2, hereof (the Property).

Article 2. Description of Property

The Property consists of a portion of the land, and a portion of the improvements thereon, that is located in the municipality of Township of Montgomery, County of Somerset, State of New Jersey, and described more specifically as Block No. 6001, portion of Lot No. 1, commonly known as 21 Belle-Mead-Griggstown Road.

More specifically designated as: Twenty-seven (27) affordable family rental units (not age-restricted) listed in Exhibit A attached hereto and made a part hereof.

Article 3. Affordable Housing Covenants

The following covenants (the "Covenants") shall run with the land for the period of time (the "Control Period"), determined separately with respect for each dwelling unit, commencing upon the earlier of the date hereof or the date on which the first certified household occupies the unit, and shall and expire as determined under the Uniform Controls, as defined below.

In accordance with N.J.A.C. 5:80-26.11, 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.

- 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.*, the "Uniform Controls").
- B. The Property shall be used solely for the purpose of providing rental dwelling units for very-low, low- or moderate-income households, and no commitment for any such dwelling unit shall be given or implied, without exception, to any person who has not been certified for that unit in writing by the Administrative Agent. So long as any dwelling unit 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 Municipality, which approval shall not be unreasonably withheld, conditioned or delayed.
- C. No improvements may be made to the Property that would affect the bedroom configuration of any of its dwelling units, and any improvements to the Property must be approved in advance and in writing by the Municipality.
- D. The Owner shall notify the Administrative Agent and the Municipality of any foreclosure actions filed with respect to the Property within five (5) business days of service upon Owner.
- E. The Owner shall notify the Administrative Agent and the Municipality within three (3) business days of the filing of any petition for protection from creditors or reorganization filed by or on behalf of the Owner.

Article 4. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to the Administrative Agent, to the Municipality 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 very-low, low- and moderate-income housing.

- A. In the event of a threatened breach of any of the Covenants by the Owner, or any successor in interest of the Property, the Administrative Agent and the Municipality 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 Owner, or any successor in interest or other owner of the Property, the Administrative Agent and the Municipality 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.

EXHIBIT A

<u>UNIT NO.</u>	<u>NUMBER OF BEDROOMS</u>	<u>Income Level</u>
201	3 Bedrooms	Moderate
202	3 Bedrooms	Moderate
203	2 Bedrooms	Moderate
204	2 Bedrooms	Low
205	2 Bedrooms	Low
206	2 Bedrooms	Very Low
207	2 Bedrooms	Moderate
208	2 Bedrooms	Moderate
209	1 Bedroom	Low
210	2 Bedrooms	Low
212	2 Bedrooms	Very Low
213	3 Bedrooms	Very Low
214	3 Bedrooms	Low
215	2 Bedrooms	Moderate
216	1 Bedroom	Very Low
217	2 Bedrooms	Low
218	2 Bedrooms	Low
219	2 Bedrooms	Moderate
220	2 Bedrooms	Moderate
221	1 Bedroom	Moderate
222	2 Bedrooms	Moderate
223	1 Bedroom	Low
224	2 Bedrooms	Low
225	1 Bedroom	Moderate
226	2 Bedrooms	Moderate
227	3 Bedrooms	Moderate
228	3 Bedrooms	Low

REVISED 4/13/18

IN WITNESS WHEREOF, the Municipality and the Owner have executed this Deed Restriction in triplicate as of the date first above written.

[THE OWNER]

GROVE AT MONTGOMERY, LLC

BY: *Henry Stein*
HENRY STEIN, Authorized Signatory

APPROVED BY Montgomery Township [Municipality]

BY: *Mark Conforti*
Mark Conforti, Mayor

ACKNOWLEDGEMENTS

On this the 15th day of May, 2018, before me came Henry Stein, to me known to me to be Authorized Signatory for Grove at Montgomery, LLC, the Owner of the Property, who states that he has signed said Agreement for the purposes stated therein.

JENNIFER S. BARNES
A Notary Public of New Jersey
My Commission Expires January 21, 2020

Jennifer S. Barnes
NOTARY PUBLIC

On this the 4th day of May, 2018, before me came Mark Conforti known and known to me to be Mayor of Montgomery Twp., the Municipality identified as such in the foregoing Agreement, who states that (s)he is duly authorized to execute said Agreement on behalf of said Municipality, and that (s)he has so executed the foregoing Agreement for the purposes stated therein

Margaret M Crawford
NOTARY PUBLIC

MARGARET M. CRAWFORD
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES JULY 13, 2020

\\Fs5\Company\Patty\Halpern\Montgomery Township\Preliminary Site Plan\Preliminary Major Subdivision\Affordable Rental Deed Restriction - 4 20 18 (clean).doc

Record, Charge + Return To:
HUTT & SHIMANOWITZ
A Professional Corporation
459 Amboy Avenue, P.O. Box 648
Woodbridge, New Jersey 07095



Steve Peter
Somerset County Clerk
20 Grove Street
P.O. Box 3000
Somerville, NJ 08876

Date Recorded:	5/21/2018	9:20:28 AM
Recorded By:	GONCALVES	
Book & Page:	OPR 7043	3451-3456
Instrument No.:	2018018278	
Number of Pages:	6	
Document Type:	AGREEMENT DEED	
Recording Fee (inc all addtl charges):	\$73.00	

DO NOT DISCARD

F I N A L



CERTIFICATE

Permit # 17-1026
Date issued 7/31/17
Control #

Certificate issued Date: 11/13/19

IDENTIFICATION

Block 6001 Lot 1 Qualification Code _____
 Work Site Location 21 Belle Mead Griggstown Rd.
Belle Mead, NJ 08502
 Owner in Fee The Grove at Montgomery LLC
 Address 90 Woodbridge Center Dr.
Woodbridge, NJ 08895
 Tel. (732) 750 1111
 Contractor The Grove at Montgomery LLC
 Address 90 Woodbridge Center Dr.
Woodbridge, NJ 07095
 Tel. (732) 750 1111 FAX (____) _____
 Lic. No. or Bldrs. Reg. No. _____
 Federal Employer No. 81 4076586

Home Warranty No. n/a
 Type of Warranty Plan: [] State [] Private
 Use Group R2, M
 Maximum Live Load floor = 40 psf, roof = 20 psf
 Construction Classification I-A & V-A
 Maximum Occupancy Load n/a
 Description of Work/Use:

28 Residential Apartments on 2nd floor
 16 Retail Units on 1st floor. Elevator,
 Common Area, Stairwells, Lobbies, Entrances,
 fully springlered.

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 the 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:

Kay Mad.
 CONSTRUCTION OFFICIAL
 DATE 11-13-2019

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 _____

Fee \$ PAID
 Paid [] Check No. _____
 Collected by: _____

14. THIRD ROUND: TRAP ROCK/HAVEN AT PRINCETON

Existing Zoning Ordinance
Amended Zoning Ordinance
Site Plan

16-4.4 APT/TH Multiple-Family Residential.

- a. *Principal Permitted Uses on the Land and in Buildings.*
 1. Apartments (see subsection 16-6.3 for additional standards).
 2. Townhouses (see subsection 16-6.3 for additional standards).
 3. Public playgrounds, conservation areas, parks and public purpose uses.
 4. Public utility uses as conditional uses under N.J.S.A. 40:55D-67 (see subsection 16-6.1 for standards).
 5. Retail sales of goods and services on lots between thirty thousand (30,000) square feet and thirty-five thousand (35,000) square feet in area, provided that the lot is created and approved by the Township simultaneously with the approval of an APT/TH development, and providing further that all other area and yard requirements specified in subsection 16-4.5d. for Individual Uses in the HC District are met, and that all requirements specified in sub-sections 16-4.5b., 16-4.5c., 16-4.5f., 16-4.5g. and 16-4.5h. for uses in the HC District.
- b. *Accessory Uses Permitted.*
 1. Recreational facilities.
 2. Off-street parking and private garages (see subsection 16-2.1, subsection 16-4.4f hereinbelow and subsection 16-5.8).
 3. Fences and walls (see subsection 16-5.3).
 4. Signs (see subsection 16-4.4h. hereinbelow and sub-section 16-5.13).
 5. Satellite dish antennas as conditional uses under N.J.S.A. 40:55D-67 (see subsection 16-6.1i. for standards).
 6. Small wind, solar or photovoltaic energy systems for the production of electric energy to serve the principal permitted use on the lot, provided the applicable requirements in subsection 16-6.10 are met.
- c. *Maximum Building Height.* No building shall exceed thirty-five (35) feet in height except as allowed in subsection 16-6.2.
- d. *Maximum Number of Dwelling Units Permitted.* The maximum number of dwelling units within an APT/TH development shall be computed on the basis of eight (8) dwelling units per acre of non-critical lands, plus a transfer of an additional one-fifth (1/5) dwelling unit per acre from the critical lands to the non-critical lands. It is the specific intent of this chapter that no structure be constructed on any critical lands within an APT/TH development.
- e. *Area and Distance Requirements.*
 1. The minimum tract size shall be fifteen (15) acres. A minimum of three hundred (300) feet of frontage on one arterial or collector street shall be required.
 2. Minimum distance between townhouse and apartment buildings shall be measured horizontally in feet and shall be measured away from the front, side and rear of each building. The total minimum separation between the buildings shall be the sum of the two (2) abutting distances. The minimum distances shall be twenty-five (25) feet for the front of a building on a public street and ten (10) feet for the front of a building on a private street; fifteen (15) feet for the side of a building and twenty-five (25) feet for the rear of a building. No portion of any building shall be closer to any portion of any other building than the combined distances of the abutting requirements for each building, providing that the corner of a building offset more than a twenty (20) degree angle from a line drawn parallel to another building shall be considered a side of building. In addition, no building shall be

- located closer than fifty (50) feet from the right-of-way line of any arterial street, forty (40) feet from the right-of-way line of any collector street, twenty-five (25) feet from the right-of-way line of any local street, or ten (10) feet from any private road or parking area.
3. Fee simple lots shall meet the requirements specified in subsection 16-6.5f. of this chapter.
 4. A minimum buffer area of one hundred (100) feet in width shall be provided adjacent to Van Horn Brook, between the Millstone River to the east and Princeton Avenue to the west. The aforesaid buffer shall be designed for passive recreational use and shall be part of the common open space requirements specified in subsection 16-6.5d. of this chapter.
 5. All portions of the tract not utilized by buildings or paved surfaces shall be landscaped, utilizing combinations such as landscaped fencing, shrubbery, lawn area, ground cover, rock formations, contours, existing foliage, and the planting of conifers and/or deciduous trees native to the area in order to either maintain or reestablish the tone of the vegetation in the area and lessen the visual impact of the structures and paved areas.
- f. *Minimum Off-Street Parking.* Each individual use shall provide parking spaces according to the following minimum provisions:
1. Townhouses and apartments shall provide one and one-half (1 1/2) spaces for each dwelling unit consisting of one (1) bedroom or less and two (2) spaces for each dwelling unit consisting of more than one (1) bedroom. Each one (1) car garage space and the driveway leading to the garage space shall, together, be considered one and one-half (1 1/2) parking spaces.
 2. See subsection 16-5.8 for additional standards.
- g. *Minimum Off-Street Loading.* Adequate trash and garbage pick-up stations shall be provided within a totally enclosed container located in a manner to be obscured from view from parking areas, streets and adjacent residential uses by a fence, wall, planting or combination of the three. Such stations shall be located a minimum of thirty (30) feet from residential structures.
- h. *Permitted Signs.*
1. Each APT/TH development and each principal permitted nonresidential use may have one (1) freestanding sign along each abutting arterial or collector road which provides vehicular access to the development, provided there exists at least two hundred fifty (250) feet of unbroken frontage. Such signs shall not exceed six (6) feet in height, shall be set back at least ten (10) feet from any street right-of-way lines and driveways and twenty-five (25) feet from any other property line, and shall not exceed an area of twenty-five (25) square feet and shall be used to display the development's name.
 2. Each principal permitted nonresidential use also may have one (1) attached sign not exceeding twenty (20) square feet in area.
 3. See subsection 16-5.13 of this chapter for permitted temporary signs, additional standards and the design requirements for signs.
- i. *Common Open Space Requirements.* See subsection 16-6.5d. for standards, requirements and guidelines.
- j. *"Low" and "Moderate" Income Housing Requirements.*
1. At least twenty (20%) percent of the total number of residential dwellings within an "APT/TH" development shall be subsidized or otherwise made affordable to "low" and "moderate" income households as discussed and defined in the "Mt. Laurel II"

Supreme Court Decision (So. Burlington Cty. N.A.A.C.P. v. Mt. Laurel Tp., 92 N.J. 158 (1983)).

2. See subsection 16-6.5e. for additional standards and requirements.
(Ord. #85-482, S 404; Ord. #85-489, SS 1A, 1B; Ord. #88-584, S III H-J; Ord. #88-602, S 2; Ord. #89-607, S 8; Ord. #90-674, S 2; Ord. #95-845, S 2; Ord. #04-1170, S 3; Ord. #12-1418, S 3)

**TOWNSHIP OF MONTGOMERY
SOMERSET COUNTY, NEW JERSEY**

ORDINANCE NO. 20-1642

**AN ORDINANCE AMENDING AND SUPPLEMENTING
CHAPTER XVI, "LAND DEVELOPMENT",
OF THE CODE OF THE TOWNSHIP OF MONTGOMERY (1984)
COUNTY OF SOMERSET, STATE OF NEW JERSEY
AND SPECIFICALLY SUBSECTION 16-4.4c REGARDING MAXIMUM BUILDING
HEIGHT IN THE "APT/TH" APARTMENT/TOWNHOUSE DISTRICT
AND SUBSECTION 16-4.14.b.5(a) REGARDING
MAXIMUM BUILDING HEIGHT FOR APARTMENT BUILDINGS
IN THE "SSIZ-2" SITE SPECIFIC INCLUSIONARY ZONE 2 DISTRICT**

**BE IT ORDAINED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP
OF MONTGOMERY**, in the County of Somerset and the State of New Jersey as follows:

SECTION 1. Subsection 16-4.4c of the Code of the Township of Montgomery (1984) regarding the "Maximum Building Height" for buildings within the "APT/TH" Apartment/Townhouse zoning district is replaced in its entirety as follows:

- c. Maximum Building Height.
 - 1. No apartment building shall exceed 35 in height and 3 1/2 stories as measured from the proposed finished grade.
 - 2. No townhouse building shall exceed 35 feet in height and 3 stories as measured from the proposed finished grade.
 - 3. No other principal building, including any retail building or recreation center building or clubhouse shall exceed 35 feet in height and 2 1/2 stories as measured from proposed finished grade.
 - 4. No accessory building shall exceed 15 feet in height and 1 1/2 stories.

SECTION 2. Subsection 16-4.14.b.5(a) of the Code of the Township of Montgomery (1984) regarding the "Maximum Building Height" for apartment buildings within the "SSIZ-2" Site Specific Inclusionary Zone 2 zoning district to be amended with additions and [deletions] as follows:

- 5. Maximum building height.
 - (a) No apartment building shall exceed 59 [50] feet in height and four stories as measured from the proposed finished grade.

SECTION 3. If any section, paragraph, subsection, clause or provision of this ordinance shall be adjudged by the courts to be invalid, such adjudication shall apply only to this subsection, clause or provision so adjudged and the remainder of this ordinance shall be deemed valid and effective.

SECTION 4. All ordinances or parts thereof inconsistent with this ordinance shall be deemed repealed.

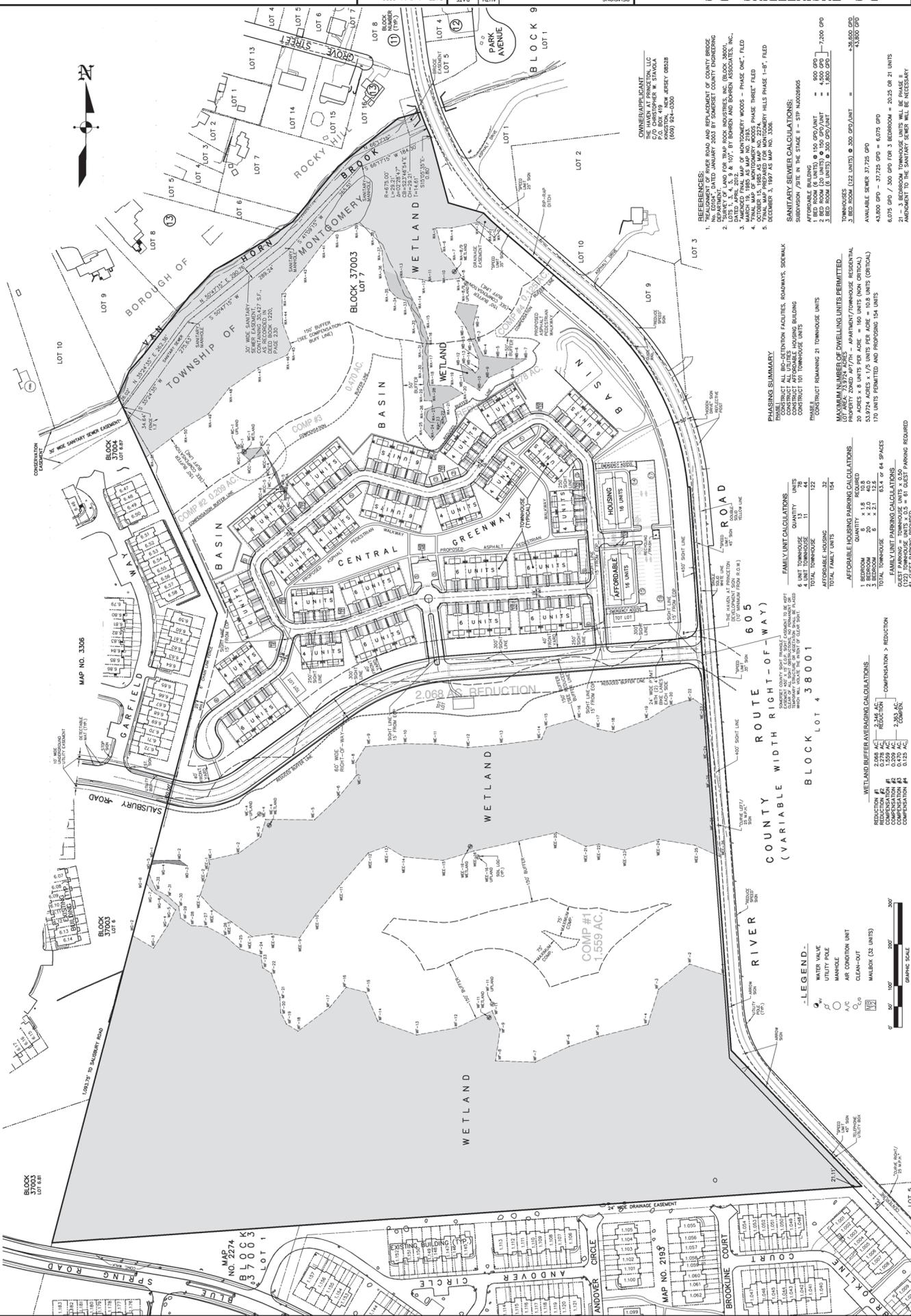
SECTION 5. This ordinance shall take effect upon final adoption, publication and the filing of a copy of said ordinance with the Somerset County Planning Board, all in accordance with law.

I, Donna Kukla, Clerk for the Township of Montgomery, hereby certify that Ordinance #20-1642 was introduced on first reading by the governing body of the Township of Montgomery, County of Somerset, on July 2, 2020.

Public hearing and consideration for adoption was held on July 16, 2020, at which time the Ordinance was finally adopted.



Donna Kukla, Township Clerk



CONTRACTOR/CALCULANT:
 THE HAVEN AT PRINCETON, LLC
 1000 W. MAIN STREET
 P.O. BOX 110
 NEW JERSEY 08540
 (908) 354-4000

REFERENCES:
 1. NO. 2019, LATED JANUARY 2020 BY SOMERSET COUNTY ENGINEERING
 2. SAFETY OF LAND FOR TRAP ROCK INDUSTRIES, INC. (BLOCK 38001,
 DATED APRIL 2012, & 107, BY FORBEN AND BORNEN ASSOCIATES, INC.,
 3. JUNE 15, 1988 AS AID AND ZONING ORDINANCE - PHASE ONE, FILED
 4. OCTOBER 15, 2019 AS AID AND ZONING ORDINANCE - PHASE THREE, FILED
 5. TOTAL MAP PREPARED FOR MONTGOMERY HILLS PHASE 1+2+3, FILED
 JANUARY 11, 2019 AND MAP NO. 2019

PHASING SUMMARY
 PHASE I: ALL 800-SECTOR FACILITIES, ROADWAYS, SEWERLAK
 CONSTRUCT ALL UTILITIES, ROADWAYS, SEWERLAK
 CONSTRUCT 101 TOWNHOUSE UNITS
 PHASE II: CONSTRUCT REMAINING 21 TOWNHOUSE UNITS
 PHASE III: CONSTRUCT 18 UNITS PER PHASE
 MAXIMUM NUMBER OF DWELLING UNITS PERMITTED -
 PROPERTY ZONED R7(1H) - APARTMENT/TOWNHOUSE RESIDENTIAL
 53,9724 ACRES X 1/5 UNITS PER ACRE = 103 UNITS (OFFICIAL)
 170 UNITS PERMITTED AND PROPOSED 154 UNITS

FAMILY UNIT CALCULATIONS
 6 UNIT TOWNHOUSE QUANTITY 798
 AFFORDABLE HOUSING QUANTITY 122
 TOTAL TOWNHOUSE QUANTITY 920
 TOTAL FAMILY UNITS 154
 AFFORDABLE HOUSING QUANTITY REQUIRED 122
 1 BEDROOM QUANTITY 20
 2 BEDROOM QUANTITY 42
 3 BEDROOM QUANTITY 60
 TOTAL QUANTITY 122
 FAMILY UNIT DASHING CALCULATIONS 0.50
 100% COMPENSATION 122.00 AC
 75% COMPENSATION 91.50 AC
 50% COMPENSATION 61.00 AC
 AT 100% COMPENSATION PROVIDED 61 GUEST PARKING REQUIRED

WETLAND BUFFER AVERAGING CALCULATIONS
 REDUCTION # 2.088 AC
 COMPENSATION # 1.559 AC
 COMPENSATION # 0.470 AC
 COMPENSATION # 0.125 AC

LEGEND
 WATER VALVE
 AIR CONDITION UNIT
 CLEAN-OUT
 MANHOLE (20 UNITS)
 24" WIDE DRAINAGE EASEMENT
 15' BUFFER
 100' BUFFER
 20' BUFFER
 10' BUFFER
 5' BUFFER
 1' BUFFER
 0' BUFFER

GRAPHIC SCALE
 1" = 100'
 0' 50' 100' 200' 300'

15. THIRD ROUND: PIRHL / SHARBELL /
TAPESTRY AT MONTGOMERY /

KEPNER-TREGOE

Affordable Housing Agreement

Sewer Capacity Agreement

PILOT Agreement

Planning Board Resolution of Approval

AFFORDABLE HOUSING AGREEMENT

This **AFFORDABLE HOUSING AGREEMENT** (“Agreement”) is made and entered into as of the 4th day of April, 2019 by and between:

The **TOWNSHIP OF MONTGOMERY**, in Somerset County, a municipal corporation of the State of New Jersey (the “Township”), with an address of 2261 Route 206, Belle Mead, NJ 08502,

and

PIRHL ACQUISITIONS, LLC, an Ohio limited liability company, having their principal offices at 800 West St. Clair Avenue, 4th Floor, Cleveland, Ohio 44113 (“PIRHL”) and **MONTGOMERY LIHTC LLC**, a New Jersey limited liability company (“Montgomery LIHTC”), with an address at 800 West St. Clair Avenue, 4th Floor, Cleveland, Ohio 44113.

RECITALS:

WHEREAS, by the adoption of Resolution No. 18-6-131, the Township found and declared that certain real property located along the existing right of way for Research Road, north of its intersection with County Route 518, known and designated as Lot 7 in Block 28004 and Lot 66 in Block 28005 as shown on the Montgomery Township Tax Assessment Map (rev. 2017), be designated as a non-condemnation area in need of redevelopment pursuant to N.J.S.A. 40A:12A-5, known as the “Kepner-Tregoe Redevelopment Area”; and

WHEREAS, by the adoption of Ordinance #18-1582, the Township adopted a redevelopment plan for the Kepner-Tregoe Redevelopment Area; and

WHEREAS, PIRHL is the Township-designated redeveloper of a portion of the Kepner-Tregoe Redevelopment Area, said portion identified as Block 28004, Lot 7 (the “Property”), to be developed with 86 units of affordable family rental housing on the Property, together with such other associated improvements as may be necessary, including but not limited to, leasing offices, community meeting space, landscaping, curbing, and paving (the “Project”); and

WHEREAS, by Resolution PB-03-18, adopted by the Montgomery Township Planning Board on July 2, 2018, PIRHL received Preliminary and Final Major Site Plan Approval (with bulk variances and exceptions) for the Project; and

WHEREAS, Montgomery LIHTC is the entity that will develop the Property for PIRHL, and PIRHL will be assigning its interest in the Project to Montgomery LIHTC (PIRHL and Montgomery LIHTC are collectively hereinafter known as “Developer”); and

WHEREAS, Developer shall be solely responsible for the construction of the Project and the Township shall not be involved in the construction thereof; and

WHEREAS, in connection with its ongoing efforts to satisfy the obligations of New Jersey's Fair Housing Act and the judicial requirements of the Mount Laurel Doctrine, which are currently under the jurisdiction of the Superior Court of New Jersey, Somerset Vicinage, pursuant to the decision of the New Jersey Supreme Court in In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015) ("Mount Laurel IV"), the Township has deemed it appropriate to take certain actions in support of the Project as further described herein;

WHEREAS, the Fair Housing Act ("FHA"), N.J.S.A. 52:27D-301 et seq., permits municipalities to make loans of public funds for the provision of new housing for low and moderate income persons (N.J.S.A. 52:27D-311.f); and

WHEREAS, the Township desires to financially assist Developer to foster the production of low and moderate income housing in satisfaction of a portion of the Township's obligation to provide affordable housing in accordance with the FHA; and

WHEREAS, the Township has included the Project within its affordable housing plan as a compliance mechanism for meeting a portion of the Township's fair share obligation;

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

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Certain terms used in this Agreement are defined in this Section or other portions of this Agreement by reference to other documents. Each term defined shall have the meaning given it unless the context clearly indicates otherwise. The following terms are defined in this Section:

- (a) "Agreement" shall mean this Affordable Housing Agreement;
- (b) "Event of Default" shall have the meaning set forth in Article VI of this Agreement;
- (c) "FHLB Funds" shall mean one million dollars (\$1,000,000.00) of supplemental financing funds applied for by Developer to the Federal Home Loan Bank.
- (d) "Forced Delay" shall mean delay or delays due to: war; insurrection; strikes; riots; floods; earthquakes; acts of God; fires; casualties; governmental restrictions;

litigation; acts or failures to act of any public or governmental agency or entity not attributable solely to Developer or affiliates of Developer; or any other causes beyond the control or without the fault of the party claiming an extension of time to perform;

(e) "Municipal Contribution" shall mean the Affordable Housing Loan made by the Township for the Project detailed in Section 4.3 below;

(f) "NJDEP" shall mean the New Jersey Department of Environmental Protection;

(g) "NJHMFA" shall mean the New Jersey Housing and Mortgage Finance Agency;

(h) "Project" shall mean Developer's interest in the Property and the construction of 86 affordable family rental units to be used and maintained in accordance with Section 42 of the Internal Revenue Code;

(i) "Tax Credits" shall mean an allocation of federal low-income housing tax credits ("Tax Credits") from the NJHMFA;

(j) "Tax Credit Closing" shall mean the closing of Tax Credits.

Section 1.2. Headings. The headings of this Agreement are for convenience only and shall not define or limit the provisions of this Agreement.

Section 1.3. Recitals. The Recitals are hereby incorporated as if fully set forth herein.

ARTICLE II

REPRESENTATIONS AND COVENANTS

Section 2.1. Representations and Covenants of Developer. Developer represents and covenants that: (a) PIRHL is a duly organized and validly existing limited liability company under the laws of the State of Ohio, and Montgomery LIHTC is a duly organized and validly existing limited liability company under the laws of the State of New Jersey; (b) to the best of Developer's knowledge, it is not in violation of or in conflict with any applicable provisions of the laws of the State of New Jersey or any other agreement related to the Project which would impair its ability to carry out its obligations under this Agreement; (c) it is empowered to enter into the transactions contemplated by this Agreement; (d) it has duly authorized the execution, delivery, and performance of this Agreement; (e) there is no litigation or proceeding pending, or to the knowledge of Developer threatened, against Developer or to the knowledge of Developer, any other person affecting in any material manner whatsoever the right of Developer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement; and (f) when executed by duly authorized officers of its managing members, this Agreement will be

binding upon Developer and enforceable in accordance with its terms; and (g) it intends to enter into a redevelopment agreement and construction contract in connection with the construction and development of the Project, and that, other than the Municipal Contribution, the construction and development of the Project shall be at the sole cost and expense of Developer through its own equity, loan proceeds, proceeds from the sale of low income housing tax credits, and such other sources as may be deemed necessary by Developer. Developer covenants and agrees that the Municipal Contribution shall be used only for the purposes permitted in this Agreement.

Section 2.2. Representations and Covenants of the Township. The Township represents and covenants that: (a) it is empowered to enter into the transactions contemplated by this Agreement; (b) it has duly authorized the execution, delivery and performance of this Agreement; (c) there is no litigation or proceeding pending, or to the knowledge of the Township threatened, against the Township or any other person affecting in any material manner whatsoever the right of the Township to execute this Agreement or to otherwise comply with its obligations contained in this Agreement; and (d) it will cooperate in responding to reasonable requests for action in a prompt and timely manner in order to assist Developer in meeting its completion deadlines with respect to application for, and compliance with, the federal low-income housing tax credits and FHLB funding for the Project.

ARTICLE III

ADOPTION OF HOUSING ELEMENT AND FAIR SHARE PLAN

Section 3.1. Adoption of Housing Element and Fair Share Plan; Submission to Court

In connection with the judicial rules established for the determination of New Jersey municipalities' "Round 3" affordable housing obligations under the Fair Housing Act, the "Mount Laurel" line of cases and Mount Laurel IV, the Township has included the Project in its Housing Element and Fair Share Plan, and Spending Plan (collectively, the "Plan"). Inclusion of the Project has been submitted to and approved by the court at a Fairness Hearing held on February 13, 2018, and set forth in an Order entered February 20, 2018. The Plan shall, to the extent necessary, be amended to authorize the full Municipal Contribution pursuant to Article IV below.

ARTICLE IV

DEVELOPER FUNDING, MUNICIPAL CONTRIBUTION, LOAN DISBURSEMENT AND REPAYMENT

Section 4.1. Tax Credits, Federal Home Loan Bank Application

Other than the Municipal Contribution set forth herein, all costs for the Project shall be the sole responsibility of Developer. To facilitate funding for the Project:

(a) Tax Credits. The Parties acknowledge that Developer has received an award of tax credits from the New Jersey Housing and Mortgage Finance Agency (NJHMFA).

(b) Federal Home Loan Bank Application. Developer shall make application to the Federal Home Loan Bank for an award of FHLB Funds. If the Project does not receive an award of FHLB Funds in the first year, Developer shall reapply to receive New York FHLB Funds in subsequent year(s) eligible.

Section 4.2. PILOT.

In connection with its support of the Project, the Township adopted a Resolution of Need for the Project on March 15, 2018, and on April 16, 2018 executed a payment in lieu of tax agreement (“PILOT”) under N.J.S.A. 55:14K-37, attached hereto as **Exhibits A and B** respectively.

Section 4.3. Affordable Housing Loan; Disbursement.

(a) Affordable Housing Loan. Subject to the Parties’ satisfaction of the conditions of this Agreement and court approval of the Township’s Spending Plan, the Township will make a loan in the principal amount of One Million Three Hundred Thousand Dollars (\$1,300,000.00) to Developer (the “Loan”). The Loan shall bear no interest and the maturity date shall be on the later to occur of (i) the expiration of the Project’s extended low-income housing period required by Section 42(h)(6) of the Internal Revenue Code, or (ii) the maturity date of the NJHMFA loan or any hard-money loan. At or prior to disbursement of the Loan, Developer shall have delivered to the Township an executed Promissory Note in the form attached hereto as **Exhibit C**.

- i. \$1,050,000.00 of the Loan will be utilized for Project pre-development costs (the “Initial Funding”). Of this amount, the Township will make a direct payment out of the Loan proceeds to the Montgomery Township Sewer Utility, representing the full amount of sewer capacity charges (the “Sewer Capacity Charge Distribution”) attributable to the Project as set forth in a certain Capacity Reservation Agreement executed simultaneously herewith by and between Developer and the Township, calculated and established to be three hundred fifty four thousand seven hundred and fifty (\$354,750.00) dollars. The Township shall pay the Sewer Capacity Charge Distribution upon court approval of the Township’s Spending Plan.
- ii. A portion of the balance of the Initial Funding (the “Developer Initial Funding”), in an amount of six hundred ninety five thousand two hundred and fifty (\$695,250.00) dollars, will be utilized by Developer for pre-development activities at the Property.

- iii. The Township shall take action no later than April 4, 2019 to authorize disbursement of the Sewer Capacity Charge Distribution from the Township's Affordable Housing Trust Fund.
- iv. The Township shall expeditiously make application to the Court for permission to disburse the Initial Funding from the Township's Affordable Housing Trust Fund to Developer no later than May 31, 2019. Upon Court Approval, the Township shall disburse the Initial Funding to Developer.
- v. The remaining unpaid balance of the Loan Funds, in the amount of Two Hundred and Fifty Thousand (\$250,000.00) Dollars (the "Loan Balance"), shall be paid to Developer simultaneously with the Tax Credit Closing. If Developer has received the FHLB Funds before the Tax Credit Closing, the Township will not be required to disburse the Loan Balance to Developer and the Loan Funds shall be reduced by said sum.

(b) Repayment of Loan Funds. In the event that Developer is awarded the FHLB Funds, Developer shall repay the Township for a portion of the Loan:

- i. in the amount of Two Hundred and Fifty Thousand Dollars (\$250,000.00) at the time Developer receives the first installment of FHLB Funds; provided, that the Township has paid the Loan Balance to Developer; and
- ii. An additional One Hundred Fifty Thousand Dollars (\$150,000.00) upon receipt of a final Certificate of Occupancy for the entirety of the Project, provided that there is a surplus in Total Sources of Funds for the Project, after payment of the deferred Development Fee to Developer pursuant to the final closing budget. Developer will provide the final closing budget to the Township.

(c) Subordination and Cooperation. Notwithstanding anything to the contrary in this Agreement, the Loan is subject and subordinate in all respects to the indebtedness of any hard-money to the Project and any loan by NJHMFA to the Project, as each may be extended, modified, assigned, replaced or renewed from time to time. The Township acknowledges that the Project's lenders and investors have not yet had an opportunity to review and comment on the Agreement and the Promissory Note and agrees to cooperate with Developer to amend this Agreement or the Note to accommodate any reasonable request to amend the documents accordingly, including executing a mortgage for the Loan and subordinating the Loan as may be required by Developer's lenders. The Township agrees to cooperate with Developer to provide any subordination or intercreditor agreement reasonably requested by Developer's lenders.

Section 4.4. Sale or Transfer. For so long as the Loan remains outstanding, the Project shall not be sold or transferred without the prior written consent of the Township, which consent shall not be unreasonably withheld, subject to all statutory and regulatory requirements and conditions applicable to transfer of the Project (the "Federal and State Regulations"). Developer agrees that the Township shall not be deemed unreasonable in refusing to consent to the sale or transfer of the Project if (a) Developer is in material default under this Agreement or the Federal and State Regulations, and such default has continued beyond any applicable cure period; (b) the Township reasonably believes that the risk of a breach of any covenant or agreement contained in this Agreement or the Financing, Deed Restriction and Regulatory Agreement would be increased as a result of such sale or transfer; (c) the Township reasonably believes that the prospective transferee has insufficient experience or net worth to operate the Project in a manner satisfactory to the Township, or has willfully violated affordability or management covenants with the Township or other public agencies; or (d) the Township reasonably believes that such sale or transfer will result in the loss of the Project's exemption from real estate taxes, without satisfactory payment or arrangement therefor. No such sale or transfer shall be effective until the transferee signs an assumption agreement that is acceptable to the Township and that obligates the transferee to keep all the covenants and agreements contained in this Agreement and/or the Financing, Deed Restriction and Regulatory Agreement that will be recorded in connection with the NJHMFA first mortgage.

Notwithstanding anything to the contrary contained herein, the withdrawal, removal and/or replacement of Developer's managing member(s) for cause in accordance with operating agreement of Developer (the "Operating Agreement") shall not require the consent of Township and shall not constitute a default under this Agreement. If the investor member of Developer exercises its right to remove a member thereof under the Operating Agreement, the Township shall not unreasonably withhold its consent to any substitute managing member proposed by the investor member. In no event shall Township's consent be required if the investor member or its affiliate decides to serve as the substitute managing member. Notwithstanding the foregoing, the substitute managing member shall assume all of the rights and obligations of the removed managing member under this Agreement, the Financing, Deed Restriction and Regulatory Agreement, and the Federal and State Regulations.

Notwithstanding anything to the contrary contained herein, the replacement of Developer as a result of the foreclosure of the NJHMFA first mortgage shall not require the consent of the Township and shall not constitute a default under this Agreement, *provided that*, the replacement entity signs an assumption agreement that obligates it keep all the covenants and agreements contained in this Agreement and/or the Financing, Deed Restriction and Regulatory Agreement that will be recorded in connection with the NJHMFA first mortgage.

The provisions of this Section 4.4 shall expire upon repayment of the Loan.

ARTICLE V

REGULATORY TERMS AND CONDITIONS

Section 5.1. Limitation on the Township's Obligation. The Township shall not be liable under this Agreement to Developer or any other party for the completion of, or failure to complete, any activities which are part of the Project except the making of the Loan and the administration of its responsibilities pursuant to this Agreement.

Section 5.2. Equal Opportunity. During the construction of the Project, Developer shall not discriminate on the basis of race, color, creed, religion, sex, sexual orientation, age, disability, marital status, condition of Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related complex, national origin or ancestry in the hiring, firing, promoting, or demoting, of any person engaged in the construction work.

Section 5.3. Maintenance of the Project. Developer shall maintain the Project in good condition and in compliance with all applicable health, safety, building, fire, zoning, subdivision, and environmental laws, regulations, codes and ordinances.

ARTICLE VI

DEFAULT AND REMEDIES

Section 6.1. Events of Default. Each of the following shall constitute an "Event of Default" hereunder:

(a) Failure of Developer or the Township to materially comply with terms, provisions, or conditions of this Agreement and failure to cure the same within thirty (30) days of receipt of written notice by the non-defaulting party specifying such failure (or if such failure to perform cannot be cured within thirty (30) days, failure to commence cure within thirty (30) days after receipt of such notice and thereafter diligently pursue such cure within 90 days after receipt of such notice, as said 90-day period may be extended by mutual agreement by the parties hereto);

(b) Failure of Developer or the Township (as applicable) to pay any amounts due hereunder, or failure by the Township to make the Loan upon satisfaction of the application conditions set forth in this Agreement, if, in any event, such default continues after ten (10) days following the defaulting party's receipt of written notice by the non-defaulting party, subject to all applicable notice and cure periods;

(c) Abandonment, cessation, or delay of construction (other than for Forced Delay) for more than ninety consecutive (90) days;

(d) Except as may be expressly contemplated herein, an attachment of the interest of Developer in the Property, the Project or of the funds disbursed or to be disbursed to it under this Agreement or the filing of any legal, equitable, or administrative action, not adequately insured, bonded over, dismissed, or adjudicated within 120 days to the reasonable satisfaction of the Township, the effect of any of which would have a material adverse impact on: (1) Developer's title to, or use of, the Project; (2) Developer's right to construct the Project; or (3) the right of Developer to use and occupy the entire Project for its intended purposes;

(e) The filing of any voluntary petition in bankruptcy court or otherwise seeking relief from creditors by or against Developer or Developer's managing member or the filing of any involuntary petition in bankruptcy not dismissed within ninety (90) days of the date of filing, unless with respect to the managing member of Developer, the managing member is replaced without the necessity of obtaining consent from the Township, with the investor member or any affiliate thereof;

(f) Developer shall make an assignment for the benefit of creditors, or shall submit in writing its inability to pay its debts generally as they become due;

(g) Developer consents to, or acquiesces in, the appointment of a receiver, liquidator, or trustee of itself or of the whole or any substantial part of its properties or assets or a court of competent jurisdiction enters an order, judgment or decree appointing a receiver, liquidator or trustee of Developer, or of the whole or any substantial part of the property or assets of Developer, and such order, judgment or decree shall remain unvacated or not set aside or unstayed for one hundred twenty (120) days;

(h) Misrepresentation or misstatement of fact when made in any written document and/or written agreement by Developer or any of its managing members to the Township that has a material adverse effect on the Township;

(i) Sale or transfer of the Project by Developer in violation of Section 4.4 hereof.

Section 6.2. Remedies. Upon the occurrence and during the continuance of an Event of Default under this Agreement,

(a) If the defaulting party is Developer, then the Township shall have the right to institute appropriate proceedings to specifically enforce performance hereof and pursue all other rights and remedies available at law or in equity;

(b) If the defaulting party is the Township, then Developer shall have the right to institute appropriate proceedings to specifically enforce the performance hereof and pursue all other rights and remedies available at law or in equity.

Section 6.3. Attorney's Fees and Costs. In the event of a dispute hereunder, the prevailing party shall be entitled to reasonable attorney's fees and all other reasonable costs and expenses incurred in connection with the adjudication of such dispute.

Section 6.4. Right to Cure Defaults. In the event of a default under this Agreement where no timeline for cure is given, the defaulting party shall have 90 days from the date of the receipt of written notice of default to cure such default

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 7.1. Agreement Term. The term of this Agreement shall commence upon the date hereof and, subject to the terms of this Article and terminate on the date a Certificate of Occupancy is received for the entire Project, or on such earlier date as mutually agreed upon by the parties hereto.

Section 7.2. Hold the Township Harmless from Claims. Developer hereby agrees to defend and hold the Township harmless from and against any and all claims, actions, damages, liability and expense, including attorney's fees and costs, in connection with any loss of life, personal injury, damage to property, breach of contract or any other claims, actions, or damages arising from or out of the construction or operation of the Project by Developer other than and to the extent of those caused by the willful actions or negligence of the Township. Developer's obligations under this Section 7.2 shall terminate upon the issuance of final Certificates of Occupancy for the Project by the Township. This provision shall survive the termination of this Agreement.

During the term of this Agreement, Developer shall maintain general liability insurance of not less than \$1 million per occurrence combined single limit with excess umbrella liability coverage of not less than \$5 million. This provision shall survive the termination of this Agreement.

Section 7.3. Notices. All notices given in connection herewith shall be deemed effective upon receipt (as evidenced by the U.S. Mail return receipt or commercial delivery service receipt) or refusal to accept delivery, and shall be given by personal delivery, express overnight delivery service, or placed in the U.S. Mail, registered, with return receipt requested, and postage prepaid. Any of the following parties may effect a change of address for notice purposes by written notice thereof to all of the other following parties:

If to Montgomery LIHTC:

Montgomery LIHTC LLC
5 Commerce Way
Hamilton, New Jersey 08691
Attention: Lara Schwager

or to such other address as Montgomery LIHTC may hereafter designate in writing,

with copies to:

PIRHL Acquisitions, LLC
800 West St. Clair Avenue
4th Floor
Cleveland, OH 44113
Attention: David A. Burg

and:

Day Pitney LLP
One Jefferson Road
Parsippany, New Jersey 07054
Attention: Katharine A. Coffey, Esq.

and:

to any Investor and its counsel as may be designated in writing by Developer.

If to the Township:

Township of Montgomery
2261 Route 206
Belle Mead, NJ 08502
Attn: Municipal Clerk

With a copy to:

Mason, Griffin & Pierson, P.C.
101 Poor Farm Road
Princeton, NJ 08540
Attn: Kevin Van Hise, Esq.

Section 7.4. Entire Agreement. This Agreement, including the Exhibits incorporated herein, expresses the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior understandings, agreements, representations, or arrangements, oral or written, between the parties hereto relating to the subject matter of this Agreement, all of which are merged into this Agreement.

Section 7.5. Severability. Each provision of this Agreement is intended to be severable to the extent that such Severability does not materially affect the basic understanding of the parties as reflected in this Agreement. In the event that any one or more provisions contained in this Agreement shall be held to be invalid, illegal, or unenforceable in any respect by a final, non-appealable decision of a court of competent jurisdiction, the same shall not invalidate or otherwise affect any other provision of this Agreement, and this Agreement shall be construed as if such an invalid, illegal, or unenforceable provision had never been contained herein, provided

such Severability does not materially affect the basic understanding of the parties as reflected in this Agreement.

Section 7.6. Counterparts. This Agreement and any amendments hereto may be executed by the parties hereto in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

Section 7.7. Conflicts. To the extent that there may be any inconsistency or conflict between the terms of this Agreement and the NJHMFA Financing, Deed Restriction and Regulatory Agreement, the terms of the NJHMFA Financing, Deed Restriction and Regulatory Agreement shall control.

Section 7.8. Further Assurances. The parties hereto shall cooperate and take such action, give assurances and execute and deliver such documents as may be reasonably required by the other party in order to effectuate the purposes and provisions of this Agreement and to confirm to third parties the existence and good standing of this Agreement.

Section 7.9. Modification and Assignment. The terms of this Agreement may not be waived, modified, or changed in any way by implication, correspondence, or otherwise unless such waiver, modification, or change is made in the form of a written amendment to this Agreement signed by both parties. Upon the Township's designation of Montgomery LIHTC as redeveloper of the Property, or assignment of PIRHL's redeveloper designation to Montgomery LIHTC, PIRHL will have no liability for future performance and no liability with respect to the acts of Montgomery LIHTC pursuant to this Agreement. Upon such assignment or designation of Montgomery LIHTC as redeveloper, all provisions of this Agreement shall solely apply to Montgomery LIHTC. Montgomery LIHTC shall not assign or transfer this Agreement without the prior written consent of the Township, except as provided in this Agreement. Any attempted assignment or transfer shall be void unless it is pursuant to the terms of this Agreement.

Section 7.10. Successors. This Agreement shall be binding upon and inure to the benefit of Developer and the Township and their respective successors and assigns.

Section 7.11. The Township Not a Joint Venturer. The Township, by making this Agreement or by any action pursuant hereto, will not be deemed a partner or joint venturer with Developer, and Developer and the Township each agree to hold the other harmless for any damages and expenses resulting from such a construction of the relationship of the parties or any assertion thereto.

Section 7.12. Applicable Law. This Agreement shall be governed by and construed under the laws of the State of New Jersey. The parties hereto consent to be sued in New Jersey Superior Court - Somerset County in any action to enforce the provisions of this Agreement.

Section 7.13. Captions and Headings. The captions and headings contained in this Agreement are included herein for convenience of reference only and shall not be considered a part hereof and are not in any way intended to limit or enlarge the terms hereof.

Section 7.14. Waiver. A waiver by the Township of any of the terms and conditions herein shall be in writing and shall not constitute a continuing waiver of said terms and conditions.

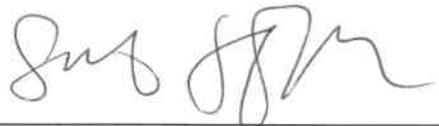
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal as of the date first set forth above by their duly authorized signatories.

Witness/Attest:

THE TOWNSHIP OF MONTGOMERY
a public body corporate and politic

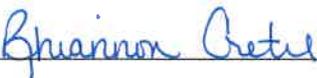


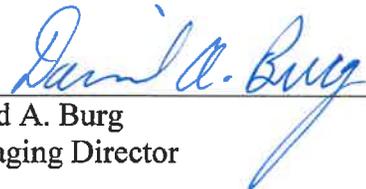
Donna Kukla, Clerk

By: 

Sadaf Jaffer, Mayor

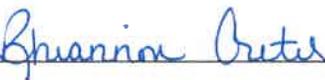
MONTGOMERY LIHTC LLC
By: PIRHL Montgomery LIHTC GPLLC



By: 

David A. Burg
Managing Director

PIRHL ACQUISITIONS, LLC



By: 

EXHIBIT A

RESOLUTION OF NEED



DONNA KUKLA, RMC, QPA
Township Clerk

Municipal Building
2261 Route 206, Belle Mead, New Jersey 08502-0001

Phone: (908) 359-8211 Fax: (908) 359-3051

E-Mail: dkukla@twp.montgomery.nj.us

June 8, 2018

Lieutenant Governor Sheila Y. Oliver, Commissioner
State of New Jersey
Department of Community Affairs
P.O. Box 800
Trenton, NJ 08625-0800

Dear Lieutenant Governor Oliver:

Enclosed please find Resolution #18-6-131 entitled "RESOLUTION DETERMINING THAT THE REAL PROPERTY DESCRIBED AS BLOCK 28004, LOT 7 AND BLOCK 28005, LOT 66 (TAX ASSESSMENT MAPS REV. 2017) GENERALLY LOCATED NORTHWEST OF THE INTERSECTION OF STATE ROUTE 206 AND COUNTY ROUTE 518), KNOWN AS THE KEPNER-TREGOE STUDY AREA, SHALL BE A NON-CONDEMNATION REDEVELOPMENT AREA". This Resolution was adopted by the Montgomery Township Committee on June 7, 2018.

Also enclosed is a copy of the Preliminary Investigation of an Area in Need of Redevelopment (Non-Condemnation) by Clarke Caton Hintz and a Resolution of the Planning Board of the Township of Montgomery.

Very truly yours,

Donna Kukla,
Township Clerk

cc: Kristina P. Hadinger, Esq. ✓
Lori Savron, Township Planning Director ✓

TOWNSHIP OF MONTGOMERY
SOMERSET COUNTY, NEW JERSEY

RESOLUTION #18-6-131 - RESOLUTION DETERMINING THAT THE REAL PROPERTY DESCRIBED AS BLOCK 28004, LOT 7 AND BLOCK 28005, LOT 66 (TAX ASSESSMENT MAPS REV. 2017) GENERALLY LOCATED NORTHWEST OF THE INTERSECTION OF STATE ROUTE 206 AND COUNTY ROUTE 518), KNOWN AS THE KEPNER-TREGOE STUDY AREA, SHALL BE A NON-CONDEMNATION REDEVELOPMENT AREA

WHEREAS, By Resolution #18-4-88 adopted April 5, 2018, the Township Committee of the Township of Montgomery directed the Montgomery Township Planning Board to conduct an investigation into whether the real property designated as Block 28004, Lot 7 and Block 28005, Lot 66 (Tax Assessment Maps Rev. 2017) and generally located northwest of the intersection of State Route 206 and County Route 518 (hereinafter the "Property" or the "Kepner-Tregoe Study Area) constitutes and shall be established as a non-condemnation redevelopment area under the criteria set forth in the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (hereinafter the "Statute"), as that term is defined by the Statute;

WHEREAS, The Planning Board completed its investigation of the Property to determine whether it should be designated as a non-condemnation redevelopment area in accordance with the criteria and procedures set forth in *N.J.S.A. 40A:12A-5* and *40A:12A-6*; and

WHEREAS, As part of its preliminary investigation, the Board received and reviewed the report of its experts Michael F. Sullivan, ASLA, AICP and Emily Goldman, PP, AICP titled "Preliminary Investigation of an Area in Need of Redevelopment (Non-Condensation): Kepner-Tregoe Study Area" (hereinafter the "Report"); and

WHEREAS, In addition to the foregoing, Mr. Sullivan and Ms. Goldman prepared a map showing the boundaries of the proposed redevelopment area and locations of parcels of property included therein, along with a statement setting forth the basis for its investigation in accordance with *N.J.S.A. 40A:12A-6(b)(1)*; and

WHEREAS, A public hearing was conducted by the Planning Board on May 21, 2018, with notice having been properly given pursuant to *N.J.S.A. 40A:12A-6(b)(3)*; and

WHEREAS, At the public hearing, the Planning Board reviewed the Report, the map and associated documents and heard testimony from Emily Goldman, PP/AICP; and

WHEREAS, At the public hearing, members of the general public were given an opportunity to be heard and to address questions to the Board concerning the potential designation of the Property as a non-condemnation redevelopment area; and

WHEREAS, After completing its investigation and public hearings on this matter, the Planning Board concluded that there was sufficient evidence to support findings and satisfy the criteria set forth in the Statute for designating the Property as a non-condemnation redevelopment area and that said designation is necessary for the effective redevelopment of the Property; and

WHEREAS, In accordance with the Statute, the Planning Board acted to recommend that the Property be declared a non-condemnation redevelopment area pursuant to the Statute, said action being memorialized by resolution of May 21, 2018;

WHEREAS, The Township Committee has also reviewed the Report and the Planning Board's resolution at its regularly scheduled meeting on June 7, 2018 and concurs with the Planning Board's findings; and

WHEREAS, The Township Committee further finds that due to the Property's close proximity to other commercial and residential development and Routes 206 & 518, as well as its access to public water and sewer, the Property is situated in an area in which redevelopment is to be encouraged.

NOW, THEREFORE, BE IT RESOLVED By the Township Committee of the Township of Montgomery, in Somerset County, New Jersey as follows:

-2-

1. The preamble to this Resolution is incorporated and made a part hereof as if set forth at length herein.
2. Pursuant to the Statute, and consistent with the recommendation of the Planning Board and the Report, the Property, also known as the Kepner-Tregoe Study Area, is hereby determined to be a non-condemnation redevelopment area per the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.
3. The designation of the Kepner-Tregoe Study Area as a non-condemnation redevelopment area shall not authorize the Township to exercise the power of eminent domain to acquire any property in the Kepner-Tregoe Study Area.
4. The Clerk shall forthwith transmit a copy of this Resolution and the Report to Lieutenant Governor Sheila Y. Oliver, Commissioner, Department of Community Affairs, State of New Jersey by commercial overnight courier, courier fees prepaid.
5. The Planning Board is directed to prepare a redevelopment plan for the Property, and the Clerk shall forward a copy of this Resolution to the Planning Board.
6. Within ten (10) days of the Township Committee's adoption of the within Resolution, the Clerk of the Township of Montgomery shall serve notice of the Township Committee's determination and the within Resolution upon all record owners of property within the non-condemnation redevelopment area, those whose names are listed on the Tax Assessor's records, and upon each person who filed a written objection thereto and stated, in or upon the written submission, an address to which notice of the determination and Resolution may be sent.

CERTIFICATION
I HEREBY CERTIFY THE ABOVE TO BE A
TRUE COPY OF A RESOLUTION ADOPTED BY THE
TOWNSHIP COMMITTEE OF THE TOWNSHIP OF
MONTGOMERY AT A MEETING HELD

June 7, 2018



Township Clerk

EXHIBIT B

PAYMENT IN LIEU OF TAXES AGREEMENT

**AGREEMENT FOR PAYMENTS IN LIEU OF
TAXES**

THIS AGREEMENT FOR PAYMENTS IN LIEU OF TAXES (this "Agreement") is made as of this 16th day of April, 2018 between **PIRHL ACQUISITIONS, LLC**, an Ohio-limited liability company, and its Permitted assigns (the "Sponsor"), having its principal office at 800 W. St. Clair Avenue, Cleveland, OH 44113 and its permitted assigns, and the **TOWNSHIP OF MONTGOMERY** (the "Municipality"), a municipal corporation in Somerset County, New Jersey, with its offices at 2261 Van Home Road, Belle Mead, New Jersey 08502.

WITNESSETH:

WHEREAS, the Sponsor is the contract purchaser of that certain tract of land located at the intersection of Research Road and Hartwick Drive, comprising 4.09± acres in the Township of Montgomery, Somerset County, New Jersey, also being designated as Block 28004, Lot 7 (Tax Assessment Maps rev. 2017), and more fully described in Exhibit A, attached hereto (the "Property");

WHEREAS, the Sponsor intends to construct and operate an 86-unit affordable family rental housing project, together with such other improvements as may be necessary in connection therewith, such as leasing offices, community meeting space, landscaping, curbing, and paving (the "Project");

WHEREAS, the Sponsor will receive financing for the Project from the New Jersey Housing and Mortgage Finance Agency (the "Agency");

WHEREAS, the Municipality is authorized, pursuant to the New Jersey Housing and Mortgage Finance Agency Law of 1983, N.J.S.A. 55:14K-1 et seq. (the "HMFA Law"), to grant an exemption for real estate taxes to housing projects that meet an existing housing need if the project's owner agrees to pay to the Municipality an annual charge for municipal services supplied to the Project;

WHEREAS, the Municipality has determined in a Resolution of the Township Committee of the Municipality (the "**Resolution**"), adopted on March 15, 2018 that the Project meets an existing housing need;

WHEREAS, implementation of the Project, which has been approved by the Superior Court of the State of New Jersey, Somerset County in a "Fairness Hearing" conducted in connection with the Municipality's resolution of affordable housing litigation in In the Matter of the Application of the Township of Montgomery, County of Somerset, Docket No. SOM-L-924-15, will help to satisfy the Municipality's constitutional "Mt. Laurel" obligation to provide low and moderate income housing;

WHEREAS, the Municipality has agreed to grant an exemption to the Project for real estate taxes and the Sponsor has agreed to make payments to the Municipality in lieu of real estate taxes; and

WHEREAS, the Sponsor and the Municipality desire to enter into this Agreement to memorialize the Sponsor's exemption from real property taxes and its obligation to make payments in lieu of such real property taxes.

NOW, THEREFORE, the Sponsor and the Municipality, in consideration of the mutual undertakings set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby covenant and agree as follows:

1. This Agreement is made pursuant to the authority contained in Section 37 of the HMFA Law and the Resolution, and with the approval of the Agency, as required by the HMFA Law. This Agreement is subject to N.J.S.A. 55:14K-37 and shall be submitted to the Agency for review. Any exemption from taxation pursuant to the provisions of N.J.S.A. 55:14K-37 shall not extend beyond the date on which the eligible loan made by the Agency on the Project is paid in full.

2. On the date (the "**Tax Exemption Commencement Date**") of the Sponsor's execution of a mortgage encumbering the Property and the Project with a permanent (not merely construction) mortgage lien in favor of the Agency (the "**Agency Mortgage**"), the land and improvements comprising the Property and the Project shall be exempt from all ad valorem real property taxes, provided that the Sponsor shall make payments in lieu of taxes to the Municipality as provided hereinafter. The exemption of the Property and the Project from ad valorem real property taxation and the Sponsor's obligation to make payments in lieu of taxes shall apply until the earlier of (a) satisfaction and discharge of the Agency Mortgage or (b) the expiration of thirty (30) years from the Tax Exemption Commencement Date (such earlier event being the "**Tax Exemption Expiration Date**").

Prior to the Tax Exemption Commencement Date, the Sponsor shall make payment to the Municipality in an amount equal to the amount currently payable on an annual basis (pursuant to the HMFA Law, the annual amount may not exceed the amount of taxes due on the Property for the year preceding the recording of the Agency Mortgage).

3. The land comprising the Property shall be assessed in accordance with the rules and regulations governing the taxation of vacant land in the State of New Jersey and Sponsor agrees to pay the real estate taxes arising out of such assessment from the time Sponsor takes title to the Property until the Tax Exemption Commencement Date, subject to Sponsor's statutory rights to appeal such assessment. From the time of the execution of this Agreement until the Tax Exemption Commencement Date, the Municipality agrees that no assessment shall be made upon any improvements constructed in connection with the Project, whether by added/omitted assessment, revaluation, interim assessment or any other manner permitted by law.

4. (a) From the Tax Exemption Commencement Date until the Tax Exemption Expiration Date, the Sponsor shall pay to the Municipality an annual service charge in lieu of taxes to the Municipality in an amount equal to 5% of Project Revenues, as defined below (the "**Annual Service Charge**").

(b) As used herein, "Project Revenues" means the total annual gross rental or carrying charge or other income of the Sponsor from the Project less the costs of utilities furnished by the Project, which shall include the costs of gas, electricity, heating fuel, water supplied, and sewage charges, if any. Project Revenues shall not include any subsidy contributions received from any federal or state program.

(c) The estimated amounts of the Annual Service Charge to be paid each year pursuant to this Agreement are set forth in Exhibit B attached hereto. It is expressly understood and agreed that the revenue projections provided to the Municipality as set forth in Exhibit B and as part of the Sponsor's application for an agreement for payments in lieu of taxes are estimates only. The actual payments in lieu of real estate taxes to be paid by the Sponsor shall be determined as set forth in this Agreement.

5. (a) Payments of the Annual Service Charge by the Sponsor shall be made on a quarterly basis in accordance with bills issued by the tax collector of the Municipality in the same manner and on the same dates as real estate taxes are paid to the Municipality and shall be based upon 5% of Project Revenues of the previous quarter.

(b) No later than three (3) months following the end of the Sponsor's fiscal year for each year that this Agreement is in effect after the Tax Exemption Commencement Date, the Sponsor shall submit to the Municipality a certified, audited financial statement of the operation of the Project (the "Audit"), setting forth (i) the Project Revenues for the previous year and (ii) the total Annual Service Charge due to the Municipality, calculated at 5% of Project Revenues, for the previous year (the "Audit Amount"). The Sponsor simultaneously with the submission of the Audit shall pay the difference, if any, between (i) the Audit Amount and (ii) the quarterly payments in lieu of real estate taxes made by the Sponsor to the Municipality for the preceding year. The Municipality may accept any such payment without prejudice to its right to challenge the amount due. In the event that the payments made by the Sponsor for any fiscal year shall exceed the Audit Amount for such fiscal year, the Municipality shall credit the amount of such excess to the account of the Sponsor.

(c) All payments pursuant to this Agreement shall be in lieu of taxes and, subject to the provisions of this Agreement, the Municipality shall have all the rights and remedies of tax enforcement granted to Municipalities by law just as if such payments constituted regular tax obligations on real property within the Municipality. If, however, the Municipality disputes any Audit Amount, it may apply to the Superior Court, Chancery Division, Somerset County for an accounting of the Project Revenues in accordance with this Agreement and HMFA Law. The Municipality must commence any such action to challenge an Audit Amount within six months of the receipt of the corresponding Audit.

(d) In the event of any delinquency in the payments required under this Agreement, the Municipality shall give notice of the delinquency to the Sponsor and the Agency in the manner set forth in Section 10(a) below and allow Sponsor or Agency thirty (30) days to cure the delinquency prior to taking any legal action.

6. The tax exemption herein shall apply only so long as the Sponsor or its successors and assigns and the Project remain subject to the provisions of the HMFA Law and Regulations made thereunder and the supervision of the Agency, but in no event after the Tax Exemption Expiration Date.

7. (a) Notwithstanding anything to the contrary contained herein, the Municipality and the Sponsor agree that Sponsor may sell, transfer, or convey the Project and the Property to a special purpose limited liability company formed by Sponsor to own and operate the Project and the Property (the "Owner Entity"). The withdrawal, removal and/or replacement of the Owner Entity's managing member(s) for cause in accordance with the operating agreement of the Owner Entity (the "Operating Agreement") shall not require the consent of the Municipality and shall not constitute a default under this Agreement. If the investor member of the Owner Entity exercises its right to remove a member thereof under the Operating Agreement, the Municipality shall not unreasonably withhold its consent to any substitute managing member proposed by the investor member. In no event shall Municipality's consent be required if the investor member or its affiliate decides to serve as the substitute managing member. Notwithstanding the foregoing, the substitute managing member shall assume all of the rights and obligations of the removed managing member under this Agreement. In the event of (1) a sale, transfer or conveyance of the Project by the Sponsor to the Owner Entity or (b) a change in the organizational structure of the Sponsor or the Owner Entity pursuant to this Section 7(a), this Agreement shall be assigned to the Sponsor's successor without the Municipality's consent, but upon prior written notice to the Municipality and shall continue in full force and effect only if the successor entity assumes the Agency Mortgage and qualifies under HMFA Law or any successor thereto for the tax exemption provided by this Agreement. In no event may this Agreement be voluntarily terminated without notice to and consent of the Agency.

(b) Except as provide in Section 7(a) above, the Project shall not be sold or transferred for a period of five (5) years from the First Tax Credit Closing. Thereafter, the Project may be sold or transferred with the prior written consent of the Municipality, which consent shall not be unreasonably withheld, subject to all statutory and regulatory requirements and conditions applicable to the Project. Sponsor agrees that the Municipality shall not be deemed unreasonable in refusing to consent to the sale or transfer of the Project if (a) the Sponsor, or the Owner Entity is in material default under this Agreement or the HMFA Law, and such default has continued beyond any applicable cure period; (b) the Municipality reasonably believes that the risk of a breach of any covenant or agreement contained in this Agreement would be increased as a result of such sale or transfer; (c) the Municipality reasonably believes that the prospective transferee has insufficient experience or net worth to operate the Project in a manner satisfactory to the Municipality, or has willfully violated affordability or management covenants with the Municipality or other public agencies; or (d) the Municipality reasonably believes that such sale or transfer will result in the loss of the Project's exemption from real estate taxes, without satisfactory payment or arrangement therefor. No such sale or transfer shall be effective until the transferee signs an assumption agreement that is acceptable to the Municipality and that obligates the transferee to keep all the covenants and agreements contained in this Agreement and/or the Financing, Deed Restriction and Regulatory Agreement that will be recorded in connection with the NJHMFA first mortgage. In the

event of (a) a sale, transfer or conveyance of the Project by the Sponsor pursuant to this Section 7(b), this Agreement shall be assigned to the Sponsor's successor with the Municipality's consent, not to be unreasonably withheld, and shall continue in full force and effect only if the successor entity assumes the Agency Mortgage and qualifies under the HMFA Law or any successor thereto for the tax exemption provided by this Agreement. In no event may this Agreement be voluntarily terminated without notice to and consent of the Agency.

8. Upon any termination of such tax exemption, whether by affirmative action of the Sponsor, its successors and assigns, or by virtue of the provisions of the HMFA Law, or any other applicable state law, the Property and the Project shall be taxed as omitted property in accordance with the law.

9. The Sponsor, and its successors and assigns, shall, upon request, permit duly authorized representatives of the Municipality to inspect and examine (a) the Property, (b) the equipment, buildings and other facilities of the Project, and (c) all documents and papers relating to the Project. Any such inspection or examination shall be made during reasonable hours of the business day, in the presence of an officer or agent of the Sponsor, or its successors and assigns.

10. Any notice or communication sent by either party to the other hereunder shall be sent by certified mail, return receipt requested, addressed follows:

(a) When sent by the Municipality to the Sponsor, it shall be addressed to PIRHL Developers, LLC, 800 W. St. Clair Avenue, Cleveland, OH 44113, attention: Property Management, or to such other address as the Sponsor may hereafter designate in writing and a copy of such notice or communication by the Municipality to the Sponsor shall be sent by the Municipality to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

(b) When sent by the Sponsor to the Municipality, it shall be addressed to the Municipality, 2261 Van Horne Road, Belle Mead, New Jersey 08502, attention: Municipal Clerk, or to such other address as the Municipality may designate in writing and a copy of such notice or communication by the Sponsor to the Municipality shall be sent by the Sponsor to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

11. In the event of a breach of this Agreement by either party or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court, Chancery Division, Somerset County to relief in such fashion as will tend to accomplish the purposes of the HMFA Law.

12. This Agreement sets forth all of the promises, covenants, agreements, conditions and understandings between the parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, express or implied, oral or written, with respect thereto.

13. If any clause, sentence, subdivision, paragraph, section or part of this Agreement be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder hereof, but shall be confined in its operation to the clause, sentence, subdivision, paragraph, section or part hereof directly involved in the controversy in which said judgment shall have been rendered.

14. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

15. Subject to the terms of Agency financing, this Agreement may be assigned by the Sponsor to an affiliate of the Sponsor, provided that such affiliate develops the Project in accordance with the terms and conditions set forth in this Agreement.

16. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

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

PIRHL ACQUISITIONS, LLC

Allison Brasfield

By: David A. Burg

MUNICIPALITY:
TOWNSHIP OF MONTGOMERY

ATTEST:

Donna Kukla
Donna Kukla, Township Clerk

By: Mark Conforti
Name: Mark Conforti
Title: Mayor

Exhibit A

ESE CONSULTANTS

ENGINEERING • PLANNING • SURVEYING • ENVIRONMENTAL

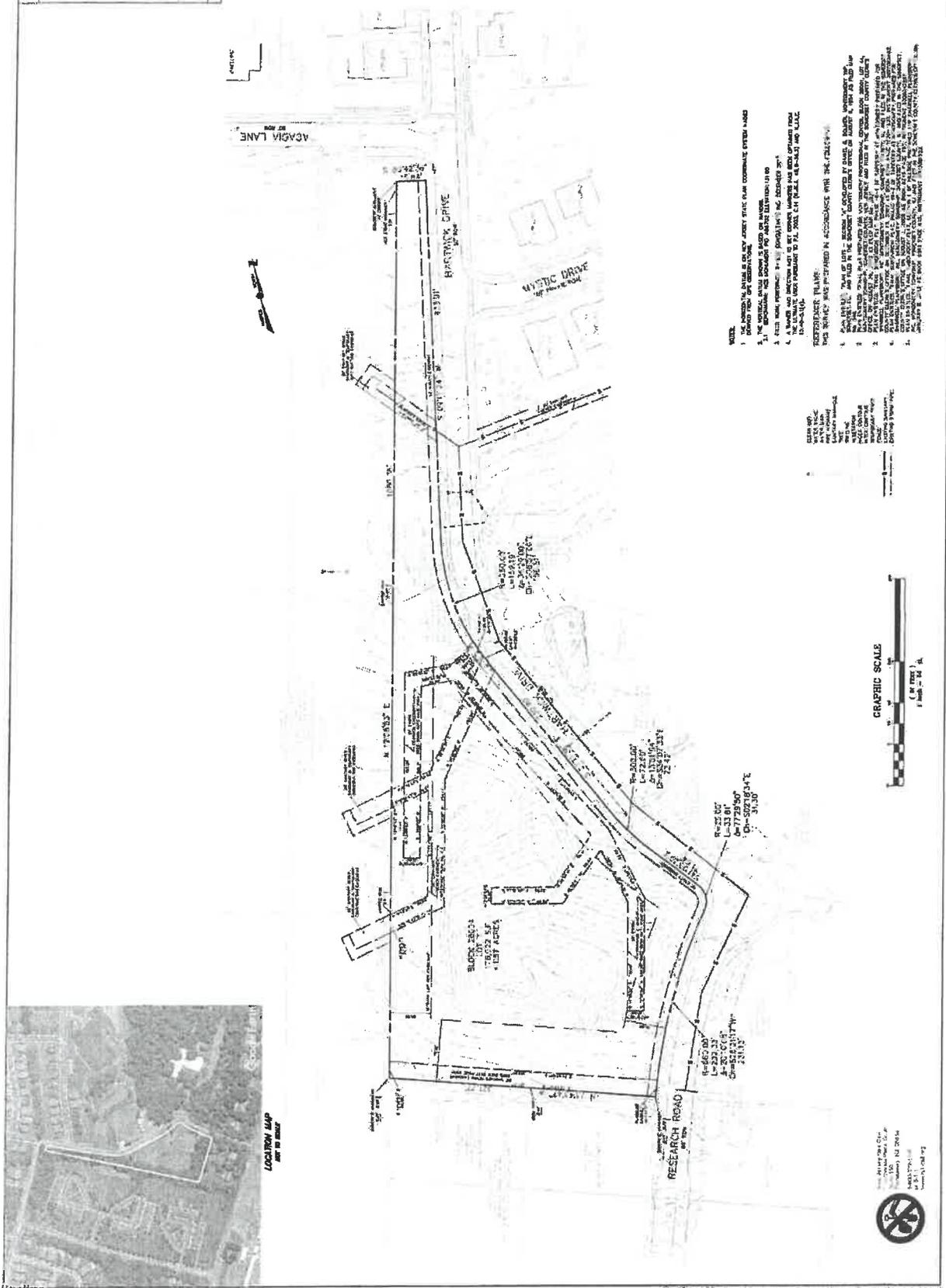
ESE CONSULTANTS, INC.
 95 POND 22 ROAD • SUITE 10 • HIGHTSTOWN, NJ 08520
 732-968-0370

THIS DRAWING IS THE PROPERTY OF ESE CONSULTANTS, INC. AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF ESE CONSULTANTS, INC.

BOUNDARY AND TOPOGRAPHIC SURVEY
BLOCK 28004, LOT 7
AFFORDABLE HOUSING DEVELOPMENT
 TOWNSHIP OF MONTGOMERY, SOMERSET COUNTY, NEW JERSEY

PAUL B. HIGGINS
 LICENSED PROFESSIONAL SURVEYOR
 No. 12547
 State of New Jersey
 1000 WEST 10TH STREET, SUITE 100
 HIGHTSTOWN, NJ 08520
 TEL: 732-968-0370
 FAX: 732-968-0371
 E-MAIL: PHIGGINS@ESECONSULTANTS.COM

DATE	11/11/2011
SCALE	AS SHOWN
PROJECT	AFFORDABLE HOUSING DEVELOPMENT
CLIENT	MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT
LOCATION	BLOCK 28004, LOT 7
DRAWN BY	PAUL B. HIGGINS
CHECKED BY	PAUL B. HIGGINS
DATE	11/11/2011



NOTES:

1. THE BOUNDARY SURVEY IS BASED ON THE MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT RECORD DRAWING, BLOCK 28004, LOT 7, DATED 08/11/2011.
2. THE BOUNDARY SURVEY IS BASED ON THE MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT RECORD DRAWING, BLOCK 28004, LOT 7, DATED 08/11/2011.
3. THE BOUNDARY SURVEY IS BASED ON THE MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT RECORD DRAWING, BLOCK 28004, LOT 7, DATED 08/11/2011.
4. THE BOUNDARY SURVEY IS BASED ON THE MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT RECORD DRAWING, BLOCK 28004, LOT 7, DATED 08/11/2011.
5. THE BOUNDARY SURVEY IS BASED ON THE MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT RECORD DRAWING, BLOCK 28004, LOT 7, DATED 08/11/2011.

REFERENCE PLANS:

1. MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT RECORD DRAWING, BLOCK 28004, LOT 7, DATED 08/11/2011.
2. MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT RECORD DRAWING, BLOCK 28004, LOT 7, DATED 08/11/2011.
3. MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT RECORD DRAWING, BLOCK 28004, LOT 7, DATED 08/11/2011.
4. MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT RECORD DRAWING, BLOCK 28004, LOT 7, DATED 08/11/2011.
5. MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT RECORD DRAWING, BLOCK 28004, LOT 7, DATED 08/11/2011.



GRAPHIC SCALE
 1" = 40.00' (1" = 131.07 m)

DATE: 11/11/2011
 SCALE: AS SHOWN
 PROJECT: AFFORDABLE HOUSING DEVELOPMENT
 CLIENT: MONROE COUNTY AFFORDABLE HOUSING DEVELOPMENT
 LOCATION: BLOCK 28004, LOT 7
 DRAWN BY: PAUL B. HIGGINS
 CHECKED BY: PAUL B. HIGGINS



Exhibit B

PILOT CALCULATION

Montgomery Family - Sharbell
Research Road
9% New Construction



Income	2.00%
Expenses	3.00%
Vacancy-Rcs	7.00%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
REVENUE															
Net Rental Revenue	1,054,658	1,075,752	1,097,267	1,119,212	1,141,596	1,164,428	1,187,717	1,211,471	1,235,700	1,260,414	1,285,623	1,311,335	1,337,562	1,364,313	1,391,599
Other Income	3,164	3,227	3,293	3,358	3,425	3,493	3,563	3,634	3,707	3,781	3,857	3,934	4,013	4,093	4,175
Vacancy	(74,048)	(75,328)	(77,039)	(78,380)	(80,151)	(81,754)	(83,390)	(85,057)	(86,759)	(88,494)	(90,264)	(92,069)	(93,910)	(95,788)	(97,704)
Total Apartment Revenue	983,775	1,003,450	1,023,519	1,043,990	1,064,869	1,086,167	1,107,890	1,130,048	1,152,649	1,175,702	1,199,216	1,223,200	1,247,664	1,272,518	1,298,070
APPLICABLE EXPENSES															
Utilities	80,840	83,265	85,763	88,336	90,986	93,716	96,527	99,423	102,406	105,478	108,642	111,901	115,259	118,716	122,278
Total Operating Expenses	80,840	83,265	85,763	88,336	90,986	93,716	96,527	99,423	102,406	105,478	108,642	111,901	115,259	118,716	122,278

TOTAL PROJECT REVENUES	902,935	920,185	937,756	955,654	973,883	992,451	1,011,363	1,030,625	1,050,243	1,070,224	1,090,574	1,111,299	1,132,406	1,153,901	1,175,792
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PILOT	45,147	46,009	46,888	47,783	48,694	49,623	50,568	51,531	52,512	53,511	54,529	55,565	56,620	57,695	58,790
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5.00%

	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
REVENUE															
Net Rental Revenue	1,419,431	1,447,820	1,476,776	1,506,312	1,536,438	1,567,167	1,598,510	1,630,490	1,663,090	1,696,352	1,730,279	1,764,884	1,800,182	1,836,186	1,872,909
Other Income	4,258	4,343	4,430	4,519	4,609	4,702	4,796	4,891	4,989	5,088	5,191	5,295	5,401	5,509	5,619
Vacancy	(99,656)	(101,651)	(103,684)	(105,758)	(107,873)	(110,031)	(112,231)	(114,476)	(116,766)	(119,101)	(121,483)	(123,913)	(126,391)	(128,919)	(131,497)
Total Apartment Revenue	1,324,031	1,350,512	1,377,522	1,405,073	1,433,174	1,461,838	1,491,074	1,520,896	1,551,314	1,582,340	1,613,987	1,646,267	1,679,192	1,712,776	1,747,031
APPLICABLE EXPENSES															
Utilities	125,846	129,724	133,616	137,625	141,753	146,005	150,386	154,898	159,545	164,331	169,261	174,339	179,569	184,956	190,505
Total Operating Expenses	125,846	129,724	133,616	137,625	141,753	146,006	150,386	154,898	159,545	164,331	169,261	174,339	179,569	184,956	190,505

TOTAL PROJECT REVENUES	1,198,085	1,220,787	1,243,906	1,267,448	1,291,421	1,315,832	1,340,688	1,365,998	1,391,769	1,418,009	1,444,726	1,471,928	1,499,623	1,527,820	1,556,576
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PILOT	59,904	61,039	62,195	63,372	64,571	65,792	67,034	68,300	69,588	70,890	72,216	73,566	74,941	76,351	77,826
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5.00%

EXHIBIT C

PROMISSORY NOTE

PROMISSORY NOTE

\$1,300,000.00

_____, 2019

FOR VALUE RECEIVED, MONTGOMERY LIHTC LLC, a New Jersey limited liability company ("**Maker**"), with an address of 400 West St. Clair Avenue, 4th Floor, Cleveland, Ohio 44113, hereby promises to pay to the order of the TOWNSHIP OF MONTGOMERY (the "**Lender**"), with an address of 2261 Route 206, Belle Mead, New Jersey 08502, the principal amount of ONE MILLION THREE HUNDRED THOUSAND DOLLARS (\$1,300,000.00), or so much thereof as has been disbursed to Maker, subject to the terms set forth herein. All capitalized terms not defined herein shall have the meanings ascribed to them in that certain Affordable Housing Agreement between Montgomery LIHTC LLC and Lender dated as of _____, 2019 (the "**Loan Agreement**").

As of the date hereof, Lender has disbursed to Maker the principal amount of ONE MILLION THREE HUNDRED THOUSAND DOLLARS (\$1,300,000.00) (the "**Funds**").

The Funds shall bear no interest. All unpaid principal of the Funds shall be repaid by Maker to Lender upon the "**Maturity Date**" on the date which the Project's extended low-income housing period required by Section 42(h)(6) of the Internal Revenue Code expires. Prior to the Maturity Date, no amounts are due under this Note except as may be provided below. The outstanding balance of principal due hereunder may be prepaid in whole or in part, at any time, without any premium or penalty. Any payments received by Lender on account of this Note prior to demand or acceleration shall be applied first, to any costs, expenses, or charges then owed to Lender by Maker, and second, to the unpaid principal balance hereof. Any payments received after demand or acceleration shall be applied in such a manner as Lender may determine. Notwithstanding anything to contrary contained herein or in the Loan Agreement, the Development Loan and this Note shall be non-recourse to Maker.

All amounts payable by Maker to Lender hereunder shall be paid directly to Lender at 2261 Route 206, Belle Mead, New Jersey 08502 (or at such other address of which Lender shall give written notice to Maker).

Except as otherwise provided in this Paragraph, the Lender may not exercise any remedy provided herein by reason of a default hereunder unless the Lender shall have given the Maker prior written notice thereof (the "**Default Notice**") and the Maker shall have failed to cure the default within the applicable cure period stated below:

(a) If the default consists of the failure to pay money, the applicable cure period shall be ten (10) days from the date on which the Default Notice is delivered.

(b) If the default consists of something other than the failure to pay money, the applicable cure period shall be as set forth in the Loan Agreement.

Any failure by Maker to perform any obligation under this Note or any Event of Default under the Loan Agreement shall constitute an event of default ("**Event of Default**") hereunder, subject to any rights of Maker to cure any such defaults.

Upon the happening of any Event of Default and the expiration of the applicable cure period, Lender may immediately declare due and payable, by giving written notice of such declaration to the Maker as set forth above, the entire unpaid principal balance of the Funds and any other sum due and payable hereunder.

Payment of any and all amounts due and owing by Maker hereunder may be enforced and recovered in whole or in part at any time at law or in equity by one or more of the remedies provided to the Lender herein, or as otherwise made available to Lender under applicable law and in any such case the Lender may also recover all costs of suit and other expenses in connection therewith, together with reasonable attorneys' fees for the collection.

Notwithstanding anything to the contrary in this Note or the Loan Agreement, the indebtedness evidenced by this Note is subject and subordinate in all respects to the indebtedness evidenced by any note(s) from Maker to any hard-money lender to the Project and NJHMFA, as each may be extended, modified, assigned, replaced or renewed from time to time.

The parties to this Note hereby waive, to the event legally waiveable, presentment for payment, protest, and demand for notice of protest, demand for and notice of dishonor and notice of nonpayment of this Note, and consent that Lender may extend the time of payment and, at the request of Maker and with the consent of Maker, otherwise modify the terms of payment of any part or the whole of the debt evidenced by this Note and such consent shall not alter or diminish the rights and liability of any person hereunder.

If any provision hereof is found by a court of competent jurisdiction to be prohibited or unenforceable, it shall be ineffective only to the extent of such prohibition or unenforceability, and such prohibition or unenforceability shall not invalidate the balance of the provision to the extent it is not prohibited or unenforceable, nor invalidate the other provisions hereof, all of which shall be liberally construed in favor of Lender in order to effect the provisions hereof.

The Maker and Lender agree that this Note shall be governed by the internal substantive laws of the State of New Jersey. Maker submits to the jurisdiction of the courts of the State of New Jersey for all purposes with respect to this Note, any collateral given to secure the liabilities, obligations and indebtedness to Lender, and Maker's relationship with Lender.

The terms "**Maker**" and "**Lender**" as used herein refer to Maker, Lender and their respective heirs and assigns.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has hereunto executed this Promissory Note as of the day and year first above written.

WITNESS:

MONTGOMERY LIHTC LLC
a New Jersey limited liability company

Bhannin Cuts
Name:

By: David A. Burg
Name: David Burg
Title: Managing Director

ACKNOWLEDGED:

TOWNSHIP OF MONTGOMERY

Donna Kukla, Clerk

By: Sadaf Jaffer, Mayor

AGREEMENT

**RESERVATION OF CAPACITY IN
SKILLMAN VILLAGE SEWAGE TREATMENT PLANT**

**PIRHL ACQUISITIONS, LLC / MONTGOMERY LIHTC LLC
BLOCK 28004, LOT 7**

PB -01-18

THIS AGREEMENT, dated the _____ day of March, 2019 between:

PIRHL ACQUISITIONS, LLC, an Ohio limited liability company, and **MONTGOMERY LIHTC LLC**, a New Jersey limited liability company, having their principal offices at 800 West St. Clair Avenue, 4th Floor, Cleveland, Ohio 44113 (hereinafter collectively “**Developer**”), and

THE TOWNSHIP OF MONTGOMERY in Somerset County, a municipal corporation of the State of New Jersey with offices located at 2261 Van Horne Road, Belle Mead, New Jersey 08502 (hereinafter “**Township**”).

Factual Recitals

A. By the adoption of Resolution No. 18-6-131, the Township designated certain real property located along the existing right of way for Research Road, north of its intersection with County Route 518, known as Lot 7 in Block 28004 and Lot 66 in Block 28005 as shown on the Montgomery Township Tax Assessment Map (rev. 2017), as a non-condemnation area in need of redevelopment pursuant to N.J.S.A. 40A:12A-5, known as the “Kepner-Tregoe Redevelopment Area,” and by the adoption of Ordinance #18-1582, adopted a redevelopment plan for the Redevelopment Area.

B. PIRHL Acquisitions, LLC (“PIRHL”) is the Township-designated redeveloper of a portion of the Kepner-Tregoe Redevelopment Area, said portion identified as Block 28004, Lot

7 (the “**Property**” or “**Subject Property**”), to be developed with an 86-unit, 100% low- and moderate-income family rental project with associated improvements, (hereinafter the “**Project**” or “**Development**”).

C. By Resolution PB-03-18, adopted by the Montgomery Township Planning Board on July 2, 2018, PIRHL received Preliminary and Final Major Site Plan Approval with bulk variances and exceptions for the Project.

D. Montgomery LIHTC LLC (“Montgomery LIHTC”) was formed to develop the Project for PIRHL, and PIRHL will be assigning its interest in the Project to Montgomery LIHTC. (PIRHL and Montgomery LIHTC are hereinafter collectively known as “Developer”).

E. A condition of the approvals granted by the Board requires Developer to enter into a sewer capacity reservation agreement for the connection of the Development to the public sewer.

F. Chapter XII of the Code of the Township of Montgomery (1984) (“**Code**”) establishes the requirements regarding sanitary sewer capacity and reservation charges therefor.

G. The Development is located within the sewer service area of the Skillman Village Sewage Treatment Plant (hereinafter “**STP**”), which was formerly known as the NPDC Sewage Treatment Plant.

H. The total amount of sewage treatment capacity reserved by this Agreement shall be for 86 residential units.

NOW THEREFORE, in consideration of the foregoing and the mutual undertakings set forth below, and intending to be bound hereby, the parties hereto agree to the following terms, covenants and conditions:

1. **Reservation.** The Township hereby reserves in favor of Developer capacity for 86 residential service units from the remaining uncommitted sewage capacity in the STP for the

Development. The reservation expressed herein shall take effect upon the execution of this agreement by both parties and payment of the capacity charge by or on behalf of the Developer, as provided for herein. This agreement is subject to rescission by the Township until the Developer has executed the agreement and paid for the reservation.

2. **Capacity Charges.** Pursuant to the Code, the current sewer capacity charge as of the date of this agreement is Eight Thousand Two Hundred Fifty (\$8,250.00) Dollars per residential service unit¹, which includes all connection charges for tying into the sanitary sewer system. In accordance with N.J.S.A. 40A:26A-11.3, affordable housing units shall be subject to a 50% reduction in the established capacity charge. Accordingly, the established capacity charge for the Development is Three Hundred Fifty Four Thousand Seven Hundred Fifty (**\$354,750.00**) Dollars, calculated as follows:

$$\begin{array}{rcl}
 86 \text{ Res. Units} & \times & \$8,250 / \text{service unit} & = & \$709,500.00 \\
 & & & & @ \underline{\hspace{1cm}} 50\% \\
 & & & = & \underline{\underline{\$354,750.00}}
 \end{array}$$

Payment of the capacity charge shall be made in accordance with a certain agreement between the Developer and Township entitled "Affordable Housing Agreement," bearing the same date as this Agreement. This Agreement and the Affordable Housing Agreement shall be construed *in pari materia*.

3. **Duration of Reservation.** The reservation herein expressed shall exist for a period of eighteen (18) months from the date of this agreement and may be extended by written agreement

¹ Pursuant to Section 12-7.4.c of the Montgomery Township Code, the current capacity charge is \$50.00 per gallon of anticipated daily volume of sewage effluent, which, pursuant to N.J.S.A. 40A:26A-11.c, is based upon the average daily flow of sewage for the average single family residence in the area served of 165 g.p.d.

by and between the parties. Should this reservation lapse, no right shall exist between the parties except insofar as building permits that have already been issued, and then only with respect to the capacity represented by such permits. In the event of a lapse, with the exception of the portion of the charge attributable to issued building permits, the capacity charge shall be returned, less a five (5%) percent charge on account of the amount returned for overhead, legal costs and administration.

4. **Obligations of Township.** Unless and until this agreement is rescinded, lapses or is otherwise terminated for cause, or the duration of the reservation has lapsed, the Township will not commit additional remaining capacity to other parties which will infringe upon the reservation herein expressed. Upon issuance of the last certificate of occupancy for the Development, the Township shall have no further obligation with respect to Developer concerning connection of the Development to the STP, and this Agreement will be deemed to have been fully performed and fulfilled with no further obligations owed by the parties under this Agreement.

5. **Successors and Assigns Bound.** The provisions of this agreement shall inure to the benefit of and be obligatory upon the respective parties hereto and their successors and assigns.

6. **Marginal Captions.** The marginal captions in this agreement are inserted for convenience of reference only and are not construed as defining, limiting or modifying the scope or the intent of the various sections of the Agreement.

7. **Waiver.** Failure to enforce any of the provisions of the agreement by any of the parties shall not be construed as a waiver of these provisions.

8. **Recitals.** The Factual Recitals are incorporated into and made a part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this document to be signed and hereby bind their assigns, heirs, successors-in-interest and executors the day and year first above written.

WITNESS:

Brianne Crete

PIRHL ACQUISITIONS, LLC

By: David A. Burg
David A. Burg [Name]
Managing Director [Title]

WITNESS:

Brianne Crete

MONTGOMERY LIHTC LLC

By: David A. Burg
David Burg, Managing Director

ATTEST:

Donna Kukla
Donna Kukla, Clerk

TOWNSHIP OF MONTGOMERY

By: Sadaf Jaffer
Sadaf Jaffer, Mayor

**AGREEMENT FOR PAYMENTS IN LIEU OF
TAXES**

THIS AGREEMENT FOR PAYMENTS IN LIEU OF TAXES (this "Agreement") is made as of this ~~16~~^{April} day of ~~March~~, 2018 between **PIRHL ACQUISITIONS, LLC**, an Ohio limited liability company, and its permitted assigns (the "Sponsor"), having its principal office at 800 W. St. Clair Avenue, Cleveland, OH 44113 and its permitted assigns, and the **TOWNSHIP OF MONTGOMERY** (the "Municipality"), a municipal corporation in Somerset County, New Jersey, with its offices at 2261 Van Horne Road, Belle Mead, New Jersey 08502.

WITNESSETH:

WHEREAS, the Sponsor is the contract purchaser of that certain tract of land located at the intersection of Research Road and Hartwick Drive, comprising 4.09± acres in the Township of Montgomery, Somerset County, New Jersey, also being designated as Block 28004, Lot 7 (Tax Assessment Maps rev. 2017), and more fully described in Exhibit A, attached hereto (the "Property");

WHEREAS, the Sponsor intends to construct and operate an 86-unit affordable family rental housing project, together with such other improvements as may be necessary in connection therewith, such as leasing offices, community meeting space, landscaping, curbing, and paving (the "Project");

WHEREAS, the Sponsor will receive financing for the Project from the New Jersey Housing and Mortgage Finance Agency (the "Agency");

WHEREAS, the Municipality is authorized, pursuant to the New Jersey Housing and Mortgage Finance Agency Law of 1983, N.J.S.A. 55:14K-1 et seq. (the "HMFA Law"), to grant an exemption for real estate taxes to housing projects that meet an existing housing need if the project's owner agrees to pay to the Municipality an annual charge for municipal services supplied to the Project;

WHEREAS, the Municipality has determined in a Resolution of the Township Committee of the Municipality (the "Resolution"), adopted on March 15, 2018 that the Project meets an existing housing need;

WHEREAS, implementation of the Project, which has been approved by the Superior Court of the State of New Jersey, Somerset County in a "Fairness Hearing" conducted in connection with the Municipality's resolution of affordable housing litigation in In the Matter of the Application of the Township of Montgomery, County of Somerset, Docket No. SOM-L-924-15, will help to satisfy the Municipality's constitutional "Mt. Laurel" obligation to provide low and moderate income housing;

WHEREAS, the Municipality has agreed to grant an exemption to the Project for real estate taxes and the Sponsor has agreed to make payments to the Municipality in lieu of real estate taxes; and

WHEREAS, the Sponsor and the Municipality desire to enter into this Agreement to memorialize the Sponsor's exemption from real property taxes and its obligation to make payments in lieu of such real property taxes.

NOW, THEREFORE, the Sponsor and the Municipality, in consideration of the mutual undertakings set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby covenant and agree as follows:

1. This Agreement is made pursuant to the authority contained in Section 37 of the HMFA Law and the Resolution, and with the approval of the Agency, as required by the HMFA Law. This Agreement is subject to N.J.S.A. 55:14K-37 and shall be submitted to the Agency for review. Any exemption from taxation pursuant to the provisions of N.J.S.A. 55:14K-37 shall not extend beyond the date on which the eligible loan made by the Agency on the Project is paid in full.

2. On the date (the "**Tax Exemption Commencement Date**") of the Sponsor's execution of a mortgage encumbering the Property and the Project with a permanent (not merely construction) mortgage lien in favor of the Agency (the "**Agency Mortgage**"), the land and improvements comprising the Property and the Project shall be exempt from all ad valorem real property taxes, provided that the Sponsor shall make payments in lieu of taxes to the Municipality as provided hereinafter. The exemption of the Property and the Project from ad valorem real property taxation and the Sponsor's obligation to make payments in lieu of taxes shall apply until the earlier of (a) satisfaction and discharge of the Agency Mortgage or (b) the expiration of thirty (30) years from the Tax Exemption Commencement Date (such earlier event being the "**Tax Exemption Expiration Date**").

Prior to the Tax Exemption Commencement Date, the Sponsor shall make payment to the Municipality in an amount equal to the amount currently payable on an annual basis (pursuant to the HMFA Law, the annual amount may not exceed the amount of taxes due on the Property for the year preceding the recording of the Agency Mortgage).

3. The land comprising the Property shall be assessed in accordance with the rules and regulations governing the taxation of vacant land in the State of New Jersey and Sponsor agrees to pay the real estate taxes arising out of such assessment from the time Sponsor takes title to the Property until the Tax Exemption Commencement Date, subject to Sponsor's statutory rights to appeal such assessment. From the time of the execution of this Agreement until the Tax Exemption Commencement Date, the Municipality agrees that no assessment shall be made upon any improvements constructed in connection with the Project, whether by added/omitted assessment, revaluation, interim assessment or any other manner permitted by law.

4. (a) From the Tax Exemption Commencement Date until the Tax Exemption Expiration Date, the Sponsor shall pay to the Municipality an annual service charge in lieu of taxes to the Municipality in an amount equal to 5% of Project Revenues, as defined below (the "**Annual Service Charge**").

(b) As used herein, "**Project Revenues**" means the total annual gross rental or carrying charge or other income of the Sponsor from the Project less the costs of utilities furnished by the Project, which shall include the costs of gas, electricity, heating fuel, water supplied, and sewage charges, if any. Project Revenues shall not include any subsidy contributions received from any federal or state program.

(c) The estimated amounts of the Annual Service Charge to be paid each year pursuant to this Agreement are set forth in Exhibit B attached hereto. It is expressly understood and agreed that the revenue projections provided to the Municipality as set forth in Exhibit B and as part of the Sponsor's application for an agreement for payments in lieu of taxes are estimates only. The actual payments in lieu of real estate taxes to be paid by the Sponsor shall be determined as set forth in this Agreement.

5. (a) Payments of the Annual Service Charge by the Sponsor shall be made on a quarterly basis in accordance with bills issued by the tax collector of the Municipality in the same manner and on the same dates as real estate taxes are paid to the Municipality and shall be based upon 5% of Project Revenues of the previous quarter.

(b) No later than three (3) months following the end of the Sponsor's fiscal year for each year that this Agreement is in effect after the Tax Exemption Commencement Date, the Sponsor shall submit to the Municipality a certified, audited financial statement of the operation of the Project (the "**Audit**"), setting forth (i) the Project Revenues for the previous year and (ii) the total Annual Service Charge due to the Municipality, calculated at 5% of Project Revenues, for the previous year (the "**Audit Amount**"). The Sponsor simultaneously with the submission of the Audit shall pay the difference, if any, between (i) the Audit Amount and (ii) the quarterly payments in lieu of real estate taxes made by the Sponsor to the Municipality for the preceding year. The Municipality may accept any such payment without prejudice to its right to challenge the amount due. In the event that the payments made by the Sponsor for any fiscal year shall exceed the Audit Amount for such fiscal year, the Municipality shall credit the amount of such excess to the account of the Sponsor.

(c) All payments pursuant to this Agreement shall be in lieu of taxes and, subject to the provisions of this Agreement, the Municipality shall have all the rights and remedies of tax enforcement granted to Municipalities by law just as if such payments constituted regular tax obligations on real property within the Municipality. If, however, the Municipality disputes any Audit Amount, it may apply to the Superior Court, Chancery Division, Somerset County for an accounting of the Project Revenues in accordance with this Agreement and HMFA Law. The Municipality must commence any such action to challenge an Audit Amount within six months of the receipt of the corresponding Audit.

(d) In the event of any delinquency in the payments required under this Agreement, the Municipality shall give notice of the delinquency to the Sponsor and the Agency in the manner set forth in Section 10(a) below and allow Sponsor or Agency thirty (30) days to cure the delinquency prior to taking any legal action.

6. The tax exemption herein shall apply only so long as the Sponsor or its successors and assigns and the Project remain subject to the provisions of the HMFA Law and Regulations made thereunder and the supervision of the Agency, but in no event after the Tax Exemption Expiration Date.

7. (a) Notwithstanding anything to the contrary contained herein, the Municipality and the Sponsor agree that Sponsor may sell, transfer, or convey the Project and the Property to a special purpose limited liability company formed by Sponsor to own and operate the Project and the Property (the "**Owner Entity**"). The withdrawal, removal and/or replacement of the Owner Entity's managing member(s) for cause in accordance with the operating agreement of the Owner Entity (the "**Operating Agreement**") shall not require the consent of the Municipality and shall not constitute a default under this Agreement. If the investor member of the Owner Entity exercises its right to remove a member thereof under the Operating Agreement, the Municipality shall not unreasonably withhold its consent to any substitute managing member proposed by the investor member. In no event shall Municipality's consent be required if the investor member or its affiliate decides to serve as the substitute managing member. Notwithstanding the foregoing, the substitute managing member shall assume all of the rights and obligations of the removed managing member under this Agreement. In the event of (1) a sale, transfer or conveyance of the Project by the Sponsor to the Owner Entity or (b) a change in the organizational structure of the Sponsor or the Owner Entity pursuant to this Section 7(a), this Agreement shall be assigned to the Sponsor's successor without the Municipality's consent, but upon prior written notice to the Municipality and shall continue in full force and effect only if the successor entity assumes the Agency Mortgage and qualifies under HMFA Law or any successor thereto for the tax exemption provided by this Agreement. In no event may this Agreement be voluntarily terminated without notice to and consent of the Agency.

(b) Except as provide in Section 7(a) above, the Project shall not be sold or transferred for a period of five (5) years from the First Tax Credit Closing. Thereafter, the Project may be sold or transferred with the prior written consent of the Municipality, which consent shall not be unreasonably withheld, subject to all statutory and regulatory requirements and conditions applicable to the Project. Sponsor agrees that the Municipality shall not be deemed unreasonable in refusing to consent to the sale or transfer of the Project if (a) the Sponsor, or the Owner Entity is in material default under this Agreement or the HMFA Law, and such default has continued beyond any applicable cure period; (b) the Municipality reasonably believes that the risk of a breach of any covenant or agreement contained in this Agreement would be increased as a result of such sale or transfer; (c) the Municipality reasonably believes that the prospective transferee has insufficient experience or net worth to operate the Project in a manner satisfactory to the Municipality, or has willfully violated affordability or management covenants with the Municipality or other public agencies; or (d) the Municipality reasonably believes that such sale or transfer will result in the loss of the Project's exemption from real estate taxes, without satisfactory payment or arrangement therefor. No such sale or transfer shall be effective until the transferee signs an assumption agreement that is acceptable to the Municipality and that obligates the transferee to keep all the covenants and agreements contained in this Agreement and/or the Financing, Deed Restriction and Regulatory Agreement that will be recorded in connection with the NJHMFA first mortgage. In the

event of (a) a sale, transfer or conveyance of the Project by the Sponsor pursuant to this Section 7(b), this Agreement shall be assigned to the Sponsor's successor with the Municipality's consent, not to be unreasonably withheld, and shall continue in full force and effect only if the successor entity assumes the Agency Mortgage and qualifies under the HMFA Law or any successor thereto for the tax exemption provided by this Agreement. In no event may this Agreement be voluntarily terminated without notice to and consent of the Agency.

8. Upon any termination of such tax exemption, whether by affirmative action of the Sponsor, its successors and assigns, or by virtue of the provisions of the HMFA Law, or any other applicable state law, the Property and the Project shall be taxed as omitted property in accordance with the law.

9. The Sponsor, and its successors and assigns, shall, upon request, permit duly authorized representatives of the Municipality to inspect and examine (a) the Property, (b) the equipment, buildings and other facilities of the Project, and (c) all documents and papers relating to the Project. Any such inspection or examination shall be made during reasonable hours of the business day, in the presence of an officer or agent of the Sponsor, or its successors and assigns.

10. Any notice or communication sent by either party to the other hereunder shall be sent by certified mail, return receipt requested, addressed follows:

(a) When sent by the Municipality to the Sponsor, it shall be addressed to PIRHL Developers, LLC, 800 W. St. Clair Avenue, Cleveland, OH 44113, attention: Property Management, or to such other address as the Sponsor may hereafter designate in writing and a copy of such notice or communication by the Municipality to the Sponsor shall be sent by the Municipality to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

(b) When sent by the Sponsor to the Municipality, it shall be addressed to the Municipality, 2261 Van Horne Road, Belle Mead, New Jersey 08502, attention: Municipal Clerk, or to such other address as the Municipality may designate in writing and a copy of such notice or communication by the Sponsor to the Municipality shall be sent by the Sponsor to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

11. In the event of a breach of this Agreement by either party or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court, Chancery Division, Somerset County to relief in such fashion as will tend to accomplish the purposes of the HMFA Law.

12. This Agreement sets forth all of the promises, covenants, agreements, conditions and understandings between the parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, express or implied, oral or written, with respect thereto.

13. If any clause, sentence, subdivision, paragraph, section or part of this Agreement be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder hereof, but shall be confined in its operation to the clause, sentence, subdivision, paragraph, section or part hereof directly involved in the controversy in which said judgment shall have been rendered.

14. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

15. Subject to the terms of Agency financing, this Agreement may be assigned by the Sponsor to an affiliate of the Sponsor, provided that such affiliate develops the Project in accordance with the terms and conditions set forth in this Agreement.

16. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

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

PIRHL ACQUISITIONS, LLC

Allison Borahoff

By: David A. Burg

MUNICIPALITY:
TOWNSHIP OF MONTGOMERY

ATTEST:

Donna Kukla
Donna Kukla, Township Clerk

By: Mark Conforti
Name: Mark Conforti
Title: Mayor

PILOT CALCULATION
 Montgomery Family - Sharbell
 Research Road
 5%, New Construction



Income	2.00%
Expenses	3.00%
Vacancy-Fees	7.00%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
REVENUE															
Net Rental Revenue	1,054,658	1,075,752	1,097,267	1,119,212	1,141,596	1,164,428	1,187,717	1,211,471	1,235,700	1,260,414	1,285,623	1,311,335	1,337,562	1,364,313	1,391,599
Other Income	3,164	3,227	3,292	3,358	3,425	3,493	3,563	3,634	3,707	3,781	3,857	3,934	4,013	4,093	4,175
Vacancy	(74,048)	(75,529)	(77,039)	(78,580)	(80,151)	(81,754)	(83,390)	(85,057)	(86,759)	(88,494)	(90,264)	(92,069)	(93,910)	(95,788)	(97,704)
Total Apartment Revenue	983,775	1,003,450	1,023,519	1,043,990	1,064,869	1,086,167	1,107,890	1,130,048	1,152,649	1,175,702	1,199,216	1,223,200	1,247,664	1,272,618	1,298,070
APPLICABLE EXPENSES															
Utilities	80,840	83,265	85,763	88,336	90,986	93,716	96,527	99,423	102,406	105,478	108,642	111,901	115,259	118,716	122,278
Total Operating Expenses	80,840	83,265	85,763	88,336	90,986	93,716	96,527	99,423	102,406	105,478	108,642	111,901	115,259	118,716	122,278
TOTAL PROJECT REVENUES	902,935	920,185	937,756	955,654	973,883	992,451	1,011,363	1,030,625	1,050,243	1,070,224	1,090,574	1,111,299	1,132,406	1,153,901	1,175,792
PILOT	45,147	46,009	46,888	47,783	48,694	49,623	50,568	51,531	52,512	53,511	54,529	55,565	56,620	57,695	58,790

	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
REVENUE															
Net Rental Revenue	1,419,431	1,447,820	1,476,776	1,506,312	1,536,438	1,567,167	1,598,510	1,630,480	1,663,090	1,696,352	1,730,279	1,764,884	1,800,182	1,836,186	1,872,909
Other Income	4,258	4,343	4,430	4,519	4,609	4,702	4,796	4,891	4,989	5,089	5,191	5,295	5,401	5,509	5,619
Vacancy	(99,658)	(101,651)	(103,664)	(105,798)	(107,958)	(110,243)	(112,551)	(114,876)	(117,226)	(119,601)	(121,999)	(124,421)	(126,867)	(129,337)	(131,831)
Total Apartment Revenue	1,324,031	1,350,512	1,377,522	1,405,073	1,433,174	1,461,838	1,491,074	1,520,896	1,551,314	1,582,340	1,613,987	1,646,267	1,679,192	1,712,776	1,747,031
APPLICABLE EXPENSES															
Utilities	125,946	129,724	133,616	137,625	141,759	146,006	150,366	154,839	159,545	164,391	169,261	174,339	179,569	184,956	190,505
Total Operating Expenses	125,946	129,724	133,616	137,625	141,759	146,006	150,366	154,839	159,545	164,391	169,261	174,339	179,569	184,956	190,505
TOTAL PROJECT REVENUES	1,198,085	1,220,787	1,243,906	1,267,448	1,291,421	1,315,832	1,340,708	1,366,057	1,391,769	1,418,009	1,444,726	1,471,928	1,499,623	1,527,820	1,556,526
PILOT	59,904	61,039	62,195	63,372	64,571	65,792	67,034	68,300	69,588	70,900	72,236	73,596	74,981	76,391	77,826

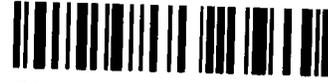
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SOMERSET COUNTY -9-
DOCUMENT COVER SHEET

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INSTRUMENT # 2019037230
BOOK: 7155 PAGE: 2643-2654

(Official Use Only)

DATE OF DOCUMENT: 09/27/2019	TYPE OF DOCUMENT: Deed of Easement and Restrictive Covenant for Extended Low-Income Occupancy
FIRST PARTY (<i>Grantor, Mortgagor, Seller or Assignor</i>) Montgomery LIHTC LLC.	SECOND PARTY (<i>Grantee, Mortgagee, Buyer, Assignee</i>) New Jersey Housing and Mortgage Finance Agency
ADDITIONAL PARTIES:	

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY

MUNICIPALITY:	MAILING ADDRESS OF GRANTEE:
BLOCK:	
LOT:	
CONSIDERATION:	

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

BOOK	PAGE	INSTRUMENT #	DOCUMENT TYPE

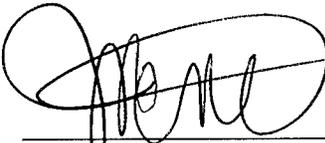
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RETAIN THIS PAGE FOR FUTURE REFERENCE

~~RECORD & RETURN TO:~~

*Johanna Peña, Administrative Assistant III
NJ Housing and Mortgage Finance Agency
637 S. Clinton Avenue
Trenton, NJ 08611*

LIHTC#1803

Prepared By:



Johanna Peña

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

THIS DEED OF EASEMENT and RESTRICTIVE COVENANT (the "Covenant") dated as of September 27, 2019 shall run with the land and is granted by **Montgomery LIHTC LLC**, and its successors and assigns (the "Project Owner") whose principal address is **800 West St. Clair Ave, Cleveland, Ohio 44113**, to the New Jersey Housing and Mortgage Finance Agency, its successors and assigns, (the "Agency") acting as the housing credit agency for the State of New Jersey as described in Section 42(h)(3) of the Internal Revenue Code as amended, and to income eligible members of the public as defined below. As conditioned below this Covenant restricts occupancy of the described premises to income eligible occupants for a specified period of time. This Covenant is made in satisfaction of the requirements of Section 42 of the Federal Tax Reform Act of 1986, P.L. 99-514, as amended, (the "Code").

As indicated on the **Reservation Letter** for the building(s) described below, the Agency has allocated Low Income Housing Tax Credits ("LIHTC") authorized under the Code in an annual amount not to exceed **\$1,268,000** to be claimed by the Project Owner over a 10 or 15 year period pursuant to the Code. In consideration of the receipt of the benefit of the LIHTC, the Project Owner hereby agrees to the following restrictive covenants, which are made in satisfaction of the requirements contained in Section 42(h)(6) of the Code.

- (1) The **one** building(s), which consist of a total of **86** residential rental units, of which **86** are LIHTC units, and which will constitute a qualified low-income housing project as defined in Section 42(g)(1) of the Code and regulations promulgated thereunder, the rental units which will be rented or available for rental on a continuous basis to members of the general public, shall be known as **Apartments at Montgomery Crossing** (the "Project"). The Project is located at **9 Hartwick Drive, Skillman, NJ 08558**, Municipal Tax Map Block No. **28004**, Lot No. **7** in the County of **Somerset**, New Jersey, and title to which has been recorded in the County Clerk or Register's Office being more fully described as set forth in Attachment "A" hereto.
- (2) [] If this box is checked, the Project received its allocation of LIHTC from the nonprofit set-aside and/or received points as a qualified nonprofit general partner pursuant to N.J.A.C. 5:80-33 ("Qualified Allocation Plan") as amended and Section 42(h)(5) of the Tax Code, and any new owner during the compliance period must qualify under these rules.

- (3) The applicable fraction, as defined in Section 42(c)(1)(B) of the Code (the smaller of the low-income unit fraction or the low-income floor space fraction), and as provided by the Project Owner in its low income housing tax credit application (the “Application”) is **100** percent. This fraction shall not be decreased during any taxable year of the compliance period or extended use period unless terminated in accordance with the provisions enumerated at Section 42(h)(6)(E) of the Code and, if applicable, paragraph (5) below.
- (4) This Covenant and the Section 42 occupancy and rent restrictions shall commence on the first day of the compliance period as defined in section 42 of the Code, and shall end on the date specified in paragraph (5) below, unless terminated by foreclosure or instrument in lieu of foreclosure, pursuant to the provisions of the Code, and any regulations promulgated thereunder.
- (5) The Code requires that LIHTC projects retain all occupancy and rent restrictions for a minimum of 30 years unless terminated pursuant to section 42(h)(6)(E) of the Code. The Code defines the first 15 years as the compliance period and defines the entire 30 years (or more) as the extended use period. In order to increase the competitive score of the Application, the Project Owner elected to increase the compliance period as indicated with an (“X”) below:

If this box is checked, the Project Owner elected in the Application to increase the compliance period described in section 42(i)(1) of the Code by an additional 15 years for a total of 30 years, (“Extended Compliance Period”), and waives the right under section 42(h)(6)(E)(i)(II) of the Code to submit a written request to the Agency to find a buyer after the close of the 14th year of the compliance period, and agrees that this has the effect of delaying the period for finding a buyer under section 42(h)(6)(I) of the Code until the one year period beginning on the date (after the 29th year of the compliance period) that the Project Owner may submit a written request to the Agency to find a buyer. At the end of the extended compliance period will remain a 15-year extended use period. Therefore, this Covenant shall extinguish at the close of the 45th year after the beginning of the compliance period unless terminated by foreclosure or instrument in lieu of foreclosure or unless terminated after the extended compliance period because the Agency was unable to present a qualified contract during the one-year period of time specified in this paragraph (5).

- (6) The compliance period begins at the same time as the credit period. The Project Owner elects when to begin the credit period at the time the Project Owner’s first tax return is filed with the Internal Revenue Service. It is expected that the Project Owner will begin the credit period in **2021**.

- (7) The federal set-aside, as defined by section 42(g)(1) of the Tax Code, elected by the Project Owner is checked below.

40% at 60%

At least 40% of the residential units will be rent restricted and occupied by households whose income is 60% or less than the area median income. All tax credit-eligible units must be restricted to no more than 60% of the area median income adjusted for family size.

20% at 50%

At least 20% of the residential units will be rent restricted and occupied by households whose income is 50% or less than the area median income. All tax credit-eligible units must be restricted to no more than 50% of the area median income adjusted for family size.

Average Income

The income of each unit will be designated at 20%, 30%, 40%, 50%, 60%, 70% or 80% of area median income and will be rent restricted and occupied by households whose incomes are less the designated income limitation. The average of all income designations shall not exceed 60% of area median income. Income designations are noted below and may not be amended without written approval from NJHMFA.

- _____ units at 20% of AMI
- _____ units at 30% of AMI
- _____ units at 40% of AMI
- _____ units at 50% of AMI
- _____ units at 60% of AMI
- _____ units at 70% of AMI
- _____ units at 80% of AMI

The selection of this federal set-aside is irrevocable and is binding on the Project Owner and all successors in interest to the Project through the end of the extended use period.

- (8) If this box is checked, the Project is also subject to the state set-aside, which is defined in the 2017 Qualified Allocation Plan and was selected by the Project Owner in its Application. The state set-aside requires that 10 percent or more of the residential units in the Project are both rent restricted and occupied by individuals whose income is 30 percent or less of AMGI. The selection of this state set-aside is irrevocable and is binding on the Project Owner and all successors in interest to the Project through the end of the extended use period.

- (9) If this box is checked, the Project Owner must restrict the greater of 5 units or 5 percent of the total units for occupancy by individuals with special needs. The Owner must also make available at a reasonable cost to all tenants with special needs all services that are appropriate and accessible as needed by the tenants throughout the compliance period. One of the social services provided must be an onsite social services coordinator. With written approval from the Agency, the Project Owner may substitute another special needs population for the one(s) identified in its Application and may substitute services to better address the needs of the tenants with special needs. This restriction shall be in place throughout the extended use period.”
- (10) If this box is checked, the Project is a Special Needs Project (Supported Housing) as defined in the 20__ Qualified Allocation Plan, and as selected by the Project Owner in its Application and as such, the Project Owner must restrict at least 25 percent of the total project units for occupancy by one or more special needs population through the end of the compliance period AND make available at a reasonable cost to all tenants with special needs all services that are appropriate and accessible as needed by the tenants throughout the compliance period. One of the social services provided must be an onsite social services coordinator. With written approval from the Agency, the Project Owner may substitute another special needs population for the one(s) identified in its Application and may substitute services to better address the needs of the tenants with special needs. Notwithstanding the above, if after a period of sixty (60) days of a unit described in this paragraph becoming unoccupied the Project cannot identify an eligible person within the special needs population selected by the Project Owner in its Application to rent the unoccupied unit, such unit may be leased to any low income housing tax credit eligible person or family, with a preference given first to eligible persons in other special needs populations. The next unit of similar size in the Project that becomes unoccupied shall be rented to an eligible person within the special needs population selected by the Project Owner in its Application on the same terms set forth herein.
- (11) If this box is checked, the Project Owner is required to make available to tenants of all LIHTC units 3 appropriate and affordable social service(s) throughout the compliance period in accordance with the Social Services Model as defined in the 2017 Qualified Allocation Plan **OR** participate in the Services for Independent Living (SIL) program, as appropriate, and as selected by the Project Owner in its Application. Social services may be modified to better address the needs of the low-income tenants of the Project upon written approval of the Agency.
- (12) The Project Owner agrees to employ throughout the compliance period a staff person who has successfully completed a NJHMFA-approved tax credit certification program with a continuing education component prior to the project being placed in service. The staff

person responsible for verification of tenant income must be the person to successfully pass the certification examination and maintain the certification for the term of the compliance and extended use periods.

- (13) If this box is checked, the Project Owner shall maintain in good working order throughout the compliance period all unit and project amenities promised in the Application. There shall be a minimum of **3** unit amenities and **2** project amenities and at least **one** community policing or public safety enhancement as defined in the **2017** Qualified Allocation Plan.
- (14) If this box is checked, the Project Owner agrees to successfully participate in one of the following energy efficiency programs: Enterprise Green Communities; Leadership in Energy and Environmental Design (LEED); National Green Building Standard (NGBS); Climate Choice Homes Program/Energy Star Tier 3 Participation; Living Building Challenge; **OR** Passive House, as defined in the **2017** QAP through the end of the extended use period.
- (15) Pursuant to section 42(h)(6)(B)(iii) of the Code, this Covenant prohibits the disposition to any person of any portion of a building to which this Covenant applies unless all of the building to which such Covenant applies is disposed of to such person.
- (16) Pursuant to Revenue Ruling 2004-82, this Covenant prohibits (i) the eviction or termination of tenancy (other than for good cause) of an existing tenant of any low-income unit or (ii) any increase in the gross rent with respect to the unit not otherwise permitted under section 42 of the Code for the term of the extended use period and a period of three (3) years following any termination of this Covenant, including any termination by foreclosure or instrument in lieu of.
- (17) Pursuant to section 42(h)(6)(B)(iv) of the Code, this Covenant prohibits the refusal to lease to a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937 of the status of the prospective tenant as such a holder.
- (18) This Covenant shall constitute an agreement between the Agency and the Project Owner which is enforceable in the courts of the State of New Jersey by the Agency or by individual(s), whether prospective, present, or former occupants of the Project, who meet the income limitations applicable to the Project under Section 42(g) of the Code, said individual(s) being express beneficiaries of this Covenant.
- (19) The Project Owner agrees to comply with the requirements of the federal Fair Housing Act as it may from time to time be amended.
- (20) The Project Owner agrees (i) to obtain the consent of any recorded lien holder on the Project to the terms and conditions of this Covenant and (ii) it will not grant to any lien holder an interest in the Project that is superior to the terms and conditions of this

Covenant. Such consent and subordination of the interests of all recorded lien holders on the Project shall be conditions precedent to the issuance of IRS Form(s) 8609.

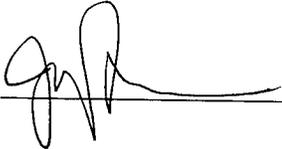
- (21) This Covenant is binding on all successors in interest to the Project and shall run with the land until the end of the extended use period set forth in paragraph 5 above, unless terminated prior to said date in accordance with all provisions of the Code and the regulations promulgated thereunder.
- (22) These covenants may, from time to time, be amended only with the written consent of the Agency, to reflect changes to the Code or regulations promulgated thereunder. Project Owner expressly agrees to enter into such amendments as may be necessary to maintain compliance under section 42 of the Code.
- (23) In order to enable the Agency to monitor the Project Owner's compliance with these use and occupancy restrictions pursuant to the Code, Project Owner covenants and agrees that the Agency and its agents or employees shall be allowed to enter and inspect the Project during business hours and to inspect and copy all books and records pertaining to the Project.
- (24) The Project Owner covenants and agrees to comply and cooperate with the Code and all Agency tax credit compliance monitoring procedures including but not limited to completing and sending to the Agency an annual status report, or, if requested by an authorized official of the Agency, more frequent reports, in form and content acceptable to the Agency, which shall demonstrate ongoing compliance with this Covenant.
- (25) The Project Owner covenants and agrees that in the event it files for bankruptcy, liquidates, sells or otherwise transfers ownership of the Project, it will notify the Agency in writing, and further, that as a condition precedent to any sale or transfer it will enter into such agreements with the purchaser or transferee as may be prescribed by the Agency, which have the effect of causing such purchaser or transferee to be bound by these use and occupancy restrictions, as they may be amended or supplemented.
- (26) The terms of this Covenant shall be interpreted, conditioned and supplemented in accordance with and by section 42 of the Code and regulations promulgated thereunder, all of which are incorporated herein by reference, whether or not such provisions of the Code or regulations are expressed or referenced herein. In the event of any conflict between this Covenant and the requirements of the Code, the Code shall prevail. The Agency reserves the right to set conditions for the allocation of LIHTC by regulation that may be more stringent than the Code.
- (27) The invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining provisions.

Signatures: This Covenant is granted by the Project Owner whose duly authorized representative's signature appears below.

Sworn and subscribed to before the undersigned Notary Public or Attorney on the date appearing below:

WITNESS

(IF INDIVIDUAL, LLC, OR PARTNERSHIP)



PROJECT OWNER:

MONTGOMERY LIHTC LLC

By: 

Authorized Representative

LARA Schwaiger, VP of Development
(Print Name, Title, Organization)

ACKNOWLEDGEMENT FOR LIMITED LIABILITY COMPANY

STATE OF NEW JERSEY)

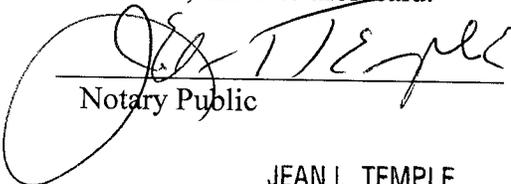
) SS:

COUNTY OF MERCER) September

I CERTIFY that on 27, 2019, LARA SCHWAGER personally came before me, and this person acknowledged under oath, to my satisfaction, that (a) this person is the Managing Member of MONTGOMERY LIHTC LLC, the Owner named in this document (the "LLC"); and (b) this document was signed and delivered by the Company as its voluntary act duly authorized by a proper resolution of the Company.

SWORN TO AND SUBSCRIBED

before me, the date aforesaid.



Notary Public

JEAN L. TEMPLE

A Notary Public of New Jersey
My Commission Expires July 19, 2023

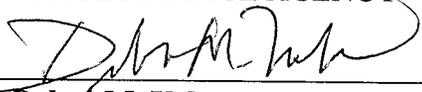
- (28) This Covenant may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

[SIGNATURES ON NEXT PAGE]

WITNESS



NEW JERSEY HOUSING AND
MORTGAGE FINANCE AGENCY

By: 
_____ **Debra M. Urban**
Chief of Legals and Regulatory Affairs

Date: 9/25/19

STATE OF NEW JERSEY, COUNTY OF MERCER SS:

I CERTIFY that on September 27 2019, **DEBRA M. URBAN** personally came before me, a Notary Public of the State of New Jersey, and acknowledged under oath to my satisfaction that a) she is the **Chief of Legals and Regulatory Affairs** of **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**, the Agency named in this document, and b) she executed and delivered this document as the voluntary act of the Agency, duly authorized by a proper resolution of its members, on behalf of the Agency.

Laura A. Theis

Notary Public of New Jersey

My Commission Expires _____

January 17, 2022

Notary Public of the State of New Jersey

My Commission Expires on _____

STATE OF NEW JERSEY, COUNTY OF MERCER SS:

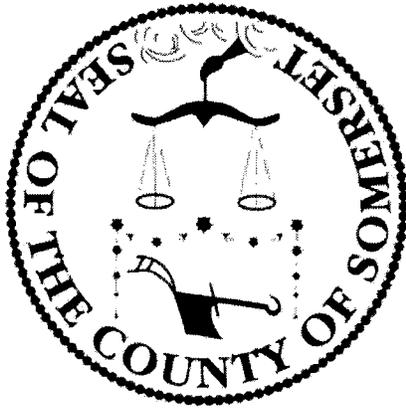
I CERTIFY that on ^{September} 27, 2019, **DEBRA M. URBAN** personally came before me, a Notary Public of the State of New Jersey, and acknowledged under oath to my satisfaction that a) she is the Chief of Legal and Regulatory Affairs of **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**, the Agency named in this document, and b) she executed and delivered this document as the voluntary act of the Agency, duly authorized by a proper resolution of its members, on behalf of the Agency.



Laura A. Theis

Notary Public of the State of New Jersey

My Commission Expires on January 17, 2022



Steve Peter
Somerset County Clerk
20 Grove Street
P.O. Box 3000
Somerville, NJ 08876

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16. THIRD ROUND: CC1377, LLC /
DEVAN / VAN CLEEF

Site Specific Inclusionary Zone 2 (SSIZ-2) Ordinance
Amended SSIZ-2 Ordinance

Planning Board Resolution of Approval

Site Plan

Elevations

**TOWNSHIP OF MONTGOMERY
ORDINANCE NO. 18-1584**

**AN ORDINANCE AMENDING AND SUPPLEMENTING
CHAPTER XVI, "LAND DEVELOPMENT",
OF THE CODE OF THE TOWNSHIP OF MONTGOMERY (1984)
COUNTY OF SOMERSET, STATE OF NEW JERSEY
AND SPECIFICALLY SUBSECTIONS
16-3.3 REGARDING THE ZONING MAP,
AND 16-4.14 ENTITLED "SITE SPECIFIC INCLUSIONARY ZONES FOR COAH
QUALIFIED AFFORDABLE HOUSING" TO ESTABLISH A NEW SITE SPECIFIC
INCLUSIONARY ZONE 2**

**BE IT ORDAINED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP
OF MONTGOMERY**, in the County of Somerset and the State of New Jersey, that Chapter XVI, "Land Development", of the Code of the Township of Montgomery (1984) (hereinafter "Code") is hereby amended and supplemented as follows:

SECTION 1. Change the first paragraph of Subsection 16-3.3, "Zoning Map", of the Code of the Township of Montgomery (1984) to read in its entirety as follows:

16-3.3 ZONING MAP

The boundaries of the zoning districts specified in Subsection 16-3.1 hereinabove and the land areas designated for the optional development alternatives specified in Subsection 16-3.2 also hereinabove are shown and established on the "Zoning Map" of the Township of Montgomery, dated June 29, 2018, which accompanies and is part of this chapter."

SECTION 2. Amend Subsection 16-4.14 b. of Subsection 16-4.14 of the Code of the Township of Montgomery (1984) containing the zoning requirements for "Site Specific Inclusionary Zones For COAH Qualified Affordable Housing" to read in its entirety as follows:

- b. Site Specific Inclusionary Zone 2 (SSIZ-2).
 - 1. Property Description & Purpose.

- (a) The SSIZ-2 includes approximately five (5) acres of property situated on the east side of State Highway Route 206 and is identified as Block 29002, Lot 45 on the Township Tax Assessment Maps (rev. ed. 2017).
- (b) The tract subject to the SSIZ-2 district regulations contains remnants of a developed property consisting of an open grassed area that was the site of a structured since demolished and an asphalt paved area that served as the parking area and driveway for the previous use. The SSIZ-2 district provides land use regulations for the redevelopment of the site where specific site elements are incorporated that limit the impact to the surrounding parcels through the requirement of adequate development setbacks and sufficient buffering.
- (c) The SSIZ-2 District is intended to provide for the development of an inclusionary multifamily housing development containing a total of 115 units, including 92 market-rate family rental units and 23 affordable family rental units restricted to occupancy by households of very low, low and moderate income. Affordable dwellings shall be integrated and indistinguishable from the market-rate units.

2. Conceptual Development Plan for the Subject Property

- (a) A conceptual plan has been prepared for the property.
 - (1) The “Conceptual Site Plan” was prepared by Van Cleef Engineering Associates, is dated May 22, 2018, revised June 12, 2018. A true copy of same, available for inspection by the public, is on file in the offices of the Township Clerk and Planning Director.
 - (2) The conceptual site plan includes two (2) apartment buildings. There shall be a maximum of 115 units of which twenty-three (23) family apartment units shall be affordable to very low, low and moderate income households.
 - (3) Eleven (11) of the twenty-three (23) affordable rental units shall be affordable to “moderate” income households, nine (9) of the units shall be affordable to “low” income households and three (3) of the units shall be affordable to “very low” income households.
 - (4) Four (4) of the twenty-three (23) affordable rental units shall be 1-bedroom units, fourteen (14) shall be 2-bedroom units, and five (5) shall be 3-bedroom units.
- (b) It is intended that the redevelopment of SSIZ-2 designated property be in accordance with the “Conceptual Site Plan” referred to hereinabove.

3. Principal Permitted Uses on the Land and In Buildings

- (a) Apartments (refer to Subsection 16-6.3 for additional standards except that the required 250 cubic feet of storage area may be located within the apartment unit).
- (b) Public parks, conservation areas, open space, common space and public purpose use.

4. Accessory Uses Permitted

- (a) Common recreational facilities, as specifically approved by the Planning Board within the specified open space in order to satisfy the needs of the residential population within the development, including but not limited to tennis courts, tot lots, picnic tables and recreational paths.
- (b) Landscaping features including benches, trellises, gazebos and other such features customarily associated with the permitted principal uses.
- (c) Underground sprinkler systems within the designated open space and within individual lots, provided that the water spray does not extend beyond the tract boundary line.
- (d) Fences and walls in accordance with the design provisions specified in subsection 16-5.3 and the standards specified in subsection 16-6.3 of this chapter, provided that fences shall be permitted only in the rear yard areas of any building.
- (e) Patios and balconies in accordance with the standards specified in subsection 16-6.3 of this chapter.
- (f) Off-street parking and private garages in accordance with subsection 16-4.14 b.9. herein below and the design provisions specified in subsection 16-5.8 of this chapter.
- (g) Signs in accordance with subsection 16-4.14 b.11. herein below and the design provisions specified in subsection 16-5.13 of this chapter.
- (h) Office space within an apartment building to be used for the operation and management of the affordable rental apartments.
- (i) Lighting (see Subsection 16-5.4 of this chapter for the design requirements for lighting).

- (j) Existing utility building.
- (k) Temporary construction trailers and one (1) sign not exceeding thirty-two (32) square feet in area, either attached to the trailer or freestanding, which advertises the prime contractor, subcontractor(s), architect, financing institution and similar data for the period of construction beginning with the issuance of a construction permit and ending with the issuance of a Certificate of Occupancy or one (1) year, whichever time period is less. The temporary construction trailer(s) and temporary sign shall be located on the site where the construction is taking place and shall be set back at least thirty feet (30') from all lot lines and from the right-of-way lines of all existing and proposed streets. There shall be at least one (1) operating telephone within the trailer.

5. Maximum Building Height

- (a) No apartment building shall exceed fifty (50) feet in height and four (4) stories as measured from the proposed finished grade.
- (b) No accessory building shall exceed twenty-five (25) feet in height and one and one-half (1 1/2) stories.

6. Maximum Number of Dwelling Units and Maximum Intensity Permitted. The maximum number of dwelling units shall be computed on the basis of twenty-three (23) dwelling units per gross acre of the entire tract, but in any case, no more than 115 units shall be permitted.

7. Area and Distance Requirements.

- (a) Impervious coverage shall not exceed 70% of the gross tract area.
- (b) Building coverage shall not exceed 30% of the gross tract area.
- (c) The minimum separation between the building shall be seventy feet (70).
- (d) Notwithstanding the distances specified hereinabove, no building shall be located closer than seventy-five feet (75') to the existing right-of-way line of any public street, twenty feet (20') feet to the side property lines, fifty feet (50') to the rear property line, and ten feet (10') to any parking area except that balconies may encroach into a required front, side, or rear yard setback up to three (3) feet.
- (e) No parking area, loading area, driveway or other structure (except for approved access ways, signs and fencing) shall be permitted within nine feet (9') of any property line, and such areas shall be planted and maintained in lawn area or

ground cover and shall be landscaped with trees and shrubbery as approved by the Board.

8. Requirements for Buildings.

(a) General Architectural Requirements

- (1) The building design shall be generally in accordance with the exhibit entitled "Proposed Apartments", dated June 6, 2018, revised June 26, 2018, prepared by Holliday Architects, Inc. A true copy of same, available for inspection by the public, is on file in the offices of the Township Clerk and Planning Director.
- (2) However, it is not intended that the Building Concept Plan be definitive regarding any particular aspect of the architectural design, it being intended that Board review of the architectural plans will result in reasonable refinements, while still being substantially consistent with the Building Concept Plan.
- (3) Multiple detached principal buildings shall be permitted on the tract.
- (4) The exteriors of all building in the development, including accessory buildings, shall be architecturally compatible and shall be constructed of complementary materials.
- (5) All building elevations shall exhibit classical proportions. The characteristics of classicism include symmetry, repetition of elements, expressions of hierarchy to reflect the building uses, and tripartite compositions (base, middle, top).
- (6) Sub-elements within the facades and individual architectural components (i.e., railings, awnings, columns) shall also conform to the overall classical proportions of the facade.
- (7) All entrances to a building shall be articulated utilizing architectural elements such as lintels, pediments, pilasters, columns, porticoes, porches or overhangs.
- (8) Balconies and patios shall be designed as integral subcomponents of the building facade. Cantilevered balconies are not permitted.
- (9) The building shall be provided with both heat and smoke alarms as well as fire suppression sprinkler system where required by code.

(b) Façade Treatments

- (1) Any façade exceeding thirty feet or more in length shall include at least one change in wall plane (projection or recess) having a depth of at least 3% of the entire length of the facade and extending for a minimum of 20% of the entire length of the facade.
- (2) The architectural treatment of the front façade(s) shall be continued in its major features around all sides of each building.

(c) Roof Treatments

- (1) Principal roof eaves shall project at least one foot beyond the building facade or a supporting column. Secondary roof eaves (i.e., balconies, porches and patios) shall project at least one foot.
- (2) Roofs shall have a minimum pitch of 4/12.
- (3) The transition between a facade and a roof shall have a cornice or frieze that is designed to fit the overall composition of the facade.

(d) Window Treatments

- (1) Windows and other openings in the facade shall exhibit a vertical emphasis, in harmony with the overall facade composition. Windows shall be single hung with simulated divided lights.
- (2) Within each building elevation, the maximum ratio of windows to wall shall be 50% window to 50% wall. The minimum ratio of window to wall shall be 25% window to 75% wall.

9. Off-Street Parking and Driveways

- (a) No off-street parking area or internal roadway or drive aisle shall be located within fifty (50) feet of any existing public road.
- (b) Each dwelling unit shall be provided a minimum number of parking spaces according to the provisions of the Residential Site Improvement Standards (RSIS), *N.J.A.C. 5:21*, or based upon historical data provided subject to Township review.
- (c) See subsection 16-5.8 for additional standards.

10. Trash and Recycling Requirements

- (a) The trash and recyclable material collection and pickup locations shall be provided either within the building being served or in nearby locations outside the building.
- (b) If located outside the building, the trash and recyclable materials area shall be totally enclosed, finished with materials used to construct the building(s) being served, up to a maximum of eight (8) feet in height, and located in a manner to be obscured from view from parking areas, streets and adjacent residential uses or zoning districts by a fence or wall. Landscaping, at least six (6) feet in height, shall be provided around any outdoor trash and recycling area.
- (c) The area provided for the collection and pickup of trash and recyclable materials shall be well lit and shall be safely and easily accessible by trash and recycling personnel and vehicles. Collection vehicles shall be able to access the trash and recycling area without interference from parked cars or other obstacles. Reasonable measures shall be taken to protect the trash and recycling area and the bins or containers placed therein against theft of trash and recyclable materials, bins or containers.
- (d) Any bins or containers which are used for the collection of trash and recyclable material, and which are located in an outdoor trash and recycling area, shall be equipped with a lid.
- (e) Individual bins or containers for the collection and pickup of recyclable materials shall be equipped with signs indicating the materials to be placed therein.

11. Permitted Signage.

- (a) Community Sign. One (1) ground mounted freestanding sign identifying the name of the development no larger than twenty-five (25) square feet shall be permitted at the entrance to the development from an existing public street.
 - (1) The sign shall not exceed six (6) feet in height and shall be set back at least ten (10) feet from all street lines and fifty (50) feet from all other property lines.
 - (2) Any sign illumination shall be external to the sign and shall be designed and oriented to prevent any sight of the lamp from any street or neighboring properties.

- (b) Residential Building Identification: Each residential building may have up to two attached identification signs. The maximum sign area of each shall not exceed six (6) square feet. Such signs shall be appropriately integrated within the architecture of the buildings.
- (c) See subsection 16-5.13 of this chapter for permitted temporary signs, additional standards and the design requirements for signs.

12. Community Design

- (a) A minimum of 750 square feet of area shall be provided as community space as depicted on the Concept Site Plan.
- (b) Plantings. All portions of a lot not covered by buildings or structures (e.g. parking lots, parking spaces, loading areas, access aisles, driveways, sidewalks, walkways, curbs, trash enclosures, children play areas, dog walks, etc.) shall be suitably planted with grass, shrubs, and trees and shall be maintained in good condition. In any case, no less than twenty (20%) of the area of the lot shall be so planted, and the planted area may include approved detention and/or retention basins.
- (c) Other design features.
 - (1) Wherever reasonably feasible, sustainable construction techniques shall be utilized to minimize the impact upon the environment, including energy efficient building designs, recycled materials, water conservation devices, permeable pavement, native plantings, low chemical usage to maintain the landscaping, and similar measures which are sensitive to the environment.
 - (2) The stormwater management plan shall include stormwater management facilities that are designed to enhance the aesthetic attributes of the proposed development.

13. Affordable Housing Standards.

- (a) A Developer's Agreement is required to establish low/moderate apportionment, very low income requirement per *N.J.S.A. 52:27D-329.1*, bedroom distribution, unit size, etc.
- (b) At least 13% of the units shall be affordable to very-low-income households, 37% of the units shall be affordable to low-income households, and 50% shall be affordable to moderate-income households.

- (c) The affordable units shall be developed in accordance with COAH's regulations at *N.J.A.C. 5:93* and the Uniform Housing Affordability Controls (UHAC), *N.J.A.C. 5:80-26.1 et seq.*, which govern the administration and affordability controls of affordable units in New Jersey, with one exception. The exception is for 13% very-low income housing at 30% of the regional median income instead of the UHAC requirement of 10% very-low income housing at 35% of the regional median income.

- (d) Affordable Housing Standards. In addition to addressing the requirements of COAH and noted above, the affordable units shall be developed in accordance with the following:
 - (1) The affordable units cannot be age-restricted units;
 - (2) The bedroom distribution requirements pursuant to *N.J.A.C. 5:93-7.3* and *N.J.A.C. 5:80-26.3(b)*.
 - (3) The unit distribution requirements pursuant to *N.J.A.C. 5:80-26.3*.
 - (4) The length of controls requirement and deed restrictions pursuant to *N.J.A.C. 5:80-26.11*.
 - (5) The accessibility and adaptability requirements pursuant to *N.J.A.C. 5:97-3.14*.

SECTION 3. If any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged by the Courts to be invalid, such adjudication shall apply only to the subsection, clause or provision so adjudged and the remainder of this Ordinance shall be deemed valid and effective.

SECTION 4. This Ordinance shall take effect upon final adoption, publication and the filing of a copy of said Ordinance with the Somerset County Planning Board, all in accordance with the law.

I, Donna Kukla, Clerk for the Township of Montgomery, hereby certify that Ordinance #18-1584 was introduced on first reading by the governing body of the Township of Montgomery, County of Somerset, on July 5, 2018.

Public hearing and consideration for adoption was held on July 19, 2018, at which time the Ordinance was finally adopted.



Donna Kukla, Township Clerk

Introduction : July 5, 2018
Published : July 11, 2018
Public Hearing : July 19, 2018
Adopted : July 19, 2018
Published : July 25, 2018

**TOWNSHIP OF MONTGOMERY
SOMERSET COUNTY, NEW JERSEY**

ORDINANCE NO. 20-1642

**AN ORDINANCE AMENDING AND SUPPLEMENTING
CHAPTER XVI, "LAND DEVELOPMENT",
OF THE CODE OF THE TOWNSHIP OF MONTGOMERY (1984)
COUNTY OF SOMERSET, STATE OF NEW JERSEY
AND SPECIFICALLY SUBSECTION 16-4.4c REGARDING MAXIMUM BUILDING
HEIGHT IN THE "APT/TH" APARTMENT/TOWNHOUSE DISTRICT
AND SUBSECTION 16-4.14.b.5(a) REGARDING
MAXIMUM BUILDING HEIGHT FOR APARTMENT BUILDINGS
IN THE "SSIZ-2" SITE SPECIFIC INCLUSIONARY ZONE 2 DISTRICT**

**BE IT ORDAINED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP
OF MONTGOMERY**, in the County of Somerset and the State of New Jersey as follows:

SECTION 1. Subsection 16-4.4c of the Code of the Township of Montgomery (1984) regarding the "Maximum Building Height" for buildings within the "APT/TH" Apartment/Townhouse zoning district is replaced in its entirety as follows:

- c. Maximum Building Height.
 - 1. No apartment building shall exceed 35 in height and 3 1/2 stories as measured from the proposed finished grade.
 - 2. No townhouse building shall exceed 35 feet in height and 3 stories as measured from the proposed finished grade.
 - 3. No other principal building, including any retail building or recreation center building or clubhouse shall exceed 35 feet in height and 2 1/2 stories as measured from proposed finished grade.
 - 4. No accessory building shall exceed 15 feet in height and 1 1/2 stories.

SECTION 2. Subsection 16-4.14.b.5(a) of the Code of the Township of Montgomery (1984) regarding the "Maximum Building Height" for apartment buildings within the "SSIZ-2" Site Specific Inclusionary Zone 2 zoning district to be amended with additions and [deletions] as follows:

- 5. Maximum building height.
 - (a) No apartment building shall exceed 59 [50] feet in height and four stories as measured from the proposed finished grade.

SECTION 3. If any section, paragraph, subsection, clause or provision of this ordinance shall be adjudged by the courts to be invalid, such adjudication shall apply only to this subsection, clause or provision so adjudged and the remainder of this ordinance shall be deemed valid and effective.

SECTION 4. All ordinances or parts thereof inconsistent with this ordinance shall be deemed repealed.

SECTION 5. This ordinance shall take effect upon final adoption, publication and the filing of a copy of said ordinance with the Somerset County Planning Board, all in accordance with law.

I, Donna Kukla, Clerk for the Township of Montgomery, hereby certify that Ordinance #20-1642 was introduced on first reading by the governing body of the Township of Montgomery, County of Somerset, on July 2, 2020.

Public hearing and consideration for adoption was held on July 16, 2020, at which time the Ordinance was finally adopted.



Donna Kukla, Township Clerk

**MONTGOMERY TOWNSHIP PLANNING BOARD
COUNTY OF SOMERSET**

Application No. PB-10-19

**CC1377 LLC -Applicant/Owner
1377 Route 206
Block 29002, Lot 45**

**FINDINGS OF FACT, CONCLUSIONS AND RESOLUTION GRANTING
PRELIMINARY AND FINAL MAJOR SITE PLAN APPROVAL WITH
VARIANCES, DESIGN WAIVER AND SUBMISSION WAIVERS**

WHEREAS, the Applicant, CC1377 LLC (“the Applicant”) has applied for preliminary and final major site plan approval with bulk variances, design waivers, RSIS waivers and submission waivers to allow construction of two apartment buildings containing a total of 115 units, including 23 affordable housing units with associated improvements for property located at 1377 Route 206, Montgomery Township, New Jersey, being Block 29002, Lot 45 (“the Property”) on the tax map of Montgomery Township and located in the SSIZ-2 zoning district (Site Specific Inclusionary Zone 2).

WHEREAS, the Board held a public hearing on the application on August 17, 2020; and

WHEREAS, the Board entertained jurisdiction over the application pursuant to *N.J.S.A.* 40:55D-70 (c), *N.J.S.A.* 40:55D-37 and the Montgomery Township municipal ordinances; and

WHEREAS, the Applicant has complied with the notification and publication requirements of the Municipal Land Use Law. All property taxes due and owing for the subject property are paid in full as are the current professional fees/escrow account in connection with the within application; and

WHEREAS, the Applicant was represented by Richard Schatzman, Esq., Schatzman Baker; and

WHEREAS, the Board considered the application, site plan and related documents, testimony and exhibits presented at the hearings as follows:

1. Exhibits and Witnesses

(A) Applicant's Testimony and Exhibits

Testimony was provided by Michael Ford, PE, PP.

The Applicant placed the following exhibits into evidence:

Exhibit A-1: Existing Site Conditions plan (colorized rendering) dated July 18, 2019, revised March 2, 2020; Exhibit A-2: Proposed Site Conditions plan (colorized rendering), dated July 18, 2019, revised August 21, 2020.

Testimony of Michael Ford, PE, PP

Michael Ford, PE, PP testified on behalf of the Applicant. Mr. Ford advised that he is a licensed professional engineer and planner in the State of New Jersey and serve as project engineer. Mr. Ford was accepted by the Board as an expert in land use engineering and planning witness.

He testified regarding the proposed application and Exhibits A-1 and 2. He testified regarding the orientation of the Property and the location of the proposed apartment buildings, the proposed drainage, the existing stream corridor, the proposed location of a driveway easement through the adjacent Montgomery Center Shopping Plaza to an existing sanitary sewer facility, the proposed pedestrian linkage to the Montgomery Center Shopping Plaza and the location of an existing building at the rear of the site which is owned by the Environmental Protection Agency ("EPA") in connection with ongoing site monitoring and groundwater treatment due to prior site contamination. Mr. Ford further testified that access to Route 206 will be controlled by the existing stop-controlled full movement driveway. He confirmed that an egress only driveway will connect the proposed project to the Montgomery Center Shopping Plaza to a signalized intersection.

Mr. Ford further testified that the site amenities will include a courtyard area, fire pits, benches, and a tot lot with equipment for younger children. He advised that the Applicant does not believe there is a demand for outdoor bicycle storage and that basements of the proposed buildings will contain areas for secure bicycle storage. Mr. Ford advised that the Applicant had extensive discussions with the Site Plan Review Committee regarding its suggestion for a walkway behind the building. However, the Applicant has rejected the suggestion based upon the grade at the rear of the proposed buildings and instead proposed a walkway to the Montgomery Center Shopping Plaza. Mr. Ford also noted that the Applicant has eliminated a proposed high retaining wall, at the suggestion of the Site Plan Review Committee.

Mr. Ford confirmed that the Applicant will address all comments in the review memo dated August 12, 2020, prepared by Richard Bartolone, NJLA, to Mr. Bartolone's satisfaction.

In response to the Environmental Commission's memo dated August 9, 2020, Mr. Ford testified that the Applicant will provide basement storage to accommodate tenant bicycles rather than outdoor racks and is not proposing to install outdoor racks. The Applicant would prefer not to install no idling signs in the parking lot but will notify tenants of this requirement directly through a notification. Park benches will be added to the rear lot area. Mr. Ford confirmed that outdoor amenities do not include a specific area for dogs but they can be walked throughout the property on leashes. In addition, dog waste bags will be made available for tenants. Mr. Ford further testified that the Applicant has declined the Environmental Commission's suggestion for rain barrels at the downspouts because it would not be appropriate for buildings of this size.

Mr. Ford further testified that the Applicant will comply with the comments set forth in the Police Department memo dated May 26, 2020 with respect to pedestrian crossing signs at the Montgomery Center driveway provided the owner of that shopping center consents.

Mr. Ford advised that most of the comments in the Open Space Coordinator's memo dated August 4, 2020 have been addressed, including providing a sidewalk along the Property's Route 206 frontage, as well as street trees. However, he noted that the Applicant has determined that there is not enough room for a perimeter walking path due to the site grading. In addition, due to the ongoing soil contamination cleanup, it will be necessary to remove the existing trees because of either soil removal or soil capping. In addition, Mr. Ford testified that due to limited open area on the site, a fenced dog area will not be provided but the tenants can be informed of the various dog parks in the area. In addition, the Applicant plans to install an electric car charging station at two of the parking spaces.

Mr. Ford reviewed the comments set forth in the Bright View Engineering memo, prepared by Joseph A. Fishinger, Jr., PE, PP, PTOE, dated August 7, 2020. He advised that there is a sidewalk along the frontage of the property to complete the link to the north and the south. Mr. Ford confirmed that to the extent the sidewalk is on their property and not within the NJDOT right of way, the Applicant will provide for an easement. The linkage from the sidewalk along Route 206 into the property will be carried further into the site to connect with the sidewalk that traverses the front of the buildings. Access to the traffic signal will be provided via the existing one-way driveway connection into Montgomery Center. The existing driveway access to Route 206 will remain unchanged and will have unrestricted access. Since it remains unchanged a NJDOT Access Permit is not required. There are existing "Do Not Enter" signs at the driveway connection into the Montgomery Center. Additional "One Way" signage will be installed if permitted by the owner of Montgomery Center or signage could be provided on the Property. The remaining comments will be addressed subject to Mr. Fishinger's review and approval.

Mr. Ford reviewed the Clarke Caton Hintz planning memo dated August 12, 2020. Mr. Ford noted that the Applicant requires variance relief for the façade treatment along the northerly portion of the buildings and for the existing EPA building. He explained that the USEPA building is owned by the Federal Government and accordingly, the Applicant does not have the ability to make any changes. Mr. Ford confirmed that the project will comply with the ordinance standard with respect to roof eaves. In addition, the Applicant will comply with the minimum 25% window area on the façade of the building and will demonstrate the compliance to the satisfaction of the Board Planner. Mr. Ford noted that the Applicant has changed both trash enclosures to masonry enclosures with

a gate in accordance with the comments of the Site Plan Review Committee. The masonry wall requires variance relief because it will be 8 feet high with a 4-inch decorative concrete cap in exceedance of the maximum zone fence height. Mr. Ford testified that the Applicant requires a design exception in order to leave the lighting at the 0.2-foot candles rather than 0.3 which he believes is adequate. He noted that the tot lot will not have lighting because the Applicant does want to encourage people to play in the tot lot area after dusk. Mr. Ford also confirmed that the Applicant will add supplemental lighting to the courtyard area subject to the review of the Board Planner or Board Engineer.

In response to comments from the Board Planner, Emily Goldman, Mr. Ford confirmed that the bedroom distribution will follow the ordinance that was adopted specifically for this application. In addition, he advised that a fence will be required on the retaining wall along the northerly property line for the sections of the wall that are over 30 inches high. The retaining walls and the grading along the northerly property line are within the required buffer planting area. The height of the EPA building has been measured and is under the maximum permitted height of 25 feet. Calculations for the window ratio will be provided. The trash bins will have lids. The building manager will transport the garbage from the apartments to the hoppers for pickup. The trash enclosures will not have a man door. He advised that the project will comply with the light fixture height and a detail will be provided. In addition, the Applicant will comply with all the affordable housing requirements and will enter into a Developer's Agreement with the municipality. Mr. Ford also confirmed that the maximum amount of soil to be imported/exported without further Board approval will be up to 10,000 cubic yards.

Mr. Ford reviewed the engineering comments set forth in the Environmental Resolutions, Inc. memo dated August 13, 2020 provided by Mr. Darji. Mr. Ford testified that the Applicant will comply with all of Mr. Darji's comments as set forth in his memo, with the exception of the following:

(1.) Page 6, Item 2: The Applicant does not wish to provide income threshold requirements on the site plan but will provide the required deed restriction and Developer's Agreement which will address income threshold; (2.) Page 7, Item 15: The Applicant has determined that fencing would not be appropriate around the tot lot; (3.) Page 7, Item 17: Mr. Ford explained that the Applicant added a detail to the latest plan set to show a horizontal layout of a potential driveway access at the rear of the site to the Montgomery Center. The access is the subject of ongoing discussions with the owner of the Center and has not yet been agreed to by the Center owner. Mr. Ford confirmed that all the construction details will be provided to the Board Engineer's satisfaction in the event that the parties reach agreement on the driveway access; (4.) Page 12, Item 39: Mr. Ford advised that the Applicant believes the tot lot has sufficient lighting and that the Applicant will add supplemental lighting to the courtyard area subject to review by the Board Engineer and/or Planner; (5.) Pages 12 and 13, Items 41 and 46: The Applicant wishes to use standard striping paint. However, the Applicant will add a note will be added to the plans indicating the use of thermoplastic or long-life epoxy for the striping lines and markings is a recommendation to be considered at the time of construction. The Applicant has asked that it not be made a condition of approval due to concern that it may add to the cost of the inclusionary project.

In further response to Mr. Darji's comments, Mr. Ford acknowledged receipt of correspondence

dated October 16, 2019 from Gail Smith, Montgomery Township Engineer, with respect to sanitary sewer service for the project and confirmed that the Applicant will comply with all conditions in her letter.

Testimony of Todd Van Cleef:

Mr. Van Cleef testified that he is the managing member of the Applicant entity. He responded to Board questions regarding the project and confirmed that the Applicant will add a small outside bicycle rack.

(B) The Application, Plans and related documents:

The Applicant applied for preliminary and final major site plan approval with bulk variances and submission waivers with related documents as follows:

- (1.) Response letter, prepared by Environmental Resources Management, dated July 28, 2020
- (2.) Response letter, prepared by Van Cleef Engineering Associates, dated July 29, 2020
- (3.) Response letter, prepared by Van Cleef Engineering Associates, including soil test location sketch, Basin Flood Data Sheet and Soil Logs and Interpretations, dated April 20, 2020
- (4.) Montgomery Township Land Development Application, dated 01/17/2020
- (5.) Montgomery Township Checklist Details Required for Preliminary Major Site Plans, dated 01/17/2020
- (6.) Montgomery Township Checklist Details Required for Final Major Site Plans, dated 9/25/19
- (7.) Montgomery Township Checklist Details Required for Variance Applications, dated 9/25/19
- (8.) Plans, prepared by Van Cleef Engineering Associates, LLC, dated July 18, 2019, revised to July 27, 2020, unless otherwise noted, consisting of:
 - a. Cover Sheet, Sheet 1
 - b. Existing Features Plan, Sheet 2
 - c. Site Plan, Sheet 3
 - d. Grading, Drainage and Utility Plan, Sheet 4
 - e. Curb Ramps Grading Plan, Sheet 4A, dated June 10, 2020
 - f. Landscaping Plan, Sheet 5
 - g. Lighting Plan, Sheet 6
 - h. Soil Erosion and Sediment Control Plan, Sheet 7
 - i. Storm Drainage Profiles, Sheet 8
 - j. Storm Drainage Profiles, Sheet 9
 - k. Sanitary Sewer Profiles, Sheet 10, dated June 10, 2020
 - l. Detention Basin Plan & Details, Sheet 11
 - m. Storm Drainage, Sanitary Sewer & Construction Details, Sheet 12
 - n. Construction Details, Sheet 13
 - o. Soil Erosion and Sediment Control Plan Details, Sheet 14
 - p. Truck Turning Template, Sheet 15

- q. Demolition Plan, prepared June 25, 2020, revised to July 15, 2020
- (9.) Deed for CC1377, LLC, dated 6/22/15
- (10.) Traffic Impact Assessment, prepared by Dolan and Dean Consulting Engineers, dated 8/20/19
- (11.) Stormwater Best Management Practices (BMPs) Operations and Maintenance Manual, prepared by Van Cleef Engineering Associates, dated 7/24/18
- (12.) Location Survey, prepared by Van Cleef Engineering Associates, dated 1/7/04, revised 8/14/07
- (13.) Environmental Impact Statement, prepared by ERM, dated 8/8/19
- (14.) Drainage Report, prepared by Van Cleef Engineering Associates, dated 7/17/18, revised through June 26, 2020
 - a. Existing Drainage Area Map, dated April 24, 2018, revised through June 26, 2020
 - b. Proposed Drainage Area Map, dated April 24, 2018, revised through June 26, 2020
 - c. Inlet Area Map, dated April 24, 2018, revised through June 26, 2020
- (15.) Operations and Maintenance Manual, prepared by Van Cleef Engineering Associates, dated 7/24/18, revised through June 26, 2020
- (16.) Partial Topographic Survey for Country Classics, prepared by Van Cleef Engineering Associates, dated 11/1/2018, revised through May 29, 2019
- (17.) Architectural Plans, prepared by Holliday Architects, Inc., dated 6/6/18, revised through 6/26/20
- (18.) Preliminary Assessment/Amended Remedial Investigation Report and Amended Remedial Action Work Plan, prepared by Environmental Resources Management, Inc., dated December 10, 2019

(C) Staff and Professional Consultant Memos

The Board considered the following review and comment memos provided by the Township staff and Board consultants:

Memo issued by Michael Sullivan, ASLA, AICP and Emily Goldman, PP, AICP of Clarke Caton Hintz dated August 12, 2020; memos issued by Rakesh Darji, P.E., P.P. C.M.E. of Environmental Resolutions, Inc. dated August 13, 2020 and September 22, 2020 (as to clarification of the Application); memo issued by the Montgomery Township Environmental Commission dated August 9, 2020; memo issued by Lauren A. Wasilauski, Township Open Space Coordinator, dated May 20, 2020, revised August 4, 2020; memo issued by Richard Bartolone, ASLA, Landscape Architect, dated August 12, 2020; Review Letter issued by Joseph A. Fishinger, Jr., PE, PP, PTOE, BrightView Engineering, dated August 7, 2020; Health Department email dated August 4, 2020; and Police Department memo dated May 26, 2020.

(D) Testimony of Board Professionals

Emily Goldman, PP, AICP

Emily Goldman, PP, AICP of Clarke Caton Hintz, reviewed the required variances and design waivers for the proposed project. She noted that the Property is the site of a former industrial building (previously demolished) and an existing utility building operated by the United States Environmental Protection Agency (US EPA) for monitoring of groundwater contamination from a nearby Superfund site. In accordance with the testimony provided by the Applicant, Ms. Goldman advised that the project requires the following variances from the bulk standards of the municipal ordinances:

§16-4.14b.7e Planted Buffer-The Applicant requires variance relief to allow the proposed retaining walls to be located approximately six feet from the property line;

§16-4.14b.8a.4 Architectural Compatibility-The Applicant requires variance relief for the architectural incompatibility of the existing US EPA building because the building is under the control of US EPA and outside of the jurisdiction of the municipal ordinances;

§16-4.14b.8b.2 Facades-The Applicant requires relief because the stone base course does not continue around all facades of the proposed apartment buildings;

§16-4.14b.10b Screening- The Applicant requires relief to allow the height of 8.33 feet for proposed masonry brick trash enclosures which exceeds the ordinance height limitation by four inches.

§16-5.3b Fence Height-The Applicant requires relief from the ordinance height limitations of four feet to allow a maximum retaining wall height of seven feet with a four-foot tall post and rail fence with mesh on top. The wall/fence combination height will be 11 feet. In addition, the Applicant requires variance relief for a proposed six-foot-high PVC stockade fence along the southern boundary of the Property. The fence will be a neutral beige color.

In addition, Ms. Goldman advised that the Applicant seeks relief from §16-5.4(b)2(c) Illumination to allow a minimum average light intensity of 0.2-foot candles rather than the minimum requirement of 0.3-foot candles.

Rakesh R. Darji, P.E., P.P., C.M.E.

Rakesh R. Darji, P.E., P.P., C.M.E. reviewed his memorandum of August 13, 2020. In response to the Applicant's testimony, he agreed the income table should not be included on the plans. In addition, given the location of the tot lot he does not object to it not being fenced in or to the lack of lighting. He noted that there is more engineering that needs to be done for the optional access to the rear of the parking lot and the optional access will need to be fully engineered as part of conformance review. Mr. Darji also discussed the will serve letter issued by the Township Engineer dated October 16, 2019. As a condition of approval, the applicant will provide an analysis of the sewer system and comply with all other requirements of the sewer utility. Mr. Darji advised that the proposed paint for the striping and marking was offered as a suggestion.

Joseph A. Fishinger, Jr., PE, PP PTOE

Mr. Fishinger reviewed his review letter dated August 7, 2020 and noted his request for a turning template for firetrucks coming north and turning right onto the project site.

(2) Public Comment: The application was opened to the public for comment and the following comment was made:

Barbara Preston, Montgomery News, inquired as to the available on-site parking, pedestrian access across Route 206 and the mix of affordable and market rate units in the project.

AND WHEREAS, based upon review of the foregoing testimony, exhibits and the application, plans and related documents, the Planning Board makes the following findings of facts and conclusions:

(1) CC1377, LLC is the owner of the owner of the subject property being Block 29002, Lot 45 (“the Property”) on the tax map of Montgomery Township (rev. ed. 2019), New Jersey, known as the 1377 Route 206, which is located in the SSIZ-2 zoning district and the Applicant.

(2) The Applicant is requesting preliminary and final major site plan approval with variances, design, and submission waivers to construct two apartment buildings containing a total of 115 units, including 23 affordable housing units, with associated improvements.

(3) The Property is the site of a former industrial building (previously demolished) and an existing utility building operated by the United States Environmental Protection Agency (US EPA) for monitoring of groundwater contamination from a nearby Superfund site. The utility building will remain on site in connection with the ongoing ground water treatment.

(4) The site is bound by US Route 206 to the west, Montgomery Knoll offices to the north and the Montgomery Center Shopping Center to the south. Access to Route 206 will be controlled by the existing stop-controlled full movement driveway. An egress only interconnection will connect the proposed project to the Montgomery Center Shopping Plaza to a signalized intersection.

(5) The site amenities for the project will include a courtyard area, fire pits, benches, and a tot lot with equipment for younger children.

(6) The Applicant requires the following variances, design waivers and submission waivers for the proposed project:

Variances:

§16-4.14b.7e Planted Buffer-The Applicant requires variance relief to allow the proposed retaining walls to be located approximately six feet from the property line;

§16-4.14b.8a.4 Architectural Compatibility-The Applicant requires variance relief for the architectural incompatibility of the existing US EPA building because the building is under the control of US EPA and outside of the jurisdiction of the municipal ordinances.

§16-4.14b.8b.2 Facades-The Applicant requires relief because the stone base course does not continue around all facades of the proposed apartment buildings;

§16-4.14b.10b Screening- The Applicant requires relief to allow the height of 8.33 feet for proposed masonry brick trash enclosures which exceeds the ordinance height limitation by four inches.

§16-5.3b Fence Height-The Applicant requires relief from the ordinance height limitations of four feet to allow a maximum retaining wall height of seven feet with a four-foot tall post and rail fence with mesh on top. The wall/fence combination height will be 11 feet. In addition, the Applicant requires variance relief for a proposed six foot -high PVC stockade fence along the southern boundary of the Property. The fence will be a neutral beige color.

§16-6.4e.3 Steep Slopes - The Township's critical areas maps indicate that there are critical slopes and a 20' critical slope buffer contained within the site. A variance will be required to permit disturbance within the critical steep slope area and the 20' critical steep slope buffer.

§16-4.14. b7(e) requires that no parking area, loading area, driveway, or other structure (except for approved access ways, signs, and fencing) shall be permitted within 9 feet of any property line. The applicant requires Variance relief to permit the trash enclosure at the south east corner of the property to be 3 feet from the property line.

Mr. Darji has confirmed in his memorandum dated September 22, 2020 that RSIS waivers are not required.

Design Waivers:

§16-5.4(b)2(c) Illumination- The Applicant seeks relief from to allow a minimum average light intensity of 0.2-foot candles rather than the minimum requirement of 0.3-foot candles.

Submission Waivers:

The Applicant seeks a submission waiver from the requirement of showing all information regarding structures within two hundred feet of the Property, because the Board has been given sufficient information in the professional review memos to make an informed decision regarding the application.

(7) The Municipal Land Use Law gives the Board the power to grant a C (1) hardship variance whereby reason of exceptional narrowness, shallowness or shape of a property or by reason of exceptional topographic conditions or physical features affecting a property or the structures thereon, the strict application of any zoning regulation would result in peculiar and exceptional practical difficulties to or exceptional and undue hardship upon the owner of the property. In addition, the Municipal Land Use Law authorizes the Board to grant a C (2) "flexible" variance where the Board determines that the purposes of zoning and the Municipal Land Use Law, N.J.S.A. 40:55D-1 et. seq. would be advanced by a deviation from the zoning requirements, that the variance can be granted without substantial detriment to the public good, that the benefits of the deviation would be substantially outweigh any detriment and that the variance will not substantially impair the intent and purpose of the zone plan and zoning ordinance.

The Board has determined that the Applicant has satisfied the criteria for approval of the requested variances and waivers set forth in Paragraph 6 because the requested variances will promote the purposes of zoning pursuant to the Municipal Land Use Law, NJSA 40:55D-2 (a), (e), and (g) by encouraging appropriate re-use of a previously contaminated site and by encouraging appropriate populations densities, including affordable housing, in a location convenient to existing amenities.

In addition, the requested variances meet the New Jersey Municipal Land Use Law criteria for a hardship standard due to existing topography and environmental conditions which affect the fence heights, plant buffering and architectural compatibility. The Board finds that the existing US EPA controlled utility shed falls outside of the jurisdiction of the municipal ordinances with respect to architectural compatibility because it is owned and operated by the Federal Government. The proposed inclusionary multi-family project will be consistent with the 2017 re-examination of the municipal Master Plan, the 2017 Land Use Element and the SSIZ ordinance

Based on the foregoing, the Board finds that, as conditioned by the Board, the variances can be granted without substantial detriment to the public good, that the benefits of the deviation will substantially outweigh any detriment and that the variances will not substantially impair the intent and purpose of the zone plan.

The Board further finds that the requested waivers are reasonable. Based upon the extensive staff memos, the Board has sufficient information to make an informed decision without the provision of additional information about all structures within 200 feet of the site and accordingly, the submission waiver is appropriate. With respect to the requested design waiver, the Board finds that the proposed illumination level is sufficient and that the Applicant will provide increased courtyard lighting, subject to review and approval by the Board Engineer and/or Planner.

The Municipal Land Use Law further authorizes the Board to grant preliminary and final site plan approvals pursuant to N.J.S.A 40:55D-37. The Board finds that the professional staff has testified that the Applicant has met the municipal site plan ordinance standards and recommends preliminary and final major site plan approval with conditions. The Board adopts the staff recommendation and finds that the record before the Board supports the issuance of preliminary and final major site plan approval with variances and waivers, as conditioned by the Board.

NOW, THEREFORE, BE IT RESOLVED based upon the foregoing findings of fact and conclusions, the Montgomery Township Planning Board does hereby grant to the Applicant preliminary and final major site plan approval with the following variances, design waivers and submission waivers to permit the construction of two apartment buildings with related site improvements to create 115 units including 23 affordable housing units, as set forth in the testimony, exhibits, and amended application and plans:

Variances:

- §16-4.14b.7e Planted Buffer-The Applicant requires variance relief to allow the proposed retaining walls to be located approximately six feet from the property line;
- §16-4.14b.8a.4 Architectural Compatibility-The Applicant requires variance relief for the architectural incompatibility of the existing US EPA building because the building is under the control of US EPA and outside of the jurisdiction of the municipal ordinances;
- §16-4.14b.8b.2 Facades-The Applicant requires relief because the stone base course does not continue around all facades of the proposed apartment buildings;

§16-4.14b.10b Screening- The Applicant requires relief to allow the height of 8.33 feet for proposed masonry brick trash enclosures which exceeds the ordinance height limitation by four inches.

§16-5.3b Fence Height-The Applicant requires relief from the ordinance height limitations of four feet to allow a maximum retaining wall height of seven feet with a four-foot tall post and rail fence with mesh on top. The wall/fence combination height will be 11 feet. In addition, the Applicant requires variance relief for a proposed six foot -high PVC stockade fence along the southern boundary of the Property. The fence will be a neutral beige color.

§16-6.4e.3 Steep Slopes - The Township's critical areas maps indicate that there are critical slopes and a 20' critical slope buffer contained within the site. A variance will be required to permit disturbance within the critical steep slope area and the 20' critical steep slope buffer.

§16-4.14. b7(e) requires that no parking area, loading area, driveway, or other structure (except for approved access ways, signs, and fencing) shall be permitted within 9 feet of any property line. The applicant requires Variance relief to permit the trash enclosure at the south east corner of the property to be 3 feet from the property line.

Design Waivers:

§16-5.4(b)2(c) Illumination- The Applicant seeks relief from to allow a minimum average light intensity of 0.2-foot candles rather than the minimum requirement of 0.3-foot candles.

Submission Waivers:

The Applicant seeks a submission waiver from the requirement of showing all information regarding structures within two hundred feet of the Property, because the Board has been given sufficient information in the professional review memos to make an informed decision regarding the application.

The above approval is subject to the Applicant's compliance with the following conditions except as noted above as testified by the Applicants' witnesses:

- (1.) Compliance with the recommendations of the Board Engineer, Rakesh R. Darji, PE of Environmental Resolutions, Inc. as set forth in his memorandum dated August 13, 2020, with the exception of Items 2, 15, 17, 39, 41 and 46 and his memorandum of September 22, 2020.
- (2.) Compliance with the recommendations of the Board Planner, Emily Goldman, PP, AICP of Clarke Caton Hintz as set forth in her memo dated August 12, 2020.
- (3.) Compliance with the recommendations set forth in the memorandum of Richard Bartolone, ALSA, dated August 12, 2020.
- (4.) Compliance with the recommendations set forth in the review letter of Joseph A.

Fishinger, Jr. PE, PP, PTOE, Bright View Engineering, dated August 7, 2020.

- (5.) Compliance with the recommendations set forth in the memorandum of the Environmental Commission dated August 9, 2020 with the exception of posting “no idling” signs. The Applicant will provide notice directly to its tenants of this requirement. In addition, the Applicant will install one exterior bicycle rack.
- (6.) Compliance with the recommendations set forth in the memorandum of the Open Space Coordinator, dated May 20, 2020, revised August 4, 2020 with the exception of providing a perimeter walking path which the Applicant advises is problematic due to site grade issues and with the exception of providing a fenced dog area. In addition, the Applicant will not be obligated to comply with the recommendations regarding site disturbance because ongoing soil contamination remediation will require the removal of all existing trees.
- (7.) In the event that any soil removal, exportation, or importation of more than 10,000 cubic yards is required, the applicant is placed on notice that Board approval will be required in accordance with the Township Ordinances. Any exportation or importation of soil is subject to the applicant obtaining soil hauling permits from the Township Engineer.
- (8.) The development of the Property shall be implemented with the approved plans and the revisions described herein. In the event that the Applicant shall make or propose any changes to the project and structures on the Property, including onsite and offsite improvements, from those shown on the approved plans and exhibits approved for this application, as well as the required revisions described in this Resolution, whether such changes are voluntarily undertaken or required by any regulatory agency, the Applicant shall resubmit such changes to the Township Planning Department, for review and determination as to whether the extent of such changes will require formal review and approval by the Board.
- (9.) The Township reserves the right to request additional minor and reasonable site improvements should actual field conditions vary from that depicted on the project plans, subject to the mutual agreement of the Township and the Applicant.
- (10.) The Applicant shall submit construction cost estimates, post all required guarantees for the proposed improvements in accordance with N.J.S.A. 40:55D-53, as amended by L.2017, c. 312, Section 1, and maintain with Montgomery Township an escrow account sufficient to pay professional review / construction inspection fees for this Project. Guarantee amounts and escrow fees shall be determined by the Township Engineer in accordance with the provisions of the Township ordinances and the Municipal Land Use Law.
- (11.) The Applicant shall enter into a “Developer’s Construction Sequence Agreement”, subject to authorization by the Township Committee. The Agreement shall conform to applicable Township Code including but not limited to Section 16-9.2. The “Developer’s Construction Sequence Agreement” is subject to review and approval by the Township

Attorney and Township Engineer;

- (12.) The Applicant shall obtain all required approvals from the following agencies as well as any and all other approvals, licenses, and permits required by any other board, agency or entity having jurisdiction over the subject application or over the subject property, as applicable. Copies of all approvals shall be provided to the Township. Outside agencies include but are not limited to:
- a. Montgomery Township Committee
 - b. Montgomery Township Sewer Utility
 - c. Montgomery Township Fire Marshal
 - d. Somerset-Union Soil Conservation District
 - e. Somerset County Planning Board
 - f. New Jersey Department of Environmental Protection-Remedial Action Outcome when issued but not as a condition of signing the project plans;
 - g. New Jersey Department of Environmental Protection-TWA-Sewer Main Extension
 - h. New Jersey Department of Environmental Protection-BSDW-Water Main Extension
 - i. NJ Department of Transportation Highway Access Permit
 - j. Any and all others as required.
- (13.) All deeds, easements and other legal documents are subject to review and approval of the Township Attorney and Township Engineer. The Applicant shall obtain approval and record all instruments associated with the project with the Somerset County Clerk's office.
- (14.) The Developer shall execute and record a deed restriction with respect to affordability of the affordable housing units in accordance with Township municipal ordinances, subject to review and approval by the Township Attorney. The Applicant will also enter into a COAH developer's agreement with the Township Committee.
- (15.) The Developer is subject to the requirements of the Township including but not limited to payment of sewer capacity charges, analysis of the collection system to demonstrate there is adequate capacity for the additional flow, upgrades and capacity expansion of the Montgomery Shopping Center pump station, obtaining sanitary sewer easements to access the offsite sewer collection system and pump station, and items listed in correspondence dated October 16, 2019 from Gail Smith, PE, Township Engineer, receipt of which has been acknowledged by the Applicant.
- (16.) The applicant shall enter into a "Sewer Participation/ Capacity Agreement" with the Township Committee and pay sewer capacity charges in accordance with Section 12-7.4 of the Montgomery Township Code.
- (17.) This Project is contingent on the construction of a sanitary sewer line through the Montgomery Shopping Center property, Block 29002 Lot 46, and pump station property lot 46.01. The applicant must secure the necessary easements to construct improvements

on these properties. Off-site property rights are also needed to construct the egress driveway (which is already built) and sidewalk connections on the Montgomery Shopping Center property. Acquisition of these rights is a condition of approval.

- (18.) The Applicant must enter into an agreement with the Township to connect to, upgrade and expand capacity of the Montgomery Shopping Center pump station.
- (19.) The Developer shall install one exterior bicycle rack for the apartment tenants and their guests.
- (20.) The Developer shall provide fully engineered plans for any optional access, if obtained, as a condition of conformance review by the Township. The Developer is responsible for acquisition of offsite property rights for the optional access.
- (21.) The Developer shall provide the information requested in Item 22 of the review memo prepared by Board Engineer, Rakesh R. Darji, PE of Environmental Resolutions, Inc. dated August 13, 2020 with respect to the rerouting and anticipated location of relocated components for the ongoing groundwater remediation;
- (22.) The Developer shall provide the information requested in Item 24 of the review memo prepared by Board Engineer, Rakesh R. Darji, PE of Environmental Resolutions, Inc. dated August 13, 2020 regarding the limits of engineering controls specified in the remedial action work plan;
- (23.) The plans are subject to revisions showing remedial action work required for this Project. Access to the US EPA building must be maintained during the project. The plans shall reflect the same. In addition, the demolition plan states that the US EPA building and various components are to remain and be protected throughout. The plans shall reflect the same.
- (24.) The Developer shall prepare and record a deed restriction to require perpetual maintenance of the stormwater management system in accordance with the approved stormwater management maintenance plan as set forth in Item 35 of the review memo prepared by Board Engineer, Rakesh R. Darji, PE of Environmental Resolutions, Inc. dated August 13, 2020, subject to review and approval of the Board Engineer.
- (25.) The Stormwater Management Facility Operations and Maintenance Manual is subject to the review and approval of the Board and Township Engineers. The Operations and Maintenance Manual will be recorded with the Somerset County Clerk's office.
- (26.) The applicant or homeowners association, as applicable, shall be responsible for maintenance of all stormwater management facilities, basins, structures and all appurtenances.
- (27.) The Applicant must provide NJDEP Tier A MS4 required forms to the Township Engineer, including Attachment D Stormwater Summary, 5G3 Authorization, annual

BMP maintenance reports, inspection logs, and other relevant information needed by the Township Engineer for annual reporting.

- (28.) The Applicant shall provide designs and calculations prepared by a Professional Engineer, as well as construction details for the retaining walls. Engineered designs must show that the walls or construction of the walls will not permanently or temporarily encroach onto offsite properties. Should any temporary or permanent offsite property access or acquisition be needed, review and approval by the Board may be required. The Applicant is responsible for obtaining the offsite property rights and furnishing proof to the Township if necessary.
- (29.) An easement for general public access to the sidewalk proposed along the Route 206 frontage is required, not in the right of way of Route 206.
- (30.) The applicant shall revise the plans to show detailed ADA and PROWAG compliant designs for each curb ramp subject to the review and approval of the Board and Township Engineers.
- (31.) The applicant will yield Title 39 jurisdiction to the Township for private roads, parking lots, and driveways, subject to acceptance of jurisdiction by the Township. The applicant shall submit a letter requesting that the Township accept Title 39 jurisdiction at the time site improvements are substantially made.
- (32.) Applicant shall install an electric car charging station at two of the parking spaces.
- (33.) An address map must be provided to the Township Engineer for review and approval.

ROLL CALL VOTE ON MOTION TO GRANT SUBMISSION WAIVERS

August 17, 2020

Moved by: Mr. Matthews

Seconded by: Ms. Roberts

Those in Favor: Bell, Campeas, DeRochi, Mani, Matthews, Roberts, Schuldiner and Wilson

Those Opposed: Keenan

ROLL CALL VOTE ON MOTION TO APPROVE PRELIMINARY AND FINAL MAJOR SITE
PLAN APPROVAL WITH BULK VARIANCES, AND DESIGN WAIVERS
August 17, 2020

Moved by: Mr. Mani

Seconded by: Ms. Roberts

Those in Favor: Bell, Campeas, DeRochi, Mani, Matthews, Roberts, Schuldiner and Wilson

Those Opposed: Keenan

ROLL CALL VOTE ON MOTION TO APPROVE
RESOLUTION OF MEMORIALIZATION (November 2, 2020)

Moved by: Mr. DeRochi

Seconded by: Mr. Mani

Those in Favor: Bell, Campeas, DeRochi, Mani, Matthews, Roberts, Schuldiner and Wilson



LORI SAVRON
PLANNING BOARD SECRETARY
TOWNSHIP OF MONTGOMERY
STATE OF NEW JERSEY

17. THIRD ROUND: HARLINGEN VILLAGE

Site Specific Inclusionary Zone 3 (SSIZ-3) Ordinance

**TOWNSHIP OF MONTGOMERY
ORDINANCE NO. 18-1585**

**AN ORDINANCE AMENDING AND SUPPLEMENTING
CHAPTER XVI, "LAND DEVELOPMENT",
OF THE CODE OF THE TOWNSHIP OF MONTGOMERY (1984)
COUNTY OF SOMERSET, STATE OF NEW JERSEY
AND SPECIFICALLY SUBSECTIONS
16-3.3 REGARDING THE ZONING MAP,
AND 16-4.14 ENTITLED "SITE SPECIFIC INCLUSIONARY ZONES FOR COAH
QUALIFIED AFFORDABLE HOUSING" TO ESTABLISH A NEW SITE SPECIFIC
INCLUSIONARY ZONE 3**

**BE IT ORDAINED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP
OF MONTGOMERY**, in the County of Somerset and the State of New Jersey, that Chapter
XVI, "Land Development", of the Code of the Township of Montgomery (1984) (hereinafter
"Code") is hereby amended and supplemented as follows:

SECTION 1. Change Subsection 16-3.1, "Zoning Districts", of the Code of Township
of Montgomery (1984) to read in its entirety as follows:

"16-3.1 Zoning Districts. For the purpose of this chapter, the Township of Montgomery
is hereby divided into twenty-three (23) zoning districts as follows:

PPE	Public, Parks & Education
MR	Mountain Residential
R-3	Single-Family Residential
R-2	Single-Family Residential
R-1	Single-Family Residential
R	Single-Family Residential
ARH	Age-Restricted Housing
VN	Village Neighborhood
APT/TH	Apartment/Townhouse Residential
NC	Neighborhood Commercial
CC-1	Community Commercial
CC-2	Community Commercial
HC	Highway Commercial
SB	Small Business

REO-1	Research, Engineering & Office
REO-2	Research, Engineering & Office
REO-3	Research, Engineering & Office
LM	Limited Manufacturing
MR/SI	Mountain Residential/Special Industrial
SSIZ-1	Site Specific Inclusionary Zone 1
SSIZ-2	Site Specific Inclusionary Zone 2
SSIZ-3	Site Specific Inclusionary Zone 3
BMPUD	Belle Mead Planned Unit Development

SECTION 2. Change the first paragraph of Subsection 16-3.3, “Zoning Map”, of the Code of the Township of Montgomery (1984) to read in its entirety as follows:

“16-3.3 ZONING MAP

The boundaries of the zoning districts specified in Subsection 16-3.1 hereinabove and the land areas designated for the optional development alternatives specified in Subsection 16-3.2 also hereinabove are shown and established on the “Zoning Map” of the Township of Montgomery, dated June 29, 2018, which accompanies and is part of this chapter.”

SECTION 3. Create Subsection 16-4.14 c. of Subsection 16-4.14 of the Code of the Township of Montgomery (1984) containing the zoning requirements for “Site Specific Inclusionary Zones For COAH Qualified Affordable Housing” to read in its entirety as follows:

c. Site Specific Inclusionary Zone 3 (SSIZ-3).

1. Property Description & Purpose.

- (a) The SSIZ-3 includes approximately twenty-two (22) acres of property situated on the east side of Van Horne Road (State Highway Route 206) and is identified as Block 6001, Lot s 33, 34, 34.01, 35, 35.01 and 36 on the Township Assessment Tax Maps (red. Ed. 2017).
- (b) The SSIZ-3 district provides land use regulations for the redevelopment of the site where specific site elements are incorporated that limit the impact to the surrounding parcels through the requirement of adequate development setbacks and sufficient buffering. The SSIZ-3 District is intended to provide for the development of an inclusionary multifamily housing development with a portion of such housing restricted to occupancy by households of very low, low and moderate income. Affordable dwellings shall be integrated and indistinguishable from the market-rate units.
- (c) The SSIZ-3 district shall permit the property to be subdivided such that:

- (1) Approximately twelve (12) acres of the property, oriented to Van Horne Road, is to be developed as an inclusionary residential development including:
 1. One parcel, approximately eleven (11) acres, shall be developed with thirty-six (36) two-bedroom or three-bedroom market-rate family townhouse units
 2. One parcel, approximately one (1) acre, shall be developed with nine (9) affordable family rental apartment units.
- (2) Approximately one-half (1/2) acre shall be developed with a sanitary sewer pump station that will be dedicated to Montgomery Township.
- (3) The remaining approximately nine (9) acres of the property to the rear of the inclusionary development that is encumbered by environmental constraints such as freshwater wetlands, riparian zones, stream corridors, etc., shall be dedicated to Montgomery Township or otherwise conserved (see Subsection 16-4.14 c.12(a)). However, the residential developer shall be permitted to construct a sanitary sewer infrastructure pipeline through this property.

2. Conceptual Development Plan for the Subject Property

(a) A conceptual plan has been prepared for the property.

- (1) The “Conceptual Site Plan” was prepared by VanCleeef Engineering Associates, is dated May 24, 2016, revised June 21, 2018. A true copy of same, available for inspection by the public, is on file in the offices of the Township Clerk and Planning Director.
- (2) The conceptual site plan includes forty-five (45) residential units including thirty-six (36) townhouses and nine (9) apartments. There shall be a maximum of 45 residential units of which nine (9) family apartment units shall be affordable to very low, low and moderate income households.
- (3) Four (4) of the nine (9) affordable rental units shall be affordable to “moderate” income households, three (3) of the units shall be affordable to “low” income households and two (2) of the units shall be affordable to “very low” income households.

(4) One (1) of the nine (9) affordable rental units shall be 1-bedroom units, six (6) shall be 2-bedroom units, and two (2) shall be 3-bedroom units.

(b) It is intended that the redevelopment of SSIZ-3 designated property be in accordance with the "Conceptual Site Plan" referred to hereinabove.

3. Principal Permitted Uses on the Land and In Buildings

- (a) Townhouses (refer to Subsection 16-6.3 for additional standards).
- (b) Apartments (refer to Subsection 16-6.3 for additional standards except that the required 250 cubic feet of storage area may be located within the apartment unit).
- (c) Public parks, conservation areas, open space, common space and public purpose use.
- (d) Sanitary Sewer Pump Station

4. Accessory Uses Permitted

- (a) Common recreational facilities, as specifically approved by the Planning Board within the specified open space in order to satisfy the needs of the residential population within the development, including but not limited to tennis courts, tot lots, picnic tables and recreational paths.
- (b) Landscaping features including benches, trellises, gazebos and other such features customarily associated with the permitted principal uses.
- (c) Underground sprinkler systems within the designated open space and within individual lots, provided that the water spray does not extend beyond the tract boundary line.
- (d) Fences and walls in accordance with the design provisions specified in subsection 16-5.3 and the standards specified in subsection 16-6.3 of this chapter, provided that fences shall be permitted only in the rear yard areas of any building.
- (e) Patios, decks and balconies in accordance with the standards specified in subsection 16-6.3 of this chapter.
- (f) Off-street parking and private garages in accordance with subsection 16-4.14 c.9. herein below and the design provisions specified in subsection 16-5.8 of this chapter.

- (g) Signs in accordance with subsection 16-4.14 c.11. herein below and the design provisions specified in subsection 16-5.13 of this chapter.
- (h) Office space within an apartment building to be used for the operation and management of the affordable rental apartments.
- (i) Lighting (see Subsection 16-5.4 of this chapter for the design requirements for lighting).
- (j) Temporary construction trailers and one (1) sign not exceeding thirty-two (32) square feet in area, either attached to the trailer or freestanding, which advertises the prime contractor, subcontractor(s), architect, financing institution and similar data for the period of construction beginning with the issuance of a construction permit and ending with the issuance of a Certificate of Occupancy or one (1) year, whichever time period is less. The temporary construction trailer(s) and temporary sign shall be located on the site where the construction is taking place and shall be set back at least thirty feet (30') from all lot lines and from the right-of-way lines of all existing and proposed streets. There shall be at least one (1) operating telephone within the trailer.

5. Maximum Building Height

- (a) No principal building shall not exceed thirty-five (35') feet in height and two and one-half (2 1/2) stories as measured from the proposed finished grade.
- (b) No accessory building shall exceed fifteen (15) feet in height and one (1) story.

6. Maximum Number of Dwelling Units Permitted. The maximum number of dwelling units shall be 45 units.

7. Area and Distance Requirements.

(a) Townhouse Units

- (1) The minimum lot size shall be eleven (11) acres.
- (2) Impervious coverage shall not exceed 40% of the lot size.
- (3) Building coverage shall not exceed 15% of the lot size.
- (4) The minimum separation between buildings shall be forty (40) feet.
- (5) The maximum number of units in a building shall be six (6).

- (6) Notwithstanding the distances specified hereinabove, no building shall be located closer than eighty (80) feet to the existing right-of-way line of any public street, twenty-five (25) feet to the side property lines except a minimum of fifty (50) feet shall be required from the R-2 Zone District, and forty (40) feet to the rear line.
- (7) No parking area, loading area, driveway or other structure (except for approved access ways, signs and fencing) shall be permitted within forty (40) feet of the Van Horne Road right-of-way line or within twenty (20) feet of any property line, and such areas shall be planted and maintained in lawn area or ground cover and shall be landscaped with trees and shrubbery as approved by the Board.

(b) Apartment Units

- (1) The minimum lot size shall be one (1) acre.
- (2) Impervious coverage shall not exceed 40% of the lot size.
- (3) Building coverage shall not exceed 15% of the lot size.
- (4) Notwithstanding the distances specified hereinabove, no building shall be located closer than seventy-five feet (75') to the existing right-of-way line of any public street, fifty feet (50') feet to the side property lines, forty feet (40') to the rear property line, and ten feet (10') to any parking area.
- (5) No parking area, loading area, driveway or other structure (except for approved access ways, signs and fencing) shall be permitted within seventy-five feet (75') of the existing Van Horne Road right-of-way line or within twenty (20) feet of any property line, and such areas shall be planted and maintained in lawn area or ground cover and shall be landscaped with trees and shrubbery as approved by the Board.

(c) Pump Station

- (1) The minimum lot size shall be one-half (1/2) acre.
- (2) Impervious coverage shall not exceed 50% of the lot size.
- (3) Building coverage shall not exceed 30% of the lot size.

- (4) Notwithstanding the distances specified hereinabove, no building shall be located than closer than seventy-five feet (75') to the existing right-of-way line of any public street, or within ten feet (10') of any property line.
- (5) No parking area, loading area, driveway or other structure (except for approved access ways, signs and fencing) shall be permitted within five feet (5') of any property line.

8. Requirements for Buildings.

(a) General Architectural Requirements

- (1) The building designs shall be generally in accordance with the attached renderings. A true copy of same, available for inspection by the public, is on file in the offices of the Township Clerk and Planning Director.
- (2) However, it is not intended that the Building Concept Plan be definitive regarding any particular aspect of the architectural design, it being intended that Board review of the architectural plans will result in reasonable refinements, while still being substantially consistent with the Building Concept Plan.
- (3) All principal buildings within fifty feet (50') of Van Horne Road shall have a front façade facing Van Horne Road.
- (4) Multiple detached principal buildings shall be permitted on the tract.
- (5) The exteriors of all building in the development, including accessory buildings, shall be architecturally compatible and shall be constructed of complementary materials.
- (6) The overall development of each building shall contain, at a minimum, one end unit model and one interior model.
- (7) Materials shall be unified among all townhouses.
- (8) All building elevations shall exhibit classical proportions. The characteristics of classicism include symmetry, repetition of elements, expressions of hierarchy to reflect the building uses, and tripartite compositions (base, middle, top).

- (9) Sub-elements within the facades and individual architectural components (i.e., railings, awnings, columns) shall also conform to the overall classical proportions of the facade.
- (10) All entrances to a building shall be articulated utilizing architectural elements such as lintels, pediments, pilasters, columns, porticoes, porches or overhangs.
- (11) Balconies and patios shall be designed as integral subcomponents of the building facade. Cantilevered balconies are not permitted.

(b) Façade Treatments

- (1) Any façade exceeding thirty feet or more in length shall include at least one change in wall plane (projection or recess) having a depth of at least 3% of the entire length of the facade and extending for a minimum of 20% of the entire length of the facade.
- (2) The architectural treatment of the front façade(s) shall be continued in its major features around all sides of each building.

(c) Roof Treatments

- (1) Principal roof eaves shall project at least two feet beyond the building facade or a supporting column. Secondary roof eaves (i.e., balconies, porches and patios) shall project at least one foot.
- (2) Roofs shall have a minimum pitch of 4/12.
- (3) The transition between a facade and a roof shall have a cornice or frieze that is designed to fit the overall composition of the facade.

(d) Window Treatments

- (1) Windows and other openings in the facade shall exhibit a vertical emphasis, in harmony with the overall facade composition. Windows shall be single-hung with simulated divided lights.
- (2) Within each building elevation, the maximum ratio of windows to wall shall be 50% window to 50% wall. The minimum ratio of window to wall shall be 25% window to 75% wall.

9. Off-Street Parking and Driveways

- (a) No off-street parking area or internal roadway or driveway shall be located within forty (40) feet for the townhouse lot and seventy-five feet (75) for the apartment lot of any existing public road and all shall be screened from the public road, public view and adjacent properties with trees and shrubbery as approved by the Board.
- (b) Each dwelling unit shall be provided a minimum number of parking spaces according to the provisions of the Residential Site Improvement Standards (RSIS), *N.J.A.C. 5:21*, or based upon historical data provided subject to Township review.
- (c) See subsection 16-5.8 for additional standards.

10. Trash and Recycling Requirements

- (a) The trash and recyclable material collection and pickup locations shall be provided either within the building being served or in nearby locations outside the building.
- (b) If located outside the building, the trash and recyclable materials area shall be totally enclosed, finished with materials used to construct the building(s) being served, up to a maximum of eight (8) feet in height, and located in a manner to be obscured from view from parking areas, streets and adjacent residential uses or zoning districts by a fence or wall. Landscaping, at least six (6) feet in height, shall be provided around any outdoor trash and recycling area.
- (c) Any outdoor area provided for the collection and pickup of trash and recyclable materials shall be well lit and shall be safely and easily accessible by trash and recycling personnel and vehicles.
- (d) Collection vehicles shall be able to access the trash and recycling area without interference from parked cars or other obstacles. Reasonable measures shall be taken to protect the trash and recycling area and the bins or containers placed therein against theft of trash and recyclable materials, bins or containers.
- (e) Any bins or containers which are used for the collection of trash and recyclable material, and which are located in an outdoor trash and recycling area, shall be equipped with a lid.
- (f) Individual bins or containers for the collection and pickup of recyclable materials shall be equipped with signs indicating the materials to be placed therein.

11. Permitted Signage.

- (a) Community Sign. Up to two (2) ground mounted freestanding signs identifying the name of the development no larger than twenty-five (25) square feet shall be permitted.
 - (1) One (1) sign shall be permitted at the entrance to the lot containing the affordable family apartment building and one (1) sign shall be permitted along the Van Horne Road frontage of the lot containing the market-rate townhouses.
 - (2) The sign shall not exceed six (6) feet in height and shall be set back at least ten (10) feet from all street lines and fifty (50) feet from all other property lines.
 - (3) Any sign illumination shall be external to the sign and shall be designed and oriented to prevent any sight of the lamp from any street or neighboring properties.
- (b) Residential Building Identification: Each residential building may have up to two attached identification signs. The maximum sign area of each shall not exceed six (6) square feet. Such signs shall be appropriately integrated within the architecture of the buildings.
- (c) See subsection 16-5.13 of this chapter for permitted temporary signs, additional standards and the design requirements for signs.

12. Community Design

- (a) Land equal to a minimum of forty percent (40%) of the SSIZ-3 property shall be specifically set aside for conservation or open space and shall be located on a separate new lot. The open space lot may be offered by deed to the Township or shall be deed restricted as common open space to be owned and maintained by the a homeowner's association or single owner of the entire development.
- (b) A minimum of 2,500 square feet of area shall be provided as community space as depicted on the Concept Site Plan.
- (c) Plantings. All portions of a lot not covered by buildings or structures (e.g. parking lots, parking spaces, loading areas, access aisles, driveways, sidewalks,

walkways, curbs, trash enclosures, children play areas, dog walks, etc.) shall be suitably planted with grass, shrubs, and trees and shall be maintained in good condition. In any case, no less than twenty (20%) of the area of the lot shall be so planted, and the planted area may include approved detention and/or retention basins.

(d) Other design features.

- (1) Wherever reasonably feasible, sustainable construction techniques shall be utilized to minimize the impact upon the environment, including energy efficient building designs, recycled materials, water conservation devices, permeable pavement, native plantings, low chemical usage to maintain the landscaping, and similar measures which are sensitive to the environment.
- (2) The stormwater management plan shall include stormwater management facilities that are designed to enhance the aesthetic attributes of the proposed development.

13. Affordable Housing Standards.

- (a) A Developer's Agreement is required to establish low/moderate apportionment, very low income requirement per *N.J.S.A. 52:27D-329.1*, bedroom distribution, unit size, etc.
- (b) At least 13% of the units shall be affordable to very-low-income households, 37% of the units shall be affordable to low-income households, and 50% shall be affordable to moderate-income households.
- (c) The affordable units shall be developed in accordance with COAH's regulations at *N.J.A.C. 5:93* and the Uniform Housing Affordability Controls (UHAC), *N.J.A.C. 5:80-26.1* et seq., which govern the administration and affordability controls of affordable units in New Jersey, with one exception. The exception is for 13% very-low income housing at 30% of the regional median income instead of the UHAC requirement of 10% very-low income housing at 35% of the regional median income.
- (d) Affordable Housing Standards. In addition to addressing the requirements of COAH and UHAC noted above, the affordable units shall be developed in accordance with the following:
 - (1) The affordable units cannot be age-restricted units;
 - (2) The bedroom distribution requirements pursuant to *N.J.A.C. 5:93-7.3* and *N.J.A.C. 5:80-26.3(b)*.

- (3) The unit distribution requirements pursuant to *N.J.A.C. 5:80-26.3*.
- (4) The length of controls requirement and deed restrictions pursuant to *N.J.A.C. 5:80-26.11*.
- (5) The accessibility and adaptability requirements pursuant to *N.J.A.C. 5:97-3.14*.

SECTION 4. If any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged by the Courts to be invalid, such adjudication shall apply only to the subsection, clause or provision so adjudged and the remainder of this Ordinance shall be deemed valid and effective.

SECTION 5. This Ordinance shall take effect upon final adoption, publication and the filing of a copy of said Ordinance with the Somerset County Planning Board, all in accordance with the law.

I, Donna Kukla, Clerk for the Township of Montgomery, hereby certify that Ordinance #18-1585 was introduced on first reading by the governing body of the Township of Montgomery, County of Somerset, on July 5, 2018.

Public hearing and consideration for adoption was held on July 19, 2018, at which time the Ordinance was finally adopted.



Donna Kukla, Township Clerk

Introduction	:	July 5, 2018
Published	:	July 11, 2018
Public Hearing	:	July 19, 2018
Adopted	:	July 19, 2018
Published	:	July 25, 2018

18. **THIRD ROUND: MONTGOMERY FIVE**
Redevelopment Agreement

w/af

**DECLARATION OF COVENANTS AND RESTRICTIONS PURSUANT TO
N.J.S.A. 40A:12A-9**

E1004A, LLC, a New Jersey limited liability company (hereinafter "**Declarant**"), having an address of 1125 State Road, Princeton, New Jersey 08540, is the owner of certain lands and premises located in the Township of Montgomery, County of Somerset and State of New Jersey, known as 980, 966 & 958 State Road (Route 206), also known as Block 34001, new Lot 60.01 (formerly Lots 60, 61 & 62 on the Montgomery Township Tax Assessment Maps (rev. ed. 2017)), and also being the same lands and premises subject to a certain "Consolidation Deed," dated March 30, 2018 and recorded in the Somerset County Clerk's Office on April 3, 2018, in Book 7033, Pages 2524-2531 (hereinafter the "**Property**").

In accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., (hereinafter "**LRHL**"), and pursuant to Resolution No. 17-8-196 adopted by the Montgomery Township Committee, the Property has been designated as a non-condemnation area in need of redevelopment. The Township Committee also adopted Ordinance No. 17-1559 establishing a redevelopment plan for the Property.

In accordance with the established redevelopment plan, Declarant obtained approvals from the Montgomery Township Planning Board (Case No. PB-06-17) for the construction and/or installation of an automobile dealership and associated service center, off-street parking, underground stormwater management basin, signage, lighting, fences, walls, and landscaping and other amenities on the Property (hereinafter the "**Project**").

Declarant and the Township of Montgomery, in Somerset County, a municipal corporation of the State of New Jersey (hereinafter "**Township**") entered into a redevelopment agreement pertaining to the Property and Project on December 7 2017 (hereinafter the "**Redevelopment Agreement**").

The Property has been referenced in a certain settlement agreement entered into by the Township and Fair Share Housing Center, arising out of In re the Matter of the Township of Montgomery, Docket No. SOM-L-924-15 establishing certain affordable housing requirements for the Township because, previously, some affordable housing units were to be located on the Property. In lieu thereof, under the current redevelopment plan, Declarant is obligated to make a payment to the Township's affordable housing trust fund instead of constructing housing units. Declarant satisfied the requirement to make said payment.

The LRHL, specifically N.J.S.A. 40A:12A-9 requires the imposition of certain covenants running with the land upon redevelopment projects, including the Project.

NOW, THEREFORE,

THIS DECLARATION OF COVENANTS AND RESTRICTIONS (hereinafter "**Declaration**") is made the 9th day of April, 2018, by Declarant to memorialize and establish certain covenants and restrictions upon the Property, as follow:

1. Declarant shall only construct the uses established in the approved redevelopment plan upon the Property;
2. Construction of the Project shall commence not later than May 22, 2018;
3. Declarant shall not sell, lease, or otherwise transfer the Property or Project without written consent of the Township; and
4. Upon completion of the Project and all required improvements and issuance of the Certificate of Completion and Compliance in recordable form as provided for by the Redevelopment Agreement, the conditions determined to exist at the time the Property was determined to be in need of redevelopment shall be deemed to no longer exist.

This Declaration shall be binding upon the Declarant, its grantees, heirs, successors, and assigns, and shall be deemed to be covenants and restrictions running with the land, until terminated as pursuant to the terms, covenants and conditions of the Redevelopment Agreement.

IN WITNESS WHEREOF, Declarant has duly executed this Declaration as of the date first above written.

WITNESS:



 RICHARD SCHATZMAN
 Attorney at Law of New Jersey

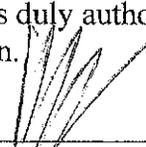
E1004A, LLC, a New Jersey Limited Liability Company

By: 

 Joshua Kalafer, Managing Member

STATE OF NEW JERSEY)
) ss.
 COUNTY OF SOMERSET)

BE IT REMEMBERED that on this 9th day of April, 2018, before me, the subscriber, an attorney-at-law of the State of New Jersey, personally appeared Joshua Kalafer, the Managing Member of E1004A, LLC, the New Jersey limited liability company that executed this Declaration, and he acknowledged that he signed, sealed and delivered this Declaration as the Managing Member of limited liability company as and for its voluntary act and deed for the uses and purposes therein expressed, and that he is duly authorized by E1004A, LLC to act on behalf of and bind E1004A, LLC to this Declaration.



 Richard Schatzman
 Attorney-at-law of the State of New Jersey



STEVE PETER
SOMERSET COUNTY CLERK
20 GROVE STREET
P.O. BOX 3000
SOMERVILLE, NJ 08876-1262

Recorded: 04/10/2018 11:31:12 AM
Book: OPR 7035 Page: 1649-1652
Instrument No.: 2018012894
AGTDEED 4 PGS \$53.00

Recorder: PREMPEH

DO NOT DISCARD



2018012894

19. THIRD ROUND: VILLAGE SHOPPER

Planning Board Resolution of Approval

**PLANNING BOARD
TOWNSHIP OF MONTGOMERY
CASE NO. PB-04-18**

WHEREAS, VILLAGE SHOPPES AT MONTGOMERY, LLC (hereinafter “Village Walk”) has applied to the Planning Board of Montgomery Township for Preliminary and Final Major Subdivision, Preliminary and Final Major Site Plan, Conditional Use, Bulk Variances, a Design Exception and a de minimis RSIS exception for the construction of a mixed use development, two Master Plan loop roads, parking, a pump station, stormwater management, lighting, signage and other associated improvements pursuant to the Planned Mixed Use Development (PMUD) optional development alternative on the premises known and designated as Block 28005, Lots 60, 65, part of 66, 68 & 69 on the Montgomery Township Tax Map, located within the HC (Highway Commercial) zoning district and developed in accordance with the PMUD optional development alternative; and

WHEREAS, the application was presented at the October 15, 2018 Planning Board meeting by Richard Schatzman, Esq., of the firm of Schatzman Baker, and the following applicant’s witnesses:

- Julius Szalay, PE, of Menlo Engineering Associates, applicant’s civil engineer;
- Michael V. Testa, applicant’s architect;
- Scott Kennel of McDonough & Rea, applicant’s traffic expert;
- James Kyle, PP, applicant’s professional planner; and

WHEREAS, the application was reviewed by

- Clarke Caton Hintz (hereinafter “CCH”), Township Planner;
- Jason Cline, PE, of Remington & Vernick (hereinafter “RV”), Planning Board Engineer;
- Richard Bartolone, ASLA, Township Landscape Architect;
- Joseph Fishinger of NV5, the Board’s traffic consultant (hereinafter “NV5”)
- Lauren Wasilauski, the Township Open Space Coordinator;
- the Township Environmental Commission;
- the Township Board of Health;
- the Township Shade Tree Committee;
- the Township Police Traffic Bureau; and

WHEREAS, the Board, after considering the evidence produced by the Applicant, the Township professionals, staff and the public, has made the following factual findings:

A. Jurisdiction.

1. Based on the applicant’s submission of an Affidavit of Publication and proof of service and based upon the subject matter of the application, the Board took jurisdiction of the application.

B. The Subject Property and the Proposal.

2. The applicant is requesting a preliminary and final subdivision and site plan approval with variances and an exception for the construction of a mixed use development, two Master Plan loop roads, parking, a pump station, stormwater management, lighting, signage and other associated improvements pursuant to the Planned Mixed Use Development (PMUD) optional development alternative.

3. Block 28005, Lots 65, 68 and 69 contain the existing Village Shopper I, II and III. Block 28005, Lot 60 is owned by PSE&G and formerly contained an electrical substation which has subsequently been demolished. The Township and the applicant are working with PSE&G to purchase the property. The applicant also has an agreement with Sharbell Plainsboro, LLC to purchase a portion of Block 28005, Lot 66.

4. The site is identified as Sub-Area B within the PMUD. The site is bound by non-residential uses to the south; the proposed Sharbell residential development (sub-area A-2) to the west; the existing Hillside residential development and vacant woodlands to the north; and Route 206 and non-residential uses to the east.

5. While the application is largely compliant with the overall PMUD standards and intent of the zoning, the applicant does require a number of bulk variances including, but not limited to, building setbacks from roadways, accessory building height, building separation, off-street parking setbacks, number of signs, wall mounted sign height, pedestrian walkway width, decorative lighting height and fence height. For a project this large, it is not unusual to have this many variances and/or exceptions as the developer adapts the regulations to a particular site.

C. Exhibits

- A-1 Existing Conditions
- A-2 Overall Plan Exhibit
- A-3 Aerial Photograph from across the site
- A-4 Cement stucco description

D. Items submitted by the applicant and made part of the record

- Response letter prepared by Menlo Engineering Associates signed by Christopher J Szalay, PE, dated 5/2/18
- Preliminary & Final Major Site Plan application with checklist dated 3/19/18
- Details Required for Preliminary Major Subdivision Plats and Preliminary Major Site Plan Checklist dated 4/30/18
- LEED checklist and Narrative for Village Walk at Montgomery, Block 28005, Lots 60, 65, 68 & 69, prepared by Menlo Engineering Associates dated 4/30/18
- Survey entitled "Boundary, Topographic & Utility Survey for Block 28005 Lots 65, 68 & 69, Township of Montgomery, Somerset County,

New Jersey,” prepared by Control Layouts Inc, signed & sealed by Gregg A Gaffney, PLS, revised through 12/11/17

- Engineering plans entitled “Village Walk at Montgomery, Preliminary and Final Major Subdivision & Site Plan, Block 28005 Lots 60, 65, 68 & 69, Montgomery Township, Somerset County, New Jersey,” prepared by Menlo Engineering Associates, Inc, consisting of 30 sheets, dated 3/16/18, revised through 9/28/18
- Preliminary architectural plans entitled “Proposed New Building For: Village Walk at Montgomery – Mixed Use Building, Route 206 South,” prepared by Michael V Testa, II, A.I., dated 3/16/28, revised through 9/28/18
- Preliminary architectural plans entitled “Proposed New Building For: Village Walk at Montgomery – Bldg C & D, Route 206 South,” prepared by Michael V Testa, II, A.I., dated 3/16/18, revised through 9/28/18
- Preliminary architectural plans entitled “Proposed New Building for: Village Walk at Montgomery – Anchor Bldg, Route 206 South, prepared by Michael V Testa, II, A.I., dated 3/16/18, revised through 9/28/18
- Preliminary architectural plans entitled “Proposed New Building For: Village Walk at Montgomery – Bldgs ‘A’ & ‘B’ Route 206 South,” prepared by Michael V Testa, II, A.I., dated 3/16/18, revised through 9/28/18
- Water Service Availability letter from NJ American Water dated 4/6/18
- Stormwater Management Report for Village Walk at Montgomery, Block 28005, Lots 60, 65, 68 & 69, prepared by Menlo Engineering Associates, Inc, revised through 9/28/18
- Drainage Area Maps entitled “Village Walk at Montgomery, Montgomery Township, Somerset County, New Jersey, Block 28005, Lots 60, 65, 68 & 69,” prepared by Menlo Engineering Associates Inc consisting of 2 sheets
- Operation and Maintenance Manual for Village Walk at Montgomery, prepared by Menlo Engineering Associates, Inc, dated 3/16/18, revised through 9/28/18
- Sanitary Sewer Construction and Pump Station Specifications and Force main Design Calculations for Village Walk at Montgomery, prepared by Menlo Engineering Associates, Inc, dated 1/30/18, revised through 9/28/18
- Truck Movement Plans for Village Walk at Montgomery, Block 28005, Lots 60, 65, 68 & 69, prepared by Menlo Engineering Associates, Inc, revised through 9/28/18, two sheets
- Environmental Impact Statement for Village Walk-Montgomery, Block 28005, Lots 60, 65, 68 & 69, prepared by Menlo Engineering Associates, Inc, dated 3/16/18, revised through 9/28/18
- Geotechnical Engineering Report, Village Walk Retail Development, prepared for Pugliese Properties, prepared by Geo-Technology Associates, Inc, dated March 2018
- Traffic Impact Analysis prepared by McDonough & Rea Associates, Inc, dated 3/22/18, revised 9/28/18

- Street Furniture Detail Package for Village Walk at Montgomery, Block 28005, Lots 60, 65, 68 & 69, prepared by Menlo Engineering Associates, Inc, dated 4/30/18
- Site Plan/Signage Location package prepared by City Sign Service, Inc, dated 6/18/18

E. Testimony of Julius Szalay, PE, Applicant's Civil Engineer

6. Mr. Szalay introduced Exhibit A-1 which is a plan entitled "Village Walk at Montgomery Existing Conditions" dated 10/15/18. This is an aerial view of the subject property and the surrounding area. Lot 60 was previously a PSE&G power substation which has been abandoned and the applicant is seeking to acquire a portion of that property to incorporate it within this project. There is also a half acre strip of land that is part of Lot 66 that will be transferred from the Sharbell property.

7. One of the access points to the site is through a full movement signalized intersection on Route 206 and the other access is through a right in-right out driveway.

8. He introduced Exhibit A-2 which is a plan entitled "Village Walk at Montgomery Overall Plan Exhibit" dated 10/15/18 and described the proposed development. The exhibit is an aerial view of the site with an overlay of the proposal.

- The applicant will be demolishing a 31,000 square foot building on Village Shopper I and II and will be constructing 5 new buildings with associated parking
- The applicant will also construct a portion of two Master Plan roads
- Building A will have a total of 5,752 square feet and building B will have a total of 5,726 square feet
- Both buildings A and B will be a combination of restaurants and commercial uses
- Building C/D will have a 2,462 square foot space that includes a drive-through and 9,788 square feet of building
- The drive through space will be a Starbucks type use and the remainder of the building will have three or four other tenants
- The larger building is a 3-story mixed use building with the first floor containing 20,970 square feet of multi-tenant commercial and retail space
- The upper two floors will contain 52 residential units broken into studio, 1-bedroom, 2-bedroom and 3-bedroom units
- The fifth building is a 12,000 square foot anchor building which is intended to be a single tenant unit
- The 80-space residential parking area and access to the residential units will be in the rear of the building
- The Intermediate Master Plan Loop Road is located at the existing signalized intersection of Route 206; the location of the loop road will be maintained and the road extended to the west through the Sharbell property out to Route 518
- The intersection with Route 206 will have a dedicated left turn lane and a shared through and right through lane

- The applicant will construct required improvements to Route 206 and is working with the NJDOT to modify the existing traffic signal, including ADA and pedestrian signal heads
- This applicant will be responsible for construction of the Inner Loop Road from Route 206 to the rear of the property where Sharbell will complete the remaining portion out to Route 518
- Within the retail portion of the site, there are 222 parking spaces and the project meets all of the ADA parking requirements
- At the end of the right in-right out driveway in front of the mixed use building, a plaza has been provided; this plaza is almost 4,500 square feet and will be an open area with planters, tables, chairs, low lighting, a water feature and decorative walls
- The applicant is proposing 175 deciduous evergreens and ornamental trees and the applicant will save the 5 mature trees along the Route 206 frontage
- The parking lot lighting is proposed to be 20 foot high LED fixtures with more decorative type fixtures proposed along the main driveway and the two loop roads
- He described the signage package for the project as well as the applicant's proposal for 3 flagpoles at the corner of the intermediate loop road
- Fire hydrants will be located as directed by the Fire Marshal
- Village Walk will have an underground detention system located under the pavement in front of Buildings A and B; this system is designed to attenuate all the storms up to and including the 100-year storm; the requirement to reduce the peak rate of flow from this portion of the site is being met
- All required utilities are available to the site; TWA approval is required and applicant must make appropriate upgrades to shopping center pump station and assess collection system
- A portion of the inner loop road that is on the applicant's site will be constructed during the initial phase of the project; the intermediate loop road will be done at a future phase
- The phasing plan submitted by the applicant anticipates that Phase I will include the demolition of the existing building to the south; also during the initial phase, the underground detention basin will be installed and the parking lot restored, at which point, the inner loop road, Buildings C and D and the mixed use building will be constructed
- Construction will not interfere with the existing strip retail; tenants from the existing building will be moved into the new building and then the rest of the development will continue; applicant to provide details
- Full access to the existing strip retail shall be maintained, for emergency or refuse vehicles as well as the public, for the existing Village Shopper III as well as the existing tenants to be relocated during the course of the various phases of construction

F. Testimony of Michael Testa, Applicant's Architect

9. Mr. Testa referenced an aerial photograph from across the site that identifies all the proposed buildings with ghosting of the Sharbell development in the rear, which exhibit was marked as A-3.

10. He described the proposed buildings as follows:

- Building C/D is 9,800 square feet with 5 retail spaces
- The mixed use building is 3 stories with the lower level being retail; the second story has three access points with 13 1-bedroom units, 9 2-bedroom units, 3 3-bedroom units and a studio unit per floor for a total of 52 residential units; the COAH obligation is a total of 11 units with a mix of no more than 2 1-bedroom units, no less than 4 2-bedroom units and no less than 3 3-bedroom units with the last 2 units being either 2 or 3 bedroom units
- The third floor residential space is identical to the second floor
- The building will have roof top equipment that will be screened with a parapet
- The anchor building has a 12,000 square foot footprint with the anticipation of a small supermarket user; the building will have roof top equipment that will be screened with a parapet
- Buildings A and B are each approximately 5,700 square feet with a center exterior courtyard; he described the building materials and indicated that both buildings will have parapets on all four sides to conceal roof top units
- The buildings will have a cement stucco system as set forth in Exhibit A-4

11. The signage shown on the mixed use building drawings overlapped the storefronts. Mr. Testa referred to Sheet PB-4 and explained the signage. CCH through Emily Goldman suggested that the sign compliance be determined at the time of the building permit when the final tenant spaces are configured.

12. At the request of Board member DeRochi, Mr. Testa testified that the applicant would eliminate the "bright yellow" color shown on Exhibit A-4.

G. Testimony of Scott Kennel, Applicant's traffic consultant

13. Mr. Kennel discussed the traffic impact study comments in NV5's memorandum dated 10/9/18 and agreed to prepare and submit a separate trip generation analysis for the am peak hour for the "Starbucks" facility. He agreed on behalf of the applicant that the applicant will perform an am analysis and will rely on the Sharbell traffic study for pm peak and Saturday midday peak hour analyses.

14. A construction sequence agreement is required for the project which will outline the phasing of the project and the coordination of the phasing with the NJDOT. The applicant agreed to consult with NV5 when the construction sequence agreement is drafted. He testified that the general design standards for either "Starbucks" or "Dunkin Donuts" is a stacking for approximately 8 to 10 vehicles. RV through Mr. Cline noted that the Hillsborough Dunkin Donuts location routinely presents a stack of up to 15. The applicant agreed to provide an additional analysis and submit the same to NV5 and RV and to modify the site plan to provide additional stacking on the site instead of in the

inner loop road. The applicant agreed to provide NV5 and the Board with any correspondence to and from NJDOT.

15. At the suggestion of Ms. Goldman, the applicant agreed to provide technical analysis to back up the conclusions in the applicant's report regarding shared parking on the site.

H. Traffic Related Site Plan Issues

16. Mr. Szalay addressed the site plan issues in NV5's memorandum. He agreed to revise the width of the drive through lanes so that the pickup lane will be 8 feet and the bypass lane will be 12 feet.

17. A WB-50 truck is the largest vehicle the applicant anticipates on the site; Mr. Szalay testified that a WB-50 vehicle can maneuver the site and agreed to provide clarification to the satisfaction of NV5. The applicant further agreed to revise the truck circulation plan to show the garbage truck circulation path and agreed that it will confirm that the proposed pavement box meets the requirements of the Township Engineer. The applicant further confirmed that the stamped concrete area used within the public right-of-way is to be acceptable to the Township Engineer.

18. All landscaping within the sight triangles will be trimmed/limbed so that sight distance is not impaired and the applicant agreed to submit a sight triangle easement subject to the review and approval of the Township Attorney and the Township Engineer. The applicant will revise its plans, if necessary, to ensure that the proposed landscaping does not interfere with the sight distance and may move the wall around the pump station slightly to ensure it does not interfere with the sight distance.

19. The applicant agreed to add signage for the proposed crosswalk on the intermediate loop road and further agreed to be solely responsible and obligated to bring the traffic signal up to current standards.

20. RV through Mr. Cline stated that the fire truck circulation plan needs to be revised to show that a fire truck can access the front parking area of the "Starbucks" building. The Township's sight triangle language does not permit anything that exceeds 12 inches in height; the applicant agreed to revise its plans to satisfy that requirement.

I. Testimony of James Kyle, Applicant's Planner

21. Mr. Kyle reviewed the variances associated with the application as well as the one exception; he provided a net benefit c2 analysis in support of the variances and offered his opinion that the purposes of zoning are promoted by the variances and the benefits outweigh the detriments. He based his conclusions on the following:

- this is a redevelopment of an older site;

- the project provides the critical master plan loop roads to improve the traffic situation at the Route 518 and Route 206 intersection;
- the project provides critical affordable housing to help the Township continue to meet its obligation to provide affordable units

22. He offered an opinion that it is not unusual for a project of this size to have a number of variances; most of the variances are related to very specific areas of the site and not the entirety of the site. As it relates to the negative criteria, he informed the Board that the variances will promote the objectives of the zoning and master plan.

23. Mr. Kyle described each of the variances in detail and the reasons for granting them; he identified the following variances:

- minimum buffer from Route 206 – 15 feet required; the existing/proposed condition is 12 feet; this is an existing condition for the Wells Fargo Bank and a proposed condition for the drive through lane to the east of Building C/D
- minimum buffer from Tract A-2 residential – 5 feet required; the proposal is 3.29 feet along portions of Road B
- minimum distance to Route 206 – 35 feet required; the existing Wells Fargo building is 27.72 feet
- minimum distance to the inner loop road – 10 feet required; the proposal is 8.48 feet; this occurs at the top corner of the mixed use building
- minimum distance to the internal parking area – the requirement is 4 feet; the engineer has confirmed the distance is 4.5 feet (northwesterly side of Building C/D) so a variance is not necessary
- accessory building height – maximum permitted is 15 feet; the 3 proposed flagpoles are 27 feet
- accessory building distance to a public street – 25 feet is required; the proposed pump station will be 3 feet
- accessory building distance to internal parking area – 10 feet required; the drive through sign is proposed to be 4 feet
- accessory building distance to internal driveway – 10 feet required; the drive through sign is proposed to be 2 feet
- parking not proposed along the inner loop road where it is required
- off-street parking setback – 5 feet required; 4.24 feet proposed for the inner loop road and 3.29 feet for Road C
- 10 foot buffer between Area B and C is required; proposed is 2 feet to the south of Building C/D; the pump station fence is 6 feet high within the buffer and the maximum permitted is 4 feet
- Buffer plantings are not included in the 14 tree per acre requirement; applicant is providing 39 trees and will either upsize the caliper to compensate or post money in the tree bank and will work with Mr. Bartolone
- 2 identity wall signs and Starbucks menu sign – the ordinance has no standards; Ms. Goldman said the wall identity signs and the menu sign could be considered monument signs resulting in exceeding the number of permitted monument signs; the menu sign is a permitted accessory sign for the drive through

- 2 illuminated attached signs are permitted; 3 are proposed for Starbucks
- Standard height for attached signs is 22 feet; the proposed Starbucks attached sign is 29 feet
- Attached sign minimum distance to the end of the store front or corner of a building is 24 inches; there is a maximum of 3 instances where applicant requires a reduction to 12 inches
- Maximum height for open space/plaza light fixtures is 14 feet; 15.5 feet proposed
- Lighting fixtures are to be full cutoff non-glare; applicant proposed globe style lights that are non-glare but not full cutoff; these fixtures will be within the right-of-way of the inner loop road and are required by PSE&G determined a variance is not required
- Parking lot illumination requirement is minimum of .2 footcandle; average of 1 footcandle and maximum to minimum ratio of 20:1; proposal is for a minimum of .3 footcandle, average of 1.07 foot candle and ratio of 13.25:1 applicant complies and variance no longer needed
- The façade anchor building is hard-coated cement plaster or hard-coated stucco which is not permitted by ordinance
- Required for maximum roadway slope is 8% and maximum slope of 3% 150 feet of an intersection; the loop roads require a greater slope due to existing surrounding grade and utility crossings that cannot be modified; the roadway slope has been minimized to the maximum extent practicable
- Minimum distance permitted between buildings is 20 feet; proposed is 8 feet between the anchor building and the mixed use building
- Pedestrian walkway width of 16 feet is required; 10 feet proposed along the anchor building and in locations with architectural features

24. He further testified that all of the uses are permitted uses and that the conditional use requirements for the drive through have been met.

J. The CCH Memorandum dated 10/12/18

25. The Board reviewed with the applicant the CCH memorandum dated 10/12/18, which memorandum is made part of the record and incorporated herein as if the same were set forth at length. The applicant agreed to comply with all the comments set forth in that memorandum, except as modified or explained above or below:

- The applicant agreed to provide cross easements subject to the review and approval of the Township Attorney and the Township Engineer
- There is an existing recorded cross easement between Village Shopper II and Village Shopper III
- The open space plaza is to be moved closer to the anchor building to reduce the impact on the residential uses
- The applicant will provide a shared parking report since the proposal is for 21 fewer parking spaces than required
- The height measurements on the sign package for the monument sign do not measure all the way to the top of the sign; the applicant confirmed that the height will conform to the maximum height allowed

- The applicant agreed to provide details for the directional signs and the menu signs for “Starbucks”
- The building mounted signs (i.e. attached tenant signs), rear façade sign, store front sign, blade sign will be reviewed at the time of building permit once the tenant space is determined
- The lighting illumination schedule will be revised to show the illumination levels along the tract boundary
- Eleven of the residential units will be affordable units which will comply with the UHAC requirements, or any successor regulation, for bedroom distribution, length on affordability and affirmative marketing
- The applicant will enter into a developers agreement with the Township identifying which units are the affordable units with a deed restriction for at least 30 years
- At least 13% of the affordable housing units shall be affordable to very-low income households, 37% of the affordable units shall be affordable to low-income households and 50% may be affordable to moderate-income households. An odd number of units is always split in favor of the low-income unit.

K. The RV Memorandum dated 10/12/18

26. The Board reviewed with the applicant the RV memorandum dated 10/12/18, which memorandum is made part of the record and incorporated herein as if the same were set forth at length herein. The applicant agreed to comply with all the comments set forth in that memorandum, except as modified or explained above or below:

- The applicant agreed to attempt to move the retaining wall further from the property line
- The applicant will work with the Township staff to provide additional benches where possible
- The applicant agreed to revise its plans to mark the 5 existing trees for protection with appropriate details
- The screen wall at 20 feet in height is high enough to screen the compactor
- The phasing of the project will minimize impacts to Village Shopper III businesses
- The most recent architectural plans reflect the final design of the project
- The applicant will revise its plans to label the balcony areas
- The applicant agreed to coordinate its roof plans and downspout locations with the site plan
- Due to the slope of the sidewalk, the applicant agreed to investigate whether it is necessary to provide a pull off area for the sidewalk adjacent to the inner loop road
- The applicant will be revising the design of the retaining wall and the grading surrounding the retaining wall to reduce the length of the tiebacks required to ensure that the tiebacks do not interfere with any utilities in the roadway

- The applicant agreed to install fencing on any retaining walls greater than 30 inches
- The applicant will revise its plans to provide details regarding the concrete island at the entrance to the property subject to NJDOT approval
- The applicant agreed that the maximum amount of soil to be imported or exported without having to return to the Board is 10,000 cubic yards
- The applicant is in agreement with all the stormwater management comments
- The applicant agrees that the lighting on the site will be turned off one hour after closing, and agreed to revise the lighting plans to the extent necessary pursuant to the lighting comments contained in Section I of the memo
- The applicant will obtain a presence/absence determination for lot 60
- The applicant will relocate the grease trap from the entrance driveway
- The applicant will revise its plans if necessary to increase the height of the landscaping at the “Starbucks” drive through to block Route 206 drivers from the headlights of cars in the drive through
- The applicant will revise its plans to identify the project as Village Walk and thus revise the Village Shoppes sign
- The applicant is requesting a RSIS de minimis exception on the parking and will follow the procedures of reporting the de minimis exception to the DCA
- The applicant’s engineer stated it cannot comply with comment D18 of the memorandum that there be no private sanitary sewer line, private storm discharge line and wall structure within the right-of-way; the applicant met with the Township Engineer and provided its explanation which is that the applicant cannot extend utilities from Village Shopper III to Village Walk without going through the right-of-way of the inner loop road; any private easements in the right-of-way will require a cross easement or other appropriate legal instrument as the Township will not be responsible for same
- The construction detail review will be done after the submission of revisions to the various plans

L. Richard Bartolone’s Memorandum dated 10/15/18

27. The Board reviewed with the applicant Mr. Bartolone’s memorandum dated 10/15/18, which memorandum is made part of the record and incorporated herein as if the same were set forth at length herein. The applicant agreed to comply with all the comments set forth in that memorandum, except as modified or explained above or below:

- The applicant will not place plantings in the utility easements that interfere with the actual utilities and will work with Mr. Bartolone to locate those plantings
- The applicant is proposing plantings on the edge of the New Jersey American Water easement and has indicated that easement permits landscaping; the applicant has agreed to submit that easement for review by the Planning Board Attorney and the Planning Board Engineer
- Foundation plantings for the 3-story mixed use building will be coordinated with final architectural plans

- Sight triangle plantings shall comply with the ordinance and be reviewed for compliance by the Township Engineer and the Planning Board Engineer as well as the Township Landscape Architect. Plantings that do not comply with the ordinance must be removed and/or relocated to an area of the site subject to the approval of the Township Landscape Architect.

M. Open Space Coordinator's Memorandum revised 10/2/18; Environmental Commission Memorandum dated 10/11/18; Shade Tree Committee Memorandum dated 10/12/18; Public Safety Memorandum dated 10/9/18; Health Department Memorandum dated 7/25/18

28. The Board reviewed with the applicant these memoranda, which memoranda are made part of the record and incorporated herein as if the same were set forth at length herein. The applicant agreed to comply with all the comments set forth in that memorandum, except as modified or explained above or below:

- The buildings will not have solar panels on the roofs
- All lighting is pointed downward
- The applicant is not proposing porous pavement for the sidewalks or roadways since it does not fit in with the stormwater management and is a major maintenance issue
- The existing bus shelter will remain
- Additional benches will be provided
- No idling signs will be added to the site plan
- The applicant will work with Mr. Bartolone regarding the species of plantings
- The applicant will enter into a sewer agreement acceptable to the Township Attorney and the Township Engineer
- The applicant has met with the appropriate Fire personnel of the Township and has received no further comments with respect to its plans

N. The Public

29. Three members of the public provided comments.

WHEREAS, based upon the foregoing information, testimony and evidence as well as the application and supporting plans and documents and Township agency reviews, the Planning Board makes the following ultimate findings of fact and conclusions of law:

1. All jurisdictional requirements have been met.
2. The applicant's proposal is for a permitted use in accordance with the PMUD optional development alternative of the ordinance affecting this property.
3. The applicant's commitment to construct the loop road improvements is a substantial benefit to the Township and this commitment is essential to the Board's determination to grant the requested development approvals.
4. The Board has accepted the testimony and evidence of the applicant's witnesses as specifically set forth in the findings hereinabove and hereby

concludes that based on the case of Pullen v. Township of South Plainfield Planning Bd., 291 N.J.Super. 1 (App Div 1996), the c2 variances requested by the applicant can be granted.

5. The granting of the variances
 - will not adversely affect the values of adjacent and nearby properties
 - will not alter the essential character of the neighborhood
 - will promote the general health, safety and welfare
 - advances the purposes of the Municipal Land Use Law, as well as providing a better zoning alternative for the organization of the existing site
 - will be without substantial detriment to the public good and without substantial impairment of the intent and purpose of the zoning ordinance
6. That the variances can be granted because the benefits of the deviations substantially outweigh any detriment.
7. The design exception can be granted based on the following:
 - it is reasonable;
 - it is within the general purpose and intent of site plan review requirements;
 - literal enforcement of those provisions of the ordinance is impracticable because of conditions pertaining to the site.

WHEREAS, at the conclusion of the hearing on October 15, 2018, the Board has taken action by voting on the application and, in accordance with N.J.S.A. 40:55D-10(g) of the Municipal Land Use Law, has directed that this resolution memorializing said action be prepared;

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of Montgomery on the basis of the evidence adduced before it, the aforesaid findings of fact and ultimate findings and conclusions, that this Board does hereby grant variances from the provisions of the Zoning Ordinance as follows:

- Section 16-6.5.k.12(e) – buffer to Route 206
- Section 16-6.5.k.12(e) – buffer to Sub-area A2
- Section 16-6.5.k.12(e) – principal building distance to Route 206
- Section 16-6.5.k.12(e) – principal building distance to inner loop road
- Section 16-6.5.k.12(h)(2) – building separation
- Section 16-6.5.k.12(c) – accessory structure height
- Section 16-6.5.k.12(e) – accessory structure distance to a public street
- Section 16-6.5.k.12(e) – accessory structure distance to internal parking area
- Section 16-6.5.k.12(e) – accessory structure distance to internal driveway
- Section 16-6.5.k.6(b) – thoroughfare parking
- Section 16-6.5.k.12(f)(2) – off-street parking setback from inner loop road and from Road C
- Section 16-6.5.k.12(h)(I)I – pedestrian walkway width

- Section 16-6.5.k.12(l)(4) – buffer between Area B and C
- Section 16-5.3(b) – fence height
- Section 16-6.5.k.12(m)(2)a – maximum number of monument signs
- Section 16-6.5.k.12(m)(4)(4) - attached tenant signs (number)
- Section 16-6.5.k.12(m)(4)a – attached tenant sign (mounted height)
- Section 16-6.5.k.12(m)(4)f – attached tenant sign (distance to end of storefronts or corner of building)
- Section 16-6.5.k.12(j)(6) – open space light fixture height
- Section 16-6.5.k.12(i)(4) – materials (use of stucco, synthetic stucco or vinyl as a principal building exterior finish is strictly prohibited)
- Allowance of two identity wall signs – one at the Intermediate Loop road and one at the Inner Loop Road – Ordinance has no standards
- Allowance of menu signs – Ordinance has no standards

Note: The hard copy of the references to the above ordinances were provided by the Township to the applicant’s attorney. That hard copy disclosed that the ordinance section for Area B was identified as Section 16-6.5.k.10. However, the codified ordinance on the current E-coded ordinance systems now indicates that Area B of the project is located in Ordinance Section 16-6.5.k.12. The applicant’s notice referenced all of the variances required and variances have been granted from the ordinance sections formerly known as 16-6.5.k.10.

Note: It was determined that a variance was not needed from Section 16-6.5.k.12(j)(8) of the Ordinance since these lighting fixtures were under the purview of Public Service Electric & Gas Company and not needed from Section 16-6.5.k.12(j)(11)(d) since applicant will comply with the footcandle standards in said section, and not needed from Section 16-6.5.k.12(e), principal building minimum distance to internal parking area, because it was confirmed the applicant met the minimum distance of the principal building to the internal parking area.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of Montgomery on the basis of the evidence adduced before it, the aforesaid findings of fact and ultimate findings and conclusions, that this Board does hereby grant design exceptions from the provisions of the Land Development Ordinance as follows:

- Section 16-5.6.d.3 – tree planting
- Section 16-6.5.k.12(f)(3) – RSIS de minimis exception/off-street parking spaces
- Section 16-5.14(a)(3)(a) – relief from maximum roadway slope for Loop Roads

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of Montgomery, on the basis of the evidence adduced before it, the aforesaid findings of fact and ultimate findings and conclusions, that this Board does hereby grant preliminary and final subdivision and preliminary and final site plan and conditional use approvals with variances, design exceptions and RSIS exception in accordance with the plans and documents submitted by the applicant, which plans and documents are to be revised to be consistent with the approvals set forth herein, subject to the following conditions:

1. Applicant shall comply with all conditions recommended by CCH, Township Planner, in their memorandum dated 10/12/18, which memorandum is incorporated herein by reference, except as modified in hereinabove, and shall submit revised plans subject to the review and approval of the Township Planner and the Planning Board Engineer.
2. Applicant shall comply with all conditions recommended by the Planning Board Engineer in the RV memorandum dated 10/12/18, which memorandum is incorporated herein by reference, except as modified hereinabove, and shall submit revised plans subject to the review and approval of the Planning Board Engineer.
3. Applicant shall comply with all conditions recommended by the Planning Board traffic consultant in the NV5 memorandum dated 10/9/18, which memorandum is incorporated herein by reference, except as modified hereinabove.
4. Applicant shall comply with all conditions recommended by the Shade Tree Committee in its memorandum dated 10/12/18, which memorandum is incorporated herein by reference, except as modified hereinabove, except with respect to the species of trees..
5. Applicant shall comply with all conditions recommended by the Environmental Commission in its memorandum dated 10/11/18, which memorandum is incorporated herein by reference, except as modified hereinabove.
6. Applicant shall comply with all conditions recommended by the Township Open Space Coordinator in Lauren Wasilauski's memorandum revised 10/2/18, which memorandum is incorporated herein by reference, except as modified hereinabove.
7. Applicant shall comply with all conditions recommended by the Health Department in its memorandum dated 7/25/18, which memorandum is incorporated herein by reference, except as modified hereinabove.
8. Applicant shall comply with all conditions recommended by the Police Department in the Public Safety memorandum dated 10/9/18, which memorandum is incorporated herein by reference, except as modified hereinabove.
9. Applicant shall comply with all conditions recommended by Richard Bartolone in the Township Landscape Architect's memorandum dated 10/15/18, which memorandum is incorporated herein by reference, except as modified in finding of fact #27 hereinabove.
10. The Stormwater Management Facility Operations and Maintenance Manual is subject to the review and approval of the Planning Board Engineer and shall be recorded with the Somerset County Clerk's office.

11. The applicant shall be responsible for maintenance of all stormwater management facilities, basins, structures and all appurtenances except for those facilities within the roadway to be accepted by the Township of Montgomery.

12. The dedication of the public roadways as to form and substance is subject to the review and approval of the Township Attorney and the Township Engineer so as to ensure that the functionality of the rights and access for the Township is indistinguishable from the roadways that will be accessed. The developer's construction sequence agreement shall include a plan detailing which site improvements shall be maintained by the Township or the applicant, which details are subject to the review of the Township Attorney and the Township Engineer.

13. Applicant shall revise its plans consistent with conditions #1 through #9 hereinabove, subject to the review and approval of the Planning Board Engineer, Township Planner and Township Landscape Architect and Township Traffic Consultant.

14. Unless expressly waived by the Township, Applicant shall post guarantees in a form satisfactory to the Township Attorney and the Township Engineer, in accordance with the provisions of the Municipal Land Use Law and the ordinances of the Township of Montgomery, as now enacted.

15. The applicant shall maintain with the Township of Montgomery an escrow account sufficient to pay the professional review and inspection fees related to this application and all construction required in conjunction therewith.

16. In the event that any soil removal, exportation or importation of more than 10,000 cubic yards is required, the applicant is placed on notice that Board approval will be required in accordance with the Township Ordinances. The applicant shall consult with the Township Engineer before any removal of topsoil to determine whether the Township can use the topsoil at some other location. Any exportation or importation of soil is subject to the applicant obtaining soil hauling permits from the Township.

17. The applicant shall obtain from any other agency, board, committee, bureau or commission which may have jurisdiction over any aspect of the application either an approval or a letter of determination that no approval is required. Copies of all approvals or letters of determination shall be provided to the Planning Board.

18. All conditions contained in this Resolution and in the record of proceedings in this matter including any agreements made by applicant were essential to the Board's decision to grant the approvals set forth herein.

19. The applicant shall enter into a "Developer's Construction Sequence Agreement" with the Township Committee in accordance with Section 16-9.2 of the Land Development Ordinance of Montgomery Township. Said Agreement shall also demonstrate full access to the existing tenants of Village Shopper III and is subject to the

review and approval of the Township Attorney, Planning Board's Traffic Consultant and the Township Engineer.

20. When a tenant applies for a zoning permit allowing their use of the property, the Zoning Officer shall make a determination as to whether there is sufficient parking under the ordinance for the proposed tenant's use and, if not, the prospective tenant or owner of the property shall make application to the Planning Board for site plan review prior to the issuance of any zoning permit or construction permit for that use.

21. When a tenant applies for a zoning permit for the tenant attached signs, the Zoning Officer shall make a determination as to whether the signs conform to the ordinance and, if not, the applicant shall make application to the Planning Board for site plan review prior to the issuance of any zoning permit for the installation of the sign or signs.

22. The applicant shall not be subject to a residential development fee since they are providing eleven (11) affordable residential units on site; the applicant shall be subject to a non-residential development fee for the net change in non-residential area on the former Village Shopper I and II parcels.

23. The applicant shall coordinate to acquire a portion of block 28005, lot 60 to incorporate it into the project and submit proof of the same.

24. The applicant shall acquire from Sharbell Properties the half acre strip of land that is part of block 28005, lot 66 and submit proof of the same.

25. Plans are to be revised to incorporate fire hydrants to be located as directed by the Township Fire Marshal

26. Architectural plans will be revised to tone down the "bright yellow" color shown on Exhibit A-4 subject to the approval of the Township Planner.

27. All deeds, easements and other legal documents are subject to review and approval of the Township Attorney and Township Engineer

28. The Planning Department shall send a copy of this Resolution to the New Jersey Department of Community Affairs, notifying the DCA that it has granted the applicant's de minimis exception request from the RSIS requirements for parking.

29. All conditions must be met and satisfied prior to any on-site work for the project.

30. The following items are subject to the Township Engineer's review, approval and acceptance:

- a) the proposed stamped concrete crosswalks within the Master Plan roads;
- b) the Plan sheet or map delineating improvements proposed to be taken over by the Township; since this is in support of the eventual construction sequence agreement and guarantee/inspection escrow estimates, the timing and/or phasing shall be included;

- c) a plan or exhibit demonstrating how access will be maintained to Village Shopper III and existing tenants during the development construction;
- d) any proposed lighting that will generate a utility bill to the Township upon acceptance of public improvements;
- e) the easement plan;
- f) the sanitary sewer collection system analysis report;
- g) the sanitary sewer pump station upgrades and any other necessary collection system upgrades, including the proposed timing of same;
- h) completed "Attachment D" from the NJDEP's Municipal Stormwater Regulation Program for the stormwater management facility submitted in hard copy and electronic editable format.
- i) Items 1 to 17 and 19 of Section D of the RV Memo dated October 12, 2018. Item 18 will not be complied with.

31. The applicant will submit appropriate cross easements satisfactory to the Township Attorney and Township Engineer. For the private sanitary sewer line, drainage infrastructure and retaining wall within the Master Plan road right-of-way, the applicant will submit appropriate legal instruments satisfactory to the Township Attorney and the Township Engineer.

32. The applicant will yield Title 39 jurisdiction to the Township for private roads, parking areas and driveways, subject to acceptance of jurisdiction by the Township. The applicant shall submit a letter requesting that the Township accept Title 39 jurisdiction and a draft ordinance for Title 39 jurisdiction subject to the review and approval of the Township Attorney and Township Engineer, after final construction of the development.

33. The applicant shall demonstrate that there is adequate capacity in the sanitary sewer collection system, including the pump station on Block 29002, Lot 46.01, and shall complete necessary upgrades to accommodate the additional flow, subject to the review and approval of the Township Engineer and the sewer utility. The applicant shall enter into a "Sewer Participation/Capacity Agreement" with the Township Committee and pay sewer capacity charges in accordance with Section 12-7.4 of the Montgomery Township Code.

34. The applicant shall revise the plans to show detailed ADA and PROWAG compliant designs for each curb ramp subject to the review and approval of the Township Engineer. The Construction Sequence Agreement will include provisions for post-construction ADA and PROWAG (as applicable) certification(s) by a New Jersey licensed professional engineer.

35. The applicant shall obtain approval and record all instruments associated with the project including, but not limited to, off-site temporary construction easements, off-site property/easement acquisitions, conservation easements, sign easements, sight triangle easements, utility easements, sanitary sewer easements and drainage easements (including off-site).

36. In the event an approval by some other board or governmental agency, or compliance with any of the conditions of approval herein, provides for significant changes in the plan heretofore submitted, the Board reserves the right to review this approval in light of those changes.

37. The property owner shall be responsible for any lighting other than the street lighting on the Master Plan intermediate loop road and the Inner Loop Road. Lighting to be accepted by the Township shall be PSE&G maintained and operated. All lights are subject to PSE&G approval.

38. The applicant shall submit revised construction details to be consistent with the Township standard details and Township Code to the Township Engineer for review and approval; this includes the pavement cross section for the loop roads. Site specific wall details and limits of disturbance will be required prior to construction.

39. The applicant shall submit an agreement and/or cross easement between and among all users of the detention basin, which agreement and/or cross easement is subject to the review and approval of the Township Attorney.

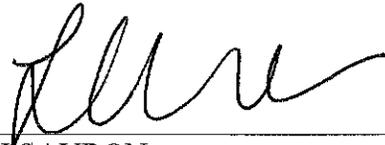
Roll Call Vote

Those in Favor: Campeas, DeRochi, Madrid, Mani, Matthews, Sarle, Trzaska and Conry

Those Opposed: None

The foregoing is a true copy of a resolution adopted by the Planning Board of the Township of Montgomery at its meeting on December 17, 2018, as copied from the minutes of said meeting.

The within resolution memorializes action that was taken by the Planning Board of the Township of Montgomery at its meeting on October 15, 2018.



LORI SAVRON
PLANNING BOARD SECRETARY
TOWNSHIP OF MONTGOMERY
STATE OF NEW JERSEY

20. THIRD ROUND: BLAWENBURG
VILLAGE SQUARE

Site Specific Inclusionary Zone 4 (SSIZ-4) Ordinance

**TOWNSHIP OF MONTGOMERY
ORDINANCE NO. 18-1586**

**AN ORDINANCE AMENDING AND SUPPLEMENTING
CHAPTER XVI, "LAND DEVELOPMENT",
OF THE CODE OF THE TOWNSHIP OF MONTGOMERY (1984)
COUNTY OF SOMERSET, STATE OF NEW JERSEY
AND SPECIFICALLY SUBSECTIONS
16-3.3 REGARDING THE ZONING MAP,
AND 16-4.14 ENTITLED "SITE SPECIFIC INCLUSIONARY ZONES FOR COAH
QUALIFIED AFFORDABLE HOUSING" TO ESTABLISH A NEW SITE SPECIFIC
INCLUSIONARY ZONE 4**

**BE IT ORDAINED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP
OF MONTGOMERY,** in the County of Somerset and the State of New Jersey, that Chapter
XVI, "Land Development", of the Code of the Township of Montgomery (1984) (hereinafter
"Code") is hereby amended and supplemented as follows:

SECTION 1. Change Subsection 16-3.1, "Zoning Districts", of the Code of Township
of Montgomery (1984) to read in its entirety as follows:

"16-3.1 Zoning Districts. For the purpose of this chapter, the Township of Montgomery
is hereby divided into twenty-four (24) zoning districts as follows:

PPE	Public, Parks & Education
MR	Mountain Residential
R-3	Single-Family Residential
R-2	Single-Family Residential
R-1	Single-Family Residential
R	Single-Family Residential
ARH	Age-Restricted Housing
VN	Village Neighborhood
APT/TH	Apartment/Townhouse Residential
NC	Neighborhood Commercial
CC-1	Community Commercial
CC-2	Community Commercial
HC	Highway Commercial
SB	Small Business

REO-1	Research, Engineering & Office
REO-2	Research, Engineering & Office
REO-3	Research, Engineering & Office
LM	Limited Manufacturing
MR/SI	Mountain Residential/Special Industrial
SSIZ-1	Site Specific Inclusionary Zone 1
SSIZ-2	Site Specific Inclusionary Zone 2
SSIZ-3	Site Specific Inclusionary Zone 3
SSIZ-4	Site Specific Inclusionary Zone 4
BMPUD	Belle Mead Planned Unit Development

SECTION 2. Change the first paragraph of Subsection 16-3.3, “Zoning Map”, of the Code of the Township of Montgomery (1984) to read in its entirety as follows:

“16-3.3 ZONING MAP

The boundaries of the zoning districts specified in Subsection 16-3.1 hereinabove and the land areas designated for the optional development alternatives specified in Subsection 16-3.2 also hereinabove are shown and established on the “Zoning Map” of the Township of Montgomery, dated June 29, 2018, which accompanies and is part of this chapter.”

SECTION 3. Create Subsection 16-4.14 d. of Subsection 16-4.14 of the Code of the Township of Montgomery (1984) containing the zoning requirements for “Site Specific Inclusionary Zones For COAH Qualified Affordable Housing” to read in its entirety as follows:

d. Site Specific Inclusionary Zone 4 (SSIZ-4).

1. Property Description & Purpose.

- (a) The SSIZ-4 includes approximately 3.4 acres of property situated on the north side of County Route 518 and is identified as Block 25001, Lot 31 on the Township Tax Maps.
- (b) The SSIZ-4 district provides land use regulations for the redevelopment of the site where specific site elements are incorporated that limit the impact to the surrounding parcels through the requirement of adequate development setbacks and sufficient buffering. The SSIZ-4 District is intended to provide for the development of retail/office and multifamily housing with a portion of such housing restricted to occupancy by households of very low, low and moderate income. Affordable dwellings shall be integrated and indistinguishable from the market-rate units.

2. Conceptual Development Plan for the Subject Property

- (a) A conceptual plan has been prepared for the property.
 - (1) The “Conceptual Site Plan” was prepared by Van Cleef Engineering Associates, dated September 11, 2014, revised April 1, 2015. A true copy of same, available for inspection by the public, is on file in the offices of the Township Clerk and Planning Director.
 - (2) The Conceptual Site Plan includes a total of four (4) mixed-use building including retail and/or office uses on the first floor and three (3) apartments on the upper story of each building. There shall be a maximum of 15 residential units of which four (4) family apartment unit shall be affordable to very low, low or moderate income households.
 - (3) Three (3) of the four (4) affordable rental units shall be affordable to “moderate” income households and one (1) of the units shall be affordable to a “low” income household.
- (b) It is intended that the redevelopment of SSIZ-4 designated property be in accordance with the “Conceptual Site Plan” referred to hereinabove.

3. Principal Permitted Uses on the Land and in Buildings

- (a) Retail sales of goods and services.
- (b) Offices and office buildings.
- (c) Medical offices.
- (d) Pharmacies.
- (e) Restaurants.
- (f) Child care centers licensed by the Department of Human Services pursuant to P.L. 1983, c. 492 (C. 30:5B-1 et seq.).
- (g) Small animal hospitals within a neighborhood shopping village only, excluding outside facilities and kennels.
- (h) Neighborhood shopping villages comprised of some or all of the preceding uses, plus the required addition of residential flats which are to be located within the one and one-half (1 1/2) stories above the permitted uses located on the first floor in accordance with the provisions specified in subsection 16-4.5e.

- (i) Service stations as a conditional use under *N.J.S.A. 40:55D-67* (See subsection 16-6.1, Conditional Uses, and specifically subsection 16-6.1f. for the required conditions for service stations).
- (j) Public utility uses as a conditional use under *N.J.S.A. 40:55D-67* (See subsection 16-6.1, Conditional Uses, and specifically subsection 16-6.1a. for the required conditions for public utility uses)
- (k) Residential apartment for rent located above the permitted nonresidential uses. The maximum number of apartments shall be 12 units.
- (l) Conservation areas, recreation, open space, and public purpose uses.

4. Accessory Uses Permitted

- (a) Outdoor eating areas, for table service or self-service, associated with a permitted restaurant are permitted, as long as a pedestrian pathway having a minimum width of five (5) feet is maintained within any walkway or sidewalk adjacent to the outdoor eating area.
- (b) Transit-related shelters
- (c) Off-street parking (see subsection 16-4.14.d.11 herein below and subsection 16-5.8 for the design requirements for off-street parking and driveways)
- (d) Off-street loading (see subsection 16-4.14.d.12).
- (e) Fences and walls (See subsection 16-5.3 for the design requirements for fences, walls, sight triangles and guiderails).
- (f) Signs (see subsection 16-4.14.d.14 and subsection 16-5.13 for design requirements for signs).
- (g) Garages and storage buildings.
- (h) Lighting (see subsection 16-5.4 of this chapter for the design requirements for lighting).
- (i) Temporary construction trailers and one (1) temporary sign not to exceed thirty-two (32) square feet in area, either attached to the trailer or free-standing, which advertises the prime contractor, subcontractor(s), architect, financing institution and similar data for the period of construction beginning with the issuance of a construction permit and ending with the issuance of a certificate of occupancy or one (1) year, whichever time period is less. The temporary construction trailer(s) and temporary sign shall be located on the site where the construction is taking place and shall be set back at least thirty (30) feet from all lot lines and from the right-of-way lines of all existing and proposed streets. There shall be at least one (1) operating telephone within the trailer.

5. Maximum Building Height

- (a) No principal building shall not exceed thirty-five (35') feet in height and two and one-half (2 1/2) stories as measured from the proposed finished grade.
- (b) No accessory building shall exceed twenty-five (25) feet in height and one and one-half (1 1/2) stories.

6. Maximum Number of Dwelling Units and Maximum Intensity Permitted. No more than 15,500 square feet of retail/office floor area and 12 residential units shall be permitted.

7. Area and Distance Requirements.

(a) Principal Building Minimum Requirements

- (1) Minimum lot frontage is 500 feet
- (2) Minimum lot width is 500 feet
- (3) Minimum lot depth is 200 feet
- (4) Minimum front yard setback is 40 feet
- (5) Minimum side yard setback is 40 feet for one side, 70 feet where abutting a residential zoning district.
- (6) Minimum rear yard setback is 40 feet.
- (7) Maximum floor area ratio is 0.18.
- (8) Maximum retail/office FAR is 0.12.
- (9) Maximum residential FAR is 0.08.
- (10) Maximum residential to retail/office FAR is 0.65.
- (11) Maximum building coverage shall not exceed 12%
- (12) Maximum lot coverage shall not exceed 45%.
- (13) Notwithstanding the distances specified hereinabove, no building shall be located closer than forty feet (40') to the front property line, forty feet (40') feet to the side property lines, seventy feet (70') to the side property where abutting a residential zoning district, and forty feet (40') to the rear property line.

(14) No parking area, loading area, driveway or other structure (except for approved access ways, signs and fencing) shall be permitted within fifty feet (50') of an existing right-of-way, twelve feet (12') of any property line, and such areas shall be planted and maintained in lawn area or ground cover and shall be landscaped with trees and shrubbery as approved by the Board.

(b) Accessory Building Minimum Requirements

- (1) Distance to front lot line is sixty-five feet (65')
- (2) Distance to side lot line is forty feet (40') except that the side yard shall be seventy feet (70') from any common property line with a residential zoning district.
- (3) Distance to rear lot line shall be forty feet (40')
- (4) Distance to another building shall be thirty feet (30')

8. Requirements for Residential Flats

- (a) Residential flats shall be located within the one and one-half (1 ½) stories above the permitted nonresidential uses on the first floor.
- (b) Each residential flat shall have access via an internal hallway within the building, and all access stairways also shall be enclosed within the building.

9. Requirements for all Buildings.

- (a) All proposed buildings shall be reviewed by the Landmarks Preservation Commission pursuant to subsection 16-13.13.
- (b) All buildings shall have a dual pitched, single ridge roof (such as gable, hip, gambrel or mansard roof) with a minimum pitch of one (1) foot vertical to eight (8) feet horizontal, and no flat roof shall be permitted; provided, however that where roof mounted equipment is necessary and/or preferable for potation of the building, a façade roof treatment exhibiting the appearance of such a dual pitched, single ridge roof may be permitted if specifically approved by the Board of Jurisdiction, as the case may be, as part of a submitted site plan application for development.
- (c) All portions of all buildings shall be compatibly designed with a common architectural motif, whether constructed at one time or in stages over a period of time. The architectural design and material surface and color of all building walls on all sides of the buildings shall be suitably finished for aesthetic purposes in a manner consistent with the surface materials existing within the neighborhood.

- (d) Any principal building may contain more than one (1) principal use, provided that the total floor area ratio and lot coverage of the combined uses does not exceed the maximum requirements specified in subsection 16-4.14.d.7 hereinabove and, furthermore, that each use occupies a minimum gross floor area of seven hundred fifty (750) square feet.
- (e) No building shall exceed five thousand (5,000) square feet of gross floor area, whether located as the only building on a lot or located with other buildings on a lot, except that the five thousand (5,000) square foot restriction shall not include the floor area devoted to residential flats in a building.
- (f) More than one (1) principal building shall be permitted on a lot provided that, to the extent practicable, the placement of the buildings shall be staggered, with varying building setbacks and with the orientation of the buildings situated at angles to one another and/or otherwise designed to promote a non-linear appearance.

10. General Requirements for the "SSIZ-4" District

- (a) No merchandise, products, equipment or similar material and objects shall be displayed or stored outside.
- (b) Solid waste not stored within a building may be stored outside within an enclosed container as specifically approved by the Board of Jurisdiction, as the case may be, and in accordance with the recycling requirements of Somerset County.
- (c) All portions of a lot not covered by buildings or structures (e.g. parking lots, parking spaces, loading areas, access aisles, driveways, sidewalks, walkways, curbs, trash enclosures, etc.) shall be suitably landscaped with grass, shrubs, and trees and shall be maintained in good condition. In any case, no less than fifty (50%) percent of the lot shall be so landscaped, and the landscaped area may include approved detention and/or retention basins and approved septic fields.
- (d) Within the side and rear yard setback areas, a minimum buffer screening shall be required along any common property line with a residential zoning district in accordance with the following:
 - (1) The buffer screening shall be at least twenty-five (25) feet in width;
 - (2) The buffer screening shall consist of densely planted evergreen trees at least six (6) feet high at the time of planting and spaced no more than ten (10) feet apart on-center; and
 - (3) No parking area, loading area, driveway or structure, except for approved accessways and fencing integrated with the landscaping plan and as

approved by the Board of Jurisdiction, shall be permitted within the required area for buffer screening.

11. Off-Street Parking and Driveways

- (a) Retail sales and service uses, banks, offices and small animal hospitals shall provide parking at the ratio of one (1) parking space per two hundred (200) square feet of gross floor area or part thereof.
- (b) Restaurants shall provide one (1) parking space for every three (3) seats, but in all cases, a sufficient number of spaces to prevent any parking along public rights-of-way or private driveways, fire lanes and aisles.
- (c) Child care centers shall provide parking at a ratio of one (1) space per employee plus one (1) additional parking space for every eight (8) children. Adequate spaces shall be provided for the loading and unloading of children which shall take place on-site and not in the public right-of-way.
- (d) Each dwelling unit shall be provided a minimum number of parking spaces according to the provisions of the Residential Site Improvement Standards (RSIS), *N.J.A.C. 5:21*, or based upon historical data provided subject to Township review.
- (e) Parking areas for individual uses shall be designed to be interconnected with adjacent properties and shall utilize common entrance(s) and exit(s), where feasible, to minimize access points to the street.
- (f) Shared parking between the residential flats and the permitted nonresidential uses is encouraged.
- (g) See subsection 16-5.8 for the design standards regarding off-street parking, loading areas and driveways.

12. Off-Street Loading

- (a) Unless an alternate method of loading and unloading specifically is approved by the Board of Jurisdiction, the principal building shall be provided an off-street loading space at the side or rear of the building or within the building. In any case, loading and unloading must adhere to the Township's noise standards at subsection 3-3.4.

13. Trash and Recycling Requirements

- (a) The trash and recyclable material collection and pickup locations shall be provided either within the building being served or in nearby locations outside the building.
- (b) If located outside the building, the trash and recyclable materials area shall be totally enclosed, finished with materials used to construct the building(s) being served, up to a maximum of eight (8) feet in height, and located in a manner to be obscured from view from parking areas, streets and adjacent residential uses or zoning districts by a fence or wall. Landscaping, at least six (6) feet in height, shall be provided around any outdoor trash and recycling area.
- (c) The area provided for the collection and pickup of trash and recyclable materials shall be well lit and shall be safely and easily accessible by trash and recycling personnel and vehicles. Collection vehicles shall be able to access the trash and recycling area without interference from parked cars or other obstacles. Reasonable measures shall be taken to protect the trash and recycling area and the bins or containers placed therein against theft of trash and recyclable materials, bins or containers.
- (d) The area provided for the collection and pickup of trash and recyclable materials, and the bins or containers placed therein, shall be designed so as to provide protection against adverse environmental conditions which might render the collected materials unmarketable. Any bins or containers which are used for the collection of trash and recyclable material, and which are located in an outdoor trash and recycling area, shall be equipped with a lid.
- (e) Individual bins or containers for the collection and pickup of recyclable materials shall be equipped with signs indicating the materials to be placed therein.

14. Permitted Signage.

- (a) One (1) ground mounted freestanding sign identifying the name of the development no larger than thirty (30) square feet shall be permitted provided the following:
 - (1) The sign shall not exceed eight (8) feet in height and shall be set back at least ten (10) feet from all street lines and twenty-five (25) feet from all other property lines.

- (2) Any sign illumination shall be external to the sign and shall be designed and oriented to prevent any sight of the lamp from any street or neighboring properties.
- (b) Each individual use in a principal building occupying at least seven hundred fifty (750) square feet of segregated habitable floor area with direct access from the outside shall be permitted a sign identifying the name of the use attached flat against the building at or above the entrance to the individual use. the size of each such attached sign shall not exceed one-half (1/2) square foot of sign area per one (1) linear foot of building frontage occupied by the individual use, but in no case shall the size of the sign exceed twenty-five (25) square feet in area.
- (c) All signs shall be wood painted, and all signs shall utilize black letters painted upon a white or cream colored background unless otherwise specifically approved by the Board of Jurisdiction, as the case may be.
- (d) Any sign illumination shall be external to the sign and shall be designed, oriented and maintained to prevent any sight of the lamp from any street or neighboring properties.
- (e) All signs shall be reviewed by the Montgomery Township Landmarks Preservation Commission in accordance with subsection 16-13.17a.5 of this chapter, and the recommendations of the Landmarks Preservation Commission shall be forwarded to the Board of Jurisdiction, as the case may be.
- (f) All principal uses are permitted signs in accordance with subsection 16-5.13 of this chapter; however, notwithstanding any provision of this chapter to the contrary, no signs shall be permitted in any windows except for a sign not exceeding one (1) square foot in area indicating the hours of operation or the “open” / “closed” status.
- (g) See subsection 16-5.13 of this chapter for permitted temporary signs, additional standards and the design requirements for signs.

15. Affordable Housing Standards.

- (a) A Developer’s Agreement is required to establish income distribution, bedroom distribution, unit size, etc.
- (b) The affordable units shall be developed in accordance with Chapter XV Affordable Housing of the Township’s Code and the following:
 - (1) The affordable units cannot be age-restricted units;

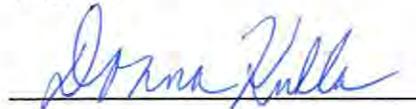
- (2) The length of controls requirement and deed restrictions pursuant to *N.J.A.C. 5:80-26.11*.
- (3) The shall be required to hire an experienced administrative affordable housing agent to administer the units in accordance with UHAC including affirmative marketing and at least 30-year controls on affordability.
- (4) The accessibility and adaptability requirements pursuant to *N.J.A.C. 5:97-3.14*.

SECTION 4. If any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged by the Courts to be invalid, such adjudication shall apply only to the subsection, clause or provision so adjudged and the remainder of this Ordinance shall be deemed valid and effective.

SECTION 5. This Ordinance shall take effect upon final adoption, publication and the filing of a copy of said Ordinance with the Somerset County Planning Board, all in accordance with the law.

I, Donna Kukla, Clerk for the Township of Montgomery, hereby certify that Ordinance #18-1586 was introduced on first reading by the governing body of the Township of Montgomery, County of Somerset, on July 5, 2018.

Public hearing and consideration for adoption was held on July 19, 2018, at which time the Ordinance was finally adopted.



Donna Kukla, Township Clerk

Introduction : July 5, 2018
Published : July 11, 2018
Public Hearing : July 19, 2018
Adopted : July 19, 2018
Published : July 25, 2018

21. THIRD ROUND: ALLIES, INC.

Housing Agreement

Deed Restriction

Infrastructure Assistance Agreement

Renovation Funding Assistance Agreement

Department of Human Services Commitment Letter

Pro Forma

Sources of Funds

Implementation Schedule

**AGREEMENT
PINE KNOLL-ALLIES, INC.**

THIS AGREEMENT is made this 25th day of January, 2010, by and between the Township of Montgomery in Somerset County, a municipal corporation of the State of New Jersey, having an address of 2261 Van Horne Road, Belle Mead, New Jersey 08502 ("**Township**") and, Allies, Inc., a non-profit corporation of the State of New Jersey having an address of 1262 Whitehorse-Hamilton Square Road, Building A, Suite 101, Hamilton Square, New Jersey 08690 ("**Allies**").

FACTUAL RECITALS

A. The Township owns certain real property located on Burnt Hill and The Great Roads, designated as Block 26001, Lot 1, on the Tax Assessment Maps of the Township of Montgomery (2008 rev. ed.), said real property being commonly known as Skillman Village.

B. An unused residence called "Pine Knoll" is situated on said real property in close proximity to Burnt Hill Road.

C. Allies is a not-for-profit organization dedicated to providing a variety of services, including residential services, to individuals with disabilities and, as part of its residential services, Allies creates and operates affordable housing group homes for individuals with disabilities.

D. The New Jersey Supreme Court has determined that developing municipalities have a constitutional obligation to provide realistic opportunities, through land use regulations, for the development of affordable housing. This obligation, known as the "Mt. Laurel Doctrine," is set forth in, among other decisions, South Burlington

H. The Township has petitioned COAH for third round substantive certification of its adopted Housing Plan Element and Fair Share Plan ("HPE & FSP") pursuant to COAH's rules.

I. Allies is desirous of developing and operating the Pine Knoll residence for supportive and special needs housing as a six-bedroom group home for COAH-qualified individuals in compliance with COAH's rules, and the Township is desirous of having the Pine Knoll residence used as supportive and special needs housing as proposed by Allies.

J. Allies will provide needed housing opportunities for income-qualified individuals with disabilities and assist the Township in meeting its fair share obligation.

K. The Township included this Allies project for the Pine Knoll residence within the HPE & FSP submitted to COAH as a compliance mechanism for achieving a portion of the Township's fair share obligation determined by COAH.

L. N.J.S.A. 52:27D-311 provides for the donation of municipally-owned land for the purposes of providing low and moderate income housing and N.J.S.A. 52:27D-325 permits the conveyance of municipally-owned real property by resolution of the governing body authorizing the private conveyance of said real property where the conveyance is to a non-profit entity and contains a contractual guarantee that the housing will remain available to low and moderate income households for a period of at least thirty (30) years.

M. In addition, N.J.S.A. 40A:12-21 permits the Township to convey public lands not otherwise needed to a duly incorporated non-profit organization with a principal purpose of the education or treatment of persons afflicted with developmental disabilities

or to any duly incorporated non-profit housing corporation for the purpose of constructing housing for low or moderate persons or families of handicapped persons.

N. The land on which the Pine Knoll residence is located comprises 256 $\frac{1}{2}$ acres in its entirety and it is necessary to subdivide the Pine Knoll residence and curtilage from the entire Skillman Village property in order to convey the same to Allies. The approximate area to be subdivided is depicted on an aerial map dated September 23, 2009 entitled "Pine Knoll House," attached hereto and made part hereof as **Exhibit A**.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Township and Allies, intending to be bound, agree as follows:

1. **Preamble.** The factual recitals set forth hereinabove are hereby made an integral part of this Agreement.
2. **Allies Project.** Allies agrees to renovate the Pine Knoll residence to operate supportive and special needs housing for income-qualified individuals with developmental disabilities, consistent with regulations and/or licensing requirements of the New Jersey Department of Human Services. The residence will be used, for a six-bedroom group home, qualifying the Township for six COAH credits and shall not be age-restricted. Allies will provide support of the resident developmentally disabled individuals including, but not limited to, participation in community integrated activities and normal daily living needs. The renovations shall be completed by Allies at its sole cost and expense in accordance with all applicable building codes and other pertinent regulations in order to maintain the eligibility of the Pine Knoll residence for six COAH credits. Hereafter, the work to be undertaken by Allies as described herein may be referred to as the "Allies Project."

3. **Subdivision.** The Township shall undertake, at its cost and expense, a subdivision of the Pine Knoll residence from the balance of the Skillman Village property generally in accordance with Exhibit A. The resulting size of the new lot upon which the Pine Knoll residence will be situated will be 0.9598 \checkmark acres. Allies shall cooperate with the Township in the Township's pursuit of subdivision approval and shall be available to sign such documents as may be required by the applicable development board and to provide testimony before said board. If the subdivision application is denied, or contains conditions unacceptable to either the Township or Allies, the parties shall meet and attempt to cooperatively address the issues giving rise to the denial or unacceptable conditions. If, in good faith, the parties are not able to satisfactorily resolve the denial or unacceptable conditions, either party may terminate this Agreement.

4. **Conveyance.** Following perfection of the subdivision the Township will convey the newly subdivided lot as generally depicted on Exhibit A (hereinafter "Pine Knoll Property") to Allies. The consideration recited in the deed of conveyance shall be one dollar (\$1.00). The deed shall contain a limitation that the Pine Knoll Property, inclusive of improvements, shall only be used for the purposes identified and set forth herein (*see, e.g.*, Recitals L and M, and paragraph 2), and that if not so used such that the Township would be deprived of current or future credits towards its obligations pursuant to the Mt. Laurel Doctrine, title shall revert to the Township without entry or re-entry made thereon on behalf of the Township. Said limitation shall be for a period of thirty years from the date of the conveyance and, at the sole option of the Township, may be extended for additional periods of at least thirty years each by the filing of a notice in the Office of the Somerset County Clerk referencing the deed of the conveyance and the

extension of the restrictions. An affordable housing agreement and declaration of covenants, conditions and restrictions in a form acceptable to the Township and Allies shall be executed by Allies and recorded simultaneously with the deed of conveyance vesting title in Allies. The declaration will set forth the affordability restrictions that will encumber the Pine Knoll Property, binding the parties hereto and their respective heirs, successors and assigns.

5. Compliance with COAH Approvals.

a. Allies agrees to construct and operate the Allies Project in accordance with the provisions set forth in the Township's third round HPE & FSP, or such plan as receives substantive of certification from COAH, including the required number of bedrooms set forth in the plan, the income requirements and any other requirements or restrictions regarding the nature of the project to be build by Allies.

b. Allies agrees to administer the Allies Project in accordance with COAH's rules and the terms and conditions of the Township's HPE & FSP as receives substantive certification from COAH.

c. It is the express intent of the parties hereto that Allies shall properly manage the group home in Pine Knoll, that the Township shall not be involved in the daily operation of the group home and only reserves the rights set forth herein to ensure proper operation of the group home in accordance with applicable law, and COAH's rules. Allies shall maintain the group home in a peaceable and lawful manner consistent with applicable statutes, regulations, building codes, and local ordinances. The exterior of the residence shall be maintained in a neat and orderly fashion, and the lawn regularly mowed.

6. **Renovation Responsibilities.** The parties agree that responsibilities for the renovation of Pine Knoll shall be as follows:

a. The Township shall, at its cost and expense, secure the subdivision of the Pine Knoll Property from the balance of the Skillman Village property and transfer title to the Pine Knoll Property to Allies. The Township shall make sanitary sewer service available to Allies in the Skillman Village sewage treatment plant (hereinafter "STP"); however, the cost of connection thereto, capacity and sewer user charges shall be borne by Allies. Prior to conveyance of the Pine Knoll Property to Allies as set forth in paragraph 4 above, the Township shall, at its cost, televise existing sewerage to be utilized for the conveyance of sewage generated from the Pine Knoll residence to the STP. If said sewerage cannot effectively convey the sewage from the Pine Knoll residence to the STP consistent with reasonable engineering practices and is in need of repair, the parties shall meet and attempt to cooperatively address the necessary repairs. If, in good faith, the parties are not able to satisfactorily resolve the necessary repairs, either party may terminate this Agreement.

b. Allies shall, at its cost and expense, renovate the Pine Knoll residence, and secure any and all permits necessary therefor. Allies will not have to apply for any zoning variance or any other land use variances in order to complete the Allies Project because the Township is responsible for securing development approvals necessary to effectuate the subdivision of the Pine Knoll residence from Skillman Village to further the Allies Project.

7. **Renovation Schedule.**

- a. Allies shall secure all necessary funding commitments on or before January 31, 2010.
- b. The Township shall obtain the subdivision approval on or before July 15, 2010.
- c. Allies shall begin renovation of the Pine Knoll residence on or within ninety (90) days of closing.
- d. Allies shall complete the renovations of the Pine Knoll residence and secure a Certificate of Occupancy within one (1) year of closing.
- e. These deadlines may be extended by mutual written agreement of the parties.

8. Funding.

a. Funding for the development of the Allies Project is anticipated to come from a commercial lending institution. The Township agrees to assist Allies in making any additional grant and/or loan applications, pursuant to the Act, to various County, State, Federal and private agencies to fund the Allies Project. The applications may be for improvements, professional fees and other "soft costs," and/or additional improvements beyond the original scope of development provided the Township has approved said additional improvements. Allies shall pursue such subsidies as may be available for the low and moderate income housing units and such other financial support as may be available through County, State, Federal and/or private agencies.

b. If Allies is unable to secure the necessary financing for part or all of the Allies Project, Allies agrees to provide the Township with an analysis and computation of the amount of funding needed to meet any shortfall, copies of any

funding commitments for the Allies Project, a detailed cost estimate for completion of the project, and any other information the Township may require for such analysis of the Project's financial status. The Township may provide funding from the Township's Affordable Housing Trust Fund, use its best efforts to issue bonds and make the proceeds of such bonds available to Allies, or terminate the Allies Project. In the case of a default by Allies, the Township may exercise all controls over the Allies Project necessary to protect its separate interest, subject to the direction of the Township Attorney, including the right to take control of the Allies Project, subject to proper notice and an opportunity to cure as set forth in Paragraph 11.

9. **Status Reports.** Until commencement of full operation of the Pine Knoll residence by Allies, Allies shall file a written report with the Township Clerk stating its operational and construction status, activities since last report, and all other work done in furtherance of the housing opportunities, on a quarterly basis.

10. **Insurance.** From the date of conveyance of the Pine Knoll Property, Allies shall purchase and keep current, all necessary insurance identified by the Township's insurance consultant, including but not limited to general liability insurance and workers compensation coverage, and shall list the Township as an additional named insured on its policies and require any contractors to do the same. The face amount of all insurance policies shall be approved by the Township's insurance consultant. Failure to maintain such coverage shall be deemed a material breach of this Agreement.

11. **Diligent Prosecution.** The Parties agree that they shall each use their best efforts to diligently prosecute obtaining all necessary funding and construction approvals for the Project. Allies shall diligently prosecute the construction of the Allies

Project to a completion, which shall be defined as the issuance of an unconditional certificate of occupancy for the Pine Knoll residence by the Township. In the event Allies abandons the project or fails to diligently prosecute the construction of the Project to completion, the Township may terminate this Agreement without any consideration to be paid to Allies.

12. **Parties.** Allies and the Township, and all parties who lawfully succeed to their right and responsibilities, shall be bound by this Agreement.

13. **Entire Agreement.** The Agreement represents the entire agreement between the parties and can only be changed in writing by both Allies and the Township.

14. **Controlling Law.** This Agreement shall be interpreted under the laws of the State of New Jersey.

15. **Deficiencies and Cure.** In the event that the Township believes that the actions of Allies, in the construction and/or operation of the Allies Project, are not consistent with or violate the express provisions, intent or purpose of the Agreement, the Township shall provide written notice to Allies of such deficiencies. Allies shall have sixty (60) days from the date of notice to cure such deficiencies. If the deficiencies are not cured within sixty (60) days, or within such extension(s) as may be granted by the Township of Montgomery, the Township shall, at a public meeting, determine if Allies is in default of this Agreement and take such action as the Township deems necessary. Further, in the event the deficiencies are of such nature that the Township could reasonably be deprived of current or future credits towards its obligations pursuant to the Mt. Laurel Doctrine, the Township may declare this Agreement void. If the Agreement

is deemed void by the Township, Allies shall, within sixty (60) days of such determination, vacate the Allies Property.

16. **Notices.** All notices required under this Agreement shall be sent via certified mail, return receipt requested to the following;

To Allies: Allies, Inc.
 1262 Whitehorse-Hamilton Square Road
 Building A, Suite 101
 Hamilton Square, New Jersey 08690

David A. Schweizer, Esquire
Maniaci, Ciccotta & Schweizer
6720 Frankford Avenue
Philadelphia, Pennsylvania 19135

To the Township: Township of Montgomery
 2261 Van Horne Road
 Belle Mead, New Jersey 08502

Kristina P. Hadinger, Esq.
Mason, Griffin & Pierson, P.C.
101 Poor Farm Road
Princeton, New Jersey 08540

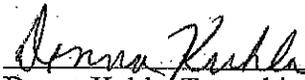
17. **Cooperation With Other Entities.** The parties agree that Allies may complete the Project in cooperation with other entities committed to the support individuals with disabilities, including Global Communities of Support.

[REMINDER OF PAGE INTENTIONALLY LEFT BLANK]

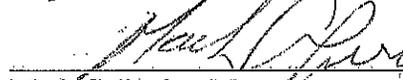
18. Signatures. Allies and the Township agree to the terms and conditions contained in this Agreement. This Agreement is being made by two corporations and the proper corporate officers of each corporation have been authorized to sign and affix the corporate seals on the date first written above.

Attest:

The Township of Montgomery, a municipal corporation of the State of New Jersey

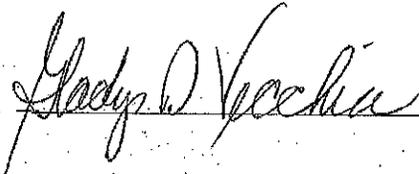


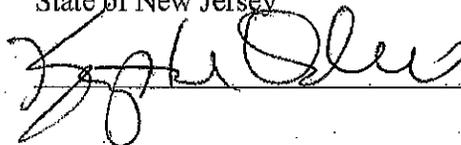
Donna Kukla, Township Clerk



Mark Caliguire, Mayor

Allies, Inc., a non-profit corporation of the State of New Jersey





VAUSERSKPHMONTGOMERY\COAH\Third Round - 2nd time\Allies\Pine Knoll Agreement 12-11-09 clean.doc

Kristina P. Hadinger
Kristina P. Hadinger

17pgs 103.00 up
CB

UNRECORDED

DEED

This Deed is made on July 23, 2013

BETWEEN THE TOWNSHIP OF MONTGOMERY, IN SOMERSET COUNTY, a municipal corporation of the State of New Jersey

whose address is 2281 Van Horne Road, Belle Mead, New Jersey 08502

referred to as the Grantor.

AND ALLIES, INC., a non-profit corporation of the State of New Jersey

whose address is 1262 Whitehorse-Hamilton Square Road, Building A, Suite 101, Hamilton Square, New Jersey 08690

referred to as the Grantee.

The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above, together with their successors and assigns.

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of ONE AND 00/100 DOLLARS (\$1.00). The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S. 17:27-46:15-2.1) Municipality of Township of Montgomery
Block No. 26001 Lot No. 1.07

No property tax identification number is available on the date of the deed. (Check box if applicable).

Property. The property consists of the land and all the buildings and structures on the land in the Township of Montgomery, County of Somerset and State of New Jersey. The legal description is:

Being described as set forth in Schedule "A" attached hereto and made a part hereof.

Being the same lands and premises conveyed by the Township of Montgomery to the Township of Montgomery in a subdivision deed dated October 25, 2011 and recorded on October 25, 2011 in the Somerset County Clerk's Office in Deed Book 6460, pages 1721-1728.

Also being a portion of the same lands and premises conveyed to the Township of Montgomery by deed from The State of New Jersey, Department of the Treasury, dated January 23, 2007, and recorded on January 26, 2007 in the Somerset County Clerk's Office in Deed Book 5988, pages 2462-2503 (hereinafter "State Deed").

Restrictions. The premises herein conveyed are a portion of a larger tract conveyed to the within Grantor pursuant to the State Deed. Said State Deed established certain restrictions, referred to in the State Deed as the "NPDC Property Restrictions." As set forth in the State Deed, said NPDC Property Restrictions do not apply to the entirety of the premises conveyed to the within Grantor, and the within Grantor has the sole discretion to establish the location of said restrictions and determine which portions of the entirety of the premises conveyed by the State Deed are subject to the NPDC Property Restrictions. The premises herein conveyed to Grantee shall not be subject to the NPDC Property Restrictions, but shall be subject to the following restrictions which shall run with the land, and be binding upon Grantee, and its successors and assigns:

- a. Grantee shall renovate the existing dwelling on the premises (hereinafter "Pine Knoll") to operate supportive and special needs housing for income-qualified individuals with developmental disabilities, consistent with regulations and/or licensing requirements of the State of New Jersey, Department of Human Services.
- b. Grantee will operate Pine Knoll as a six-bedroom group home, qualifying the Grantor for six credits as affordable housing for persons of low and moderate income under the "Mt. Laurel Doctrine" and the rules of the New Jersey Council on Affordable Housing, and any successor agency (hereinafter "COAH").



BRETT A. BOYD COUNTY CLERK
SOMERSET COUNTY, NJ
2014 SEP 31 PM 3:37:08 PM
RC: 6788 BC: 1362-1388
INSTRUMENT # 2014011238

SCHEDULE A

BOUNDARY LINES, P.A.



Professional Land Surveyors

PO Box 433

Edison, New Jersey 08818-0433

(Phone) 732-603-9700 (Fax) 732-603-9725

Email : boundarylines@msn.com

(Please contact us for FedX/UPS delivery)

**DESCRIPTION OF PROPOSED LOT 1.07 IN BLOCK 26001, TOWNSHIP OF
MONTGOMERY, SOMERSET COUNTY, NEW JERSEY**

BEGINNING at an Iron Pin with Cap Set at a point in the Westerly sideline of Burnt Hill Road, also known as Harlingen-Blawenberg Road, said point being distant 25.0 feet from the centerline thereof as measured at right angles, and being the following two courses from a point marked by a P.K. Nail and Washer found in the deed centerline of Burnt Hill Road, also known as Harlingen-Blawenberg Road, said point being on the Easterly prolongation of the division line between Lot 1.02, Block 26001 to the North and Lot 1, Block 26001 to the South, and from said point running;

- a) North 88 Degrees 52 Minutes 17 Seconds West a distance of 25.72 Feet to the Westerly sideline of Burnt Hill Road, thence;
- b) South 14 Degrees 40 Minutes 28 Seconds West along the Westerly sideline of Burnt Hill Road a distance of 612.47 Feet to Iron Pin with Cap Set marking the Point and Place of Beginning, thence running;
 1. Along the Westerly sideline of Burnt Hill Road the following Three Courses: South 14 Degrees 40 Minutes 28 Seconds West a distance of 81.33 Feet to a point of curvature, thence;
 2. Along a Curve to the Right having a Radius of 167.00 Feet, an Arc Length of 60.91 Feet and a Delta Angle of 20 Degrees 53 Minutes 46 Seconds to a point of compound curve, thence;
 3. Along a Curve to the Right having a Radius of 357.00 Feet, an Arc Length of 46.22 Feet and a Delta Angle of 07 Degrees 25 Minutes 04 Seconds to an Iron Pin with Cap Set, thence;
 4. North 79 Degrees 45 Minutes 33 Seconds West a distance of 210.39 Feet to an Iron Pin with Cap Set, thence;

SCHEDULE A (page 2)

5. North 10 Degrees 14 Minutes 27 Seconds East a distance of 180.00 Feet to an Iron Pin with Cap Set, thence;
6. South 79 Degrees 45 Minutes 33 Seconds East a distance of 254.65 Feet to an Iron Pin with Cap Set in the Westerly sideline of Burnt Hill Road and the POINT AND PLACE OF BEGINNING..

Containing 1 Acre of Land as surveyed by Boundary Lines, P.A. and shown on a Plan entitled "Partial Boundary Survey & Minor Subdivision Lot 1, Block 26001 Montgomery Township, Somerset County, New Jersey", dated April 7, 2010

Said Westerly sideline of Burnt Hill Road established as per plan entitled "Plan Showing Proposed Roadway Dedication to Public Street Purposes" by van-Note Harvey and Associates, dated October 18, 2006, a copy being in the possession of Boundary Lines, P.A.

James W. Ryckman
James W. Ryckman
Professional Land Surveyor
NJ License #25798

5-5-10

Date

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER
(Chapter 49, P.L. 1968, as amended by 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 OF SOMERSET } SS. County Municipal Code
MUNICIPALITY OF PROPERTY LOCATION Montgomery Township

FOR RECORDER'S USE ONLY	
Consideration	\$ <u>1.00</u>
RTF paid by Seller	\$ <u>Exempt</u>
Date <u>3-31-14</u>	By <u>[Signature]</u>

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

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

Deponent, KRISTINA P. HADINGER being duly sworn according to law upon his/her oath,
(Name)
deposes and says that she is the Legal Representative of the Grantor in a deed dated , 2013 transferring
(Grantor, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.)
real property identified as Block number 26001 Lot number 1.07 located in Montgomery Township, Somerset County, New Jersey and annexed thereto.

(2) CONSIDERATION \$ 1.00 (See Instructions #1 and 5 on reverse side).

(3) Property transferred in 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:
(See Instructions #5A and #7 on reverse side)

Total Assessed Valuation + Director's Ratio = Equalized 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 value.

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

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

8. (a) for a consideration less than \$100

(5) PARTIAL EXEMPTION FROM FEE (See 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 Fee, Supplemental Fee, and General Purpose Fee, 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.* (See 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 or disabled persons must also meet all of the following criteria:

- Owned and occupied by grantor(s) at time of sale.
- Resident of the State of New Jersey.
- One or two-family residential premises.
- Owners as joint tenants must all qualify.

*IN THE CASE OF HUSBAND AND WIFE/CIVIL UNION PARTNERS, ONLY ONE GRANTOR NEEDS TO QUALIFY IF OWNED AS TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING (See 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 (See Instructions #2, #10 and #12 on reverse side)

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

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

Subscribed and sworn to before me this 23rd day of July, 2013

Kristina P. Hadinger
Kristina P. Hadinger
Attorney-at-law of the
State of New Jersey

Signature of Deponent
Kristina P. Hadinger
101 Poor Farm Road
Princeton, New Jersey 08540
Deponent Address

The Township of Montgomery
in Somerset County
Montgomery

[Signature]
Grantor Name
2261 Van Home Road
Belle Mead, New Jersey 08502

Grantor Address at Time of Sale
Kristina P. Hadinger
Mason, Griffin & Pierson, P.C.

XXX-XX-X099
Last 3 digits in Grantor's Social Security Number/Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY	
Instrument Number	County <u>SOMERSET</u>
Deed Number	Book Page
Deed Dated <u>7-23-13</u>	Deed Recorded <u>3-31-14</u>

County Recording Officers shall forward one copy of each Affidavit of Consideration for Use by Seller when Section 3A is completed.

STATE OF NEW JERSEY-DIVISION OF TAXATION
P.O. 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. This form may not be altered or amended without the approval of the Director. For further information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at www.state.nj.us/treasury/taxation/rtf/localtax.htm

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)

Names(s)

The Township of Montgomery, in Somerset County, a municipal corporation of the State of New Jersey

Current Resident Address:

Street: 2261 Van Home Road

City, Town, Post Office

Belle Mead

State

NJ

Zip Code

08502

PROPERTY INFORMATION (Brief Property Description)

Block(s)

26001

Lot(s)

1.07

Qualifier

Street Address:

148 Burnt Hill Road

City, Town, Post Office

Skillman

State

NJ

Zip Code

08558

Seller's Percentage of Ownership

100%

Consideration

\$1.00

Closing Date

SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 10 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.
9. The property being sold is subject to a short sale instituted by the mortgagee, whereby the seller has 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 being recorded is a deed dated prior to the effective date of P.L. 2004, c. 55 (August 1, 2004), and was previously unrecorded.

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.

7/23/13

Date

Patricia M. Graham
Signature Patricia M. Graham Deputy Mayor
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature

(Seller) Please indicate if Power of Attorney or Attorney in Fact

DEED

THE TOWNSHIP OF MONTGOMERY, IN
SOMERSET COUNTY, a municipal corporation
of the State of New Jersey

Grantor,

to

ALLIES, INC., a non-profit corporation of
the State of New Jersey

Grantee

DATED: July 23, 2013

Record and Returns:

Kristina P. Hadinger
MASON, GRIFFIN & PIERSON, P.C.
101 Poor Farm Road
Princeton, New Jersey 08540



STRIDENT ABSTRACT TITLE AGENCY LLC
1348-A CAMPUS PARKWAY
MALL NJ 07753



BRETT A. RADI
SOMERSET COUNTY CLERK
20 GROVE STREET
P.O. BOX 3000
SOMERVILLE, NJ 08876-1262

Recorded: 03/31/2014 02:37:06 PM
Book: OPB 6708 Page: 1362-1369
Instrument No.: 2014011238
DEEDTRNS 8 PGS \$103.00

Recorder: LEONARDI

DO NOT DISCARD



2014011238

4pp 6300 CK AB
Ag't Deed

**Declaration of Covenants, Conditions and Restrictions
Implementing Affordable Housing Controls
on Deed-Restricted Affordable Housing Unit
with Restrictions on Resale and Refinances**

THIS DECLARATION is made and dated this 29 day of Jan, 2014, by **Allies, Inc.**, a non-profit corporation of the State of New Jersey, having its primary business address at 1262 Whitehorse-Hamilton Square Road, Building A, Suite 101, Hamilton Square, New Jersey 08690 (the "Developer" or the "Owner").

WHEREAS, the Developer is the owner of certain real property designated as **Lot 1.07 in Block 26001** on the Montgomery Township Tax Assessment Maps (rev. 2012), more fully described in **Schedule A** attached hereto and made a part hereof, on which is situated a home known as "Pine Knoll," a group home to be renovated and operated by the Developer for low and moderate income qualified individuals with developmental disabilities, said group home consisting of six (6) bedroom units, located in the Township of Montgomery, County of Somerset, State of New Jersey (collectively, the "Affordable Housing Unit" or the "Property"); and,

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

WHEREAS, the Act requires that municipalities ensure that such designated housing remains affordable to low and moderate income households; and,

WHEREAS, pursuant to the Act, the Affordable Housing Unit described in this Declaration has been designated as low and moderate income housing as defined by the Act; and,

WHEREAS, the Developer and the Township of Montgomery (the "Township") have entered into an agreement dated January 25, 2010 (the "Agreement") pursuant to which the Township will convey the Property to the Developer to be renovated and operated by the Developer as a group home for low and moderate income individuals with developmental disabilities, by deed restricting the Property for such purposes; and,

WHEREAS, the Agreement provides that the Developer will execute this Declaration, to be recorded simultaneously with the deed of conveyance vesting title to the Property in the Developer; and,



BRETT A. BADI COUNTY CLERK
SOMERSET COUNTY, NJ
2014 MAR 21 02:27:06 PM
BK: 8788 PG: 1370-1373
INSTRUMENT # 2014011239

WHEREAS, the purpose of this Declaration is to ensure that the Affordable Housing Unit remains affordable to low and moderate income eligible individuals with developmental disabilities for that period of time described in this Declaration.

NOW, THEREFORE, it is the intent of this Declaration to ensure that the affordability controls on the Affordable Housing Unit are recorded so as to bind the Owner of the Affordable Housing Unit to comply with the covenants, conditions and restrictions contained herein, of which the Owner shall be required to notify all future purchasers of the Affordable Housing Unit.

Article 1. Affordable Housing Covenants

The sale and use of the Affordable Housing Unit subject to this Declaration is governed by regulations governing controls on affordability, which are found in the New Jersey Administrative Code, Title 5, Chapter 93, Subchapter 9 (N.J.A.C. 5:93-9.1, *et seq*), and Chapter 80, Subchapter 26 (N.J.A.C. 5:80-26.1, *et seq*) (collectively, the "Regulations"). Consistent with the Regulations, the following covenants and restrictions shall run with the land, for the Affordable Housing Unit, for a period of thirty (30) years commencing on the date the deed conveying the Property to the Developer (the "Deed") is recorded with the Somerset County Clerk; and, pursuant to the Deed, at the option of the Township, said covenants and restrictions may be extended for additional periods of at least thirty (30) years each, by the Township filing a notice in the Office of the Somerset County Clerk referencing the Deed and the extension of the covenants and restrictions.

- A. The Developer shall renovate and operate the Affordable Housing Unit as a six (6) bedroom group home for low and moderate income qualified individuals with developmental disabilities. The Developer will operate the Affordable Housing Unit as a group home in accordance with N.J.A.C. 5:97-6.10 and all other applicable governmental rules and regulations applicable to group homes. The Developer will provide information requested by the Township or its designated administrative agent (the "Administrative Agent") regarding the qualifications of the individuals to occupy the Affordable Housing Unit.
- B. The Affordable Housing Unit shall not be occupied until all applicable governmental certifications have been issued.
- C. No refinancing, equity loan, secured letter of credit, or any other mortgage obligation or other debt (collectively, "Debt") secured by the Affordable Housing Unit, may be incurred except as approved in advance and in writing by the Township or its designated Administrative Agent.
- D. The Affordable Housing Unit is a six (6) bedroom group home which the Owner shall lease to and maintain occupancy by income qualified individuals with developmental disabilities approved in writing by the Administrative Agent. The Owner shall charge rent no greater than the maximum permitted rent as determined by the Township or its designated Administrative Agent, and if requested by the Township or its designated Administrative Agent, shall submit for written approval of the Township or its designated

Administrative Agent copies of all proposed leases prior to having them signed by any proposed tenant.

- E. No improvements may be made to the Affordable Housing Unit that would affect its bedroom configuration.
- F. The affordable housing covenants, declarations and restrictions implemented by this Declaration and by incorporation, N.J.A.C. 5:80-26.1 et seq. and N.J.A.C. 5:93-9.1, et seq. shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to the Affordable Housing Unit so long as the Affordable Housing Unit remains subject to the affordability controls being implemented by this Declaration.
- G. In accordance with N.J.A.C. 5:80-26.5, the Affordable Housing 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 Affordable Housing Unit from such requirements. Prior to such a municipal election, the Affordable Housing Unit must remain subject to the requirements of this subchapter for a period of at least thirty (30) years.

Article 2. Remedies for Breach of Affordable Housing Covenants

A breach of the covenants contained in this Declaration will cause irreparable harm to the Township and to the public, in light of the public policies set forth in the Act and the Regulations, and the Township's 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 covenant contained in this Declaration by the Developer, or any successor in interest or other owner of the Affordable Housing Unit, the Township or its designated Administrative Agent shall have all remedies provided at law or in equity, including the right to seek injunctive relief or specific performance.
- B. Upon the occurrence of a breach of any covenant contained in this Declaration by the Developer, or any successor in interest or other owner of the Affordable Housing Unit, the Township or its designated Administrative Agent shall have all remedies provided at law or in 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 this Declaration, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Declaration, entry on the premises, those provided under N.J.A.C. 5:80-26.1 et seq. and N.J.A.C. 5:93-9.1, et seq., and specific performance.

The covenants, conditions and restrictions contained in this Declaration run with the land and bind the Developer, and Developer's successors, heirs and assigns.

IN WITNESS WHEREOF, the Developer has caused this Declaration to be executed by its duly authorized representatives this 29 day of January 2014.

ATTEST:

[Signature]

Allies, Inc., a non-profit corporation of the State of

[Signature]
By:

STATE OF NEW JERSEY)
COUNTY OF _____)SS.

I CERTIFY that on January 29 2014, Elise Tretak, personally came before me, and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the President/CEO of Allies, Inc., the corporation named in this document;
- (b) this person was authorized to execute this document on behalf of the corporation; and,
- (c) this person executed this document as the voluntary act of the corporation.

[Signature]
Notary Public

Record & Return to:
Mason, Griffin & Pierson, P.C.
101 Poor Farm Road
Princeton, NJ 08540

Jeanette Frullo
Notary Public
New Jersey
My Commission Expires October 3, 2018

↓
LTRIDENT ABSTRACT TITLE AGENCY LLC
1340-A CAMPUS PARKWAY
WALL NJ 07753



BRETT A. RADI
SOMERSET COUNTY CLERK
20 GROVE STREET
P.O. BOX 3000
SOMERVILLE, NJ 08876-1262

Recorded: 03/31/2014 02:37:06 PM
Book: OPR 6708 Page: 1370-1374
Instrument No.: 2014011239
AGTDEED 5 PGS \$63.00

Recorder: LEONARDI

DO NOT DISCARD



2014011239

**AGREEMENT TO PROVIDE AFFORDABLE HOUSING INFRASTRUCTURE ASSISTANCE IN
AN AMOUNT UP TO \$10,200.00**
Allies, Inc.

THIS AGREEMENT TO PROVIDE AFFORDABLE HOUSING INFRASTRUCTURE ASSISTANCE IN AN AMOUNT UP TO \$10,200.00 (“Agreement”) is made this 25 day of June, 2012, by and between Allies, Inc., a non-profit corporation of the State of New Jersey, having an address of 1262 Whitehorse-Hamilton Square Road, Building A, Suite 101, Hamilton Square, New Jersey 08690 (“**Affordable Housing Developer**”) and the Township of Montgomery, in Somerset County, a municipal corporation of the State of New Jersey, having an address of Municipal Building, 2261 Van Horne Road, Belle Mead, New Jersey 08502 (“**Township**”).

WHEREAS, the Township of Montgomery was granted second round substantive certification by the Council on Affordable Housing (“**COAH**”) on March 5, 1997, and an extension of substantive certification was granted by COAH on February 9, 2005;

WHEREAS, the Township received approval from COAH for its development fee ordinance on March 5, 1997, which was adopted by the Township Committee on April 17, 1997;

WHEREAS, an updated development fee ordinance (“**Development Fee Ordinance**”) creating a dedicated revenue source for affordable housing was approved more recently by COAH on December 5, 2008 and adopted by the Township Committee on December 18, 2008;

WHEREAS, the development fee ordinance establishes an affordable housing trust fund that addresses, among other matters, development fees, payments from developers in lieu of constructing affordable units on-site, barrier free escrow funds, rental income, repayments from affordable housing program loans, recapture funds, proceeds from the sale of affordable units, and/or affordable housing enforcement fines and application fees;

WHEREAS, the Township Committee of the Township of Montgomery, Somerset County, petitioned COAH for third round substantive certification on December 30, 2008;

WHEREAS, on October 8, 2010, the Appellate Division in its decision in *In re Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, et al.*, 416 N.J. Super. 462 (App. Div. 2010), invalidated portions of COAH's revised Third Round Rules, including those portions of the rules that utilized a growth share methodology in determining prospective need for affordable housing, thereby precluding the ability of COAH to act upon and approve third round petitions until such time as new rules could again be promulgated to enable municipalities to determine their third round fair share obligation;

WHEREAS, in light of the Appellate Division's invalidation of COAH's third round growth share methodology, on December 9, 2010, COAH granted the Township a stay of further COAH proceedings involving its third round prospective obligation based upon its finding that the Township had not only already fully satisfied its entire first and second round obligations, but also has additional credits for the third round;

WHEREAS, notwithstanding the December 9, 2010 stay of further COAH proceedings, the Township has continued to move forward with implementation of its third round plan in order to create and foster the production of new affordable housing opportunities in the Township;

WHEREAS, as recognized by the New Jersey Legislature and set forth in the express language of the Economic Stimulus Act of 2009, *P.L.* 2009, c. 90, which amended certain development fee provisions of the FHA, the "State of New Jersey is confronting a fiscal and economic crisis more severe than any experienced since the Great Depression . . . [which] compels bold and timely action" such as the "use of tax increment financing, tax credits, development fee suspensions, and dedicated economic development revenues . . . to restore [the] economy to economic health and create good-paying jobs for its residents [and] assist the private development of affordable housing," *P.L.* 2009, c. 90, Section 1;

WHEREAS, the Township has been approached by developers of affordable housing projects requesting financial assistance to help reduce infrastructure costs associated with their proposed affordable

housing projects, such as sewer infrastructure costs and/or connection fees, in order to enable them to move forward and produce new affordable housing opportunities in the Township;

WHEREAS, the Township has affordable housing funds available that it can and does wish to commit to such projects, thereby fostering the very purposes for which the funds were collected and furthering the aims of the Economic Stimulus Act by making those funds available to developers of affordable housing in order to stimulate the economy, create jobs and develop affordable housing opportunities in the Township;

WHEREAS, N.J.A.C. 5:97-8.7(a) specifies that a municipality may use affordable housing trust funds for the new construction of affordable housing units and related development costs and for infrastructure directly serving affordable housing developments;

WHEREAS, the Township has filed an updated spending plan with the Department of Community Affairs - Local Planning Services / COAH, dated April 5, 2012, that includes payment of sewer capacity hook-up fees for the development of new affordable housing opportunities contained in in the Township's Housing Element and Fair Share Plan as an anticipated use of its affordable housing funds;

WHEREAS, using affordable housing funds to pay the sewer capacity hook-up fees for affordable housing units identified in the Township's submitted Housing Element and Fair Share Plan ("**Fair Share Plan**") and included in the Township's companion spending plan are permissible and appropriate uses under COAH's rules;

WHEREAS, Affordable Housing Developer is renovating an existing building on property to be conveyed by the Township under the terms of an agreement dated January 25, 2010 to Affordable Housing Developer, known as Block 26001, Lot 1.07, a portion of the former "Skillman Village," and to be used as supportive and special needs housing as identified in the Township's Fair Share Plan ("**Affordable Housing Project**"), said affordable housing project to include a total of six COAH-qualified and credited

deed-restricted bedrooms, and has requested financial assistance towards the reduction of development and infrastructure costs;

WHEREAS, sanitary sewer service in Affordable Housing Developer's project will be provided by the Montgomery Township sanitary sewer utility ("Utility");

WHEREAS, any new connection to the Utility's sanitary sewer system is subject to a connection fee or capacity charge in accordance with subsection 12-7.4 of the Code of the Township of Montgomery (1984) ("**Code**");

WHEREAS, based on the rates established for the Utility for 2012, the sewer connection fees for the COAH-qualified and credited deed-restricted Affordable Housing Project are anticipated to be \$10,200.00;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the mutual receipt and sufficiency of which are hereby acknowledged, Affordable Housing Developer and Township agree as follows:

1. **Inclusionary Development New Construction Assistance**. The Utility's sanitary sewer connection charges established pursuant to subsection 12-7.4 of the Code for the COAH-qualified and credited deed-restricted Affordable Housing Project shall be paid from affordable housing trust funds collected by the Township pursuant to the Development Fee Ordinance, rather than paid by the Affordable Housing Developer. The amount to be paid shall be equivalent to the Utility's fee as established by subsection 12-7.4 of the Code, provided same shall not exceed either \$10,200.00 or \$34.00/gallon of capacity required for the new COAH-qualified and credited deed-restricted affordable housing units being constructed. If there is any shortfall in amount paid for the new COAH-qualified and credited deed-restricted Affordable Housing Project out of affordable housing trust funds and the actual amount owed the Utility pursuant to subsection 12-7.4 of the Code, said shortfall shall be the sole responsibility of the Affordable Housing Developer.

2. **Compliance with Chapter XII. Sewer and Water of the Montgomery Township Code**

(1984). Affordable Housing Developer hereby acknowledges its familiarity with an agreement to abide by Chapter XII, Sewer and Water, of the Code also known as the “Sewer Rate and Regulation Ordinance of the Township of Montgomery,” and as the same may be amended from time to time. Accordingly, and as may be applicable, Affordable Housing Developer agrees to obtain at its expense: (a) a sewer connection permit; and (b) a street opening and/or excavation permit as may be required to effect the connection of the COAH-qualified and credited deed-restricted Affordable Housing Project to the Utility’s sanitary sewer system. In addition, and without limitation, Affordable Housing Developer agrees to pay annual sewer user charges.

3. **Successors and Assigns Bound.** The provisions of this Agreement shall inure to the benefit of and be obligatory upon the respective parties hereto and their successors and assigns.

4. **Waiver.** The waiver of any provision of this Agreement shall only be effective if made in writing.

5. **Construction of Agreement.** This Agreement was prepared jointly and shall be construed on parity between the parties.

6. **Notice of Third Party Actions.** The parties agree to provide each other with immediate notice of any lawsuits, action or governmental declaration, threatened or pending of which they are actually aware which may affect the provisions of this Agreement or implementation thereof.

7. **Authority.** Each party represents that it has the authority from its governing body, board or member, as the case may be, to enter into this Agreement.

8. **Invalidity.** If any provision of this Agreement is determined by a court, COAH, the New Jersey Department of Community Affairs Division of Local Planning Services and/or any successor agency to be invalid, void or unenforceable, either party may, by written notice to the other party,

terminate this Agreement, in which event, neither party shall have any further responsibility to the other with respect to the terms and conditions of this Agreement.

9. **Notices.** All notices required under this Agreement shall be in writing and shall be served upon the respective parties by certified mail, return receipt requested, or by recognized overnight or personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages), copies shall be served by facsimile or e-mail. All notices shall be received upon the date of delivery. In addition, copies of any notice shall be sent to each Party's respective counsel and other officials, addressed as follows:

a. Copies of notices to the Township shall be sent to the Township Clerk, Planning Director and Township Attorney serving in such capacity as of the date of such notice. As of the date of this Agreement and effective until changed, such notices shall be sent to: Donna Kukla, Township Clerk, Montgomery Township Municipal Building, 2261 Van Horne Road, Belle Mead, New Jersey 08502, fax 908-359-3051, e-mail: dkukla@twp.montgomery.nj.us; Lori Savron, Planning Director, Montgomery Township Municipal Building, 2261 Van Horne Road, Belle Mead, New Jersey 08502, fax 908-359-2006, e-mail: lsavron@twp.montgomery.nj.us; and Kristina P. Hadinger, Township Attorney, Mason, Griffin & Pierson, PC, 101 Poor Farm Road Princeton, New Jersey 08540, fax 609-683-7978, e-mail k.hadinger@mgplaw.com.

b. Copies of notices to the Affordable Housing Developer shall be sent to Doug Conkling, Allies, Inc., 1262 Whitehorse-Hamilton Square Road, Building A, Suite 101, Hamilton Square, New Jersey 08690, and David A. Schweizer, Esq., Maniaci, Ciccotta & Schweizer, 6720 Frankford Avenue, Philadelphia, Pennsylvania 19135.

10. **Affordable Housing Agreement.** This Agreement supplements the Agreement entered into between the parties on January 25, 2010.

11. **Captions.** The captions in this Agreement are inserted for convenience of reference only, and are not to be construed as defining, limiting or modifying the scope and intent of the various provisions of this Agreement.

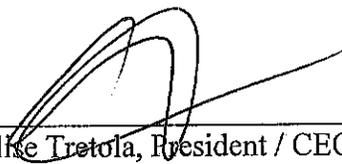
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.

ATTEST:

Allies, Inc.

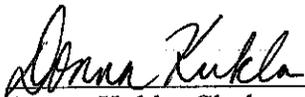


Don Tretola, VP of Public Affairs

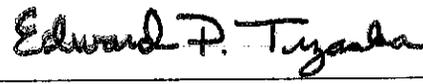
By: 

Elise Tretola, President / CEO

TOWNSHIP OF MONTGOMERY



Donna Kukla, Clerk

By: 

Edward Trzaska, Mayor

**AGREEMENT
TO PROVIDE AFFORDABLE HOUSING FUNDING ASSISTANCE FOR
SUPPORTIVE / SPECIAL NEEDS HOUSING
Allies, Inc.**

THIS AGREEMENT is made this 16th day of July, 2012, by and between:

ALLIES, INC., a non-profit corporation of the State of New Jersey, having an address of 1262 Whitehorse-Hamilton Square Road, Building A, Suite 101, Hamilton Square, New Jersey 08690 ("Allies"), and

THE TOWNSHIP OF MONTGOMERY, a municipal corporation of the State of New Jersey, having an address of 2261 Van Horne Road, Belle Mead, New Jersey 08502 ("Township").

WITNESSETH

WHEREAS, Allies is a non-profit organization dedicated to providing a variety of services, including residential services, to individuals with disabilities; and

WHEREAS, on January 25, 2010, Allies and the Township entered into an agreement to provide for the creation of a supportive and special needs group home for income-qualified individuals with disabilities in accordance with COAH's rules, to be located on a portion of the former "Skillman Village" site, designated as Lot 1.07 in Block 26001 on the Montgomery Township Tax Map; and

WHEREAS, pursuant to the terms and conditions of the January 25, 2010 agreement, Allies is renovating an unused, former residence that exists on the property, commonly known as "Pine Knoll", into a supportive and special needs group home that will include a total of six COAH-qualified and credited, deed-restricted bedroom units; and

WHEREAS, the condition of the existing structure, current economic conditions and constraints on the availability of funding have delayed progress on the project, giving rise to discussions between the parties regarding the potential for additional financial assistance from the Township to enable Allies to make the structure habitable and enable Allies to move forward with the renovations; and

WHEREAS, by Agreement dated June 25, 2012, the Township agreed to provide funding in an amount up to \$10,200.00, from the Township's affordable housing infrastructure funding program, for connection fees or capacity charges associated with Pine Knoll's connection to the Montgomery Township sanitary sewer utility by Allies; and

WHEREAS, to further facilitate the Pine Knoll project, Allies has also requested additional funding assistance to remove the existing HVAC system and replace it with a new high efficiency system for the house, and to replace the copper piping that was stolen from the structure when it was unoccupied and unused; and

WHEREAS, estimates for the replacement of the HVAC system are anticipated to cost up to \$43,400.00; and

WHEREAS, estimates for the replacement and installation of the stolen copper piping is anticipated to cost up to \$2,295.64; and

WHEREAS, the Township has affordable housing funds available that it can and does wish to commit to the Allies' Pine Knoll project, thereby fostering the very purposes for which the funds were collected; and

WHEREAS, N.J.A.C. 5:97-8.7(a) specifies that a municipality may use its affordable housing trust funds for the maintenance and repair of affordable housing units and development costs related to the construction of new affordable housing units; and

WHEREAS, the Township has filed an updated spending plan with COAH, dated April 5, 2012, that includes funding for the Allies' Pine Knoll project that will result in the development of new affordable housing opportunities contained in the Township's Housing Element and Fair Share Plan; and

WHEREAS, using affordable housing funds to pay for an HVAC system and plumbing work for the affordable housing units identified in the Township's submitted Housing Element and Fair Share Plan and included in the Township's companion spending plan are permissible and appropriate uses under COAH's rules.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the mutual receipt and sufficiency of which are hereby acknowledged, Allies and the Township agree as follows:

1. **Funding Assistance For Structural Systems.** The Township shall reimburse Allies for the actual costs incurred by Allies for the replacement of Pine Knoll's HVAC system and stolen copper piping, subject to the following:

a. The maximum amount of reimbursement to Allies shall not exceed the sum of \$43,400.00 for the replacement and installation of the HVAC system, and \$2,295.64 for the replacement and installation of the copper piping. Any and all additional costs incurred by Allies in connection with the HVAC system and piping exceeding these amounts shall be the sole responsibility of Allies.

b. Upon completion of the work for the HVAC system and/or piping replacement, Allies shall submit a written request for payment to the Township Administrator and submit a copy of the contractor invoice(s) and certification by Allies that the work was satisfactorily completed ("Request for Payment").

c. Payment shall be made by the Township to Allies, by Township check, within 60 days of the Township's receipt of the Request for Payment.

2. **Successors and Assigns Bound.** The provisions of this Agreement shall inure to the benefit of and be obligatory upon the respective parties hereto and their successors and assigns.

3. **Waiver.** The waiver of any provision of this Agreement shall only be effective if made in writing.

4. **Construction of Agreement.** This Agreement was prepared jointly and shall be construed on parity between the parties.

5. **Notice of Third Party Actions.** The parties agree to provide each other with immediate notice of any lawsuits, action or governmental declaration, threatened or pending of which they are actually aware which may affect the provisions of this Agreement or implementation thereof.

6. **Authority.** Each party represents that it has the authority from its governing body, board or member, as the case may be, to enter into this Agreement.

7. **Invalidity.** If any provision of this Agreement is determined by a court, COAH, the New Jersey Department of Community Affairs Division of Local Planning Services and/or any successor agency to be invalid, void or unenforceable, either party may, by written notice to the other party, terminate this Agreement, in which event, neither party shall have any further responsibility to the other with respect to the terms and conditions of this Agreement.

8. **Notices.** All notices required under this Agreement shall be in writing and shall be served upon the respective parties by certified mail, return receipt requested, or by recognized overnight or personal carrier. In addition, where feasible (for example, transmittals of less than

fifty pages), copies shall be served by facsimile or e-mail. All notices shall be received upon the date of delivery. In addition, copies of any notice shall be sent to each Party's respective counsel and other officials, addressed as follows:

a. Copies of notices to the Township shall be sent to the Township Clerk, Planning Director and Township Attorney serving in such capacity as of the date of such notice. As of the date of this Agreement and effective until changed, such notices shall be sent to: Donna Kukla, Township Clerk, Montgomery Township Municipal Building, 2261 Van Horne Road, Belle Mead, New Jersey 08502, fax 908-359-3051, e-mail: dkukla@twp.montgomery.nj.us; Lori Savron, Planning Director, Montgomery Township Municipal Building, 2261 Van Horne Road, Belle Mead, New Jersey 08502, fax 908-359-2006, e-mail: lsavron@twp.montgomery.nj.us; and Kristina P. Hadinger, Township Attorney, Mason, Griffin & Pierson, PC, 101 Poor Farm Road Princeton, New Jersey 08540, fax 609-683-7978, e-mail k.hadinger@mgplaw.com.

b. Copies of notices to Allies shall be sent to Doug Conkling, Allies, Inc., 1262 Whitehorse-Hamilton Square Road, Building A, Suite 101, Hamilton Square, New Jersey 08690, and David A. Schweizer, Esq., Maniaci, Ciccotta & Schweizer, 6720 Frankford Avenue, Philadelphia, Pennsylvania 19135.

9. **Affordable Housing Agreement.** This Agreement supplements the Agreements entered into between the parties on January 25, 2010 and June 25, 2012.

10. **Captions.** The captions in this Agreement are inserted for convenience of reference only, and are not to be construed as defining, limiting or modifying the scope and intent of the various provisions of this Agreement.

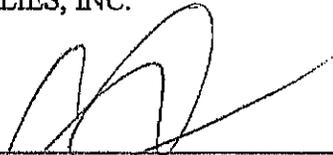
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.

ATTEST:

ALLIES, INC.

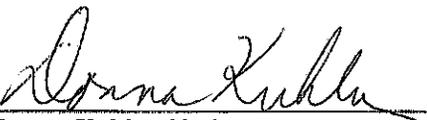


Don Tretola, VP of Public Affairs

By: 

Elise Tretola, President / CEO

TOWNSHIP OF MONTGOMERY



Donna Kukla, Clerk

By: 

Edward Trzaska, Mayor



STATE OF NEW JERSEY

DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES

PO BOX 726
TRENTON, NJ 08625-0726
609.633.1482

www.nj.gov/humanservices/ddd

PHILIP D. MURPHY
GOVERNOR

SHEILA Y. OLIVER
LT. GOVERNOR

CAROLE JOHNSON
COMMISSIONER

JONATHAN S. SEIFRIED
ASST. COMMISSIONER

March 4, 2020

Ms. Elise M. Tretola
President/CEO
Allies, Inc.
1262 Whitehouse-Hamilton Sq. Rd.
Building A, Suite 101
Hamilton, NJ 08690

Re: Allies, Inc. 148 Burnt Hill Road, Montgomery Township, NJ 08558

Dear Ms. Tretola,

This letter serves as commitment by the New Jersey Department of Human Services (DHS) to support the development of 148 Burnt Hill Road in Montgomery Township, New Jersey. The developer for this project is Monarch Housing Associates. This project will provide one home with six single bedroom units for individuals with medical needs. Individuals eligible to reside in this setting will be those who are approved through the Division of Developmental Disabilities and who select to be served in the location. The home will be licensed in accordance with N.J.A.C. 10:44A and all requirements therein must be met prior to all moves.

If approved by HUD, individuals who select the property will receive rental subsidies administered through the HUD Section 811 Project Rental Assistance Program. Additional funding sources for this development may also include County HOME and FHLB NY AHP Funds. Any operating dollars would be supported through individual budgets and will be based upon rates established by DHS. Fire alarm and sprinkler system installation will be funded by DHS up to the amount of \$30,000.

Please note that the annual level of funding provided by DHS is subject only to the availability of funds appropriated yearly by the Legislature of the State of New Jersey.

If you have any questions, I can be reached at (609) 633-7548 or at Amy.Scartocci@dhs.nj.gov.

Sincerely,

A handwritten signature in blue ink that reads "Amy Scartocci".

Amy Scartocci
Director of Housing
Division of Developmental Disabilities

Cc: Sheri Fine, Housing Supervisor
Miracle Drakeford, Program Developer
Asish Patel, Monarch Housing Associates, Developer

22. THIRD ROUND: PROPOSED GROUP HOMES

Funding Agreement

Deed Restriction for Completed Group Home

Certificate of Occupancy for Completed Group Home

FUNDING AGREEMENT

This Funding Agreement (“**Agreement**”) is made and dated on 5/16, 2018, by and between:

The Township of Montgomery, in Somerset County, a municipal corporation of the State of New Jersey, having an address at 2261 Van Horne Road, Belle Mead, New Jersey 08502 (“**Montgomery**”), and

Community Options, Inc., having an address at 16 Farber Road, Princeton, New Jersey 08540 (“**COI**”).

Whereas, COI intends to acquire three four-bedroom dwellings, or three dwellings that will be converted by COI to four-bedroom dwellings, or a combination thereof such that, ultimately, COI will have three four-bedroom dwellings in the Township of Montgomery, County of Somerset, (the “**Properties**”);

Whereas, COI is acquiring the Properties for the purpose of renovating, creating and operating group homes for very-low income qualified individuals with developmental disabilities (the “**Group Home Projects**”);

Whereas, the Group Home Projects shall provide for a total of twelve (12) bedrooms, each bedroom being a “**unit**;”

Whereas, pursuant to the Fair Housing Act (P.L. 1985, c. 222) (the “**Act**”), municipalities in the State of New Jersey are required to provide their fair share of housing that is affordable to very-low, low and moderate income households in accordance with the provisions of the act;

Whereas, Montgomery administers the Montgomery Township Affordable Housing Program for the purpose of meeting its fair share affordable housing obligation in accordance with the provisions of the Act;

Whereas, as part of its Affordable Housing Program, Montgomery administers an Affordable Housing Trust Fund;

Whereas, the New Jersey Council on Affordable Housing (“**COAH**”) regulations at N.J.A.C. 5:93-5.8 credit group homes as affordable housing by the bedroom and, as used herein “**COAH**” shall also be deemed to mean any successor agency or the courts;

Whereas, COI and Montgomery wish to restrict the Properties for use solely as very-low income affordable housing defined as housing for individuals with incomes of no more than 30% of the regional median income per N.J.S.A. 52:27D-329.1 for income qualified individuals with developmental disabilities;

Whereas, contingent upon (a) the governing body of Montgomery adopting an ordinance authorizing the expenditure of funds to partially reimburse COI for the provision of twelve very-low income units through the acquisition of the Properties and/or to fund the renovation and creation of the Group Home Projects, and (b) approval by the New Jersey Superior Court, Montgomery shall contribute the sum of Fifty Thousand Dollars (\$50,000.00) per bedroom for a total of Six Hundred Thousand Dollars (\$600,000.00) toward partially reimbursing COI for the provision of twelve very-low income units through its acquisition of the Properties and/or to fund the renovation and creation of the Group Home Projects in consideration of COI executing Declarations of Covenants, Conditions, and Restrictions (the “**Declarations**”) in a substantially similar format as that attached hereto as **Exhibit A**, restricting the Properties for very-low income affordable housing purposes, which Declarations shall be recorded in the Office of the Somerset County Clerk following the recording of the deed of conveyance vesting title to each of the Properties in COI;

Whereas, COI will obtain any additional funding or gap financing from other sources and/or shall contribute all additional funds necessary for the renovation and creation of the Group Home Projects;

Whereas, the Declarations shall implement affordable housing controls on the Properties, and shall ensure that the Properties remains affordable to very-low income qualified individuals with developmental disabilities for a period of at least thirty (30) years from the date the Declarations are recorded in the Office of the Somerset County Clerk, which dates may be extended by Montgomery at its sole discretion;

Whereas, pursuant to the Declarations, the Properties shall be a part of the Montgomery Affordable Housing Program, subject to the rules and regulations of the Montgomery Affordable Housing Program and COAH;

Whereas, the Group Home Projects shall provide Montgomery with twelve (12) credits for three group homes with four (4) bedrooms per group home toward Montgomery’s fair share affordable housing obligation pursuant to COAH requirements; and

Whereas, the Declarations shall be executed by COI and shall be recorded following recording of the deeds of conveyance vesting title to the Property in COI.

Now, Therefore, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties hereto, Montgomery and COI agree as follows:

1. The aforesaid preamble to this Agreement is incorporated in this Agreement as if set forth at length herein.
2. It is the intent and purpose of this Agreement to ensure that the affordable housing controls contained herein are implemented and recorded to restrict the Properties as three affordable housing properties in the Township of Montgomery, each one consisting of four (4) bedrooms and being eligible for four (4) affordable housing credits under the Montgomery Affordable Housing Program and the rules and regulations of COAH, so as to bind COI, its successors, heirs and assigns, to comply with the controls, declarations, covenants, conditions

and restrictions contained in the Declarations, of which COI shall be required to notify all future parties taking title to the Properties, for a period of at least thirty (30) years from the date each of the Declarations is recorded in the Office of the Somerset County Clerk, which period may be extended by Montgomery at its sole discretion. COI agrees the controls, declarations, covenants, conditions and restrictions on the affordable units contained in the Declarations may be extended at such time deemed necessary in the future by the Township in accordance with governing law or regulation, including, but not limited to rules adopted by COAH and/or the Uniform Housing and Affordability Control regulations, N.J.A.C. 5:80-26, et seq. COI agrees the Declarations shall take priority over all other liens on the Properties.

3. Contingent upon the governing body of Montgomery adopting an ordinance authorizing the expenditure of funds from the Montgomery Affordable Housing Trust Fund towards the partial reimbursement for the provision of very-low income units through the purchase and/or renovation of the Properties and approval by the New Jersey Superior Court, Montgomery shall contribute the total sum of Six Hundred Thousand Dollars (\$600,000.00) toward partially reimbursing COI's provision of very-low income units through the acquisition of the Properties and/or renovation and creation of the Group Home Projects in consideration of COI executing the Declarations, and recording the Declarations following the recording of the deeds of conveyance vesting title to the Properties in COI. More specifically, payment shall be made in the following manner:
 - a. Not later than thirty (30) days of COI acquiring a four-bedroom dwelling, executing and recording a Declaration, the Township shall pay COI \$200,000.00;
 - b. Not later than thirty (30) days of COI acquiring a dwelling with less than four bedrooms, completing the conversion of same to a four-bedroom dwelling, and executing and recording a Declaration, the Township shall pay COI \$200,000.00. As used herein **"completing the conversion"** shall mean that a certificate of occupancy has been obtained by COI for the conversion.
4. COI shall obtain any additional funding or gap financing from other source(s) and/or shall contribute all additional funds necessary for the renovation and creation of the Group Home Projects.
5. The Group Home Projects will consist of three homes each with a minimum of four (4) bedrooms, providing Montgomery with twelve (12) units of affordable housing pursuant to COAH rules and regulations. The parties acknowledge that COAH does not have regulations for affirmative marketing for group homes although COAH's required group home monitoring surveys permit group homes to rely on the state-wide waiting list of qualified individuals from the Division of Developmental Disabilities ("**DDD**") in the Department of Human Services. As used herein "**DDD**" shall also mean any successor agency or division. COI shall therefore be responsible for filling the twelve (12) bedrooms and any subsequent re-rental of any of the bedrooms with very-low income qualified individuals with developmental disabilities utilizing the DDD state-wide list for developmentally disabled residents.
6. COI will undertake the renovation, creation and operation of the Group Home Projects, and shall be responsible for making the Properties ADA accessible.

7. COI shall keep Montgomery informed of the status of the creation and renovation of the Group Home Projects, and shall provide documentation regarding the same as may be requested by Montgomery.
8. COI agrees to complete the acquisitions contemplated by this Agreement, create the three Group Home Projects, record the Declarations, and ensure that all of the Group Home Projects are lawfully occupied by qualified individuals no later than July 31, 2020, unless both parties agree in writing to extend the date, and said extension is approved by the Superior Court.
9. This Agreement can only be assigned or changed by an agreement in writing signed by both parties hereto.
10. This Agreement is binding upon all parties who sign it and all who succeed to their rights and responsibilities.
11. All notices under this Agreement must be in writing. The notices must be delivered personally or mailed by certified mail, return receipt requested, to the other party at the address written in this Agreement, or to that party's attorney. Notices may also be sent electronically.
12. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.
13. The authorized corporate officers of COI and Montgomery sign this Agreement with authority provided by their respective governing bodies.
14. The Effective Date of this Agreement shall be the date first stated above on Page 1.

In Witness Whereof the parties have caused this Agreement to be approved and executed by their duly authorized representatives, fully intending to be bound hereby.

SIGNED AND AGREED TO BY:



Donna Kukla, Clerk

Township of Montgomery

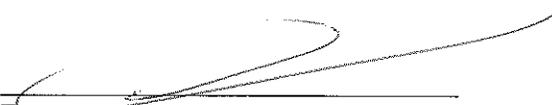


By: Mark Conforti, Mayor

Community Options, Inc.



David Sweeney, CEO



By: Robert Stock, CEO



Steve Peter
Somerset County Clerk
20 Grove Street
P.O. Box 3000
Somerville, NJ 08876

Date Recorded:	3/14/2019	11:18:59 AM
Recorded By:	ELLMER	
Book & Page:	OPR 7105	858-862
Instrument No.:	2019008423	
Number of Pages:	5	
Document Type:	AGREEMENT DEED	
Recording Fee (inc all addtl charges):	\$63.00	

DO NOT DISCARD



SOMERSET COUNTY
DOCUMENT COVER SHEET

HON. STEVE PETER
 SOMERSET COUNTY CLERK
 PO BOX 3000
 20 GROVE STREET
 SOMERVILLE, NJ 08876

WWW.CO.SOMERSET.NJ.US



INSTRUMENT # 2019008423

BOOK: 7105 PAGE: 858-862

DATE OF DOCUMENT: 1/30/2019	TYPE OF DOCUMENT: Deed Restriction
FIRST PARTY (Grantor, Mortgagor, Seller or Assignor) Community Options, Inc.	SECOND PARTY (Grantee, Mortgagee, Buyer, Assignee) Township of Montgomery
ADDITIONAL PARTIES:	

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY	
MUNICIPALITY: Montgomery	MAILING ADDRESS OF GRANTEE: DANNA ANTHONY COMMUNITY OPTIONS INC 16 FARBER ROAD PRINCETON, NJ 08540
BLOCK: 7003	
LOT: 1	
CONSIDERATION:	

THE FOLLOWING SECTION IS FOR ORIGINAL MORTGAGE BOOKING & PAGING INFORMATION FOR ASSIGNMENTS, RELEASES, SATISFACTIONS, DISCHARGES & OTHER ORIGINAL MORTGAGE AGREEMENTS ONLY			
BOOK	PAGE	INSTRUMENT #	DOCUMENT TYPE

DO NOT REMOVE THIS PAGE
THIS DOCUMENT COVER SHEET IS PART OF THE SOMERSET COUNTY FILING RECORD
RETAIN THIS PAGE FOR FUTURE REFERENCE

Declaration of Covenants, Conditions and Restrictions
Implementing Affordable Housing Controls

Covenants Restricting Group Home Use

THIS DECLARATION is made this 31st day of January, 2019, by and between COMMUNITY OPTIONS, INC., a New Jersey based non-profit corporation ("Community Options") or its successor, with offices at 16 Farber Road, Princeton, NJ 08540 and the TOWNSHIP OF MONTGOMERY, a municipal corporation of the State of New Jersey ("Township") with offices at 2261 Rt. 206, Belle Mead, NJ 08502;

WHEREAS, Community Options is the owner of land located in the Township of Montgomery, County of Somerset and State of New Jersey, and described more specifically as 91 Willow Run Lane, Belle Mead, NJ (Block 7003, Lot 1) on which there has been constructed a residential dwelling to be used as a four-bedroom very low-income group home for developmentally disabled and mentally ill persons (the "group home"); and

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

WHEREAS, the Act requires that municipalities insure that such designated housing remains affordable to very low income households for a designated period of time; and

WHEREAS, to satisfy its affordable housing obligation the Township entered into an agreement with Community Options to advance \$50,000 for each affordable housing credit (bedroom) created by Community Options for an alternative living arrangement (group home) for developmentally disabled and mentally ill persons; and

WHEREAS, the purpose of this Declaration is to insure that the group home remains affordable to very low-income eligible households for the Control Period described in Article 1 of this Declaration;

NOW THEREFORE, in consideration of the payment of \$50,000 for each group home bedroom for a total Township contribution of \$200,000 for a four-bedroom group home, it is the intent of this Declaration to insure that the affordability controls are recorded on the property so as to bind the owner of the property to the covenants, conditions and restrictions contained herein; to notify all future purchasers that the group home is encumbered with affordability controls, and to enable the Township to take such actions as may be necessary to maintain the affordability controls for at least thirty (30) years.

ARTICLE I. AFFORDABLE HOUSING COVENANTS (RENTALS)

The following covenants (the "Covenants") shall run with the land, known as 91 Willow Run Lane for a period of at least thirty (30) years from the date of the filing of this Declaration of Covenants, Conditions and Restrictions ("Control Period").

- A. Sale and use of the land and group home 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 "Uniform Controls").
- B. The land and group home shall be used solely for the purpose of providing rental dwelling units for very low-income persons in need of alternative living arrangements, and no commitment for this group home shall be given or implied, without securing documentation with which the Township's Administrative Agent could issue a certificate of eligibility.
- C. So long as the group home remains within its Control Period, its sale may only be undertaken if the Township is notified of the proposed sale at least thirty (30) days prior thereto and if the sale is in conformance with the administrative regulations governing the sale of a rental dwelling subject to affordable housing controls as approved in advance by the Township. The Township agrees that its approval shall not be unreasonably withheld, delayed or conditioned.
- D. No improvements may be made to the group home that would affect its bedroom configuration unless requested by Community Options and approved by the Township, same to be in accordance with all applicable regulations as they may be amended from time to time.
- E. Any mortgage lien holder now existing, or its successors or assigns, shall notify the Township of any foreclosure actions filed with respect to the group home within (5) business days of service upon Owner. The restrictions contained in this Declaration are subordinate to any mortgage currently recorded against the group home and shall be subordinate to any refinancing of such mortgage.
- F. Community Options, its successors or assigns, shall notify the Township within three (3) business days of the filing of any petition for protection from creditors or reorganization filed by or on behalf of the Owner.
- G. The affordability controls will remain in effect despite the occurrence of any of the following events; a sublease or assignment of the lease of the group home; a sale or other voluntary transfer of the ownership of the group home; or, the entry and enforcement of any judgment of foreclosure.

ARTICLE 2. REMEDIES FOR BREACH OF AFFORDABLE HOUSING COVENANTS

A breach of this Declaration of Covenants, Conditions and Restrictions will cause irreparable harm to the Township 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. 5:80-26.1, and the obligation for the provision of affordable housing. Accordingly, in the event of a threatened or actual breach of this Declaration of Covenants, Conditions and Restrictions by Community Options, the Township shall have all remedies provided at law or equity, including, but not limited to, those set forth in the administrative regulations governing affordable housing and the right to seek injunctive relief or specific performance.

ARTICLE 3. OTHER PROVISIONS

Community Options shall cooperate in following and complying with the Fair Housing Act and with all rules and regulations of COAH, any successor State agency, and the NJ Superior Court, and shall cooperate in any and all necessary actions, to the extent such cooperation is necessary to assist the Township in securing maximum

credits for the group home thereby assisting the Township in fulfilling its affordable housing obligation. Community Options shall complete required affordable housing monitoring forms within 20 days of a request by the Township.

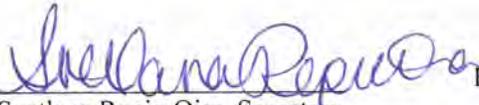
ARTICLE 4. BINDING AGREEMENT

This Declaration of Covenants, Conditions and Restrictions shall be binding on Community Options, its successors and assigns, and shall run with the land.

IN WITNESS WHEREOF, Community Options has caused this instrument to be executed by its duly authorized and proper officer, this 30th day of January, 2019

ATTEST:

COMMUNITY OPTIONS, INC

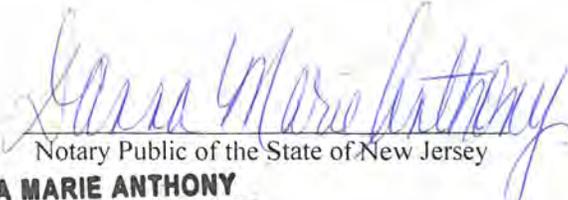
 By:
Svetlana Repic-Qira, Secretary


Robert P. Stack, Pres/CEO

STATE OF NEW JERSEY, COUNTY OF MERCER

I CERTIFY that on the 30th day of January, 2019, Robert P. Stack personally came before me and this person acknowledged under oath to my satisfaction that.

- (a) This person is the Pres/CEO of COMMUNITY OPTIONS, INC. the corporation named in the Declaration of Covenants, Conditions and Restrictions;
- (b) This person is the attesting witness to the sign of this Declaration of Covenants, Conditions and Restriction by the proper corporate officer who is President, the CEO of the corporation;
- (c) This Declaration of Covenants, Conditions and Restriction was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;
- (d) This person knows the proper seal of the corporation which was affixed to this Declaration of Covenants, Conditions and Restriction;
- (e) This person signed this proof of attest to the truth of these facts.


Notary Public of the State of New Jersey

DANNA MARIE ANTHONY
NOTARY PUBLIC OF NEW JERSEY
Comm. # 2417993
My Commission Expires 03/01/2022



CERTIFICATE

Permit # 19-0429
 Date Issued 4/23/19
 -or-
 Control # _____
 Certificate Issued Date: 2/26/2020

IDENTIFICATION

Block 7003 Lot 1 Qualification Code _____
 Work Site Location 91 Willow Run Lane
Belle Mead, NJ 08502
 Owner In Fee _____
 Address 16 Farrer Rd.
Princeton, NJ 08540
 Tel. (609) 951 9900
 Contractor Storcella & Nocera Cont., LLC
 Address 2115 Hamilton Ave.
Hamilton, NJ 08619
 Tel. (609) 586 2100 FAX (____) _____
 Lic. No. or Bids. Reg. No. 13VR04007000
 Federal Employer No. 22 3309410

Home Warranty No. n/a
 Type of Warranty Plan: State Private
 Use Group R5
 Maximum Live Load n/a
 Construction Classification n/a
 Maximum Occupancy Load n/a
 Description of Work/Use:

Renovation of 4 bedroom single family dwelling
 Foundation repair, replace furnace & a/c, add
 2 handicap ramps, smoke detectors & co detectors
 and residential sprinklers.

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 the 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 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 _____

CONSTRUCTION OFFICIAL _____ DATE 2-26-2020
 U.C.C. F260 (rev. 8/05)

Fee \$ _____
 Paid Check No. _____
 Collected by: _____

23. THIRD ROUND: TAPESTRY ASSISTED LIVING

Planning Board Resolution

Revised

PLANNING BOARD
TOWNSHIP OF MONTGOMERY

Application No. PB-21-02

A Resolution of the Planning Board of the Township of Montgomery memorializing the action of the Planning Board on the application of **Sharbell Plainsboro, Inc.** for Preliminary Major Site Plan and Subdivision Approval and for Final Major Subdivision Approval for Phase 1A for Block 28001, Lots 36, 37 and 45 in the ARH -Age Restricted Housing District

WHEREAS, the Planning Board has received an application from Sharbell Plainsboro, Inc. for Preliminary Major Site Plan and Subdivision Approval for Phases 1A, 1 and 2 and for Final Major Subdivision Approval for Phase 1A for Block 28001, Lot 36, 37 and 45 in the ARH -Age Restricted Housing District; and

WHEREAS, a public hearing on the application was held by the Planning Board on November 10, 2003, at which time the Planning Board took action and made certain findings and facts and conclusions of law.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of Montgomery, assembled in public session o February 9, 2004, that the following Findings of Fact, Conclusions and Determinations are hereby confirmed and memorialized:

1. The Planning Board had the jurisdiction to act upon the application, with a majority vote required for approval.
2. The application was declared complete and was the subject of a public hearing on November 10, 2003, at which time the Board heard the testimony of the applicant, the applicant's witnesses, comments of the Board's professional staff and testimony and comment of the public. The plans and documents submitted by the applicant were as follows:

- Preliminary Site and Subdivision Of Waterford For Sharbell Plainsboro, Inc.”, consisting of 75 sheets, and pump station plans, consisting of nine (9) sheets,

both prepared by Van-Note Harvey Associates with the last revision date of October 28, 2003;

- A “Waterford Lot/Model Fit List” matrix, last dated October 30, 2003;
- A “Unit Type Feature And Distribution Analysis” and “Bulk Standard Conformance By Unit Type” matrix, each dated October 29, 2003; and
- Architectural plans prepared by Devereaux and Associates, which have been revised but do not indicate a revision date, as follows:
 1. Dwelling front elevations and side profiles for Units A through E, dated August 18, 2003, and for Units G and H, dated August 25, 2003;
 2. Dwelling floor plans for Units A through C, G and H, dated August 29, 2003, and for Units D and E, dated August 18, 2003;
 3. Clubhouse front elevations, dated September 2, 2003; and
 4. Clubhouse floor plans, dated September 2, 2003.
- A “Sales Map of Waterford”, prepared by Van-Note Harvey Associates, last dated September 12, 2003;
- Landscape plans, lighting plans, and signage plan prepared by Wells Appel, last dated September 12, 2003;
- A Traffic Impact Analysis, prepared by Maser Consulting P.A., dated October 2002;
- An Environmental Impact Statement, prepared by Van-Note Harvey Associates, dated October 18, 2002 and revised May 16, 2003;
- Architectural elevations and floor plans for the generator building and sales center, dated November 13, 2002;
- A “Waterford Dwelling Height/Deck-Patio Analysis”, dated July 30, 2003; and
- A typical deck plan, dated July 21, 2003.
- 3. The following exhibits were presented by the applicant at the hearing:
 - A-1 Color Rendered Overall Site Plan
 - A-2 Subdivision Plan
 - A-3 Pedestrian Circulation Plan
 - A-4 Sanitary Sewer and Water Plan
 - A-5 Sanitary Sewer and Water Plan (Off-Site Route)
 - A-6 Site Drainage Plan
 - A-7 Vreeland Drive Improvements Plan
 - A-8 Overall Landscape Plan

- A-9 Signage Details
- A-10 Construction Trailer Plan

4. The applicant seeks preliminary major subdivision and site plan approval with an extended vesting period of ten (10) years for a mixed use, age-restricted housing development in the “ARH” Age Restricted Housing District. The development will be constructed in three phases identified as Phase 1A, Phase 1 and Phase 2. Final subdivision approval also is sought for Phase 1A of the development that separates a 6.0242 acre farm lot, that will contain the existing home and farm buildings, from the remaining tract. The tract has access from Route 518 via Research Way and Vreeland Drive. Right-of-way will be provided through the tract for the north-south Master Plan road, which will be partially improved by the applicant. Additionally, public right of way will be dedicated to the Township for portions of West Hartwick, Vreeland Drive and Acadia Lane to create a public loop road through the project. The applicant also requests certain variances and waivers as described below.

5. The 137.786-acre tract will be subdivided into a 6.0242-acre farm lot (proposed Lot 208), containing an existing dwelling, farm buildings, and access drive from Route 206, and a mixed-use, age-restricted housing development, as follows:

- a. Proposed Lot 211 will contain 4.6256 acres for an assisted living facility of up to 120 beds;
- b. Proposed Lot 212 will contain 4.0887 acres for office development of up to 29,600 square feet in two buildings, within the provisions of the ordinance that permits a maximum of 30,000 square feet and
- c. The remaining 123.047 acres are devoted to the age-restricted residential component of the development, consisting of 3 open space lots totaling 66.68 1 acres, 2 sewage pump station lots totaling 0.2517 acres, and 218 residential lots, of which 38 lots will contain semi-detached duplex/patio dwellings and the remaining 180 lots will contain single-family detached dwellings.

6. The proposed development meets or exceeds the Ordinance requirements for lot areas, bulk and yard requirements, and density. The 50% open space requirement also is met.

The preliminary subdivision plans are in compliance with the Ordinance requirements,

7. The applicant requests a design waiver from Ordinance Section 16-5.13a to allow the placement of a temporary real estate sales sign off-tract so that it will be visible from Route 518. The subject tract does not have frontage on any existing public through road, except for Route 206 where such a sign would not be desirable or practical. Given that the applicant has not yet identified the exact location of such sign or received the consent of the property owner, the Planning Board finds it does not have sufficient evidence to act on the waiver and the applicant agrees to defer the waiver request until final site plan application.

8. A waiver is granted to the applicant from submitting information on signage, lighting, foundation landscaping and architectural plans for the assisted living and office lots until final site plan is sought.

9. The applicant requests variances from Ordinance Section 16-4.1e for the pump station building on Lot 210 and for the dwelling on Lot 62. The Ordinance requires a 20 foot setback between “critical areas” or conservation easement areas and building foundations. The variances are necessary for the plan as submitted and to avoid having to move the house or the pump station building. The only way to bring Lot 62 into compliance with the Ordinance requirement would be to move the house away from the stream corridor, but into a wooded area. The benefit of maintaining the wooded area substantially outweighs any benefit from strict ordinance compliance. The only way for the pump station building on Lot 210 to comply with the Ordinance requirement would be to relocate the building closer to the adjacent residential dwellings. The Board finds that the benefit of maintaining a reasonable distance between the pump station building and the residential dwelling substantially outweighs strict ordinance compliance. The Board finds that granting of the variances requested meets the substantial benefit standard in that the benefits from the granting of the variances substantially outweigh any potential detriment and is reasonably required in order for the comprehensive development to take place in accordance with the plan.

10. The applicant is also granted a design waiver with respect to extending the conservation easement as provided in Ordinance Section 16-5.6e. The Board finds that the waiver is appropriate in light of the small lots and the undesirability of extending the conservation easements into the residential lots and thereby reducing the available and usable outside living space for the dwellings.

11. The specific design of the residential units shall be addressed with plans at the time of the submission for final approval of Phase 1 and Phase 2 and shall address the comments of the Township Planner in Memorandum 38-03, dated November 10, 2003.

12. Phase 1A of the subdivision plan will create the 6.0242-acre farm lot as a separate lot from the remaining lands to be developed.

13. The Planning Board recommends to the Township Committee that the portion of the existing 60 foot wide easement for a future extension of Research Way, which is no longer necessary on the subject tract and as shown on the subdivision plans, be vacated, since a proposed Master Plan road will extend Research Way to the east to Route 206, rather than to the north as provided for by the existing easement.

14. The Planning Board finds that the open space lands east of the residential lots could be leased by the Homeowners Association and used for horse farming by the owners of the 6.0242 acre farm lot, provided that the Homeowners Association documents include a provision to allow this and set forth the area, lease period and price, which will be subject to the Planning Board's review at the time of final site plan approval.

15. The applicant proposes for the residential portion of the development one ground mounted identification sign at the entrance to the development from Vreeland Drive, one ground mounted sign at the clubhouse, and two temporary directional signs in the model and sales trailer area. The Planning Board finds that the additional signage is reasonable and within the intent of the ordinance and may be approved for a good cause.

16. The applicant is granted Preliminary Major Site Plan and Subdivision Approval for Phases 1A, 1 and 2, and Final Major Subdivision Approval for Phase 1A with variances and waivers, subject to the following conditions set forth in this Resolution:

I. **Conditions for Preliminary Subdivision and Site Plan Approval:**

- A. The applicant shall comply with all conditions established by the Board in conjunction with this application.
- B. The representations made by the applicant to the Planning Board during the hearings on this application and reflected in the record of the proceedings form the foundation for the approvals herein granted.
- C. The applicant shall be responsible for the obtaining of any other approvals or permits as may be required by law and shall comply with any requirements or conditions of those approvals or permits except that if those requirements or conditions require any modification of the plan and/or the representations made to the Board in order to obtain this approval, the applicant shall be required to report those modifications to this Board and may be required to seek an amendment of the approval herein granted. The granting of the approval herein does not create any presumption that any other approvals, which the applicant may require, will be granted.
- D. The applicant shall establish and maintain with the Township of Montgomery an "Escrow Account" sufficient to pay the professional review and inspection fees related to this application and all construction required in conjunction therewith.
- E. The applicant has requested and is granted an extended vesting period of ten (10) years to run from the date of this Resolution, in accordance with the provisions of N.J.S.A. 40:55D-52, due to the size and scope of the project, which is intended to be developed in two phases.
- F. The southeasterly access to the cul-de-sac (adjacent to the Village Shopper) will be card-controlled for vehicular ingress and egress by residents only. The access shall also contain a public pathway easement.
- G. As discussed at the Transportation Advisory Committee and Master Plan meeting, the applicant, at its sole cost and expense, shall (i) fully complete the portion of the Master Plan Road on its property that will connect the 12 homes on Bristol Court with the remainder of the homes to the east, and (ii) grade the remainder of the proposed Master Plan Road area on its property and install the stormwater collection system and suitable subgrade for this area. The plans shall be revised to show these improvements. Additionally, if, prior to the applicant's completion of the development, the Township obtains the Master Plan Road right-of-way through the SSATB property located south of the applicant's site and completes the design of the Master Plan Road improvements, the applicant shall enter into a developer's agreement with Montgomery Township to expand the applicant's scope of work to include the installation of the complete infrastructure improvements to the Master Plan Road from Route 518 to the main pump station access drive and providing appropriate cost reimbursement from the Township for the municipal share of such construction, which municipal share shall be the

Master Plan Road improvements beyond what the applicant is already obligated to install under subparagraphs (i) and (ii) above.

- H. The documents relating to (1) the establishment and operation of the homeowners association; (2) the restrictions on the leasing of the farmland within the open space area along Route 206; (3) the conservation easements for the Delaware and Raritan Canal Commission stream corridors and the Township stream corridors; (4) the provisions with respect to a long term lease of the area to be preserved for pasture farming; and (5) the homeowners association maintenance of drainage swales and retaining walls on the open space and on individual residential lots shall be subject to review and approval by the Planning Board's Engineer, Planner and Attorney and the Township Attorney as a condition of final approval for Phase I.
- I. The homeowner association documents shall include specific provisions to preserve the pasture farm character of the open space area of the property and to continue the pasture farming operations on the open space area of the property or to ensure same reverts back to its natural state in the event farming cannot be continued.
- J. Any amendments to the homeowner association documents once approved as a condition of final approval shall require approval of the Township Attorney and, where the Township Attorney deems it necessary, the approval of the Planning Board Engineer, Planning Board Attorney and Township Planner.
- K. The applicant shall coordinate with the Planning Board's Landscape Architect on the removal of trees and the replacement of trees along the Route 206 frontage.
- L. The applicant shall coordinate with the Planning Board's Landscape Architect on the removal of the native plants that will be impacted by the proposed improvements and shall afford the Township an opportunity to remove and relocate the native plants that will be impacted by the approved improvements.
- M. All walkout basements shall be adequately screened from view with a specific plan to be submitted not later than an application for final approval, the plan shall be subject to review and approval by the Planning Board's Landscape Architect.
- N. The applicant shall submit, for Planning Board approval at the time of final subdivision and site plan review, a specific plan for proposed off-premises signage if same is proposed. The applicant is advised that any off-premises signs may constitute a billboard and hence require a use variance from the Zoning Board of Adjustment.
- O. The applicant shall consult with the Planning Board's Engineer before any removal of excess soil to determine whether the Township can use the soil at some other location.
- P. It is noted that all internal roads are 28' in width. Accordingly, on-street parking is to be restricted to one side of the road only and shall be prohibited in front of the mail kiosks. The "No Parking" sign in front of Lots 199 and 200 shall be removed and parking shall be restricted along the inside of the loop and the west side by the kiosk on Milford Place. The location of the "no parking" areas and the mail kiosks shall be worked out with the Township Planner and the Township Police Department.

- Q. Details and locations for all lights shall be shown on the plans.
- R. The applicant shall provide specific details on the proposed decorative street light fixture and pole, which shall be subject to approval by the Planning Board's Engineer and Planner, and shall conform to the height limitation.
- S. A light shall be added at the rear of the clubhouse by the trash enclosure.
- T. Sight triangles shall be shown on all plans.
- U. The applicant shall work in cooperation with Montgomery Township to obtain sewer capacity in the North Princeton Development Center Sewer Treatment Plant.
- V. Inlets shall be used in lieu of storm sewer manholes for the inspection of the storm sewer where practicable. The specific locations shall be subject to approval by the Planning Board's Engineer.
- W. Retaining walls shall be provided with a fence or dense vegetation to discourage access to these areas. The specific design shall be subject to approval by the Planning Board Engineer and Township Planner.
- X. The plans shall show the location of all clay cores for the detention basins.
- Y. The applicant shall post a performance guarantee in accordance with the provisions of Section 16-9.2 of the Code of Montgomery Township.
- Z. The applicant shall enter into a Developer's Construction Sequence Agreement in accordance with Section 16-9.2 of the Code of Montgomery Township.
- AA. The applicant's engineer shall provide copies of all permits and plans approved by other agencies to the Planning Board's Engineer.
- BB. The applicant shall obtain approvals and/or write-offs from the Somerset County Planning Board, Somerset-Union Soil Conservation District, NJDEP, Delaware Raritan Canal Commission and any other agency, board, committee, bureau or commission, which may have jurisdiction over any aspect of the application. Copies of all of the above mentioned approvals and/or write-offs shall be provided prior to the signing of the construction plans.
- CC. The design of the sanitary sewer collection system, pump stations and force mains shall be revised to accommodate the collection and capacity for future wastewater to be generated from the Kepner-Tregoe, Inc., the residential lots along Route 518, the LDLJ Associates office complex and the SSATB tract. The applicant shall have no obligation to seek any governmental permits or approvals that may be required to include the sewer flow from these adjacent properties in applicant's sewer system.
- DD. The plans shall be revised to provide details for the force main access manholes and air release structures.
- EE. In accordance with Ordinance Section 16-5.4, the street lights within the development shall be owned and maintained by the homeowners association. The applicant, together with its successors and assigns, shall enter into an agreement with Montgomery Township to memorialize the perpetual obligation of the homeowners association to own, operate and maintain the street lights.

- FF. The plans shall be revised to provide the standard Somerset County General Notes and Stormwater Management Details and Notes, revised to replace “County Engineer” with “Township Engineer”.
- GG. The applicant agreed to add seating areas or gathering place in the center of the open space lots within the looped roads or in other areas deemed appropriate by the Township staff, if feasible.
- HH. The applicant shall provide the Planning Board Attorney a copy of the easement allowing access to Charles Terrace.
- II. The applicant agrees to comply with all the comments in the memos of the Planning Board Engineer, Township Planner and the Township Landscape Architect, except as modified herein.
- JJ. If Somerset County determines that a traffic light is required at the intersection of Research Drive and Route 518, the applicant shall contribute its fair share portion to the cost of the traffic improvement.

II. **Conditions for Final Subdivision Approval—Phase 1A:**

- A. The applicant shall comply with all conditions established by the Board in conjunction with this application specifically relating to Phase 1A.
- B. The representations made by the applicant to the Planning Board during the hearings on this application and reflected in the record of the proceedings form the foundation for the final approval herein granted.
- C. The applicant shall be responsible for the obtaining of any other approvals or permits as may be required by law for perfecting the Phase 1A subdivision and shall comply with any requirements or conditions of those approvals or permits except that if those requirements or conditions require any modification of the plan and/or the representations made to the Board in order to obtain this approval, the applicant shall be required to report those modifications to this Board and may be required to seek an amendment of the approval herein granted. The granting of the approval herein does not create any presumption that any other approvals, which the applicant may require, will be granted.
- D. The applicant shall establish and maintain with the Township of Montgomery an “Escrow Account” sufficient to pay the professional review and inspection fees related to review of the Phase 1A plan.
- E. The wetlands and transition area buffer lines shall be shown on the final subdivision plan. The DRCC stream corridor buffer/Township stream corridor shown on the final subdivision plan shall be consistent with that shown on the overall site plans, and this corridor area outside the required 450-foot deed restricted area along Route 206 shall be placed within a conservation easement. The 450-foot deed restriction along Route 206 to preserve the view shed in accordance with the Master Plan and Ordinance shall be included in the deed for the farm lot. Metes and bounds for the DRCC/Township stream corridor line and the 450 foot wide deed restriction line on the farm lot shall be shown on the final subdivision plan and is subject to approval by the Planning Board Engineer. The language of the conservation easement and the deed restriction shall be subject to the review and approval of the Township Attorney as a condition of final subdivision approval for Phase 1A.

- F. The applicant (or future owner of the farm lot) shall make the exterior repairs to the barn and house on the farm lot, as set forth in the report of the Landmarks Commission. This obligation may be transferred to the purchaser of the farm lot provided that the purchaser accepts the obligation in a written agreement signed by the purchaser and filed with the Township of Montgomery and further provided that an adequate performance guarantee is provided in the amount and form acceptable to the Township Committee and approved by the Township Attorney. Upon the filing of such written agreement by the purchaser with the Township, the applicant shall have no further repair obligations with respect to the barn and house.

The foregoing resolution was duly adopted by the Planning Board of the Township of Montgomery at a public meeting held on February 9, 2004

A handwritten signature in black ink, appearing to read 'R. Marmion', is written over a horizontal line.

Robert A. Marmion, Secretary

ROLL CALL

Ayes: Huttar, Lee, Roberts and Sacks-Wilner

Nays: None

24. THIRD ROUND: HABITAT FOR HUMANITY

Executed Contract of Sale
Ordinance 19-1617 Authorizing Sale of Property
Deed Restriction

Lori
Mike

Regulations - R

CONTRACT FOR SALE OF LOT FOR AFFORDABLE HOUSING UNIT

THIS CONTRACT for SALE is made on September 30, 2019

BETWEEN the TOWNSHIP OF MONTGOMERY, with principal offices at 2261 Van Horne Road, Route 206, Belle Mead, New Jersey 08502, hereafter referred to as the "Seller",

AND Raritan Valley Habitat for Humanity, a non-profit corporation of the State of New Jersey, with offices at 100 W. Main Street, Somerville, New Jersey 08876, hereafter referred to as the "Buyer."

The words "Buyer" and "Seller" include all of the Buyers and Sellers listed above.

1. **Purchase Agreement.** Sale and use of the property shall be governed by regulations known as the Uniform Housing Affordability Controls, which are found in the New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1 et seq.), hereafter the "Regulations". The Seller agrees to sell and the Buyer agrees to buy the property described in this Contract (sometimes hereafter referred to as the "Property") upon the terms and conditions set forth in this Contract.
2. **Property.** The real property to be sold is commonly known as Block 7002, Lot 5, on Willow Road, in the Township of Montgomery, County of Somerset, and State of New Jersey, as shown on the Township of Montgomery municipal tax map, and more particularly described in Exhibit "A", attached hereto and made a part hereof.
3. **Purchase Price.** The total purchase price for the property shall be the sum of One and 00/100 (\$1.00) DOLLAR, payable at closing. This conveyance is subject to the rules and regulations of the Montgomery Township Affordable Housing Program.
4. **Time and Place of Closing.** Closing will take place at the office of Buyer's attorney on or about September 30, 2019. Both parties will fully cooperate so the closing can take place on or before the estimated closing date.
5. **Transfer of Ownership; Type of Deed.** At the closing, Seller will transfer ownership of the Property by a Bargain & Sale Deed with Covenants Against Grantor's Acts. Seller will also give Buyer an affidavit of title in customary form, and such other documents required to transfer title as set forth in this Contract.
6. **Title.** Title shall be good, marketable and insurable at regular rates by a title company licensed to do business in the State of New Jersey subject, however, to utility grants, easements, covenants, consents, agreements, and other restrictions of record and any state of facts as may be revealed by an accurate survey of the Property.

Buyer is responsible for the cost of title search and continuation, title examination, survey or survey certification, Buyer's attorney fees, recording fees and any related charges. Back title shall be made available to Buyer by Seller to the extent it is available to Seller.

7. Condition of the Property. The parties acknowledge that this is vacant land being conveyed in "as is" condition. Buyer acknowledges that it has the right to conduct any and all due diligence it deems appropriate and shall rely upon the same.

8. Notices. Except as otherwise provided in this Contract, all notices, consents, approvals and communications given hereunder shall be in writing. The notices must be delivered personally or mailed by certified mail, return receipt requested, postage prepaid, to the other party at the address written in this Contract or any other address that Buyer or Seller may reasonably designate, or to that party's attorney. Notices shall be deemed to have been delivered on the third day after mailing as noted above. Electronic mail to the party's attorney, the receipt of which has been confirmed by the recipient, shall also be an effective means of notification.

9. No Assignment. The parties shall not assign, sell or in any manner transfer this Contract or any right, title and interest in it.

10. Adjustments at Closing. Real estate taxes, if any, shall be apportioned as of the closing date. Title examination, survey and settlement fees shall be paid by Buyer.

11. Assessment for Municipal Improvements. Any assessments on the Property shall be adjusted as of the date of closing. In the event of the imposition of roll back taxes, Seller shall be responsible for payment of the same.

12. Escrow Fund. Seller shall establish an escrow fund at closing in the amount of fifty thousand (\$50,000.00) dollars, which shall be used for payment of Buyer's development costs, including septic and construction permit fees, and property taxes. Said funds shall be accessible to Buyer at such time as the funds are required to be paid by Buyer.

13. Correcting Defects. If title to the Property does not comply with paragraph 6 of this Contract, the Seller will be notified and given 30 days to make it comply. At the end of 30 days, if title to the Property can not be made insurable at regular rates by any title insurance company authorized to do business in the State of New Jersey, the Buyer may (a) cancel this Contract, (b) give the Seller more time to comply, or (c) agree to accept such title as the Seller is able to give without abatement to the purchase price.

14. Risk of Loss. N/A – vacant land. Intentionally omitted.

15. Default. In the event of a breach of this Contract by either party, the non-breaching party shall have all the rights and remedies available in law and equity.

16. Seller's Representations. Except as expressly provided in this paragraph, Seller has made no representations relating to this transaction or the Property. However, Seller hereby represents and warrants, which representations and warranties shall be true and correct as of the closing date, the following: (a) Seller is the owner of the Property; and (b) Seller has full right and authority to execute this Contract and consummate the transaction hereby contemplated.

17. Buyer's Representations. The Buyer represents that: (a) Buyer is not signing this Contract as an agent for any undisclosed principal, but as the actual party intending to purchase the Property; (b) Buyer has sufficient funds available to consummate this transaction and to fulfill all the terms and conditions of this Contract; and (c) Buyer understands, acknowledges, and accepts the affordable housing regulations, restrictions, and obligations associated with the Property. These representations shall survive the closing of title.

18. Possession. Buyer shall be entitled to sole possession of the Property upon the closing of title and delivery of the Deed as contemplated by this Contract unless otherwise agreed upon in writing between the parties.

19. Inspections and Physical Condition of the Property. Seller does not make any claims or promises about the condition or value of the Property. Buyer has the right to conduct inspections of the Property and relies on those inspections and any rights which may be provided for elsewhere in this Contract. Seller will make no repairs or modifications to the Property, and/or further concessions regarding the purchase price.

20. Parties Liable. This Contract is binding upon all parties who sign it and all who succeed to their rights and responsibilities.

21. Affordable Housing Unit Restrictive Covenants. The Buyer acknowledges that the following restrictive covenants (collectively, the "covenants") will be contained in the deed of conveyance and that the Buyer will be subject to complying with these restrictions during the course of ownership and subsequent resale of the Property. In accordance with N.J.A.C. 5:80-26.5, each restricted property shall remain subject to the requirements of this subchapter, the "Control Period," until the municipality in which the property is located elects to release the property from such requirements. Prior to such a municipal election, a restricted property must remain subject to the requirements of this subchapter in perpetuity.

- A. The Property may be conveyed only to a household which has been approved in advance and in writing by the Township's administrative agent appointed under the Regulations (hereafter, 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 the 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. The Administrative Agent shall provide written notice to Raritan Valley Habitat for Humanity, of any such request for approval for Debt, as referenced herein, by the Affordable Housing purchaser of the Property, and by any successor in interest Affordable Housing purchaser of the Property, or other owner of the Property, at the time of said request. 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/her/their principal place of residence.
- E. 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. The Administrative Agent shall provide written notice to Raritan Valley Habitat for Humanity, of any such request for approval to lease or rent the Property, as referenced herein, by the Affordable Housing purchaser of the Property, and by any successor in interest Affordable Housing purchaser of the Property, or other owner of the Property, at the time of said request.

22. Remedies for Breach of Affordable Housing Covenants. A breach of the Covenants will cause irreparable harm to the Township 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 Buyer, 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 Buyer, 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. The Administrative Agent shall provide written notice to Raritan Valley Habitat for Humanity of any of the above-referenced actions to be taken by the Administrative Agent not less than thirty (30) days prior to initiating any such action.

23. Additional Provisions.

- A. If Buyer for any reason does not complete the construction of an affordable housing restricted single-family home on the Property, or if the Property ceases to be used for affordable housing prior to the expiration of the Control Period, title to the Property shall revert to the Township of Montgomery.

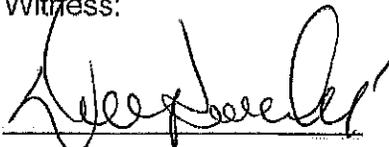
- B. Buyer will require the Affordable Housing purchaser and any subsequent purchaser, owner, or successor in interest to sign a Recapture Note and Recapture Mortgage in favor of the Township of Montgomery (Seller), which documents shall, upon each conveyance or transfer of title, be returned to the Township and recorded in the Office of the County Clerk. This provision shall survive the closing.
- C. The parties represent and warrant to each other that there are no brokers involved in bringing about this transaction, no broker is owed a commission in connection with this transaction, and each party agrees to indemnify and hold one another harmless for any commissions that may be claimed in connection with this transaction.
- D. This contract shall not be filed or recorded in any court or public office. Nothing contained in this Contract shall operate to bind, encumber or cloud the title to the Property.

24. Governing Law. This Contract shall be governed by and constructed in accordance with the laws of the State of New Jersey.

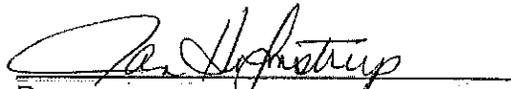
25. Entire Agreement. This Contract contains the entire agreement between the Buyer and Seller, and no agent, representative, salesman or officer of the Seller has authority to make or has made any statement, agreement or representation, either oral or written, modifying, adding to or changing the terms and conditions of this Contract. No dealing between the parties or their agents shall be permitted to contradict, vary, add to, or modify these terms. Seller is not responsible or liable for any agreement, conditions, or stipulation not specifically set forth in this Contract relating to or affecting the Property. No modification of this Contract shall be binding unless in writing and signed by both the Buyer and Seller.

SIGNED AND AGREED TO BY:

Witness:

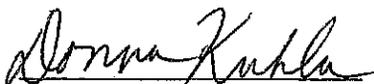


Raritan Valley Habitat for Humanity, Buyer


By: _____

Date: 9/30/2019

Attest:


Donna Kukla, Clerk

The Township of Montgomery, Seller


By: Sadaf Jaffer, Mayor

Date: 10/17/19

**TOWNSHIP OF MONTGOMERY
SOMERSET COUNTY, NEW JERSEY**

ORDINANCE 19-1617

**AN ORDINANCE OF THE TOWNSHIP OF MONTGOMERY IN
SOMERSET COUNTY, NEW JERSEY, AUTHORIZING THE
CONVEYANCE OF CERTAIN REAL PROPERTY LOCATED ON
WILLOW ROAD (BLOCK 7002, LOT 5 ON THE MONTGOMERY
TOWNSHIP TAX MAP) TO RARITAN VALLEY HABITAT FOR
HUMANITY**

WHEREAS, the Township of Montgomery (“Township”) is the owner of certain real property located on Willow Road designated as Lot 5 in Block 7002 on the Tax Assessment Maps of the Township of Montgomery (rev. October 2018) (the “property” or “subject property”); and

WHEREAS, the property is approximately 1.03± acres in size and is vacant and unimproved; and

WHEREAS, the property is located within the Residential R-1 zoning district and is suitable and available for development with a residential dwelling; and

WHEREAS, in accordance with the New Jersey Supreme Court’s “Mount Laurel I” decision (South Burlington County NAACP vs. Mount Laurel, 67 N.J. 151 (1975)), the Township has a constitutional obligation to provide for its “fair share” of affordable housing; and

WHEREAS, the Township desires to proceed with development of the property with a new affordable housing opportunity that will assist the Township in meeting its Mount Laurel affordable housing obligations; and

WHEREAS, Raritan Valley Habitat for Humanity (“Habitat”) is a non-profit corporation of the State of New Jersey that renovates, constructs, builds and finances permanent affordable housing opportunities for low- and moderate-income families; and

WHEREAS, Habitat is prepared to construct and finance a new affordable housing opportunity for an income-qualified family within the Township; and

WHEREAS, the Local Lands and Buildings Law at N.J.S.A. 40A:12-21(j) expressly authorizes a municipality to convey municipally-owned lands or buildings at private sale and for nominal consideration to “[a]ny duly incorporated nonprofit organization for the purpose of building or rehabilitating residential property for resale”; and

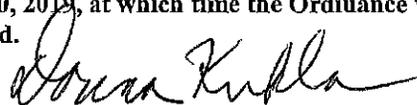
WHEREAS, the Township finds that conveying the property to Habitat will further the general health, safety and welfare of Montgomery Township’s residents by helping the

4. If any paragraph, section, subsection, sentence, sentence clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court or administrative agency of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision of such holding and shall not affect the validity of the remaining paragraphs or sections thereof.

5. This Ordinance shall take effect upon passage and publication as provided for by law.

I, Donna Kukla, Clerk for the Township of Montgomery, hereby certify that Ordinance #19-1617 was introduced on first reading by the governing body of the Township of Montgomery, County of Somerset, on June 6, 2019.

Public hearing and consideration for adoption was held on June 20, 2019, at which time the Ordinance was finally adopted.



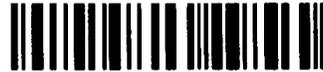
Donna Kukla, Township Clerk



SOMERSET COUNTY
DOCUMENT COVER SHEET

HON. STEVE PETER
SOMERSET COUNTY CLERK
PO BOX 3000
20 GROVE STREET
SOMERVILLE, NJ 08876

WWW.CO.SOMERSET.NJ.US



INSTRUMENT # 2019045999

BOOK: 7170 PAGE: 2058-2067

(Official Use Only)

DATE OF DOCUMENT: November 7, 2019	TYPE OF DOCUMENT: Deed
FIRST PARTY (<i>Grantor, Mortgagor, Seller or Assignor</i>) Township of Montgomery	SECOND PARTY (<i>Grantee, Mortgagee, Buyer, Assignee</i>) Raritan Valley Habitat for Humanity, Inc.
ADDITIONAL PARTIES:	

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY	
MUNICIPALITY: Montgomery	MAILING ADDRESS OF GRANTEE: 100 West Main Street Somerville New Jersey 08876
BLOCK: 7002	
LOT: 5	
CONSIDERATION: \$ 1.00	

THE FOLLOWING SECTION IS FOR ORIGINAL MORTGAGE BOOKING & PAGING INFORMATION FOR ASSIGNMENTS, RELEASES, SATISFACTIONS, DISCHARGES & OTHER ORIGINAL MORTGAGE AGREEMENTS ONLY			
BOOK	PAGE	INSTRUMENT #	DOCUMENT TYPE

DO NOT REMOVE THIS PAGE
THIS DOCUMENT COVER SHEET IS PART OF THE SOMERSET COUNTY FILING RECORD
RETAIN THIS PAGE FOR FUTURE REFERENCE

*Deed - Bargain and Sale (with covenant)
Corp. to Ind. or Corp.*

Prepared by:
Lucille E. Davy, Esq.

DEED

This Deed is made on November 7, 2019,

BETWEEN TOWNSHIP OF MONTGOMERY, a municipal corporation of the State of New Jersey,

having its principal office at 2261 Van Horne Road - Route 206, Belle Mead, New Jersey 08502,

referred to as the Grantor,

AND RARITAN VALLEY HABITAT FOR HUMANITY, INC. a non-profit corporation of the State of New Jersey,

with offices at 100 W. Main Street, Somerville, New Jersey 08876,

referred to as the Grantee.

The words "Grantee" shall mean all Grantees listed above.

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of **ONE DOLLAR (\$1.00)** and other good and valuable consideration.

The Grantor acknowledges receipt of this consideration.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of the **Township of Montgomery, Block 7002, Lot No. 5**, commonly known as 165 Willow Road, Belle Mead, New Jersey.

Property. The property consists of the land and all the buildings and structures on the land in the **Township of Montgomery, County of Somerset and State of New Jersey**.

The legal description is attached hereto and made a part hereof as Exhibit "A" and is a full description of the premises being conveyed hereby.

Subject to all zoning restrictions, covenants, easements, and other restrictions of record, if any, and all facts as an accurate survey and inquiry may disclose.

BEING the same premises conveyed to Township of Montgomery, by Final Judgment of the Somerset County Superior Court dated February 11, 1976 and recorded on February 24, 1976 in the Somerset County Clerk's/Register's Office in Deed Book 1327, Page 323.

The Grantee acknowledges that there is a forty (40) year restriction on the premises conveyed herein for the provision of affordable housing and that, if at any time in the future the Property is used for any purpose other than the provision of affordable housing, or if Grantee fails to construct an affordable housing deed-restricted home on the Property, then title to the premises shall revert to the Grantor without any entry or reentry made thereon on behalf of the Grantor.

THIS IS AN AFFORDABLE HOUSING PROPERTY:

This conveyance and the sale and use of the Property is made SUBJECT TO the Affordable Housing Deed Restrictions attached hereto and made a part hereof as Exhibit "B."

Reverter. This conveyance is further subject to a deed reverter required by N.J.S.A. 40A:12-21, the condition of which is that Grantee Raritan Valley Habitat for Humanity, and its successors and assigns, shall only use the property for the purposes of constructing one affordable housing dwelling unit on the Property, and if for any reason the Grantee does not complete the construction of the dwelling unit on this property, Grantee's interest in the Property shall revert to the Grantor municipality without any entry or reentry made thereon on behalf of the Grantor.

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

Signatures. The Deed is signed and attested to by the Grantor's proper corporate officers as of the date at the top of the first page. Its corporate seal is affixed.

TOWNSHIP OF MONTGOMERY

ATTEST:


Donna Kukla, Clerk

By: 
Sadaf Jaffer, Mayor

EXHIBIT A

American Land Title Association

Commitment for Title Insurance
Adopted 6-17-06 Revised 08-01-2016

LEGAL DESCRIPTION

ALL that certain tract or parcel of land, situated, lying and being in the Township of Montgomery, County of Somerset, State of New Jersey, more particularly described as follows:

BEGINNING at a point in the southeasterly sideline of Willow Road, said point being distant South 28 degrees 21 minutes 44 seconds West 230.00 feet from the produced intersection of the southwesterly sideline of Township Line Road with the southeasterly sideline of Willow Road; thence

- (1) Continuing along said sideline of Willow Road 25 feet from the centerline of the same, South 28 degrees 21 minutes 44 seconds West 150.00 feet to a point; thence
- (2) Turning and running along Lot 6, South 63 degrees 51 minutes 56 seconds East 300.00 feet to a point in the line of lands now or formerly of Stag Construction Company; thence
- (3) Turning and running along said lands, North 28 degrees 21 minutes 44 seconds East 150.00 feet to a point; thence
- (4) Turning and running along Lot 1, North 63 degrees 51 minutes 56 seconds West 300.00 feet to a point in the southeasterly sideline of Willow Road being the point and place of BEGINNING.

BEING further described as follows in accordance with a survey prepared by Carroll Engineering, dated August 26, 2019:

BEGINNING at a point in the southeasterly sideline of Willow Road, said point being distant South 20 degrees 47 minutes 11 seconds West 230.00 feet from the produced intersection of the southwesterly sideline of Township Line Road with the southeasterly sideline of Willow Road; thence

1. South 71 degrees 26 minutes 29 seconds East 300.00 feet to a point; thence
2. South 20 degrees 47 minutes 11 seconds West 150.00 feet to a point; thence
3. North 71 degrees 26 minutes 29 seconds West 300.00 feet to a point in the southeasterly sideline of Willow Road; thence
4. Along the southeasterly sideline of Willow Road, North 20 degrees 47 minutes 11 seconds East 150.00 feet to the point and place of BEGINNING.

BEING Lot 5 as shown on "Map of Section I, Pike Brook Village, Montgomery Township, Somerset County, N.J." made by Donald H. Stires, Professional Engineer, Land Surveyor, Somerville, New Jersey said map having been filed in the Somerset County Clerk's Office on November 29, 1961 as Map No. 793.

NOTE: Being Lot: 5, Block: 7002; Tax Map of the Township of Montgomery, County of Somerset, State of New Jersey.

NOTE: Lot and Block shown for informational purposes only.

Issuing Agent: Advantage Title Agency, Inc.
Issuing Office: 301 E. Hanover Avenue, Suite 1, Morristown, NJ 07960
Issuing Office File Number: ATA-23368

This page is only a part of a 2016 ALTA® Commitment for Title Insurance [issued by Commonwealth Land 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.

EXHIBIT "B"**AFFORDABLE HOUSING DEED RESTRICTIONS**

The property conveyed hereby is restricted for use as **AFFORDABLE HOUSING** as defined by the provisions of the New Jersey Fair Housing Act of 1985, and all rules and regulations of the New Jersey Council on Affordable Housing ("COAH"), and the New Jersey Uniform Housing Affordability Controls ("UHAC"), and all other rules and regulations governing affordable housing in the State of New Jersey, as the same may be amended from time to time.

The Property may be conveyed only to a household who has been approved in advance and in writing by the Municipal Administrative Agent (the "Agent"). No sale of the Property shall be lawful, unless approved in advance and in writing by the Agent, and no sale shall be for a consideration greater than the maximum permitted price ("Maximum Resale Price", or "MRP") as determined by the Agent.

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 Agent. The Agent shall provide written notice to Raritan Valley Habitat for Humanity of any such request for approval for Debt, as referenced herein, by the Affordable Housing purchaser of the Property, and by any successor in interest Affordable Housing purchaser of the property, or other owner of the property, at the time of said request. At no time shall the 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.

The owner of the Property shall at all times maintain the Property as their principal residence. The Property may not be rented to a tenant, except on a short-term hardship basis as approved in advance and in writing by the Agent. The Agent shall provide written notice to Raritan Valley Habitat for Humanity of any such request for approval to lease or rent the Property, as referenced herein, by the Affordable Housing purchaser of the Property, and by any successor in interest Affordable Housing purchaser of the Property, or other owner of the Property, at the time of said request.

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.

All statutes, rules and regulations governing affordable special needs housing in the State of New Jersey, even if not referenced herein, shall be applicable to the Property for the term of restriction.

A breach of the affordable housing deed restrictions will cause irreparable harm to the Agent and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Controls, 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 at law or equity, including the right to seek injunctive relief or specific performance.
- B. Upon the occurrence of a breach of any of the affordable housing deed restrictions contained herein by the Grantee, or any successor in interest or other owner of the Property, the 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. The Agent shall provide written notice to Raritan Valley Habitat for Humanity of any of the above-referenced actions to be taken by the Administrative Agent, not less than thirty (30) days prior to initiating any such action.

Term of Affordable Housing Deed Restrictions: The affordable housing restrictions contained in this deed shall run with the land, and shall bind the Grantee and Grantee's successor, heirs and assigns for a period of forty (40) years from the date of this deed, or until such time as the premises are to be released from these deed restrictions by the municipality in which the Property is located pursuant to rules and regulations applicable to affordable housing in the State of New Jersey.

MUST SUBMIT IN DUPLICATE
NC1645 - Affidavit of Consideration
RTF-1 (Rev. 7/14/10) P1/17

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www.aslegal.com 800.222.0510 Page 1

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 SOMERSET

County Municipal Code 1813

Municipality of Property Location: Township of Montgomery

FOR RECORDER'S USE ONLY
Consideration \$ 1.00
RTF paid by seller \$ 0
Date 11/27/19 By JD

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

(1) PARTY OR LEGAL REPRESENTATIVE (Instructions 3 and 4 attached)

Deponent, Sadaf Jaffer, being duly sworn according to law upon his/her oath, deposes

and says that he/she is the Mayor of the Township of Montgomery in a deed dated Nov. 7, 2019

transferring real property identified as Block No. 7002, Lot No. 5 located at 165 Willow Road, Belle Mead (Montgomery Township) and annexed thereto.

(2) CONSIDERATION: \$ 1.00 (Instructions 1 and 5) [X] no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C. 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:

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)

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 the exemption symbol is insufficient. Explain in detail.

(5) PARTIAL EXEMPTION FROM FEE: (Instruction 9) NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED.

Deponent claims that this deed transaction is exempt from the State's portion 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 (Instruction 9)
B. BLIND PERSON (Instruction 9) / DISABLED PERSON (Instruction 9)
C. LOW AND MODERATE INCOME HOUSING (Instruction 9)

- (6) NEW CONSTRUCTION (Instructions 2, 10 and 12)
(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES (Instructions 5, 12 and 14)

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

Subscribed and sworn to before me this 7th day of November, 2019

Signature of Deponent: Sadaf Jaffer
Grantor Name: SADAF JAFFER
Mason, Griffin & Pierson, P.C.

Kevin A. Van Hise, Attorney at Law of N.J.

County recording officers shall forward one copy of each Affidavit of Consideration for Use by Seller when section 3A is completed to:

FOR OFFICIAL USE ONLY
Instrument Number
Deed Number
Deed Dated 11/27/19
County Somerset
Book
Date Recorded 11/27/19

State of New Jersey - Division of Taxation, P.O. 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 the prior approval of the Director.



State of New Jersey
SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

GIT/REP-3
(9-2015)

(Please Print or Type)

SELLER'S INFORMATION

Name(s)
Township of Montgomery, a municipal corporation of the State of New Jersey
Current Street Address
2261 Van Horne Road
City, Town, Post Office Box State Zip Code
Belle Mead NJ 08502

PROPERTY INFORMATION

Block(s) Lot(s) Qualifier
7002 5
Street Address
165 Willow Road
City, Town, Post Office Box State Zip Code
Belle Mead NJ 08502
Seller's Percentage of Ownership Total Consideration Owner's Share of Consideration Closing Date
100% \$1.00 100% 11/14/19

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 14 apply to Residents and Nonresidents)

- 1. Seller is a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to the New Jersey Gross Income Tax Act, will file a resident gross income tax return, and will pay any applicable taxes on any gain or income from the disposition of this property.
- 2. The real property sold or transferred is used exclusively as a principal residence as defined in 26 U.S. Code section 121.
- 3. Seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
- 4. Seller, transferor, or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
- 5. Seller is not an individual, estate, or trust and is not required to make an estimated gross income tax payment.
- 6. The total consideration for the property is \$1,000 or less so the seller is not required to make an estimated income tax payment.
- 7. The gain from the sale is not recognized for federal income tax purposes under 26 U.S. Code section 721, 1031, or 1033 (CIRCLE THE APPLICABLE SECTION). If the indicated section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale and report the recognized gain.
 Seller did not receive non-like kind property.
- 8. The real property is being transferred by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State.
- 9. The real property being sold is subject to a short sale instituted by the mortgagee, whereby the seller agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
- 10. The deed is dated prior to August 1, 2004, and was not previously recorded.
- 11. The real property is being transferred under a relocation company transaction where a trustee of the relocation company buys the property from the seller and then sells the house to a third party buyer for the same price.
- 12. The real property is being transferred between spouses or incident to a divorce decree or property settlement agreement under 26 U.S. Code section 1041.
- 13. The property transferred is a cemetery plot.
- 14. The seller is not receiving net proceeds from the sale. Net proceeds from the sale means the net amount due to the seller on the settlement sheet.

SELLER'S 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 7, 2019
Date

by: Sadaj Jaffer, Mayor
Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

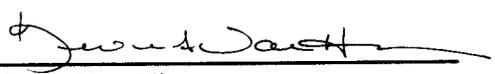
Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

STATE OF NEW JERSEY)
) ss:
COUNTY OF SOMERSET)

BE IT REMEMBERED that on November 7, 2019, before me, the subscriber, an attorney-at-law of the State of New Jersey, personally appeared Donna Kukla, who, being by me duly sworn on her oath, does depose and make proof to my satisfaction that she is the Township Clerk of THE TOWNSHIP OF MONTGOMERY, SOMERSET COUNTY, a party named in the foregoing Agreement; that she well knows the corporate seal of the said corporation; that the seal affixed to said Instrument is the seal of said municipal corporation; that the said seal was so affixed and the said Instrument signed and delivered by Sadaf Jaffer who was at the date thereof the Mayor of said Township, in the presence of this deponent, and said Mayor, at the same time acknowledged that she signed, sealed and delivered the same her voluntary act and deed, and as the voluntary act and deed of said municipal corporation, by virtue of authority from its Governing Body, and that deponent, at the same time, subscribed her name to said Instrument as an attesting witness to the execution thereof.


Donna Kukla, Clerk

Sworn to and subscribed before me
this 7th day of November, 2019.

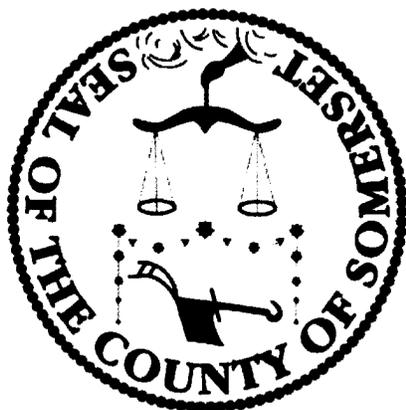

Kevin A. Van Hise
Attorney at Law State of New Jersey

R+R:



DiFrancescoBateman
Kunzman, Davis, Lehrer & Raum, P.C.
15 Mountain Boulevard
Warren, New Jersey 07059-5686

ATTN: Richard R. Ahlser



Steve Peter
Somerset County Clerk
20 Grove Street
P.O. Box 3000
Somerville, NJ 08876

Date Recorded:	11/27/2019	8:38:47 AM
Recorded By:	DELUCIA	
Book & Page:	OPR 7170	2058-2067
Instrument No.:	2019045999	
Number of Pages:	10	
Document Type:	DEED TRANSFER-NO CONSIDERATION	
Recording Fee (inc all addtl charges):	\$123.00	

DO NOT DISCARD

25. THIRD ROUND: MONTGOMERY
MUNICIPAL CENTER SITE / CONVATEC
INC. / RPM SITE

Redevelopment Plan
Memorandum of Understanding
Concept Plan
Sewer Capacity Letter
Water Capacity Letter



Redevelopment Plan

for the

Orchard Road + Headquarters Park Drive Redevelopment Area

establishing the

Municipal Center Redevelopment Zone (MCRZ)



ADOPTED: DECEMBER 17, 2020

Montgomery Township, Somerset County, New Jersey

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

Orchard Road + Headquarters Park Drive Redevelopment Area

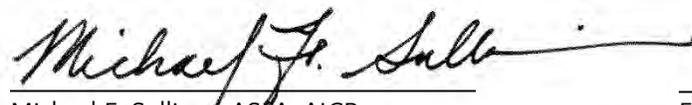
Redevelopment Plan

Township of Montgomery, Somerset County, New Jersey

Adopted by the Montgomery Township Committee on December 17, 2020 for the area designated as an Area in Need of Redevelopment (Non-Condemnation) pursuant to N.J.S.A. 40A: 12-1, et. seq., The New Jersey Local Redevelopment and Housing Law.

Prepared for Township of Montgomery by:

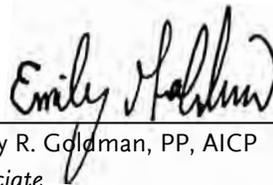
Clarke Caton Hintz



Michael F. Sullivan, ASLA, AICP

Principal

NJPP License #5153



Emily R. Goldman, PP, AICP

Associate

NJPP License #6088

A signed and sealed copy of this document is available at the municipal building.

TOWNSHIP COMMITTEE

Sadaf Jaffer, *Mayor*
Marvin Schuldiner, *Deputy Mayor*
Catherine Gural
Kent Huang
Devra Keenan

PLANNING BOARD

David Campeas, Chair, Cl. IV
Donald Matthews, Vice-Chair, Cl. IV
Devra Keenan, Mayor's Designee, Cl. I
Steven DeRochi, Cl. II
Marvin Schuldiner, Township Committee, Cl. III
Shelly Bell, Cl. IV
Arun Mani, Cl. IV
Sarah Roberts, Environmental Commission, Cl. IV
Tom Wilson, Cl. IV
Tony Glockler, Alternate #1
Al-Tereek Battle, Alternate #2

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INTRODUCTION

The Orchard Road + Headquarters Park Drive Redevelopment Plan encompasses the entirety of the 45.052-acre redevelopment area established by the Montgomery Township Committee on November 5, 2020 pursuant to Resolution No. 20-11-209. The Orchard Road + Headquarters Park Drive Redevelopment Area is composed of Block 20001, Lot 10.05. This document is the second step in the implementation of a plan for redevelopment that began with the preliminary investigation conducted by the Planning Board and resulted in a determination of an “area in need of redevelopment” by the Montgomery Township Committee.

REDEVELOPMENT PLAN PROCESS

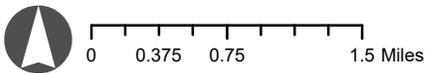
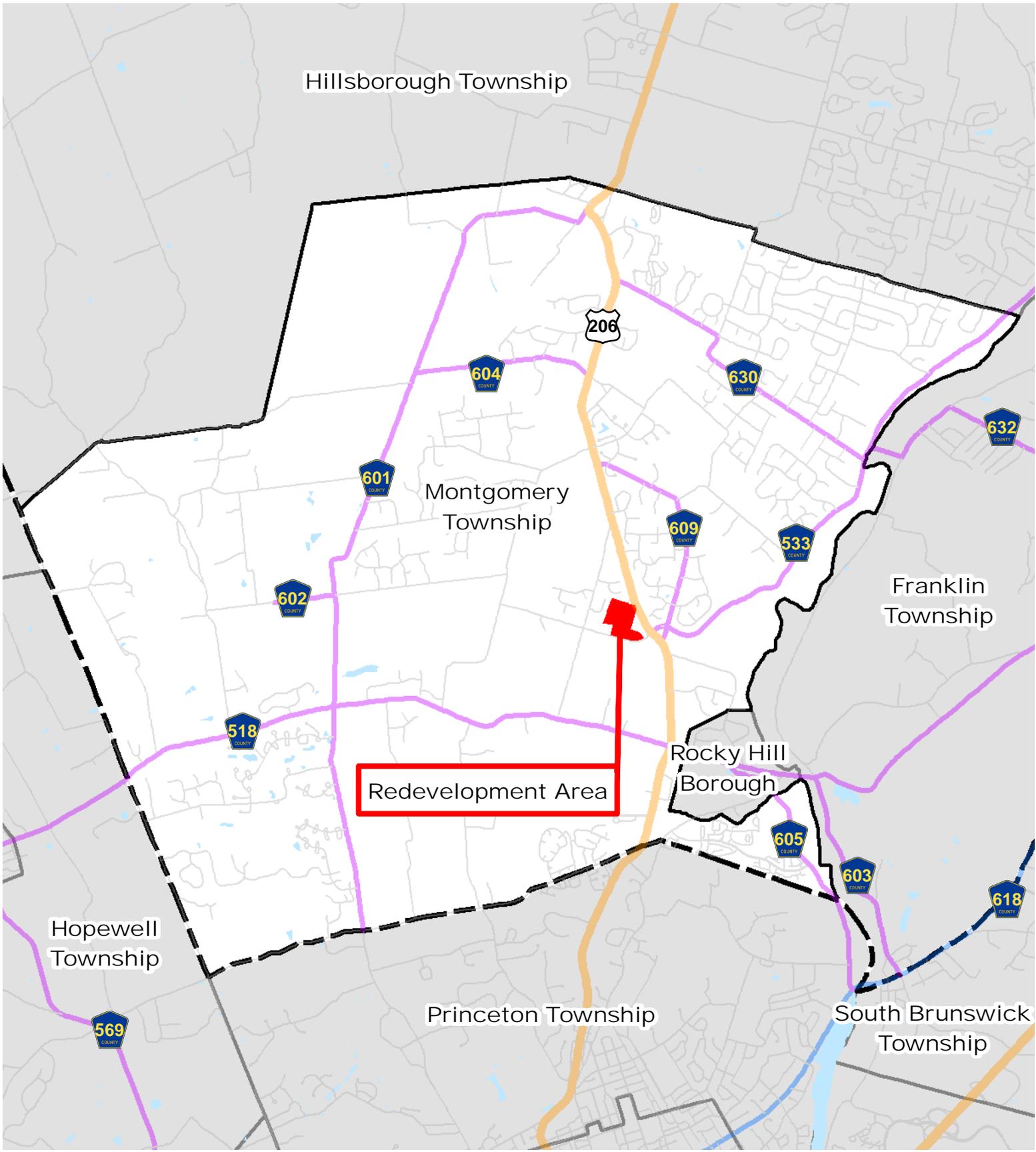
The redevelopment process for the Orchard Road + Headquarters Park Drive Redevelopment Plan began with the Township Committee’s direction to the Planning Board to conduct a preliminary investigation of the site to determine if it met the statutory criteria for designation as a redevelopment area (Resolution No. 20-2-45, adopted February 6, 2020). The Planning Board held a public hearing on the findings of the investigation and recommended adoption of the Orchard Road + Headquarters Park Drive tract (“study area”) as an “Area in Need of Redevelopment” to the Township Committee on June 1, 2020. Pursuant to a resolution memorialized on November 2, 2020, the Planning Board found that the statutory criteria for an area in need of redevelopment under N.J.S.A. 40A:12A-5 was met for the entirety of the study area. The Township Committee accepted the Planning Board’s recommendation and designated the site as a redevelopment area on November 5, 2020 pursuant to Resolution No. 20-11-209.

The Orchard Road + Headquarters Park Drive Redevelopment Plan has been prepared pursuant to the Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-1 *et seq.* or “LRHL”). As required under the statute, the plan includes the following components:

- Redevelopment Goals and Objectives;
- Proposed Land Uses and Design Concepts;
- Identification of property that may be acquired;
- Provisions for the relocation, as necessary, of residents;
- Redevelopment Regulations and Standards; and
- Relationship of the Redevelopment Plan to Other Plans.

Procedures for Adoption

- The governing body directs the Planning Board to prepare a redevelopment plan;
- After completing the redevelopment plan the Planning Board transmits the plan to the governing body for its adoption;
- The governing body holds a public hearing on the redevelopment plan, and may amend or revise any portion of the proposed redevelopment plan by an affirmative vote of its full authorized membership, recording the reasons for such amendment in its minutes.



ORCHARD ROAD / HEADQUARTERS PARK DRIVE REDEVELOPMENT AREA

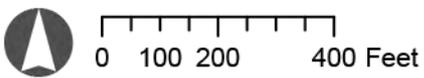
Location Map

LOCATION:
Montgomery Township, Somerset County, New Jersey

DATE:
November 2020



Aerial Source: Township of Montgomery, Somerset County, New Jersey, Geographic Information System. Drawn by S.D.R. on April 27, 2020.



ORCHARD ROAD / HEADQUARTERS PARK DRIVE REDEVELOPMENT AREA

Aerial Photo

LOCATION:
Montgomery Township, Somerset County, New Jersey

DATE:
November 2020

Clarke Caton Hintz ● ● ■
Architecture
Planning
Landscape Architecture

REDEVELOPMENT PLAN GOALS AND OBJECTIVES

The Orchard Road + Headquarters Park Drive Redevelopment Plan provides a framework of regulations to allow for the creation of a municipal government services center and the development of municipally-sponsored multifamily affordable housing in accordance with Montgomery's Housing Plan Element / Fair Share Plan.

This Redevelopment Plan is guided by the following goals and objectives:

1. Provide a framework for the redevelopment of an obsolete and underutilized tract to create a new municipal government services center, including municipal offices, police, and a County library branch; and
2. Provide for affordable housing to meet the needs and requirements of eligible families through the implementation of the Township's affordable housing policies, plans and goals; and
3. Provide safe, efficient pedestrian, bicycle and vehicular traffic circulation; and
4. Integrate new uses with existing and planned open space; and
5. Ensure that the capacity of all utility systems serving the Redevelopment Area is adequate to support any proposed development; and
6. Require comprehensive planning for redevelopment; and
7. Ensure that the uses within redevelopment area are designed and situated in a manner that protects the character and use of adjacent neighborhoods.

LAND USES IN THE REDEVELOPMENT AREA

The Orchard Road + Headquarters Park Drive Redevelopment Area consists of, approximately, 45.052 acres of developed and undeveloped land in the east-central quadrant of the Township. To the north is a restaurant and a large lot single-family neighborhood, to the east is NJSH Route 206, to the south is a corporate campus and multifamily residential neighborhood, and to the west is a large lot single-family neighborhood.

Somerset County owns the entire redevelopment area, through the Somerset County Improvement Authority (SCIA). On October 20, 2016, Montgomery Township authorized a Lease Purchase Agreement with the SCIA through the adoption of ordinance #16-1530. Subsequently, a Lease Purchase Agreement was executed between the Township and the SCIA on December 1, 2016. This agreement reflects the intent of Montgomery Township to acquire the property for various municipal purposes, including a new municipal building, a library (a county branch), and the construction of affordable housing.

The Orchard Road + Headquarters Park Drive Redevelopment Area will be used for the creation of a municipal government services center, including but not limited to, municipal offices, the police

Orchard Road + Headquarters Park Drive Redevelopment Plan

department, a county library branch, and municipally-sponsored affordable housing consistent with the Housing Plan Element/Fair Share Plan.

APPLICABILITY OF THE REDEVELOPMENT PLAN AND ITS RELATIONSHIP TO THE LAND DEVELOPMENT ORDINANCE

This Redevelopment Plan shall supersede the zoning provisions of Montgomery’s Land Development Ordinance for the Redevelopment Area. However, where the regulations and standards of the redevelopment plan are silent, the standards of the Land Development Ordinance shall continue to apply to the redevelopment area as permitted by *N.J.S.A. 40A:12A-7.a(2)* except when inconsistent with the standards set forth in Appendix A.

Montgomery Township has ultimate control over the disposition, development and stewardship of the redevelopment area pursuant to the lease purchase agreement. Therefore, the location, design and arrangement of uses, buildings and site elements shall be approved, conceptually, by the Township, prior to any review and approval by the Planning Board.

Redevelopment, and any plan approved by the Planning Board depicting said redevelopment, shall be consistent with the use regulations and design and performance standards included as Appendix A of this Redevelopment Plan whereas “shall” is mandatory and “should” is permissive. The Planning Board may grant exceptions from these standards, pursuant to the procedure articulated in the New Jersey Municipal Land Use Law at *NJSA 40:55D-51*. The zoning map of the Township of Montgomery shall be amended upon the adoption of this Plan in accordance with *N.J.S.A. 40A:12A-7.c* to reflect this new classification (see map in Appendix A).

GENERAL PROVISIONS

Redevelopment Entity

The Township Committee shall act as the “Redevelopment Entity” pursuant to *N.J.S.A. 40A-12A-4.c* for purposes of implementing this Redevelopment Plan and carrying out redevelopment projects. In doing so, the Township Committee shall have the powers set forth in *N.J.S.A. 40A-12A-8* to effectuate all of its duties and responsibilities in the execution and implementation of this Redevelopment Plan, excepting the acquisition of any land or building which is necessary for the redevelopment project, pursuant to the provisions of the “Eminent Domain Act of 1971,” P.L. 1971, c.361 (*C.20:3-1 et seq.*).

Redeveloper Selection

The Township Committee shall select a redeveloper(s) for the planned projects within the redevelopment area. The Township Committee shall select the redeveloper based on the entity’s experience, financial capacity, ability to meet deadlines, flexibility in meeting market demands within the framework of the Redevelopment Plan, and additional criteria that demonstrate the redeveloper’s ability to implement the goals and objective of the plan.

Agreement

Once a redeveloper has been selected, the Township Committee shall enter into an agreement with the redeveloper that comports with the requirements of *N.J.S.A. 40A:12A-9*. Any development or construction within the redevelopment area shall be undertaken in accordance with the contractual agreement between the Township Committee and the designated redeveloper. The agreement shall be in full force and effect prior to the redeveloper making application to the Planning Board for any site plan or subdivision approval.

Effect of Agreement

The execution of the agreement shall convey the right to prepare a site plan or subdivision application for development to the Montgomery Township Planning Board in accordance with the terms of the agreement and Redevelopment Plan, among other rights that may be granted by the Township Committee. In addition, the execution of the agreement shall establish the period of time as such rights to develop under the terms and conditions of the Redevelopment Plan shall be granted. Nothing herein shall prevent the Township Committee and redeveloper from mutually agreeing to an

The Agreement: Mandatory Provisions

Section 9 in the LRHL requires the following provisions in any redevelopment agreement:

- The redeveloper must agree to construct the uses specified in the redevelopment plan;
- The agreement must include a date (schedule) by which construction of improvements will commence;
- The redeveloper shall not sell, lease, or transfer all or any part of the development rights to a redevelopment area or redevelopment project without the consent of the redevelopment Entity;
- A certificate of completion must be issued by the redevelopment entity upon its determination that a redevelopment project is completed.

amendment of the Redevelopment Plan as it affects the redeveloper's property from time to time or at any time.

Expiration

The Redevelopment Plan shall remain in full force and effect for twenty (20) years.

Staff Employment

The Township Committee may employ or contract for and fix compensation of such experts and other staff and services as it may deem necessary, including, but not limited to, architecture, economic forecasting, engineering, environmental, landscape architecture, legal, market analysis, planning, and transportation consulting services. The Township Committee, however, shall not authorize expenditures which exceed, exclusive of gifts, grants or escrow accounts, the amounts appropriated for its use.

Acquisition of Property

As Somerset County already owns the land in the Orchard Road + Headquarters Park Drive Redevelopment Area and the Township has an executed Lease Purchase Agreement with the County, no property is proposed to be acquired by public entities as part of this Redevelopment Plan.

Relocation Provisions

The redevelopment area is a former corporate campus composed of two office buildings totaling 155,928 square feet in floor area, along with 490 off-street parking spaces, driveways, stormwater management elements (basins) and open areas. The complex was constructed in the late 1980's and was last occupied by ConvaTec, a medical device company, who vacated the site between 2013 and 2017. Since that time, both buildings have been demolished. The remaining site elements and furnishings- surface parking lots, lighting, bus shelters and shade trees-have been neglected and are in disrepair and dilapidated. Consequently, there will be no displacement of residents that requires a Workable Relocation Assistance Program under N.J.A.C. 5:11-1 *et seq.*

Site Remediation

The redeveloper shall be responsible for any site remediation, as may be necessary, to restore their site to residential standards pursuant to the New Jersey Department of Environmental Protection regulations.

Outside Agency Approvals

The redeveloper shall be responsible to obtain any and all necessary outside agency approvals, including but not limited to, Delaware and Raritan Canal Commission approval, Somerset County Planning Board, and Somerset County Soil Conservation District approval.

Public Improvements

The construction or extension of any public utilities required shall be installed at the full expense of the redeveloper consistent with the design policies and standards that are contained within this Plan. The redeveloper is expected to install necessary public improvements on the property they control as well as abutting rights-of-way. There will be no municipal financial assistance in the form of contributions towards the construction of off-site and/or off-tract improvements necessitated by the future development. No recapture of off-site improvement expenses from future development should be anticipated. However, nothing contained herein shall be construed to preclude the ability of the municipality or redeveloper from obtaining any governmental programs, grants, loans, or other financial support or incentives for public infrastructure improvements or other construction, or from the municipality to consider a recapture provision in the redevelopment agreement.

RELATIONSHIP TO PLANNING & OBJECTIVES

Montgomery Township 2017 Reexamination of the Master Plan

The 2017 Reexamination Report, adopted September 18, 2017, supports the goals, objectives and recommendations of the 1971 Master Plan and subsequent reexaminations, changes, modifications, refinements, and expansions through the 2014 Land Use Plan Amendment. The report focused heavily on future growth and development, as well as preservation of critical lands. This plan is also consistent with the Redevelopment Plan.

The 2017 Reexamination Report reaffirms the goals and objectives of the 1989 “Part II: Land Use Plan and Housing Elements” portion of the Master Plan. The following is a list of goals identified in the 1989 Land Use Plan and Housing Elements that are applicable to this Redevelopment Plan:

- The Development Plan should recognize the physical characteristics of the Township and acknowledge the inherent capabilities and limitations of the land to host different types of community development at appropriate densities and intensities.
- Applicable stormwater facilities and drainage basins and watershed plans, especially concerning the regional potable water supply, should be implemented in order to prevent adverse environmental impacts upon lands within the Township and upon surface and subsurface water resources.
- The Development Plan should strive to prevent the homogenous spread of suburban development throughout the municipality. Specific areas of the Township should be designated for specific types of residential and non-residential development.
- Recognizing the housing obligations of the municipality, but attempting to prevent sprawl and maintain a development mix balanced between residential and non-residential construction, the Development Plan should guide and contain the principal commercial and higher density residential development within the municipality to specific areas of concentrated land uses.

- Between the two (2) nodes of concentrated development along Route 206, referred to as the Rocky Hill node and the Belle Mead node, the Development Plan should continue to prevent the evolution of strip commercial uses along Route 206.

While the redevelopment of the Orchard Road + Headquarters Park Drive tract is not explicitly mentioned in the 2017 Reexamination of the Master Plan, it does support several of the goals of the Master Plan. Its redevelopment as a municipal governmental services center, including municipally-sponsored, affordable, rental apartments, supports the goals and policies of the 2017 Reexamination of the Master Plan. The orientation of Montgomery's overall goals for the Township align with the Redevelopment Area's objectives to develop a municipal center appropriately sized for the tract, provide adequate stormwater facilities consistent with State and local regulations, provide affordable housing to facilitate access to a variety of housing types and ranges of affordability, and to prevent strip commercial uses along Route 206.

Montgomery Township 2020 Amended Housing Element and Fair Share Plan

The Montgomery Township Planning Board is scheduled to hold a public hearing on November 16, 2020 on the 2020 Amended Third Round Housing Element and Fair Share Plan. The Amended Housing Element and Fair Share Plan reflects the revisions to the projects included within the Township's 2018 Amended Housing Element and Fair Share Plan as detailed in the July 24, 2019 Court's Order granting a Final Judgment of Compliance and Repose.

Phase I of the Orchard Road + Headquarters Park Drive Redevelopment Plan is identified in the 2020 Amended Housing Element and Fair Share Plan as the Montgomery Municipal Center Site/ConvaTec, Inc./RPM Site. The project is described as a 70-unit, municipally-sponsored, 100% affordable, age-restricted, rental development. This Redevelopment Plan establishes the ordinance standards consistent with the 2020 Amended Housing Element and Fair Share Plan.

Montgomery Township Land Use Ordinance

Prior to the adoption of this Redevelopment Plan, and new Municipal Center Redevelopment Zone District (MCRZ), the site was located within the Research, Engineering and Office-1 (REO-1) zoning district. Permitted principal uses in the REO-1 district includes offices, research labs, agriculture, public parks, conservation areas, open space and public purpose uses. Conditional uses in the REO-1 district include public utility uses, residential care facilities for the elderly, childcare centers, restaurants and cellular antennas. The Redevelopment Plan places the redevelopment area within a new zone – the Municipal Center Redevelopment Zone (see Appendix A) – which is designed to provide for government services and affordable housing.

Somerset County Master Plan Housing Element

The following policies and strategies are identified in the Somerset County Master Plan Housing Element, dated November 2017, that are applicable to this Redevelopment Plan:

- Respond to the changing needs of the County's population by encouraging a broad range of housing types at all levels of affordability.

Orchard Road + Headquarters Park Drive Redevelopment Plan

MONTGOMERY TOWNSHIP, SOMERSET COUNTY, NJ

DECEMBER 17, 2020 | PAGE 9

- Address the demand for a wide range of supported senior and special needs housing types.
- Increase the supply of rental and for-purchase housing affordable to low- and moderate-income eligible households and those earning between 80 and 120 percent of median household income.
- Create healthy, attractive, walkable neighborhoods with proximity and access to jobs, cultural and recreational amenities, services and transportation choices.
- Guide residential and mixed-use infill and redevelopment into areas where existing infrastructure, employment, services and other community assets are concentrated (i.e. Priority Growth Investment Areas).
- Promote efficient land use patterns and residential densities that provide “economies of scale” necessary for cost-effective infrastructure maintenance, renewal and enhancement.
- Use residential and mixed-use redevelopment to return underutilized and vacant properties to productive use and catalyze community revitalization.
- Create opportunities to increase the supply of affordable housing necessary for meeting the needs of all types of very-low, low- and moderate-income households.

State 2001 Development and Redevelopment Plan

The State Development and Redevelopment Plan was adopted by the State Planning Commission on March 1, 2001. The plan is organized around eight policy goals for New Jersey’s communities. Of particular importance to the Police Station Tract Redevelopment Area are the following goals:

- Goal 1 – Revitalize the State’s Cities and Towns
- Goal 2 – Conserve the State’s Natural Resources and Systems
- Goal 4 – Protect the Environment, Prevent and Clean Up Pollution
- Goal 6 – Provide Adequate Housing at a Reasonable Cost
- Goal 8 – Ensure Sound Integrated Planning and Implementation Statewide

This Redevelopment Plan directly supports these State Plan Policy Goals. The plan seeks to revitalize underutilized lands, to restore the integrity of natural systems throughout the area, protect the environment and prevent pollution, and provide comprehensive land uses consistent with local, regional and state land use policies.

DEVELOPMENT PLAN REVIEW AND APPROVAL

Approval by the Montgomery Township Planning Board is required prior to redevelopment pursuant to the requirement of this plan according to the following process and requirements:

Escrow Fee

The redeveloper seeking input on a conceptual plan or approval of a project in the Redevelopment Area shall establish an escrow account with the Redevelopment Entity from which any consultants necessary for the review of the redevelopment project shall be paid. Such escrow account shall be in accordance with *N.J.S.A. 40:55D-53.2*. The Township Committee shall adopt a fee schedule by resolution and may amend it from time to time as circumstances warrant.

Consistency with Redevelopment Plan

The Township Committee shall certify the consistency of an application for development with the Redevelopment Plan after submission by the redeveloper to the Montgomery Township Planning Board and prior to a determination of a complete application by the Planning Board. As a condition precedent to the filing of any application for development to the Planning Board for any property governed by this Redevelopment Plan, the Township Committee shall execute the Agreement with the redeveloper. Any development approved by the Planning Board prior to the enactment of this plan pursuant to the Land Development Ordinance shall be deemed to be certified as consistent with this plan and shall not require a separate determination of consistency by the Planning Board.

Application for Development

An application for development shall be submitted in such form, and accompanied by such maps, documents, and materials, as are prescribed in the Land Development Ordinance of the Township of Montgomery.

Planning Board Review and Approval

1. Site plan or subdivision review shall be conducted by the Montgomery Township Planning Board pursuant to *N.J.S.A. 40:55D-1 et seq.*
2. Relief may not be granted from “Use Regulations” or “Mandatory Components” identified in Appendix A and any deviations from those regulations shall require an amendment to the Redevelopment Plan. However, exceptions may be granted by the Planning Board from standards contained in the remaining sections, herein, or within the Land Development Ordinance. Consideration of exceptions that would be equivalent to a variance, pursuant to the New Jersey Municipal Land Use Law (MLUL NJSA 40:55D-1 et seq.), shall be considered pursuant to requirements and criteria found in the MLUL at *N.J.S.A. 40:55D-70.c* of the New Jersey Municipal Land Use Law. Consideration of exceptions that would be equivalent to design exceptions shall be undertaken pursuant to requirements found in the MLUL at *N.J.S.A. 40:55D-51*. Consideration of submission waivers shall be undertaken pursuant to the MLUL at NJSA 40:55D – 10.3.

Orchard Road + Headquarters Park Drive Redevelopment Plan

MONTGOMERY TOWNSHIP, SOMERSET COUNTY, NJ

DECEMBER 17, 2020 | PAGE 11

3. An application requesting a deviation from the requirements of this Redevelopment Plan shall provide public notice of such application in accordance with the public notice requirement set forth in *N.J.S.A. 40:55D-12a&b*.
4. Any development approved by the Planning Board prior to the enactment of this plan pursuant to the Land Development Ordinance shall not require an additional, separate approval by the Planning Board.

Effects of Approval

The effects of any Planning Board approval shall be consistent with the rights granted by Municipal Land Use Law (*N.J.S.A. 40:55D-1 et seq.*) except to the extent they may be modified by an agreement with a redeveloper.

Appendix A

Amend the Land Development Ordinance and Zoning Map to establish a new Municipal Center Redevelopment Zone (MCRZ) subject to the following requirements:

§16-4.16 MUNICIPAL CENTER REDEVELOPMENT ZONE (MCRZ)

A. Mandatory Components

In the MCRZ, the following mandatory components shall apply:

1. Compliance with the permitted principal uses;
2. Compliance with the Affordable Housing requirements; and
3. All development shall be served by public water and public sanitary sewer.

B. Permitted Principal Uses

1. Municipal and County government services.
2. Public purpose uses.
3. Municipally-sponsored, multifamily apartment dwellings, including one (1) supervisor unit.
4. Conservation areas, recreation, open space.

C. Permitted Accessory Uses

1. Off-street parking.
2. Patios and balconies.
3. Fences and walls.
4. Signs.
5. Lighting.
6. Maintenance shed that shall be no larger than ten feet by ten feet (10 x 10).
7. Maintenance shop located within the main building manager's office.
8. Landscape features, including benches, trellises, sculptures and other such features customarily associated with the permitted principal uses.
9. Underground irrigation systems.
10. Temporary construction trailers.
11. Stormwater management and other utilities.
12. Accessory uses on the same lot and customarily incidental to a principal use.

D. Affordable Housing Requirement

1. One hundred percent (100%) of the multifamily residential dwelling units shall be affordable to low- and moderate-income households, except for one (1) unit for the building supervisor.
2. Affordable housing shall be developed in compliance with, and in a manner that implements, the Montgomery Township Housing Plan Element/Fair Share Plan.
3. No more than 130 affordable dwelling units shall be developed.
4. Development of affordable housing may be undertaken in no more than two (2) discrete phases.
5. The affordable housing units shall be deed restricted as affordable housing for very-low-, low-, and moderate-income households in accordance with COAH's regulations, *N.J.A.C. 5:93-1 et seq.*, and the Uniform Housing Affordability Controls (UHAC), *N.J.A.C. 5:80-26.1 et seq.*, which govern the administration and affordability controls of affordable units in New Jersey. With the exception that at least 13% of the units shall be affordable to very-low-income households, 37% of the units shall be affordable to low-income households, and 50% of the units may be affordable to moderate-income households. An odd number shall be split in favor of the low-income units.
6. The Redeveloper's Agreement is required to establish the low/moderate apportionment, very-low-income requirement per *N.J.S.A. 52:27D-329.1*, bedroom distribution, unit size, etc.
7. The affordable housing units shall be deed restricted as affordable housing for at least 45-years.
8. In addition to addressing the requirements of COAH and UHAC noted above, the affordable units shall be developed in accordance with the following:
 - (a) The affordable units shall not be owner-occupied units.
 - (b) The bedroom distribution requirements pursuant to *N.J.A.C. 5:93-7.3* and *N.J.A.C. 5:80-26.3(b)*.
 - (c) The unit distribution requirements pursuant to *N.J.A.C. 5:80-26.3*.
 - (d) The very-low income distribution requirements pursuant to the Fair Housing Act, *N.J.S.A. 52:27D-329.1*.
 - (e) The phasing requirements pursuant to *N.J.A.C. 5:93-5.6(d)*.
 - (f) The accessibility and adaptability requirements pursuant to *N.J.A.C. 5:97-3.14*.
 - (g) The affordable units shall be integrated among market-rate apartment units.

E. Height Requirements

1. Multifamily Residential Buildings (Principal): Multifamily residential buildings shall not exceed three (3) stories and 50 feet except as modified by §16-6.2b of this chapter, entitled “General Exceptions and Modifications for Height Limits.”
2. Municipal and Public Purpose Buildings (Principal): 2.5 stories and 45 feet.
3. Accessory Buildings and Structures: No accessory building or structure shall exceed 15 feet in height and one and one-half (1 ½) story.

F. Area, Yard and Coverage Requirements

1. Municipal and Public Purpose Uses. Design and arrangement of municipal government services and public purpose uses shall be exempt from area, yard and coverage requirements. However, such development shall comply with §16-5.2 Stormwater Management and Grading.
2. Municipally-sponsored affordable housing. Affordable housing shall be designed in a manner that is substantially consistent with a conceptual plan(s) developed in accordance with an affordable housing agreement with the Township, in terms of the location, arrangement, area, setbacks and coverages.

G. Off-Street Parking

1. Residential Uses: Off-street parking shall be provided pursuant to the NJ Residential Site Improvement Standards NJAC 5:21, *et seq.*
2. Municipal or Public Purpose Uses: No minimum requirement.
3. Electric Vehicle Charging Stations. Public electric vehicle charging infrastructure shall be provided for multifamily residential uses in accordance with the Local Housing Redevelopment Law, N.J.S.A. 40A:12A-7.a.(8).

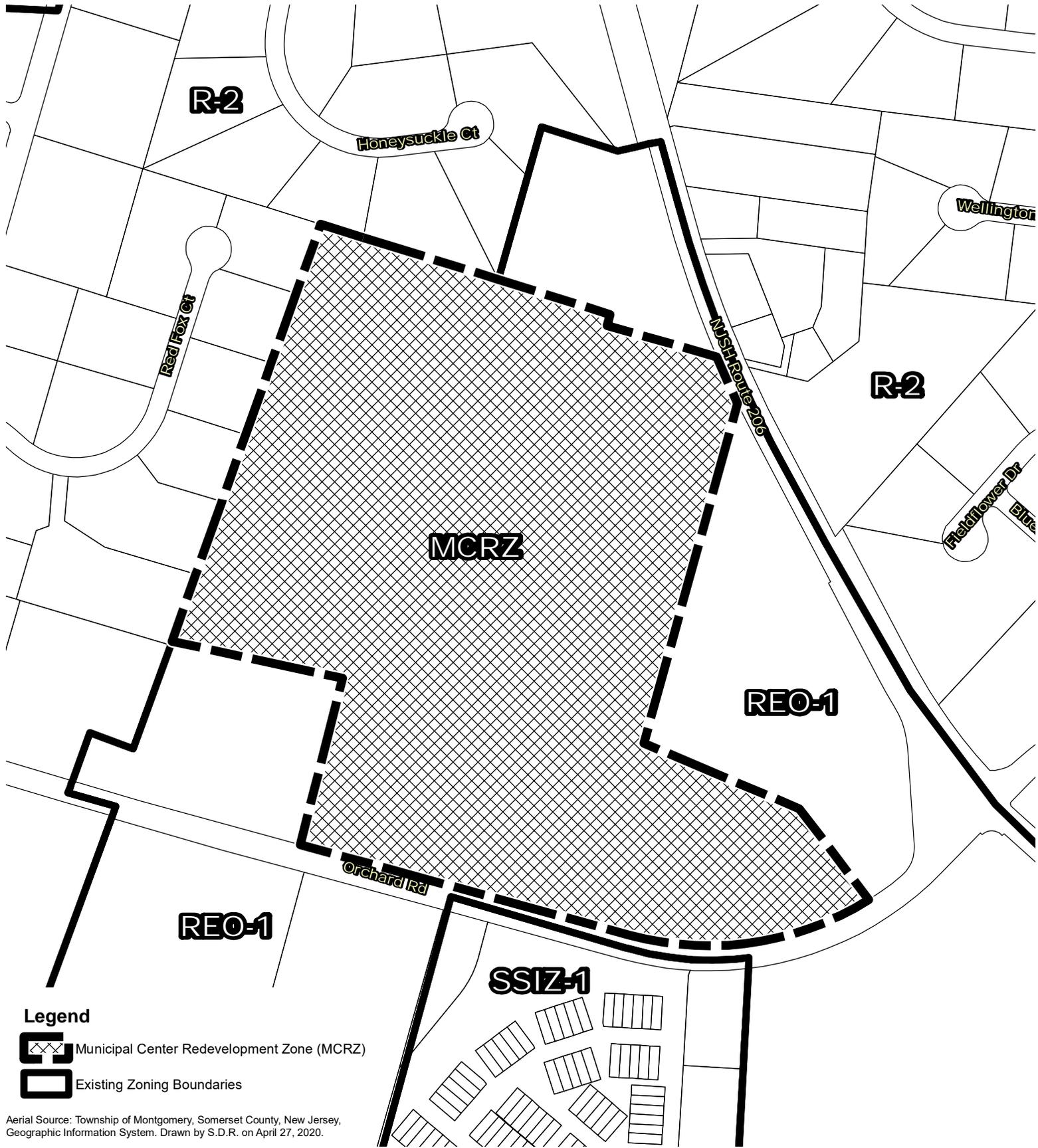
H. Buffers, Fences and Walls

1. Perimeter buffer. Minimum perimeter buffer from a multifamily residential use to a single-family use or zone: 100 feet
2. Perimeter Buffer Composition: Buffers shall be planted with a mixture of evergreen and deciduous trees and shrubs sufficient to provide a solid and continuous visual screen throughout the year. Topographic elements, such as berms, may be included to increase the efficacy of the plantings.
3. Fences and walls shall be composed of materials, finishes and design elements that are incorporated in the architecture of the building.

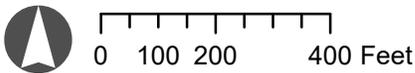
4. Unless specifically amended herein, the fences and walls requirements and regulations of §16-5.3 are applicable to the redevelopment area.

i. Signs

1. Municipal or Public Purpose uses: Municipal and public purpose uses are exempt from sign regulation.
2. Primary Residential Sign. One ground-mounted freestanding sign identifying the name of the multifamily residential development, no larger than 30 square feet, shall be permitted at the vehicular entrance to the redevelopment area at Orchard Road as follows:
 - (a) The sign shall not exceed six feet in height and shall be set back at least 5 feet from all street lines and 25 feet from all other property lines.
 - (b) Regardless of the maximum permitted sign area, such sign shall be designed to be smaller in height and area than any sign(s) identifying the municipal services complex. The developer of a multifamily residential use shall coordinate with the Township on the design, location, size and configuration to ensure that no conflicts occur between their sign and that of the Township. Sign details should show the sign in relation to the municipal use sign.
3. Secondary Residential Development Identification. A secondary sign indicating the name of a residential development may be located at an internal site location to identify the entrance to the development. The sign shall not exceed 15 square feet in area and six (6) feet in height. It shall be set back at least 10 feet from driveways.
4. Residential Building Identification. Residential buildings may have up to two attached identification signs. The maximum sign area of each sign shall not exceed six square feet. Such signs shall be appropriately integrated within the architecture of the building.
5. Any sign illumination shall be external to the sign and shall be designed and oriented to prevent any sight of the lamp from any street or neighboring properties.
6. See subsection 16-5.13 of this chapter for permitted temporary signs, directional signs, and additional standards and the design requirements for signs.



Aerial Source: Township of Montgomery, Somerset County, New Jersey, Geographic Information System. Drawn by S.D.R. on April 27, 2020.



ORCHARD ROAD / HEADQUARTERS PARK DRIVE REDEVELOPMENT PLAN

Municipal Center Redevelopment Zone (MCRZ) Zoning Map Amendment

LOCATION:
Montgomery Township, Somerset County, New Jersey

DATE:
November 2020

Clarke Caton Hintz ● ● ■
Architecture
Planning
Landscape Architecture

MOU TO BE PROVIDED UPON RECEIPT



Ingless Architecture + Engineering

**MONTGOMERY SCHEMATIC
PLAN - 02-25-2020**



TOTAL PARKING
 147.6 = 82 X 1.8
 64 = 32 X 2.0
 35.7 = 17 X 2.1
247.3 TOTAL SPACES

**SENIOR BUILDING
PROPOSED UNIT MATRIX**

71	1-BR	(100%)
71	TOTAL UNITS	

**FAMILY BUILDING
PROPOSED UNIT MATRIX**

11	1-BR	(18.3%)
32	2-BR	(53.4%)
17	3-BR	(28.3%)
60	TOTAL UNITS	

Sewer service availability



ENGINEERING DEPARTMENT

September 22, 2020

Emily Goldman, PP, AICP
Clarke Caton Hintz
100 Barrack Street
Trenton, New Jersey 08608

Re: Sewer service availability

Dear Emily:

In response to your September 16, 2020 email, I am writing to inform you of the availability of sanitary sewer service for the below listed property, which is included in the Montgomery Township Housing Element and Fair Share Plan.

Montgomery Municipal Center Site (Block 20001, Lot 10.05): The site is located on Orchard Road within the Montgomery Township Sewer Utility's Skillman Village WWTP sewer service area. The Wastewater Management Plan allows for up to 71 age-restricted one bedroom units at this site. There is an 8" line at the intersection of Orchard Road and Autumn Lane which could be used to serve the site.

Very truly yours,

Gail Smith, PE
Township Engineer

Cc: Lori Savron, Planning Director



Elliott D. Schwartz
New Jersey American Water
149 Yellowbrook Road
Farmingdale, NJ 07727
Elliott.Schwartz@amwater.com

October 1, 2020

Emily R Goldman, PP, AICP
Clarke Caton Hintz
100 Barrack Street
Trenton, New Jersey 08608

Re: New Jersey American Water's Raritan System – PWSID #2004002
Request for Information – Water Capacity
Montgomery Township, Somerset County, NJ

Dear Ms. Goldman:

We are in receipt of your email requesting information regarding New Jersey American Water's (NJAW) Raritan System. Specifically, if NJAW has adequate water capacity to serve a proposed 100% affordable housing project within Montgomery Township, identified as follows:

Site Name	Location	Number of Proposed Units	Type of Units
Montgomery Municipal Center Site / ConvaTec Inc. / RPM Site	Block 20001, Lot 10.05	71	Apartment Units

The above proposed development is located within NJAW's franchised service territory, and we are pleased to say that presently we have sufficient capacity to serve the project. However, capacity can change from time to time and it is neither reserved nor guaranteed. In short, this letter is not a reservation of available capacity. Upon submission of a water service application, NJAW will determine the availability of system capacity for this project.



Emily R Goldman, PP, AICP
Page Two

Existing water mains of various diameters are located within close proximity to the boundaries of the site. However, the extent of infrastructure upgrades, if required, cannot be determined until specific water demands and fire requirements are determined and provided to NJAW.

In closing, we look forward to working with the municipality and other stakeholders in supplying water service to this project. We highly recommend you avail yourself to the opportunity to review out water extension process which can be found at the following website:

<https://amwater.com/njaw/about-us/doing-business-with-us/developers/customer-resources>

Should you have any questions, please contact me at your convenience.

Sincerely,

A handwritten signature in black ink that reads "Elliott D. Schwartz". The signature is written in a cursive style with a long horizontal stroke at the end.

Elliott D. Schwartz, PE, CME
Engineering Manager

26. WATER AND SEWER CAPACITY LETTERS

Trap Rock / Haven at Princeton

PIRHL

DeVan / CC1377, LLC

Harlingen Village

Village Shopper

Blawenburg Village Square

Tapestry Assisted Living

1860 House



120 Raider Boulevard
Hillsborough, NJ 08844

P 908.431.3212

Elliott.Schwartz@amwater.com

May 17, 2018

Mary Beth Lonergan, PP, AICP
Clarke Caton Hintz
100 Barrack Street
Trenton, NJ 08608

RE: New Jersey American Water's Raritan System – PWSID # 2004002
Request for Information – Water Capacity
Montgomery Township, Somerset County, NJ

Dear Ms. Lonergan:

We are in receipt of your email requesting information regarding New Jersey American Water's (NJAW) Raritan System. Specifically, if NJAW has adequate water capacity to serve proposed development projects within Montgomery Township. The properties were identified as follows:

Site Name	Location	Number of proposed units	Type of Units
Trap Rock	Block 37003, Lot 7	180	Townhouse Units
		48	Apartment Units
PIRHL/Sharbell/Tapestry at Montgomery/Kepner-Tregoe	Block 28004, Lot 7	86	Apartment Units
CC1377, LLC/DeVan/Van Cleef	Block 29002, Lot 45	115	Apartment Units
Harlingen Village	Block 6001, Lots 33, 34, 34.01, 35, 35.01 and 36	36	Townhouse Units
		9	Apartment Units
Village Shopper Site	Block 28005, Lots 60, 65 68 and 69	52	Apartment Units
Blawenburg VillageSquare	Block 25001, Lot 31	3	Apartment Units
Tapestry Assisted living	Block 28003, Lot 211	120	Assisted living beds
Municipal Building/RPM	Block 6001, p/o Lot 12	60	Apartment Units
1860 House	Block 23001, p/o Lot 13	60	Apartment Units

The above proposed developments are located within NJAW's franchised service territory, and we are pleased to say that presently we have sufficient capacity to serve all projects. However, capacity can change from time to time and it is neither reserved nor guaranteed. In short, this letter is not a reservation of available capacity. Upon submission of a water service application, NJAW will determine the availability of system capacity for these projects.

Existing water mains of various diameters are located within close proximity of the boundaries of each site. However, the extent of infrastructure upgrades, if required, cannot be determined until specific demands and fire flow requirements are determined and provided to NJAW.

In closing, we look forward to working with the municipality and other stakeholders in supplying water service to these projects. We highly recommend you avail yourself of the opportunity to review our water extension process which can be found at the following website:

<https://amwater.com/njaw/about-us/doing-business-with-us/developers/customer-resources>

Should you have any questions, please contact me at your convenience.

Sincerely,

 for ELLIOTT SCHWARTZ
MICHAEL WOLAN - ENGINEERING MANAGER PD NORTH

Elliott D. Schwartz, PE
Engineering Manager – Developer Services



Mary Beth Lonergan, PP, AICP
Clarke Caton Hintz
100 Barrack Street
Trenton, New Jersey 08608

Re: Sewer service availability

Dear Mary Beth:

In response to your May 3, 2018 email, I am writing to inform you of the availability of sanitary sewer service for the below listed properties that are included in the Montgomery Township Housing Element and Fair Share Plan.

Trap Rock Site (Block 37003, Lot 7). The site is located within the Montgomery Township Sewer Utility's Stage II WWTP sewer service area. The Wastewater Management Plan allows for up to 228 units including 180 townhouse units and 48 family affordable multi-family apartment housing units at this site. There is an 8" line along County Route 633 which could be used to serve the site.

PIRHL/Sharbell/Tapestry at Montgomery/Kepner-Tregoe Site (Block 28004, Lot 7). The site is located within the Montgomery Township Sewer Utility's Skillman Village WWTP sewer service area. The Wastewater Management Plan allows for up to 86 units at this site. The Utility's infrastructure in the vicinity of the site is sufficient to handle the potential flow from the site. The collection system constructed as part of the Tapestry and Hillside developments could be used to serve the site.

CC1377, LLC/DeVan/Van Cleef Site (Block 29002, Lot 45). The site is located within the Montgomery Township Sewer Utility's Stage II WWTP sewer service area. The Wastewater Management Plan allows for up to 115 family rental apartment units including 86 market-rate units and 29 affordable units at this site. There is an 8" line within a Township easement on the Montgomery Shopping Center property which could be used to serve the site. An easement across the Montgomery Shopping Center property will need to be acquired to access the sewer line. This 8" line discharges to a pump station. The capacity of this pump station would have to be investigated to confirm its ability to handle the additional flow.

Harlingen Village Site (Block 6001, Lots 33, 34, 34.01, 35, 35.01 and 36). The site is located within the Montgomery Township Sewer Utility's Pike Brook WWTP sewer service area. The Wastewater Management Plan allows for up to 45 units including 33 market-rate, family townhouse units and 12 family, affordable rental apartment units at this site. The project will require the

construction of sewerage infrastructure, including a pump station, from the site to the existing collection system (8" line) constructed as part of the Country Classics Fox Brook development. It is my understanding that the developer's engineer is investigating the sewerage infrastructure that would be necessary for the project.

Village Shopper Site (Block 28005, Lots 60, 65, 68 and 69). The site is located within the Montgomery Township Sewer Utility's Stage II WWTP sewer service area. The Wastewater Management Plan allows for up to 52 multi-family rental apartment units above nonresidential uses including 41 market-rate apartments and 11 affordable apartment units at this site. There is an 8" line which crosses Route 206 and extends to an existing pump station in the area in front of the Montgomery Shopping Center property which could be used to serve the site. The capacity of this pump station would have to be investigated to confirm its ability to handle the additional flow.

Blawenburg Village Square Site (Block 25001, Lot 31). This site is located within the Montgomery Township Municipal Utility's Cherry Valley WWTP sewer service area. The Cherry Valley WWTP has capacity for up to 3 units at this site. The Utility's infrastructure in the vicinity of the site is sufficient to handle the potential flow from the site. There is an 8" line along County Route 601 which could be used to serve the site.

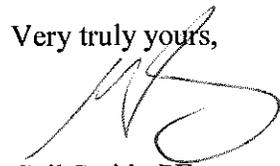
Tapestry Assisted Living Site (Block 28003, Lot 211). The site is located within the Montgomery Township Sewer Utility's Skillman Village WWTP sewer service area. The Wastewater Management Plan allows for up to 120 beds at an Assisted Living Residence, including 12 affordable assisted living units, at this site. The Utility's infrastructure in the vicinity of the site is sufficient to handle the potential flow from the site. The collection system constructed as part of the Tapestry and Hillside developments could be used to serve the site.

Municipal Building/RPM Site (Block 6001, p/o Lot 12). The site is located within the Montgomery Township Sewer Utility's Pike Brook WWTP sewer service area. The Wastewater Management Plan allows for up to 64 senior rental apartment units at this site. The Utility's infrastructure in the vicinity of the site is sufficient to handle the potential flow from the site. There is an 8" line along Covert Drive Road which could be used to serve the site.

1860 House Site (Block 23001, p/o Lot 13). The site is located within the Montgomery Township Sewer Utility's Stage II WWTP sewer service area. The Wastewater Management Plan allows for up to up to 64 senior, rental apartment units at this site. The Utility would have to gain access to the private collection system on the Presbyterian Homes facility. In addition, an agreement with the Borough of Rocky Hill would have to be amended to provide for the additional flow from the project.

It should be noted that the Stage II and Pike Brook WWTP's will require expansion for full build-out, consistent with the Wastewater Management Plan.

Very truly yours,



Gail Smith, PE
Township Engineer

Cc: Lori Savron, Planning Director

27. SPENDING PLAN AND RESOLUTION OF INTENT TO FUND



2020

Spending Plan

Draft November 2, 2020
Adopted December 7, 2020
Endorsed December 17, 2020

Montgomery Township, Somerset County, New Jersey

Prepared by:

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



INTRODUCTION

The Township of Montgomery (hereinafter “Montgomery” or “the Township”), Somerset County received First Round Judgment of Compliance on July 31, 1985 and Second Round substantive certification from the Council on Affordable Housing (hereinafter “COAH”) on March 5, 1997 and Second Round substantive certification extensions on December 4, 2002 and February 9, 2005.

The Township petitioned COAH for Third Round substantive certification on December 16, 2005. However, COAH did not conduct a substantive review of the 2005 Housing Element and Fair Share Plan prior to the 2007 Appellate Division decision overturning COAH’s 2004 Third Round rules. On November 25, 2008, Montgomery adopted a 2008 Third Round Housing Element and Fair Share Plan consistent with COAH’s second iteration of Third Round rules. The Township submitted the 2008 Plan to COAH on December 30, 2008 as part of their second petition for Third Round substantive certification; the petition was deemed complete by COAH on March 27, 2009. The Township’s 2008 Plan did not receive substantive certification prior to the 2010 Appellate Division decision invalidating COAH’s second iteration of Third Round rules.

The Township updated its Spending Plan on April 16, 2012 which was subsequently amended on May 15, 2012. COAH failed to take action on the Township’s 2012 Spending Plan. The Court approved the Township’s 2018 Spending Plan; however, this 2020 Spending Plan supersedes all prior Spending Plans.

On March 5, 1997, COAH approved the Township’s mandatory development fee ordinance. This ordinance was adopted by the municipality on April 17, 1997. An amendment to the development fee ordinance was approved by COAH on December 5, 2008, which set to establish residential development fees in the amount of 1.5% of the equalized assessed value of residential development and nonresidential development fees in the amount of 2.5% of the equalized assessed value of nonresidential development. The amendment was formally adopted by the Township on December 18, 2008.



As of August 31, 2020, Montgomery collected a total of \$3,514,226.01 in development fees, payments in lieu of construction, interest, and other income. It has spent a total of \$2,973,332.33 leaving a balance of \$540,893.68. All development fees, payments in lieu of constructing affordable units on site, “other” income, and interest generated by the fees are deposited in one (1) separate interest-bearing account at the Investors Bank in New Brunswick dedicated toward the creation of affordable housing. These funds shall be spent in accordance with *N.J.A.C. 5:93-8.16*, as described in the sections that follow.

This updated spending plan is submitted to the Superior Court of New Jersey for approval to expend Affordable Housing Trust Fund monies that will contribute to the development of new affordable housing units in the Township through the development of group homes and Montgomery’s municipally-sponsored construction program. Additionally, the Township will expend funds on affordability assistance (including infrastructure grants), including expenditures to create very-low income units or to render existing units more affordable, and toward administrative expenses.

REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated during the period of Third Round Judgment of Repose, Montgomery considered the following:

- (a) Development fees: \$2,787,500**
1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
 2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
 3. Future development that is likely to occur based on historical rates of development.



(b) Payment in lieu (PIL): \$0

Actual and committed payments in lieu of construction from developers. The Township is in receipt of a payment in lieu of construction from the Montgomery Five project, which is included in the current trust fund balance, and does not anticipate receiving other payment-in-lieu of construction through the Third Round.

(c) Other funding sources: \$0

The Township does not anticipate future funds from this category at this time. Funds from other sources, include, but are not limited to the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, and proceeds from the sale of affordable units. All monies in the Affordable Housing Trust fund are anticipated to come from development fees and interest.

(d) Projected interest: \$14,400

Based on interest earned in recent years and projected rates of development fee revenue, Montgomery anticipates collecting \$14,400 in interest through 2025.

Table SP-1 indicates the anticipated revenue to be generated from development impact fees and interest. Montgomery Township projects a subtotal of \$2,801,900 to be collected between September 1, 2020 and December 31, 2025, including interest, to be used for affordable housing purposes. The total, after adding the money currently in the account, is projected to be \$3,342,793.68. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing.



Source of Funds – Housing Trust Fund 2020 through 2025

Year Source of Funds	2020	2021	2022	2023	2024	2025	2020-2025 Total
Projected Residential Development	-	\$93,500	\$93,500	\$93,500	\$93,500	\$93,500	\$467,500
Projected Non-Residential Development	-	\$464,000	\$464,000	\$464,000	\$464,000	\$464,000	\$2.32M
Interest	\$900	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$14,400
Total	\$900	\$560,200	\$560,200	\$560,200	\$560,200	\$560,200	\$2.802M

Projected residential development is based on the estimate of 85 new homes being constructed over the next five (5) years; this is a rate of 20 new housing units per year. This estimate does not include affordable housing sites that will be producing affordable housing and may not be charged a residential development fee. Projected non-residential development is based on an estimate of 928 thousand square feet of commercial and industrial construction through 2025. This square footage was multiplied by \$100 (the per square-foot equalized assessed value for non-residential use). This estimate of \$92.8 million in new construction was then multiplied by the 2.5% non-residential development fee. Interest calculations are based on deposits, averaged and extrapolated through 2025.



ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

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

(b) Collection of development fee revenues:

All collection of development fee revenues will be consistent with local regulations which follow COAH administrative models for both residential and non-residential developments and in accordance with *N.J.S.A. 40:55D-8.1* through 8.7.

(b) Distribution of development fee revenues:

The Planning Board adopts and forwards a resolution to the governing body recommending the expenditure of development fee revenues as set forth in this Spending Plan. Alternatively, the governing body may hear and decide upon a request for development fee revenues for the purpose of creating affordable housing. The governing body reviews the request for consistency with the Spending Plan and adopts the recommendation by resolution.

The release of funds requires the adoption of the governing body resolution. Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the governing body's resolution.

DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

(b) Rehabilitation: \$0

Montgomery Township does not have a Third Round rehabilitation obligation.



(b) Affordability Assistance (N.J.A.C. 5:93-8.16(c))

Montgomery Township is required to spend a minimum of 30 percent of development fee revenue to render 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 with incomes less than 30 percent of the regional median income). The actual affordability assistance minimums should be calculated based on actual revenues.

Projected Minimum Affordability Assistance Requirement		
Actual Development Fees Collected through 8/31/20		\$2,915,402.66
Actual Interest earned through 8/31/20	+	\$242,042.32
Development Fees Projected 2020-2025	+	\$2,787,500.00
Interest Projected 2020-2025	+	\$14,400.00
Less Housing Activity Expenditures through 6/2/2008	-	\$94,782.75
Total	=	\$5,864,562.23
30 Percent Requirement	x 0.30 =	\$1,759,368.67
Less Affordability Assistance Expenditures through 8/31/20	-	\$2,073,103.23
Projected Minimum Affordability Assistance Requirement	=	\$0
Projected Minimum Very Low-Income Requirement	÷ 3 =	\$0

Based on fees and interest collected to date, projected revenues, and existing expenditures on affordability assistance, Montgomery Township does not need to dedicate any additional funds from the affordable housing trust fund to render units more affordable. However, the Township may elect to provide additional affordability assistance through a variety of vehicles including, but not limited to the following:

- Emergency Repair Program;
- Down-payment assistance;



- Rental assistance;
- Security deposit assistance;
- Low interest loans;
- Assistance with homeowners' association or condominium fees and special assessments; and/or
- Converting low-income units to very-low-income units or creating new very-low income units, etc.

The Township will work with its affordable housing providers and administrator to expand outreach to ensure the existing and new households of very-low-, low- and moderate-income programs can take advantage of affordability assistance programs. Additionally, the Township will work with affordable housing providers to convert low income units to very low income units.

The Township has already expended \$2,073,103.26 from the Affordable Housing Trust Fund to providing affordability assistance for the following projects:

- **Homeownership Assistance: \$263,102.98**

The Township has already expended \$263,102.98 from the Affordable Housing Trust Fund to assist homeowners with down payment assistance, security deposits, condominium fees, and sewer and tax sale costs assistance.

- **Community Options, Inc.: \$200,000**

The Township dedicated \$200,000 from the Affordable Housing Trust Fund to the non-profit organization Community Options, Inc. for the acquisition, renovation and operation of one (1) group home for very-low income qualified individuals with developmental disabilities. The project totals 4 bedrooms.

- **JER Herring Orchard/K.Hov./Ingerman: \$306,000**

The Township provided \$306,600 from the Housing Trust Fund to provide infrastructure assistance to JER Herring Orchard/K.Hov./Ingerman.



- **PIRHL/Sharbell/Tapestry at Montgomery/Kepner-Tregoe: \$1,300,000**

The PIRHL/Sharbell/Tapestry at Montgomery/Kepner-Tregoe (“PIRHL”) site is being developed as an 86-unit 100% family affordable rental housing. The developer received outside funding including Low Income Housing Tax Credits (“LIHTC”), as permitted in the Fair Housing Act at N.J.S.A. 52:27D-321.1, as well as \$1,300,000 from the Township’s Affordable Housing Trust Fund for the project. The Township’s dedication of funds was for affordability assistance for the creation of very-low income units as well as sewer assistance payments as the tax credit award was less than anticipated from HMFA.

- **Habitat for Humanity: \$4,000.28**

In addition to the donation of land, the Township has committed to dedicating up to \$50,000 from the Affordable Housing Trust Fund for the construction of one 100% family affordable housing unit located at 91 Willow Road to be constructed by Habitat for Humanity. To date, the Township has already provided \$4,000.28 from the Affordable Housing Trust Fund for affordability assistance for infrastructure assistance.

The Township has already committed an additional \$790,645.36 to providing affordability assistance and dedicating funds from the Affordable Housing Trust Fund for the following projects:

- **Community Options, Inc.: \$400,000**

The Township will dedicate funds from the Affordable Housing Trust Fund to the non-profit organization Community Options, Inc. for the acquisition, renovation and operation of two (2) group homes for very-low income qualified individuals with developmental disabilities. The project totals eight (8) bedrooms in two (2) buildings.

- **Allies Inc. Group Home: \$55,895.64**

The Township will donate a 0.9598-acre parcel of land to Allies Inc. for the creation of a six (6) bedroom group home. Allies, Inc. will renovate the



existing Pine Knoll residence to operate supportive and special needs housing for very-low income individuals with developmental disabilities, consistent with regulations and/or licensing requirements of the New Jersey Department of Human Services. The Township will dedicate up to \$10,200.00 from the Housing Trust Fund to provide infrastructure assistance to Allies, Inc. The Township will also dedicate up to \$45,695.64 from the Affordable Housing Trust Fund to Allies, Inc. for the renovation of the existing dwelling specifically for the replacement and installation of the HVAC system and for the replacement and installation of the copper piping.

- **Habitat for Humanity: \$45,999.72**
The Township will dedicate up to an additional \$45,999.72 from the Housing Trust Fund to Habitat for Humanity to be used for development costs, including septic and construction permit fees, and property taxes for the construction of a unit located at 91 Willow Road.
- **Montgomery Municipal Center Site/ConvaTec Inc./RPM Site: \$288,750**
The Township will dedicate funds from the Affordable Housing Trust Fund to an experienced affordable housing developer for the construction of a 70-unit 100% affordable senior rental affordable housing project. In addition to the donation of land, the Township has committed to expend \$288,750 to provide infrastructure assistance.

(c) New construction project(s): \$2,157,473.37

The Township has identified opportunities to create 70 additional affordable units through new construction projects.

- **Montgomery Municipal Center Site/ConvaTec Inc./RPM Site: \$2,157,473.37**
The Township will dedicate funds from the Affordable Housing Trust Fund to an experienced affordable housing developer for the construction of 70 affordable senior rental apartments. In addition to the donation of land and the \$288,750 for affordability assistance, the Township has committed to expend \$2,157,473.37 to subsidize the predevelopment, construction and



other related costs. Other potential sources of funding include but are not limited to HMFA Low Income Housing Tax Credits, the Federal Home Loan Bank of New York, the Somerset County HOME Program and a construction loan from either TD Bank or Bank of America.

(d) Administrative Expenses (N.J.A.C. 5:93-8.16(e))

Montgomery Township may use Affordable Housing Trust Fund revenue for related administrative costs up to a 20 percent limitation pending funding availability after programmatic and affordability assistance expenditures. The actual administrative expense maximum is calculated on an ongoing basis based on actual revenues.

Projected Administrative Expenses		
Actual Development Fees Collected through 8/31/20		\$2,915,402.66
Actual Interest Collected through 8/31/20	+	\$242,042.32
Payments-in-lieu of construction and other deposits through 7/17/2008	+	\$0.00
Development Fees Projected 2020-2025	+	\$2,787,500.00
Interest Projected 2020-2025	+	\$14,400.00
Total	=	\$5,959,344.98
20 Percent Maximum Permitted Administrative Expenses	x 0.20 =	\$1,191,869
Less Administrative Expenditures through 8/31/20	-	\$797,194.05
Projected Allowed Administrative Expenditures	=	\$394,674.95

Montgomery Township projects that \$394,674.95 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:



- Township Attorney, Engineer, and Planner fees related to plan preparation and implementation, and to obtaining Judgment of Compliance and Repeal;
- Administration fees related to rehabilitation, extension of expiring controls, affordability assistance programs, and municipally-sponsored construction programs;
- Affirmative Marketing;
- Income qualification of households; and
- Administration of Township's Affordable Housing Units.

EXPENDITURE SCHEDULE

Montgomery Township intends to use Affordable Housing Trust Fund revenues for its municipally-sponsored construction program, affordability assistance including the creation of very-low income units and making existing units more affordable, and administrations expenses. Additionally, this expenditure schedule meets the requirement that trust fund revenues are expended within four years of their collection.

Projected Expenditure Schedule 2021 Through 2025

Program	2021	2022	2023	2024	2025	Total
Rehabilitation	\$0	\$0	\$0	\$0	\$0	\$0
Affordability Assistance	\$158,130	\$158,130	\$158,130	\$158,130	\$158,130	\$790.65k
New Construction	\$0	\$0	\$2.157M	\$0	\$0	\$2.157M
Administration	\$78,935	\$78,935	\$78,935	\$78,935	\$78,935	\$394,675
TOTAL	\$237,065	\$237,065	\$2.394M	\$237,065	\$237,065	\$3.342M

2020 Spending Plan

MONTGOMERY TOWNSHIP, SOMERSET COUNTY, NJ



EXCESS OR SHORTFALL OF FUNDS

In the event that a shortfall of anticipated revenues occurs, Montgomery will bond to satisfy the gap in funding. In the event that funds exceed projected expenditures, the Township will devote any excess funds on additional affordability assistance above the 30 percent minimum requirement. Alternatively, the Township reserves the opportunity to amend its Housing Element and Fair Share Plan, as well as this Spending Plan, to create additional affordable housing opportunities.

SUMMARY

The Township of Montgomery intends to spend Affordable Housing Trust Fund revenues pursuant to the extant regulations governing such funds and consistent with the housing programs outlined in the 2020 Amended Third Round Housing Element and Fair Share Plan. Montgomery had a balance of \$540,893.68 as of August 31, 2020 and anticipates an additional \$2,801,900 in revenues before the expiration of a Third Round Judgment of Repose for a total of \$3,342,793.68.

The Township may expend up to \$394,674.95 of Trust Funds on administrative costs during the period of repose. At this time, the Township estimates that approximately \$790,645.36 of Trust Funds will be spent to create very low-income units, and to make units more affordable. Additionally, approximately \$2,157,473.37 of additional Funds will be expended toward the creation of affordable housing through the Township's 100% municipally-sponsored construction program.



Spending Plan Summary	
Revenues	
Balance as of August 31, 2020	\$540,893.68
Projected Revenue from 2020 through 2025	
1. Development Fees	+ \$2,787,500.00
2. Payments-In-Lieu of Construction	+ \$0.00
3. Other Funds	+ \$0.00
Interest	+ \$14,400.00
Total Projected Balance	= \$3,342,793.68
Expenditures	
Funds Used for Rehabilitation	- \$0.00
Affordability Assistance	- \$790,645.36
New Construction	- \$2,157,473.37
Administration	- \$394,674.95
Total Projected Expenditures	= \$3,342,793.68
Remaining Balance	= \$0.00

RESOLUTION #18-7-175 - A RESOLUTION EXPRESSING THE TOWNSHIP OF MONTGOMERY'S INTENT TO PROVIDE THE FUNDS NECESSARY TO SATISFY THE TOWNSHIP'S AFFORDABLE HOUSING OBLIGATIONS

WHEREAS, By Order entered on February 20, 2018, the Superior Court of New Jersey approved the Settlement Agreement between the Township of Montgomery and Fair Share Housing Center ("FSHC"), which included the Township's preliminary compliance measures; and

WHEREAS, On June 4, 2018, the Montgomery Township Planning Board adopted a Housing Element and Fair Share Plan that fully addresses the Township's Rehabilitation Need, Prior Round and Third Round "fair share" obligations; and

WHEREAS, On June 7, 2018, the Township Committee adopted a resolution endorsing the 2018 Housing Element and Fair Share Plan adopted by the Planning Board on June 4, 2018; and

WHEREAS, The Township's 2018 Housing Element and Fair Share Plan includes a number of compliance mechanisms, such as inclusionary developments, supportive and special needs housing, and a 100% affordable housing development; and

WHEREAS, Pursuant to the State's affordable housing regulations and policies, and the conditions of the Court-approved Settlement Agreement, in order to assure the creditworthiness of the various compliance techniques included in its Housing Element and Fair Share Plan, the Township must demonstrate adequate and stable funding sources; and

WHEREAS, Since the Township is committed to securing judicial approval of its Affordable Housing Plan, in order to provide an adequate and stable funding source for the components of the Township's Housing Element and Fair Share Plan, the Township shall rely on the funds in its Affordable Housing Trust Fund, established by its Development Fee Ordinance; and

WHEREAS, The Township also anticipates that funding will come from other sources to satisfy its municipally-sponsored construction obligations, including, but not limited to, development fees; in-lieu contributions; and governmental sources such as the Federal Low Income Housing Tax Credits, New Jersey Balanced Housing Funds, HUD funding, Federal Home Loan Bank Board financing, HMFA bond financing, etc.; and

WHEREAS, In the event that the above funding sources prove inadequate to meet the Township's funding obligation, the Township shall provide sufficient funding to address any shortfalls.

NOW THEREFORE, BE IT RESOLVED By the Township Committee of the Township of Montgomery, in the County of Somerset, that the governing body does hereby agree to fund any shortfalls in its affordable housing program that may arise whether due to inadequate funding from other sources or for any other reason; and

BE IT FURTHER RESOLVED That said shortfall shall be funded by bonding if there are no other resources.

CERTIFICATION
I HEREBY CERTIFY THE ABOVE TO BE A
TRUE COPY OF A RESOLUTION ADOPTED BY THE
TOWNSHIP COMMITTEE OF THE TOWNSHIP OF
MONTGOMERY AT A MEETING HELD

July 19, 2018


Township Clerk

28. AFFORDABLE HOUSING AND DEVELOPMENT FEE ORDINANCE

TOWNSHIP OF MONTGOMERY
Ordinance No. 18-1587

AN ORDINANCE REPEALING AND REPLACING CHAPTER XV “AFFORDABLE HOUSING” OF THE TOWNSHIP OF MONTGOMERY TO ADDRESS THE REQUIREMENTS OF THE FAIR HOUSING ACT AND THE UNIFORM HOUSING AFFORABILITY CONTROLS (UHAC) REGARDING COMPLIANCE WITH THE TOWNSHIP’S AFFORDABLE HOUSING OBLIGATIONS

BE IT ORDAINED by the Committee of the Township of Montgomery, Somerset County, New Jersey, that the Code of the Township of Montgomery is hereby amended to include provisions addressing Montgomery Township’s constitutional obligation to provide for its fair share of low- and moderate-income housing, as directed by the Superior Court and consistent with *N.J.A.C. 5:93-1, et seq.*, as amended and supplemented, *N.J.A.C. 5:80-26.1, et seq.*, as amended and supplemented, and the New Jersey Fair Housing Act of 1985. This Ordinance is intended to provide assurances that very-low-, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very-low-, low- and moderate-income households shall occupy those units. This Ordinance shall apply except where inconsistent with applicable law.

The Montgomery Township Planning Board has adopted a Housing Element and Fair Share Plan pursuant to the Municipal Land Use Law at *N.J.S.A. 40:55D-1, et seq.* The Housing Element and Fair Share Plan has been endorsed by the Committee. This Ordinance implements and incorporates the adopted and endorsed Housing Element and Fair Share Plan and addresses the requirements of *N.J.A.C. 5:93-1, et seq.*, as amended and supplemented, *N.J.A.C. 5:80-26.1, et seq.* as amended and supplemented, with one exception regarding the provision of very-low income housing as described in more detail below, and the New Jersey Fair Housing Act of 1985.

Section 15-1 Short Title

This chapter of the “Code of the Township of Montgomery” shall be known as the “Affordable housing Ordinance of the Township of Montgomery.”

Section 15-2 Purpose

1. This section of the Township Code sets forth regulations regarding the very-low-, low-, and moderate-income housing units in the Township consistent with the provisions known as the “Substantive Rules of the New Jersey Council on Affordable Housing”, *N.J.A.C. 5:93 et seq.*, the Uniform Housing Affordability Controls (“UHAC”), *N.J.A.C. 5:80-26.1 et seq.*, except where modified by the requirements for very-low income housing as established in P.L. 2008, c.46 (the “Roberts Bill”, codified at *N.J.S.A. 52:27D-329.1*) as reflected in the terms of a Settlement Agreement between the Township and Fair Share Housing Center (“FSHC”) such that the statutory requirement to provide very-low income units equal to 13% of affordable units approved and constructed after July

17, 2008, to be affordable households at 30% of the regional median income, overrides the UHAC requirement that 10% of all low- and moderate-income units must be affordable at 35% of the regional median income, and the Township's constitutional obligation to provide a fair share of affordable housing for very-low-, low-, and moderate-income households.

2. This Ordinance is intended to assure that very-low-, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very-low, low- and moderate-income households shall occupy these units. This Ordinance shall apply to all inclusionary developments and 100% affordable developments (including those funded with low-income housing tax credit financing) except where inconsistent with applicable law.
3. This Ordinance implements and incorporates the Fair Share Plan and addresses the requirements of *N.J.A.C. 5:93*, as may be amended and supplemented.

Section 15-3 Monitoring and Reporting Requirements

The Township of Montgomery shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its Court-approved Housing Element and Fair Share Plan:

1. Beginning on December 8, 2018, and on every anniversary of that date through December 8, 2025, the Township agrees to provide annual reporting of its Affordable Housing Trust Fund activity to the New Jersey Department of Community Affairs ("NJDCA"), Council on Affordable Housing ("COAH"), or Local Government Services ("NJLGS"), or other entity designated by the State of New Jersey, with a copy provided to FSHC and posted on the municipal website, using forms developed for this purpose by the NJDCA, COAH, or NJLGS. The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.
2. Beginning on December 8, 2018, and on every anniversary of that date through December 8, 2025, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC, using forms previously developed for this purpose by COAH or any other forms endorsed by the Special Master and FSHC.
3. By July 1, 2020, as required pursuant to *N.J.S.A. 52:27D-313*, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity. Any interested party may by motion request a hearing before the Court regarding these issues.

4. By December 8, 2020, and every third year thereafter, as required by *N.J.S.A. 52:27D-329.1*, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very low income requirements, including its family very low income requirements. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very low income and family very low income housing obligations.

Section 15-4 Definitions

The following terms when used in this Ordinance shall have the meanings given in this Section:

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

“Adaptable” means constructed in compliance with the technical design standards of the Barrier Free Subcode, *N.J.A.C. 5:23-7*.

“Administrative agent” means the entity designated by the Township to administer affordable units in accordance with this Ordinance, *N.J.A.C. 5:93*, and UHAC (*N.J.A.C. 5:80-26.1*).

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

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

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

“Affordable housing development” means a development included in or approved pursuant to the Housing Element and Fair Share Plan or otherwise intended to address the Township's fair share obligation, and includes, but is not limited to, an inclusionary development, a municipal construction project or a one hundred percent (100%) affordable housing development.

“Affordable housing program(s)” means any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality’s fair share obligation.

“Affordable unit” means a housing unit proposed or created pursuant to the Act and approved for crediting by the Court and/or funded through an affordable housing trust fund.

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

“Age-restricted unit” means a housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that: 1) all the residents of the development wherein the unit is situated are 62 years of age or older; or 2) at least 80 percent of the units are occupied by one person who is 55 years of age or older; or 3) the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

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

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

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

“COAH” of the “Council” mean the New Jersey Council on Affordable Housing, as established by the New Jersey Fair Housing Act (*N.J.S.A. 52:27D-301, et seq.*) which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the State.

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

“Deficient housing unit” means a housing unit with health and safety code violations that requires the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

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

“Development” means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure, or of any mining, excavation or landfill, and any use

or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to *N.J.S.A. 40:55D-1*, et seq.

“Development fee” means money paid by a developer for the improvement of property as permitted in *N.J.A.C. 5:93-8.8*.

“Equalized assessed value” means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with sections 1, 5, and 6 of P.L.1973, c.123 (C.54:1-35a through C.54:1-35c).

“Green building strategies” means those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

“Inclusionary development” means a development containing both affordable units and market rate units. This term includes, but is not limited to: new construction, the conversion of a non-residential structure to residential use and the creation of new affordable units through the gut rehabilitation or reconstruction of a vacant residential structure.

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

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

“Major system” means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and load bearing structural systems.

“Market-rate units” means housing not restricted to low- and moderate-income households that may sell or rent at any price.

“Median income” means the median income by household size for the applicable housing region, as adopted annually by the Township pursuant to this ordinance, by COAH or a successor entity approved by the Court.

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

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

“Non-exempt sale” means any sale or transfer of ownership other than the transfer of ownership between spouses; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor’s deed to a class A beneficiary and the transfer of ownership by court order.

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

“Regional asset limit” means the maximum housing value in each housing region affordable to a four-person household with an income at 80 percent of the regional median as defined by duly adopted Regional Income Limits published annually by COAH or a successor entity.

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

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

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

“UHAC” means the Uniform Housing Affordability Controls set forth in *N.J.A.C. 5:80-26.1, et seq.*

“Very low-income household” means a household with a total gross annual household income equal to 30 percent or less of the regional median household income by household size.

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

“Weatherization” means building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for purposes of a rehabilitation program.

Section 15-5 Applicability

1. The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created within the

Township of Montgomery pursuant to the Township's most recently adopted Housing Element and Fair Share Plan.

2. Moreover, this Ordinance shall apply to all developments that contain very-low-, low-and moderate-income housing units, including any currently unanticipated future developments that will provide very-low, low- and moderate-income housing units.

4. Projects receiving Federal Low Income Housing Tax Credit financing shall comply with the income and bedroom distribution requirements of UHAC at *N.J.A.C. 5:80-26.3* (with the exception that the UHAC requirement for 10 percent of the affordable units in rental projects being required to be at 35 percent of median income be modified as required by the statutory requirement, N.J.S.A. 52:27D-329.1 to 13 percent of affordable units in such projects shall be required to be at 30 percent of median income) and the length of the affordability controls applicable to such projects shall be not less than a thirty (30) year compliance period plus a 15 year extended use period.

Section 15-6 Township-wide Mandatory Set-Aside

1. A multi-family development providing a minimum of five (5) new housing units created through a municipal rezoning; Zoning Board use or density variance; redevelopment plan or rehabilitation plan that provide for densities at or above six (6) units per acre is required to include an affordable housing set-aside of 20% if the affordable units will be for-sale and 15% if the affordable units will be for rent.

2. At least 50% of the affordable units in each development shall be affordable to low-income housing. At least 13% of all affordable units in rental developments shall be affordable to very-low-income households.

3. All such affordable units, including bedroom distribution, shall be governed by the controls on affordability and affirmatively marketed in conformance with UHAC, *N.J.A.C. 5:80-26.1 et seq.*, or any successor regulation, and all other applicable law.

4. No subdivision shall be permitted or approved for the purpose of avoiding compliance with this requirement. Developers cannot, for example, subdivide a project into two lots and then make each of them a number of units just below the threshold.

5. 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 Township of Montgomery to grant such rezoning, variance or other relief.

6. This Township-wide mandatory set-aside requirement does not apply to any sites or specific zones otherwise identified in the Township's Settlement Agreement with FSHC or Fair Share Plan, for which density and set-aside requirements shall be governed by the specific standards as set forth therein. The Township shall maintain this mandatory set-aside provision through at least July 7, 2025 at which time the Township may determine to extend the applicability of the provision.

Section 15-7 Alternative Living Arrangements

1. The administration of an alternative living arrangement shall be in compliance with *N.J.A.C. 5:93-5.8* and UHAC, with the following exceptions:
 - a. Affirmative marketing (*N.J.A.C. 5:80-26.15*), provided, however, that the units or bedrooms may be affirmatively marketed by the provider in accordance with an alternative plan approved by the Court;
 - b. Affordability average and bedroom distribution (*N.J.A.C. 5:80-26.3*).
2. With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, alternative living arrangements shall have at least 30 year controls on affordability in accordance with UHAC, unless an alternative commitment is approved by the Court.
3. The service provider for the alternative living arrangement shall act as the Administrative Agent for the purposes of administering the affirmative marketing and affordability requirements for the alternative living arrangement.

Section 15-8 Phasing Schedule for Inclusionary Zoning

In inclusionary developments the following schedule shall be followed:

Maximum Percentage of Market-Rate Units Completed	Minimum Percentage of Low- and Moderate-Income Units Completed
25	0
25+1	10
50	50
75	75
90	100

Section 15-9 New Construction

1. Low/Moderate Split and Bedroom Distribution of Affordable Housing Units:
 - a. The fair share obligation shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low income unit. At least 13 percent of all restricted rental units shall be very low income units (affordable to a household earning 30 percent or less of regional median income by household size). The very low income units shall be counted as part of the required number of low income units within the development.

b. In each affordable development, at least 50 percent of the restricted units within each bedroom distribution shall be very low or low-income units.

c. 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 shall be 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 shall be two bedroom units;

3) At least 20 percent of all low- and moderate-income units shall be three bedroom units; and

4) The remaining units may be allocated among two and three bedroom units at the discretion of the developer.

d. Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the inclusionary development. This standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.

2. Accessibility Requirements:

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 SubCode, *N.J.A.C. 5:23-7* and the following:

b. All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one other dwelling unit shall have the following features:

1) An adaptable toilet and bathing facility on the first floor; and

2) An adaptable kitchen on the first floor; and

3) An interior accessible route of travel on the first floor; and

4) 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

5) If not all of the foregoing requirements in b.1) through b.4) can be satisfied, then an interior accessible route of travel must be provided between stories within an individual unit, but if all of the terms of paragraphs b.1) through b.4) above have been satisfied,

then an interior accessible route of travel shall not be required between stories within an individual unit; and

6) An accessible entranceway as set forth at P.L. 2005, c. 350 (*N.J.S.A.* 52:27D-311a, *et seq.*) and the Barrier Free SubCode, *N.J.A.C.* 5:23-7, or evidence that Montgomery Township has collected funds from the developer sufficient to make 10 percent of the adaptable entrances in the development accessible:

a) Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.

b) To this end, the builder of restricted units shall deposit funds within the Township of Montgomery's Affordable Housing Trust Fund sufficient to install accessible entrances in 10 percent of the affordable units that have been constructed with adaptable entrances.

c) The funds deposited under paragraph 6)b) above shall be used by the Township of Montgomery for the sole purpose of making the adaptable entrance of an affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.

d) The developer of the restricted units shall submit a design plan and cost estimate to the Construction Official of the Township of Montgomery for the conversion of adaptable to accessible entrances.

e) Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free SubCode, *N.J.A.C.* 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made to the Township's Affordable Housing Trust Fund in care of the Township Treasurer who shall ensure that the funds are deposited into the Affordable Housing Trust Fund and appropriately earmarked.

(7) Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is "site impracticable" to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free SubCode, *N.J.A.C.* 5:23-7.

3. Design:

a. In inclusionary developments, to the extent possible, low- and moderate-income units shall be integrated with the market units.

b. In inclusionary developments, low- and moderate-income units shall have access to all of the same common elements and facilities as the market units.

4. Maximum Rents and Sales Prices:

a. In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC, utilizing the most recently published regional weighted average of the uncapped Section 8 income limits published by HUD and the calculation procedures as approved by the Court and detailed herein.

“Regional income units shall be established for the region that the Township is located within (i.e. Region 3) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.”

b. The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60 percent of median income, and the average rent for restricted rental units shall be affordable to households earning no more than 52 percent of median income.

c. 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 percent of all low- and moderate-income rental units shall be affordable to very low-income households, which very low-income units shall be part of the low-income requirement.

d. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70 percent of median income, and each affordable development must achieve an affordability average of 55 percent for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different sales prices for each bedroom type, and low-income ownership units must be available for at least two different sales prices for each bedroom type.

e. In determining the initial sales prices and rent levels for compliance with the affordability average requirements for restricted units other than assisted living facilities and age-restricted developments, the following standards shall be used:

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

f. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted developments, the following standards shall be used:

- 1) A studio shall be affordable to a one-person household;
- 2) A one-bedroom unit shall be affordable to a one and one-half person household; and
- 3) A two-bedroom unit shall be affordable to a two-person household or to two one-person households.

g. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95 percent of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28 percent of the eligible monthly income of the appropriate size household as determined under *N.J.A.C. 5:80-26.4*, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of *N.J.A.C. 5:80-26.3*, as may be amended and supplemented.

h. The initial rent for a restricted rental unit shall be calculated so as not to exceed 30 percent of the eligible monthly income of the appropriate size household, including an allowance for tenant paid utilities, as determined under *N.J.A.C. 5:80-26.4*, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of *N.J.A.C. 5:80-26.3*, as may be amended and supplemented.

i. 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.

j. The rents of very low-, low- and moderate-income units may be increased annually based on the permitted percentage increase in the Housing Consumer Price Index for the

Northeast Urban Area. This increase shall not exceed nine percent in any one year. Rent increases for units constructed pursuant to low income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.

Section 15-10 Utilities

1. Affordable units shall utilize the same type of heating source as market units within an inclusionary development.
2. Tenant-paid utilities included in the utility allowance shall be set forth in the lease and shall be consistent with the utility allowance approved by HUD for the Section 8 program.

Section 15-11 Occupancy Standards

In referring certified households to specific restricted units, the Administrative Agent shall, to the extent feasible and without causing an undue delay in the occupancy of a unit, strive to:

1. Provide an occupant for each bedroom;
2. Provide children of different sexes with separate bedrooms;
3. Provide separate bedrooms for parents and children; and
4. Prevent more than two persons from occupying a single bedroom.

Section 15-12 Control Periods for Restricted Ownership Units and Enforcement Mechanisms

1. Control periods for restricted ownership units shall be in accordance with *N.J.A.C. 5:80-26.5*, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the requirements of this Ordinance for a period of at least thirty (30) years, until Montgomery Township takes action to release the unit from such requirements; prior to such action, a restricted ownership unit must remain subject to the requirements of *N.J.A.C. 5:80-26.1*, as may be amended and supplemented.
2. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.
3. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the non-restricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.
4. At the time of the initial sale of the unit, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obligating the purchaser (as well as the purchaser's

heirs, successors and assigns) to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.

5. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.

6. A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all Code standards upon the first transfer of title following the removal of the restrictions provided under *N.J.A.C. 5:80-26.5(a)*, as may be amended and supplemented.

Section 15-13 Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices

Price restrictions for restricted ownership units shall be in accordance with *N.J.A.C. 5:80-26.1*, as may be amended and supplemented, including:

1. The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.
2. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.
3. The master deeds of inclusionary developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by low- and moderate-income purchasers and those paid by market purchasers.
4. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of anticipated capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom. See Section 13.

Section 15-14 Buyer Income Eligibility

1. Buyer income eligibility for restricted ownership units shall be in accordance with *N.J.A.C. 5:80-26.1*, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50 percent of median income and moderate-income ownership units shall be reserved for households with a gross household income less than 80 percent of median income.
2. Notwithstanding the foregoing, the Administrative Agent may, upon approval by the Township Committee, and subject to the Court's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there is an insufficient number of eligible low-income purchasers in the housing region to permit prompt

occupancy of the unit and all other reasonable efforts to attract a low income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit.

3. A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.

4. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 33 percent of the household's eligible monthly income.

Section 15-15 Limitations on Indebtedness Secured by Ownership Unit; Subordination

1. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Administrative Agent for a determination in writing that the proposed indebtedness complies with the provisions of this Section, and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.

2. With the exception of First Purchase Money Mortgages, neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95 percent of the maximum allowable resale price of the unit, as such price is determined by the Administrative Agent in accordance with *N.J.A.C. 5:80-26.6(b)*.

Section 15-16 Capital Improvements To Ownership Units

1. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements made since the purchase of the unit. Eligible capital improvements shall be those that render the unit suitable for a larger household or that add an additional bathroom. In no event shall the maximum sales price of an improved housing unit exceed the limits of affordability for the larger household.

2. Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided

the price, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The 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.

Section 15-17 Control Periods for Restricted Rental Units

1. Control periods for restricted rental units shall be in accordance with *N.J.A.C. 5:80-26.11*, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of this Ordinance for a period of at least 30 years, until Montgomery Township takes action to release the unit from such requirements. Prior to such action, a restricted rental unit must remain subject to the requirements of *N.J.A.C. 5:80-26.1*, as may be amended and supplemented.

2. 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 Somerset. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a Certificate of Occupancy.

3. A restricted rental unit shall remain subject to the affordability controls of this Ordinance despite the occurrence of any of the following events:

- a. Sublease or assignment of the lease of the unit;
- b. Sale or other voluntary transfer of the ownership of the unit; or
- c. The entry and enforcement of any judgment of foreclosure on the property containing the unit.

Section 15-18 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 unit shall be provided to the Administrative Agent.

2. No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.

3. Application fees (including the charge for any credit check) shall not exceed five percent of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.

4. No rent control ordinance or other pricing restriction shall be applicable to either the market units or the affordable units in any development in which at least 15% of the total number of dwelling units are restricted rental units in compliance with this Ordinance.

Section 15-19 Tenant Income Eligibility

1. Tenant income eligibility shall be in accordance with *N.J.A.C. 5:80-26.13*, as may be amended and supplemented, and shall be determined as follows:

a. Very low-income rental units shall be reserved for households with a gross household income less than or equal to 30 percent of the regional median household income by household size.

b. Low-income rental units shall be reserved for households with a gross household income less than or equal to 50 percent of the regional median household income by household size.

c. Moderate-income rental units shall be reserved for households with a gross household income less than 80 percent of the regional median household income by household size.

2. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income household, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35 percent (40 percent 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 percent (40 percent 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 percent (40 percent for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;

c. The household is currently in substandard or overcrowded living conditions;

d. The household documents the existence of assets with which the household proposes to supplement the rent payments; or

e. The household documents reliable anticipated third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.

3. The applicant shall file documentation sufficient to establish the existence of the circumstances in 1.a. through 2.e. above with the Administrative Agent, who shall counsel the household on budgeting.

Section 15-20 Municipal Housing Liaison

1. The Township of Montgomery shall appoint a specific municipal employee to serve as a Municipal Housing Liaison responsible for overseeing the Township's affordable housing program, including overseeing the administration of affordability controls on the affordable units and the affirmative marketing of available affordable units in accordance with the Township's Affirmative Marketing Plan; fulfilling monitoring and reporting requirements; and supervising Administrative Agent(s). Montgomery Township shall adopt this Ordinance which creates the position of Municipal Housing Liaison and Montgomery Township shall adopt a Resolution which appoints the person to fulfill the position of Municipal Housing Liaison. The Municipal Housing Liaison shall be appointed by the governing body and may be a full or part time municipal employee. The Municipal Housing Liaison shall be approved by the Court and shall be duly qualified through a training program sponsored by Affordable Housing Professionals of New Jersey before assuming the duties of Municipal Housing Liaison.

2. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for Montgomery Township, including the following responsibilities which may not be contracted out to the Administrative Agent:

- a. Serving as Montgomery Township's primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;
- b. Monitoring the status of all restricted units in Montgomery Township's Fair Share Plan;
- c. Compiling, verifying, submitting and posting all monitoring reports as required by the Court and by this Ordinance;
- d. Coordinating meetings with affordable housing providers and Administrative Agents, as needed; and
- e. Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing at least annually and more often as needed.

3. Subject to the approval of the Court, the Township of Montgomery shall designate one or more Administrative Agent(s) to administer and to affirmatively market the affordable units constructed in the Township in accordance with UHAC and this Ordinance. An Operating Manual for each affordable housing program shall be provided by the Administrative Agent(s) to be adopted by resolution of the governing body and subject to approval of the Court. The Operating Manual(s) shall be available for public inspection in the office of the Township Clerk, in the office of the Municipal Housing Liaison, and in the office(s) of the Administrative Agent(s). The Municipal Housing Liaison shall supervise the work of the Administrative Agent(s).

Section 15-21 Administrative Agent

An Administrative Agent shall be an independent entity serving under contract to and reporting to the municipality. *The fees of the Administrative Agent shall be paid by the owners of the affordable units for which the services of the Administrative Agent are required.* The Administrative Agent shall perform the duties and responsibilities of an Administrative Agent as set forth in UHAC, including those set forth in Sections 5:80-26.14, 16 and 18 thereof, which includes:

1. Affirmative Marketing:

a. Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of the Township of Montgomery and the provisions of *N.J.A.C. 5:80-26.15*; and

b. Providing counseling or contracting to provide counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

2. Household Certification:

a. Soliciting, scheduling, conducting and following up on interviews with interested households;

b. Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;

c. Providing written notification to each applicant as to the determination of eligibility or non-eligibility;

d. Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in Appendices J and K of *N.J.A.C. 5:80-26.1 et seq.*;

e. Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located;

f. Employing a random selection process as provided in the Affirmative Marketing Plan of the Township of Montgomery when referring households for certification to affordable units; and

g. Notifying the following entities of the availability of affordable housing units in the Township of Montgomery: Fair Share Housing Center, the New Jersey State Conference of

the NAACP, the Latino Action Network, and the New Brunswick, Plainfield Area, Perth Amboy, and Metuchen/Edison branches of the NAACP.

3. Affordability Controls:

- a. Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;
- b. Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;
- c. Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the Somerset County Register of Deeds or Somerset County Clerk's office after the termination of the affordability controls for each restricted unit;
- d. Communicating with lenders regarding foreclosures; and
- e. Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to *N.J.A.C. 5:80-26.10*.

4. Resales and Rerentals:

- a. Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or rental; and
- b. Instituting and maintaining an effective means of communicating information to low- (or very low-) and moderate-income households regarding the availability of restricted units for resale or re-rental.

5. Processing Requests from Unit Owners:

- a. Reviewing and approving requests for determination from owners of restricted units who wish to take out home equity loans or refinance during the term of their ownership that the amount of indebtedness to be incurred will not violate the terms of this Ordinance;
- b. Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems;
- c. Notifying the municipality of an owner's intent to sell a restricted unit; and
- d. Making determinations on requests by owners of restricted units for hardship waivers.

6. Enforcement:

a. Securing annually from the municipality a list of all affordable housing units for which tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;

b. Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;

c. Posting annually, in all rental properties (including two-family homes), a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent or other charges can be made;

d. Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in *N.J.A.C. 5:80-26.18(d)4*;

e. Establishing a program for diverting unlawful rent payments to the municipality's Affordable Housing Trust Fund; and

f. Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent, to be approved by the Township Committee and the Court, setting forth procedures for administering the affordability controls.

7. Additional Responsibilities:

a. The Administrative Agent shall have the authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.

b. The Administrative Agent shall prepare monitoring reports for submission to the Municipal Housing Liaison in time to meet the Court-approved monitoring and reporting requirements in accordance with the deadlines set forth in this Ordinance.

c. The Administrative Agent shall attend continuing education sessions on affordability controls, compliance monitoring, and affirmative marketing at least annually and more often as needed.

Section 15-22 Affirmative Marketing Requirements

1. The Township of Montgomery shall adopt by resolution an Affirmative Marketing Plan, subject to approval of the Court, that is compliant with *N.J.A.C. 5:80-26.15*, as may be amended and supplemented.

2. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color,

national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs marketing activities toward Housing Region 3 and is required to be followed throughout the period of restriction.

3. The Affirmative Marketing Plan shall provide a regional preference for all households that live and/or work in Housing Region 3, comprised of Somerset, Hunterdon and Middlesex Counties.

4. The municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Program, including initial sales and rentals and resales and rerentals. The Administrative Agent designated by the Township of Montgomery shall implement the Affirmative Marketing Plan to assure the affirmative marketing of all affordable units.

5. In implementing the Affirmative Marketing Plan, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

6. The Affirmative Marketing Plan 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. The affirmative marketing process for available affordable units shall begin at least four months (120 days) prior to the expected date of occupancy.

8. 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 the municipality in which the units are located; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.

9. In addition to other affirmative marketing strategies, the Administrative Agent shall provide specific notice of the availability of affordable housing units in Montgomery Township, and copies of the application forms, to the following entities: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, and the New Brunswick, Plainfield Area, Perth Amboy, and Metuchen/Edison branches of the NAACP.

10. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner.

Section 15-23 Enforcement of Affordable Housing Regulations

1. Upon the occurrence of a breach of any of the regulations governing an affordable unit by an Owner, Developer or Tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, a requirement for household recertification, acceleration of all sums due under a mortgage, recuperation of any funds from a sale in violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.

2. After providing written notice of a violation to an Owner, Developer or Tenant of a low- or moderate-income unit and advising the Owner, Developer or Tenant of the penalties for such violations, the municipality may take the following action(s) against the Owner, Developer or Tenant for any violation that remains uncured for a period of 60 days after service of the written notice:

a. The municipality may file a court action pursuant to *N.J.S.A. 2A:58-11* alleging a violation or violations of the regulations governing the affordable housing unit. If the Owner, Developer or Tenant is adjudged 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:

1) A fine of not more than \$500.00 per day or imprisonment for a period not to exceed 90 days, or both, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;

2) In the case of an Owner who has rented a low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Township of Montgomery Affordable Housing Trust Fund of the gross amount of rent illegally collected;

3) In the case of an Owner who has rented a 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.

b. The municipality may file a court action in the Superior Court seeking a judgment that would result in the termination of the Owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any such judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low- or moderate-income unit.

1) The judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating Owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating Owner shall have his right to possession terminated as well as his title conveyed pursuant to the Sheriff's sale.

2) The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating Owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the Owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the Owner shall make a claim with the municipality for such. Failure of the Owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the Owner or forfeited to the municipality.

3) Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The Owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.

4) 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.

5) Failure of the low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the Owner to accept an offer to purchase from any qualified purchaser which may be referred to the Owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.

6) 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.

Section 15-24 Development Fees

1. Purpose

a. In *Holmdel Builder's Association v. Holmdel Township*, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), *N.J.S.A. 52:27D-301 et seq.*, and the State Constitution, subject to COAH's adoption of rules.

b. COAH was authorized by P.L. 2008, c. 46, Section 8 (*N.J.S.A. 52:27D-329.2*), and the Statewide Nonresidential Development Fee Act (*N.J.S.A. 40:55D-8.1 through 40:55D-8.7*) to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of COAH or a court of competent jurisdiction and have a COAH- or court-approved spending plan may retain fees collected from nonresidential development.

c. In *Re: Adoption of N.J.A.C. 5:96 and 5:97* by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015), also known as the Mount Laurel IV decision, the Supreme Court remanded COAH's duties to the Superior Court. As a result, affordable housing development fee collections and expenditures from the municipal affordable housing trust funds to implement municipal Third Round Fair Share Plans through July 7, 2025 are under the Court's jurisdiction and are subject to approval by the Court.

d. This section establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH's regulations and in accordance with P.L. 2008, c. 46, Sections 8 and 32 through 38. Fees collected pursuant to this section shall be used for the sole purpose of providing low- and moderate-income housing. This chapter shall be interpreted within the framework of COAH's rules on development fees, codified at *N.J.A.C. 5:93-8*.

2. Basic Requirements

a. COAH had previously approved ordinances adopting and amending Chapter XV, which established the Township's affordable housing trust fund. The Township's development fee ordinance which has been further amended and relocated to Section 15-24 of Chapter XV remains effective pursuant to the Superior Court's jurisdiction in accordance with *N.J.A.C. 5:93-8*.

b. COAH approved the Township's initial Spending Plan in 1997. At such time that the Court approves the Township's Amended Third Round Housing Element and Fair Share Plan and the Amended Third Round Spending Plan, the Township may begin spending development fees in conformance with *N.J.A.C. 5:93-8* for the new 2018 Plan activities.

3. Residential Development Fees

A. Imposed fees.

1. Within all Zoning Districts, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5% of the equalized assessed value for residential development, provided no increased density is permitted.

2. When an increase in residential density pursuant to *N.J.S.A. 40:55D-70d(5)* (known as a "d" variance) has been permitted, developers may be required to pay a development fee of 6% of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application. Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal 1.5% of the equalized assessed value on the first two units; and the specified higher percentage up to six percent of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

B. Eligible exactions, ineligible exactions and exemptions for residential development.

1. Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the municipality, and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.

2. Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.

3. In addition to the construction of new principal and/or accessory buildings, development fees shall be imposed and collected for the construction of additions or expansions to existing buildings, for the change or conversion of an existing building to accommodate a more intense use, and/or for the demolition and replacement of an existing building provided that:

- (a) The development fee shall be calculated on the increase in the equalized assessed value of the improved building.
- (b) No development fee shall be collected for a demolition and replacement of a residential building resulting from a natural disaster.

- (c) No development fee shall be collected for the construction of an “accessory structure” which is not a “building” as these terms are defined in the Montgomery Township “Land Development Ordinance.”

4. Nonresidential Development Fees

A. Imposed fees.

1. Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2.5% of the equalized assessed value of the land and improvements for all new nonresidential construction on an unimproved lot or lots.

2. Nonresidential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing structures to be used for nonresidential purposes.

3. Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the preexisting land and improvement and the equalized assessed value of the newly improved structure, i.e., land and improvement, at the time final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the nonresidential development fee shall be zero.

B. Eligible exactions, ineligible exactions and exemptions for nonresidential development.

1. The nonresidential portion of a mixed-use inclusionary or market rate development shall be subject to the two-and-one-half-percent (2.5%) development fee, unless otherwise exempted below.

2. The two-and-one-half-percent (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. Nonresidential developments shall be exempt from the payment of nonresidential development fees in accordance with the exemptions required pursuant to P.L. 2008, c. 46, as specified in the Form N-RDF, "State of New Jersey Nonresidential Development Certification/Exemption" form. Any exemption claimed by a developer shall be substantiated by that developer.

4. A developer of a nonresidential development exempted from the nonresidential development fee pursuant to P.L. 2008, c. 46, shall be subject to it at such time the basis for the exemption no longer applies and shall make the payment of the nonresidential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the nonresidential development, whichever is later.

5. If a property which was exempted from the collection of a nonresidential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid nonresidential development fees under these circumstances may be enforceable by the Township as a lien against the real property of the owner.

5. Collection Procedures

A. Upon the granting of a preliminary, final or other applicable approval for a development, the applicable approving authority shall direct its staff to notify the Construction Official responsible for the issuance of a building permit.

B. For nonresidential developments only, the developer shall also be provided with a copy of Form N-RDF, "State of New Jersey Nonresidential Development Certification/Exemption," to be completed as per the instructions provided. The developer of a nonresidential development shall complete Form N-RDF as per the instructions provided. The Construction Official shall verify the information submitted by the nonresidential developer as per the instructions provided in the Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.

C. The Construction Official responsible for the issuance of a building permit shall notify the local Tax Assessor of the issuance of the first building permit for a development which is subject to a development fee.

D. Within 90 days of receipt of that notice, the Municipal Tax Assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development.

E. The Construction Official responsible for the issuance of a final certificate of occupancy notifies the local Assessor of any and all requests for the scheduling of a final inspection on property which is subject to a development fee.

F. Within 10 business days of a request for the scheduling of a final inspection, the Municipal Assessor shall confirm or modify the previously estimated equalized assessed value of the improvements of the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.

G. Should Montgomery fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may

estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b of Section 37 of P.L. 2008, c. 46 (*N.J.S.A.* 40:55D-8.6).

H. Fifty percent (50%) of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at issuance of certificate of occupancy.

I. Appeal of development fees.

1. A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by Montgomery. Appeals from a determination of the Board may be made to the Tax Court in accordance with the provisions of the State Uniform Tax Procedure Law, *N.J.S.A.* 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

2. A developer may challenge nonresidential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest-bearing escrow account by Montgomery. Appeals from a determination of the Director may be made to the Tax Court in accordance with the provisions of the State Uniform Tax Procedure Law, *N.J.S.A.* 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

6. Affordable Housing Trust Fund

a. There is hereby created a separate, interest-bearing housing trust fund to be maintained by the Chief Financial Officer for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.

b. The following additional funds shall be deposited in the affordable housing trust fund and shall at all times be identifiable by source and amount:

1. Payments in lieu of on-site construction of affordable units;
2. Developer-contributed funds to make 10% of the adaptable entrances in a townhouse or other multistory attached development accessible;
3. Rental income from municipally operated units;
4. Repayments from affordable housing program loans;

5. Recapture funds;
6. Proceeds from the sale of affordable units; and
7. Any other funds collected in connection with Montgomery's affordable housing program.

c. Montgomery Township previously provided COAH with written authorization, in the form of three-party escrow agreements between the municipality, Bank of America, and COAH, to permit COAH to direct the disbursement of the funds as provided for in *N.J.A.C. 5:93-8*. The Superior Court shall now have such jurisdiction to direct the disbursement of the Township's trust funds per *N.J.A.C. 5:93-8*.

d. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by the Court.

7. Use of Funds

a. The expenditure of all funds shall conform to a spending plan approved by the Court. Funds deposited in the housing trust fund may be used for any activity approved by the Court to address the Township's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to, preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing nonresidential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to *N.J.A.C. 5:93-8.16* and specified in the approved spending plan.

b. Funds shall not be expended to reimburse Montgomery for past housing activities.

c. At least 30% of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30% or less of median income by region.

1. Affordability assistance programs may include down payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners' association or condominium fees and special assessments, infrastructure assistance, and assistance with emergency repairs.

2. Affordability assistance to households earning 30% or less of median income may include buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income.

3. Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.

d. Montgomery may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including the requirement for affordability assistance, in accordance with *N.J.A.C. 5:93-8.16*.

e. No more than 20% of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with the monitoring requirements set forth in the Court-approved December 8, 2018 executed Settlement Agreement with Fair Share Housing Center. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

8. Monitoring

a. On or about December 8 of each year through 2025, Montgomery shall provide annual reporting of trust fund activity to the DCA, COAH, or NJLGS, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the DCA, COAH, or NJLGS. This reporting shall include an accounting of all housing trust fund activity, including the collection of development fees from residential and nonresidential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with Montgomery's housing program, as well as to the expenditure of revenues and implementation of the plan approved by the Court.

9. Ongoing Collection of Fees

a. The ability for Montgomery to impose, collect and expend development fees shall expire with its Court-issued Judgment of Compliance and Repose unless Montgomery has filed an adopted Housing Element and Fair Share Plan with the Court or other appropriate jurisdiction, has filed a Declaratory Judgment Action, and has received the Court's approval of its development fee ordinance. If Montgomery fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance and Repose, it may be

subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to Section 20 of P.L. 1985, c. 222 (N.J.S.A. 52:27D-320). Montgomery shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its Judgment Compliance and Repose, nor shall Montgomery retroactively impose a development fee on such a development. Montgomery shall not expend development fees after the expiration of its Judgment Compliance and Repose.

Section 15-25 Appeals

Appeals from all decisions of an Administrative Agent appointed pursuant to this Ordinance shall be filed in writing with the Court.

I, Donna Kukla, Clerk for the Township of Montgomery, hereby certify that Ordinance #18-1587 was introduced on first reading by the governing body of the Township of Montgomery, County of Somerset, on July 5, 2018.

Public hearing and consideration for adoption was held on July 19, 2018, at which time the Ordinance was finally adopted.



Donna Kukla, Township Clerk

Introduction : July 5, 2018
Published : July 11, 2018
Public Hearing : July 19, 2018
Adopted : July 19, 2018
Published : July 25, 2018

29. AFFIRMATIVE MARKETING PLAN

TOWNSHIP OF MONTGOMERY
COUNTY OF SOMERSET, NEW JERSEY
RESOLUTION ADOPTING AN AFFIRMATIVE MARKETING PLAN FOR THE
TOWNSHIP OF MONTGOMERY

WHEREAS, in accordance with the Fair Housing Act and the New Jersey Uniform Housing Affordability Controls (N.J.A.C. 5:80-26-1, *et seq.*), the Township of Montgomery is required to adopt by resolution an Affirmative Marketing Plan to ensure that all affordable housing units created, including those created within the Township of Montgomery are affirmatively marketed to very-low, low and moderate income households, particularly those living and/or working within Housing Region 3, the Housing Region encompassing the Township of Montgomery.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Committee of the Township of Montgomery, County of Somerset, State of New Jersey, do hereby adopt the following Affirmative Marketing Plan:

Affirmative Marketing Plan

- A. All affordable housing units in the Township of Montgomery shall be marketed in accordance with the provisions herein unless otherwise provided by law or regulation of the State of New Jersey. This Affirmative Marketing Plan shall apply to all developments that contain or will contain very low, low and moderate income units, including those that are part of the Township's prior round obligation and its current Fair Share Plan and those that may be constructed in future developments not yet anticipated by the Fair Share Plan.
- B. The Affirmative Marketing Plan shall be implemented by an Administrative Agent designated by and/or under contract to the Township of Montgomery. All the costs of advertising and affirmatively marketing affordable housing units shall be borne by the developers/sellers/owners of the affordable unit(s).
- C. In implementing the Affirmative Marketing Plan, the Administrative Agent, acting on behalf of the Township, shall undertake all the following strategies:
 1. Review, approve and ensure that the developers/sellers/owners publish at least one advertisement in a newspaper of general circulation within the housing region.
 2. Broadcast of one advertisement by a radio or television station broadcasting throughout the housing region.
 3. At least one additional marketing strategy using one of the other sources listed below at Sec. E of this plan.
- D. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual

orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. The Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the Housing Region in which the municipality is located and covers the entire period of the deed restriction for each restricted housing unit. The Township of Montgomery is in Housing Region 3, consisting of Somerset, Middlesex and Hunterdon Counties.

E. The Affirmative Marketing Plan is a continuing program intended to be followed throughout the entire period of restrictions and shall meet the following requirements:

1. All newspaper articles, announcements and requests for applications for very low, low, and moderate-income units shall appear in the Courier News.

The primary marketing shall take the form of at least one press release and a paid display advertisement in the above newspaper during the first week of the marketing program. Additional advertising and publicity shall be on an “as needed” basis. The developer/owner shall disseminate all public service announcements and pay for display advertisements. The developer/owner shall provide proof of publication to the Administrative Agent. All press releases and advertisements must be approved in advance by the Township’s Administrative Agent.

Advertisements will be placed on the following websites:

Montgomery’s Affordable Housing website at:

<http://www.twp.montgomery.nj.us/departments/planning/affordable-housing/>;

Affordable Homes New Jersey - <https://www.affordablehomesnewjersey.com/>

and New Jersey Housing Resource Center (NJHRC) at <http://www.njhrc.gov/>.

2. The advertisement shall include a description of the:
 - i. Street address(es) of the units;
 - ii. Directions to the units;
 - iii. Range of prices for the units;
 - iv. Numbers of bedrooms in units (bedroom mix);
 - v. Maximum income permitted to qualify for the units;
 - vi. Location of applications;
 - vii. Business hours when interested households may obtain an application;
 - viii. Application fees, if any;
 - ix. Number of units currently available; and
 - x. Anticipated dates of availability.
3. Newspaper advertisements, announcements and information on where to request applications for very low, low, and moderate-income housing shall also appear in the Hunterdon County Democrat, Somerset Messenger-Gazette, and Montgomery News.

4. Advertisements on where to request applications for very-low, low, and moderate-income housing shall be broadcast on at least one regional cable television or radio station.
5. Applications shall be mailed or emailed by the Administrative Agent to the prospective applicants upon request. However, when on-line preliminary applications are utilized, if prospective applicants do not have internet access, they will be given a phone number to call the Administrative Agent, who will then enter all pre-application information online during the phone call. Locations of applications, brochures, and flyers to affirmatively market the program are listed in attached Appendix II, and will also be made available on the Township's website. Also, information on how to apply shall be made available at the developer's sales/rental office and shall be mailed or emailed to prospective applicants upon request.
6. The Administrative Agent shall develop, maintain and regularly update a list of community contact person(s) and/or organizations(s) in Somerset, Middlesex, and Hunterdon Counties that will aid in Montgomery's affirmative marketing program, with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region, including major regional employers. Please see Appendix I at the end of this Resolution for a complete list. Information shall be sent quarterly to every entity on the Township's affirmative marketing list at Appendix I.
7. In addition, the Township's Affirmative Marketing Plan will address the Settlement Agreement provisions to add more community groups for direct notification of affordable housing unit availability. The additional community groups include:
 - 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);
 - Latino Action Network (P.O. Box 943, Freehold, NJ 07728);
 - New Brunswick branch of the NAACP (PO Box 235, New Brunswick, NJ, 08903);
 - Plainfield Area branch of the NAACP (300 Central Avenue, Plainfield, NJ, 07060);
 - Perth Amboy branch of the NAACP (PO Box 1219, Perth Amboy, NJ, 08621); and,
 - Metuchen/Edison branch of the NAACP (127 Newman St., Metuchen, NJ, 08840).

8. Whenever necessary, a random selection method to select occupants of very low, low and moderate income housing will be used by the Administrative Agent, in conformance with N.J.A.C. 5:80-26.16 (l).
9. The Affirmative Marketing Plan shall provide a regional preference for all households that live and/or work in Housing Region 3 comprised of Somerset, Middlesex and Hunterdon Counties.
10. The Administrative Agent shall administer the Affirmative Marketing Plan. The Administrative Agent has the responsibility to income qualify very low, low and moderate income households; to place income eligible households in low and moderate income units upon initial occupancy; to continue to qualify households for re-occupancy of units as they become vacant during the period of affordability controls; to assist with outreach to very low, low and moderate income households; and to enforce the terms of the deed restriction and mortgage loan as per N.J.A.C 5:80-26-1, et seq.
11. Whenever appropriate, the Administrative Agent shall provide or direct qualified very low, low and moderate income applicants to counseling services on subjects such as budgeting, credit issues, mortgage qualifications, rental lease requirements and landlord/tenant law. The Administrative Agent shall develop, maintain and update a list of entities and lenders willing and able to perform such services.
12. All developers/owners of very low, low and moderate income housing units shall be required to undertake and pay the costs of the marketing of the affordable units in their respective developments, subject to the direction and supervision of the Administrative Agent. The implementation of the Affirmative Marketing Plan for a new development that includes affordable housing shall commence at least 120 days before the issuance of either a temporary or permanent certificate of occupancy.
13. The implementation of the Affirmative Marketing Plan shall continue until all very low, low, and moderate-income affordable housing units are initially occupied and for as long as affordable units exist that remain deed restricted and for which the occupancy or re-occupancy of units continues to be necessary. Please note that in addition to complying with this Township-wide Affirmative Marketing Plan that the Administrative Agent shall also review and approve a separate Affirmative Marketing Plan for every new affordable development in Montgomery that is subject to NJAC 5:80-26.1 et seq. That

document shall be completed by the owner/developer and will be compliant with the Township's Affirmative Marketing Plan as presented herein, and incorporate development specific details and permitted options, all subject to the Administrative Agent's review and approval. The development specific affirmative marketing plans will use the standard form for Region 3, included at the end of this document as Appendix III.

14. The Administrative Agent shall provide the Municipal Housing Liaison with the information required to comply with monitoring and reporting requirements pursuant to N.J.A.C.5:80-26-1, *et seq.* and the Order granting the Township a Final Judgement of Compliance and Repose.

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

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

APPROVED this ____ day of ____, 2019.

ATTEST:

Donna Kukla, Township Clerk

Appendix I: Montgomery Township Affirmative Marketing Mailing List

<u>Business Name</u>	<u>Address1</u>	<u>Address 2</u>	<u>City State Zip</u>	<u>County</u>	<u>Type of Organization</u>
Dow Jones & Co	54 Eddington Lane		Monroe, NJ 08831	Middlesex County	Major Employers
Hygrade Beverage	P.O. Box 7092	Attn: Human Resources	North Brunswick, NJ 08902	Middlesex County	Major Employers
J. F. K. Medical Center	65 James St.		Edison, NJ 08818	Middlesex County	Major Employers
MetLife	186 Wood Avenue South		Iselin, NJ 08854	Middlesex County	Major Employers
OHM Laboratories	P.O. Box 7397		North Brunswick, NJ 08902	Middlesex County	Major Employers
Phillips Lighting	200 Franklin Square Drive		Somerset, NJ 08873	Middlesex County	Major Employers
Raritan Bay Medical Center	530 New Brunswick Ave.		Perth Amboy, NJ 08861	Middlesex County	Major Employers
Rutgers University	Library of Science & Medicine	165 Bevier Rd	Piscataway NJ 08854	Middlesex County	Major Employers
Rutgers University	620 George St.		New Brunswick, NJ 08901	Middlesex County	Major Employers
Siemens AG	755 College Rd.		Princeton, NJ 08540	Middlesex County	Major Employers
St. Peters University Hospital	254 Eason Ave.		New Brunswick, NJ 08901	Middlesex County	Major Employers
Telecordia Technology	444 Hoes Lane		Piscataway, NJ 08854	Middlesex County	Major Employers
3M	500 Route 202 North		Flemington, NJ 08822	Hunterdon County	Major Employers
A.M. Best	1 Ambest Rd.		Oldwick, NJ 08858	Hunterdon County	Major Employers

Atlantic Spring	PO Box 650	Flemington, NJ 08822	Hunterdon County	Major Employers
Burlington Coat Factory	325 US Highway 202 # 1	Flemington, NJ 08822	Hunterdon County	Major Employers
Chubb Insurance	202 Halls Mill Rd.	Whitehouse Station, NJ 08889	Hunterdon County	Major Employers
Exxonmobile Research	1545 US Highway 22 East	Annandale, NJ 08801	Hunterdon County	Major Employers
Flemington Department Store	151 New Jersey 31	Flemington, NJ 08822	Hunterdon County	Major Employers
Foster Wheeler	53 Frontage Rd	Clinton, Hampton, NJ 08827	Hunterdon County	Major Employers
Georgia Pacific	623 Riegelsville Rd.	Milford, NJ 08848	Hunterdon County	Major Employers
Hitran Corp.	362 State Route 31	Flemington, NJ 08822	Hunterdon County	Major Employers
Hunterdon Care Center	1 Leisure Ct.	Flemington, NJ 08822	Hunterdon County	Major Employers
Hunterdon County	PO Box 2900	Flemington, NJ 08822	Hunterdon County	Major Employers
Hunterdon Hills Playhouse	88 State Route 173	Hampton, NJ 08827	Hunterdon County	Major Employers
Hunterdon Medical Center	2100 Wescott Drive	Flemington, NJ 08822	Hunterdon County	Major Employers
Ingersoll Rand	1467 State Route 31 S.	Annandale, NJ 08801	Hunterdon County	Major Employers
Johanna Foods	PO Box 272	Flemington, NJ 08822	Hunterdon County	Major Employers
Lamberville Station	11 Bridge Street	Lambertville, NJ 08530	Hunterdon County	Major Employers
Merck	1 Merck Drive	Whitehouse Station, NJ 08889	Hunterdon County	Major Employers
Merck	3070 US 22	Branchburg, NJ 08876	Somerset County	Major Employers
New York Life	110 Cokesbury Rd.	Lebanon, NJ 08833	Hunterdon County	Major Employers

Raritan Valley Disposal	9 Frontage Road		Clinton, NJ 08809-4000	Hunterdon County	Major Employers
Readington Farms	12 Mill Rd		Whitehouse STA, NJ 08889	Hunterdon County	Major Employers
Shop-Rite of Hunterdon	272 US Highway 202/31		Flemington, NJ 08822	Hunterdon County	Major Employers
Sprint	268 US Highway 202/31		Flemington, NJ 08822	Hunterdon County	Major Employers
Tekni-Plex, Inc	112 Church St.		Flemington, NJ 08822	Hunterdon County	Major Employers
Walmart	152 State Route 31 North		Flemington, NJ 08822	Hunterdon County	Major Employers
Bank of America	159 Wood Ave		Edison, NJ 08820	Middlesex County	Major Employers
Johnson & Johnson	1 Johnson & Johnson Plaza	Attn: Human Resources	New Brunswick, NJ 08901	Middlesex County	Major Employers
Johnson & Johnson	425 Hoes Lane		Piscataway, NJ 08854	Middlesex county	Major Employers
Robert Wood Johnson Hospital	1 Robert Wood Johnson Pl.		New Brunswick, NJ 08901	Middlesex County	Major Employers
Wells Fargo Bank	1899 Route 27		Edison, NJ 08817	Middlesex County	Major Employers
Bank of America	1 Washington Street	P.O. Box 208	Rocky Hill, NJ 08553-0208	Somerset County	Major Employers
Brother International	Corporate Headquarters:	100 Somerset Corporate Blvd.	Bridgewater, NJ 08807-0911	Somerset County	Major Employers
Chubb Group of Insurance Companies	15 Mountain View Rd.		Warren, NJ 07059	Somerset County	Major Employers
Ethicon	Route 22 West		Somerville, NJ 08876	Somerset County	Major Employers
ICI Americas Inc.	10 FINDERNE AVE		Bridgewater, NJ 08807	Somerset County	Major Employers

Johnson & Johnson	1 Merck Drive	P.O. Box 2000	Rahway, NJ 07065	Somerset County	Major Employers
Montgomery Township BOE	1014 Route 601		Skillman, NJ 08558	Somerset County	Major Employers
Montgomery Township High School	1016 Route 601		Skillman, NJ 08558	Somerset County	Major Employers
Montgomery Township Lower Middle School	373 Burnt Hill Rd.		Skillman, NJ 08558	Somerset County	Major Employers
Montgomery Township Upper Middle School	375 Burnt Hill Rd.		Skillman, NJ 08558	Somerset County	Major Employers
Orchard Hill Elementary School	244 Orchard Rd.		Skillman, NJ 08558	Somerset County	Major Employers
Phillips- Van Heusen Corporation	1001 Frontier Rd.		Bridgewater, NJ 08807	Somerset County	Major Employers
Somerset Medical Center	110 Rehill Ave.		Somerville, NJ 08876	Somerset County	Major Employers
TD Bank	3221 State Route 27		Franklin Park, NJ 08823	Somerset County	Major Employers
Village Elementary School	100 Main Blvd		Skillman, NJ 08558	Somerset County	Major Employers
Bristol-Myers Squibb	777 Scudders Mill Rd		Plainsboro, NJ 08536	Middlesex County	Major Employers
J.F.K Medical Center	65 James Street		Edison, NJ 08820	Middlesex County	Major Employers
Lowe's Home Improvement	150 NJ-31		Flemington, NJ 08822	Hunterdon County	Major Employers
Silverline Building Products	1 Silverline Dr		North Brunswick, NJ 08902	Middlesex County	Major Employers
St. Peter's University Hospital	254 Easton Ave.		New Brunswick, NJ 08901	Middlesex County	Major Employers
Telcordia Technology	1 Telcordia Dr.		Piscataway, NJ 08854	Middlesex County	Major Employers

The Home Depot	244 Highway 202		Flemington, NJ 08822	Hunterdon County	Major Employers
Hunterdon County Chamber of Commerce	119 Main Street Suite 1		Flemington, NJ 08822-1789	Hunterdon County	Major Employers
Middlesex County Regional Chamber of Commerce	109 Church Street		New Brunswick, NJ 08901	Middlesex County	Major Employers
Somerset County Business Partnership	360 Grove Street		Bridgewater, NJ 08807	Somerset County	Major Employers
Medical Center at Princeton	1 Plainsboro Road		Plainsboro, NJ 08536	Middlesex Co.	Major Employers
Princeton HealthCare System	1 Plainsboro Road		Plainsboro, NJ 08536	Middlesex Co.	Major Employers
Bloomberg LP	431 Ridge Rd		Dayton, NJ 08810	Middlesex County	Major Employers
Ortho-Clinical Diagnosis, Inc	1001 US 202		Raritan, NJ 08869	Somerset County	Major Employers
Engelhard Corporation	101 Woods Ave South		Iselin, NJ 08830	Middlesex County	Major Employers
Beacon Newspaper	P.O. Box 350		Princeton, NJ 08542	Hunterdon County	Media
Comcast	279 Amwell Rd.		Hillsborough, NJ 08844	Hunterdon County	Media
Hunterdon County Democrat	200 State Route 31 Ste 200		Flemington, NJ 08822	Hunterdon County	Media
Cablevision of South Raritan	275 Centennial Ave.		Piscataway, NJ 08854	Middlesex County	Media
Comcast of East Windsor	90 Lake Drive		East Windsor, NJ 08520	Middlesex County	Media
Comcast of Northwest New Jersey	155 Port Murray Rd.		Mansfield, NJ 07865	Middlesex County	Media
Home News Tribune	3601 Highway 66		Neptune, NJ 07756	Middlesex County	Media

South Plainfield Observer	1110 Hamilton Blvd	Suite 1B	South Plainfield, NJ 07080	Middlesex County	Media
Star-Ledger	1 Star Ledger Plaza		Newark, NJ 07102	Essex County	Media
Bernardsville News	17-19 Morristown Rd.		Bernardsville, NJ 07924	Somerset County	Media
Cablevision of South Raritan	275 Centennial Ave.		Piscataway, NJ 08854	Somerset County	Media
Courier News	92 East Main Street, ste 202		Somerville, NJ 08876	Somerset County	Newspaper
Central Jersey Housing Resource Center	600 First Ave., Suite 3		Raritan, NJ 08869	Somerset County	Other
Hunterdon/Somerset Association of Realtors	3461 Route 22 East, Building B		Branchburg, NJ 08876	Somerset County	Other
Abundant Life	P.O. Box 870	Bishop George C. Searight	New Brunswick, NJ 08903	Middlesex County	Religious Buildings
Anshe Emeth Memorial Temple	222 Livingston Ave.	Rabbi Bennett Miller	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Antioch Christian Church	28 Oliver Street Avenue		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Ascension Lutheran Church	247 Somerset St. #732	Reverend Robert Wilson	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Bayard St. Presbyterian Church	22 Joyce Kilmer Ave #A	Reverend Joseph Bodnar	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Calvary Baptist Church	38 McKinley Ave.		Carteret, NJ 07008	Middlesex County	Religious Buildings
Carteret Jewish Community Center	42 Noe St.		Carteret, NJ 07008	Middlesex County	Religious Buildings

Chabad House - Lubavitch	170 College Ave.	Rabbi Yosef Carlebach	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Christ Church Episcopal Of New Brunswick	5 Paterson St.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Christian Fellowship Church	1212 Livingston Ave.	Reverend Stephen Sherman	New Brunswick, NJ 08902	Middlesex County	Religious Buildings
Emanuel Evangelical Lutheran Church	3 Kirkpatrick St.	Reverend Jeffrey C. Eaton	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Faith Home Baptist Church	40 Georges Rd.	Reverend William C. Riddick	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
First Baptist Church	24 Essex St.		Carteret, NJ 07008	Middlesex County	Religious Buildings
First Baptist Church of Lincoln Gardens	771 Somerset St.	Reverend Dr. DeForest "Buster" Soaries	Somerset, NJ 08873	Middlesex County	Religious Buildings
First Presbyterian Church	83 Carteret Ave.		Carteret, NJ 07008	Middlesex County	Religious Buildings
First reformed Church	9 Bayard St.	Reverend Dr. Hartmut Kramer-Mills	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Friendship Christian Church	71 Throop Ave.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Holy Family Church	213 Pershing Ave.		Carteret, NJ 07008	Middlesex County	Religious Buildings
Holy Virgin Protection Russian Orthodox	301 Handy St.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings

Hungarian Reformed Church	175 Pershing Ave.		Carteret, NJ 07008	Middlesex County	Religious Buildings
Igl Pta Puerto di Sion	318 Townsend St.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Kingdom Hall of Jehovahs Witness	121 French St.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Magyar Reformed Church	175 Summer St.	Reverend Zsolt Otvos	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Mount Zion AME Church	39 Hildebrand Way		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Mount Zion First Born Church	62 Larch Ave.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Nativity of the Blessed Virgin Mary Ukranian	80 Livingston Ave		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
New Brunswick Friends Meeting (Quaker)	109 Nichol Ave.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Our Lady of Mount Carmel Church	75 Morris St.	Reverend Ramon Nacaricon	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Pentecostal Church of God	186 Commercial Ave.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Peoples AME Zion Church	77 Union St.		Carteret, NJ 07008	Middlesex County	Religious Buildings
Presbyterian Church of New Brunswick	100 Livingston Ave. #173	Reverend Szabolcs S. Nagy	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Progressive Church of God & Christ	124 French St.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Revival Center Church	45 Edwin St.		Carteret, NJ 07008	Middlesex County	Religious Buildings
Sacred Heart Roman Catholic	213 Pershing Ave.		Carteret, NJ 07008	Middlesex County	Religious Buildings

Sacred Heart Roman Catholic	56 Throop Ave.	Reverend Joseph Kerrigan	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Saint Peters	222 Easton Ave.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Second Reformed Church	100 College Ave.	Reverend Dr. Andrew R. Rienstra	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Seventh Day Adventist	339 Livingston Ave.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Seventh Day Adventist Spanish Church	27 Division St.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Sharon Baptist Church	25 Howard St.	Reverend Kevin Jones	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
St. Albans Episcopal	148 Lee Ave.	Reverend Harroldean Ashton	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
St. Demetrius Ukraine	645 Roosevelt Ave.		Carteret, NJ 07008	Middlesex County	Religious Buildings
St. Elias Church	42 Cooke Ave.		Carteret, NJ 07008	Middlesex County	Religious Buildings
St. John the Evangelist	189 George Rd.	Reverend Matthew L. Buterbaugh	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
St. Johns The Baptist	29 Abeel St.	Reverend Marco Caceres	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
St. Joseph Byzantine Church	30 High St.	Reverend Stephen Skinta	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
St. Joseph Church	7 Locust St.		Carteret, NJ 07008	Middlesex County	Religious Buildings

St. Ladislaus Church	215 Somerset St.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
St. Mary of Mount Virgin	198 1/2 Sanford St.	Monsignor Robert Santa Barbara	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
St. Mary's Ukranian Catholic	719 Roosevelt Ave.		Carteret, NJ 07008	Middlesex County	Religious Buildings
St. Peters R.C. Church	94 Somerset St.	Reverend Peter Cebulka	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
St. Peters R.C. Church	94 Somerset St.	Reverend Thomas Odorizzi	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
St. Sharbel Maronite Church	7 Reeve St.	Reverend Maron Asmar	Somerset, NJ 08873	Middlesex County	Religious Buildings
Suydam St. Church	74 Drift St.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Synod of Mid Atlantics Reformed Church	17 Seminary Pl.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Tabernacle Baptist Church	239 George St.	Reverend Dr. Leo H. Graham	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Tabernacle Pentecostal Church	104 Union St.		Carteret, NJ 07008	Middlesex County	Religious Buildings
Taiwanese American Pres Church	770 US-206		Hillsborough Township, NJ 08844	Middlesex County	Religious Buildings
The Church of Jesus Church	21 Charles St.	Reverend Salvador Sgro	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
The First Baptist Church	226 Hale St.	Reverend Dr. John Hayward	New Brunswick, NJ 08901	Middlesex County	Religious Buildings

The Promise Church of god	193 Suydam St.		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
The Salvation Army	287 Handy St.	Captains Domingo & Rosa Urban	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
The United Methodist Church	323 George #23	Reverend Dr. Gregory B. Young	New Brunswick, NJ 08901	Middlesex County	Religious Buildings
University Heights Seventh Day	P.O. Box 1152		New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Zionh Evangelical Lutheran Church	714 Roosevelt Ave.		Carteret, NJ 07008	Middlesex County	Religious Buildings
Blawenburg Reformed Church	424 Route 518		Blawenburg, NJ 08504	Somerset County	Religious Buildings
Blessed Sacrament Church	1890 Washington Valley Rd.		Martinsville, NJ 08836	Somerset County	Religious Buildings
Bound Brook United Methodist Church	150 West Union Ave.		Bound Brook, NJ 08805	Somerset County	Religious Buildings
Chinese Christian Church	119 Matilda Ave.		Somerset, NJ 08873	Somerset County	Religious Buildings
Christ Presbyterian Church	1600 Washington Valley Rd.		Martinsville, NJ 08836	Somerset County	Religious Buildings
Congregational Church of Bound Brook	209 Church St.		Bound Brook, NJ 08805	Somerset County	Religious Buildings
Emmanuel Baptist Church	34 S 3rd Ave.		Manville, NJ 08835	Somerset County	Religious Buildings
Eternal Life Church	322 Franklin Blvd.		Somerset, NJ 08873	Somerset County	Religious Buildings
Faith In Action Church	228 S. Main St.		Manville, NJ 08835	Somerset County	Religious Buildings

First Baptist Church	43 Franklin St.			South Bound Brook, NJ 08880	Somerset County	Religious Buildings
First Presbyterian Church	321 Mine Brook Rd.			Bernardsville, NJ 07924	Somerset County	Religious Buildings
Gateway Church	324 Milltown Rd.			Bridgewater, NJ 08807	Somerset County	Religious Buildings
Grace Community Church	424 Garretson Rd.			Bridgewater, NJ 08807	Somerset County	Religious Buildings
Hope Church	519 East Main St.			Bound Brook, NJ 08805	Somerset County	Religious Buildings
Montgomery United Methodist Church	Pastor Tony Godlefski	117 Sunset Rd.		Belle Meade, NJ 08502	Somerset County	Religious Buildings
Our Lady of Mercy	122 High St.			South Bound Brook, NJ 08880	Somerset County	Religious Buildings
St. Johns Lutheran Church	319 Windsor St.			Bound Brook, NJ 08805	Somerset County	Religious Buildings
St. Mary of Cztestochowa Church	201 Vosseller Ave.			Bound Brook, NJ 08805	Somerset County	Religious Buildings
St. Paul's Episcopal Church	214 Church St.			Bound Brook, NJ 08805	Somerset County	Religious Buildings
Sts Peter and Paul Catholic Church	285 Hamilton St.			Somerset, NJ 08873	Somerset County	Religious Buildings
The Presbyterian Church of Bound Brook	409 Mountain Ave.			Bound Brook, NJ 08805	Somerset County	Religious Buildings
Congregation Kehilat Shalom	Rabbi Susan L. Falk	253 Belle Mead-Griggstown Rd.		Belle Mead, NJ 08502	Somerset County	Religious Buildings
Emanuel Lutheran Church	New and Kirkpatrick Streets			New Brunswick, NJ 08901	Middlesex County	Religious Buildings
Holy Trinity Episcopal Church	90 Leonardine Aveune			South River, NJ 08882	Middlesex County	Religious Buildings

Kingdom Hall of Jehovah's Witnesses	172 Hollow Rd.		Skillman, NJ 08558	Somerset County	Religious Buildings
Kingston United Methodist Church	9 Church Street	P.O. Box 291	Kingston, NJ 08528	Middlesex County	Religious Buildings
Montgomery Evangelical Free Church	Pastor Brian Cooper	246 Belle Mead-Griggstown Rd.	Belle Mead, NJ 08502	Somerset County	Religious Buildings
Msgr. Gregory E. S. Malovetz	St. Charles Borromeo Church	47 Skillman Rd.	Skillman, NJ 08558	Somerset County	Religious Buildings
New Jersey's Lesbian & Gay Havurah	P.O. Box 2576		Edison, NJ 08818	Middlesex County	Religious Buildings
St. Matthew's Roman Catholic Church	81 Seymour Avenue		Edison, NJ 08817	Middlesex County	Religious Buildings
The Temple Emmanu-El	100 James Street		Edison, NJ 08818	Middlesex County	Religious Buildings
New Brunswick Senior Center	81 Huntington St.		New Brunswick, NJ 08901	Middlesex County	Senior Center
Hunterdon County Social Services	Community Services Building	6 Gauntt Place, P.O. Box 2900	Flemington, NJ 08822	Hunterdon County	Social Service Offices/Administration Buildings
United Way Hunterdon County	4 Walter Foran Blvd	Suite 104	Flemington, NJ 08822	Hunterdon County	Social Service Offices/Administration Buildings
American Red Cross of Central Jersey	707 Alexander Rd.		Princeton, NJ 08540	Middlesex County	Social Service Offices/Administration Buildings
Jewish Family & Vocational Services	32 Ford Ave.		Mililtown, NJ 08850	Middlesex County	Social Service Offices/Administration Buildings
Salvation Army	433 State St.		Perth Amboy, NJ 08861	Middlesex County	Social Service Offices/Administration Buildings

Brunswick and Raritan Housing Corporation	56 Throop Ave.		New Brunswick, NJ 08901	Middlesex County	Social Service Offices/Administration Buildings
Carteret Housing Authority	96 Roosevelt Ave.		Carteret, NJ 07008	Middlesex County	Social Service Offices/Administration Buildings
Catholic Charities Diocese of Metuchen	319 Maple St.		Perth Amboy, NJ 08861	Middlesex County	Social Service Offices/Administration Buildings
Central Jersey Legal Services, Middlesex County Division,	313 State St.	Suite 308	Perth Amboy, NJ 08861	Middlesex County	Social Service Offices/Administration Buildings
Central NJ Maternal & Child Health Consortium, Inc	2 King Arthur Court, Suite		North Brunswick, NJ 08902	Middlesex County	Social Service Offices/Administration Buildings
Edison Housing Authority	14 Rev Samuel C Carpenter Blvd		Edison, NJ 08820	Middlesex County	Social Service Offices/Administration Buildings
Elijah's Promise	18 Neilson St.		New Brunswick, NJ 08901	Middlesex County	Social Service Offices/Administration Buildings
Fish Inc	456 New Market Rd.		Piscataway, NJ 08854	Middlesex County	Social Service Offices/Administration Buildings
Franklin Township Municipal Building	475 DeMott Lane		Somerset, NJ 08873	Middlesex County	Social Service Offices/Administration Buildings
Middlesex Board of Social Services	Alexander F. Jankowski Community Center	1 Olive St.	Perth Amboy, NJ 08861	Middlesex County	Social Service Offices/Administration Buildings
Middlesex County Admin Building - Housing	75 Bayard		New Brunswick, NJ 08903	Middlesex County	Social Service Offices/Administration Buildings
Middlesex County Board of Social Services	181 How Lane	PO Box 509	New Brunswick, NJ 08903	Middlesex County	Social Service Offices/Administration Buildings
Middlesex County Office On Aging	JFK Square		New Brunswick, NJ 08903	Middlesex County	Social Service Offices/Administration Buildings

Middlesex County Rental Assistance Offices	181 Howe Lane		New Brunswick, NJ 08903	Middlesex County	Social Service Offices/Administration Buildings
Middlesex County Vocational and Technical Adult Evening Schools	457 High St.		Perth Amboy, NJ 08861	Middlesex County	Social Service Offices/Administration Buildings
Middlesex County Vocational and Technical Schools	112 Rues Lane		East Brunswick, NJ 08816	Middlesex County	Social Service Offices/Administration Buildings
Middlesex County Vocational and Technical Schools	21 Suttons Lane		Piscataway, NJ 08854	Middlesex County	Social Service Offices/Administration Buildings
Accelero Learning - Asbury Park Center	907 Grand Avenue		Asbury Park, NJ 07712	Middlesex County	Social Service Offices/Administration Buildings
New Brunswick Housing Authority	P.O. Box 110		New Brunswick, NJ 08901	Middlesex County	Social Service Offices/Administration Buildings
Northwest New Jersey Community Action Program, Inc. (NORWESCAP)	350 Marshall St.		Phillipsburg, NJ 08865	Middlesex County	Social Service Offices/Administration Buildings
Perth Amboy Adult Education Center	178 Barracks St.		Perth Amboy, NJ 08861	Middlesex County	Social Service Offices/Administration Buildings
Perth Amboy Housing Authority	881 Amboy Ave.	PO Box 390	Perth Amboy, NJ 08862	Middlesex County	Social Service Offices/Administration Buildings
Rahway Housing Authority	498 Capobianco Plz		Rahway, NJ 07065	Middlesex County	Social Service Offices/Administration Buildings
South Amboy Housing Authority	250 South BRd.way	P.O. Box 817	South Amboy, NJ 08879	Middlesex County	Social Service Offices/Administration Buildings
St. John's Center	24 Abeel St.		New Brunswick, NJ 08901	Middlesex County	Social Service Offices/Administration Buildings
The Salvation Army	287 Handy St., P.O. Box 269		New Brunswick, NJ 08901	Middlesex County	Social Service Offices/Administration Buildings
Montgomery Township Senior Center	Otto Kaufman Community Center	356 Skillman Rd.	Skillman, NJ 08558	Somerset County	Social Service Offices/Administration Buildings

Rotary Club of Montgomery/Rocky Hill	P.O. Box 333		Rocky Hill, NJ 08553	Somerset County	Social Service Offices/Administration Buildings
Somerset County Administration Building	20 Grove St.	P.O. Box 3000	Somerville, NJ 08876	Somerset County	Social Service Offices/Administration Buildings
Somerset County Board of Social Services	73 East High St.		Somerville, NJ 08876	Somerset County	Social Service Offices/Administration Buildings
Somerset County Office On Aging	First Floor	27 Warren St.	Somerville, NJ 08876	Somerset County	Social Service Offices/Administration Buildings
Somerset County Office on Human Services	20 Grove St.	P.O. Box 3000	Somerville, NJ 08876	Somerset County	Social Service Offices/Administration Buildings
Fair Share Housing Center	510 Park Blvd		Cherry Hill, NJ 08002	Camden County	Social Service Offices/Administration Buildings
Housing and Community Development Network of New Jersey	145 W. Hanover St		Trenton, NJ 08618	Mercer County	Social Service Offices/Administration Buildings
Hunterdon County Administration Building	71 Main Street		Flemington NJ	Hunterdon County	Social Service Offices/Administration Buildings
Hunterdon County Department of Human Services		P.O. Box 2900	Flemington, NJ 08822-2900	Hunterdon County	Social Service Offices/Administration Buildings
Hunterdon County Dept. of Human Services, Div. of Senior, Disabilities & Vet. Svcs.		4 Gauntt Pl. Bldg. # 1, P.O. Box 2900	Flemington, NJ 08822-2900	Hunterdon County	Social Service Offices/Administration Buildings
Hunterdon County Housing Agency	8 Gauntt Place	P.O. Box 2900	Flemington, NJ 08822	Hunterdon County	Social Service Offices/Administration Buildings

Hunterdon County Social Services Board, Community Svcs	6 Gauntt Place, P.O. Box 2900	Flemington, NJ 08822-2900	Hunterdon County	Social Service Offices/Administration Buildings
Hunterdon-Somerset County Board of Realtors	3461 US-22	Branchburg, NJ 08876	Somerset County	Social Service Offices/Administration Buildings
Latino Action Network	PO Box 943	Freehold, NJ 07728	Monmouth County	Social Service Offices/Administration Buildings
Mercer County Board of Realtors	1428 Brunswick Ave	Trenton, NJ 08638	Mercer County	Social Service Offices/Administration Buildings
Metuchen/Edison NAACP	127 Newman Street	Metuchen, NJ 08840	Middlesex County	Social Service Offices/Administration Buildings
Middlesex County Department of Human Services, County Admn. Bldg.	1 JFK Square	New Brunswick, NJ 08901	Middlesex County	Social Service Offices/Administration Buildings
Division of Housing, Community Development & Social Services	Middlesex County Administration Bldg, 2nd Floor	New Brunswick, NJ 08901	Middlesex County	Social Service Offices/Administration Buildings
New Brunswick NAACP	PO Box 235	New Brunswick, NJ 08901	Middlesex County	Social Service Offices/Administration Buildings
New Jersey Council on Affordable Housing	101 South Broad Street	Trenton, NJ 08625-0800	Mercer County	Social Service Offices/Administration Buildings
New Jersey Department of Community Affairs	101 South Broad Street	Trenton, NJ 08625-0800	Mercer County	Social Service Offices/Administration Buildings
Office of Aging & Disabled Services	Middlesex County Admin Bldg., 5th Floor, 75 Bayard Street	New Brunswick, NJ 08901	Middlesex County	Social Service Offices/Administration Buildings

Perth Amboy NAACP	PO Box 1219		Perth Amboy, NJ 08862	Middlesex County	Social Service Offices/Administration Buildings
Plainfield Area NAACP	Plainfield Elks (2nd Floor)	1357 W. 3rd Street	Plainfield, NJ 07060		Social Service Offices/Administration Buildings
Somerset County Community Action Program (SCAP)	155 Pierce St	Suite F	Somerset, NJ 08873	Somerset County	Social Service Offices/Administration Buildings
Urban League of Hudson County	253 Martin Luther King Drive		Jersey City, NJ 07305	Hudson County	Social Service Offices/Administration Buildings
United Way of Central Jersey	32 Ford Ave.		Milltown, NJ 08850	Middlesex County	Social Service Offices/Administration Buildings
Hunterdon County Dept of Planning, Economic Dev & Land Use	PO Box 2900		Flemington, NJ 08822	Hunterdon County	Social Service Offices/Administration Buildings
Somerset County Planning Division	20 Grove St.	PO Box 3000	Somerville, NJ 08876	Somerset County	Social Service Offices/Administration Buildings
Civic League of Greater New Brunswick	47 Throop, #49		New Brunswick, NJ 08901	Middlesex County	Social Service Offices/Administration Buildings
New Jersey State Conference of the NAACP	4326 Harbor Beach Blvd. #775		Brigantine, NJ 08203		Social Service Offices/Administration Buildings
NAACP New Brunswick Youth Council Branch	PO Box 235		New Brunswick, NJ 08903	Middlesex County	Social Service Offices/Administration Buildings
NAACP Rutgers University Branch	613 George Street		New Brunswick, NJ 08901	Middlesex County	Social Service Offices/Administration Buildings
Supportive Housing Association	185 Valley Street		South Orange, NJ 07079		Social Service Offices/Administration Buildings
Warren/ Sussex County Branch of the NAACP	PO BOX 229		WASHINGTON NJ 07882	Warren/Sussex County	Social Service Offices/Administration Buildings
The ARC of Middlesex County	219 Blackhorse Lane #1		North Brunswick, NJ 08902	Middlesex County	Social Service Offices/Administration Buildings

The ARC of Hunterdon County	1465 Route 31 South, Suite 23	Annandale, NJ 08801	Hunterdon County	Social Service Offices/Administration Buildings
The ARC of Somerset County	141 South Street	Manville, NJ 08835	Somerset County	Social Service Offices/Administration Buildings
Lutheran Social Ministries	6 Terri Lane, Suite 300	Burlington, NJ 08016	Burlington County	Social Service Offices/Administration Buildings
Metuchen Community Services	223 Fayette Street	Perth Amboy, NJ 08861	Middlesex County	Social Service Offices/Administration Buildings
Catholic Charities	398 5th Avenue	Hackettstown, NJ 07840		Social Service Offices/Administration Buildings
Housing Coalition of New Jersey	90 Jersey Avenue	New Brunswick, NJ 08901	Middlesex	Social Service Offices/Administration Buildings
Middlesex Interfaith Partners with the Homeless	100 Mitch Snyder Dr	Edison, NJ 08837	Middlesex County	Social Service Offices/Administration Buildings
Plainsboro Non Profit Housing Corporation	316 Rockingham Row	Princeton, NJ 08540	Somerset County	Social Service Offices/Administration Buildings
Woodbridge Housing Authority	20 Bunns Lane	Woodbridge NJ 07095	Middlesex County	Social Service Offices/Administration Buildings
Franklin Township Housing Authority	1 Parkside Street	Somerset, NJ 08873	Somerset County	Social Service Offices/Administration Buildings
Highland Park Housing Authority	242 South 6th Avenue	Highland Park NJ 08904	Middlesex County	Social Service Offices/Administration Buildings
Housing Authority of Plainfield	510 East Front Street, Suite 1	Plainfield, NJ 07060	Union County	Social Service Offices/Administration Buildings
East Brunswick Community corp	PO Box 185	East Brunswick, NJ 08816	Middlesex County	Social Service Offices/Administration Buildings
North Central Jersey Association of Realtors	767 Central Avenue	Westfield, NJ 07090	Union County	Social Service Offices/Administration Buildings
Metuchen NAACP	PO Box 86	Edison, NJ 08818		Social Service Offices/Administration Buildings
NJ State NAACP	PO Box 638	Lakewood, NJ 08701		Social Service Offices/Administration Buildings

Middlesex County Clerk	PO Box 1110, 4th Floor	New Brunswick, NJ 08901	Middlesex County
Faith Fellowship	2707 Main Street	Sayreville, NJ 08872	Middlesex County
Brighter Dental Care	46 Vreeland Drive	Skillman, NJ 08558	Somerset County
Dr. Mary DeCicco, DMD	67 Tamarack Circle	Skillman, NJ 08558	Somerset County
James J. Cally, DMD	192 Tamarack Circle	Skillman, NJ 08558	Somerset County
Kaufman Chiropractic	10 Vreeland Drive	Skillman, NJ 08558	Somerset County
Menla Healthcare	411 Executive Drive	Princeton, NJ 08540	Somerset County
Montgomery Eye Care	1325 Route 206	Skillman, NJ 08558	Somerset County
Montgomery Family Chiropractic	415 Wall Street	Princeton, NJ 08540	Somerset County
Montgomery Medical Associates	9 Dutchtown- Harlingen Rd.	Belle Mead, NJ 08502	Somerset County
Neck & Back Institute	727 State Rd.	Princeton, NJ 08540	Somerset County
Pastor Phillip Liu	Princeton Christian Church	Princeton, NJ 08540	Somerset County
Princeton Allergy & Asthma Associates	24 Vreeland Drive	Skillman, NJ 08558	Somerset County
Princeton Care Center	728 Bunn Drive	Princeton, NJ 08540	Somerset County
Princeton Eye Group	419 North Harrison St.	Princeton, NJ 08540	Somerset County
Princeton Foot & Ankle Associates	11 North Harrison St.	Princeton, NJ 08540	Somerset County
Princeton Orthopaedic	325 Princeton Ave.	Princeton, NJ 08540	Somerset County
Provident Bank	2162 US Route 206	Belle Mead, NJ 08502	Somerset County

Rev. William De Young	Harlingen Reformed Church	34 Dutchtown-Harlingen Rd.	Belle Mead, NJ 08502	Somerset County
TD Bank	883 State Rd.		Princeton, NJ 08540	Somerset County
Plainfield Area NAACP	PO Box 368		Plainfield, NJ 07060	
Community Access Unlimited, Inc.	80 West Grand Street		Elizabeth, NJ 07202	
Housing Partnership for Middlesex County	2 East Blackwell Street		Dover, NJ 07801	
New Jersey Citizen Action	75 Raritan Avenue	Suite 200	Highland Park NJ 08904	
Puerto Rican Action Board, Inc	90 Jersey Avenue		New Brunswick, NJ 08901	
Puerto Rican Association for Human Development	100 First Street		Perth Amboy, NJ 08861	
Birth Haven, Inc.	Tina Magarino, Executive Director	4 Academy Street	Newton, NJ 07860	

Appendix II – Montgomery Preliminary Application Distribution List

Business Name	Address1	Address 2	City State Zip
Middlesex County Administration Bldg	75 Bayard Street		New Brunswick, NJ 08901
Somerset County Admin. Bldg	20 Grove Street		Somerville, NJ 08876
Somerset County Library Headquarters	1 Vogt Drive		Bridgewater, NJ 08807
Hunterdon County Library Headquarters	314 State Highway 12		Flemington, NJ 08822
Hunterdon County Administration Building	71 Main Street		Flemington NJ 08822
Montgomery Municipal Building	2261 Van Horne Road - Route 206 North		Belle Mead, NJ 08502
Somerset County Library - Mary Jacobs Branch	64 Washington Street		Rocky Hill, NJ 08553

APPENDIX III
AFFIRMATIVE FAIR HOUSING MARKETING PLAN
For Affordable Housing in **(REGION 3)**

I. APPLICANT AND PROJECT INFORMATION

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

1a. Administrative Agent Name, Address, Phone Number Piazza & Associates, Inc. Tel: 609-786-1100 Fax: 609-786-1105 216 Rockingham Row, Princeton, NJ 08540 fpiazza@PiazzaNJ.com		1b. Development or Program Name, Address Pike Run Village 40 Pike Run Road Belle Meade, NJ, 08502	
1c. Number of Affordable Units: 210 Number of Rental Units: 210 Number of For-Sale Units:	1d. Price or Rental Range From To	1e. State and Federal Funding Sources (if any)	
1f. <input type="checkbox"/> Age Restricted <input checked="" type="checkbox"/> Non-Age Restricted	1g. Approximate Starting Dates Advertising: Occupancy:		
1h. County Hunterdon, Middlesex, Somerset		1i. Census Tract(s):	
1j. Managing/Sales Agent's Name, Address, Phone Number Pike Run Village, 105 Cain Court Belle Meade, NJ, 08628			
1k. Application Fees (if any):			

1a. Administrative Agent Name, Address, Phone Number Piazza & Associates, Inc. Tel: 609-786-1100 Fax: 609-786-1105 216 Rockingham Row, Princeton, NJ 08540 fpiazza@PiazzaNJ.com		1b. Development or Program Name, Address Hillside at Montgomery 145 Hartwick Drive Skillman, NJ, 08558	
1c. Number of Affordable Units: 23 Number of Rental Units: 23 Number of For-Sale Units:	1d. Price or Rental Range From To	1e. State and Federal Funding Sources (if any)	
1f. <input type="checkbox"/> Age Restricted <input checked="" type="checkbox"/> Non-Age Restricted	1g. Approximate Starting Dates Advertising: Occupancy:		
1h. County Hunterdon, Middlesex, Somerset		1i. Census Tract(s):	
1j. Managing/Sales Agent's Name, Address, Phone Number			
1k. Application Fees (if any):			

1a. Administrative Agent Name, Address, Phone Number TO BE DETERMINED		1b. Development or Program Name, Address Tapestry Assisted Living NE Corner Hartwick Dr/Research Rd Skillman, NJ, 08558	
1c. Number of Affordable Units: 12 Number of Rental Units: 12 Number of For-Sale Units:	1d. Price or Rental Range From To		1e. State and Federal Funding Sources (if any)
1f. <input checked="" type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	1g. Approximate Starting Dates Advertising: Occupancy:		
1h. County Hunterdon, Middlesex, Somerset		1i. Census Tract(s):	
1j. Managing/Sales Agent's Name, Address, Phone Number			
1k. Application Fees (if any):			

(Sections II through IV should be consistent for all affordable housing developments and programs within the municipality. Sections that differ must be described in the approved contract between the municipality and the administrative agent and in the approved Operating Manual.)

II. RANDOM SELECTION

<p>2. Describe the random selection process that will be used once applications are received.</p> <p>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)

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

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

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

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL NEWSPAPER(S)	CIRCULATION AREA
TARGETS ENTIRE HOUSING REGION 3			
Daily Newspaper			
<input type="checkbox"/>		Star-Ledger	
TARGETS PARTIAL COAH REGION 3			
Daily Newspaper			
<input type="checkbox"/>		Home News Tribune	Middlesex, Somerset, Union
<input checked="" type="checkbox"/>		Courier News	Somerset and Hunterdon
Weekly Newspaper			
<input type="checkbox"/>		Beacon	Hunterdon
<input type="checkbox"/>		Delaware Valley News	Hunterdon
<input checked="" type="checkbox"/>		Hunterdon County Democrat / Hunterdon Observer	Hunterdon
<input type="checkbox"/>		Hunterdon Review	Hunterdon
<input type="checkbox"/>		Amboy Beacon	Middlesex
<input type="checkbox"/>		Colonia Corner	Middlesex
<input type="checkbox"/>		Cranbury Press	Middlesex
<input type="checkbox"/>		East Brunswick Sentinel	Middlesex
<input type="checkbox"/>		Edison Sentinel	Middlesex
<input type="checkbox"/>		South Brunswick Post	Middlesex
<input type="checkbox"/>		South Plainfield Observer	Middlesex
<input type="checkbox"/>		Suburban, The	Middlesex
<input type="checkbox"/>		Princeton Packet	Middlesex, Somerset
<input type="checkbox"/>		Sentinel, The	Middlesex, Somerset
<input type="checkbox"/>		Atom Tabloid & Citizen Gazette	Middlesex, Union

<input type="checkbox"/>		Parsippany Life	Morris
<input type="checkbox"/>		Echoes Sentinel	Morris, Somerset
<input type="checkbox"/>		Bernardsville News	Somerset
<input type="checkbox"/>		Branchburg News	Somerset
<input type="checkbox"/>		Chronicle	Somerset
<input type="checkbox"/>		Hills-Bedminster Press	Somerset
<input type="checkbox"/>		Hillsborough Beacon	Somerset
<input type="checkbox"/>		Manville News	Somerset
X		Messenger-Gazette	Somerset
<input type="checkbox"/>		Reporter	Somerset
<input type="checkbox"/>		Somerset Spectator	Somerset
Monthly Newspaper			
X		Montgomery News	Middlesex, Somerset

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL TV STATION(S)	CIRCULATION AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
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TARGETS ENTIRE HOUSING REGION 3

<input type="checkbox"/>		2 WCBS-TV Cbs Broadcasting Inc.	
<input type="checkbox"/>		3 KYW-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"/>		6 WPVI-TV American Broadcasting Companies, Inc (Walt Disney)	
<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"/>		12 WHYI-TV Whyi, Inc.	
<input type="checkbox"/>		13 WNET Educational Broadcasting Corporation	
<input type="checkbox"/>		17 WPHL-TV Tribune Company	

<input type="checkbox"/>		31 WPXN-TV Paxson Communications License Company, Llc	
<input type="checkbox"/>		35 WYBE Independence Public Media Of Philadelphia, Inc.	
<input type="checkbox"/>		39 WLVT-TV Lehigh Valley Public Telecommunications Corp.	
<input type="checkbox"/>		41 WXTV Wxtv License Partnership, G.p. (Univision Communications Inc.)	
<input type="checkbox"/>		48 WGTW-TV Trinity Broadcasting Network	
<input type="checkbox"/>		50 WNJN New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		52 WNJT New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		57 WPSG Cbs Broadcasting Inc.	
<input type="checkbox"/>		58 WNJB New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		61 WPPX Paxson Communications License Company, Llc	
<input type="checkbox"/>		63 WMBC-TV Mountain Broadcating Corporation	
<input type="checkbox"/>		65 WUVP-TV Univision Communications, Inc.	
<input type="checkbox"/>		68 WFUT-TV Univision New York Llc	Spanish

TARGETS PARTIAL HOUSING REGION 3

<input type="checkbox"/>		16 WNEP-TV New York Times Co.	Hunterdon
<input type="checkbox"/>		46 W46BL Maranatha Broadcasting Company, Inc.	Hunterdon
<input type="checkbox"/>		51 WTVE Reading Broadcasting, Inc	Hunterdon (Christian)
<input type="checkbox"/>		25 W25BB New Jersey Public Broadcasting Authority	Hunterdon, Middlesex
<input type="checkbox"/>		22 WYOU Nexstar Broadcasting, Inc	Hunterdon, Somerset
<input type="checkbox"/>		28 WBRE-TV Nexstar Broadcasting, Inc.	Hunterdon, Somerset
<input type="checkbox"/>		44 WVIA-TV Ne Pa Ed Tv Association	Hunterdon, Somerset
<input type="checkbox"/>		56 WOLF-TV Wolf License Corp	Hunterdon, Somerset
<input type="checkbox"/>		60 WBPH-TV Sonshine Family Television Corp	Hunterdon, Somerset
<input type="checkbox"/>		69 WFMZ-TV Maranatha Broadcasting Company, Inc.	Hunterdon, Somerset

<input type="checkbox"/>		29 WTXF-TV Fox Television Stations, Inc. (News Corp.)	Middlesex, Somerset
<input type="checkbox"/>		47 WNJU NBC Telemundo License Co. (General Electric)	Middlesex, Somerset
<input type="checkbox"/>		66 WFME-TV Family Stations of New Jersey, Inc.	Middlesex, Somerset (Christian)
<input type="checkbox"/>		25 WNYE-TV New York City Dept. Of Info Technology & Telecommunications	Somerset

	DURATION & FREQUENCY OF OUTREACH	NAMES OF CABLE PROVIDER(S)	BROADCAST AREA
TARGETS PARTIAL HOUSING REGION 3			
<input type="checkbox"/>		Comcast of Northwest NJ, Southeast Pennsylvania	Partial Hunterdon
<input type="checkbox"/>		Patriot Media & Communications	Partial Hunterdon, Somerset
<input type="checkbox"/>		Service Electric Cable TV of Hunterdon	Partial Hunterdon
<input type="checkbox"/>		Cablevision of Raritan Valley	Partial Middlesex, Somerset
<input type="checkbox"/>		Comcast of Central NJ, NJ (Union System)	Partial Middlesex
<input type="checkbox"/>		Comcast of Plainfield	Partial Middlesex, Somerset

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL RADIO STATION(S)	BROADCAST AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 3			
AM			
<input type="checkbox"/>		WFAN 660	
<input type="checkbox"/>		WOR 710	
<input type="checkbox"/>		WABC 770	
<input type="checkbox"/>		WCBS 880	
<input type="checkbox"/>		WBBR 1130	
<input type="checkbox"/>		WWTR 1170	
<input type="checkbox"/>		WTTM 1680	Spanish, Asian, etc.
FM			
<input type="checkbox"/>		WFNY-FM 92.3	
<input type="checkbox"/>		WPAT-FM 93.1	Spanish
<input type="checkbox"/>		WNYC-FM 93.9	
<input type="checkbox"/>		WPST 94.5	

<input type="checkbox"/>		WFME 94.7	
<input type="checkbox"/>		WPLJ 95.5	
<input type="checkbox"/>		WQXR-FM 96.3	
<input type="checkbox"/>		WQHT 97.1	
<input type="checkbox"/>		WSKQ-FM 97.9	Spanish
<input type="checkbox"/>		WRKS 98.7	
<input type="checkbox"/>		WAWZ 99.1	Christian
<input type="checkbox"/>		WBAI 99.5	
<input type="checkbox"/>		WPHI-FM 100.3	
<input type="checkbox"/>		WCBS-FM 101.1	
<input type="checkbox"/>		WKXW-FM 101.5	
<input type="checkbox"/>		WQCD 101.9	
<input type="checkbox"/>		WNEW 102.7	
<input type="checkbox"/>		WPRB 103.3	
<input type="checkbox"/>		WKTU 103.5	
<input type="checkbox"/>		WWPR-FM 105.1	
<input type="checkbox"/>		WDAS-FM 105.3	
<input type="checkbox"/>		WLTW 106.7	
TARGETS PARTIAL HOUSING REGION 3			
AM			
<input type="checkbox"/>		WFIL 560	Hunterdon
<input type="checkbox"/>		WIP 610	Hunterdon
<input type="checkbox"/>		WAEB 790	Hunterdon
<input type="checkbox"/>		WCHR 1040	Hunterdon
<input type="checkbox"/>		WGPA 1100	Hunterdon
<input type="checkbox"/>		WEEX 1230	Hunterdon
<input type="checkbox"/>		WKAP 1470	Hunterdon
<input type="checkbox"/>		WRNJ 1510	Hunterdon
<input type="checkbox"/>		WWJZ 640	Hunterdon, Middlesex
<input type="checkbox"/>		WPHY 920	Hunterdon, Middlesex

<input type="checkbox"/>		WPHT 1210	Hunterdon, Middlesex
<input type="checkbox"/>		WBUD 1260	Hunterdon, Middlesex
<input type="checkbox"/>		WMCA 570	Middlesex (Christian)
<input type="checkbox"/>		WIMG 1300	Middlesex
<input type="checkbox"/>		WCTC 1450	Middlesex, Somerset
FM			
<input type="checkbox"/>		WRTI 90.1	Hunterdon
<input type="checkbox"/>		WCVH 90.5	Hunterdon
<input type="checkbox"/>		WHYY-FM 90.9	Hunterdon
<input type="checkbox"/>		WXTU 92.5	Hunterdon
<input type="checkbox"/>		WAEB-FM 104.1	Hunterdon
<input type="checkbox"/>		WFKB 107.5	Hunterdon
<input type="checkbox"/>		WMMR 93.3	Hunterdon, Middlesex
<input type="checkbox"/>		WYSP 94.1	Hunterdon, Middlesex
<input type="checkbox"/>		WBEN-FM 95.7	Hunterdon, Middlesex
<input type="checkbox"/>		WRDW-FM 96.5	Hunterdon, Middlesex
<input type="checkbox"/>		WUGL 98.1	Hunterdon, Middlesex
<input type="checkbox"/>		WUSL 98.9	Hunterdon, Middlesex
<input type="checkbox"/>		WIOQ 102.1	Hunterdon, Middlesex
<input type="checkbox"/>		WMGK 102.9	Hunterdon, Middlesex
<input type="checkbox"/>		WJJZ 106.1	Hunterdon, Middlesex
<input type="checkbox"/>		WKDN 106.9	Hunterdon, Middlesex (Christian)
<input type="checkbox"/>		WAXQ 104.3	Hunterdon, Middlesex, Somerset
<input type="checkbox"/>		WNTI 91.9	Hunterdon, Somerset
<input type="checkbox"/>		WZZO 95.1	Hunterdon, Somerset
<input type="checkbox"/>		WCTO 96.1	Hunterdon, Somerset
<input type="checkbox"/>		WLEV 100.7	Hunterdon, Somerset
<input type="checkbox"/>		WNJT-FM 88.1	Middlesex
<input type="checkbox"/>		WRSU-FM 88.7	Middlesex
<input type="checkbox"/>		WWFM 89.1	Middlesex
<input type="checkbox"/>		WWPH 107.9	Middlesex

<input type="checkbox"/>		WDVR 89.7	Middlesex, Somerset
<input type="checkbox"/>		WVPH 90.3	Middlesex, Somerset
<input type="checkbox"/>		WMGQ 98.3	Middlesex, Somerset
<input type="checkbox"/>		WBLS 107.5	Middlesex, Somerset
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 3			
Weekly			
	Nuestra Comunidad	Central/South Jersey	Spanish-Language
Monthly			
<input type="checkbox"/>	Sino Monthly	North Jersey/NYC area	Chinese-American
<input checked="" type="checkbox"/>	Montgomery Township Newsletter	Montgomery Township	NA
TARGETS PARTIAL HOUSING REGION 3			
Daily			
<input type="checkbox"/>	24 Horas	Bergen, Essex, Hudson, Middlesex, Passaic, Union Counties	Portuguese-Language
Weekly			
<input type="checkbox"/>	Arab Voice Newspaper	North Jersey/NYC area	Arab-American
<input type="checkbox"/>	Catholic Advocate, The	Essex County area	Catholic
<input type="checkbox"/>	La Voz	Hudson, Union, Middlesex Counties	Cuban community
<input type="checkbox"/>	Amerika Magyar Nepszava (American Hungarian Peoples' Voice)	Central/North Jersey	Hungarian-Language
<input type="checkbox"/>	New Jersey Jewish News	Northern and Central New Jersey	Jewish
<input type="checkbox"/>	Nuestra Comunidad	Central/South Jersey	Spanish-Language
<input type="checkbox"/>	Desi NJ	Central Jersey	South Asian
<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): See Appendix I of the Township of Montgomery Affirmative Marketing Plan			
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) See Appendix I of the Township of Montgomery 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)
- New Brunswick branch of the NAACP (PO Box 235, New Brunswick, NJ, 08903);
- Plainfield Area branch of the NAACP (300 Central Avenue, Plainfield, NJ, 07060);
- Perth Amboy branch of the NAACP (PO Box 1219, Perth Amboy, NJ, 08621); and,
- Metuchen/Edison branch of the NAACP (127 Newman St., Metuchen, NJ, 08840).

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) **See Appendix II of the Township of Montgomery Affirmative Marketing Plan**
- 4b. Municipality in which the units are located **See Appendix II of the Township of Montgomery 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

30. MUNICIPAL HOUSING LIAISON AND
ADMINISTRATIVE AGENT
APPOINTMENTS

13. ADDRESS BY COMMITTEEMAN KENT HUANG

Committeeman Huang read the following:

"Good evening everyone,

Happy New Year. Thank you all very much for being here tonight and a special thanks to all our honored guests.

I am humbled and grateful to be elected to represent the people of Montgomery on the Township Committee. I would like to thank the residents of Montgomery for entrusting me with this honor. I would also like to thank several people who played an important role in helping me on my path here tonight. First, I would like to thank my family for their encouragement and support. As a father of two young boys, Cameron and Andrew, I consider raising my boys to be good, well-rounded individuals, to be one of my most important responsibilities. In that respect, I hope my tenure on this committee serves as an example to my boys on the importance of civic responsibility and playing a positive role in their community. Also, I would like to thank my running-mate Devra Keenan. Our willingness to collaborate, compromise, and connect allowed us to work effectively together. I would also like to thank Maddi Walsh. Maddi's work on our campaign was indispensable. I would also like to thank Cookie Acot and the volunteers from the Montgomery Democratic Organization for their time and effort helping us on our campaign. Lastly, I would like to thank Sadaf and Marvin for serving as Mayor and Deputy Mayor this year. I wish you both the best of luck in these roles and I look forward to working with the two of you as well as with Catherine and Devra.

I also look forward to working with Donato, Michael, Donna, Kevin, and all the professionals who work for our township. I'm continually impressed by the quality of our people and their work and we're truly fortunate to have them supporting us.

I would like to acknowledge all the volunteers on the various boards and committees in our town. We're incredibly fortunate to have talented individuals willing to volunteer their time and energy to help make our community a better place every day.

Lastly, I would like to acknowledge and thank Police Captain Thomas Wain for his years of service to our community. Captain Wain's presence at various events in town is a testament to his character and leadership. I'm a strong believer that actions speak louder than words, but Captain Wain led with both actions and words. I wish Captain Wain well in his retirement and I look forward to working with Acting Captain, Lt. James Gill, and supporting all the wonderful people in our Police Department.

In my professional experience, I've found that people working collaboratively in a forum that permits an open discussion and an exchange of ideas and information usually produces the best ideas and reduces the risk of adverse outcomes. I believe it is our responsibility as elected officials to bring in as many different voices into these discussions as possible and to foster an environment of collaboration, inclusion, and respect. I come to the Township Committee ready to listen, to learn, and to work.

Thank you."

14. APPOINTMENT OF PROBATIONARY POLICE OFFICER - Akeel Babar

BE IT RESOLVED that Akeel Babar is hereby appointed Probationary Police Officer, effective January 3, 2020.

14-1. Committeewoman Keenan moved the adoption of the foregoing resolution. The motion was seconded by Deputy Mayor Schuldiner and carried on the following:

ROLL CALL - Ayes - Huang, Keenan, Gural, Schuldiner, Jaffer
Nays - None

14-2. Police Lieutenant James Gill gave a brief background of the Police hiring process and Officer Babar. He explained that Police Captain/Director Tom Wain had retired on December 31, 2019 and now Officer Babar is being sworn in just two days later. This could not happen without the support of the Governing Body and the Township Administrator.

14-3. Mayor Jaffer administered the Oath of Office to Probationary Police Officer Akeel Babar

15. Mayor Jaffer suggested that a break be taken.

16. The meeting reconvened.

17. APPOINTMENTS BY TOWNSHIP COMMITTEE

<u>OFFICE</u>	<u>TERM</u>	<u></u>
Township Attorney	1 yr.	Kevin Van Hise (Mason, Griffin & Pierson)
Tax Litigation/Appeals Attorney	1 yr.	Elissa Grodd Schragger (Mason, Griffin & Pierson)
Labor Counsel	1 yr.	Ellen O'Connell (Inglesino, Webster, Wyciskala, Taylor, LLC)
Special Projects/Conflict Counsel	1 yr.	Thomas Cafferty (Gibbons, Inc.)
Special Projects/Conflict Counsel	1 yr.	Steven Goodell (Parker McCay)
Special Projects/Conflict Counsel	1 yr.	Bhavini Doshi (McManimon, Scotland & Baumann, LLC)

(Item #17 Cont.)

OFFICE	TERM	
Bond Counsel	1 yr.	Andrea Kahn (McManimon, Scotland & Baumann, LLC)
Township Planners - Planning & Zoning	1 yr.	Michael Sullivan (Clarke Caton Hintz)
Auditor	1 yr.	Robert Swisher (Suplee, Clooney & Co.)
Traffic Engineer	1 yr.	Joseph A. Fishinger, Jr. (NV5)
Environmental Engineer	1 yr.	James Cosgrove (Kleinfelder, Inc.)
Landscape Architect	1 yr.	Richard Bartolone
Consulting Engineer	1 yr.	Menlo Engineering Associates
Consulting Engineer	1 yr.	Remington, Vernick & Vena
Consulting Engineer	1 yr.	_____
Consulting Engineer	1 yr.	Melick-Tully Associates
Consulting Engineer	1 yr.	Princeton Hydro, LLC
Consulting Engineer	1 yr.	Environmental Resolutions, Inc.
Codifier of Township Ordinances	1 yr.	General Code
Financial Advisor	1 yr.	Public Financial Management
Appraiser	1 yr.	Merrill Taub (Valuation Consultants, Inc)
Appraiser	1 yr.	Sockler Realty Services
Appraiser	1 yr.	Bettina D. Scholk, Appraisals, LLC
Appraiser	1 yr.	_____
Surveyor	1 yr.	_____
Surveyor	1 yr.	_____
Tax Map Official	1 yr.	Saladin Associates, PC
Affordable Housing Administrative Agent & Community Grants, Planning & Housing	1 yr.	Community Grants, Planning & Housing
Township Physician (Medical Services)	1 yr.	Concentra Occupational Health
Risk Management Consultant	1 yr.	Acrisure, LLC
Municipal Housing Liaison	1 yr.	Lori Savron
Deputy Township Clerk	1 yr.	Margaret Crawford
Assessment Search Official	1 yr.	Donna Kukla
Tax Search Official	1 yr.	Michael Pitts
Flood Search Official	1 yr.	Gail Smith
Conservation Easement Officer	1 yr.	Joseph Palmer
Fire Marshal	1 yr.	Roy Mondi
Fire Prevention Inspector	1 yr.	Roy Mondi
Fire Prevention Inspector	1 yr.	Steven Milne
Fire Prevention Inspector	1 yr.	Ryan Pinella
Fire Protection Inspector	1 yr.	Roy Mondi
Fire Protection Inspector	1 yr.	John Hall
Clean Communities Coordinator	1 yr.	Arthur Villano
Recycling Coordinator	1 yr.	Arthur Villano
Americans w/Disabilities Compliance Coord.	1 yr.	Donato Nieman
Affirmative Action Compliance Official	1 yr.	Donato Nieman
Dog Canvasser	1 yr.	Jennifer LaStella
Court (concurrent with Hillsborough's term):		
Primary Prosecuting Attorney	1 yr.	_____
DWI Special Prosecutor	1 yr.	_____
Public Defender	1 yr.	_____
Alternate Public Defender	1 yr.	_____