

Amended Third Round Housing Element and Fair Share Plan

Township of Delanco
Burlington County, New Jersey

Adopted August 2, 2016

Clarke Caton Hintz



Amended Third Round Housing Element and Fair Share Plan

Township of Delanco
Burlington County, New Jersey

Adopted August 2, 2016

Prepared By:



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A signed and sealed original is on file with the Township Clerk

**DELANCO TOWNSHIP
JOINT LAND USE BOARD**

RESOLUTION 2016-18

**RESOLUTION ADOPTING AN AMENDED
THIRD ROUND HOUSING PLAN
ELEMENT AND FAIR SHARE PLAN**

WHEREAS, the courts of this State have held that every municipality in this State has an obligation to provide their fair share of low and moderate income housing; and

WHEREAS, in 1985 the Legislature enacted the Fair Housing Act which created the Council on Affordable Housing (hereafter COAH) and charged COAH with the responsibility to adopt and administer regulations creating a process for municipalities to determine and address their fair share housing needs; and

WHEREAS, the NJ Supreme Court has declared COAH to be a moribund agency and reactivated a judicial process for the review and approval of affordable housing plans; and

WHEREAS, pursuant to said NJ Supreme Court decision Delanco Township (hereafter the Township) filed a Declaratory Judgment Action and Motion to Reaffirm and Maintain Immunity from zoning challenges and builders remedy suits; and

WHEREAS, the Supreme Court designated the Fair Share Housing Center (hereafter FSHC) an “interested party” in this matter in accord with In Re NJAC 5:96 and 5:97, 221 N.J. 1 (2015); and


WHEREAS, the Township entered into a settlement agreement with FSHC to establish the Township’s third round affordable housing obligations; and

WHEREAS, this Board prepared an amended housing element and fair share plan aimed at addressing that third round affordable housing obligation and held a public hearing on the adoption of same as required by the Municipal Land Use Law; and

WHEREAS, the Board finds as facts that the draft amended third round housing plan element and fair share plan are consistent with the land use plan element of the Master Plan and that the adoption and implementation of same are in the public interest and promote the general welfare.

Now, therefore, **BE IT RESOLVED** that the document entitled "Amended Third Round Housing Element and Fair Share Plan, Township of Delanco, Burlington County, New Jersey" prepared by Mary Beth Lonergan, PP, AICP, of Clarke Caton Hintz dated July 22, 2016 is hereby **ADOPTED** *in toto*.

Be it **FURTHER RESOLVED** that the Secretary is hereby authorized and directed to transmit a copy of the adopted plan and a certified copy of this resolution to the governing body together with this Board's request that the governing body endorse the adopted plan.


Laurie E. van Genderen, Chairperson

ATTEST:


Katherine T. Martin, Secretary

ACTION TAKEN: August 2, 2016

DATE ADOPTED/MEMORIALIZED: August 2, 2016

FOR ADOPTION: Ms. Jass, Mr. Martin, Mr. Matulewicz, Mr. Taraschi, Ms. van Genderen, Ms. Sargent, Mr. Lord

AGAINST: NONE

ABSTENTIONS/RECUSALS: NONE

CERTIFICATION

Katherine T. Martin hereby certifies that she is the Secretary of the Delanco Joint Land Use Board and that the foregoing is a true copy of a Resolution adopted by action of the said Board on August 2, 2016 and memorialized on the same date.


Katherine T. Martin

**DELANCO TOWNSHIP
RESOLUTION 2016-98**

**RESOLUTION ENDORSING
HOUSING ELEMENT AND FAIR SHARE PLAN
ADOPTED BY THE DELANCO TOWNSHIP
JOINT LAND USE BOARD**

WHEREAS, the Township of Delanco ("Township") instituted a Declaratory Judgment action before Burlington County Superior Court on July 7, 2015, wherein the Township sought to establish its Third Round Obligation, develop a plan to address same, and obtain an order of judgment and repose in order to avoid any potential builder's remedy suits; and

WHEREAS, through that process, the Township has entered into a Settlement Agreement with Fair Share Housing Center ("FSHC"), a court recognized interested party; and

WHEREAS, the Township's Affordable Housing Planner, Mary Beth Lonergan, PP, Clarke Caton & Hintz, drafted a Third Round Housing Element and Fair Share Plan, which was created in accord with the settlement terms; and

WHEREAS, following notice and a public hearing, the Delanco Township Joint Land Use Board ("Board) adopted the Housing Element and Fair Share Plan on August 2, 2016; and

WHEREAS, a copy of the Board's Resolution is attached hereto and incorporated herein; and

WHEREAS, the Township desires to endorse the Housing Element and Fair Share Plan as adopted by the Planning Board.


NOW, THEREFORE, BE IT HEREBY RESOLVED by the Township Committee of the Township of Delanco, County of Burlington, State of New Jersey that the Township endorses the Housing Element and Fair Share Plan as adopted by the Joint Land Use Board; and

BE IT FURTHER RESOLVED that pursuant to N.J.S.A. 52:27D-313, the Township hereby submits the Housing Element and Fair Share Plan to the Superior Court seeking an Order granting the Township protection and repose against exclusionary zoning litigation; and

BE IT FURTHER RESOLVED that a copy of this Resolution shall be submitted or made available to those interested parties as may be required by the Court.

TOWNSHIP OF DELANCO

Certified to be a true copy of a resolution adopted by the Township Committee of the Township of Delanco on the 15th day of August, 2016.


Katherine T. Martin, RMC
Deputy Township Clerk

Delanco Township Committee

Kate Fitzpatrick, Mayor

**Bill Dillenbeck, Deputy Mayor
Marlene Jass, Committeewoman
Mike Templeton, Committeeman
John Browne, Committeeman**

**Janice Lohr, RMC, Township Clerk
Douglas Heinold, Esq., Township Attorney**

Delanco Township Joint Land Use Board

**Laurie vanGenderen, Chairperson
Daniel Martin, Vice Chairperson
Ann Moore
Carl Taraschi**

**Janice Lohr, Twp. Official
Marlene Jass, Twp. Comm. Member
Matthew Bartlett - Mayor Designee
Theresa Mader
William Matulewicz
Andrea Sargent, Alternate 1
Thomas Lord, Alternate 2**

**Katherine T. Martin, Secretary
Hugh Dougherty, PE, CME, Engineer
Denis Germano, Esq., Attorney
Michelle Taylor, PP, AICP, Planner**



Table of Contents

Executive Summary	1
Affordable Housing Judicial and Legislative Background.....	2
First and Second Round Methods	2
Third Round Method	3
Fair Housing Act Amendments and the NJ Economic Stimulus Act.....	4
Appellate Court's 2010 Decision.....	5
Judicial Activity from 2011 to 2014	5
March 2015 NJ Supreme Court Decision.....	6
Affordability Requirements	7
<i>Table 1. Sample 2014 Income Limits for Region 5</i>	<i>8</i>
<i>Table 2. Illustrative 2014 Affordable Rents for Region 5.....</i>	<i>8</i>
<i>Table 3. Illustrative 2014 Affordable Sales Prices for Region 5.....</i>	<i>8</i>
Housing Element and Fair Share Plan Requirements	9
Township of Delanco's Affordable Housing History	9
Housing Conditions	12
<i>Table 4. Housing Units by Number of Units in Structure and Tenure of Occupant, 2013</i>	<i>12</i>
<i>Table 5. Housing Units by Age, 2013.....</i>	<i>13</i>
<i>Table 6. Number of Rooms per Housing Unit, 2013</i>	<i>13</i>
<i>Table 7. Number of Bedrooms per Housing Unit, 2013.....</i>	<i>14</i>
<i>Table 8. Value of Owner Occupied Housing Units, 2013 and 2000.....</i>	<i>15</i>
<i>Table 9. Gross Rent by Housing Unit in Delanco Township and Burlington County, 2013.....</i>	<i>15</i>
<i>Table 10. Housing Affordability, 2013.....</i>	<i>17</i>
<i>Table 11. Indicators of Housing Deficiency, 2010.....</i>	<i>17</i>
Population Characteristics	18
<i>Table 12. Population Change, 1990 to 2010.....</i>	<i>18</i>
<i>Table 13. Age of Population, 2000 and 2013.....</i>	<i>18</i>
Household Characteristics.....	19
<i>Table 14. Household Composition, 2013.....</i>	<i>19</i>
Income Characteristics.....	20

Table 15. Household Income, 2013	20
Table 16. Individual and Family Poverty Rates, 2013	20
Employment Characteristics	21
Table 17. Employed Residents by Industry Sector, 2013	21
Table 18. Employed Residents by Occupation, 2013	22
Table 19. Change in Employment Since 2010	22
Table 20. Employment, 2014.....	22
Table 21. Journey to Work, 2009-2013	23
Table 22. Available Vehicles by Household, 2009-2013.....	24
Table 23. Top Ten Commuting Destinations for Delanco Residents, 2011	24
Population Projections	24
Table 24. Population and Employment Projections, 2010 to 2040	25
Table 25. Housing Projections to 2025.....	25
Table 26. Approved and Anticipated Units from Known Development	26
Consideration of Land for Affordable Housing	26
Fair Share Plan	27
Delanco's Affordable Housing Obligation	27
Rehabilitation	27
Prior Round.....	28
Third Round Prospective Need Obligation	28
DELANCO'S AFFORDABLE HOUSING PLAN	28
Means of Addressing the Rehabilitation Component.....	28
Satisfaction of the Prior Round Obligation	29
Table 27. Summary of Credits from Prior Round, 1987-1999	30
Affordable Housing Sites Map	31
Inclusionary Developments – Completed	32
Russ Farm - Affordable Family Rentals and For-Sale Units; RCA (Completed).....	32
River's Edge Aerial Map	34
River's Edge (Completed).....	35
Zurbrugg Aerial Map.....	36
Zurbrugg Mansion (Completed)	37
Creekside (Completed)	38

Creekside Aerial Map	39
Prior Round Rental Bonuses	40
Satisfaction of the Third Round Obligation.....	40
Affordable Housing Sites Map	41
<i>Table 28. Affordable Housing Credits/Reductions/Bonuses Addressing Third Round Obligation.....</i>	<i>41</i>
Surplus Credits - Prior Round	41
Inclusionary Developments	42
Creekside (See Prior Description)	43
Zurbrugg Mansion (See Prior Description)	43
High Point (Approved).....	43
100% Affordable Development.....	44
Abundant Life/Living Springs - Completed	44
Abundant Life/Living Springs Manor Aerial Map.....	46
Crossings at Delanco Station	47
Rhawn/Cornerstone at Delanco (Approved)	47
Rhawn/Cornerstone at Delanco Aerial Map	48
Rhawn/Cornerstone at Delanco Site Plan.....	49
Third Round Rental Bonuses	51
Very Low Income Units	51
Affordable Units Meeting the Third Round Obligation	51
<i>Table 29. Affordable Housing Credits/Reductions/Bonuses Addressing Third Round Obligation.....</i>	<i>52</i>
Summary.....	53
Cost Generation.....	53
Monitoring/Status Report.....	54
Affordable Housing Ordinance and Affirmative Marketing	54
Affordable Housing Trust Fund/Spending Plan	55
Appendix A – Interlocal Services Agreement with Burlington County.....	I
Appendix B – Russ Farm - Deed Restrictions	II
Appendix C - River's Edge- Deed Restrictions.....	III
Appendix D– Zurbrugg Mansion- Consent Order/Deed Restrictions	IV

Appendix E - Creekside – Deed Restriction	V
Appendix F - High Point – Resolution of Approval/Developers Agreement.....	VI
Appendix G – Abundant Life/Living Springs Manor - Deed Restrictions	VII
Appendix H - Rhawn/Cornerstone at Delanco – Resolution of Approval/Proforma/schedule	VIII
Appendix I - Spending Plan.....	IX
Appendix J – Draft Affordable Fair Share Ordinance	X
Appendix K – Draft Affirmative Marketing Plan.....	XI
Appendix L – Adopted Development Fee Ordinance	XII
Appendix M – Settlement Agreement	XIII

EXECUTIVE SUMMARY

This Amended Third Round Housing Element and Fair Share Plan has been prepared for Delanco Township, Burlington County in accordance with the NJ Fair Housing Act ("FHA") *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 plan adopted by the Joint Land Use Board and endorsed by the Township Committee on December 15, 2008 and submitted to the Courts on December 30, 2008 (subsequently amended on October 5, 2010 and submitted to the Superior Court on November 17, 2010). This amended plan will serve as the foundation for the Township's submission to the Honorable Ronald E. Bookbinder, A.J.S.C., for a Judgment of Compliance and Repose.

There are three components to a municipality's affordable housing obligation: the Third Round rehabilitation share, the Prior Round obligation and the Third Round prospective need. As discussed in detail below the Township entered into a settlement agreement with the Fair Share Housing Center ("FSHC") to establish the Township's Third Round affordable housing obligations as follows:

- Third Round Rehabilitation Share: 23 units
- Prior Round Obligation: 61 units
- Third Round Prospective Need: 131 units

Regarding rehabilitation, the Township will continue its rehabilitation program participation with the County, institute a local rehabilitation program if necessary and will, if subsequently required by the Court, provide funding from the affordable housing trust fund necessary to supplement the cost to satisfy its rehabilitation obligation.

The Township has fully satisfied its Prior Round obligation through completed affordable housing units (COAH and Court - approved) including a mix of off-site sale and rental affordable units by the developer of Russ Farm, on-site affordable sale units at River's Edge inclusionary housing development, the Creekside inclusionary development which includes affordable rental units, the 100% affordable housing development at Zurbrugg Mansion, a regional contribution agreement ("RCA") with the Borough of Palmyra and Prior Round rental bonuses.

The Third Round prospective need will be more than satisfied through the use of existing, completed affordable housing units including the remaining family and senior rentals units not utilized for Prior Round credit (Zurbrugg Mansion and Creekside), 17 senior affordable rental units (senior cap) and 20 special needs rental units at the 100% affordable Abundant Life/Living Springs project and a Prior Round credit surplus. The Township has approved 63 affordable family rental units at the

Rhawn/Cornerstone at Delanco development and may receive funding or off-site production of three (3) affordable units from the High Point development. Additionally, the Township is eligible for Third Round rental bonuses.

AFFORDABLE HOUSING JUDICIAL AND 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 with any “growth area” as designated in the State Development Guide Plan (NJDCA 1978). Subject to a number of limitations, Mt. Laurel II also gave developers under appropriate circumstances the opportunity to secure a “builder’s remedy”.² A builder’s remedy 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 NJ Supreme Court to reactivate a judicial process in the review and approval of affordable housing plans. This document is being created to submit to the judicial process for determining affordable housing allocations and responses and ultimately, to receive a Third Round Judgment of Repose for a 10-year period.

First and Second Round Methods

COAH created the criteria and guidelines for municipalities to determine and address their respective affordable housing obligation⁴, or number of affordable dwellings. Following guidelines established by the U.S. Dept. 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 –

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

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

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”.

Third Round Method

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 was amended to extend the time period to ten year intervals, which meant that the Third Round should have been from 1999-2009. However, because of the delay, the Third Round was extended by five years to 2014 and condensed into an affordable housing delivery period of ten 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 and non-residential development within a municipality. Each municipality was required to project the amount of residential and non-residential growth that would occur during the period 2004 through 2014. Then municipalities were required to provide the opportunity of one affordable unit for every 8 market rate housing units developed and one affordable unit for every 25 jobs created. Jobs were not counted directly but rather by using non-residential building square footage as a substitute for employment. The 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 met the Court's directive to provide 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 affordable housing unit for every four market rate housing units developed and one 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 NJ 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 statewide 2.5% nonresidential development fee instead of requiring nonresidential developers to provide affordable housing.
- Eliminating RCAs 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).
- 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.

On July 27, 2009 Governor Corzine signed the "NJ Economic Stimulus Act of 2009",⁶ 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 development impact fees approved by COAH following a 1990 NJ Supreme Court decision.⁷

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

⁶ - P.L. 2009, c.90.

⁷ - Holmdel Builders Assn. v. Tp. of Holmdel, 121 N.J. 550, 583 A.2d 277 (1990).

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.⁸ 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.
- 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 NJ 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.

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

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

The failure of COAH to adopt new regulations in November 2014 as ordered by the NJ 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 NJ Supreme Court heard oral arguments on the motion on January 6, 2015. Much of the justices' questioning revolved around what means and methods could be employed to ensure that affordable housing was produced since the Attorney General's office could offer no assurances as to when the COAH board would meet to consider new rules. 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 Mt. 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 Mt. Laurel trial judges. The implication of this is that municipalities may 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, likely with the assistance of an appointed Special Master to the Court, 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 Repose, the court-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. Delanco filed its Declaratory Judgment action on July 7, 2015.

The NJ 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.

AFFORDABILITY REQUIREMENTS

Affordable housing is defined under the FHA as a dwelling, either for sale or rent that is within the financial means of households of low or moderate income as income is measured within each housing region. Delanco is in COAH's Region 5, which includes Burlington, Camden and Gloucester Counties. Moderate income households are those earning between 50% and 80% of the regional median income. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. In 2008, the State Legislature created an additional sub-category of low income – very-low income, which has been defined as households earning 30% or less of the regional median income.

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

The regional median income is defined by COAH using HUD income limits on an annual basis. In the spring of each year HUD releases updated regional income limits which COAH reallocates to its regions. It is from these income limits that the rents and sale prices for affordable units are derived. See Table 1 for 2014 income limits for Region 5 and Tables 2 and 3 for illustrative sale prices and gross rents from 2014 (the latest figures available). The sample rents and sale prices are illustrative and are gross figures which do not account for the specified utility allowance for rentals. We anticipate that the Superior Court will have to approve updated 2015 and 2016 income limits and permitted sales and rental increases.

Table 1. Sample 2014 Income Limits for Region 5

Household Income Levels	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household
Moderate	\$45,640	\$52,160	\$58,680	\$65,200	\$70,416
Low	\$28,525	\$32,600	\$36,675	\$40,750	\$44,010
Very Low	\$17,115	\$19,560	\$22,005	\$24,450	\$26,406

Source: NJDCA 2014 Affordable Housing Regional Income Limits

Table 2. Illustrative 2014 Affordable Rents for Region 5

Household Income Levels (% of Median Income)	1 Bedroom Unit Rent	2 Bedroom Unit Rent	3 Bedroom Unit Rent
Moderate (60% of Median)	\$917	\$1,100	\$1,271
Low (46% of Median)	\$703	\$844	\$975
Very Low (30% of Median)	\$458	\$550	\$636

Source: NJDCA 2014 Illustrative Rents

Table 3. Illustrative 2014 Affordable Sales Prices for Region 5

Household Income Levels (% of Median Income)	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate (70% of Median)	\$109,802	\$131,762	\$152,258
Low (50% of Median)	\$72,529	\$87,034	\$100,573
Very Low (30% of Median)	\$35,255	\$42,306	\$48,887

Source: NJDCA 2014 Illustrative Sales Prices for New Construction

HOUSING ELEMENT AND FAIR SHARE PLAN REQUIREMENTS

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

TOWNSHIP OF DELANCO'S AFFORDABLE HOUSING HISTORY

As background, Delanco Township received a First Round Final Judgment of Compliance and Repose on November 22, 1991 from the Honorable Myron H. Gottlieb, J.S.C, which granted the Township a six-year period of repose beginning on April 22, 1991. The Township's First Round repose included a settlement of prior litigation in the matter Delanco Land Partnership v. Township of Delanco, Docket

No. BUR-L-2673-89. Delanco Township's adopted housing element and fair share plan addressed its First Round new construction component of 34 and its rehabilitation share of 13 (based on the 1980 census).

To address COAH's Second Round regulations, the Township adopted a plan addressing its Second Round new construction obligation of 61 and its rehabilitation obligation of 17 (based on the 1990 census). For the Second Round, Delanco petitioned COAH with a housing element and fair share plan on April 18, 1997 and received Second Round substantive certification from COAH on October 7, 1998. Prior to the expiration of the Township's Second Round substantive certification from COAH, the Appellate Division issued an order pertaining to the manner in which extension requests for substantive certification were reviewed. Thereafter, the Township filed an action with the court in September 2004 to obtain the court's protection and to submit to the court's jurisdiction for the Third Round.

On February 28, 2008, the Honorable John A. Sweeney, A.J.S.C. (now retired), issued a Stay Order for continued immunity and protection from the filing of any Third Round builder's remedy or exclusionary zoning lawsuits. The Order also delayed the submission of the Township's amended Third Round petition until such deadline that "shall be subsequently established by the Court when it becomes clearer whether COAH's revised and re-proposed rules are adopted, appealed, stayed, sustained or invalidated."

On December 15, 2008, Delanco Township adopted a Third Round housing element and fair share plan addressing its Third Round growth share obligation of 122 (reduced from 173 units per eligible exclusions pursuant to *N.J.A.C. 5:97-2.5*), a 61-unit Prior Round obligation, and rehabilitation obligation of 7 (based on the 2000 census). On December 30, 2008, the Township submitted the adopted plan and petitioned to the NJ Superior Court for a Judgment of Compliance and Repose.

On October 5, 2010, the Township adopted a plan amendment and submitted the plan amendment to the Court on November 17, 2010. This amendment removed, at the request of the site's new owner Braga Construction, previously proposed inclusionary zoning for the Pellegrino site; counted 13 Prior Round surplus credits towards the Third Round growth share; added additional senior affordable units totaling 27 units at the completed Zurbrugg Mansion affordable senior housing redevelopment; added five (5) additional supportive and special needs affordable housing units at the approved Abundant Life (Living Springs) affordable housing development; and reduced the number of affordable family rental units required from the Rhawn/Cornerstone at Delanco site (contemplated then as an inclusionary development site).

On December 14, 2010, Judge Bookbinder issued a Consent Order for a Stay "until such time as COAH issues its revised Third Round rules and issues an affordable housing number to the Township of Delanco." Additionally, Judge Bookbinder ruled

that the Township “is fully compliant under the First and Second Rounds and the units called for in those rounds have actually been constructed” and found that in regard to the Third Round “the Township not only provided the realistic opportunity for affordable housing within its borders, a significant number of affordable housing units have already been constructed and are at or near occupancy.” FSHC was a party to the Consent Order along with the Township.

On July 20, 2011, Judge Bookbinder issued an Order of Extended Immunity and Repose indicating that “The Township shall remain immune from exclusionary zoning challenges and builder’s remedy suits until a period of ninety (90) days after new third round rules take effect, whereupon the Township shall be permitted to file a new third round declaratory judgment petition and request further immunity and repose until it adopts a new compliance plan....”

Pursuant to the NJ Supreme Court’s March 10, 2015 decision, Delanco Township was deemed to be a ‘participating’ municipality and, on July 7, 2015, the Township filed its Declaratory Judgment action, including a Motion to Reaffirm and Maintain Immunity. *“Towns that were in participating status before COAH and that pursuant to our order now affirmatively come before the courts seeking to obtain approval of an affordable housing plan should receive like treatment to that which was afforded by the FHA to towns that had their exclusionary zoning cases transferred to COAH when the Act was passed.”*

Pursuant to a November 19, 2015 Order by Judge Bookbinder, Delanco submitted a preliminary plan summary to the Courts by the December 7, 2015 deadline and on December 11, 2015, an order was entered granting the Township continued immunity while continuing the appointment of Frank Banisch, PP, AICP, as the Courts’ special master. By letter dated January 26, 2016, in response to the Township’s motion, special master Banisch recommended continued immunity. On April 1, 2016, the Court issued a second order further extending immunity and repose. On May 27, 2016, a third order was issued and at the time of the drafting of this plan, a fourth immunity order was pending.

Beginning on a February 1, 2016 phone case management conference and through numerous subsequent communications, the parties reached a framework for a settlement of this matter. As discussed in detail in this plan, the settlement reached between FSHC and the Township establishes the Township’s Third Round rehabilitation share, Prior Round obligation and Third Round prospective need as well as establishing Township-specific Third Round Compliance standards (Appendix M). A joint fairness/compliance hear is scheduled before Judge Bookbinder on September 8, 2016 at which time the proposed settlement agreement will be analyzed as part of a “fairness hearing” and the Township’s amended Third Round housing element and fair share plan will be reviewed as part of the “compliance hearing.”

HOUSING CONDITIONS

Single-family detached housing comprises 65.9% of Delanco's housing stock. Additionally, the Township contains many single-family attached units (20%), and 3- to 4-unit structures (5%). While the Township's stock of single-family detached housing is only marginally greater than that of Burlington County (64.8%), approximately 80% of all owner occupied units within the Township are detached. Additionally, while the percent of single-family detached units within the Township is substantially larger than the percentage (53.7%) state wide, only 16% of all units are rental, a number much lower than both State and County levels.

Table 4. Housing Units by Number of Units in Structure and Tenure of Occupant, 2013

Number of Units	Owner Occupied	Percent of Total	Renter Occupied	Percent of Total	Vacant	Total
1, Detached	1151	80.7%	21	7.0%	71	1,243
1, Attached	266	18.7%	80	26.8%	32	378
2	0	0.0%	32	10.7%	0	32
3 or 4	9	0.6%	85	28.4%	0	94
5 to 9	0	0.0%	55	18.4%	28	83
10 to 19	0	0.0%	0	0.0%	30	30
20 or more	0	0.0%	26	8.7%	0	26
Mobile Home	0	0.0%	0	0.0%	0	0
Other	0	0.0%	0	0.0%	0	0
Total	1,426	75.6%	299	15.9%	161	1,886

Source: Table B25032: Tenure by Units in Structure, ACS 2009-2013, DP04: ACS 2009-2013

Just over half of the Township's housing stock was built between 1950 and 1959 (20.3%), and 2000 to 2009 (31%). Another 34.9% was built before 1939. The median year-built of the Township's housing units is 1956, making Delanco's housing stock older than those of the County and the State (1974 and 1966, respectively). Much of the Township's older housing stock has been converted to rental units. Approximately 43% of all rental units are located in buildings built after 1939. It should be highlighted, however, that more than 100 of the Township's rental units were built in the year 2000 or later, representing a third of all renter-occupied units.

Table 5. Housing Units by Age, 2013

Year Built	Number	Percent	Owner	Renter	Vacant
2010 or later	54	2.90%	0	26	28
2000 to 2009	585	31.00%	497	80	8
1990 to 1999	4	0.20%	4	0	0
1980 to 1989	14	0.70%	14	0	0
1970 to 1979	45	2.40%	45	0	0
1960 to 1969	74	3.90%	74	0	0
1950 to 1959	383	20.30%	327	22	34
1940 to 1949	69	3.70%	40	0	29
1939 or earlier	658	34.90%	425	171	62
Total	1,886	100.0%	1,426	299	161
Median Year Built	1956				

Sources: Table B25036: Tenure by Year Structure Built, ACS 2009-2013; Table B25037: Median Year Structure Built by Tenure, ACS 2009-2013, DP04: Housing Characteristics, ACS 2009-2013

Just over 75% of all housing units have four (4) to eight (8) rooms, whereas units with three (3) or fewer rooms account for only 8.6% of all dwelling units. In comparison to both Burlington County and the State, these numbers illustrate that while units in Delanco are larger than the State average, the differences between the Township and County are miniscule.

Table 6. Number of Rooms per Housing Unit, 2013

Rooms	Number of Units	Percent of Total
1	30	1.60%
2	32	1.70%
3	100	5.30%
4	214	11.30%
5	248	13.10%
6	271	14.40%
7	425	22.50%
8	295	15.60%
9+	271	14.40%
Total	1,886	100.0%
Median	6.6 Rooms	

Source: Table DP04 Selected Housing Characteristics,
ACS 2009-2013

While the plurality of housing units in Delanco contains three (3) bedrooms (44.3%), 74.3% of all units had two (2) or three (3) bedrooms. While Delanco has a larger percent of two (2) to three (3) bedroom units when compared to both the State and the County, it has fewer units with four (4) or more bedrooms, or one-bedroom and efficiency units, proportionate to the overall housing stock.

Table 7. Number of Bedrooms per Housing Unit, 2013

Bedrooms	Number of Units	Percent of Total
Efficiency	30	1.6%
1	105	5.6%
2	566	30.0%
3	835	44.3%
4	310	16.4%
5+	40	2.1%
Total	1886	100.0%

Source: Table DP04 Selected Housing Characteristics, ACS 2009-2013

Between 2000 and 2013, housing values rose substantially in the Township. Accounting for inflation, the median home in 2000 was worth approximately \$150,976 (in 2013 dollars), compared to \$227,900 in 2013 (a 51% increase). Without adjusting for inflation, the median home value between 2000 and 2013 grew from \$111,600 to \$227,900, representing a 104.2% change (compared to 84.5% across the State). The doubling of the unadjusted median may be partially attributed to state and national trends, but may also be related to the construction of the River's Edge and Traditions at Newton's Landing housing developments, which generated a number of higher-priced units. In 2013, approximately 60% of all housing units were valued below \$249,999.

Based on COAH's 2014 Illustrative Sales numbers, in 2013 approximately 9.5% (136 units) of for-sale housing units within the Township may be considered affordable to low- and moderate-income households. Just under four percent (3.9%, or 55 units) of these units may be affordable to low income households, and at 5.7% (81 units) may be affordable to moderate income households (excluding those units affordable to low income households).

Table 8. Value of Owner Occupied Housing Units, 2013 and 2000

Housing Unit Value	2013 Units	Percent	2000 Units	Percent
Less than \$50,000	0	0.0%	8	.8%
\$50,000 to \$59,999	0	0.0%	5	0.5
\$60,000 to \$69,999	0	0.0%	13	1.4
\$70,000 to \$79,999	9	0.6%	60	6.4%
\$80,000 to \$89,999	0	0%	98	10.5%
\$90,000 to \$99,999	16	1.1%	158	16.9%
\$100,000 to \$124,999	30	2.1%	273	29.1%
\$125,000 to \$149,999	81	5.7%	194	20.7%
\$150,000 to \$174,999	184	12.9%	62	6.6%
\$175,000 to \$199,999	216	15.1%	15	1.6%
\$200,000 to \$249,999	317	22.2%	0	0%
\$250,000 to \$299,999	244	17.1%	26	2.8%
\$300,000 or more	329	23.1%	25	2.6%
Total	1,426		937	
Median (dollars)	\$227,900		\$111,600	

Sources: QT-H14 Value, Mortgage Status, and Selected Conditions, 2000; B25075: Value, ACS 2009-2013

In 2013, the median rent in Delanco was \$1,027 dollars, compared to \$1,186 across Burlington County. Approximately 57% of units rent for between \$1,000 and \$1,999, including 24% which rent between \$1,000 and \$1,249. Based on COAH's 2014 illustrative rents, 13 units, or 4.9%, may be affordable to very-low income renters, depending on the number of bedrooms being rented. Similarly, 138 units (46.2% of rental units) may be affordable to low income renters and 209 units (69.9% of rental units) may be affordable to moderate income households, exclusive of those units affordable to lower income groups.

Table 9. Gross Rent by Housing Unit in Delanco Township and Burlington County, 2013

Gross Rent	Units in Delanco	Percent	Units in Burlington County	Percent	Difference
Less than \$100	0	0%	7	0%	0.0%
\$100 to \$149	0	0.2%	62	0%	-0.2%
\$150 to \$199	0	0.4%	149	0%	-0.4%
\$200 to \$249	0	0.5%	197	0%	-0.5%

Gross Rent	Units in Delanco	Percent	Units in Burlington County	Percent	Difference
\$250 to \$299	0	0.6%	238	0%	-0.6%
\$300 to \$349	0	0.3%	119	0%	-0.3%
\$350 to \$399	13	0.4%	162	4.3%	3.9%
\$400 to \$449	0	0.4%	143	0%	-0.4%
\$450 to \$499	0	0.4%	139	0%	-0.4%
\$500 to \$549	0	0.7%	261	0%	-0.7%
\$550 to \$599	0	1.1%	388	0%	-1.1%
\$600 to \$649	0	1.5%	552	0%	-1.5%
\$650 to \$699	0	1.9%	690	0%	-1.9%
\$700 to \$749	0	1.9%	699	0%	-1.9%
\$750 to \$799	44	2.7%	988	14.7%	12.0%
\$800 to \$899	11	7.2%	2,641	3.7%	-3.5%
\$900 to \$999	70	9.8%	3,600	23.4%	13.6%
\$1,000 to \$1,249	61	23.6%	8,631	20.4%	-3.2%
\$1,250 to \$1,499	10	14.6%	5,342	3.3%	-11.2%
\$1,500 to \$1,999	25	18.5%	6,779	8.4%	-10.1%
\$2,000 or more	55	8.5%	3,132	18.4%	9.8%
No cash rent	10	4.7%	1,720	3.3%	-1.3%
Total	299	100.0%	36,639	100.0%	
Median Rent	\$1,027		\$1,186		

Sources: Table B25063 Gross Rent, ACS 2009-2013; Table B25064 Median Gross Rent (Dollars), ACS 2009-2013

Housing is generally considered to be affordable if the costs of rents, mortgages, and other essential housing costs consume 28% or less of an owner-household's income or 30% or less of a renter-household's income. Homeowner rates are lower to account for the additional home maintenance costs associated with ownership. In Delanco, 35.6% of all households in occupied units are expending more than 30% of their incomes on housing. The cost burden of housing affects renters more commonly than owners, with 65.2% of renter households paying more than 30% of their incomes, while the same is true for just 30.6% of homeowner households.

Table 10. Housing Affordability, 2013

Monthly Housing Costs as Percent of Income	Owner-Occupied	% of Total	Renter	% of Total	All Occupied	% of Total
Less than 20 Percent	48	46.5%	4	16.2%	56	42.1%
20 to 29 Percent	104	22.9%	23	14.2%	133	21.6%
30 Percent or More	454	30.6%	161	65.2%	616	35.6%
Total	1,483	100.0%	247	95.6%*	1730	99.3%*

Source: Table S2503 Financial Characteristics, ACS 2009-2013

*Remaining percentage has zero or negative income, or paid no cash rent.

Though the definition of deteriorated housing has evolved over several iterations of the State's affordable housing regulations, the currently accepted criteria for determining whether a housing unit is in a deficient state are as follows: (1) the unit is overcrowded (contains more than 1 person per room) and is more than fifty years old, (2) the unit has inadequate plumbing, or (3) the unit has inadequate kitchen facilities. While Table 11, Indicators of Deficiency, 2010, demonstrates the percentage of units meeting each criterion, it should not be interpreted as reflecting the Township's rehabilitation obligation, as it does not account for double counting units containing more than one indicator of deficiency and it only shows overcrowding in units built prior to 1950 instead of 1965, due to constraints in available data tables. In 2010, while there were two (2) housing units in Delanco that were overcrowded (more than one (1) person per room) none of them were in structures that were built before 1950. There were 26 units that had incomplete kitchen facilities, and 36 units with incomplete plumbing.

Table 11. Indicators of Housing Deficiency, 2010

Indicator	Incomplete Plumbing	Incomplete Kitchen	Crowded or Overcrowded, and built pre 1950
Number of Units	36	26	0

Source: Table B25050 Tenure by Plumbing Facilities by Occupants per Room by Year Structure Built, ACS 2006-2010; Table B25051: Kitchen Facilities for All Housing Units, ACS 2006-2010. This data was not available for the American Community Survey's 3-Year data set.

POPULATION CHARACTERISTICS

Between 1990 and 2010, Delanco grew by 29.2%. When compared to 13.6% growth in Burlington County this growth is substantial. While the Township's overall growth out-paces that of the County, between 1990 and 2000 the Township's population declined (-2.4%).

Table 12. Population Change, 1990 to 2010

Location	1990	2000	% Change	2010	% Change
Delanco	3,316	3,237	-2.4%	4,283	29.2%
Burlington	395,066	423,394	7.2%	448,734	13.6%

Source: U.S. Census 1990, 2000, 2010

Since 2000, age cohorts in Delanco have had significant shifts. While Delanco has seen a 22.9% reduction in the number of adults ages 35 to 39, there has been a significant increase (143.5%) in the number of older adults and senior citizens, ages 60 to 64. The 60 to 69 age bracket has seen the most growth, increasing by 397 persons or 168%, helping to increase Delanco's median age from 37 to 41.5 – a 12.2% jump.

Table 13. Age of Population, 2000 and 2013

Age in Years	Number in 2000	Percent	Number in 2013	Percent	Percent Change 2000-2010
Under 5	184	5.7%	176	3.9%	29.9%
5-9	242	7.5%	225	5.0%	-5.0%
10-14	252	7.8%	259	5.8%	-9.9%
15-19	201	6.2%	318	7.1%	22.4%
20-24	163	5.0%	228	5.1%	32.5%
25-29	189	5.8%	316	7.1%	67.2%
30-34	257	7.9%	292	6.5%	21.4%
35-39	314	9.7%	355	7.9%	-22.9%
40-44	291	9.0%	250	5.6%	-11.7%
45-49	221	6.8%	309	6.9%	70.1%
50-54	219	6.8%	309	6.9%	53.0%
55-59	150	4.6%	371	8.3%	97.3%
60-64	124	3.8%	380	8.5%	143.5%
65-69	113	3.5%	254	5.7%	109.7%
70-74	133	4.1%	178	4.0%	34.6%
75-79	87	2.7%	114	2.5%	25.3%
80-84	61	1.9%	31	0.7%	72.1%

Age in Years	Number in 2000	Percent	Number in 2013	Percent	Percent Change 2000-2010
85+	36	1.1%	113	2.5%	63.9%
Total	3,227	100.0%	4,478	100.0%	32.3%
Median Age	37 Years		41.5 Years		

Source: Table B01001: Sex by Age, ACS 2009-2013; Table B01002: Median Age by Sex, ACS 2009-2013; Census 2010 DP-1; Census 2000 Summary File 1

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. By comparison, a family is identified as a group of persons including a householder and one or more persons related by blood, marriage or adoption, all living in the same household. In 2013, there were 1,725 households (averaging 2.6 people) and 1,264 families (averaging 3.05 people). Of the total households 73.3% were families and 55.9% of all families were married couples, 13.5% female-headed and 3.9% were male headed. Additionally, of the 461 non-family households 87.8% consisted of people living alone.

Table 14. Household Composition, 2013

Household Type	Number of Households	Percent
<i>Family households</i>	1,264	73.3%
Married-couple family	964	55.9%
With Children	311	18.0%
With No Children	653	37.9%
Male householder, no spouse present	67	3.9%
With Own Children Under 19	0	0%
Without Own Children Under 19	67	3.9%
Female householder, no spouse present	233	13.5%
With Own Children Under 19	129	7.5%
Without Own Children Under 19	104	6.0%
<i>Nonfamily households</i>	461	26.7%
Householder living alone	405	23.5%
Total Households	1,725	100.0%

Source: Table DP02. Selected Social Characteristics, ACS 2009-2013

INCOME CHARACTERISTICS

In 2013, the median household income in Delanco was \$73,005, approximately \$5,441 below the County median. While 38.1% of Delanco households earn between \$35,000 and \$74,999, the same can be said for only 29% of County households. While Delanco's median household income and income distribution would indicate that the Township is less affluent than the County as a whole, comparing poverty rates tells a slightly different story. While the County has family and individual poverty rates of 3.9% and 5.5% respectively, Delanco has poverty rates of 2.0% and 5.0% respectively.

Table 15. Household Income, 2013

Household Income	Households	Percent
Less than \$10,000	75	4.3%
\$10,000-\$14,999	10	0.6%
\$15,000-\$24,999	54	3.1%
\$25,000-\$34,999	89	5.2%
\$35,000-\$49,999	332	19.2%
\$50,000-\$74,999	340	19.7%
\$75,000-\$99,999	253	14.7%
\$100,000-\$149,999	354	20.5%
\$150,000-\$199,999	137	7.9%
\$200,000+	81	4.7%
Total	1,725	99.9%*
Median Income	\$ 73,005	

Source: Table DP03 Selected Economic Characteristics, ACS 2009-2013

*Number off due to rounding

Table 16. Individual and Family Poverty Rates, 2013

Location	Families	Individuals
Delanco Township	2.0%	5.0%
Burlington County	3.9%	5.5%

Source: Table DP03 Selected Economic Characteristics, ACS 2009-2013

EMPLOYMENT CHARACTERISTICS

The largest industrial sector in the Township, “Educational Services, and Health Care and Social Assistance”, employed 28.1% of all residents in the labor force in 2013. The next largest sectors were “Finance and Insurance, and Real Estate and Rental and Leasing”, “Manufacturing” and “Retail Trade”, respectively employing 11%, 10.7%, and 8.2%. Table 17, Employed Residents by Industry Sector, 2013, below, provides the numerical breakdown.

Table 17. Employed Residents by Industry Sector, 2013

Industry	Number	Percent
	0	0.0%
Agriculture, forestry, fishing and hunting, and mining		
Construction	135	5.7%
Manufacturing	253	10.7%
Wholesale trade	71	3.0%
Retail trade	193	8.2%
Transportation and warehousing, and utilities	105	4.4%
Information	51	2.2%
Finance and insurance, and real estate and rental and leasing	260	11.0%
Professional, scientific, and management, and administrative and waste management services	166	7.0%
Educational services, and health care and social assistance	662	28.1%
Arts, entertainment, and recreation, and accommodation and food services	183	7.8%
Other services, except public administration	115	4.9%
Public administration	166	7.0%
Civilian employed population 16 years and over	2,360	100%

Source: Table DPO3 Selected Economic Characteristics, ACS 2011-2013

While Delanco’s workforce is spread across a number of industries, in 2013, 35.1% of resident occupations were classified as “Management, Business, Science, and Arts”. “Natural Resources, Construction, and Maintenance” was the smallest occupation classification in Delanco, accounting for only 5.9% of the labor force.

Table 18. Employed Residents by Occupation, 2013

Occupation	Number	Percent
Management, Business, Science, Arts	829	35.1%
Service	392	16.6%
Sales and Office	725	30.7%
Natural Resources, Construction, Maintenance	139	5.9%
Production, Transportation, Material Moving	275	11.7%
Total	2,360	100.0%

Source: Table DPO3 Selected Economic Characteristics, ACS 2011-2013

Since the last amendment to Delanco's Housing Plan (2010), the Township's labor force has seen a steady increase in participation. In 2010, there were 2,303 individuals in the labor force, while 2,577 were recorded in 2014. While growth in the labor force is a certain positive, the unemployment rate has seen only very modest improvement, decreasing from 8.6% in 2010 to 8.0% in 2014 (although a recent high of 10.9% was seen in 2012).

Table 19. Change in Employment Since 2010

Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	2,303	2,104	199	8.6%
2011	2,346	2,145	201	8.6%
2012	2,644	2,355	289	10.9%
2013	2,603	2,355	248	9.5%
2014	2,577	2,370	207	8.0%

Source: NJ Department of Labor and Workforce Development

The New Jersey Department of Labor tracks employment throughout the State. As opposed to Table 19, Change in Employment Since 2010, which examines employed residents of Delanco, Table 20, Employment, 2014, indicates jobs by location of the employer.

Table 20. Employment, 2014

Year	Delanco Township	Burlington County
2014	1,556	195,346

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

As illustrated in Table 21, Journey to Work, about 83% of employed residents in Delanco and the County drive alone to work. Given that the Township's predominant land use pattern is residential, the high percentage of those driving to work is not alarming. While only 4.7% of Delanco residents take transit to work this percent is higher than that of the County which may be partially a result of the River Line light rail stop in Delanco which serves Camden to Trenton. When comparing transit commuting numbers between Delanco and the County to those of the state, we can infer that Burlington County residents have comparatively limited access to public transit beyond the River Line and NJ Transit buses.

Table 21. Journey to Work, 2009-2013

Mode	Delanco	Burlington County	New Jersey
Drive Alone	83.3%	82.8%	71.9%
Carpool	4.6%	7.2%	8.4%
Transit	4.7%	3.4%	10.8%
Walk	1.5%	1.5%	3.1%
Other	2.2%	1.1%	1.9%
Work at Home	3.8%	4.0%	3.9%

Source: 2009-2013 American Community Survey: Selected Economic Characteristics (DP03)

While 65.3% of households in Delanco have more than 2 vehicles, 4.4% of households have none. While the Township is served by light rail, and is in close proximity to NJ Transit bus lines including the 419 bus, which runs between Riverside and Camden and the 409 bus that runs along Rt. 130, the small number of residents without a car indicates that use of public transportation is limited. While we assume some portion of householders living alone make up the population of those with only one car, we cannot assume this to be 100% the case. Thus for some households within the Township, limited public transportation and a housing stock largely isolated from commercial and social services, presents significant mobility challenges. See Table 22, Available Vehicles by Household.

Table 22. Available Vehicles by Household, 2009-2013

Vehicles	Count	Percent
None	76	4.4%
One	522	30.3%
Two	809	46.9%
Three +	318	18.4%

Source: 2009-2013 American Community Survey: Selected Housing Characteristics (DP04)

The most common commuting destination of employed residents is Philadelphia. As shown in Table 23, Top Ten Commuting Destinations for Delanco Residents, with the exception of Philadelphia, commuting locations are within NJ.

Table 23. Top Ten Commuting Destinations for Delanco Residents, 2011

Destination	Jobs	Percent
Philadelphia	200	9.6%
Moorestown Twp.	106	5.1%
Mount Laurel Twp.	97	4.6%
Cherry Hill Twp.	94	4.5%
Delran Twp.	92	4.4%
Trenton	78	3.7%
Cinnaminson Twp.	73	3.5%
Delanco Twp.	57	2.7%
Willingboro Twp.	56	2.7%
Burlington Twp.	53	2.5%

Source: US Census and Center for Economic Studies. Longitudinal Employer-Household Dynamics, 2011

POPULATION PROJECTIONS

The Delaware Valley Regional Planning Commission (DVRPC), the Metropolitan Planning Organization (MPO) that contains Delanco Township as well as the remainder of Burlington County, published population and employment projections for the year 2040. DVRPC projects that the Township's population and employment will increase by 20.7%, from 2010 to 2040. As Table 24, Population and

Employment Projections, 2010 to 2040 indicates, both employment and population growth are expected to exceed that of the County as a whole.

Table 24. Population and Employment Projections, 2010 to 2040

Delanco Population 2010	2040	Percent Change 2010-2040	Burlington County 2040	Percent Change 2010-2040
4,283	5,171	20.7%	494,732	16.8%
Delanco Employment 2010	2040	Percent Change 2010-2040	Burlington County 2040	Percent Change 2010-2040
1,064	1,285	20.7%	239,416	10.2%

Source: Delaware Valley Regional Planning Commission, 2040 Employment and Forecasts

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 new housing units in Delanco during the years 2000 through 2014 averaged approximately 52.8 units annually. Table 25 illustrates building permit issuance since the year 2000.

If this rate were to remain relatively constant Delanco may see growth of approximately 528 (not factoring in demolitions) units by 2025. However, the Township's Planner does not expect growth to continue at the same rate due to the limited available land for redevelopment. It is more realistic to project that approximately 20 units will be constructed in addition to 326 approved and anticipated units from the projects shown in Table 26. As such, the Township projects approximately 350 units in total to be built by 2025.

Table 25. Housing Projections to 2025

Year	Building Permits Issued
2000	0
2001	11
2002	48
2003	148
2004	140
2005	88
2006	90
2007	91
2008	23

Year	Building Permits Issued
2009	122
2010	4
2011	20
2012	4
2013	3
2014	0
Average	52.8
Ten Year Projection	350 dwellings

Source: NJDCA Construction Reporter, Building Permits, Yearly Summary Data, and Housing Units Authorized by Building Permits for New Construction

Table 26. Approved and Anticipated Units from Known Development

Unbuilt / Approved Projects	Units
Rhawn / Cornerstone	64
Crossings @ Delanco Station	105
Abundant Life / Living Springs	43
<i>Potential Future Phase(s)</i>	100
High Point	14
Total	326

CONSIDERATION OF LAND FOR AFFORDABLE HOUSING

Delanco Township has limited developable land that is appropriate for inclusionary housing or 100% affordable housing developments. The vast majority of remaining large undeveloped tracts of land within the Township are dredge spoil dumping sites, surrounded by industrial uses, or otherwise environmentally constrained.

As part of this housing element, while the Township has considered all lands, the Township believes that the projects indicated in this document represent the best options for affordable housing development. The Township's main approved affordable housing site, the Rhawn/Cornerstone at Delanco, is located within walking distance of the light rail stop, which is planned to have one or more signalized pedestrian crossings at the platform to improve walkability. It is also near community amenities including local schools, parks and services.

FAIR SHARE PLAN

Delanco's Affordable Housing Obligation

In its March 10, 2015 decision, the NJ 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, 2010.⁹

As noted earlier, Delanco Township and FSHC will enter into a settlement agreement to establish the Township's rehabilitation share, Prior Round and Third Round prospective need as shown below:

- Third Round Rehabilitation Share: 23 units
- Prior Round Obligation: 61 units
- Third Round Prospective Need: 131 units

Rehabilitation

While the Courts have yet to set Delanco Township's Third Round rehabilitation share, the Township proposes to move forward by virtue of the settlement agreement which establishes the Township's rehabilitation obligation of 23 units. In the history of affordable housing rules and regulations in New Jersey, the rehabilitation share was calculated using U.S. Decennial Census indicators of sub-standard housing (see Table 11, p. 17) cross-linked to demographic profiles. An example of a sub-standard dwelling unit is one lacking a complete kitchen, such as the absence of a stove for cooking. Since this information came from the long form Census, since replaced by sampling in the American Community Survey (ACS), the traditional snapshot of the data has been April 1 of the Census year (1980, 1990, 2000 and 2010).

The 23-unit rehabilitation obligation was determined by estimating that there are zero (0) existing older, crowded units (units containing more than 1.01 persons per room in structures built before 1960), and that there are 27 units with incomplete

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

plumbing facilities alone plus another 27 units with incomplete kitchen facilities. Note that these numbers differ from those provided in Table 11 of this Plan, due to a difference in sources used, as further detailed in footnote 10, below. From the 54 total units fitting these criteria, double counted units (units counted for more than one of those criteria) were eliminated to arrive at a total of 40 deficient units. This number was cross-tabulated to other demographic data that determined that 57.4% of the units were occupied by low or moderate income households and thus the Township was assigned a 23 unit rehabilitation component.¹⁰

Prior Round

The Prior Round can be defined as the cumulative 1987 through 1999 affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing. COAH previously calculated Delanco's Prior Round obligation to be 61 units (Appendices to the Substantive Rules - N.J.A.C. 5:93).

Third Round Prospective Need Obligation

While the Courts have yet to assign Delanco a Third Round obligation, Delanco's Third Round prospective need obligation will be determined through a settlement agreement between the Township and FSHC. The established Third Round prospective need of 131 units represents a 30% reduction off the number calculated by FSHC. Additionally, as indicated in the settlement agreement, should the Third Round prospective need affordable housing obligation of 131 units be reduced beyond 20% (105 or less) by a court of competent jurisdiction in Burlington County or an administrative agency responsible for implementing the FHA, the Township reserves the right to apply any additional Third Round credits towards a Fourth Round fair share obligation.

DELANCO'S AFFORDABLE HOUSING PLAN

MEANS OF ADDRESSING THE REHABILITATION COMPONENT

COAH's Second Round rules require that the rehabilitation obligation be satisfied by bringing deficient units up to building code standard. A minimum average of \$10,000 will be expended for actual hard costs as may be determined by the Court when it rules on permitted Third Round standards. Delanco will utilize Burlington County's housing rehabilitation program to satisfy its 23-unit rehabilitation obligation. The Burlington County Department of Human Services (Community

¹⁰ As calculated by FSHC in *New Jersey Low and Moderate Income Housing Obligations for 1999-2025 Calculated Using the NJ COAH Prior Round (1987-1999) Methodology* (dated April 16, 2015, revised July 2015). FSHC utilized the same data sources that COAH used for the 2014 analyses. Data sources included the 2010 Census, the 2008-2012 American Community Survey 5-year estimates and the 2007-2011 American Community Survey Public Use Microdata Sample (PUMS).

Development Division) administers two programs which utilize federal Community Development Block Grant (“CDBG”) and HOME Investment Partnership funds. The Township will continue its participation with the County as reflected in its ongoing Interlocal Services Agreement (Appendix A). Additionally, if required by the special master, the Township will provide funding assistance to the County or institute a local rehabilitation program if necessary. The Township will provide funding from the affordable housing trust fund necessary to supplement the cost to satisfy its rehabilitation obligation.

Delanco’s rehabilitation program will adhere to the regulations in *N.J.A.C. 5:93-5.2*. Specifically, all rehabilitated units will comply with the definition of a substandard housing unit in *N.J.A.C. 5:93-1.3*, which states, “a housing unit with health and safety code violations that require the repair or replacement of a major system”. Major systems include weatherization, roofing, plumbing, heating, electricity, sanitary plumbing, lead paint abatement and/or load bearing structural systems. All rehabilitated units shall meet the applicable construction code. Additionally, all rehabilitated units shall be occupied by low or moderate income households and upon completion of the rehabilitation, ten (10) year affordability controls shall be placed on the property in the form of a lien or deed restriction.¹¹

In the prior rounds, as noted above, the rehabilitation share of municipal affordable housing obligation was reset at each Decennial Census count. Consequently, Delanco has established April 1, 2010 as the point in time for counting units towards its Third Round rehabilitation obligation.

Should a shortfall in funding occur, the governing body of Delanco Township may adopt a resolution of intent to bond that commits to fund or issue debt for any shortfall in its rehabilitation program or may choose to perform a structural conditions survey to reduce the agreed to 23-unit rehabilitation share.

SATISFACTION OF THE PRIOR ROUND OBLIGATION

As noted above, Delanco’s Prior Round obligation is 61. 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. All of the Township’s Prior Round compliance mechanisms were previously certified by COAH or the Courts as part of the Township’s First and Second Round substantive certifications and Judgments of Repose.

COAH requires that the Township establish the maximum number of age-restricted affordable units¹² and the minimum number of affordable rental units¹³ using the following formulas:

¹¹ While *N.J.A.C. 5:93* (COAH’s Second Round rules) permits 6-year controls, the County will be required to provide 10-year controls or such control period as determined by the Court.

¹² *N.J.A.C. 5:93-6.1(b)1* - revised per COAH second round policy

Minimum Prior Round Rental Obligation = 16 units

$.25((61 + 23) - 23 \text{ rehab component}) = 15.25$, required to round up to 16

- 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 percent of the rental obligation shall receive a bonus for age-restricted units; and
- No rental bonus is granted in excess of the prior round rental obligation.

Maximum Prior Round Age Restricted Units = 11 units

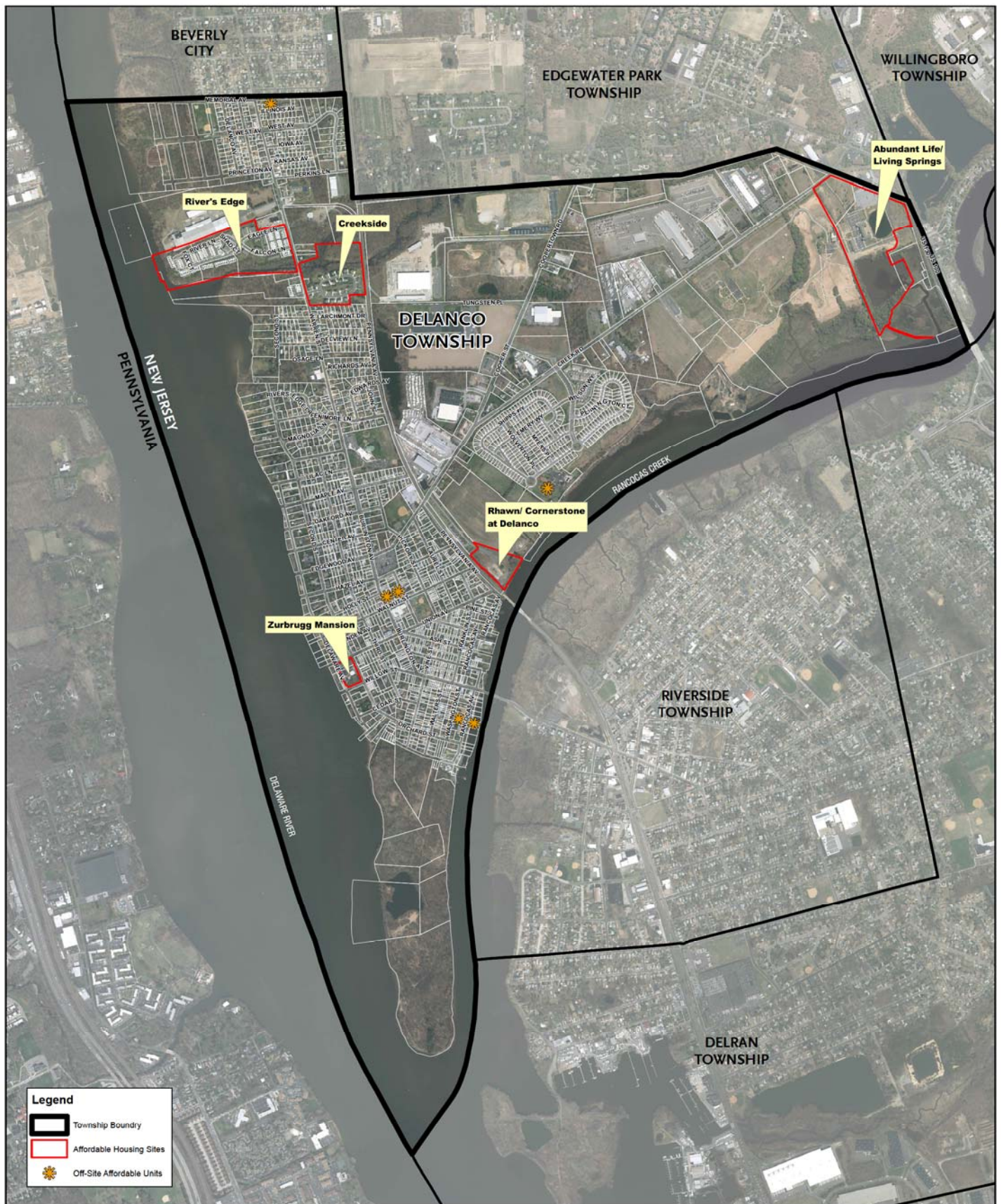
$.25((61 + 23) - 23 \text{ rehab component} - 14 \text{ RCAs}) = 11.75$, required to round down to 11

As summarized in Table 26, Summary of Credits from Prior Round, 1987-1999, the Township has addressed its 61-unit Prior Round obligation with completed affordable housing units/transferred RCA payments and Prior Round rental bonuses.

Table 27. Summary of Credits from Prior Round, 1987-1999

Delanco Township's Prior Round Compliance Mechanisms: 61-Unit Prior Round	Credits	Bonuses	Total
<i>Inclusionary Developments - completed</i>			
Russ Farm – family for-sale off-site - 404 Illinois Ave.	1	0	1
Russ Farm – family rentals off-site – multiple sites	15	15	30
Russ Farm – funded RCA with Palmyra	14	0	14
River's Edge - family affordable sale units on-site	15	0	15
River's Edge/Zurbrugg – senior affordable rentals (11 of 27)	11	0	11
Creekside – family affordable rentals (1 of 3)	1	1	2
Total	57	16	73
<i>Prior Round Surplus</i>			<i>12</i>

¹³ N.J.A.C. 5:93-5.15(a)



Inclusionary Developments – Completed

Russ Farm - Affordable Family Rentals and For-Sale Units; RCA (Completed)

As part of its inclusionary development, Russ Farm, LLC, developed 15 off-site affordable family rental units and one (1) off-site affordable family sale unit as listed below:

232 Rancocas Ave. (1 unit)
 234 Rancocas Ave. (1 unit)
 235 Washington St. (1 unit)
 237 Washington St. (1 unit)
 410 Walnut St. (1 unit)

404 Illinois Ave. (1 sale unit)
 200 Russ Farm Way (1 unit)
 309-311 Holly St. (2 units)
 708 Burlington Ave. (7 units)



232 Rancocas Ave.



234 Rancocas Ave.



410 Walnut St.



708 Burlington Ave.



404 Illinois Ave.



309-311 Holly St.



200 Russ Farm Way



235-237 Washington St.

All 16 off-site affordable units are completed and received certificates of occupancy (COs) between October 29, 2002 and July 15, 2005. Ten rental units are administered by Moorestown Ecumenical Neighborhood Development (“MEND”) and have appropriate affordability controls (Appendix B). Six (6) are administered by Salt and Light. With the exception of 404 Illinois Ave, a for-sale unit with 30-year controls, the units administered by Salt and Light have only 20-year controls (Appendix B). Salt and Light has indicated that it is their intent to seek a second 20-year compliance period for a total control period of 40 years (permitted under their original deed restriction through the County HOME Investment Partnership Program). If Salt and Light should seek the extension of controls, as permitted, the original loan would be forgiven in its entirety. Both MEND and Salt and Light are experienced affordable housing administrative agents and administer the units in accordance with the UHAC at *N.J.A.C. 5:80-26.1*. Pursuant to *N.J.A.C. 5:93-5.15 (d)*, the 15 off-site affordable family rental units are eligible for rental bonuses and all 15 units and corresponding rental bonuses will be applied to the Prior Round. The 16 total affordable units have a split of eight (8) low-income units including one (1) very low-income unit, and eight (8) moderate-income units. The unit bedroom mix includes four (4) one-bedroom units, six (6) two-bedroom units and six (6) three-bedroom units. Additionally, Russ Farm, LLC, funded a regional contribution agreement (RCA) and Delanco Township transferred funds for the 14 units to Palmyra Borough.



Legend
 River's Edge Site



Clarke Caton Hintz ● ● ■
 Architecture
 Planning
 Landscape Architecture

(Block 500/Lot 2)

River's Edge

LOCATION:
 Delanco Township, Burlington County, NJ

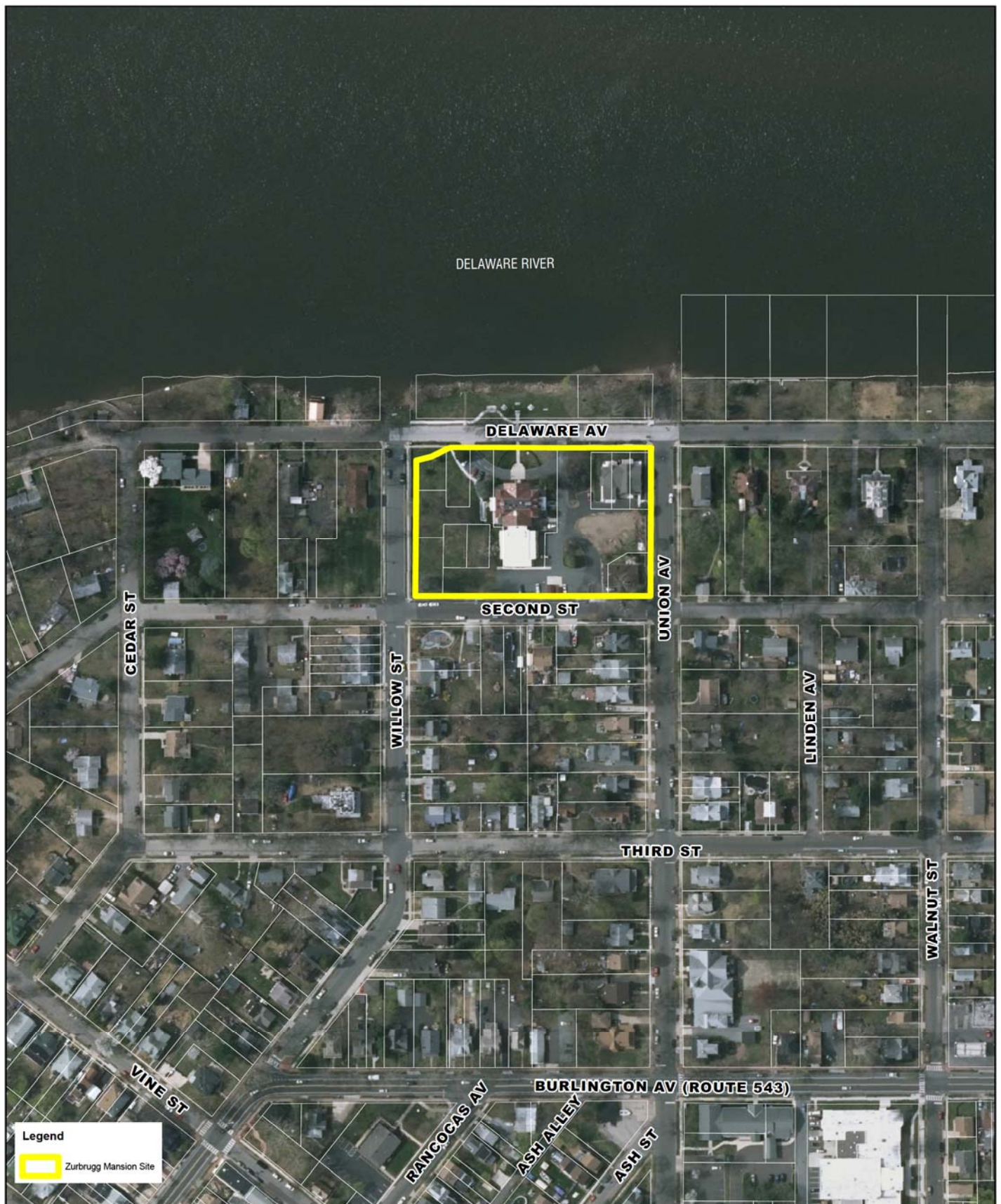
DATE:
 July 2016

River's Edge (Completed)

The River's Edge inclusionary development consists of on-site affordable family for-sale units and off-site affordable senior rentals (located at Zurbrugg Mansion – see project description below). There were 15 affordable family sale units constructed on-site at River's Edge (Block 500/Lot 2). The 15 affordable units are completed, have the appropriate affordability controls through deed restrictions (Appendix C), received CO's between April 10, 2007 and July 2, 2007 and are administered by Housing Affordability Service ("HAS"), an experienced affordable housing administrative agent, of the New Jersey Housing and Mortgage Finance Agency ("HMFA") in accordance with UHAC at *N.J.A.C. 5:80-26.1*. The 15 affordable units have a split of eight (8) low-income units and seven (7) moderate-income units and the unit bedroom mix includes nine (9) two-bedroom units and six (6) three-bedroom units.



River's Edge



Clarke Caton Hintz ● ● ■
Architecture
Planning
Landscape Architecture

(Block 1202, Lots 1-11)

Zurbrugg Mansion

LOCATION:
Delanco Township, Burlington County, NJ

DATE:
July 2016

Zurbrugg Mansion (Completed)

The remaining 11 units of the River's Edge affordable housing obligation were transferred to the redevelopment of the Zurbrugg Mansion as approved by the court in a 'Consent Order Modifying Settlement Agreement' signed by The Honorable John A. Sweeney, A.J.S.C. (now retired) on April 23, 2008 (Appendix D).

The consent order required a \$1.26 million payment to the Township to cover a portion of the purchase price to buy the Township-owned Zurbrugg Mansion property through the redevelopment process. Additionally, the consent order viewed the prior payment from River's Edge to purchase the Township-owned property as a credit "to the Zurbrugg Partnership, LLC ("Zurbrugg") to compensate for the construction of 11 transferred age-restricted affordable rental housing units as part of the redevelopment of the Zurbrugg Mansion.



Zurbrugg Mansion

The Zurbrugg Mansion site located at 531 Delaware Avenue (Block 1202, Lots 1-11) was redeveloped for 27 affordable senior rental units. Of the 27 senior affordable rental units constructed at Zurbrugg Mansion, 11 are used by the Township to address its Prior Round obligation and the balance of 16 affordable senior rental units will be used to address the Township's Third Round obligation. Additionally, Zurbrugg Mansion provided 17 low-income units, including five (5) very low-income

units, 10 moderate-income units and a unit mix which includes five (5) studio apartments, 19 one-bedroom units and three (3) two-bedroom units.

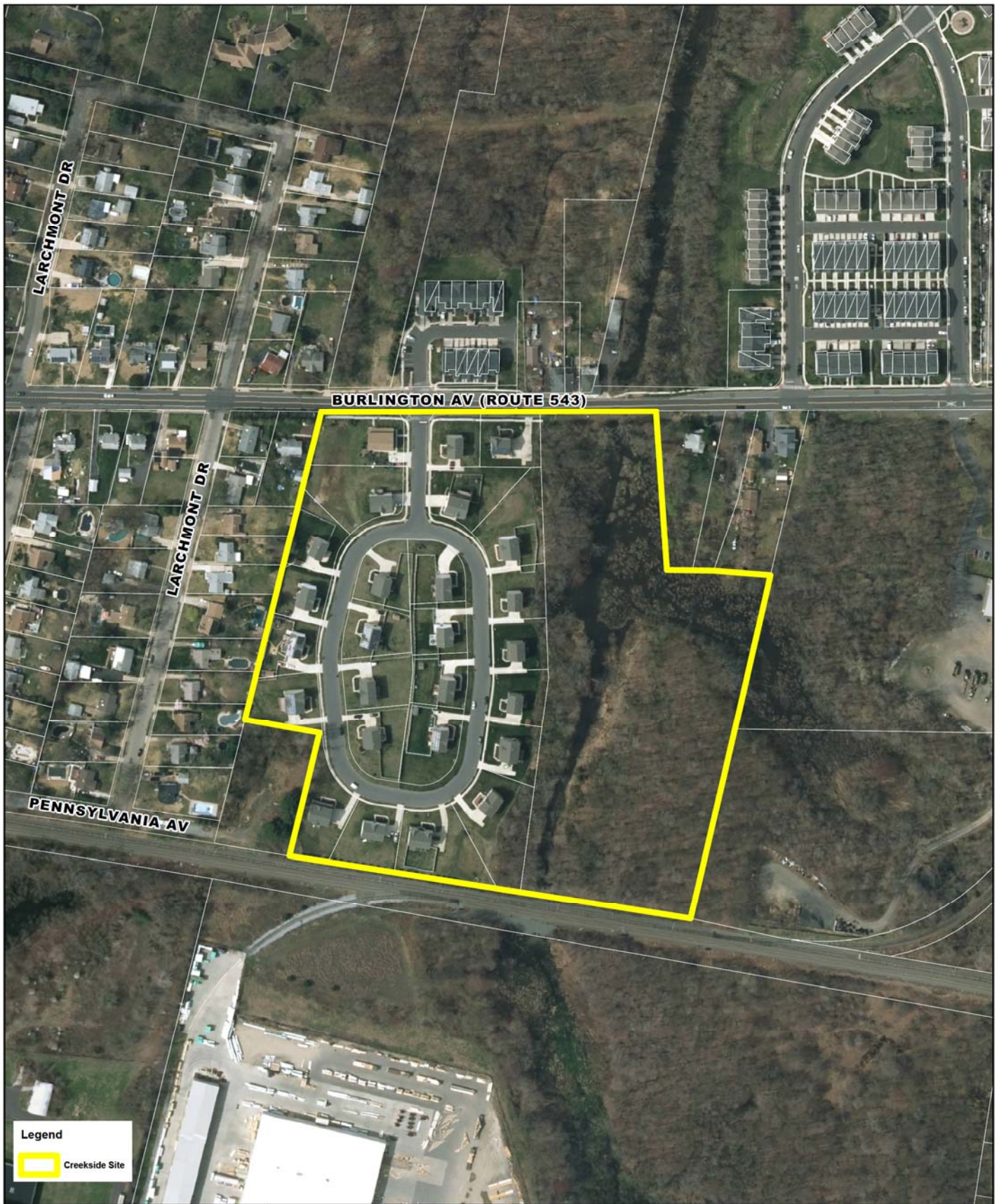
The site is located in Planning Area 1, which is the preferred location for affordable housing, a CO was issued October 5, 2010, and all units have 30-year affordability controls (Appendix D) and are administered and affirmatively marketed by Zurbrugg Partnership, LLC.

Creekside (Completed)

The Creekside inclusionary development is an 18-acre site that fronts on Burlington Avenue (County Route 543) and was approved for a total of 28 units, three (3) of which are family affordable rental units. The Township intends to have one (1) of these credits applied to the Prior Round obligation with the remaining two (2) units counted towards the Third Round obligation.

The site is located in Planning Area 1 which is the preferred location for affordable housing and has 30-year affordability controls (Appendix E). The affordable housing units are located at 2201 (three-bedroom unit), 2203 (two-bedroom unit) and 2205 (two-bedroom unit) Burlington Avenue (Block 1802.01/Lot 19), and COs were issued in 2010. Each affordable family rental unit addressing the Prior Round is eligible for a rental bonus per *N.J.A.C. 5:93-5.15*.

Although as noted in Resolution 2007-14, the Planning Board approved a waiver allowing all three (3) affordable units to be moderate income, the Township entered into an agreement on August 15, 2011 modifying the low/moderate income split requiring the developer to provide two (2) low-income units and one (1) moderate-income unit. While the three (3) affordable units are currently under the ownership of 1st Colonial bank, Triad Associates, an experienced affordable housing administrator, was hired to administer the units. Deed restrictions have been filed with the County and the Township Attorney is working with the bank regarding the units' future administration and affirmative marketing.



Legend
Creekside Site



Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

(Block 1802.01, Lot 19)

Creekside

LOCATION:
Delanco Township, Burlington County, NJ

DATE:
July 2016



Creekside

Prior Round Rental Bonuses

As noted above, Delanco Township more than addressed the minimum 16-unit Prior Round rental component through 27 total affordable rental units including 16 affordable family rentals and 11 affordable senior rentals. As such, the Township is eligible for a full rental bonus for 16 of the completed family rental units.

SATISFACTION OF THE THIRD ROUND OBLIGATION

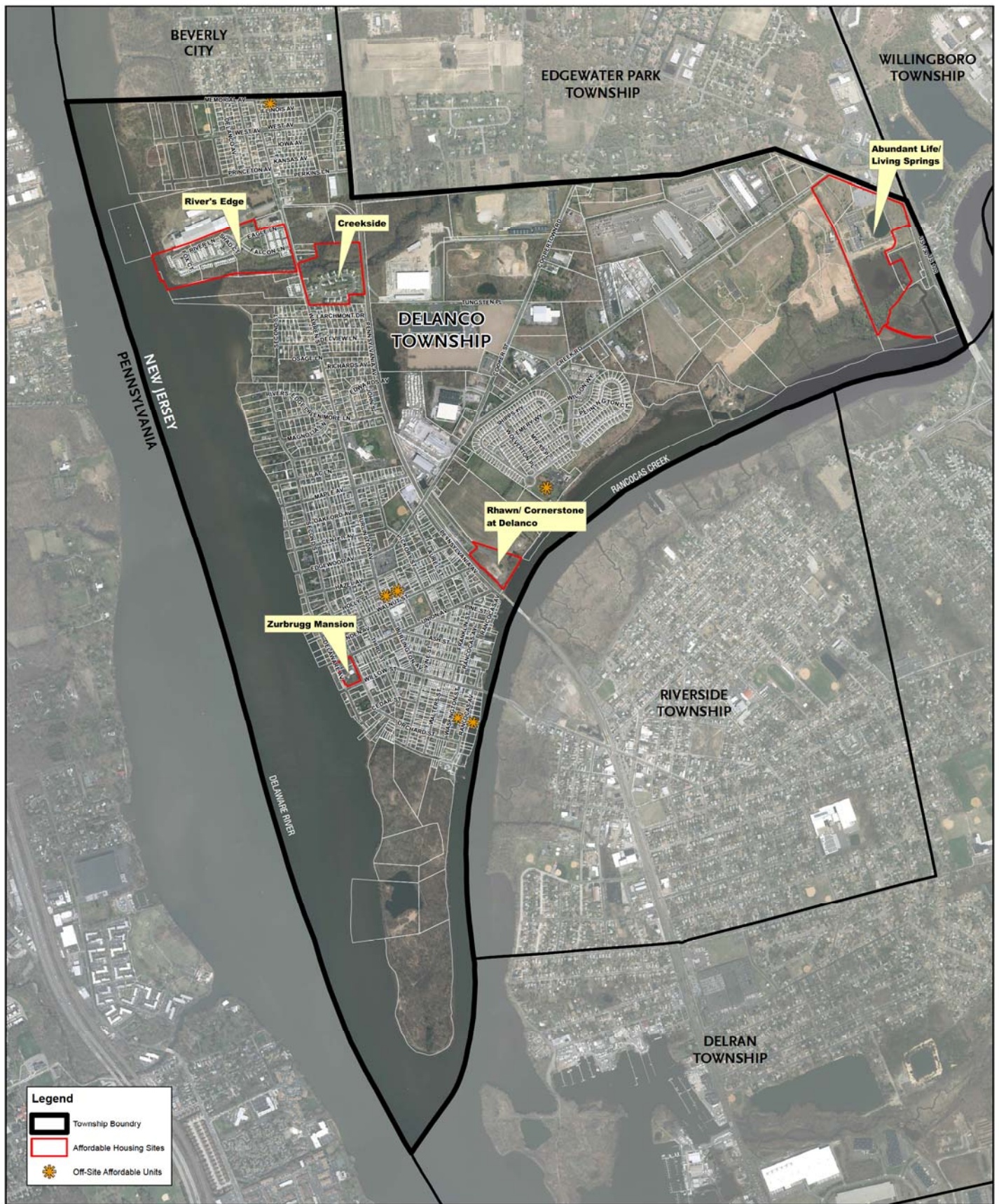
As noted above, the Township will enter into a settlement with FSHC to establish a 131 unit Third Round prospective need obligation. Additionally, if the Township's final obligation, as determined by the Court, etc. is more than 20% lower than the 131-unit obligation (105 units or less), the Township's obligation would be further reduced and all remaining credits would be applied towards a future obligation.

Minimum Third Round Rental Obligation = 33 units

$$.25 \text{ (Third Round obligation)} = .25(131) = 32.75 \text{ rounded up to } 33$$

Maximum Third Round Age Restricted Units = 32 units

.25 (Third Round obligation) = $.25(131) = 32.75$ rounded down to 32



2016 HOUSING PLAN

Clarke Caton Hintz ● ● ●
 Architecture
 Planning
 Landscape Architecture

Affordable Housing Sites

LOCATION:
 Delanco Township, Burlington County, NJ

DATE:
 July, 2016

Inclusionary Developments

Creekside (See Prior Description)

The Township utilized one (1) of the three (3) completed affordable family rental units at Creekside towards the Prior Round obligation while the remaining two (2) affordable family rental credits will be applied to the Third Round obligation. In addition, the two (2) completed affordable family rental units utilized to address the Third Round are eligible for rental bonuses per *N.J.A.C. 5:93-5.15*.

Zurbrugg Mansion (See Prior Description)

Of the 27 senior affordable rental units constructed at Zurbrugg Mansion, 11 are used by the Township to address its Prior Round obligation and the balance of 16 affordable senior rental units will be used to address the Township's Third Round obligation. Additionally, Zurbrugg Mansion addressed the statutory requirements for very-low income housing by providing five (5) very-low income units.

High Point (Approved)

The Township's Joint Land Use Board approved a subdivision in August 2015 (Resolution 2015-18). The development is located in the Planned Residential Development/Affordable Housing (PRD/AH) District and will consist of 14 age-restricted building lots and two (2) open space lots.

This 3.1-acre site (Block 2100.01, Lot 50) located at the corner of Creek Road, Emery Way and Newton's Landing Blvd, is currently vacant, is surrounded by the Newton's Landing Development and will become part of that development's existing homeowner's association. As part of this inclusionary development, the developer shall produce three (3) off-site non age-restricted family affordable rental units through a market-to-affordable program or make an in-lieu of construction payment to the Township. As market-rate units are sold in the primary development, the developer shall place at least \$11,000 per unit up to a maximum of \$150,000 into a separate escrow account or trust fund. This fund is intended to be used to implement the development of the required units, including acquisition, rehabilitation and construction. In the event that the developer cannot satisfy the requirements of the Developer's Agreement (Appendix F), the Township may immediately require the developer to release the \$150,000 to the Township for a three-unit in-lieu payment, at which point the funds will be placed in the Township's Affordable Housing Trust Fund.

If the developer builds/creates off-site affordable units, the developer will retain HAS or another experienced affordable housing administrative entity acceptable to the Township. The units will have 30-year affordability controls and will be affirmatively marketed. The administrative entity will income-qualify applicants and will provide

long-term administration of the units in accordance with COAH's rules at *N.J.A.C.* 5:93-9.2 and 5:93-11.1 and UHAC per *N.J.A.C.* 5:80-26.1. At least half of the affordable units developed will be affordable to low income households and an odd number of affordable units will always be split in favor of the low income unit per *N.J.A.C.* 5:93-2.20 and UHAC per *N.J.A.C.* 5:80-26. While the Township is not seeking credit for this project at this time (awaiting determination by the developer to produce the units or provide the in-lieu payment), a signed developer's agreement between the developer and the Township identifies the low-/moderate-income split for the 3 units as being 2 low-income units and 1 moderate-income unit. All units will follow UHAC requirements in developing the affordable units by providing one 1-bedroom, one 2-bedroom and one 3-bedroom unit.

100% Affordable Development

Abundant Life/Living Springs - Completed

The Township's Joint Land Use Board approved a 163-unit development in July 2009 (Resolution 2009-12). The development is to be built in phases and will ultimately include a 100-unit age-restricted rental building (completed), a 20-unit building for individuals with special needs (completed), a 43-unit age-restricted rental building and approximately 32,000 square feet of commercial space.



Living Springs Manor



Living Springs

This 44.83-acre site (Block 2200, Lots 2.01 and 3), part of a larger 52.3-acre tract which includes a 7-acre portion in neighboring Edgewater Park Township, is adjacent to Pennington Park (a County-owned-park) and is located along Route 130 at its intersection with Creek Road. In addition to the buildings discussed above, the site contains a church and educational facility (located in Edgewater Park). The completed buildings are located in Planning Area 1, the preferred location for affordable housing, have at least 30-year affordability controls (Appendix G), and are administered and affirmatively marketed by Living Springs Manor, LLC (a subsidiary of the Michaels Organization). The 100 (94 of which are affordable/age-restricted

rentals) unit building received a CO on May 5, 2011, while the 20-unit special needs building (phase two), received a CO on November 16, 2012.

Based on the 25% senior cap per COAH's regulations, the Township will be eligible for at least 32 senior unit credits plan-wide and the Township intends to have 17 of the 94 senior affordable rental units credited from this development to address its Third Round obligation. Based on conversations with the leasing manager at Living Springs Manor, the 94 affordable senior rental units have an income split of 51 low-income units (including 10 very low-income units) and 43 moderate-income units and a unit bedroom mix which includes 82 one-bedroom units and 12 two-bedroom units. As confirmed by the tax credit developer, the 20-unit special needs building contains all one-bedroom units, of which 10 are very-low income DDD special needs units and 10 are low-income veterans' special needs units.



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 Architecture
 Planning
 Landscape Architecture

(BLOCK 2200, LOTS 2.01 & 3)

Abundant Life/ Living Springs Manor

LOCATION:
 Delanco Township, Burlington County, NJ

DATE:
 July 2016

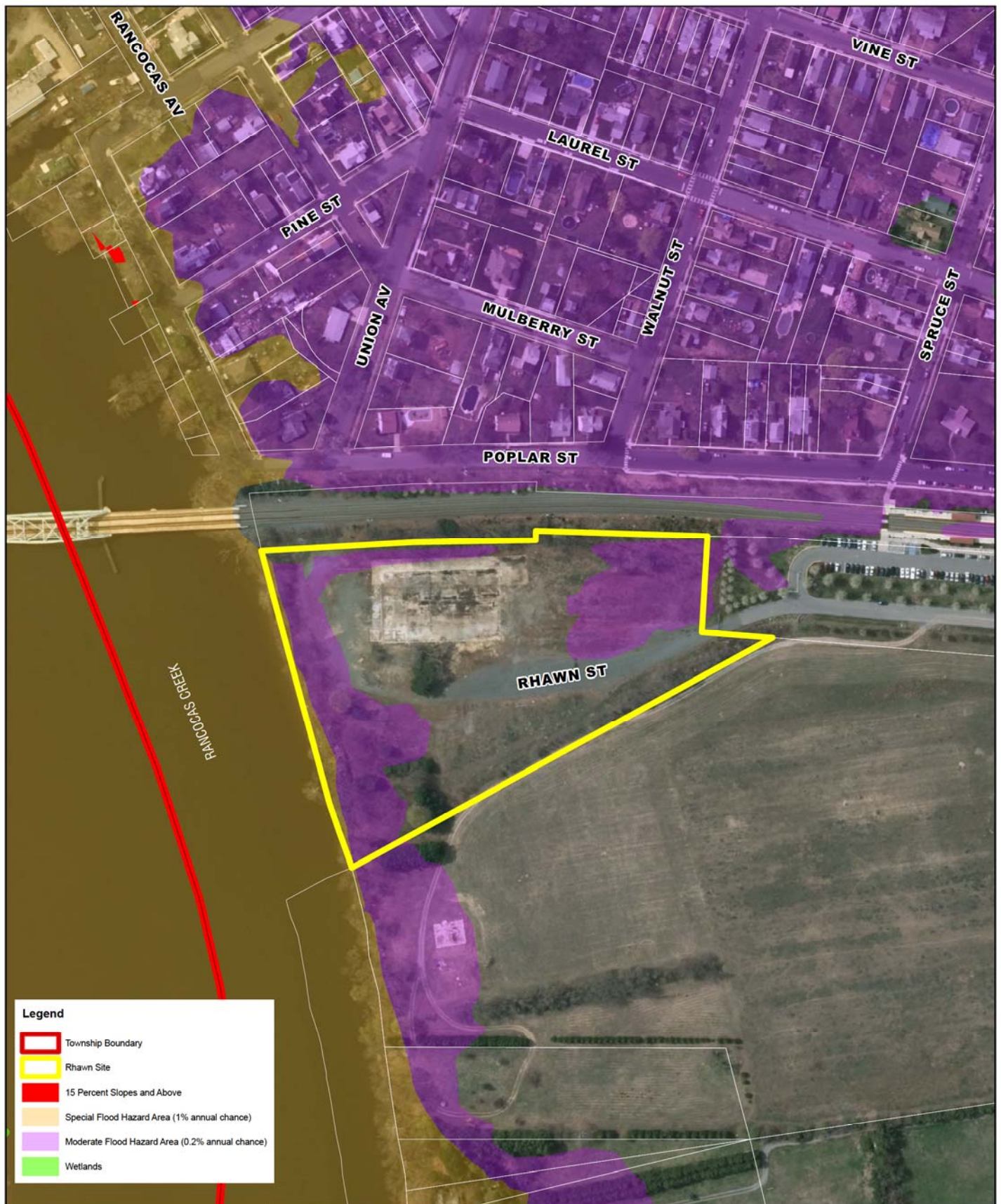
Crossings at Delanco Station

The Crossings at Delanco Station (Block 2100/Lots 3.01, 3.02, 3.05, 6, 7, 8.01 and 8.02) is a 36.9-acre site that was to produce on-site affordable units as part of an inclusionary development in the Township's earlier adopted Third Round plans. As part of a developer's agreement, the Township is accepting donation of the Rhawn site (see discussion below) as fulfillment of the developer's fair share affordable housing obligation.

Rhawn/Cornerstone at Delanco (Approved)

As part of the Township's 2008/2010 plans, the Rhawn site was contemplated as an inclusionary development with market rate and affordable units to be produced through the redevelopment of the site. Subsequently, as noted above, the Township is receiving a donation of the Rhawn site and, in turn, the Township is donating the Rhawn site to an experienced tax credit developer to construct a 100% affordable rental housing complex on the site. The transfer of the land from the owner to the Township and, in turn, to the tax-credit redeveloper, is governed by conditions to Board approvals and an amended Developer's Agreement and Redevelopment Agreement (collectively referred to by the Township as the "Tri-Party" transaction). The 100% affordable housing site complex is now known as "Cornerstone at Delanco".

In July 2015, Delanco Township granted preliminary approval (Appendix H) for 63 affordable family rental housing units on a 5.37-acre site located at 200 Rhawn Street (Block 2100/Lot 1). On November 3, 2015, the developer (the Walters Group) was awarded competitive 9% Low Income Housing Tax Credits (LIHTC). The development will include 64 total units (63 affordable units) located in eight (8) buildings; including one (1) superintendent's unit, 3,000 square feet of office space, a maintenance building, parking and other on-site amenities. The site is directly adjacent to the River Line station and will provide direct rail access to employment opportunities in Camden, Philadelphia, Trenton, and beyond. As provided by RSIS and the zoning ordinance, the application received a 9% reduction in the number of required on-site parking spaces (116 spaces, 1.8 spaces per unit).



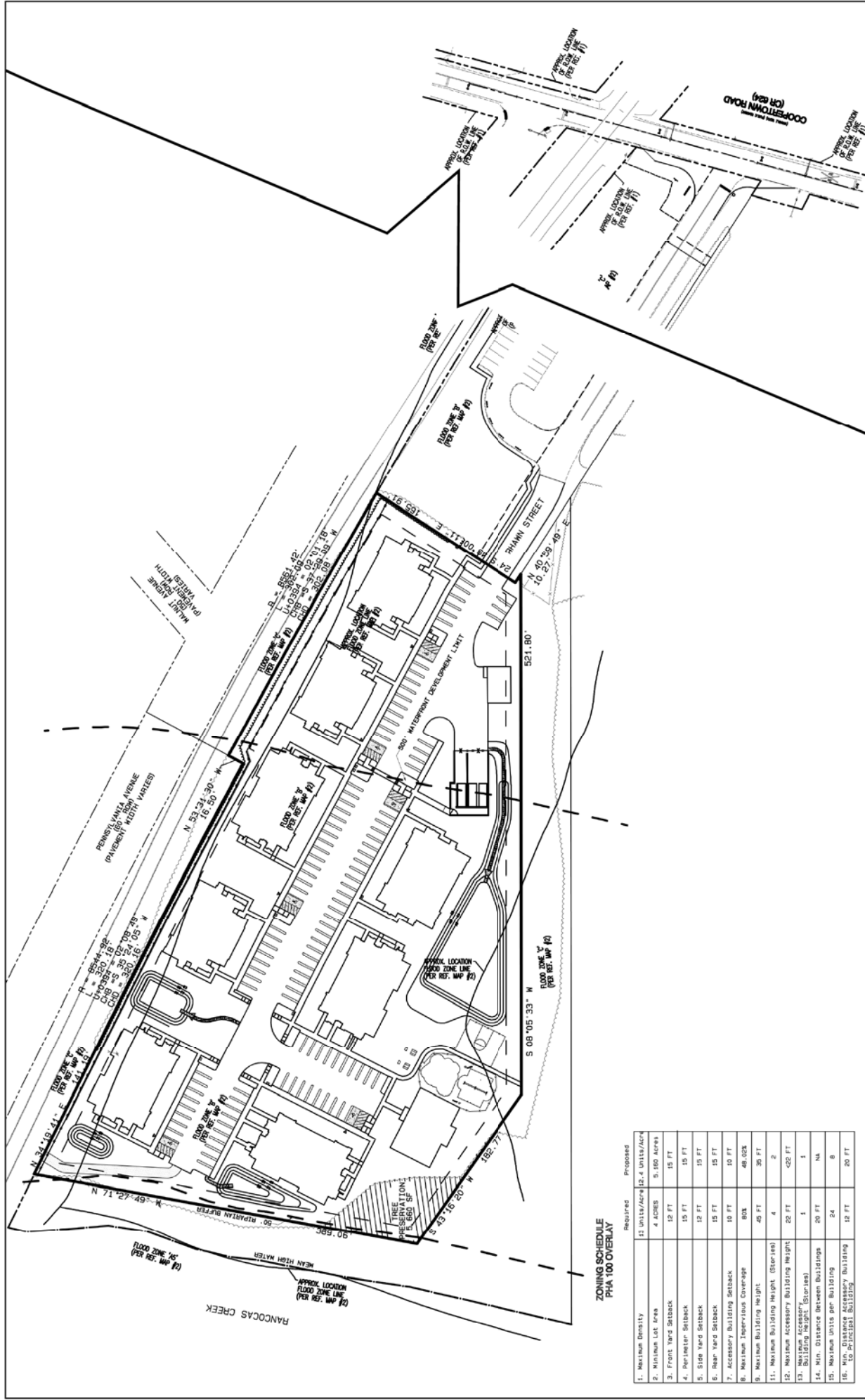
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 Planning
 Landscape Architecture

(Block 2100, Lot 1)

Rhawn/Cornerstone at Delanco

LOCATION:
 Delanco Township, Burlington County, NJ

DATE:
 July 2016



SOURCE: Spittel and Spittel, Inc. 5/5/2016

BLOCK 2100, LOT 1

Cornerstone at Delanco

DATE:
July, 2016

LOCATION:
Delanco Township, Burlington County, NJ

N.T.S.

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

ZONING SCHEDULE PHA 100 OVERLAY

	Required	Proposed
1. Maximum Density	15 UNITS/ACRE	12.4 UNITS/ACRE
2. Minimum Lot Area	4 ACRES	5,100 ACRES
3. Front Yard Setback	12 FT	15 FT
4. Rear Yard Setback	15 FT	15 FT
5. Side Yard Setback	12 FT	15 FT
6. Rear Yard Setback	15 FT	15 FT
7. Accessory Building Setback	10 FT	10 FT
8. Maximum Impervious Coverage	80%	48.02%
9. Maximum Building Height	45 FT	35 FT
10. Maximum Building Height (Stories)	4	2
11. Maximum Accessory Building Height	20 FT	25 FT
12. Maximum Accessory Building Height (Stories)	1	1
13. Minimum Accessory Building Height	20 FT	NA
14. Min. Distance Between Buildings	24	8
15. Min. Distance Accessory Building to Principal Building	12 FT	20 FT

The site is within PAH-3 (Planned Affordable Housing District 3) and a PAH-100 (Planned Affordable Housing 100 Overlay) zoning districts (as amended by Ordinance No. 2015-07) and formerly housed the Rhawn factory (previously demolished due to fire). On May 18, 2015, the Township Planning Board authorized an investigation to determine whether the area was in need of redevelopment pursuant to the New Jersey Local Redevelopment and Housing Law (“LRHL”), *N.J.S.A. 40A:12A-1 et seq.* The Determination of Need Report was prepared by the Planning Board for review at the public hearing held on June 16, 2015.

The site received preliminary site plan approval/variance approval on July 7, 2015 (Appendix H) and on July 13, 2015, pursuant to the LRHL (*N.J.S.A. 40A:12A-1 et seq.*), a Redevelopment Plan was adopted (Ordinance 2015-9). The project received final site plan approval on May 3, 2016.

COAH’s Second Round rules at *N.J.A.C. 5:93-5.3* “New construction; site criteria and general requirements” and *N.J.A.C. 5:93-5.5* “Municipally sponsored construction” are addressed as follows:

- ✓ Administrative Entity - The Walters Group is an experienced LIHTC developer and affordable housing administrator who will affirmatively market, income qualify applicants and provide long-term administration of the units in accordance with COAH’s rules at *N.J.A.C. 5:93-9.2* and *5:93-11.1* and UHAC per *N.J.A.C. 5:80-26.1*. Additionally, all units will have 30-year affordability controls.
- ✓ Bedroom Distribution - The Walters Group will follow the UHAC requirements in developing the affordable units by providing 12 1-bedroom units, 36 2-bedroom units and 16 3-bedroom units (one unit will be for an onsite superintendent).
- ✓ Construction Schedule – The Walters Group has proposed a construction schedule for the site that anticipates construction completion in 2017 as required per *N.J.A.C. 5:93-5.5(a)4* (Appendix H). The Construction Schedule notes each step in the development process many of which are already completed), including preparation of a site plan, granting of municipal approvals, applications for funding, beginning construction, construction completion and lease up.
- ✓ Very Low/Low/Moderate Income Split - At least half of the affordable units developed by Walters Group will be affordable to low income households and an odd number of affordable units will always be split in favor of the low income unit per *N.J.A.C. 5:93-2.20* and UHAC at *N.J.A.C. 5:80-26*. A July 2015 redevelopment agreement between the Walters Group and the Township identifies the low-/moderate-income split for the 63 affordable units as being 32 low-income, including 8 very-low income units and 31

moderate-income units. Additionally, the redevelopment agreement indicates that the project will seek LEED certification.

- ✓ Rental Bonus - The 63 affordable family rental units are eligible for a rental bonus up to the Township's maximum number of Third Round rental bonuses pursuant to N.J.A.C. 5:93-5.15.

Third Round Rental Bonuses

As noted above, Delanco Township more than addressed the minimum 33-unit Third Round rental component through 117 total Third Round affordable rental units including 65 affordable family rentals, 20 special needs rentals and 33 affordable senior rentals. As such the Township is eligible for rental bonus credits for up to 33 units based in the units proposed in the Plan.

VERY LOW INCOME UNITS

Pursuant to the 2008 amendments to the FHA, P.L. 2008, c.46, municipalities must provide very low income units equal to 13% of the future units satisfying the Third Round obligation. Delanco Township intends to more than satisfy its 13-unit very low income requirement with at least 24 very-low income units as follows:

- a. Five (5) very low income senior rental units at Zurbrugg Mansion;
- b. One (1) very-low income family rental unit at Russ Farm;
- c. Ten (10) very-low income senior rental units at Living Springs Senior Residence; and
- d. Eight (8) very-low income family rental units at the Rhawn/Cornerstone at Delanco.

AFFORDABLE UNITS MEETING THE THIRD ROUND OBLIGATION

Delanco Township has met its 131-unit Third Round obligation through surplus Prior Round credits, affordable family rentals at Creekside and Rhawn/Cornerstone at Delanco, affordable senior rentals at Zurbrugg Mansion, affordable senior and special needs rentals at Abundant Life/Living Springs, as well as eligible Third Round rental bonuses.

- The 49-unit family obligation has been more than satisfied with 63 family rentals approved at Rhawn/Cornerstone at Delanco and the balance of 2 affordable family rentals at Creekside. $.50(\text{Third Round obligation} - \text{proposed bonuses}) = .50(131-33) = 49$

- The 33-unit rental obligation has been more than satisfied with 63 family rentals approved at Rhawn/Cornerstone at Delanco, the balance of 2 affordable family rentals at Creekside, balance of 16 senior affordable rentals at Zurbrugg, 16 units at Abundant Life/Living Springs and 20 special needs units at Abundant Life/Living Springs Manor. $[\frac{.25(131)}{.25} = 32.75$, must round up to 33]
- The 17-unit family rental obligation has been more than satisfied with 63 family rentals approved at Rhawn/Cornerstone at Delanco and the balance of 2 affordable family rentals at Creekside. $[\frac{.50(\text{Third Round minimum rental obligation})}{.50(33)} = 16.5$, rounded up to 17]
- The Township's plan includes the maximum number of senior units permitted at this time based on a 131-unit obligation – 32 affordable senior units – which will be met with through the balance of senior rentals at Zurbrugg and a cap of senior units at the Abundant Life site. The additional senior affordable housing units at the Abundant Life site are eligible to receive credit in future affordable housing rounds. $[\frac{.25(\text{Third Round obligation})}{.25(131)} = 32.75$, rounded down to 32]
- The Township has included 31 eligible rental bonuses from the Rhawn/Cornerstone at Delanco approval and 2 eligible rental bonuses from Creekside.

Table 29. Affordable Housing Credits/Reductions/Bonuses Addressing Third Round Obligation

Delanco Township Third Round Compliance Mechanisms: 131-Unit Third Round	Credits	Bonuses	Total
<i>Surplus Credits - Prior Round - completed</i>	12	0	12
<i>Inclusionary Developments</i>			
Creekside – affordable family rentals, 2 of 3, balance - completed	2	2	4
Zurbrugg – affordable senior rentals, 16 of 27 bal. – completed	16	0	16
High Point – off-site family units or in-lieu payment - approved	–	–	–
<i>100% Affordable Sites</i>			
Abundant Life/Living Springs – 94+ affordable senior rentals; (senior cap) - completed	16	0	16
Abundant Life/Living Springs Manor – 20 special needs rentals - completed	20	0	20
Rhawn/Cornerstone at Delanco - affordable family rental units – approved, awarded tax credits	63	31	94
TOTAL	129	33	162

SUMMARY

The rehabilitation program, to be administered by Burlington County, will satisfy the 23-unit Township rehabilitation obligation. The Township addressed its 61-unit prior round obligation with transferred RCAs, existing family affordable sale units, existing affordable family and senior rental units and prior round rental bonuses. Delanco will meet its 131-unit Third Round prospective need obligation with family affordable rentals, senior affordable rentals, special needs rentals and eligible Third Round rental bonuses.

The Township will continue its participation in Burlington County's rehabilitation program to satisfy its 23-unit rehabilitation obligation. As previously discussed, Delanco Township may provide funds to the County or may implement a local rehabilitation program if required by the special master.

The Township has addressed its entire Prior Round obligation. Delanco has transferred all of the funds necessary for its RCA. The off-site family affordable rental and sale units funded by Russ Farm are constructed and are appropriately deed restricted. The on-site family affordable sale units and the off-site affordable senior units (at Zurbrugg) at River's Edge are constructed and are appropriately deed restricted. Also, the on-site affordable rental units are constructed and deed restricted at Creekside.

Furthermore, the Township has addressed nearly all of its Third Round obligation through the construction, completion and deed restrictions placed on the Creekside, Abundant Life and Zurbrugg Mansion developments. While the 100% affordable Rhawn/Cornerstone at Delanco project has yet to be constructed, the Township has approved the project, it received tax credit funding, and it will be constructed within two years of Judgment of Repose.

COST GENERATION

Delanco 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.*) and the mandate of the FHA regarding unnecessary cost generating features. Delanco shall comply with COAH's requirements for unnecessary cost generating requirements, *N.J.A.C. 5:93-10.1*, procedures for development applications containing affordable housing, *N.J.A.C. 5:93-10.4*, and requirements for special studies and escrow accounts where an application contains affordable housing, *N.J.A.C. 5:97-10.3*.

MONITORING/STATUS REPORT

In accordance with *N.J.A.C.* 5:93-12.1 and the proposed settlement agreement, the Township shall complete annual monitoring reports (using forms previously developed for this purpose by the COAH or any other forms endorsed by the Special Master and FSHC) of the Affordable Housing Trust Fund, affordable housing activity and programs and provide copies to the Court, Special Master, FSHC and all entities on the affirmative marketing list in said agreement. In addition, pursuant to the settlement agreement with FSHC, the Township must provide a status report at the mid-point of its Judgment of Repose and must also provide a status report on addressing the statutory requirements for very-low income housing every three (3) years.

AFFORDABLE HOUSING ORDINANCE AND AFFIRMATIVE MARKETING

The Township of Delanco has an Affirmative Marketing and Affordable Housing Ordinance (Chapter 58 "Fair Housing" of the Delanco Township Code adopted November 2, 1998 (Ordinance #13-1998) as part of the Township's Second Round substantive certification from COAH that will be updated in accordance with COAH's substantive rules, statutory changes and UHAC. The Township's Fair Share Ordinance governs the establishment of affordable units in the Township as well as regulating the occupancy of such units. The Fair Share Ordinance covers the phasing of affordable units, low/moderate income splits, bedroom distribution, occupancy standards, affordability controls, establishing rents and prices, affirmative marketing, income qualification, etc.

To conduct affirmative marketing and monitoring of affordable units, the Township does not currently contract with any one administrator. Existing affordable units within the Township are marketed and administered by MEND, Triad, Salt and Light or a specific project's developer. It is the Township's understanding that the proposed units at the Rhawn/Cornerstone at Delanco and possible off-site units developed by the High Point developers will be administered by the project's developer or a Township-approved designee.

The affirmative marketing plan is designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the 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 Housing Region 5, consisting of Burlington, Camden and Gloucester Counties.

The Township's fair share ordinance includes regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance to *N.J.A.C.* 5:80-26. All newly created

affordable units will comply with the 30-year affordability control required by UHAC, N.J.A.C. 5:80-26-5 and 5:80-26-11. This ordinance must be adhered to by all private, non-profit or municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit. The costs of implementing the affirmative marketing plan (i.e., the costs of advertising the affordable units, etc.) are the responsibilities of the developers of the affordable units. This requirement is included in the Township's fair share ordinance and shall be a condition of any municipal development approval. Drafts of both a revised Affordable Housing Ordinance and Affirmative Marketing Plan are attached (Appendix J and K).

AFFORDABLE HOUSING TRUST FUND/SPENDING PLAN

The Township has collected development fees since October 6, 1997 and the Township's development fee ordinance (Ord. No. 12-1997- Appendix L) has been amended multiple times since then. Most recently, the Township revised its development fee ordinance pursuant to amendments to the FHA (P.L.2008, c.46) on November 10, 2008 (Ord. No. 2008-12), approved by COAH on January 6, 2009.

In 2012, the Courts approved an amendment to the Township's Third Round spending plan and as part of this amended Third Round plan the Township will again revise its spending plan. The Township's amended spending plan (Appendix I), which details the collection and use of revenues, was prepared in accordance to N.J.A.C. 5:93-5.1(c). Collected revenues will be placed in the Township's Affordable Housing Trust fund and will be dispensed for the use of affordable housing activities. Pursuant to N.J.A.C. 5:93-8.16, Delanco Township may use the funds in the trust fund for the below listed items:

- Rehabilitation;
- New construction;
- Purchase of land for low and moderate income housing;
- Improvement of land to be used for low and moderate income housing;
- Extensions and/or improvements of roads and infrastructure to low and moderate income housing sites;
- Assistance designed to render units to be more affordable and administration of the implementation of the housing element.

At least 30% of development fees and interest collected since July 17, 2008, excluding expenditures made from the fund inception regarding all new construction, previously funded RCAs and rehabilitation activities, must be used to provide affordability assistance to low and moderate income households in affordable units or

for the creation of very-low or low-income affordable units included in a municipal Fair Share Plan. Additionally, no more than 20% of the revenues collected from development fees and interest 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 develop or implement a rehabilitation program, a new construction program, a housing element and fair share plan, and/or an affirmative marketing program.

Delanco Township intends to spend development fee revenues pursuant to *N.J.A.C. 5:93-8.16* and in conjunction with the housing programs outlined in this document. Delanco Township currently has approximately \$44,885 in the housing trust fund and anticipates an additional \$333,000 in revenues before the expiration of its Judgment of Repose and Compliance, for a total of \$377,885. The municipality will dedicate the anticipated development fee revenues and will seek outside funding sources to cover the potential costs of its affordable housing programs anticipated to cost \$377,800. Any shortfall of funds may be addressed through use of outside funding sources or through bonding and/or appropriations as may be allowed by law.

APPENDIX A – INTERLOCAL SERVICES AGREEMENT WITH BURLINGTON COUNTY

**BURLINGTON COUNTY, NEW JERSEY
URBAN COUNTY COOPERATION agreement**

FOR PROGRAM YEARS (FEDERAL FY) 2015-2017

THIS agreement is made by and between the BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF BURLINGTON (hereafter the "Board" or "County") and the above-named Municipality to establish a cooperative relationship for the conduct of certain community development activities, and

MUNICIPAL PARTICIPANT ("Municipality"): Delanco Township.

WITNESSETH:

WHEREAS, Title II of the National Affordable Housing Act of 1992, commonly known as the Home Investment Partnerships ("HOME") Program, may make federal funds available to the County to expand the supply of decent and affordable housing; and

WHEREAS, the Housing and Community Development Act of 1974, as amended and supplemented (24 U.S.C. 93-383 et seq.) (the "Act"), provides that Community Development Block Grant ("CDBG") funds may be used for the support of activities that provide decent housing and suitable living environments and expanded economic opportunities principally for persons of low- and moderate-income and said funds may be made available to the County for the operation of CDBG Programs on satisfaction of certain criteria; and

WHEREAS, an urban county and constituent municipalities can ask the U.S. Department of Housing and Urban Development ("HUD") to approve the inclusion of the Municipality as part of the urban county for purposes of planning and implementing a joint community development and housing assistance program; and

WHEREAS, New Jersey law authorizes counties and municipalities to enter into agreements with each other and the Municipality wishes to participate with the County to implement programs for which these funds may be used; and

WHEREAS, the above-named Municipality and County wish to enter into a joint agreement for the above-reference period;

NOW, THEREFORE, the Board of Chosen Freeholders of Burlington County and Municipality hereby agree as follows:

1. Purpose. The purpose of this Agreement is to satisfy Federal criteria so that the Board may apply for, receive, and disburse federal funds available to eligible urban counties under the CDBG Program, and the HOME Program, and to carry out community development programs during the above-referenced federal fiscal years in cooperation with participating municipalities. Funds received pursuant to the CDBG and HOME Programs will be used to accomplish purposes authorized by the Acts (see CFR 24, Section 570.201 through 570.206 – CDBG and 24 CFR 92.205.213 - HOME). Nothing contained in this Agreement shall be interpreted as restricting the Municipality or other unit of local government of any power or other lawful authority it possesses, nor shall any municipality be deprived of any state or federal aid to which it might be entitled in its own right, except as it may apply pursuant to any provision of this Agreement.

2. COUNTY'S COVENANTS, AGREEMENTS AND RESPONSIBILITIES

2.1. Authorization. The Board is authorized, directed and appointed to undertake or assist in undertaking essential community development and housing assistance activities from CDBG funds and HOME Program funds it receives for the above-referenced Program Years. The Board shall have the final responsibility for selecting projects and filing required statements in accordance with the rules, regulations, executive orders and statutes adopted to implement the Act. The Municipality is hereby designated as a cooperative unit of general local government. The Board hereby agrees to cooperate with the Municipality to undertake or assist in undertaking, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing.

2.2. Programs. The Board is hereby designated as the responsible unit of general local government to undertake activities that are eligible for funding. The Board shall be responsible for assuring the administration and effectuation of activities in accordance with all HUD requirements.

2.3. Receipt of Funds. The Board shall be the designated recipient of all federal funds. These funds shall be placed in a County trust fund, a separate bank account established and maintained in accordance with applicable laws.

2.4. Expenditure of Funds. On authorization by the Board, and in compliance with State law, the Board may expend funds from its trust fund to accomplish a project directly or by payment to the particular municipality pursuant to contract. No person or entity may expend or commit funds except as may be authorized pursuant to this Agreement. No participant under this Agreement shall be obligated to expend its own funds except as may be mutually agreed between the Board and the Municipality.

2.4.1. Ineligible use of Funds. County shall not fund activities in or in support of Municipality or other municipalities that do not affirmatively further fair housing within its own jurisdiction or impedes County actions to comply with its fair housing certification. Nothing herein shall prohibit a municipality from exercising its authority to comment on, challenge or support any land use related matter proposed by or on behalf of the County that may affect it in its reasonable judgment.

2.5. Distribution of Funds. CDBG funds received by the County pursuant to this Agreement shall be distributed to Municipality on a reimbursement basis. To request a distribution Municipality shall submit a written request for distribution that complies with all applicable HUD and County requirements. County will request funds from HUD no more than twice monthly, and shall distribute all funds received under this Agreement to Municipality promptly following their receipt. County's obligation under this Section shall be limited to funds actually received by HUD for requests that meet all HUD and County requirements. The County shall be obligated to fund no more than the amount that County has received and set aside for Municipality.

2.6. In no event shall County be obligated to distribute more funds to Municipality under this agreement than County receives during the three-year agreement period. If HUD does not award CDBG funds to County in a given year, County's obligation to distribute those funds to Municipality will be terminated. If the County loses its Urban County status through the imposition of HUD administrative sanctions or if the CDBG program or any successor program is eliminated by an act of Congress and major statutory changes are made to 24 U.S.C. 93-383 et seq., which authorizes the CDBG program, County is not obligated to provide CDBG funds to Municipality.

2.7. Administration of Program. Except for administration of those funds distributed directly to Municipality as set forth in Section 2.5, County shall have the responsibility of administering the CDBG program including, but not limited to, preparation of plans to be submitted to HUD, issuance of notices,

requests' for project submittals, evaluation administration and monitoring of projects not paid for solely with Municipal CDBG funds, tracking and receiving program income and reporting to HUD. Municipality is, to the greatest extent permissible by law and regulations, responsible for compliance with federal and New Jersey State environmental laws and for all required noticing and documentation for projects funded under this agreement within its jurisdictional boundaries. Once any applicable noticing requirements have been met, Municipality shall submit to County all required documentation and supporting materials. On receipt and review of said documents by County, County shall be responsible for submitting Requests for Release of Funds to HUD and obtaining Authority to Use Grant Funds.

2.8. Administrative Fees. Except for that portion of administration fees that are part of the HUD Identified Municipal Entitlement which shall be paid to Municipality, the County may retain fees for the management of the CDBG Program subject to the percentage permitted by HUD regulations. The administrative fees assigned to Municipality as a part of the HUD Identified Municipality Entitlement shall be at a percentage not to exceed that allowed by HUD regulations. Only costs associated with the management and administration of the CDBG Program may be charged against CDBG administrative allocations.

2.9. County will be responsible for reports to be prepared as may be required by CDBG regulations, including but not limited to the Consolidated Plan, the Annual Action Plan, the Comprehensive Annual Performance Evaluation Report ("CAPER"), and Cash and Management Information System reports. County and Municipality will cooperate in the collection of, and will furnish any and all information required for, reports to be prepared as may be required by CDBG regulations.

2.10 Change in Law. In the event that Congress amends the Act in a manner that would prevent Municipality from being able to regain its status as a "Metropolitan Municipality," per section 42 USC 5302(a)(4)(a) of the Act, because Municipality relinquished its status as a Metropolitan Municipality for the purpose of assisting County in obtaining CDBG funds under this agreement, County agrees, as long as County receives CDBG funds, or similar funds from any successor program which receives an annual Congressional appropriation, that County will take all reasonable actions, including, but not limited to, entering into subsequent cooperation agreements, or similar agreements, with Municipality in order for Municipality to receive benefits for which it may be eligible.

3. MUNICIPALITY'S COVENANTS, AGREEMENTS AND RESPONSIBILITIES.

3.1. The Municipality agrees to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specifically, urban renewal, and publicly assisted housing. The Municipality agrees to take the necessary actions, as determined by the County, to carry out a community development program and the approved Consolidated Plan and to fulfill all other applicable requirements of the CDBG and HOME programs. The Municipality further agrees to not obstruct implementation of the approved Consolidated Plan during the term of this Agreement and for such additional time as may be required for the expenditure of funds granted to the County for such period.

3.2. Municipality's use of CDBG Funds. The Municipality agrees that, pursuant to 24 CFR 570.501(b), it is subject to the same requirements applicable to subrecipients, including the requirements of a written agreement set forth in 24 CFR 570.503. It shall be responsible for compliance with the conditions for an award to it and implementation of funds allocated to Municipality pursuant to this Agreement.

3.3. Municipality may contract with other entities to perform CDBG-eligible activities. Municipality agrees any CDBG-eligible activities funded through this Agreement shall be confirmed with a written contract that contains the provisions specified in the CDBG Regulations at 24 CFR 570. In addition, any contract made between Municipality and another entity for the use of CDBG funds pursuant to this

Agreement shall comply with all applicable CDBG rules, guidance and regulations. A copy of all executed contracts for CDBG funded activities shall be available to the County as program administrator.

3.4. The Municipality warrants that it has adopted and is enforcing a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and the Municipality has adopted a policy enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of non-violent civil rights demonstrations within its jurisdictions.

3.5. Municipality's Acknowledgements and Covenants. By executing this Agreement the Municipality acknowledges that

- it becomes ineligible to apply for grants under the Small Cities or State Community Development Block Grant Programs from appropriations for the fiscal years during the period in which it is participating in Burlington County's Community Development Block Grant Program.
- it may only participate in a HOME Program through Burlington County, regardless of whether the County receives a HOME formula allocation. Even if the County does not receive a HOME formula allocation, the Municipality cannot form a HOME consortium with other local governments.
- Urban county funding is prohibited in or in support of any municipality that does not affirmatively further fair housing within its own jurisdiction or that impedes the Board's action to comply with its obligations to affirmatively further fair housing.
- CDBG funds will be used for activities and/or projects prioritized by Municipality to alleviate its identified community needs eligible under the Act. Administration costs associated with the HUD identified Municipality entitlement CDBG funds will be used by Municipality as required to carry out administrative activities eligible under the Act.
- CDBG funding for activities in or in support of Municipality are prohibited if Municipality does not affirmatively further fair housing within its own jurisdiction or impedes County actions to comply with its fair housing certification, except to the extent Municipality is exercising its governmental authority to comment on, challenge or support any land use related matter proposed by or on behalf of County which may affect Municipality, in Municipality's reasonable judgment.

3.6. Municipal Cooperation. The Municipality will reasonably cooperate with County regarding this Agreement. As and when requested by County, the Municipality will furnish to the County any and all pertinent information which the Municipality may possess during the time of performance of County's duties under this Agreement

3.7. Reporting. Municipality shall prepare and submit a report to County on a monthly basis describing the activity, the work performed to date and whether the objective of the program has been achieved.

4. COVENANTS, AGREEMENTS AND RESPONSIBILITIES OF BOTH PARTIES

4.1. In compliance with Urban County Certification, the County and the Municipality agree to take all action necessary to assure compliance with the County's certification required by the Act and other applicable laws and regulations. Further, the County and the Municipality acknowledge that use of urban county funding is prohibited for activities in or in support of any cooperating unit of general or local

government that does not affirmatively further fair housing within its own jurisdiction or that impedes the County's actions to comply with its fair housing certification.

4.2. Compliance with Final Programs and Plans. County and Municipality shall comply in all respects with final Community Development plans and programs and the Consolidated Plan which are developed through mutual cooperation pursuant to the application requirements of the Act and its regulations and approved by HUD.

4.3. Grant Administration. The County shall be responsible for ensuring that funds are used in accordance with all program requirements as set forth in 24 CFR Part 570 and 24 CFR 92. Participating municipalities are subject to the same requirements as are applicable to sub-recipients, including the requirement to sign a written agreement, which shall contain the provisions as set forth in 24 CFR Part 570.503 and 24 CFR 92.504.

4.4. Compliance with Laws. The parties agree to comply with all applicable laws, ordinances and codes of the federal, state and local governments, including New Jersey's Local Government Ethics Law.

4.5. Cost of Program: Federal/Local Share. The cost of programs operated pursuant to this Agreement shall be met by federal funding pursuant to Title I of the Act. Federal assistance made available hereunder shall not be utilized to substantially reduce the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance.

4.6. Disposition of Real Property. The provisions of this section set forth the standards that shall apply to real property acquired or improved in whole or in part using CDBG funds received by Municipality pursuant to this Agreement.

Prior to any modification or change in the use of said real property from the use or ownership planned at the time of its acquisition or improvements, Municipality shall notify County and obtain authorization for said modification or change.

Municipality shall reimburse County with non-CDBG funds in an amount equal to the current fair market value (less any portion thereof attributable to expenditures of non-CDBG funds) of property acquired or improved with CDBG funds that is sold or transferred for a use that does not qualify under CDBG regulations.

This section does not apply to any property owned by Municipality prior to the date of this agreement.

4.7. Records. Municipality and County shall maintain, on a current basis, complete records, including but not limited to, contracts, loan documents, rehabilitation write-ups, final inspection reports, books of original entry, source documents supporting accounting transactions, eligibility and service records any of which may be applicable, a general ledger, personnel and payroll records, canceled checks and related documents and records to assure proper accounting of funds and performance of this agreement in accordance with CDBG regulations. To the extent permitted by law, County and Municipality will also permit access to all books, accounts or records of any kind for purposes of audit or investigation, in order to ascertain compliance with the provisions of this agreement. Records shall be maintained for the period of this agreement plus three years.

4.8. Other Agreements. County and Municipality will enter into a further written agreement that contains these minimum requirements. Prior to disbursing any CDBG funds to Municipality, County, shall

execute said written agreement with Municipality. Said agreement shall remain in effect during any period that Municipality has control over CDBG funds, including program income.

5. CITIZEN ADVISORY COMMITTEE

5.1. There is hereby established a Community Advisory Committee. The Coordinator of the Burlington County Community Development Program shall act as Administrative Liaison Officer. He/she shall provide technical and administrative support to the Committee and act as liaison between the Committee and the Board.

5.2. Membership. The Committee shall consist of not less than 60 members, as follows:

Appointments by County Freeholder Director:

County Office on Aging (1)
County Health Department (1)
Burlington County Planning Board (2)
Workforce Investment Board (1)
Local Unit Manager or Administrator (1)
Labor Union (1)
Housing Developer (1)
Bank; Commercial Lender (1)
Board of Social Services (1)
Environmentalism (1)
Realtor (1)
Citizens-at-Large (5)

Appointments by Chief Executive Officer or governing body

Municipality (maximum of 40)
Burlington County Bridge Commission, Dept. of Economic Development &
Regional Planning (1)
Joint Base – McGuire-Dix-Lakehurst (1)
Burlington County Community Action Program (1)

5.3. Meeting Schedule & Operation. The Committee shall meet promptly after its establishment and thereafter as often as it deems necessary. It shall establish rules of procedure deemed necessary to effectuate this Agreement.

5.4. Committees and Subcommittees. The Committee shall create an Executive Committee and such other sub-committees it deems necessary to perform its work. Only Committee members shall be eligible to serve on such sub-committees.

5.5. Quorum. A simple majority (not less than 51%) of the municipalities that have submitted applications for the year under consideration shall constitute a quorum.

5.6. Advisory Committee's Duties. The Committee shall

- study the community development needs of the participating municipalities
- plan for the prudent utilization of funds made available to the Board.

- recommend that the Board make application for federal funding, including funds for “urban counties”.
- develop, in the manner prescribed herein, a Community Development Plan for Burlington County, to include a housing assistance program.
- recommend that the Board prepare such other documents and certifications of compliance required for its participation in the Community Development Block Grant Program and the Home Investment Partnerships Program.

5.7. Establishment of Priorities. After consultation with affected municipal and county governments, the Committee shall develop priorities for utilization of funds made available pursuant to the Board’s application authorized herein. The Committee shall recommend the means for accomplishing each project or activity to be funded. Municipalities which disapprove of a proposed activity shall so advise the Board prior to the Board’s submission of its application to HUD.

5.8. Each Municipality signing this Agreement shall be eligible to request to participate in the plan for expenditure of funds received by the Board pursuant to this Agreement, comment on the overall needs of the County to be served with these funds, and otherwise participate in Committee proceedings. No project may be undertaken or service provided in any municipality without the acknowledgment of that Municipality’s governing body.

5.9. The Coordinator of the Community Development Program shall compile an annual report for the Committee. The Committee shall thereupon report its findings to the Board as may be required for submission to the Federal Government.

6. PLAN DEVELOPMENT & USE OF FUNDS

6.1. Preparation of CDBG Application. The County shall be responsible for preparing and submitting to HUD, pursuant to 24 CFR 91, all necessary applications and materials to obtain CDBG entitlement as an Urban County under the Act. This duty shall include complying with all applicable noticing requirements, the preparation and processing of County Housing, Community and Economic Development Needs Identification, Citizen Participation Plans, the County Consolidated Plan, and other CDBG related programs which satisfy the application requirements of the Act and all applicable regulations. The County agrees to include the Municipality’s plan submitted in accordance with section 6.3.

6.2. Plan Contents. The plan shall include the following:

- Planning and Administration. Funds designated to pay for the costs incurred in the implementation of the rehabilitation loan program.
- Locally Determined Activities. Programs designed by the municipalities to improve conditions approved by the Community Development Office.
- County Determined Activities. Programs designed by the County to improve existing conditions within the municipalities, as needed, on a year-to-year basis, on approval of the Board.
- Cost Overrun Account. Funds set aside for use when needed, to be made available pursuant to program amendments during the year, in order to allow some flexibility in the above-described programs.

6.3. Municipal Plan. The Municipality shall assist the County by preparing a community development plan for the period of this Agreement which identifies community development and housing needs, and

projects and programs for the Municipality and specifies both short and long-term Municipal objectives, consistent with requirements of the Act.

6.4. Public Hearings. On completion of grant applications the County Community Development Office shall hold at least two public hearings in accordance with HUD regulations and applicable state regulations.

6.5. Income Received by Municipality. Municipality shall report to the County on a semi-annual basis regarding any income generated by the expenditure of CDBG funds received by Municipality pursuant to this agreement. All such program income shall be retained by Municipality and shall be used only for eligible activities in accordance with all applicable CDBG requirements and regulations.

6.6. Income Received by County. All program income generated by the expenditure of CDBG funds that is retained by County shall be used by County for eligible activities in accordance with all applicable CDBG requirements and regulations.

6.7. Income from Real Property. Any income generated by Municipality or County from the disposition or transfer of real property prior to any close out or change of status shall be treated as program income.

6.8. County shall be responsible for monitoring and reporting to HUD on the use of any such program income. Municipality shall engage in appropriate record keeping and reporting to the County as required by the County for this purpose.

6.9. Disposition of Program Income. In the event of CDBG close-out or the change in status of Municipality under the CDBG program, any program income generated from CDBG funds paid to Municipality pursuant to this agreement that is unexpended on the date of such close out or change in status or that is received by Municipality shall be paid by Municipality to County. However, if Municipality resumes direct CDBG entitlement status Municipality may keep program income generated from CDBG funds or the disposition, sale or transfer of real property improved with CDBG funds paid to Municipality under this agreement; provided, that it uses that program income for a CDBG eligible purpose and such use is in accordance with CDBG regulations. Any income generated from the disposition or transfer of real property prior to any such close out or change of status shall be treated the same as program income.

6.10. Responsibility for use of Funds. The Municipality shall be responsible for the implementation of all CDBG funds allocated to Municipality under this Agreement. The County shall be responsible for determining the final disposition and distribution of all funds it receives that are not distributed to municipalities including, but not limited to, the selection of the projects for which such funds shall be used. Municipality agrees that the County has the sole authority to redistribute all CDBG funds when eligible projects that have been selected for funding are not implemented in a timely manner as defined by HUD.

6.11. Modifications to Activities. In the event that modifications to a project activity shall become necessary, the Community Development Office may increase or decrease the funding therefor with the concurrence of HUD.

7. GENERAL TERMS AND CONDITIONS.

7.1. Insurance. Each party is responsible for securing and maintaining such insurance as is appropriate to cover its exposure hereunder, in whole or in part.

7.2. Every agreement made pursuant to this Agreement shall include standards of performance in accordance with the Act. Standards of performance shall comply with the requirements established by the CDBG Program and the HOME Program.

7.3. Duration of Contract. This Agreement shall be in effect for the above-referenced Federal Fiscal Years and for any additional period necessary to carry out activities that will be funded from annual CDBG appropriations and HOME Program appropriations for the above-referenced Federal Fiscal Years and from any program income generated from the expenditure of such funds, including such additional time as may be required for the expenditures of any such funds granted by the Board to the Municipality. Except as otherwise provided in this Agreement, the Board and the Municipality shall not terminate or withdraw from this Agreement.

7.4. Municipal Indemnification of County. Municipality shall indemnify, defend and hold harmless the County and its respective officers, employees, servants and agents from any liability, claims, losses, demands, and actions incurred by County as a result of the determination by HUD or its successor that activities under taken by Municipality under the program(s) fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to Municipality under this Agreement were improperly expended.

7.5. County Indemnification of Municipality. County shall indemnify, defend and hold harmless Municipality and its respective officers, employees, servants and agents from any liability, claims, losses, demands, and actions incurred by Municipality as a result of the determination by HUD or its successor that activities under taken by County under the program(s) fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to County under this agreement were improperly expended.

7.6. Maintenance of Records. All records kept in connection with programs funded pursuant to this Agreement shall conform to Federal requirements under Title I of the Act and applicable State laws and regulations. Records shall be available for review by the authorized representatives of any participating municipality and the County at a mutually agreed time.

7.7. Cooperation. Municipality agrees to cooperate with all other municipalities that sign comparable agreements with the Board and be bound as if all had signed the same Agreement.

7.8. Notices. Any notices, bills, invoices, or reports required by this Agreement shall be sufficient if sent by the parties in the United States mail, postage paid, to the address of the other party as indicated in this Agreement.

7.9. This Agreement shall replace and supersede all previous agreements between the parties.

7.10. Assignability. The Municipality may not assign or transfer any interest in this Agreement without the prior written approval of the County. Any purported assignment of any rights and obligations under this Agreement without the prior written consent of the County shall be a breach of this Agreement..

7.11. Construction and Enforceability. The existence, validity, construction and operation of this Agreement, and all its representations, terms and conditions, shall conform to the laws of the State of New Jersey. Throughout this Agreement, the use of singular and plural forms, or the various gender forms, shall each include the other as the context may indicate. If any provision of this Agreement is held, in whole or in part, to be unenforceable for any reason, the remainder of that provision and the entire Agreement will be severable and remain in effect.

7.12. Entire Agreement. This Agreement contains the entire agreement of the parties. No other agreement, statement or promise made on or before the date of this Agreement will be binding on the parties. No changes to this Agreement are valid unless they are made by written amendment duly executed by the parties.

7.13. This agreement shall be effective for all purposes when this agreement and like agreements have been executed by County and Municipality, properly submitted to HUD, the grantor, by the designated deadline, and approved by HUD.

IN WITNESS WHEREOF, the parties hereto agree to be bound by this document and have caused this Agreement to be signed and sealed on the date as indicated.

MUNICIPALITY

Delanco Township (by its chief administrative officer):

By: [Signature] 4/7/2014
Signature Date

Attest: Janice M. Lohr 4/7/14
Signature Date

William Dillenbeck Mayor
Typed/printed name of Signer Signer's Title

Janice M. Lohr Municipal Clerk
Attester's typed/printed name Attester's Title

BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF BURLINGTON

By: Paul Drayton 7/2/14
Paul Drayton, County Administrator Date

TOWNSHIP OF DELANCO
RESOLUTION 2014-54

A RESOLUTION AUTHORIZING THE TOWNSHIP OF DELANCO TO EXECUTE
AN AGREEMENT WITH BURLINGTON COUNTY FOR COOPERATIVE
PARTICIPATION IN THE COMMUNITY DEVELOPMENT ACT OF 1974
FOR YEARS 2015-2017

BE IT RESOLVED AND ENACTED by the Township Committee of the Township of Delanco, County of Burlington and State of New Jersey to authorize an Agreement with: Burlington County for cooperative participation in the Community Development Act of 1974.

SECTION I. Certain federal funds are available to Burlington County under Title I of the Housing and Community Development Act of 1987. Public Law 93-363, as amended; and

SECTION II. It is necessary to establish a legal basis for the County and its people to benefit from this program; and

SECTION III. An Agreement has been proposed under which the Township of Delanco and: the County of Burlington in cooperation with the other municipalities will establish an Shared Services Program pursuant to NJSA 40:8A-1 et seq., and

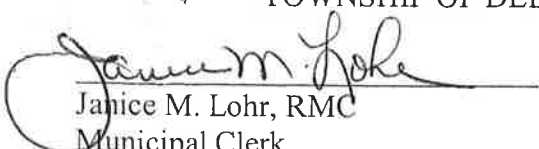
SECTION IV. It is in the best interest of the Township of Delanco that the agreement entitled "Agreement Between the County of Burlington and certain municipalities located therein for the establishment of a cooperative means of conducting certain community development activities", a copy of which is on file at the Municipal Clerk's Office.

SECTION V. The Township of Delanco shall enter into the Agreement with the County of Burlington mentioned with all supplements and agreements thereto. The Mayor and Clerk are hereby authorized and directed to execute the Agreement on behalf of the Township of Delanco and affix thereunto the Official Seal.

SECTION VI. All resolutions or parts of resolutions which are inconsistent herewith are hereby repealed in the extent of their inconsistency.

SECTION VII. This Resolution shall take effect immediately after passage and publication as provided by law.

THIS IS CERTIFICATION THAT THE FOREGOING RESOLUTION WAS
APPROVED AT A MEETING OF THE TOWNSHIP COMMITTEE OF THE
TOWNSHIP OF DELANCO ON APRIL 7, 2014


Janice M. Lohr, RMC
Municipal Clerk


William Dillenbeck
Mayor

APPENDIX B – RUSS FARM - DEED RESTRICTIONS

708 Burlington

309 North

311 North

COAH AFFORDABILITY, Antioch

Prepared by:

Frederick W. Hardt, Esq.

8/1/2001

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 1st day of August, 2001 between Delanco Renaissance, L.L.C., owner of the properties designated in Section II PROPERTY DESCRIPTION, hereafter "OWNER", and TOWNSHIP COMMITTEE OF THE TOWNSHIP OF DELANCO hereafter "AUTHORITY", which Authority is an instrumentality of Township of Delanco (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 beginning on August 1, 2001, and ending after July 31, 2031 when an 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) hereinafter 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 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

DB5894 PG270

ARRIVED

DELANCO TOWNSHIP

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: Russ Farm Farmhouse, 708 Burlington Avenue, Delanco, New Jersey 08075

Municipality: Delanco County: Burlington

Unit numbers: N/A

Efficiency: #1BR: 2 #2BR: 6 #3BR: 1 TOTAL # Units = 9

Block # 1105, Lot 6.01 aka, Block 1105 Lots 6 & 6.01

and is more particularly described in the legal property description attached as Exhibit 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

EXHIBIT A

AFFORDABLE HOUSING AGREEMENT

This Affordable Housing Agreement also applies to the owner's interest in the real properties as further described below:

PROPERTY DESCRIPTION

Block 1105, Lot 6.01 aka, Block 1105, Lots 6 & 6.01 Municipality: Township of Delanco

County: Burlington # of Units: 1

Complete Street Address: 708 Burlington Avenue, Delanco, New Jersey, 08075

The restrictions contained herein shall be imposed on the Affordable Housing units as listed below for a period of 30 years beginning on March 1, 2000 and ending on February 28, 2030.

ALL that certain land and premises situate in the Township of Dela County of Burlington and the State of New Jersey, bounded and desc as follows:

TRACT I: BEGINNING at a monument in the intersection of the Northwestern line of Burlington Avenue (60.0 feet wide) and the Southwesterly line of Holly Street (40.0 feet wide); thence

- 1) along the Southwesterly line of Holly Street (40.0 feet wide), 21 degrees 00 minutes 00 seconds West, a distance of 100.0 feet to p.k. nail corner to Lot 6 and 6.01; thence
- 2) along the line of Lots 6 and 6.01, South 69 degrees 00 minutes seconds West, a distance of 100.0 feet to a rebar corner to Lots 6 6.01; thence
- 3) South 21 degrees 00 minutes 00 seconds East, a distance of 100. to a drill hole in the Northwestern line of Burlington Avenue; th
- 4) along the Northwestern line of Burlington Avenue, North 69 deg 00 minutes 00 seconds East, a distance of 100.0 feet to the point place of beginning.

BEING Lot 6, Block 1105.

TRACT II: BEGINNING at a p.k. nail between Lots 6 and 6.01 in the Southwesterly line of Holly Street (40.0 feet wide) being distant feet from the intersection of the Northwestern line of Burlington Avenue (60.0 feet wide) and the Southwesterly line of Holly Street

- 1) along the Southwesterly line of Holly Street, North 21 degrees minutes 00 seconds West, a distance of 56.0 feet to a rebar corner Lots 6:01 and 5; thence
- 2) along the line of Lots 6.01 and 5, South 69 degrees 00 minutes seconds West, a distance of 100.0 feet to a rebar corner to Lots 6 and 5; thence
- 3) South 21 degrees 00 minutes 00 seconds East, a distance of 56.0 to a rebar corner to Lots 6 and 6.01; thence
- 4) along the line of Lots 6 and 6.01, North 69 degrees 00 minutes seconds East, a distance of 100.0 feet to the point and place of Beginning.

BEING Lot 6.01, Block 1105.

BEING Lots 6 & 6.01, Block 1105 as shown on the Township of Delanco Map.

DB5894 PG284

RECORDING DATA PAGE

Consideration Code:
Transfer Fee :
Recording Date: 09/07/2001 Login id:
Document No : 3556419 ccbozart

FREDERICK W HARDT ESQ
300 CHESTER AVE STE 101
PO BOX 840
MOORESTOWN, NJ 08057

Receipt No : 307036
Document No : 3556419 Type : DECR
Recording Date : 09/07/2001
Login id : ccbozart

Recorded
Sep 07 2001 11:01am
Burlington County Clerk

Clerk of Burlington County • 49 Rancocas Rd. • Mt. Holly, NJ 08060
609-265-5180

DB5894 PG285

9/1/2001

Prepared by:

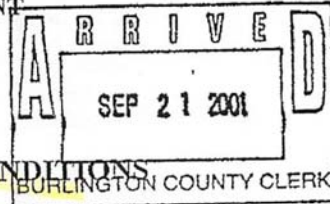
Frederick W. Hardt, Esquire

State of New Jersey
Council on Affordable Housing
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
AFFORDABLE HOUSING AGREEMENT
RENTAL PROPERTIES

AN ADDENDUM TO

A DECLARATION OF COVENANTS, CONDITIONS

AND RESTRICTIONS



This Addendum to an AGREEMENT entered into on the 1st day of August, 2001, between Delanco Renaissance, L.L.C., owner of the properties designated in Section II PROPERTY DESCRIPTION, hereafter "OWNER," and TOWNSHIP COMMITTEE OF THE TOWNSHIP OF DELANCO hereafter "AUTHORITY," which Authority is an instrumentality of Township of Delanco (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 beginning on August 1, 2001, and ending after July 31, 2031, when an Affordable Housing rental unit that continues to be occupied by an income-eligible household shall become vacant.

Law Offices of
Frederick W. Hardt
Suite 101
300 Chester Avenue
P.O. Box 840
Moorestown, NJ

08057

NOW, THEREFORE, the AGREEMENT first mentioned above is amended as follows:

DB5900 PG347


1. The Acknowledgment which follows the signature on the instrument shall be amended to specify August 1, 2001, as the date of execution by John Rahenkamp as opposed to the March 1, 2001, designated.

2. Exhibit A attached to the Declaration is amended to change the number of units specified from "1" to "9" making it consistent with the description of the Property contained in paragraph II of the instrument.

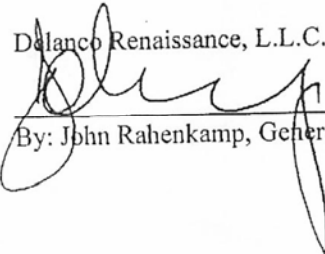
All other terms, conditions, and provisions of the restrictions to which this Addendum applies shall remain in full force and effect.

Dated: 9/18/01

Witness:


Frederick W. Hardt

Delanco Renaissance, L.L.C.


By: John Rahenkamp, General Member

Law Offices of
Frederick W. Hardt
Suite 101
300 Chester Avenue
P.O. Box 840
Moorestown, NJ

08057

DB5900 PG348

ACKNOWLEDGMENT

STATE OF NEW JERSEY

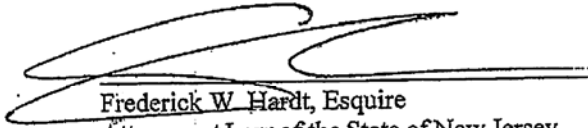
ss.

COUNTY OF BURLINGTON

I certify that on ^{September 20} ~~August 1~~, 2001, John Rahenkamp, personally came before me and acknowledged under oath, to my satisfaction, that he is:

- (a) is named in and personally signed this document; and
- (b) signed, sealed, and delivered this document as his act and deed; and
- (c) is a general member of a limited liability company organized under the laws of the State of New Jersey and signed and delivered this document as his act and deed as general member on behalf of the limited liability company; and
- (d) this person signed this proof to attest to the truth of these facts.

Law Offices of
Frederick W. Hardt
Suite 101
300 Chester Avenue
P.O. Box 840
Monroestown, NJ 08057


Frederick W. Hardt, Esquire
Attorney at Law of the State of New Jersey

H:\DATA\RAHENKA\DOCS\ADD TO DECLARATION

DB5900 PG349

RECORDING DATA PAGE

Consideration Code:
Transfer Fee :
Recording Date: 10/02/2001 Login id:
Document No : 3564551 ccolivo

FREDERICK W HARDT ESQ
300 CHESTER AVE STE 101
PO BOX 840
MOORESTOWN, NJ 08057

Receipt No : 311018
Document No : 3564551 Type : AMDR
Recording Date : 10/02/2001
Login id : ccolivo

Recorded	Filed
Oct 02 2001 09:05am	Oct 02 2001 09:05am
Burlington County Clerk	Burlington County Clerk

Clerk of Burlington County • 49 Rancocas Rd. • Mt. Holly, NJ 08060
609-265-5180

DB5900-PC350

24
BURLINGTON COUNTY CLERK
2006 OCT 18 A 10:26
APPROVED

**BURLINGTON COUNTY BOARD OF CHOSEN FREEHOLDERS
HOME INVESTMENTS PARTNERSHIP PROGRAM
AFFORDABLE HOUSING RESTRICTION**

LENDER: BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF BURLINGTON, a body corporate and politic, with offices located at 49 Rancocas Road, Mount Holly, NJ 08060

BORROWER/OWNER: SALT & LIGHT CO., INC., 94-96 Rancocas Road, Mt. Holly, NJ 08060-0249

PROJECT PROPERTY: Delanco Twp. Block 1305, Lot 9.01 (232 Rancocas)
Block 1305, Lot 9.02 (234 Rancocas)
Block 1305, Lot 9.04 (234 Washington St.)

PROJECT: Permanent supportive affordable housing for households whose income is at or below fifty percent (50%) of the applicable median income, adjusted for family size -- based on the 24 CFR Part 5 definition of Annual Gross Income

LOAN AMOUNT: \$225,429.00

WHEREAS, the above-named Lender has entered into a HOME Investment Partnership Agreement pursuant to Title II of the National Affordable Housing Act with the United States Department of Housing and Urban Development (hereafter, "HUD"), by which HUD provides funding for eligible projects; and

WHEREAS, the Lender has been designated to implement a HOME Investment Partnership program (hereinafter referred to as the "HOME Program") in accordance with applicable regulations, including 24 CFR Part 92; and

WHEREAS, the Borrower has requested funding to undertake the above-described Project; and

WHEREAS, the proposed Project is eligible for funding if carried out pursuant to HUD's regulations and guidelines; and

WHEREAS, one requirement of the HOME Program is that project properties be subject to a deed restriction, reflecting that said properties are for the purpose of providing housing for families of certain income levels; and

WHEREAS, Borrower has agreed to comply with this condition by signing and delivering this document; now, therefore, in consideration of the foregoing and the terms and conditions contained herein, the above-named Borrower/Owner grants to the above-named Lender, its successors and assigns the rights stated in this document on the above-described Project Property ("Premises"), which Property is described in Exhibit A attached hereto, for the purpose of ensuring retention of affordable rental housing for occupancy by low income persons and families.

1. Purpose. The purpose of this Affordable Housing Restriction is to assure that the Premises will be retained as affordable housing for occupancy by very-low-income households.

2. Nature and Term of Covenants. The Borrower intends, declares and covenants, on behalf of itself and its successors and assigns, that the covenants and restrictions set forth in this Affordable Housing Restriction regulating and restricting the use, occupancy and transfer of the Premises (a) shall be and are covenants running with the land, encumbering the Premises for a term of twenty (20) years from the date of execution hereof; (b) are binding upon the Borrower's successors in title and all subsequent owners of the Premises, (c) are not merely personal covenants of the Borrower, and (d) shall bind the Borrower and its successors and assigns and the benefits shall inure to the Lender and to any present or prospective tenant of the Premises. The Borrower acknowledges that it has received assistance from the Lender in developing the Premises as affordable rental housing, which assistance includes a loan from the Lender under the HOME Investments Partnership Program (the "HOME Program"). This Affordable Housing Restriction shall continue in force for its stated term regardless of the prior repayment of such loan.

3. Notice of Covenants. Each and every contract, deed or other instrument hereafter executed conveying the Premises or portion thereof shall expressly provide that such conveyance is subject to this Affordable Housing Restriction. The covenants contained herein shall survive and be effective regardless of whether such contract, deed or other instrument hereafter executed conveying the Premises or portion thereof actually provides that such conveyance is subject to this Affordable Housing Restriction.

4. Unit Standards. The Premises shall be used for two (2) units of rental housing, as described above. Each Project Property shall contain complete facilities for living, sleeping, eating, cooking and sanitation that are to be used on other than a transient basis. Each Project Property shall meet the housing quality standards set forth in the regulations of the HOME Investment Partnership Program at 24 CFR Part 92, Section 92.251 or any successor thereto.

5. Discrimination Prohibited. The Borrower shall not discriminate on the basis of race, creed, color, sex, age, handicap, marital status, sexual preference, national origin or any other basis prohibited by law in the lease, use and occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project. The Borrower shall not discriminate against, or refuse to lease, rent or otherwise make available units in the Project to a holder of a certificate of family participation under the Federal Rental Certificate Program (24 CFR Part 882) or a rental voucher under the Federal Rental Voucher Program (24 CFR Part 887) or a holder of a comparable document evidencing participation in a HOME Program, tenant-based assistance program because of the status of the prospective tenant as a holder of such certificate of family participation, rental voucher or comparable HOME Program tenant-based assistance document.

5.1. Nondiscrimination Policies. The Borrower shall adopt and submit resident selection policies and criteria to Lender and Lender shall have the right of approval thereof. Said policies and criteria shall comply with the following requirements:

(a) They shall be consistent with the purpose of providing housing for "Low Income Families" and "Very Low Income Families", as defined below in 7(a) and required herein;

(b) They shall be reasonably related to HOME Program eligibility of prospective tenants and to the prospective tenants' ability to perform the obligations of the Borrower's form lease;

(c) They shall give reasonable consideration to the housing needs of families that would have preference under 24 CFR Part 960.211 (Federal selection preferences for admission to public housing); and

(d) They shall provide for (i) the selection of residents from a written waiting list in the chronological order of their application, insofar as practicable, and (ii) the prompt written notification to any related applicant of the grounds for any rejection.

Any changes to these policies and criteria must be approved by Lender in writing. The Borrower shall also provide the Lender with an affirmative marketing plan acceptable to the Lender.

The approved marketing plan and the approved resident selection policies and criteria shall be adhered to in every respect.

6. Tenant Income Standards. During the term of this Affordable Housing Restriction the Project Properties shall be leased exclusively to Families (as defined below) whose annual incomes are at or less than FIFTY PERCENT (50%) of the median income for the Area (as defined below) ("Very Low Income Families") based on family size as determined by the US Department of Housing and Urban Development ("HUD"). A "Family" is defined as one or more individuals occupying a unit and satisfying the standards adopted by HUD for the so-called Section 8 Program under the United States Housing Act of 1937 and promulgated at 24 CFR Part 812. The "Area" is defined as the Philadelphia, PA-NJ PMSA. A Family's annual income shall be the anticipated total income from all sources received by the Family head and spouse (even if temporarily absent) and by each additional member of the Family (other than children under the age of 18 years), including all net income derived from assets for the 12-month period following the effective date of certification of income. Annual Income specifically includes and excludes certain types of income as set forth in, and shall be determined in accordance with, 24 CFR Part 813.106 (or any successor regulations).

7. Rental amount Limits. Rental amounts shall comply with the following:

a. The monthly rent charged to tenants of the Project shall not exceed the fair market rent for existing housing for comparable units in the Area as established by HUD under regulations promulgated at 24 CFR Part 888.111 (or successor regulations), less the monthly allowance for the utilities and services (excluding telephone) to be paid by the tenant.

b. The monthly rent charged for Project Properties shall not be greater than thirty percent (30%) of the monthly gross income of a Family whose income equals fifty percent (50%) (or such higher or lower percentage as may be established by HUD pursuant to

applicable regulations under the HOME Program) of the median income for the Area, as determined by HUD, with adjustment for number of bedrooms in the unit using average occupancy per unit assumptions provided by HUD. In determining the maximum monthly rent that may be charged for a unit under this clause the Borrower shall subtract from the above amount a monthly allowance for any utilities and services (excluding telephone) to be paid by the Family.

c. Borrower shall make the determination of whether a Family meets the income requirements set forth herein at the time of leasing of a unit in the Project and thereafter at least annually on the basis of the current income of such Family.

8. Initial Proposed Rents. Prior to initial occupancy of a Project Property and annually thereafter as part of the annual reports required under Section 8 above, Borrower shall submit to Lender a proposed schedule of monthly rents and monthly allowances for utilities and services for all units in the Project. The rent schedule shall include both the maximum rents applicable to units as described above as well as the actual rents to be charged to over-income Families. Such schedule shall be subject to the approval of Lender for compliance with the requirements of this Agreement.

9. Records and Reporting to Lender. Borrower shall maintain as part of its Project records copies of all leases of units in the Project and all initial and annual income certifications by tenants of the Project. Within 60 days after the end of each calendar year of occupancy of any portion of the Project, the Borrower shall provide to the Lender annual reports consisting of certifications regarding the annual and monthly gross and adjusted income of each Family occupying a unit at the Project. With respect to Families who move to the Project in the prior year, the annual report shall also include certifications regarding the annual and monthly gross and adjusted incomes of such Families at the time of the initial occupancy at the Project. The annual report shall be in a form approved by the Lender and shall contain such supporting documentation as the Lender shall reasonably require. In addition to the foregoing, Borrower shall keep such additional records and prepare and submit to lender such additional reports as Lender may deem necessary to ensure compliance with the requirements of this Affordable Housing Restriction and of the HOME Program.

10. Increases in Rental Amounts. Rents shall not be increased without the Lender's prior written approval of either (a) a specific request by Borrower for a rent increase or (b) the next annual schedule of rents and allowances. Notwithstanding the foregoing, rent increases shall be subject to the provisions of outstanding leases and shall not be implemented without at least 30 days' prior written notice by Borrower to all affected tenants.

11. Prohibited Lease Provisions. The Borrower shall not include in any lease for a unit in the Project any of the following provisions:

a. Agreement by the tenant to be sued, to admit guilt or to a judgment in favor of the Borrower in a lawsuit brought in connection with the lease.

b. Agreement by the tenant that the Borrower may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the unit after the tenant has

moved out of the unit. The Borrower may dispose of such personal property in accordance with New Jersey law.

c. Agreement by the tenant not to hold the Borrower or the Borrower's agents legally responsible for any action or failure to act, whether intentional or negligent.

d. Agreement of the tenant that the Borrower may institute a lawsuit without notice to the tenant.

e. Agreement by the tenant that the Borrower may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties.

f. Agreement by the tenant to waive any right to a trial by jury.

g. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease.

h. Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the Borrower against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

12. Project Lease Terms and Lease Terminations. All leases for units in the Project shall be for terms of not less than one (1) year, unless by mutual agreement between the tenant and the Borrower, and shall require tenants to provide information required for the Borrower to meet its reporting requirements hereunder. Borrower may not terminate the tenancy or refuse to renew the lease of an occupant of the Project except for (a) for serious or repeated violations of the terms and conditions of the lease; (b) violations of applicable federal, state or local law or (c) other good cause. Any termination or refusal to renew must be preceded by not less than 90 days by Borrower's service on the tenant of a written notice specifying the grounds for the action. Lender must be copied on any such notice for units relating to this restriction.

13. Transfer or Sale of Project Property. The Borrower may not sell, transfer or exchange all or any portion of the Project without the Lender's prior written consent. Any sale, transfer or change of title shall require either full payment of the outstanding obligation under the mortgage or such other requirements as the Lender may specify.

14. Demolition or Reduction of Project Property. The Borrower shall not demolish any part of the Project or substantially subtract from any real or personal property of the Project except in conjunction with renovation or rehabilitation of the Project or construction of a new project on the Premises, in either case subject to the prior written consent of the Lender, which consent may be granted or withheld in the Lender's reasonable judgment. The Borrower shall not permit the use of any residential unit for any purpose other than rental housing.

15. Destruction or Damage of Project Property. If the Project, or any part thereof, shall be damaged or destroyed, the Borrower shall use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage

or destruction, and the Borrower represents, warrants and agrees that the Project shall thereafter continue to operate in accordance with the terms of this Affordable Housing Restriction.

16. Use of Project Property. Any use of the Project Property or activity thereon which is inconsistent with the express conditions or purpose of this Affordable Housing Restriction is expressly prohibited. Borrower shall carry out each activity provided for in this Agreement in compliance with all applicable federal laws and regulations described in 24 CFR Part 92.350 (Equal Opportunity and Fair Housing), Part 92.351 (Affirmative marketing), Part 92.353 (Displacement, Relocation and Acquisition), Part 92.355 (Lead-based Paint), Part 92.356 (Conflict of Interest), Part 92.357 (Executive Order 12372). Lender and its duly authorized representatives shall have the right to enter the Premises at reasonable times and in a reasonable manner for the purpose of inspecting the Premises to determine compliance with this Affordable Housing Restriction.

17. Enforcement of Restrictions. Lender shall have the right to enforce this Affordable Housing Restriction by appropriate legal proceedings and to obtain injunctive and other equitable relief against any violations including, without limitation, relief requiring restoration of the Premises to its condition prior to any such violation, it being agreed that the Lender will have no adequate remedy at law, and shall be in addition to, and not in limitation of, any other rights and remedies available to the Lender. Borrower covenants and agrees to reimburse Lender all reasonable costs and expenses (including without limitation reasonable counsel fees) incurred in enforcing this Affordable Housing Restriction or in taking reasonable measures to cure any violation hereof, provided that a violation of this Affordable Housing Restriction is acknowledged by Borrower or determined by a court of competent jurisdiction to have occurred. By its acceptance of this Affordable Housing Restriction, Lender does not undertake any liability or obligation relating to the condition of the Premises.

18. Notice of Restrictions. The Lender shall have the right to record or file any notices or instruments appropriate to assuring the enforceability of this Affordable Housing Restriction and the Borrower, on behalf of itself and its successors and assigns, appoints the Lender its attorney-in-fact to execute, acknowledge and deliver any such instruments on its behalf. Without limiting the foregoing, the Borrower and its successors and assigns agree to execute any such instruments upon request.

19. Conditional Relief from Restrictions. Notwithstanding anything herein to the contrary, but subject to the next succeeding paragraph, if the holder of record of a first mortgage granted to a state or national bank, state or federal savings and loan association, cooperative bank, mortgage company, trust company, insurance company or other institutional lender shall acquire the Property by reason of foreclosure or similar remedial action under the provisions of such mortgage or upon conveyance of the property in lieu of foreclosure, and provided that the holder of such mortgage (a) has given Lender not less than 60 days' prior written notice of its intention to foreclose upon its mortgage or to accept a conveyance of the Property in lieu of foreclosure and (b) agrees to recognize any contractual or legal rights of public agencies, non-profit sponsors, or others to take actions that would avoid termination of low-income affordability of the Project, then the rights and restrictions herein contained shall not apply to such holder upon such acquisition of the Property or to any purchaser of the Property from such holder, so long as the purchaser of the Property or holder of the Property

repays from the proceeds of such sale 100% of the net proceeds after superior liens, if any, have been settled not to exceed the outstanding balance of the HOME loan, at such time, so long as the purchaser of the Property or holder of the Property repays from the proceeds of such sale 100% of the net proceeds after superior liens have been settled, if any, not to exceed the outstanding balance of the HOME loan, at such time such Property shall, subject to the next two succeeding sentences, thereafter be free from all such rights and restrictions.

20. No Relief from Restrictions on Certain Transfers. The rights and restrictions contained herein shall not lapse if any portion of the Project Property is acquired through foreclosure or deed in lieu of foreclosure by (a) Borrower, (b) any person with a direct or indirect financial interest in Borrower, (c) any person related to a person described in "b" by blood, adoption or marriage, (d) any person who is or at any time was a business partner of a person described in "b" and (e) any entity in which any of the foregoing have a direct or indirect financial interest (each a "Related Party"). Furthermore, if all or a portion of the Premises is acquired by a Related Party during the period in which this Affordable Housing Restriction would be in effect but for provisions providing for its termination, this Affordable Housing Restriction shall be revived and shall apply to the Property as though it had never lapsed.

21. In the event a person having the right to do so pursues a foreclosure or other proceeding enforcing its rights under a mortgage or other instrument and the Property is sold for a price in excess of the sum of the outstanding principal balances of all notes secured by mortgages of the Property plus all future advances, accrued interest and all reasonable costs and expenses which the holders thereof are entitled to recover pursuant to the terms of such mortgages, such excess shall be paid to the Lender in consideration of the loss of the value and benefit of the rights and restrictions herein contained and released by the Lender pursuant to this Section in connection with such proceeding. In the event that such excess shall be so paid to the Lender, the Lender shall thereafter indemnify such holder against loss or damage to such holder resulting from any claim made by the mortgagor of such mortgage to the extent that such claim is based upon payment of such excess by such holder to the Lender in accordance herewith, provided that such holder shall give the prompt notice of any such claim and shall not object to intervention by the Lender in any proceeding relating thereto. To the extent the Borrower possesses any interest in any amount which would otherwise be payable to the Lender under this paragraph, to the full extent permissible by law, the Borrower hereby assigns its interest in such amount to said holder for payment to the Lender.

22. Notices. Any notice, request or other communication which either party hereto may be required or may desire to give hereunder shall be made in writing, and shall be deemed to have been properly given if hand delivered or if mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

If to Lender:

County of Burlington
Community Development Program
PO Box 6000
Mount Holly, NJ 08060

If to Borrower:

94-96 Rancocas Road
Mt. Holly, NJ 08060-0249

or such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice. A notice sent by first class mail shall be deemed given two days after mailing; a notice delivered by hand shall be deemed given upon receipt.

23. Effective Date. The Borrower and the Lender intend that the restrictions arising hereunder take effect upon the date hereof.


24. Lender shall have the right to assign its interest in this Affordable Housing Restriction.

25. This Affordable Housing Restriction may not be amended, nor may any obligation hereunder be waived or released, without first obtaining the written consent of the Lender.

26. If any provision of this Affordable Housing Restriction shall be declared to be invalid by a court of competent jurisdiction, the remainder shall not be affected.

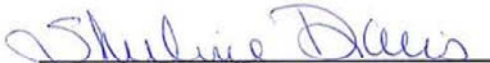
In witness whereof and intending to be bound thereby, the Borrower has caused this agreement to be executed by its duly authorized agent on the date reported.

SALE AND LIGHT COMPANY, INC.

BY: 
Kent R. Pipes, President

Date: 3/29/06

Attest:

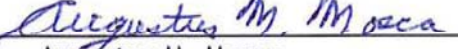

Shirline Davis, Assistant Secretary

Date: 3/29/06

ACCEPTANCE OF GRANT BY LENDER

The above Affordable Housing Restriction is accepted this 29th day of March, 2006.

BURLINGTON COUNTY BOARD
OF CHOSEN FREEHOLDERS

By: 
Augustus M. Mosca
County Administrator

ACKNOWLEDGMENT

STATE OF NEW JERSEY :
 : S.S.
COUNTY OF BURLINGTON :

I certify that on this date Kent R. Pipes and Shirline Davis personally came before me and acknowledged under oath, to my satisfaction, that:

(a) Salt and Light Company, Inc. is named as the Borrower in this document (the "corporation");

(b) they hold, respectively, the positions of President and Assistant Secretary of the corporation;

(c) the corporation has authorized the execution and delivery of this document in accordance with the terms and requirements of its charter and bylaws;

(d) they are authorized to execute and deliver this document for the corporation and

(e) they signed and delivered this document for and on behalf of the corporation as its voluntary act and deed for the uses and purposes therein expressed.

Signed and subscribed to before me.


Notary Signature
JENNIFER J. KIESEL
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 5/5/2010

Date: March 29, 2006

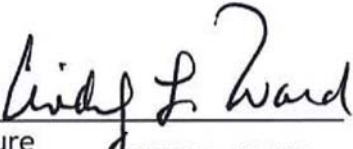
ACKNOWLEDGMENT

STATE OF NEW JERSEY :
COUNTY OF BURLINGTON : S.S.

I certify that on this date, Augustus M. Mosca personally appeared before me and acknowledged under oath to my satisfaction that:

(a) he is the Burlington County Administrator and Clerk of the Burlington County Board of Chosen Freeholders (the "Board"), Lender named in this document and

(b) he executed this document as the voluntary act and deed of the Board for the uses and purposes therein expressed, as authorized by resolution.


Signature
CINDY L. WARD
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JAN 8, 2009

3-29-06
Date

Typed/printed name

Title

EXHIBIT A - Property Description

**Board of Chosen Freeholders
County of Burlington
New Jersey**

DEPARTMENT OF
ECONOMIC DEVELOPMENT
Community Development Program
Human Services Facility
795 Woodlane Road, Westampton
P.O. Box 6000
Mt. Holly, N.J. 08060



(609) 265-5072
FAX (609) 265-5500

**COUNTY OF BURLINGTON
HOME INVESTMENT PARTNERSHIP PROGRAM
DEVELOPER LOANS FOR HOMEOWNERSHIP PROJECTS
COMMITMENT LETTER**

December 12, 2005

The Affordable Homes Group
P.O. Box 249
Mount Holly, New Jersey 08060
Attn: Kent R. Pipes, Executive Director

Dear Mr. Pipes:

I am pleased to inform you that the **BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF BURLINGTON** ("Lender") has approved a loan under the HOME Investment Partnerships Program (the "HOME Program") to The Salt and Light Co., Inc., a New Jersey non-profit corporation, ("Borrower") in the principal amount of Three Hundred Forty Seven Thousand Three Hundred Fifty Nine Dollars (\$347,359). The HOME funds shall be used for the acquisition of five single family homes with locations at 410 Walnut Street, 235 & 237 Washington Street and 232 & 234 Rancocas Avenue, Delanco, New Jersey. The funds will be separated into two distinct projects, Delanco Supportive Housing (Project A - \$121,930); and Delanco HOME (Project B - \$225,429). Project A consists of two single family units located at 410 Walnut Street and 235 Washington Street. Project B consists of three single family units located at 232 Rancocas Avenue, 234 Rancocas Avenue and 237 Washington Street.

The term of the loan will be twenty (20) years. No interest shall accrue on this loan unless agreed upon by the parties. The full amount will be due and payable as a balloon payment 20 years from the date of loan closing, unless the loan is forgiven by an official act of the Board of Chosen Freeholders.

As collateral for the loan, the Lender will take Mortgages and Security Agreements on the properties listed above (the "Properties"). The parties agree that the Lender's Mortgages and Security Agreements will take second (2nd) lien position to private financing ("Private Lender").

DB06438P6495

An Affordable Housing Restriction shall be placed on the properties to enforce the continued affordability for the required period. The Salt and Light Co. will provide the following documentation to the County of Burlington upon initial occupancy of the properties and again each time occupancy changes in any one of the properties:

- 1) Address of the unit
- 2) Name of Lessee
- 3) Verification of Income eligibility
- 4) Copy of the fully executed Lease

In addition to the foregoing, closing and funding of this loan shall be contingent upon the following:

1. PROJECT BUDGET:

Submission to Lender of a project budget and a list of project costs eligible for funding under the HOME Program to be paid for with proceeds of the loan, in each case consistent with the Development Pro Forma attached as Exhibit A and acceptable to Lender.

2. COMPLETION SCHEDULE:

Submission to Lender of a schedule for project completion, from pre-closing to initial lease up, with specific tasks to be performed and the scheduled completion dates for such tasks, acceptable to Lender.

3. MATERIAL CHANGE:

Absence of any change in the Development Pro Forma and the Operating Pro Forma attached hereto as Exhibits A and B and absence of any material change in the financial condition of Borrower or in the nature, condition or quality of any collateral for the loan. For purposes of this paragraph, a material change shall include the discovery by the Lender at any time subsequent to the date of this letter of information concerning an existing condition.

INSURANCE REQUIREMENTS

4. TITLE INSURANCE:

Issuance, effective as of closing, of an ALTA mortgagee's title insurance policy satisfactory to Lender, naming Lender as mortgagee and containing no exceptions other than the mortgages securing the Senior Loans.

5. SURVEY:

Submission to Lender of a survey of the Property together with a Surveyor's Certificate, sufficient to delete the survey exception from the mortgagee's title insurance policy and otherwise acceptable to Lender.

6. GENERAL LIABILITY INSURANCE:

Submission to Lender by Borrower of certificates or binders of insurance, effective as of closing, naming Lender as mortgagee, insured, and/or loss payee (as appropriate) with respect to comprehensive general liability insurance on the Project, in each case providing that Lender shall receive 20 days prior written notice of cancellation, and in amounts acceptable to Lender.

REGULATORY COMPLIANCE

7. MARKETING PLANS:

Submission to lender of a tenant selection plan and an affirmative marketing plan, all-acceptable to Lender.

8. PERMITS AND LICENSES:

Submission to Lender of satisfactory evidence of the existence and issuance of all necessary permits and licenses (including without limitation building permits, zoning relief and Certificates of Occupancy) from all governmental authorities with jurisdiction over the Project for the purposes intended.

9. PROOF OF GENERAL COMPLIANCE:

Submission to Lender of evidence, including without limitation opinions of counsel, satisfactory to Lender that the Project complies with all applicable laws, including zoning, subdivision, rent control and environmental laws and laws governing proposed uses of the Project.

DOCUMENTATION REQUIREMENTS

10. ASSIGNMENTS:

Submission to Lender of conditional assignment to Lender of all contracts, leases and permits with respect to the Project.

11. HAZARDOUS MATERIALS:

Submission to Lender prior to closing of a report, prepared by a qualified person, based on an assessment satisfactory to Lender, demonstrating the absence of a release or threat of release of hazardous materials or oil (as those terms are defined by New Jersey law) from, at or on the Property.

12. FINANCIAL CONDITION:

Submission to the Lender of any and all information which it may reasonably request from time to time concerning the financial condition and/or collateral of Borrower, both before and after the loan is closed. Additionally, the Borrower will submit on an annual basis the most recent audit of its financial records for The Affordable Homes Group, The Salt and Light Co. and Transitional Housing Services/People First!, and any other related company(s).

13. OPINION OF COUNSEL:

Submission to Lender of an opinion of counsel for Borrower, in form and substance satisfactory to lender's counsel, that all agreements and instruments executed by Borrower in connection with the loan are legal, valid, binding and enforceable.

14. EXECUTION OF DOCUMENTS:

Execution by Borrower of such loan documentation as the Lender may reasonably require.

15. FINANCIAL COMMITMENTS:

Submission by Borrower to Lender of evidence of firm commitments for primary financing from those entities and in those amounts shown on the attached Development Pro Forma, and on such terms as are reasonably acceptable to the Lender in its sole discretion.

16. CLOSING ON OTHER COMMITMENTS:

Satisfaction of all requirements and agreement to all conditions of the commitments referred to in Section 15 above and the closing of such loans.

18. INTERCREDITOR AGREEMENT:

If required by a lender covered by this conditional commitment, execution of an intercreditor agreement satisfactory to the Lender outlining the respective interests and rights of the lenders.

RIGHT TO CANCEL

Borrower acknowledges that Lender reserves the right in its sole discretion to cancel this commitment prior to closing if it is discovered subsequent to this letter that the Borrower is not a qualified Community Housing Development Organization or that the project does not conform to HOME requirements.

DISBURSAL PROCEDURE

Loan proceeds shall be disbursed subject to the following procedure:

- STEP 1: All vouchers for payment, with supportive documentation attached, Submitted by Borrower must be received in the County's Office of Community Development by 5:00 PM Tuesday, 15 days prior to the next scheduled Freeholders' meeting date.
- STEP 2: The County's Office of Community Development prepares a draw down request based upon Borrower's voucher it has received and submits it to the US Treasury.
- STEP 3: The US Treasury reviews and approves the draw down request and deposits the funds in the County's local account.
- STEP 4: The County is notified that funds have been deposited in its account.
- STEP 5: All vouchers representing acquisition costs that comprised the draw down request amount are submitted to the Board of Freeholders for review and approval.
- STEP 6: The County Treasurer's Office releases all approved payments on the Friday following the Freeholders' meeting or the following Monday, in case of a Friday holiday. Closing will take place no more than three days following receipt of check from the County Treasurer.

Steps 3, 4 and 5 are designed to occur concurrently so that payments can be released immediately after receipt of funds. In this manner, the County can ensure compliance with its financial obligation not to keep federal cash on hand for more than three (3) days. Vouchers may be submitted only as stipulated by the loan documents.

One Hundred Twenty One Thousand Nine Hundred Thirty Dollars (\$121,930) will be disbursed taking a second (2nd) lien position on 410 Walnut Street, 235 Washington Street. Two Hundred Twenty Five Thousand Four Hundred Twenty Nine Dollars (\$225,429) will be disbursed taking a second (2nd) lien positions on 232 and 234

Rancocas Avenue and 237 Washington Street, Delanco, New Jersey. The individual lien values will be as follows:

410 Walnut Street	\$60,965
235 Washington Street	\$60,965
232 Rancocas Avenue	\$75,143
234 Rancocas Avenue	\$75,143
237 Washington Street	\$75,143

During the affordability period, the Borrower shall comply with the HOME Program regulations and requirements (24 C.F.R. Part 92). These requirements include, without limitation, that one HOME unit shall be leased to households whose total household incomes do not exceed 80% of area median income. One HOME unit shall be leased to a household whose total household income at the date of execution of the lease, does not exceed 60% of the area median income, and two HOME units shall be leased to households whose total household incomes at the date of execution of the lease do not exceed 50% of the area median income. Income eligibility is based upon the Part 5 (Section 8) definition of Annual Income, the applicable Standard Metropolitan Statistical Area and is adjusted for family size.

Borrower will certify lessees' incomes as units are leased. If any of the HOME units are not leased to qualified lessees as defined herein, the Lender will require repayment of all or a portion of the loan upon demand.

Full lease up of the Projects in accordance with the terms of the loan shall be completed in or within twelve (12) months of the loan closing. At each initial and subsequent occupancy, a copy of Certificate of Occupancy shall be submitted to Lender and a final Housing Quality Standards inspection by a qualified individual working on behalf of lender shall be performed to ensure that the HOME Units meet the housing quality standards applicable under the HOME Program, as well as all applicable laws, codes, ordinances and regulations.

The foregoing is not intended to describe all of the terms and provisions of the loan, but is intended as a summary of the major conditions of the financing. Prior to closing, completed draft documents covering the transaction will be provided to you and your legal counsel, for review and comment.

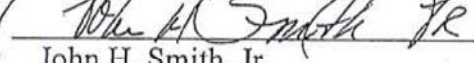
This commitment will expire seven days from the date of this letter. If this letter is not accepted by that time, or if the loan is not closed within two months of the date of this letter, all Lender's obligations shall cease and all commitments to lend hereunder shall expire. This commitment may not be assigned and no provision herein may be waived or amended without the prior written consent of the Lender.

This commitment supersedes all prior commitments or representations made to Borrower by Lender, written or oral, pertaining to the subject hereof.

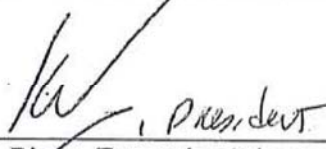
This commitment shall be construed in accordance with the laws of the State of New Jersey.

If the foregoing meets with your approval and you wish to accept this commitment of the Lender subject to the conditions contained herein, please indicate your acceptance by signing the original of this letter in the space provided and returning it to Lender.

Sincerely,

BY: 
John H. Smith, Jr.
Burlington County Office of
Housing and Community Development

Accepted:

BY: 
Kent R. Pipes, Executive Director
The Salt and Light Company, Inc.

DATE: 12-15-05

Exhibit A Pro Forma showing Sources and Uses of Funds
Exhibit B Income Limits

Cc: Augustus M. Mosca, County Administrator
Mark Remsa, Director
Carole A Quattlander, Sr. Asst. County Solicitor

20598849080

** TOTAL PAGE 03 **

Form 7 - Development Budget

The Salt & Light Company, Inc.

Version
7/12/05

Fund Allocation By Property

I. Uses of Funds	Standard Rentals		Supportive Housing				GRAND TOTAL	
	224 Rancocas Delanco	226 Rancocas Delanco	237 Washington Delanco	235 Washington Delanco	410 Walnut Delanco	1151 Woodlane Eastampton Willingboro	2 Felter Pl.	
Acquisition	\$153,333	\$153,333	\$153,333	\$153,333	\$115,668	\$68,500	\$105,500	\$903,000
Title Expenses	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$207	\$300	\$5,507
Closing Costs	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$500	\$500	\$6,000
Marketing & rent-up	\$2,000	\$2,000	\$2,000	\$1,250	\$1,250	\$1,250	\$1,250	\$11,000
Developer Fee	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$0	\$0	\$40,000
Total	\$165,333	\$165,333	\$165,333	\$164,583	\$126,918	\$70,457	\$107,550	\$965,507
II. Sources of Funds								
MORTGAGE	\$54,190	\$54,190	\$54,190	\$15,000	\$15,643	\$15,645	\$15,646	\$224,506
BURLCO HOME	\$75,143	\$75,143	\$75,143	\$60,965	\$60,965	\$0	\$0	\$347,959
HUD PSH	\$0	\$0	\$0	\$52,618	\$14,309	\$54,812	\$91,904	\$213,642
DEVELOPER CONTR.	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$0	\$0	\$180,000
Total	\$165,333	\$165,333	\$165,333	\$164,583	\$126,918	\$70,457	\$107,550	\$965,507
					HUD PSH Match = \$255,866			

HUD PSH Match = \$255,866

STATE:NEW JERSEY

-----INCOMELIMITS-----

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Atlantic--Cape May, NJ PMSA FY 2005 MFI: 61700	12950 21600 34550	14800 24700 39500	16650 27750 44400	18500 30850 49350	20000 33300 53300	21450 35800 57250	22950 38250 61200	24450 40700 65150
Bergen--Passaic, NJ PMSA FY 2005 MFI: 83500	17550 29250 40600	20050 33400 46400	22550 37600 52200	25050 41750 58000	27050 45100 62650	29050 48450 67300	31050 51750 71900	33050 55100 76550
Jersey City, NJ PMSA FY 2005 MFI: 53800	13450 22450 35900	15400 25650 41000	17300 28850 46150	19250 32050 51300	20750 34600 55400	22300 37200 59500	23850 39750 63600	25400 42300 67700
Middlesex--Somerset--HunTERdon, NJ PMSA FY 2005 MFI: 92000	19300 32200 40600	22100 36800 46400	24850 41400 52200	27600 46000 58000	29800 49700 62650	32000 53350 67300	34200 57050 71900	36450 60700 76550
Monmouth--Ocean, NJ PMSA FY 2005 MFI: 78200	16400 27350 40600	18750 31300 46400	21100 35200 52200	23450 39100 58000	25350 42250 62650	27200 45350 67300	29100 48500 71900	30950 51600 76550
Newark, NJ PMSA FY 2005 MFI: 80300	16850 28100 40600	19250 32100 46400	21700 36150 52200	24100 40150 58000	26000 43350 62650	27950 46550 67300	29850 49800 71900	31800 53000 76550
Philadelphia, PA--NJ PMSA FY 2005 MFI: 68800	14450 24100 38550	16500 27500 44050	18600 30950 49550	20650 34400 55050	22300 37150 59450	23950 39900 63850	25600 42650 68250	27250 45400 72650
Trenton, NJ PMSA FY 2005 MFI: 83800	17600 29350 40600	20100 33500 46400	22650 37700 52200	25150 41900 58000	27150 45250 62650	29150 48600 67300	31150 51950 71900	33200 55300 76550
Vineland--Millville--Bridgeton, NJ PMSA FY 2005 MFI: 53600	11250 18750 30000	12850 21450 34300	14450 24100 38600	16100 26800 42900	17350 28950 46300	18650 31100 49750	19950 33250 53150	21250 35400 56600

Reporting Period: _____ Monthly _____ Annual _____ Other _____
NOTE: A separate form must be completed for each property. Please copy additional pages as necessary.

NOTE: A separate form must be completed for each property. Please copy additional pages as necessary.

- I/We (owner) have relied in good faith upon information supplied by the occupants and verified the information provided. I/We certify that data presented in this report accurate to the best of our knowledge.

[illegible]

**FAMILY INCOME CALCULATION
Form B**

HOUSEHOLD COMPOSITION

Family Member #	1. Last Name	2. First Name	3. Relationship	4. Sex	5. Birthdate
HEAD					
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					

ANNUALIZED INCOME

Family Member #	6. Source of Income	7. \$s	8. # of Pay Periods & Type	9. Annual
	Wages, Salaries, SS, Pensions, SSI, Income from Assets		Hourly, Weekly, Bi-Weekly, Monthly, Semi-Monthly	
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

APPLICABLE HUD INCOME LIMIT:

INCOME LEVEL (check one)

0-30% MFI _____

30-50% MFI _____

51-60% MFI _____

61-80% MFI _____

RENT INFORMATION:

A. Monthly Rent for Assigned Unit _____

B. Allowance for Tenant Paid Utilities _____

Gross Rent (A+B) _____

11. Type	Amount
Checking	
Savings	
12. Net Total Assets	
13. Passbook Rate	
14. Imputed Income	

I certify that all the information provided on household composition, income and assets is accurate and complete and that all household members and all income for all household members has been reported as shown above. I am aware that the information I have provided on household income and composition is being used to determine my family's eligibility for occupancy in federally funded housing for low income households. I am aware that if any of the information I have provided is willfully false, I may be subject to punishment and/or termination of tenancy.

Signature - Head of Household _____ DATE: _____

Signature - Head of Household _____ DATE: _____

PROJECT: _____ **Date:** _____

[illegible]

STATE:NEW JERSEY

-----I N C O M E L I M I T S-----

PROGRAM
Allentown-Bethlehem-Easton, PA-NJ MSA

Warren County, NJ HMFA

FY 2006 MFI: 82500

	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
30% OF MEDIAN	17350	19850	22300	24800	26800	28750	30750	32750
VERY LOW INCOME	28900	33050	37150	41300	44600	47900	51200	54500
LOW-INCOME	41700	47700	53650	59600	64350	69150	73900	78650

Atlantic City, NJ MSA

FY 2006 MFI: 64400

30% OF MEDIAN	13500	15450	17350	19300	20850	22400	23950	25500
VERY LOW INCOME	22550	25750	29000	32200	34800	37350	39950	42500
LOW-INCOME	36050	41200	46350	51500	55600	59750	63850	68000

New York-Northern New Jersey-Long Island, NY-NJ-PA MSA

Bergen-Passiac, NJ HMFA

FY 2006 MFI: 87500

30% OF MEDIAN	18400	21000	23650	26250	28350	30450	32550	34650
VERY LOW INCOME	30650	35000	39400	43750	47250	50750	54250	57750
LOW-INCOME	41700	47700	53650	59600	64350	69150	73900	78650

Jersey City, NJ HMFA

FY 2006 MFI: 55000

30% OF MEDIAN	13500	15400	17350	19250	20800	22350	23850	25400
VERY LOW INCOME	22450	25650	28850	32050	34600	37200	39750	42300
LOW-INCOME	35900	41050	46150	51300	55400	59500	63600	67700

Middlesex-Somerset-Hunterdon, NJ HMFA

FY 2006 MFI: 95800

30% OF MEDIAN	20000	22900	25750	28600	30900	33200	35450	37750
VERY LOW INCOME	33400	38150	42950	47700	51500	55350	59150	62950
LOW-INCOME	41700	47700	53650	59600	64350	69150	73900	78650

Monmouth-Ocean, NJ HMFA

FY 2006 MFI: 81900

30% OF MEDIAN	17200	19650	22100	24550	26500	28500	30450	32400
VERY LOW INCOME	28650	32750	36850	40950	44250	47500	50800	54050
LOW-INCOME	41700	47700	53650	59600	64350	69150	73900	78650

Newark, NJ HMFA

FY 2006 MFI: 84400

30% OF MEDIAN	17700	20250	22750	25300	27300	29350	31350	33400
VERY LOW INCOME	29550	33750	38000	42200	45600	48950	52350	55700
LOW-INCOME	41700	47700	53650	59600	64350	69150	73900	78650

Ocean City, NJ MSA

FY 2006 MFI: 64100

30% OF MEDIAN	13500	15400	17350	19250	20800	22350	23850	25400
VERY LOW INCOME	22450	25650	28850	32050	34600	37200	39750	42300
LOW-INCOME	35900	41050	46150	51300	55400	59500	63600	67700

Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA

FY 2006 MFI: 72100

30% OF MEDIAN	15150	17300	19500	21650	23400	25100	26850	28600
VERY LOW INCOME	25250	28850	32450	36050	38950	41800	44700	47600
LOW-INCOME	40400	46150	51950	57700	62300	66950	71550	76150

Trenton-Ewing, NJ MSA

FY 2006 MFI: 85400

30% OF MEDIAN	17900	20500	23050	25600	27650	29700	31750	33800
VERY LOW INCOME	29900	34150	38450	42700	46100	49550	52950	56350
LOW-INCOME	41700	47700	53650	59600	64350	69150	73900	78650

Vineland-Millville-Bridgeton, NJ MSA

FY 2006 MFI: 56400

30% OF MEDIAN	11850	13500	15200	16900	18250	19600	20950	22300
VERY LOW INCOME	19750	22550	25400	28200	30450	32700	34950	37200
LOW-INCOME	31550	36100	40600	45100	48700	52300	55900	59550

FORM E

RENT TABLES

HIGH RENT TABLE (Effective 2/2005) LOW INCOME

# OF BEDROOMS:	EFF.	1	2	3	4	5	6
MAX. MONTHLY RENT:	\$663	\$761	\$914	\$1095	\$1240	\$1349	\$1459

LOW RENT TABLE (Effective 2/2005) VERY LOW INCOME

# OF BEDROOMS:	EFF.	1	2	3	4	5	6
MAX. MONTHLY RENT:	\$602	\$645	\$773	\$894	\$997	\$1100	\$1204

RECORDING DATA PAGE

Consideration :
Code : E
Transfer Fee : \$0.00
Recording Date: 10/25/2006
Document No : 4373873 ccgorwoo

BOARD OF CHOSEN FREEHOLDERS
49 RANCOCAS RD
PO BOX 6000
MOUNT HOLLY, NJ 08060

Receipt No : 665791
Document No : 4373873
Document Type : CNB
Recording Date: 10/25/2006
Login Id : ccgorwoo

Recorded	Filed
Oct 25 2006 09:00am	Oct 25 2006 09:00am
Burlington County Clerk	Burlington County Clerk

Clerk of Burlington County • 49 Rancocas Rd. • Mt. Holly, NJ 08060
609-265-5180

10

BURLINGTON COUNTY CLERK
2006 OCT 18 A 10:26
APPROVED

**BURLINGTON COUNTY BOARD OF CHOSEN FREEHOLDERS
HOME INVESTMENTS PARTNERSHIP PROGRAM
AFFORDABLE HOUSING RESTRICTION**

LENDER: BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF BURLINGTON, a body corporate and politic, with offices located at 49 Rancocas Road, Mount Holly, NJ 08060

BORROWER/OWNER: SALT & LIGHT CO., INC., 94-96 Rancocas Road,
Mt. Holly, NJ 08060-0249

BORROWER: SALT & LIGHT CO., INC., 94-96 Rancocas Road, Mt. Holly, NJ 08060-0249

PROJECT: Permanent supportive affordable housing for households whose income is at or below fifty percent (50%) of the applicable median income, adjusted for family size -- based on the 24 CFR Part 5 definition of Annual Gross Income

PROJECT PROPERTY: Delanco Township, Burlington County
Block 1601, Lot 13.01 (410 Walnut St.)
Block 1305, Lot 9.03 (235 Washington St.)

LOAN AMOUNT: \$121,930.00

WHEREAS, the above-named Lender has entered into a HOME Investment Partnership Agreement pursuant to Title II of the National Affordable Housing Act with the United States Department of Housing and Urban Development (hereafter, "HUD"), by which HUD provides funding for eligible projects; and

WHEREAS, the Lender has been designated to implement a HOME Investment Partnership program (hereinafter referred to as the "HOME Program") in accordance with applicable regulations, including 24 CFR Part 92; and

WHEREAS, the Borrower has requested funding to undertake the above-described Project; and

WHEREAS, the proposed Project is eligible for funding if carried out pursuant to HUD's regulations and guidelines; and

WHEREAS, one requirement of the HOME Program is that project properties be subject to a deed restriction, reflecting that said properties are for the purpose of providing housing for families of certain income levels; and

WHEREAS, Borrower has agreed to comply with this condition by signing and delivering this document; now, therefore, in consideration of the foregoing and the terms and conditions contained herein, the above-named Borrower/Owner grants to the above-named Lender, its successors and assigns the rights stated in this document on the above-described Project Property ("Premises"), which Property is described in Exhibit A attached hereto, for the

purpose of ensuring retention of affordable rental housing for occupancy by low income persons and families.

1. Purpose. The purpose of this Affordable Housing Restriction is to assure that the Premises will be retained as affordable housing for occupancy by very-low-income households.

2. Nature and Term of Covenants. The Borrower intends, declares and covenants, on behalf of itself and its successors and assigns, that the covenants and restrictions set forth in this Affordable Housing Restriction regulating and restricting the use, occupancy and transfer of the Premises (a) shall be and are covenants running with the land, encumbering the Premises for a term of twenty (20) years from the date of execution hereof; (b) are binding upon the Borrower's successors in title and all subsequent owners of the Premises, (c) are not merely personal covenants of the Borrower, and (d) shall bind the Borrower and its successors and assigns and the benefits shall inure to the Lender and to any present or prospective tenant of the Premises. The Borrower acknowledges that it has received assistance from the Lender in developing the Premises as affordable rental housing, which assistance includes a loan from the Lender under the HOME Investments Partnership Program (the "HOME Program"). This Affordable Housing Restriction shall continue in force for its stated term regardless of the prior repayment of such loan.

3. Notice of Covenants. Each and every contract, deed or other instrument hereafter executed conveying the Premises or portion thereof shall expressly provide that such conveyance is subject to this Affordable Housing Restriction. The covenants contained herein shall survive and be effective regardless of whether such contract, deed or other instrument hereafter executed conveying the Premises or portion thereof actually provides that such conveyance is subject to this Affordable Housing Restriction.

4. Unit Standards. The Premises shall be used for two (2) units of rental housing, as described above. Each Project Property shall contain complete facilities for living, sleeping, eating, cooking and sanitation that are to be used on other than a transient basis. Each Project Property shall meet the housing quality standards set forth in the regulations of the HOME Investment Partnership Program at 24 CFR Part 92, Section 92.251 or any successor thereto.

5. Discrimination Prohibited. The Borrower shall not discriminate on the basis of race, creed, color, sex, age, handicap, marital status, sexual preference, national origin or any other basis prohibited by law in the lease, use and occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project. The Borrower shall not discriminate against, or refuse to lease, rent or otherwise make available units in the Project to a holder of a certificate of family participation under the Federal Rental Certificate Program (24 CFR Part 882) or a rental voucher under the Federal Rental Voucher Program (24 CFR Part 887) or a holder of a comparable document evidencing participation in a HOME Program, tenant-based assistance program because of the status of the prospective tenant as a holder of such certificate of family participation, rental voucher or comparable HOME Program tenant-based assistance document.

5.1. Nondiscrimination Policies. The Borrower shall adopt and submit resident selection policies and criteria to Lender and Lender shall have the right of approval thereof. Said policies and criteria shall comply with the following requirements:

(a) They shall be consistent with the purpose of providing housing for "Low Income Families" and "Very Low Income Families", as defined below in 7(a) and required herein;

(b) They shall be reasonably related to HOME Program eligibility of prospective tenants and to the prospective tenants' ability to perform the obligations of the Borrower's form lease;

(c) They shall give reasonable consideration to the housing needs of families that would have preference under 24 CFR Part 960.211 (Federal selection preferences for admission to public housing); and

(d) They shall provide for (i) the selection of residents from a written waiting list in the chronological order of their application, insofar as practicable, and (ii) the prompt written notification to any related applicant of the grounds for any rejection.

Any changes to these policies and criteria must be approved by Lender in writing. The Borrower shall also provide the Lender with an affirmative marketing plan acceptable to the Lender.

The approved marketing plan and the approved resident selection policies and criteria shall be adhered to in every respect.

6. Tenant Income Standards. During the term of this Affordable Housing Restriction the Project Properties shall be leased exclusively to Families (as defined below) whose annual incomes are at or less than FIFTY PERCENT (50%) of the median income for the Area (as defined below) ("Very Low Income Families") based on family size as determined by the US Department of Housing and Urban Development ("HUD"). A "Family" is defined as one or more individuals occupying a unit and satisfying the standards adopted by HUD for the so-called Section 8 Program under the United States Housing Act of 1937 and promulgated at 24 CFR Part 812. The "Area" is defined as the Philadelphia, PA-NJ PMSA. A Family's annual income shall be the anticipated total income from all sources received by the Family head and spouse (even if temporarily absent) and by each additional member of the Family (other than children under the age of 18 years), including all net income derived from assets for the 12-month period following the effective date of certification of income. Annual Income specifically includes and excludes certain types of income as set forth in, and shall be determined in accordance with, 24 CFR Part 813.106 (or any successor regulations).

7. Rental amount Limits. Rental amounts shall comply with the following:

a. The monthly rent charged to tenants of the Project shall not exceed the fair market rent for existing housing for comparable units in the Area as established by HUD under regulations promulgated at 24 CFR Part 888.111 (or successor regulations), less the monthly allowance for the utilities and services (excluding telephone) to be paid by the tenant.

b. The monthly rent charged for Project Properties shall not be greater than thirty percent (30%) of the monthly gross income of a Family whose income equals fifty percent (50%) (or such higher or lower percentage as may be established by HUD pursuant to applicable regulations under the HOME Program) of the median income for the Area, as determined by HUD, with adjustment for number of bedrooms in the unit using average occupancy per unit assumptions provided by HUD. In determining the maximum monthly rent that may be charged for a unit under this clause the Borrower shall subtract from the above amount a monthly allowance for any utilities and services (excluding telephone) to be paid by the Family.

c. Borrower shall make the determination of whether a Family meets the income requirements set forth herein at the time of leasing of a unit in the Project and thereafter at least annually on the basis of the current income of such Family.

8. Initial Proposed Rents. Prior to initial occupancy of a Project Property and annually thereafter as part of the annual reports required under Section 8 above, Borrower shall submit to Lender a proposed schedule of monthly rents and monthly allowances for utilities and services for all units in the Project. The rent schedule shall include both the maximum rents applicable to units as described above as well as the actual rents to be charged to over-income Families. Such schedule shall be subject to the approval of Lender for compliance with the requirements of this Agreement.

9. Records and Reporting to Lender. Borrower shall maintain as part of its Project records copies of all leases of units in the Project and all initial and annual income certifications by tenants of the Project. Within 60 days after the end of each calendar year of occupancy of any portion of the Project, the Borrower shall provide to the Lender annual reports consisting of certifications regarding the annual and monthly gross and adjusted income of each Family occupying a unit at the Project. With respect to Families who move to the Project in the prior year, the annual report shall also include certifications regarding the annual and monthly gross and adjusted incomes of such Families at the time of the initial occupancy at the Project. The annual report shall be in a form approved by the Lender and shall contain such supporting documentation as the Lender shall reasonably require. In addition to the foregoing, Borrower shall keep such additional records and prepare and submit to lender such additional reports as Lender may deem necessary to ensure compliance with the requirements of this Affordable Housing Restriction and of the HOME Program.

10. Increases in Rental Amounts. Rents shall not be increased without the Lender's prior written approval of either (a) a specific request by Borrower for a rent increase or (b) the next annual schedule of rents and allowances. Notwithstanding the foregoing, rent increases shall be subject to the provisions of outstanding leases and shall not be implemented without at least 30 days' prior written notice by Borrower to all affected tenants.

11. Prohibited Lease Provisions. The Borrower shall not include in any lease for a unit in the Project any of the following provisions:

a. Agreement by the tenant to be sued, to admit guilt or to a judgment in favor of the Borrower in a lawsuit brought in connection with the lease.

b. Agreement by the tenant that the Borrower may take, hold, or sell personal

property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the unit after the tenant has moved out of the unit. The Borrower may dispose of such personal property in accordance with New Jersey law.

c. Agreement by the tenant not to hold the Borrower or the Borrower's agents legally responsible for any action or failure to act, whether intentional or negligent.

d. Agreement of the tenant that the Borrower may institute a lawsuit without notice to the tenant.

e. Agreement by the tenant that the Borrower may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties.

f. Agreement by the tenant to waive any right to a trial by jury.

g. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease.

h. Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the Borrower against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

12. Project Lease Terms and Lease Terminations. All leases for units in the Project shall be for terms of not less than one (1) year, unless by mutual agreement between the tenant and the Borrower, and shall require tenants to provide information required for the Borrower to meet its reporting requirements hereunder. Borrower may not terminate the tenancy or refuse to renew the lease of an occupant of the Project except for (a) for serious or repeated violations of the terms and conditions of the lease; (b) violations of applicable federal, state or local law or (c) other good cause. Any termination or refusal to renew must be preceded by not less than 90 days by Borrower's service on the tenant of a written notice specifying the grounds for the action. Lender must be copied on any such notice for units relating to this restriction.

13. Transfer or Sale of Project Property. The Borrower may not sell, transfer or exchange all or any portion of the Project without the Lender's prior written consent. Any sale, transfer or change of title shall require either full payment of the outstanding obligation under the mortgage or such other requirements as the Lender may specify.

14. Demolition or Reduction of Project Property. The Borrower shall not demolish any part of the Project or substantially subtract from any real or personal property of the Project except in conjunction with renovation or rehabilitation of the Project or construction of a new project on the Premises, in either case subject to the prior written consent of the Lender, which consent may be granted or withheld in the Lender's reasonable judgment. The Borrower shall not permit the use of any residential unit for any purpose other than rental housing.

15. Destruction or Damage of Project Property. If the Project, or any part thereof, shall be damaged or destroyed, the Borrower shall use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction, and the Borrower represents, warrants and agrees that the Project shall thereafter continue to operate in accordance with the terms of this Affordable Housing Restriction.

16. Use of Project Property. Any use of the Project Property or activity thereon which is inconsistent with the express conditions or purpose of this Affordable Housing Restriction is expressly prohibited. Borrower shall carry out each activity provided for in this Agreement in compliance with all applicable federal laws and regulations described in 24 CFR Part 92.350 (Equal Opportunity and Fair Housing), Part 92.351 (Affirmative marketing), Part 92.353 (Displacement, Relocation and Acquisition), Part 92.355 (Lead-based Paint), Part 92.356 (Conflict of Interest), Part 92.357 (Executive Order 12372). Lender and its duly authorized representatives shall have the right to enter the Premises at reasonable times and in a reasonable manner for the purpose of inspecting the Premises to determine compliance with this Affordable Housing Restriction.

17. Enforcement of Restrictions. Lender shall have the right to enforce this Affordable Housing Restriction by appropriate legal proceedings and to obtain injunctive and other equitable relief against any violations including, without limitation, relief requiring restoration of the Premises to its condition prior to any such violation, it being agreed that the Lender will have no adequate remedy at law, and shall be in addition to, and not in limitation of, any other rights and remedies available to the Lender. Borrower covenants and agrees to reimburse Lender all reasonable costs and expenses (including without limitation reasonable counsel fees) incurred in enforcing this Affordable Housing Restriction or in taking reasonable measures to cure any violation hereof, provided that a violation of this Affordable Housing Restriction is acknowledged by Borrower or determined by a court of competent jurisdiction to have occurred. By its acceptance of this Affordable Housing Restriction, Lender does not undertake any liability or obligation relating to the condition of the Premises.

18. Notice of Restrictions. The Lender shall have the right to record or file any notices or instruments appropriate to assuring the enforceability of this Affordable Housing Restriction and the Borrower, on behalf of itself and its successors and assigns, appoints the Lender its attorney-in-fact to execute, acknowledge and deliver any such instruments on its behalf. Without limiting the foregoing, the Borrower and its successors and assigns agree to execute any such instruments upon request.

19. Conditional Relief from Restrictions. Notwithstanding anything herein to the contrary, but subject to the next succeeding paragraph, if the holder of record of a first mortgage granted to a state or national bank, state or federal savings and loan association, cooperative bank, mortgage company, trust company, insurance company or other institutional lender shall acquire the Property by reason of foreclosure or similar remedial action under the provisions of such mortgage or upon conveyance of the property in lieu of foreclosure, and provided that the holder of such mortgage (a) has given Lender not less than 60 days' prior written notice of its intention to foreclose upon its mortgage or to accept a conveyance of the Property in lieu of foreclosure and (b) agrees to recognize any contractual or legal rights of public agencies, non-profit sponsors, or others to take actions that would avoid termination

of low-income affordability of the Project, then the rights and restrictions herein contained shall not apply to such holder upon such acquisition of the Property or to any purchaser of the Property from such holder, so long as the purchaser of the Property or holder of the Property repays from the proceeds of such sale 100% of the net proceeds after superior liens, if any, have been settled not to exceed the outstanding balance of the HOME loan, at such time, so long as the purchaser of the Property or holder of the Property repays from the proceeds of such sale 100% of the net proceeds after superior liens have been settled, if any, not to exceed the outstanding balance of the HOME loan, at such time such Property shall, subject to the next two succeeding sentences, thereafter be free from all such rights and restrictions.

20. No Relief from Restrictions on Certain Transfers. The rights and restrictions contained herein shall not lapse if any portion of the Project Property is acquired through foreclosure or deed in lieu of foreclosure by (a) Borrower, (b) any person with a direct or indirect financial interest in Borrower, (c) any person related to a person described in "b" by blood, adoption or marriage, (d) any person who is or at any time was a business partner of a person described in "b" and (e) any entity in which any of the foregoing have a direct or indirect financial interest (each a "Related Party"). Furthermore, if all or a portion of the Premises is acquired by a Related Party during the period in which this Affordable Housing Restriction would be in effect but for provisions providing for its termination, this Affordable Housing Restriction shall be revived and shall apply to the Property as though it had never lapsed.

21. In the event a person having the right to do so pursues a foreclosure or other proceeding enforcing its rights under a mortgage or other instrument and the Property is sold for a price in excess of the sum of the outstanding principal balances of all notes secured by mortgages of the Property plus all future advances, accrued interest and all reasonable costs and expenses which the holders thereof are entitled to recover pursuant to the terms of such mortgages, such excess shall be paid to the Lender in consideration of the loss of the value and benefit of the rights and restrictions herein contained and released by the Lender pursuant to this Section in connection with such proceeding. In the event that such excess shall be so paid to the Lender, the Lender shall thereafter indemnify such holder against loss or damage to such holder resulting from any claim made by the mortgagor of such mortgage to the extent that such claim is based upon payment of such excess by such holder to the Lender in accordance herewith, provided that such holder shall give the prompt notice of any such claim and shall not object to intervention by the Lender in any proceeding relating thereto. To the extent the Borrower possesses any interest in any amount which would otherwise be payable to the Lender under this paragraph, to the full extent permissible by law, the Borrower hereby assigns its interest in such amount to said holder for payment to the Lender.

22. Notices. Any notice, request or other communication which either party hereto may be required or may desire to give hereunder shall be made in writing, and shall be deemed to have been properly given if hand delivered or if mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

If to Borrower:

94-96 Rancocas Road
Mt. Holly, NJ 08060-0249

If to Lender:

County of Burlington
Community Development Program
PO Box 6000
Mount Holly, NJ 08060

or such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice. A notice sent by first class mail shall be deemed given two days after mailing; a notice delivered by hand shall be deemed given upon receipt.

23. Effective Date. The Borrower and the Lender intend that the restrictions arising hereunder take effect upon the date hereof.

24. Lender shall have the right to assign its interest in this Affordable Housing Restriction.

25. This Affordable Housing Restriction may not be amended, nor may any obligation hereunder be waived or released, without first obtaining the written consent of the Lender.

26. If any provision of this Affordable Housing Restriction shall be declared to be invalid by a court of competent jurisdiction, the remainder shall not be affected.

IN WITNESS WHEREOF and intending to be bound thereby, the Borrower has caused this agreement to be executed by its duly authorized agent on the date reported.

SALE AND LIGHT COMPANY, INC.


BY:


Kent R. Pipes, President

Date:

3/29/06

Attest:


Shirline Davis

Date:

ACCEPTANCE OF GRANT BY LENDER

The above Affordable Housing Restriction is accepted this 29th day of March, 2006.

BURLINGTON COUNTY BOARD
OF CHOSEN FREEHOLDERS

By: Augustus M. Mosca
Augustus M. Mosca
County Administrator

ACKNOWLEDGMENT

STATE OF NEW JERSEY :
: S.S.
COUNTY OF BURLINGTON :

I certify that on this date, Augustus M. Mosca personally appeared before me and acknowledged under oath to my satisfaction that:

(a) he is the Burlington County Administrator and Clerk of the Burlington County Board of Chosen Freeholders (the "Board"), Lender named in this document and

(b) he executed this document as the voluntary act and deed of the Board for the uses and purposes therein expressed, as authorized by resolution.

Cindy L. Ward
Signature

CINDY L. WARD
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JAN 8, 2009

Typed/printed name

3-29-06
Date

Title

ACKNOWLEDGMENT

STATE OF NEW JERSEY :
 : S.S.
COUNTY OF BURLINGTON :

I certify that on this date Kent R. Pipes and Shirline Davis personally came before me and acknowledged under oath, to my satisfaction, that:

- (a) Salt and Light Company, Inc. is named as the Borrower in this document (the "corporation");
- (b) they hold, respectively, the positions of President and Assistant Secretary of the corporation;
- (c) the corporation has authorized the execution and delivery of this document in accordance with the terms and requirements of its charter and bylaws;
- (d) they are authorized to execute and deliver this document for the corporation and
- (e) they signed and delivered this document for and on behalf of the corporation as its voluntary act and deed for the uses and purposes therein expressed.

Signed and subscribed to before me.


Notary Signature

JENNIFER J. KIESEL
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 5/5/2010

Date: March 24, 2006

EXHIBIT A - Property Description

RECORDING DATA PAGE

Consideration :
Code : E
Transfer Fee : \$0.00
Recording Date: 10/25/2006
Document No : 4373872 ccgorwoo

BOARD OF CHOSEN FREEHOLDERS
49 RANCOCAS RD
PO BOX 6000
MOUNT HOLLY, NJ 08060

Receipt No : 665791
Document No : 4373872
Document Type : CNB
Recording Date: 10/25/2006
Login Id : ccgorwoo

Recorded	Filed
Oct 25 2006 08:54am	Oct 25 2006 08:54am
Burlington County Clerk	Burlington County Clerk

Clerk of Burlington County • 49 Rancocas Rd. • Mt. Holly, NJ 08060
609-265-5180

404 Illinois Mtg and Note.

**STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS**

**REPAYMENT MORTGAGE
Contains Deed Restrictions**

**MORTGAGE IS SUBORDINATE TO A FIRST PURCHASE MONEY
MORTGAGE OR REFINANCING**

Prepared by: Frederick W. Hardt

This Mortgage made on May 15, 2003, between Kenneth R. Ash (referred to as "Borrower") and New Jersey Department of Community Affairs, (referred to as the "Authority"), which Authority is an instrumentality of Township of Delanco (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 May 15, 2003. 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 Delanco, County of Burlington and State of New Jersey, specifically described as follows:

Street Address: 404 Illinois Avenue

City: Township of Delanco Zip: 08075

Block No.: 405, Lot No.: 3

Also more particularly described as: attach legal description

Together with:

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

404 Illinois Mtg and Note.

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.

BORROWERS ACKNOWLEDGEMENTS

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 very low income households for at least thirty 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 very low 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 ; 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.

404 Illinois Mtg and Note.

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.

404 Illinois Mtg and Note.

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 Mortgagee, 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.

SUBORDINATE 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.

ACKNOWLEDGEMENT

Borrower acknowledges receipt of a true copy of this mortgage at no charge.

404 Illinois Mtg and Note.

Dated:

ATTEST:

Kent R. Pipes

By:

Kenneth R. Ash

Signature (Borrower)

Signature (Co-Borrower)

STATE OF NEW JERSEY)

Berlington)ss

COUNTY OF)

BE IT REMEMBERED, that on this 19th day of SEPT., 2003, before me, the subscriber, KENT R. PIPES personally appeared KENNETH R. ASH who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Borrower (Co-Borrower) named in the within instrument; that is the Repayment Mortgage for 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.

NOTARY PUBLIC

MY COMMISSION

EXP. RES 9/5/2008
Record and return to:

TO THE REGISTER OR CLERK,
County:

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.

404 Illinois Mtg and Note.

**STATE OF NEW JERSEY
COUNCIL ON AFFORDABLE HOUSING
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS**

REPAYMENT MORTGAGE NOTE

9/10, 2003

New Jersey

FOR VALUE RECEIVED, KENNETH R. ASH (referred to as the "Borrower") promises to pay to NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS (referred to as the "Authority") an instrumentality of the TOWNSHIP OF DELANCO (referred to as the "Municipality") the amounts specified in this Note and promises to abide by the terms contained below.

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, date May 15, 2003. 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. This mortgage is subordinate to the first mortgage executed contemporaneously herewith or any subsequent refinancing.

BORROWERS 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:

FAIR MARKET PRICE less MAXIMUM ALLOWABLE RESALE PRICE
equals
PRICE DIFFERENTIAL

BORROWER'S PROCEEDS
equals

MAXIMUM ALLOWABLE RESALE PRICE plus 5% OF PRICE DIFFERENTIAL

404 Illinois Avenue Deed restrictions.

To Be Recorded
In Deed Book

State of New Jersey
Council On Affordable Housing
New Jersey Department of Community Affairs

AFFORDABLE HOUSING AGREEMENT
Contains Deed Restrictions

Prepared by: Frederick W. Hardt

A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

Pursuant to the transfer of ownership of an affordable housing unit for the price of \$120,000, this AGREEMENT is entered into on this 15 day of May, 2003, between Kenneth R. Ash, owner of the properties designated in Section II PROPERTY DESCRIPTION, hereafter "OWNER," and New Jersey Department of Community Affairs, hereafter "AUTHORITY," which Authority is an instrumentality of the Township of Delanco (referred to as the "MUNICIPALITY"), both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the affordable housing unit described in Section II PROPERTY DESCRIPTION for a period of at least thirty (30) years beginning on May 15, 2003 and ending at the first non-exempt transfer of title after May 15, 2033 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 share of housing that is affordable to households with low or moderate incomes in accordance with provisions of the Act; and

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

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

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

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

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

I. DEFINITIONS

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

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

404 Illinois Avenue Deed restrictions.

"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.

"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.

"Council" shall mean the Council on Affordable Housing (COAH) established pursuant to the Fair Housing Act, N.J.S.A. 52:27D-30j et seq.

"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, assignees 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 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

404 Illinois Avenue Deed restrictions.

marketed the unit for ninety (90) days after a Notice of Intent to Sell has been received by the Authority and the Authority shall have thirty (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.

404 Illinois Avenue Deed restrictions.

AUG.21.2003 3:46PM FREDERICK HARDT

NO.814 P.11/17

404 Illinois Avenue Deed restrictions.

II. PROPERTY DESCRIPTION

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

Block 405, Lot 3
Municipality: Township of Delanco
County: Burlington, # of Bedrooms: 3.
Complete Street Address and Unit Number: 404 Illinois Avenue
City: Township of Delanco
State: New Jersey, Zip 08075

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

III. TERM OF RESTRICTION

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

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

1. At the first non-exempt sale after ten (10) 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 approved resale price be established at a lower level than the last recorded purchase price.

B. The owner shall not sell the affordable housing unit to anyone other than a purchaser who has been certified utilizing the income verification procedures established by the Authority to determine qualified low and moderate income-eligible households.

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

404 Illinois Avenue Deed restrictions.

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 Note for a period of up to thirty (30) years.

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

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

D. The affordable housing unit shall be sold in accordance with all rules, regulations, and requirements duly promulgated by the Council (N.J.A.C. 5:92-1 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 RESTRICTION of the Agreement.

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

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

All Deeds of Conveyance and Contracts to Purchase from all owners to certified purchasers of affordable housing units shall include the following clause in a conspicuous place.

"The owner's rights, title and interest in this unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitation and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT which is filed concurrently with this deed in the Office of the County Clerk of Burlington County and is also on file with the Authority."

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

VII. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall constitute covenants running with the land with respect to each affordable housing unit affected hereby, and shall bind all purchasers and owners of each affordable housing unit, their heirs, assigns and all persons

401 Illinois Avenue Deed restrictions.

claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein.

VIII. OWNER RESPONSIBILITIES

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

A. Affordable housing units shall at all times remain the primary residence of the owner. The owner shall not rent any affordable housing unit to any party whether or not that party qualifies as a low or moderate income household without prior written approval from the Authority.

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

C. The owner of an affordable housing unit shall keep the affordable housing unit in good repair.

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

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

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

G. If the Authority does not refer a certified 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 income 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 originally 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 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 has been approved by the Authority. Unless otherwise permitted by the Council, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at resale.

I. The owner shall not permit any lien, other than the first purchase money mortgage, second mortgages approved by the Authority and liens of the Authority to attach and remain on the property for more than sixty (60) days.

J. If an affordable housing unit is part of a condominium, homeowner's or cooperative association, the owner, in addition to paying any assessments required by the master deed of the condominium or by-laws of an association, shall further fully comply with all of the terms, covenants or conditions of said master deed or by-laws, as well as fully comply with all terms, conditions and restrictions of this Affordable Housing Agreement.

K. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93), for

404 Illinois Avenue Deed restrictions.

determining that a resale transaction is qualified for a Certificate of Exemption. The owner shall notify the Authority in writing of any proposed exemption 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 the title transfer.

L. The owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93), 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 thirty (30) days in which to sign an agreement to purchase the unit at the approved resale price and subsequently rent or convey it to a certified household. The municipality may transfer this option to the Department, the Agency, or a qualified non-profit organization as determined by the Council. For approval of a Hardship Waiver, an owner must document efforts to sell the unit to an income eligible household. If the waiver is granted, the owner may offer a low income unit to a moderate income household or a moderate income unit to a household whose income exceeds 80% of the applicable median income guide. The Hardship Waiver shall be filed with the deed at the time of closing and is only valid for the designated resale transaction. It does not affect the resale price. All future resales are subject to all restrictions stated herein.

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

IX. FORECLOSURE

The terms and restrictions of this Agreement shall be subordinate only to the first purchase money mortgage lien on the affordable housing property and in no way shall impair the first purchase money mortgagee's ability to exercise the contract remedies available to it in the event of any default of such mortgage as such remedies are set forth in the first purchase money mortgage documents for the affordable housing unit.

Any affordable housing owner-occupied property that is acquired by a first purchase money mortgagee by deed in lieu of foreclosure, or by a purchaser at a foreclosure sale conducted by the holder of the first purchase money mortgagee shall be permanently released from the restrictions and covenants of this Affordable Housing Agreement. All resale restrictions shall cease to be effective as of the date of transfer of title pursuant to foreclosure with regard to the first purchase money mortgagee, a lender in the secondary mortgage market including but not limited to the FNMA, Federal Home Loan Mortgage Corporation, GNMA, or an entity acting on their behalf and all subsequent purchasers, owners and mortgagees of that particular affordable housing unit (except for the defaulting mortgagor, who shall be forever subject to the resale restriction 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 restriction 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 money 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 the approved maximum resale price and holding, renting or conveying it to a certified household if such right is exercised within ninety (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:

404 Illinois Avenue Deed restrictions.

To the owner:

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

To the Authority:

At the address stated below:

Department of Community Affairs
HAS (formerly known as AHMS)
PO BOX 806/6th Floor
Trenton, NJ 08625-0806

Attention: Program Administrator

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 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.

XVIX. ACKNOWLEDGEMENT

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

Dated: 9/19/03

By: Kenneth R Ash
Signature (Owner)

Signature (Co-Owner)

STATE OF NEW JERSEY)

) ss

COUNTY OF)

Berlin

BE IT REMEMBERED, that on this 19th day of SEPTEMBER, 2003
before me, the subscriber, KENT R. PIPES personally
appeared KENNETH R. ASH, who, being by me duly sworn on his/her
oath, deposes and makes proof to my satisfaction, that he/she is the owner (co-owner) named in
the within instrument: that is the Affordable Housing Agreement of the described Property; that
the execution, as well as the making of this instrument, has been duly authorized and is the
voluntary act and deed of said owner.

Sworn to and subscribed before me,

the date aforesaid.

[Signature]

NOTARY PUBLIC
MY COMMISSION EXPIRES
SEPT 5, 2008

Document Page Help

Page 1 100%

129261
 SERVICETRAK NETWORK
 2030 SPRINGDALE RD., SUITE 800
 CHERRY HILL, NJ 08003

BURLINGTON COUNTY CLERK

Deed

2006 OCT 18 A 10:22

This Deed is made on *March 29, 2006*
 BETWEEN
 DELANCO RENAISSANCE, LLC

ARRIVED

a corporation of the state of New Jersey
 having its principal office at
 1700 Second Street
 Delanco, NJ

referred to as the Grantor,
 AND
 THE SALT AND LIGHT COMPANY, INC., a NJ non-profit corp.

whose post office address is
 96 Rancocas Road
 Mt. Holly, NJ

referred to as the Grantee.
 The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

1. **Transfer of Ownership.** The Grantor grants and conveys (transfers ownership) the property (called the "Property") described below to the Grantee. This transfer is made for the sum of **\$613,332.00**
Six Hundred Thirteen Thousand Three Hundred Thirty-Two Dollars and No Cents
 The Grantor acknowledges receipt of this money.

2. **Tax Map Reference.** (N.J.S.A. 46:15-1.1) XXXXXXXXXX See below.
 XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX
 XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX

☐ No property tax identification number is available on the date of this Deed. (Check Box if Applicable.)

3. **Property.** The Property consists of the land and all the buildings and structures on the land in the Township of Delanco, County of Burlington and State of New Jersey. The legal description is:

Unofficial Document

☒ These are attached legal descriptions entered here and made a part hereon. (Check Box if Applicable.)
 Being that same property received by Delanco Renaissance, LLC, a New Jersey Limited Liability Company, by Deed from William Albrecht, dated June 10, 2003, recorded August 15, 2003, in Deed Book 6088, Page 936.

As to TRACT NO. 1: BEING Lot 9.01, Block 1305 as shown on Major Subdivision of Lot 9, Block 1305, Plate 13, Located in Delanco Township, Burlington County, New Jersey, filed September 20, 2004 in the County Clerk's Office of Burlington County as Map No. 4063343.

As to TRACT NO. 2: BEING Lot 9.02, Block 1305 as shown on Major Subdivision of Lot 9, Block 1305, Plate 13, Located in Delanco Township, Burlington County, New Jersey, filed September 20, 2004 in the County Clerk's Office of Burlington County as Map No. 4063343.

As to TRACT NO. 3: BEING Lot 9.03, Block 1305 as shown on Major Subdivision of Lot 9, Block 1305, Plate 13, Located in Delanco Township, Burlington County, New Jersey, filed September 20, 2004 in the County Clerk's Office of Burlington County as Map No. 4063343.

As to TRACT NO. 4: BEING Lot 9.04, Block 1305 as shown on Major Subdivision of Lot 9, Block 1305, Plate 13, Located in Delanco Township, Burlington County, New Jersey, filed September 20, 2004 in the County Clerk's Office of Burlington County as Map No. 4063343.


Frederick W. Hardt, Esq.

102 - Deed - Bargain and Sale
Corp. to Ind. or Corp. - Plain Language
Rev. 7/01 PG 134

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APPENDIX C - RIVER'S EDGE- DEED RESTRICTIONS

BURLINGTON COUNTY CLERK'S OFFICE
APR 13 2007 3:16 PM
RECEIVED

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
IMPLEMENTING AFFORDABLE HOUSING CONTROLS ON CERTAIN STATE
REGULATED PROPERTY FOR NEW UNITS IN RIVER'S EDGE AT DELANCO**

(including Covenants Restricting Use, Conveyance And Mortgage Debt)

[Required pursuant to the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, et seq.) and
N.J.A.C. 5:80-26.5(d)]

THIS DECLARATION (this "Declaration") is made this 10th day of April, 2007, by **GRES AND KALUZNY LAND DEVELOPMENT, L.L.C.**, a New Jersey limited liability company having its or other entity), having its principle address at 2733 Nottingham Way, Suite #2, Hamilton, New Jersey 08619 (referred to below as the "Developer").

Recitals

WHEREAS, the Developer has certain interests, as hereinafter set forth, in the Condominium project known as River's Edge at Delanco located in the Township of Delanco (referred to below as the "Municipality"), County of Burlington, State of New Jersey and containing a total of two-hundred fifty-one (251) condominium dwelling units (the "Condominium");

WHEREAS, the Developer is the owner of three (3) affordable housing units, more fully described on **Schedule A-1** attached hereto and made a part hereof (referred to below as the "Developer's Affordable Units") which are situated within the Condominium.

WHEREAS, municipalities within the State of New Jersey are required by the Fair Housing Act (P.L. 1985, c. 222, codified at N.J.S.A. 52:27D-301, et seq.) (hereinafter 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 insure that such designated housing remains affordable to low and moderate income households;

WHEREAS, pursuant to the Act, the Affordable Units described in **Schedule A-1** attached to this Declaration have been designated as low and moderate income housing as defined by the Act; and

WHEREAS, the purpose of this Declaration is to insure that the described Affordable Units remain affordable to low and moderate-income eligible households for that period of time described in Article 1 of this Declaration.

NOW, THEREFORE, it is the intent of this Declaration to insure that the affordability controls are recorded on each of the Affordable Units so as to provide notice to the owners of the Affordable Units of the covenants, conditions and restrictions with which they shall be required to comply and to notify all future purchasers of the Affordable Units that the Affordable Units are encumbered with affordability controls.

Article 1. Affordable Housing Covenants.

The sale and use of each Affordable Unit subject to this Declaration is governed by regulations governing controls on affordability, which are found in New Jersey Administrative Code at 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.) (the "Regulations"). Consistent with the Regulations, the following covenants (the "Covenants") shall run with the land, for each respective Affordable Unit, for the period of time commencing upon the earlier of (a) the date hereof or (b) the prior commencement of the "Control Period", as that term is defined in the Regulations (the "Control Period"), and terminating upon the expiration of the Control Period as provided in the Regulations.

A. The Affordable Unit may be conveyed only to a household who has been approved in advance and in writing by the Municipality or by Piazza & Associates, Inc., an administrative

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agent appointed under the Regulations, including N.J.A.C. 5:80-26.14(c) (referred to below as the "Administrative Agent"); provided, however, that any other administrative agent appointed to succeed the Administrative Agent under and in compliance with the Regulations, including N.J.A.C. 5:80-26.17, shall also be deemed an Administrative Agent under this Declaration. In the case of such a change of the Administrative Agent, a legal assignment of the Administrative Agent's rights under this Declaration into the name of the new administrative agent shall be prepared, executed and recorded to the extent required under N.J.A.C. 5:80-26.17(a)2.

B. No sale of the Affordable Unit 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 Affordable Unit, may be incurred except as approved in advance and in writing by the Administrative Agent. At no time shall the Administrative Agent approve any such Debt, if incurring the Debt would make the total of all such Debt exceed Ninety-Five Percent (95%) of the applicable MRP.

D. The owner of the Affordable Unit shall at all times maintain the Affordable Unit as his or her principal place of residence.

E. At no time shall the owner of the Affordable Unit lease or rent the Affordable Unit to any person or persons, except on a short-term hardship basis as approved in advance and in writing by the Administrative Agent and as may be otherwise permitted under the Master Deed.

F. No improvements may be made to the Affordable Unit that would affect its bedroom configuration, and in any event, no improvement made to the Affordable Unit will be taken into consideration to increase the MRP, except for improvements approved in advance and in writing by the Administrative Agent.

G. The affordable housing covenants, declarations and restrictions implemented by this Declaration and by incorporation, N.J.A.C. 5:80-26.1 et seq., shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to the Affordable Unit so long as the Affordable Unit remains subject to the affordability controls being implemented by this Declaration.

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

Article 2. Remedies for Breach of Affordable Housing Covenants.

A breach of the Covenants will cause irreparable harm to the Administrative Agent and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing. Accordingly, and as set forth in N.J.A.C. 5:80-26.10A(b):

A. In the event of a threatened breach of any of the Covenants by the Grantee of an Affordable Unit (the "Grantee"), or any successor in interest or other owner of the Affordable Unit, the Administrative Agent shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.

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

DB 0648 | PG 474

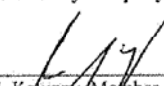
IN WITNESS WHEREOF, the Developer has caused this Declaration to be executed, under seal, in its name and on its behalf by its duly authorized member, as of the day and year first above written.

ATTEST:

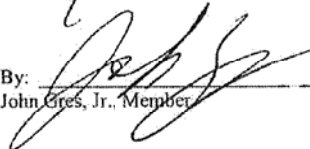
SIGNED BY:

**GRES AND KALUZNY LAND
DEVELOPMENT, L.L.C., a New Jersey
limited liability company, Developer**

Joseph A. Vales

By: 
John J. Kaluzny, Member

Joseph A. Vales

By: 
John Gres, Jr., Member

ACKNOWLEDGEMENT AS TO THE DEVELOPER

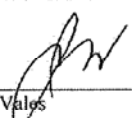
STATE OF NEW JERSEY

COUNTY OF MERCER SS:

I certify that on April 12, 2007, John J. Kaluzny and John Gres, Jr. personally came before me and these persons acknowledged under oath, to my satisfaction that:

- (a) These persons are the Members of Gres and Kaluzny Land Development, L.L.C., a New Jersey limited liability company, and the Developer pursuant to the Declaration set forth above (this "Instrument") relating to River's Edge At Delanco;
- (b) These persons acknowledged to me that the making, signing, sealing and delivery of this Instrument have been duly authorized by proper Resolution of Gres and Kaluzny Land Development, L.L.C.; and
- (c) These persons signed, sealed and delivered this Instrument as these persons' voluntary act and deed as duly authorized members of said limited liability company and on behalf of said company.

Signed and sworn to before me on
the date written above.


Joseph A. Vales
An Attorney at Law of the
State of New Jersey

Record and Return to:

Anthony Muscente, Jr., Esquire
Hill Wallack LLP
202 Carnegie Center
CN 5226
Princeton, New Jersey 08543-5226

DB 06481 PG 475

SCHEDULE A-1

The Developer's Affordable Units consist of the following three (3) Units in River's Edge At Delanco (the "Condominium"), as shown, depicted and described in as described in the Master Deed for River's Edge at Delanco, a Condominium, dated August 26, 2004 and recorded on September 1, 2004 in the office of the Register of Burlington County in Book 06199, at Page 320, et seq., as has been amended by a certain First Amendment To The Master Deed for River's Edge at Delanco, dated July 22, 2005 and recorded in the same office on August 8, 2005, in Book 06302, at Page 160, et seq., and, further, by a certain Second Amendment To The Master Deed for River's Edge at Delanco, dated September 8, 2005 and recorded in the same office on September 27, 2005, in Book 06319, at Page 792, et seq., and, further, by a certain Third Amendment to the Master Deed for River's Edge at Delanco, dated December __, 2006, and recorded on December 13, 2006 with the Burlington County Clerk in Book 6449, at Page 846, et seq., and, further, by a certain Fourth Amendment to the Master Deed for River's Edge at Delanco, dated December __, 2006, and recorded on December 22, 2006 with the Burlington County Clerk in Book 6451, at Page 923, et seq., as the same may be amended from time to time (the "Master Deed"):

1. Unit Number I1, in Building Number 1 in the Condominium, having a designated address of 1 Falcon Lane, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium;
2. Unit Number I3, in Building Number 1 in the Condominium, having a designated address of 3 Falcon Lane, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium; and
3. Unit Number I9, in Building Number 1 in the Condominium, having a designated address of 9 Falcon Lane, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium.

Unofficial Document

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RECORDING DATA PAGE

Consideration :
Code :
Transfer Fee :
Recording Date: 04/18/2007
Document No : 4436454 ccstockt

HILL WALLACK
202 CARNEGIE CENTER
CN5226
PRINCETON, NJ 08543

Receipt No : 701926
Document No : 4436454
Document Type : DECR
Recording Date: 04/18/2007
Login Id : ccstockt

Recorded
Apr 18 2007 8:13am
Burlington County Clerk

Clerk of Burlington County • 49 Rancocas Rd. • Mt. Holly, NJ 08060
609-265-5180

DB 0648 | PG 477

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
IMPLEMENTING AFFORDABLE HOUSING CONTROLS ON CERTAIN STATE
REGULATED PROPERTY FOR NEW UNITS IN RIVER'S EDGE AT DELANCO**

(including Covenants Restricting Use, Conveyance And Mortgage Debt)

[Required pursuant to the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, et seq.) and
N.J.A.C. 5:80-26.5(d)]

THIS DECLARATION (this "**Declaration**") is made this 25th day of April, 2007, by **NVR, Inc., d/b/a/ Ryan Homes**, a Virginia corporation authorized to transact business in New Jersey, with an office at 1451 Highway 34, Suite 201, Wall, New Jersey 07727 (referred to below as the "**Builder**")

WHEREAS, the Builder has certain interests, as hereinafter set forth, in the Condominium project known as River's Edge at Delanco located in the Township of Delanco (referred to below as the "**Municipality**"), County of Burlington, State of New Jersey and containing a total of two-hundred fifty-one (251) condominium dwelling units (the "**Condominium**");

WHEREAS, the Builder is the owner of twelve (12) affordable housing units units, more fully described on Schedule A-1 attached hereto and made a part hereof (referred to below as the "**Builder's Affordable Units**" or "**Affordable Units**" and each individually an "**Affordable Unit**") which are situated within the Condominium and which have or are about to be constructed by the Builder.

WHEREAS, municipalities within the State of New Jersey are required by the Fair Housing Act (P.L. 1985, c. 222, codified at N.J.S.A. 52:27D-301, et seq.) (hereinafter 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 insure that such designated housing remains affordable to low and moderate income households;

WHEREAS, pursuant to the Act, the Affordable Units described in Schedule A-1, attached to this Declaration have been designated as low and moderate income housing as defined by the Act; and

WHEREAS, the purpose of this Declaration is to insure that the described Affordable Units remain affordable to low and moderate-income eligible households for that period of time described in Article 1 of this Declaration.

NOW, THEREFORE, it is the intent of this Declaration to insure that the affordability controls are recorded on each of the Affordable Units so as to provide notice to the owners of the Affordable Units of the covenants, conditions and restrictions with which they shall be required to comply and to notify all future purchasers of the Affordable Units that the Affordable Units are encumbered with affordability controls.

Article 1. Affordable Housing Covenants.

The sale and use of each Affordable Unit subject to this Declaration is governed by regulations governing controls on affordability, which are found in New Jersey Administrative Code at 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.) (the "**Regulations**"). Consistent with the Regulations, the following covenants (the "**Covenants**") shall run with the land, for each respective Affordable Unit, for the period of time commencing upon the earlier of (a) the date hereof or (b) the prior commencement of the "**Control Period**", as that term is defined in the Regulations (the "**Control Period**"), and terminating upon the expiration of the Control Period as provided in the Regulations.

A. The Affordable Unit may be conveyed only to a household who has been approved in advance and in writing by the Municipality or by Piazza & Associates, Inc., an administrative

agent appointed under the Regulations, including N.J.A.C. 5:80-26.14(c) (referred to below as the "**Administrative Agent**"); provided, however, that any other administrative agent appointed to succeed the Administrative Agent under and in compliance with the Regulations, including N.J.A.C. 5:80-26.17, shall also be deemed an Administrative Agent under this Declaration. In the case of such a change of the Administrative Agent, a legal assignment of the Administrative Agent's rights under this Declaration into the name of the new administrative agent shall be prepared, executed and recorded to the extent required under N.J.A.C. 5:80-26.17(a)2.

B. No sale of the Affordable Unit 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 Affordable Unit, may be incurred except as approved in advance and in writing by the Administrative Agent. At no time shall the Administrative Agent approve any such Debt, if incurring the Debt would make the total of all such Debt exceed Ninety-Five Percent (95%) of the applicable MRP.

D. The owner of the Affordable Unit shall at all times maintain the Affordable Unit as his or her principal place of residence.

E. At no time shall the owner of the Affordable Unit lease or rent the Affordable Unit to any person or persons, except on a short-term hardship basis as approved in advance and in writing by the Administrative Agent and as may be otherwise permitted under the Master Deed.

F. No improvements may be made to the Affordable Unit that would affect its bedroom configuration, and in any event, no improvement made to the Affordable Unit will be taken into consideration to increase the MRP, except for improvements approved in advance and in writing by the Administrative Agent.

G. The affordable housing covenants, declarations and restrictions implemented by this Declaration and by incorporation, N.J.A.C. 5:80-26.1 et seq., shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to the Affordable Unit so long as the Affordable Unit remains subject to the affordability controls being implemented by this Declaration.

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

Article 2. **Remedies for Breach of Affordable Housing Covenants.**

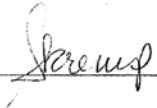
A breach of the Covenants will cause irreparable harm to the Administrative Agent and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing. Accordingly, and as set forth in N.J.A.C. 5:80-26.10A(b):

A. In the event of a threatened breach of any of the Covenants by the Grantee of an Affordable Unit (the "**Grantee**"), or any successor in interest or other owner of the Affordable Unit, the Administrative Agent shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.


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

IN WITNESS WHEREOF, the Builder has caused this Declaration to be executed, under seal, in its name and on its behalf by its duly authorized officer, as of the day and year first above written.

NVR., INC., d/b/a RYAN HOMES, a
Virginia corporation, Builder


_____, Secretary

By:



Brett Hetrick, Vice-President

ACKNOWLEDGEMENT AS TO THE BUILDER

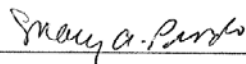
STATE OF NEW JERSEY

COUNTY OF MONMOUTH SS:

I certify that on April 25, 2007, Brett Hetrick personally came before me and this person acknowledged under oath, to my satisfaction that:

- (a) This person is a Vice-President of NVR, Inc., d/b/a, Ryan Homes, a Virginia corporation registered to transact business in New Jersey (the "corporation") and the Builder pursuant to the Declaration set forth above (this "**Instrument**") relating to River's Edge At Delanco;
- (b) The making, signing, sealing and delivery of this Instrument have been duly authorized by proper Resolution of said corporation; and
- (c) This person signed, sealed and delivered this Instrument as this person's voluntary act and deed as a duly authorized officer of said corporation and on behalf of the corporation.

Signed and sworn to before me on
the date written above.



Notary Public of State of New Jersey

My commission expires:

MARY A. PROVDO
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES 4/13/10

Record and Return to:

Anthony Muscente, Jr., Esquire
Hill Wallack LLP
202 Carnegie Center
CN 5226
Princeton, New Jersey 08543-5226

SCHEDULE A-1

The **Builder's Affordable Units** consist of the following **twelve (12)** Units in River's Edge At Delanco (the "**Condominium**"), as shown, depicted and described in as described in the Master Deed for River's Edge at Delanco, a Condominium, dated August 26, 2004 and recorded on September 1, 2004 in the office of the Register of Burlington County in Book 06199, at Page 320, et seq., as has been amended by a certain First Amendment To The Master Deed for River's Edge at Delanco, dated July 22, 2005 and recorded in the same office on August 8, 2005, in Book 06302, at Page 160, et seq., and, further, by a certain Second Amendment To The Master Deed for River's Edge at Delanco, dated September 8, 2005 and recorded in the same office on September 27, 2005, in Book 06319, at Page 792, et seq., and, further, by a certain Third Amendment to the Master Deed for River's Edge at Delanco, dated December 5, 2006, and recorded on December 13, 2006 with the Burlington County Clerk in Book 6449, at Page 846, et seq., and, further, by a certain Fourth Amendment to the Master Deed for River's Edge at Delanco, dated December 8, 2006, and recorded on December 22, 2006 with the Burlington County Clerk in Book 6451, at Page 923, et seq., as the same may be amended from time to time (the "**Master Deed**"):

1. Unit Number O2, in Building Number O in the Condominium, having a designated address of **2 Heron Court**, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium;
2. Unit Number O4, in Building Number O in the Condominium, having a designated address of **4 Heron Court**, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium;
3. Unit Number O6, in Building Number O in the Condominium, having a designated address of **6 Heron Court**, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium;
4. Unit Number O8, in Building Number O in the Condominium, having a designated address of **8 Heron Court**, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium;
5. Unit Number O10, in Building Number O in the Condominium, having a designated address of **10 Heron Court**, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium;
6. Unit Number O12, in Building Number O in the Condominium, having a designated address of **12 Heron Court**, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium;
7. Unit Number O14, in Building Number O in the Condominium, having a designated address of **14 Heron Court**, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium;
8. Unit Number O16, in Building Number O in the Condominium, having a designated address of **16 Heron Court**, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium;
9. Unit Number W17, in Building Number W in the Condominium, having a designated address of **17 River Lane**, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium;
10. Unit Number W19, in Building Number W in the Condominium, having a designated address of **19 River Lane**, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium;
11. Unit Number W21, in Building Number W in the Condominium, having a designated address of **21 River Lane**, as is more specifically described in the Master Deed together

with an undivided 0.398 percent interest in the Common Elements of the Condominium;;
and

12. Unit Number W23, in Building Number W in the Condominium, having a designated address of **23 River Lane**, as is more specifically described in the Master Deed together with an undivided 0.398 percent interest in the Common Elements of the Condominium.

RECORDING DATA PAGE

Consideration :
Code :
Transfer Fee :
Recording Date: 04/30/2007
Document No : 4440592 ccbartho

TITLE AMERICA AGENCY
185 WEST WHITE HORSE PIKE 2ND FL
BERLIN, NJ 08009

Receipt No : 704377
Document No : 4440592
Document Type : DECR
Recording Date: 04/30/2007
Login Id : ccbartho

Recorded
Apr 30 2007 01:58pm
Burlington County Clerk

Clerk of Burlington County • 49 Rancocas Rd. • Mt. Holly, NJ 08060
609-265-5180

DB6484 PG089

APPENDIX D– ZURBRUGG MANSION- CONSENT ORDER/DEED RESTRICTIONS

Tracy A. Siebold, Esquire
BALLARD SPAHR ANDREWS & INGERSOLL, LLP
A Pennsylvania Limited Liability Partnership
Plaza 1000 - Suite 500
Main Street
Voorhees, New Jersey 08043-4636
Telephone: 856.761.3400
Facsimile: 856.761.1020

Attorneys for Plaintiff, NVR, Inc. t/a Ryan Homes

NVR, INC. t/a RYAN HOMES, as
Successors in Interest to Delanco Land
Partnership

Plaintiff,

v.

TOWNSHIP OF DELANCO, a Municipal
Corporation,

Defendants.

FILED WITH THE COURT

APR 23 2008

HON. JOHN A. SWEENEY, A.J.S.C.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: BURLINGTON COUNTY
DOCKET NO. BUR-L-2673-89

Civil Action

MOUNT LAUREL ACTION

**CONSENT ORDER MODIFYING
SETTLEMENT AGREEMENT**

THIS MATTER having been submitted by Consent Order of the parties hereto, being NVR, Inc. t/a Ryan Homes, ("NVR"), as successor in interest to Delanco Land Partnership (Ballard Spahr Andrews & Ingersoll, LLP, Tracy A. Siebold, Esq) and the Township of Delanco (the "Township") (Parker McCay, P.A., Kevin D. Sheehan, Esq.) and the Court, having good cause shown and upon consent of the parties hereto;

IT IS on this 23 day of April 2008,


ORDERED THAT:

1. The August 29, 1990 Settlement Agreement by and between Delanco Land Partnership, through NVR as the successor in interest, and the Township (the "Settlement Agreement", attached hereto as Exhibit A) is hereby modified to allow fourteen (14) of the

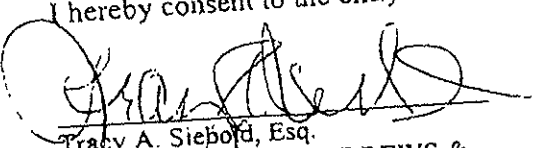
twenty nine (29) affordable housing units to be built on the Rivers Edge Project in Delanco Township to be transferred to the Township of Delanco, upon payment of the sum of One Million Two Hundred and Sixty Thousand Dollars (\$1,260,000.00), (the "Transfer Money"). The Transfer Money shall be credited to Zurbrugg Partnership, LLC ("Zurbrugg") to compensate Zurbrugg for construction of the fourteen (14) transferred age-restricted affordable housing units as part of the redevelopment of the Zurbrugg Mansion. The creation of the fourteen (14) age restricted affordable housing units in the Mansion shall be governed by the terms and conditions set forth in the Redevelopment Agreement between the Township and Zurbrugg;

2. The Rivers Edge Project shall remain an "inclusionary" development pursuant to the original terms of the Settlement Agreement, and the transfer of the fourteen (14) affordable housing units shall not alter the inclusionary classification of the Rivers Edge Project;

3. Upon payment of the Transfer Money, NVR shall hereafter be relieved of any further obligation to provide affordable housing units, and the parties acknowledging that NVR has completed all affordable housing obligations required.


JOHN A. SWEENEY, A.J.S.C.


I hereby consent to the entry of the within Order.


Tracy A. Siebold, Esq.

BALLARD SPAHR ANDREWS &
INGERSOLL, LLP

Attorneys for NVR/ Ryan, successors
to Delanco Land Partnership
April 8, 2008

Kevin D. Sheehan, Esq.
PARKER McCAY, PA
Attorneys for Township of Delano
April , 2008


Henry L. Kent-Smith, Esq.

BUCHANAN INGERSOLL & ROONEY, PC
Attorneys for Zurbrugg
Partnership, LLC, Redeveloper
April 8, 2008

I hereby consent to the entry of the within Order.

Tracy A. Siebold, Esq.
BALLARD SPAHR ANDREWS &
INGERSOLL, LLP
Attorneys for NVR/ Ryan, successors
to Delanco Land Partnership
April __, 2008

Kevin D. Sheehan, Esq.
PARKER McCAY, PA
Attorneys for Township of Delano
April 9, 2008

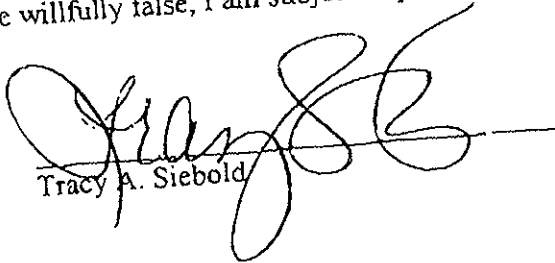
Henry L. Kent-Smith, Esq.
BUCHANAN INGERSOLL & ROONEY, PC
Attorneys for Zurbrugg
Partnership, LLC, Redeveloper
April __, 2008

CERTIFICATION OF FACSIMILE SIGNATURE

I, **TRACY A. SIEBOLD, ESQUIRE** hereby certify that Kevin D. Sheehan, Esquire has acknowledged to me the genuineness of his signature on the foregoing Consent Order and that an original of the Consent Order containing Kevin D. Sheehan's original signature affixed will be maintained in my file if requested by the Court or any party.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: April 21, 2008


Tracy A. Siebold

AGREEMENT

Between

DELANCO LAND PARTNERSHIP

-and-

THE TOWNSHIP OF DELANCO
IN THE COUNTY OF BURLINGTON

IN SETTLEMENT OF PENDING LITIGATION BETWEEN DELANCO
LAND PARTNERSHIP AND THE TOWNSHIP OF
DELANCO, BURLINGTON COUNTY

Executed at
Delanco, Tp., N.J.

AUG. 29, 1990

AGREEMENT

This Agreement dated this _____ day of _____, 1990
between Delanco Land Partnership ("DLP") and the Township of
Delanco, Burlington County ("Township") is in settlement of all
claims by and/or between DLP and the Township in litigation now
pending in the Superior Court of New Jersey and encaptioned
Delanco Land Partnership v. Township of Delanco, County of
Burlington, Docket No. L-267389. This Agreement is subject to
approval by the Court and when approved represents an amicable
settlement of all such claims in consideration of the mutual
covenants and promises set forth hereinafter.

I. DEVELOPMENT STANDARDS

Attached hereto as Exhibit "A" and incorporated herein
as if set forth at length are the development standards which
shall apply as an alternative to the development controls
presently in effect on the following lands: Block 500, Lots 1
and 2 of the tax maps of the Township. As soon as practical,
upon approval of the court, the Township shall move to adopt the
ordinance attached hereto as Exhibit "A". Upon receipt of an
application filed pursuant to said development standards, the
relevant Township Board shall review and act upon such
application subject to said development standards and the terms
hereof.

II. GOVERNMENTAL SUBSIDIES

It is possible that DLP may attempt to secure state or

federal financing with respect to the development contemplated herein. The Township agrees to cooperate with DLP efforts in this regard in that some government agencies may require the municipality to be the applicant or co-applicant on this type of application. In no way does cooperation by the Township imply any financial participation in the project or any guarantees by the Township. The Township will not be required to obligate itself in any way as a result of this cooperation.

III. AMENDMENTS/ARBITRATION

Upon execution hereof, no party to this action may unilaterally amend or otherwise change any of the terms and conditions of this Agreement, nor shall any subsequently enacted land use ordinance affect DLP's lands without the written consent of DLP. Notwithstanding the above, the standards in the ordinance relating to Council on Affordable Housing ("COAH") regulations set forth in Section 102:29.7 may be amended if COAH regulations change. DLP shall be given thirty (30) days written notice prior to first reading of any proposed amendment. No such amendment shall affect the development contemplated herein if adopted subsequent to the filing of a preliminary site plan and/or subdivision application. In the event of any breach of any of the provisions of this Agreement and/or in the event the Township or its Boards disapprove of any plans submitted by DLP or its assigns pursuant to this Agreement and/or a disagreement arises as to the meaning or intent of this Agreement or the obligations of the parties hereunder, the parties have the right to seek a judicial determination by the Superior Court,

SEP 11 1998 11:36

Chancery Division, Mount Laurel II Judge as assigned by the Supreme Court, or if none is assigned, then the appropriate Judge of the Superior Court, to resolve the controversy, said determination to be binding and not appealable by the parties. For purposes of this Agreement, the Superior Court, Mt. Laurel judge shall retain jurisdiction to be able to supervise the development in question and any case or controversy which may arise between the parties. Prior to submission of any such matter to the court, the parties shall attempt to mediate the dispute with the court-appointed master (Jay Lynch of Queale & Lynch). If mediation fails, the master shall file a report with the court.

IV. SUBMISSION TO SUPERIOR COURT OF NEW JERSEY FOR APPROVAL;
IMPLEMENTATION OF AGREEMENT

Promptly after execution hereof, the parties shall cooperate in submitting this agreement to the Superior Court of New Jersey for the purpose only of seeking and obtaining approval of this agreement and municipal compliance plan by that court. In so doing, the parties shall seek an order permitting appropriate notice and judicial hearing in order to give adequate notice and the right to be heard to all persons who might be interested in this Agreement, including all taxpayers, residents and landowners of the Township of Delanco. Said approval shall be a precondition of the implementation of this Settlement Agreement and shall embody the court's recognition of credit to the Township of the low and moderate income units contemplated herein. The Agreement shall be deemed

"implemented" on the date of the entry of the Order of the Court approving same or, if appealed, the date of a final determination as to the entry of such an order.

V. DISMISSAL OF PENDING LITIGATION

Promptly upon the court's approval of this Agreement the parties shall move to dismiss with prejudice and without cost the pending litigation in so far as it relates to DLP lands and this Settlement Agreement and shall execute a stipulation of dismissal. A Consent Judgment shall be filed embodying the terms of this Agreement. The Consent Judgment entered shall be final and fully resolve all claims relating to DLP's lands.

VI. ASSIGNMENT

DLP may assign any or all of its rights hereunder and any assignees are recognized as successors-in-interest to DLP or having a joint interest with the full power and authority to enforce the terms hereof and, as such, shall be bound hereby.

VII. WHOLE AGREEMENT

This Agreement contains the entire agreement among the parties pertaining to the subject matter hereof, supersedes any prior agreements among the parties hereto and may not be amended except as provided herein.

VIII. NOTICES

All notices, demands and other communications hereunder, shall be in writing and shall be deemed to have been given if hand delivered with written proof thereof signed by an agent of the receiving party or sent by certified mail return receipt

requested, or the equivalent thereof providing independent proof of delivery, to the applicable party to the person and address following: All notices sent to the following persons shall be deemed sufficient Notice unless by prior written notice all parties hereto have been informed of a change as to the person or persons to whom notices shall be sent:

- A. As to Delanco Land:
Carl S. Bisgaler, Esquire
30 Washington Avenue
Haddonfield, New Jersey 08033
- B. As to the Township:
Municipal Clerk
Delanco Municipal Building
Buttonwood St. and Burlington Ave.
Delanco, New Jersey 08075

IX. SEVERABILITY

If any clause, sentence, subdivision, paragraph or part of this Agreement is adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder hereof, shall be confined in its operation to the clause, sentence, subdivision, paragraph or part hereof directly involved in the controversy in which said judgment shall have been rendered.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands and seals the day and year first above written.

Attest:

Stephanie Stolorik

Attest:

Joseph M. Lemer

DELANCO LAND PARTNERSHIP

BY: Carl S. Bisgaler

TOWNSHIP OF DELANCO IN THE COUNTY
OF BURLINGTON

BY: Richard J. Blunt

MAYOR

STATE OF NEW JERSEY)
COUNTY OF BURLINGTON)

: SS.

BE IT REMEMBERED, that on this 20TH day of Aug. one thousand nine hundred and ninety, personally appeared Richard J. Schmitz, Jr. who is the Mayor of the Township of Delanco in the County of Burlington, who I am satisfied is the person who signed the within instrument, and she acknowledged that she signed, sealed with the corporate seal and delivered the same as such official aforesaid, and that the within instrument is the voluntary act and deed of said Township, made by virtue of a Resolution of its Borough Council. All of which is hereby certified.

Roseann M. Lameiras

ROSEANN M. LAMEIRAS
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JAN. 22, 1991

STATE OF NEW JERSEY)
COUNTY OF BURLINGTON)

: SS.

BE IT REMEMBERED, that on the 24th day of May, one thousand nine hundred and ninety, personally appeared *COPIES* *BUSCH* who is the representative of Delanco Land Partnership, who I am satisfied is the person who signed the within instrument, and he acknowledged that he signed, and delivered the same as such representative aforesaid, and that the within instrument is the voluntary act and deed of such partnership, made by virtue of a Resolution of its Partners. All of which is hereby certified.

Stephanie Stolinski

STEPHANIE STOLINSKI
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Oct. 12, 1994

FILED WITH THE COURT
JAN 15 1991

MATTEO and CUNEO
Glen Oaks Professional Building
1405 Chews Landing Road, Ste. 7
Laurel Springs, New Jersey 08021
(609)227-1101
Attorneys for the Plaintiff

DELANCO LAND PARTNERSHIP,

Plaintiff,

vs.

TOWNSHIP OF DELANCO,

Defendant.

: SUPERIOR COURT OF NEW JERSEY
LAW DIVISION
: BURLINGTON COUNTY
Docket No. BUR-L-2673-89
: Civil Action

: ORDER APPROVING SETTLEMENT
AND REQUIRING ITS IMPLEMENTATION

THIS MATTER having come before the Court and the Court holding a public hearing, pursuant to Court Order dated November 16, 1990 and subsequent to public notice in accordance with said Order, on December 14, 1990, and the Court having reviewed and considered the report of the Court appointed Master dated November 23, 1990 and the Court having heard the testimony of the Master; and the Court having opened the matter up, on the record, for public comment and there being no response or comment from the public; and the Court having accepted into evidence the Settlement Agreement between the parties, the proposed Amendment to the Delanco Land Development Ordinances, the Amended Delanco Housing Element and the Master's Report of November 23, 1990;

NOW THEREFORE, it is ORDERED on the 15 day of January, 1991 that:

1. The Court expressly finds that the Ordinance if implemented as proposed and presented will provide a realistic opportunity for the construction of affordable housing;

2. That the plaintiff will completely meet the township's need to provide a realistic opportunity for affordable housing;

3. That the plaintiff is entitled to a Builder's Remedy pursuant to the New Jersey Supreme Court's ruling in the Mt. Laurel II decision;

4. That the Court is satisfied that plaintiff's site is suitable for construction of the project as contemplated in the Settlement Agreement.

5. That the Settlement Agreement is hereby approved and that the plaintiff shall have a builder's remedy.

6. That Defendant, Delanco Township, shall ~~have ninety (90) days to~~ adopt and implement the Ordinance contained in the Settlement Agreement, and reviewed by the Master and approved by the Court herewith *on or before April 5, 1991*.

7. That after Defendant, Delanco, enacts the Ordinance it may apply to this Court for an Order of Repose, pursuant to Mt. Laurel II; the Court will rule specifically on the conditions of repose at the time the order is issued.

Myron H. Gottlieb
MYRON H. GOTTLIEB, J.S.C.

FILED WITH THE COURT
NOV 22 1991

MATTEO and CUNEO
502 Pleasant Valley Avenue
Moorestown, NJ 08057
(609) 235-8200
Attorneys for Plaintiff

DELANCO LAND PARTNERSHIP

Plaintiff,

vs.

TOWNSHIP OF DELANCO

Defendant.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - BURLINGTON COUNTY

Docket No. BUR-L-2673-90
Civil Action

ORDER GRANTING FINAL JUDGMENT OF
COMPLIANCE AND REPOSE

THIS MATTER being opened before the Court by George W. Matteo, Jr., Esquire, attorney for the Plaintiff, and based upon the information contained in the attached certification and the exhibits contained therein;

IT IS on this 22 day of Nov, 1991 ORDERED that the defendants compliance package; its housing element and fair share plan, are approved as complaint with Mt. Laurel II; and

IT IS FURTHER ORDERED that the Defendant is granted repose from Mt. Laurel litigation relating to its 1987-1993 fair share obligation for six (6) years from the date hereof, and April 22, 1991, the date of final adoption of the ordinances

IT IS FURTHER ORDERED that the previous Order of January 15, 1991 approving the settlement between the Plaintiff and Defendant is confirmed as a final judgment of the court.

Myron H. Gottlieb
MYRON H. GOTTLIEB, J.S.C.

Deed Restriction

To State Regulated Multi-Family 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 21st day of January, 2010, by and between the State of New Jersey, Department of Community Affairs, Division of Housing, (the "State"), and Zurbrugg Partnership Limited Liability Company, a New Jersey limited liability company having offices at 1 Executive Drive, Suite 8, Moorestown, New Jersey, 08057 the developer/sponsor (the "Owner") of a residential low- or moderate-income rental project subsidized by the State Of New Jersey (the "Project") in cooperation with the Housing Affordability Service of the New Jersey Housing Mortgage and Finance Agency (NJHMFA) ("Administrative Agent"), under the Neighborhood Preservation Balanced Housing Program:

WITNESSETH

Article 1. Consideration

In consideration of the subsidies received for the 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 all of the land, and improvements thereon, that is located in the municipality of Delanco Township, Burlington County, State of New Jersey, and described more specifically as Block No. 1202 Lot No. 6, and known by the street address:

531 Delaware Avenue
Delanco Township, NJ 08075

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; provided, however, that:

1. Units located in high-poverty census tracts shall remain subject to these affordability requirements for a period of at least 10 years; and
 2. Any unit that, prior to December 20, 2004, received substantive certification from COAH, was part of a judgment of compliance from a court of competent jurisdiction or became subject to a grant agreement or other contract with either the State or a political subdivision thereof, shall have its control period governed by said grant of substantive certification, judgment or grant or contract.
-
- 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 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 Administrative Agent.
 - 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 Administrative Agent.
 - D. The Owner shall notify the Administrative Agent and the State 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 State 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

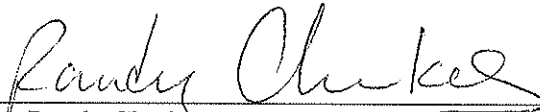
A breach of the Covenants will cause irreparable harm to the Administrative Agent, to the State and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing.

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

IN WITNESS WHEREOF, the Owner has executed this Deed Restriction in triplicate as of the date first above written.

GRANTEE

**ZURBRUGG PARTNERSHIP LIMITED LIABILITY
COMPANY**



Name: Randy Cherkas
Title: Manager

ACKNOWLEDGEMENT

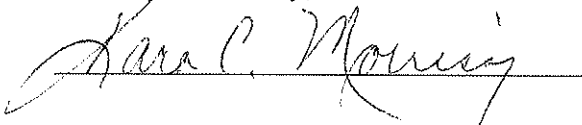
STATE OF PENNSYLVANIA, COUNTY OF PHILADELPHIA SS.:

I CERTIFY that on January 21, 2010, Randy Cherkas personally came before me, and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person);

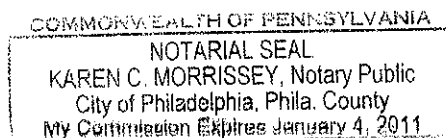
- (a) is named in and personally signed this document; and
- (b) signed, sealed and delivered this document as his or her act and deed; and
- (c) is the Manager of Zurbrugg Partnership Limited Liability Company (the "Company") and signed and delivered this document as his act and deed as Manager on behalf of the Company.
- (d) this person signed this proof to attest to the truth of these facts.

Signed and sworn to before me on the

21st day of January, 2010.



Karen C. Morrissey



APPENDIX E - CREEKSIDE – DEED RESTRICTION

106

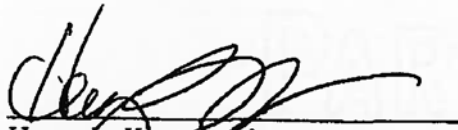
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09

BURLINGTON COUNTY
CLERK

2008 AUG 26 P 12: 14

RECEIVED

DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
CREEKSIDE AT DELANCO


Henry L. Kent-Smith
Buchanan Ingersoll & Rooney
700 Alexander Park, Suite 300
Princeton, New Jersey 08540-6347

CHARGE, RECORD & RETURN TO:
TITLE AMERICA AGENCY CORP.
185 W. WHITE HORSE PIKE
BERLIN, NJ 08009
AGENT FILE NO. 45578-1

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
CREEKSIDE AT DELANCO
BURLINGTON COUNTY
CLERK

THIS DECLARATION, made this 20th day of March, 2008, by Creekside at Delanco, L.L.C., a New Jersey limited liability company, having an address 1700 Second Street, Delanco, New Jersey 08075 (the "**Declarant**").

WHEREAS, the Declarant currently owns certain real property located in the Township of Delanco (the "**Township**"), Burlington County, New Jersey which property is more particularly described on the attached **Exhibit "A"** (the "**Property**"); and

WHEREAS, the Declarant has obtained the approval (the "**Approval**") for the subdivision of the Property from the Township of Delanco Joint Land Use for the purpose of creating lots for residential development (hereinafter referred to as the "**Project**"); and

WHEREAS, the Project is comprised of twenty seven (27) lots (the "**Lots**"); and

WHEREAS, it is contemplated that single family detached home, will be constructed on twenty six (26) of the Lots, and that one (1) of the Lots will be reserved for the construction of three (3) rental units for rental to low and moderate income households pursuant to the Approval and the regulations promulgated by the New Jersey Council on Affordable Housing (the "**COAH Lot**"); and

WHEREAS, in connection with the Approvals, certain easements are being recorded in the Clerk's Office of Burlington County, New Jersey simultaneously with the recordation of this Declaration which easements are more particularly described in **Exhibit "B"** attached hereto (the "**Common Easements**"); and

WHEREAS, pursuant to Common Easements, owners of the Lots (including the COAH Lot), as successors in interest to the Declarant, have certain maintenance and other obligations as to said Common Easements (the "**Easement Obligations**"); and

WHEREAS, the Township has required that the Declarant organize an entity to enforce the performance of the Easement Obligations; and

WHEREAS, this Declaration provides for the creation of the Creekside at Delanco Homeowners Association, Inc. (the "**Association**") as the entity for the enforcement of the Easement Obligations and for certain other purposes set forth herein, all of which are for the benefit of the Project, the Lot owners, and the Township.

NOW, THEREFORE, the Declarant hereby declares that the Property and any portion thereof shall be held, transferred, sold, conveyed, leased, occupied and used subject to the covenants, conditions, restrictions, conditions, easements, charges, assessments, obligations, and liens set forth in this Declaration and to the provisions of the Certificate of Incorporation, By-laws and any Rules and Regulations of the Association.

RECORDING DATA PAGE

Consideration :
Code :
Transfer Fee :
Recording Date: 08/27/2008
Document No : 4580611 sbunn

TITLE AMERICA AGENCY CORP
185 WEST WHITE HORSE PIKE
BERLIN, NJ 08009

Receipt No : 789501
Document No : 4580611
Document Type : DECR
Recording Date: 08/27/2008
Login Id : sbunn

Recorded
Aug 27 2008 12:12pm
Burlington County Clerk

Clerk of Burlington County • 49 Rancocas Rd. • Mt. Holly, NJ 08060
609-265-5180

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 (the "Deed Restriction"), entered into as of this the 21st day of April, 2016, by and between DELANCO TOWNSHIP, with offices at 770 Coopertown Road, Delanco, NJ 08075 (the "Municipality"), and HADDON AVENUE PROPERTIES, LLC, a New Jersey limited liability company having offices at 210 Lake Drive East, Suite 300, Cherry Hill, NJ 08002 the owner (the "Owner") of a residential low-income or moderate-income rental project (the "Project"):

WITNESSETH

Article 1. General

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 all of the land, and improvements thereon, that is located in the municipality of Delanco Township, County of Burlington, State of New Jersey, and described more specifically as Block 802.1, Lot 19, and known by the street address: 2201-2203-2205 Burlington Avenue, Delanco, NJ 08075.

The units include Unit 2201 (a three-bedroom, low-income unit), Unit 2203 (a two-bedroom, low-income unit), and Unit 2205 (a two-bedroom, moderate-income unit). The low and moderate income designations shall remain in place for the duration of this restriction.

Article 3. Affordable Housing Covenants

The following covenants (the "Covenants") shall run with the land for the period of time (the "Control Period"), determined by the original filing date of the Declaration of Covenants, Conditions and Restrictions for Creekside at Delanco on August 28, 2008, and shall 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 from August 26, 2008 ; provided, however, that:

1. Units located in high-poverty census tracts shall remain subject to these affordability requirements for a period of at least 10 years; and
 2. Any unit that, prior to December 20, 2004, received substantive certification from COAH, was part of a judgment of compliance from a court of competent jurisdiction or became subject to a grant agreement or other contract with either the State or a political subdivision thereof, shall have its control period governed by said grant of substantive certification, judgment or grant or contract.
- 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 low-income 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 administrative agent.
 - 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 administrative agent.
 - 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 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 Grantee, 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.

IN WITNESS WHEREOF, the Owner and the Municipality have executed this Deed Restriction in triplicate as of the date first above written.

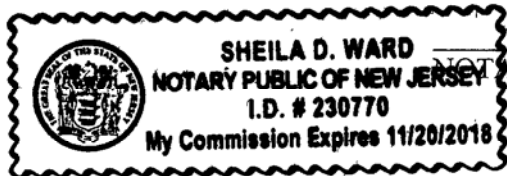
HADDON AVENUE PROPERTIES, L.L.C.
By: 1st COLONIAL COMMUNITY BANK, sole member

By: _____
GERARD M. BANMILLER,
President and Chief Executive Officer

DELANCO TOWNSHIP

By: _____
KATE FITZPATRICK,
Mayor

On this the 21st day of April, 2016 before me came Gerard M. Banmiller, known and known to me to be duly authorized representative of 1st Colonial Community Bank, sole member of the Owner of the Property, Haddon Avenue Properties, L.L.C., who states that (s)he has signed said Deed Restriction for the purposes stated therein.



Sheila D. Ward
NOTARY PUBLIC

On this the _____ day of _____, 2016 before me came Kate Fitzpatrick, known and known to me to be Mayor of Delanco Township, the Municipality identified as such in the foregoing Deed Restriction, who states that (s)he is duly authorized to execute said Deed Restriction on behalf of said Municipality, and that he has so executed the foregoing Deed Restriction for the purposes stated therein

NOTARY PUBLIC

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

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- 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 Grantee, 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.

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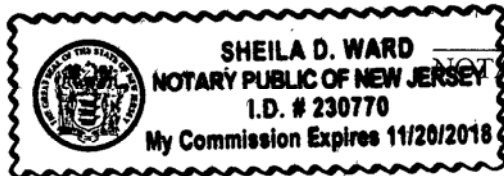
HADDON AVENUE PROPERTIES, L.L.C.
By: 1st COLONIAL COMMUNITY BANK, sole member

By: _____
GERARD M. BANMILLER,
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DELANCO TOWNSHIP

By: _____
KATE FITZPATRICK,
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Sheila D. Ward
NOTARY PUBLIC

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NOTARY PUBLIC

APPENDIX F - HIGH POINT – RESOLUTION OF APPROVAL/DEVELOPERS AGREEMENT

**DELANCO TOWNSHIP
JOINT LAND USE BOARD**

RESOLUTION 2015-18

**RESOLUTION GRANTING PRELIMINARY
AND FINAL MAJOR SUBDIVISION
APPROVAL WITH BULK VARIANCES
AND A DESIGN EXCEPTION**

**GRAVELLY HOLLOW ROAD ASSOCIATES, LLC.
BLOCK 2100.01, LOT 50**

WHEREAS, Gravelly Hollow Road Associates, LLC., whose address is 698 Gravelly Hollow Road, Medford, New Jersey, filed application #2015-08 for preliminary and final major subdivision approval to create fourteen (14) age-restricted residential building lots and two (2) open space lots out of the property designated as lot 50, block 2100.01 on the Delanco Township tax map; and

WHEREAS, the application was the subject of a public hearing held on August 4, 2015; and

WHEREAS, testimony was received from Brian S. Peterman, P.E., CME, the applicant's engineer, James Holliday and John Dinisio, the applicant's architects, and John Rahenkamp, a member of the applicant LLC. Public comment was received from Beverly Viteo and John Hoefle; and

WHEREAS, the following exhibits were marked and admitted into evidence:

A-1 A plan showing the project in the context of the surrounding area.

A-2 A lot layout of the project.

A-3 An RSIS Conformance Analysis dated July 10, 2015, prepared by Brian S. Peterman, P.E., CME.

A-4 A lot analysis of the proposed fourteen (14) residential building lots indicating the area, width and depth of each lot; and

WHEREAS, the Delanco Township Joint Land Use Board has made the following findings of fact and conclusions of law:

1. The applicant is the owner of the subject property.
2. Notice of the application was served and published as required by law.

3. The applicant provided the corporate ownership disclosure required by the Municipal Land Use Law and was represented by counsel as required by general law.

4. The proposed use of the property, age-restricted, single family homes, is permitted in the zone.

5. The applicant has standing and the board has jurisdiction to hear and decide the matter.

6. The board engineer and board planner reviewed the application, plans and supporting documents and submitted review letters dated July 29, 2015 and July 30, 2015, respectively. Those review letters are included herein and made a part hereof as if set forth in full.

7. The board engineer's review letter lists the plans reviewed, including architectural plans for two-story, detached single family homes. The approval contained herein refers to those plans.

COMPLETENESS

8. The board engineer reviewed the application for completeness. His review letter details the submission waivers sought by the applicant and recommends the following with respect to each:

- a. The applicant sought a waiver of the requirement that an Environmental Impact Statement (EIS) be provided. Because the subject property is a ± 3.1 acre lot, totally surrounded by development the board engineer recommended that with the exception of the requirement that the applicant provide information on groundwater levels for each lot where homes with basements are proposed the remainder of the EIS requirement be waived.
- b. Because the limited size, scope and nature of the proposed development is substantially less intense than the development originally approved for the site the board engineer recommended that, in lieu of a traffic impact analysis, a traffic narrative be provided. The applicant complied with this requirement by letter from Creigh Rahenkamp dated August 4, 2015.
- c. A letter of interpretation from the NJDEP is required. The board engineer stated that there are no wetlands on the site and recommended a waiver.
- d. The applicant submitted an RSIS conformance analysis dated July 10, 2015 indicating that no RSIS waivers or *de minimus* exceptions are sought or required. The report was marked and admitted as A-3 in evidence.

9. The board concurred with the recommendations of the board engineer and granted the waivers and partial waivers as indicated herein. The applicant shall provide information on groundwater levels as indicated in paragraph 8(a). Based on all the foregoing the application was deemed complete.

DESIGN EXCEPTIONS

10. Section 100-13N of the subdivision ordinance provides that the board may withhold approval of a lot or lots that are so narrow or elongated or so oddly shaped that their utility to future owners and occupants is compromised. The board engineer's review letter directed the board's attention to this provision to allow the board to decide whether lots 7, 52, and 56 fell below this standard. The board noted that lots 7 and 56 are triangular and that lot 52 is elongated and somewhat oddly shaped. The board found that although elongated and oddly shaped, lot 52 will have a relatively large and completely usable back yard. In contrast, because of their shape, lots 7 and 56 will have relatively small, but still usable and functional back yards. In sum, the board found that all three (3) lots met the design standard established by Section 100-13N and that design exceptions were not required for any of them.

11. The applicant requested an exception from the requirement that street trees be provided on Creek Road and Emery Way arguing that on Creek Road the power lines hang too low for the placement of trees and that on Emery Way trees have already been planted. The board agreed and granted the exception.

VARIANCES

12. Variances are required from the strict application of §110-33D(2) and §110-33E.(1.2)(l). The board found as a fact that a combination of existing utilities, encroaching landscaping, sight triangles, drainage easements and drainage structures pose a genuine practical impediment to strict compliance with the landscape buffering requirements of the ordinance. The positive criteria for the grant of the variance was therefore met. In a letter dated August 4, 2015, incorporated herein by reference, the applicant expressed a desire and a willingness to provide "the full amount of landscaping required by the ordinances in question" and offered to "work in the field with the board planner to properly locate the required materials." The board found that imposing a condition of approval to this effect would satisfy both negative criteria. Accordingly, both variances were granted.

13. The applicant's plan indicates that lots 7 and 52 will require aggregate side yard setback variances. The applicant testified that he will revise the plan to make lot 7 comply with the ten (10) ft. aggregate side yard setback requirement.

14. An eight (8) ft. aggregate side yard setback is proposed for lot 52. A ten (10) ft. aggregate setback is required. The applicant's planner, whose office was directly involved in the development of the governing ordinance, indicated in his report that when the ordinance was revised to permit a three (3) ft. side yard setback from landscape buffers the effect of the revision on the minimum required aggregate side yard setback was overlooked. The board found that the variance could be granted because:

- a. The intent of minimum aggregate side yard setback is to provide for a minimum amount of separation between homes. The reduced (three (3) ft. wide) side yard setback adjoins a landscape buffer. Thus the reduction has no ill effects on an adjoining property.
- b. The net effect of allowing this deviation is that the home built on lot 52 will be fifty-three (53) ft. from Creek Road instead of fifty-five (55) ft., a *de minimus* and wholly inconsequential difference.

15. For the foregoing reasons the board granted the variance.

SUBDIVISION

16. Under the headings "Subdivision Plan Comments" and "Architectural Plan Comments" the board planner requested that compliance with the governing ordinance be demonstrated and requested a plan amendment. The applicant addressed these comments as follows:

- a. The "Lot Analysis," marked A-4 and admitted into evidence, demonstrated compliance with the 3,200 sq. ft. minimum lot size requirement of the drainage easement area.
- b. The applicant's architect testified and the board found as facts that the maximum height of the proposed homes would not exceed the maximum permitted by ordinance, that the maximum second floor living space would not be exceeded and that all decks and porches will satisfy the minimum area requirements.
- c. The applicant agreed to revise the plan to clarify the front yard setback lines and to modify notes as recommended by the planner. This will be a condition of approval.

- d. The applicant acknowledged that the governing ordinance mandates the construction or rehabilitation of three (3) off-site rental units or specified cash payments in lieu thereof. Compliance with the ordinance will be a condition of approval.

17. In his letter dated August 4, 2015, Creigh Rahenkamp represented that an agreement has been reached between the applicant and the board of the Newton's Landing Homeowner's Association (hereinafter referred to as "HOA" or the "Association") to enroll the proposed development into the Association. This agreement will provide for the maintenance of the two (2) open space lots proposed herein, subject all fourteen (14) building lots to the review authority of the existing HOA and allow the future residents of the development to use the HOA's amenities. Approval of this agreement by the HOA's general membership will be a condition of approval. If the agreement is not approved the applicant must return to the board for further review.

18. The board engineer's review letter requests a number of plan revisions, the submission of additional information, the addition of notes or changes to notes on the applicant's plan and recommends the imposition of a condition of approval requiring the deed to each lot affected by an easement to disclose the terms of such easement and detail the limitations on the use of the lot imposed by such easement. In a letter dated July 30, 2015, the applicant's engineer issued a point by point response to the board engineer's review letter and generally agreed to make the requested plan revisions, supply the requested information and accepted the suggested conditions of approval. The applicant's engineer confirmed those representations at the public hearing. Compliance with those representations will be a condition of approval.

19. With those plan amendments, the plan revisions suggested by the board planner and upon compliance with the conditions of approval contained herein the applicant's plan will meet the standards and satisfy the requirements established by ordinance for the grant of preliminary and final major subdivision approval.


NOW, THEREFORE, in reliance on the foregoing it is hereby **RESOLVED** that application #2015-08 be **GRANTED PRELIMINARY AND FINAL MAJOR SUBDIVISION APPROVAL**, a **DESIGN EXCEPTION** and the **BULK VARIANCES** detailed in the body of this resolution upon the following terms and conditions:

1. All taxes and professional review fees shall be paid current and in full.

2. This approval permits the construction of two (2) “story” homes as the term “story” is defined in the Delanco Township zoning ordinance.
3. The applicant shall provide information on groundwater levels for any home with a proposed basement. If the homes with basements cannot be identified at this time a note shall be added to the plan indicating that the information will be provided to the board engineer and the Construction Code Official when building permits for each such home are sought. This condition in no way authorizes “walk-out” or exposed basements on these or any other lots in the development.
4. The board planner will investigate the advisability and availability of a device or devices that channel water to the root systems of street trees to reduce or prevent those root systems from buckling sidewalks. If the board planner identifies an effective device or devices the applicant will install them as directed. Any dispute arising over the implementation of this provision shall be returned to the board for resolution.
5. The board planner will evaluate whether different, smaller shade trees than those proposed can be used on Maher Way. The applicant will consult with the board planner and substitute trees if and as recommended. Any dispute arising over the implementation of this condition will be returned to the board for resolution.
6. In consultation and cooperation with the board planner the applicant will work in the field to properly locate all of the plant material required by the landscape buffering ordinances. This condition includes removing and transplanting trees within drainage easements. Any dispute arising over the implementation of this condition will be returned to the board for resolution.
7. The applicant will revise the plan to indicate that the home on lot 7 will comply with the ordinance’s aggregate side yard setback requirement.
8. The applicant will revise the plan to address the board planner’s comments as more specifically set forth in paragraph 16 in the body of this resolution.
9. The applicant will provide off-site affordable housing or cash payments in lieu thereof as required by the governing ordinance.
10. The agreement described in paragraph 17 in the body of this resolution must be approved by the membership of Newton’s Landing HOA. If it is not, the applicant must return to the board to make provisions for the maintenance of the two (2) proposed detention

basins and other common areas, the provisions of recreation amenities and the regulation of sheds, fences and the like by another entity.

11. The applicant shall amend the plan, add notes to the plan, provide additional information and provide notice of the existence and effect of easements in the deeds to lots affected by easements as indicated in the board engineer's review letter and in the applicant's engineer's responsive letter and on the record of the public hearing. The form and content of such notice must be reviewed and approved by the board solicitor.
12. The applicant shall amend the architectural plans to provide at least two (2) windows in the blank wall shown on the elevations provided with the application.
13. The applicant will post performance and maintenance guarantees and inspection escrows in amounts to be determined by the Township engineer and in forms to be approved by the Township solicitor.
14. The approval of any and all outside agencies having jurisdiction of the matter must also be obtained.



Laurie E. van Genderen, Chairperson

ATTEST: Katherine T. Martin

Katherine T. Martin, Secretary

DATE ADOPTED: August 4, 2015

DATE MEMORIALIZED: September 1, 2015

FOR ADOPTION: Mr. Ciancio, Ms. Lohr, Ms. Mader, Mr. Martin, Mr. Matulewicz, Ms. Moore, Mr. Taraschi, Ms. van Genderen, Mr. Anatasi

AGAINST: NONE

ABSTENTIONS: NONE

RECUSALS: Ms. Jass

CERTIFICATION

Katherine T. Martin hereby certifies that she is the Secretary of the Delanco Township Joint Land Use Board and that the foregoing is a true copy of a Memorializing Resolution adopted by action of the said Board at a meeting held on August 4, 2015, and memorialized at a meeting held on September 1, 2015.

Katherine T. Martin
Katherine T. Martin, Secretary

DELANCO TOWNSHIP

RESOLUTION NO. 2015-133

AUTHORIZING DEVELOPER'S AGREEMENT WITH GRAVELLY HOLLOW ROAD ASSOCIATES, LLC FOR THE HIGH POINT DEVELOPMENT

WHEREAS, Delanco Township previously adopted Ordinance No. 2013-09 on or about September 9, 2013, which amended and supplemented Chapter 110-33, "Planned Residential Development/Affordable Housing (PRD/AH) District;" and

WHEREAS, under the amending Ordinance, an Age Restricted Single Family Cottage Community use was added, which includes a maximum of 14 single family detached housing on individual lots with accompanying bulk standards; and

WHEREAS, pursuant to Ordinance No. 2013-09, the developer of the 14 cottage units is required to produce three (3) affordable rental housing units, with two (2) being affordable to families of low income and one (1) being affordable to families of moderate income; and

WHEREAS, none of the affordable units required may be age restricted units;
and

WHEREAS, the Ordinance further set forth requirements on "in fill" sites, the process for selection and development of same, timelines for production, and a cash contribution if the units are not produced; and

WHEREAS, Gravelly Hollow Road Associates, LLC is the owner of Block 2100.01, Lot 50 and the "Developer" of the 14 cottage units; and

WHEREAS, as a condition of approvals issued by the Delanco Township Joint Land Use Board, by Resolution 2015-18, dated September 1, 2015, the Developer is required to enter into a Developer's Agreement with the governing body of the Township of Delanco; and

WHEREAS, the Township and the Developer have negotiated a form of Developer's Agreement, a copy of which is attached hereto and incorporated herein by reference; and

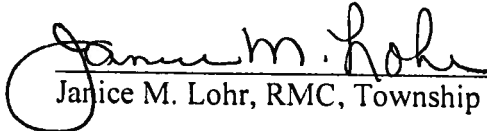
WHEREAS, the Township Committee desires to authorize the Developer's Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Delanco, County of Burlington, State of New Jersey, that the Mayor and

Township Clerk are hereby authorized to execute the Developer's Agreement with Gravelly Hollow Road Associates, LLC, substantially consistent with the form that is attached hereto and incorporated herein by reference.

BE IT FURTHER RESOLVED that the final form of Agreement shall be subject to the final review and approval of the Township Attorney and Township Affordable Housing Planner.

I certify that the foregoing Resolution No. 2015-133 is a true and correct copy of a resolution adopted by the Township Committee of the Township of Delanco at a public meeting held on December 7, 2015.


Janice M. Lohr, RMC, Township Clerk

DEVELOPER'S AGREEMENT

BETWEEN

TOWNSHIP OF DELANCO

AND

GRAVELLY HOLLOW ROAD ASSOCIATES, LLC

This Agreement is made this 24 day of December 2015, by and between the TOWNSHIP OF DELANCO, in the County of Burlington, a municipal corporation of the State of New Jersey (hereinafter, "Delanco Township"), having its principal office and place of business at Municipal Building, 770 Coopertown Road, Delanco, New Jersey 08075 and GRAVELLY HOLLOW ROAD ASSOCIATES, LLC, a limited liability company of New Jersey (hereinafter "Gravelly Hollow"), having its principal office and place of business at 698 Gravelly Hollow Road, Medford, New Jersey 08055

BACKGROUND

WHEREAS, Delanco Township adopted Ordinance No. 2013-09 on or about September 9, 2013, which amended and supplemented Chapter 110-33, "Planned Residential Development/Affordable Housing (PRD/AH) District;" and

WHEREAS, Ordinance No. 2013-09 amended the permitted uses in that district to permit Age Restricted Single Family Cottage Community, which housing must take the form of single family detached housing on individual lots, which shall conform to bulk standard of cottage lots, and which form of development shall be limited to a maximum of 14 homes; and

WHEREAS, Ordinance No. 2013-09 provided that as part of the development of an age restricted single family cottage community, the developer shall produce, within the Township but off-site, an additional three (3) affordable rental housing units, with two (2) being affordable to families of low income and one (1) being affordable to families of moderate income, and that none of the affordable units may be age restricted; and

WHEREAS, Ordinance No. 2013-19, provided that: the Township will provide a list of pre-approved sites for the location of these "in-fill" sites or market to affordable units; the Developer may request this list at any time and that the Township shall provide it within 45 days; the list shall contain at least three (3) sites and may be prioritized in order of preference by the Township; the Developer may also submit a site for consideration by the Township for approval; and, the Developer shall use its best efforts to acquire a suitable site from the list for the production of affordable housing; and

WHEREAS, Ordinance No. 2013-09 set forth a timeline for the production of these affordable housing units; and

WHEREAS, Ordinance No. 2013-09 provided that: as units are sold in the Age Restricted Single Family Cottage Community, the Developer shall place at least \$11,000 per unit up to a maximum of \$150,000 into separate escrow account or trust fund; the fund is intended to be used to implement the development of required affordable units, including acquisition rehabilitation and construction; and

WHEREAS, Ordinance No. 2013-09 provided that in the event the Developer does not identify and close on a property within the milestone requirements set forth in the Developer's agreement, the Township may immediately require the Developer to release the \$150,000 to the Township, which funds shall be placed the Township's affordable housing trust fund; and

WHEREAS, Gravelly Hollow is the owner of real property known as Block 2100.01, Lot 50 on the Township of the Delanco tax maps (hereinafter "Property"); and

WHEREAS, the Property is located in the PRD/AH zone District and subject to zoning provisions of Ordinance No. 2013-09; and

WHEREAS, Gravelly Hollow filed an application for preliminary and final major subdivision approval to create fourteen (14) age restricted residential building lots and two (2) open space lots out of the Property; and

WHEREAS, Gravelly Hollow obtained preliminary and final major subdivision approval, design exception, and bulk variances from the Delanco Township Joint Land Use Board for its Property by Resolution 2015-18, dated September 1, 2015, which memorialized in writing the Board's decision of August 4, 2015; and

WHEREAS, as a condition of approval, the Resolution provides that the "applicant will provide off-site affordable housing or cash payments in lieu of thereof as required by the governing ordinance," Ordinance No. 2013-09,

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Township of Delanco and gravelly Hollow hereby agree as follows:

1. Affordable Housing Site List. The Township will provide a list of pre-approved sites for the location of these "in-fill" sites or market to affordable units, within 45 days of a request for this list by the Developer. The list shall contain at least three (3) sites and may be prioritized in order of preference by the Township. The Developer may also submit a site for consideration by the Township for approval.

2. Acquisition of site. The Developer shall us its best efforts to acquire a suitable site from the list for the production of affordable housing.

3. Timetable for Production of Affordable Units. As set forth in Ordinance No. 2013-09, the affordable housing units shall be produced within the following timeline. Within 120 days of

the issuance of the last market rate certificate of occupancy on the development of the Property, the developer shall provide a copy of a deed evincing closure on the property or properties necessary to produce the three (3) affordable units. At least 120 days before a certificate of occupancy is issued for the affordable units, the developer shall provide an executed contract with HAS (Housing Administrative Services) as administrative agent, or with an entity acceptable to the Township. The actual affordable units must be produced, as evinced by a final certificate of occupancy, within one (1) year of the issuance of the last market rate certificate of occupancy on the development of the Property.

4. Payment of Money Upon Closing Into Escrow. At the closing of a housing unit in the Age Restricted Single Family Cottage Community on the Property, the Developer shall place \$11,000 per unit, up to a maximum total of \$150,000, into the Delanco Township affordable housing trust fund or the escrow account of Jeffrey Kantowitz, Esquire to be held in trust for the purposes of satisfying this affordable housing obligation. (The closings on the homes on the first 13 housing lots shall yield \$11,000 per closing. The closing the final, fourteenth housing lot shall yield \$7,000.) The money, placed in the escrow account or trust fund, shall be used to implement the development of required affordable units, including acquisition rehabilitation and construction.

5. Use of Funds if Timetable Not Met. In the event the Developer does not identify and close on a property for the construction of affordable housing within the timetable set forth above, the Township may immediately require the Developer to release the \$150,000 in escrow to the Township, which funds shall be placed the Township's affordable housing trust fund.

10. Governing Law. This Developer's Agreement is governed by the laws of the State of New Jersey.

11. Successors Bound. This Developer's Agreement shall be binding upon the successors and assigns of the parties signing it, and each of the provisions contained in this Developer's Agreement shall have the same force and effect as set forth at length as conditions of the grant of preliminary and final major subdivision approvals. The obligations of the Developer hereunder run with the land, unless the Township in writing shall release any successor, assigned or lessee from such his successor liability, it being the intention that all obligations undertaken hereunder, including, but not limited to, the obligation of the Developer to pay money upon closing into escrow be discharged as provided in this Agreement.

12. Recording. This Developer's Agreement may be recorded at the discretion of the Township. It is understood and agreed that obligation to pay money upon closing into escrow is to run with the land concomitant with the development of housing on the property.

13. Notices. All notices shall be served by Certified Mail, Return Receipt Requested, and regular mail upon the parties on page one. Copies of all notices shall be delivered simultaneously to the party's attorneys via regular mail and fax as follows:

As to Developers/Gravelly Hollow:

Gravelly Hollow Road Associates, LLC
c/o Jeffrey Kantowitz, Esq.
Abe Rappaport, Attorney at Law
195 Route 46 West, Suite 6, Totowa, NJ 07512

As to the Township:

TOWNSHIP OF DELANCO
c/o Janice M. Lohr, RMC, Township Clerk
Municipal Building
770 Coopertown Road
Delanco, New Jersey 08075

With a copy to:

Douglas L. Heinold, Esq.
Raymond Coleman Heinold Norman, LLP
325 New Albany Road
Moorestown, New Jersey 08057

14. Severability. If any term or condition is determined invalid by a court of competent jurisdiction, the remainder shall remain in force and effect.

15. No Presumption Against Drafter. This Agreement shall be construed reasonably to carry out its intent without presumption against or in favor of either party. If any provision hereof is declared invalid by any court or in any arbitration or administrative proceedings, then the provisions of this Agreement shall be construed in such manner so as to preserve the validity hereof and the substance of the transaction herein contemplated to the extent possible. The captions and paragraph headings are provided for purposes of convenience of reference only and are not intended to limit, define the scope of, or aid in the interpretation of any of the provisions hereof. The parties hereto at knowledge that this Agreement has been negotiated with the assistance and advice of their respective attorneys, so that this Agreement shall not, in any way, be construed or interpreted based upon any scrivener having represented one party or the other.

16. Amendments, Modifications and Waivers. This Agreement may not be amended or modified, nor may any obligation hereunder be waived orally, and no such amendment, modification, or waiver shall be effective for any purpose unless it is in writing, signed by both the Township and the Developer.

17. Cooperation. Whenever approval, consent or satisfaction is required of either party under this Agreement, such approval, consent, or satisfaction will not be unreasonably withheld, delayed, or conditioned. If either party withholds approval, consent, or satisfaction, such party

will on written request deliver to the other party a written statement setting out the reasons therefor.

18. Execution in Counterparts. This Agreement may be executed and delivered in several counterparts, each of which, when so executed and delivered, shall constitute an original, fully enforceable counterpart for all purposes.

IN WITNESS WHEREOF, the parties have set their hands and seals this 24
day of December, 2015.

WITNESS

THE TOWNSHIP OF DELANCO

James M. Loh

By: John R. Cianco
John Cianco, Mayor

WITNESS/ATTESTED BY:

[Signature]

GRAVELLY HOLLOW ROAD
ASSOCIATES, LLC

By: [Signature] MEMBER
[Signature] MEMBER

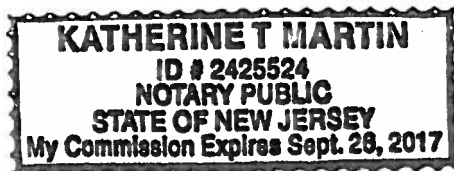
ACKNOWLEDGEMENT

STATE OF NEW JERSEY ::

COUNTY OF BURLINGTON :: SS

BE IT REMEMBERED, that on this 20th ^{June, 2016} day of ~~December, 2015~~,
before me, the subscriber, personally appeared John R. Ciancio,
who I am satisfied is the person who has signed this Developer's Agreement on behalf of the
Township of Delanco, and he/she has acknowledged that she signed, sealed, and delivered the
same as an officer of the Township, and that the Developer's Agreement is a voluntary act and
deed of the Township of Delanco, for the uses and purposes therein expressed.

Katherine P. Martin



ACKNOWLEDGEMENT

STATE OF NEW JERSEY

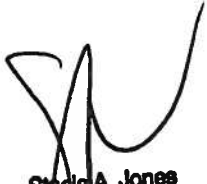
::

COUNTY OF BURLINGTON

::

SS

BE IT REMEMBERED, that on this 17th June 2016 day of ~~December, 2015~~,
before me, the subscriber, personally appeared _____,
who I am satisfied is the person who has signed this Developer's Agreement on behalf of the
Gravelly Hollow Road Associates, LLC, and he/she has acknowledged that she signed, sealed,
and delivered the same as a member of Gravelly Hollow Road Associates, LLC, and that the
Developer's Agreement is a voluntary act and deed of Gravelly Hollow Road Associates, LLC,
for the uses and purposes therein expressed.


Stacie A. Jones
Notary Public of New Jersey
My Commission Expires
March 22, 2021

APPENDIX G – ABUNDANT LIFE/LIVING SPRINGS MANOR - DEED RESTRICTIONS

\$280.-
#26

-1-

MARLINGTON COUNTY
CLERK

2012 MAR 15 A 10:22

RECEIVED

RECORD AND RETURN TO:

Melinda J. Sciarrotta, Paralegal
Division of Regulatory Affairs
New Jersey Housing & Mortgage
Finance Agency
637 S. Clinton Avenue
PO Box 18550
Trenton, NJ 08650-2085

1073MA01
RECORD & RETURN TO:
SURETY TITLE CORPORATION
1 E. STOW RD.
MARLTON, NJ 08053
COMMERCIAL DEPT.

Living Springs Manor, HMFA #02676, SNHTF #274

FINANCING, DEED RESTRICTION AND REGULATORY AGREEMENT

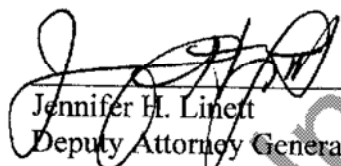
Between

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

And

LIVING SPRINGS MANOR, LLC

Prepared by:


Jennifer H. Linett
Deputy Attorney General

Special Needs Housing Trust Fund
First and Fourth Mortgage Loan
Construction and Permanent Financing

RECEIVED
2012 MAR 29 A 11:30
MARLINGTON COUNTY
CLERK

THIS FINANCING, DEED RESTRICTION AND REGULATORY AGREEMENT (this "Agreement"), made and entered into as of this 13th day of March, 2012, by and between the **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY** (the "Agency" or "Lender"), a body politic and corporate and an instrumentality exercising public and essential governmental functions of the State of New Jersey (the "State") and **LIVING SPRINGS MANOR, LLC** ("Owner" or "Borrower"), a corporation organized and existing pursuant to the laws of the State of New Jersey and duly authorized to transact business in the State of New Jersey.

WITNESSETH

In consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Agency and the Owner hereby agree as follows:

Section 1. Definitions and Interpretation. The following terms shall have the respective meanings set forth below:

"Act" means the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended from time to time, P.L. 1983, c. 530, N.J.S.A. 55:14K-1 *et seq.*, and the regulations promulgated thereunder.

"Agency Financing" means the Mortgage Loan.

"Agency Regulations" means the regulations promulgated by the Agency pursuant to the Act and any policies, procedures or guidelines issued by the Agency with respect to the housing projects financed by the Agency under the Act, all of the foregoing as they may be amended from time to time, if applicable.

"Architect's Contract" means the agreement between the Owner and Kitchen and Associates dated July 22, 2011, or any other agreement executed by the Owner and approved by the Agency, for the design and construction oversight of the Project in accordance with the plans and specifications for the Project approved by the Agency, if applicable.

"Assignment of Leases" means the Assignment of Leases by and between the Owner and Lender of even date herewith.

"Code" means the Internal Revenue Code of 1986, as amended.

"Construction Contract" means the agreement between the Owner and Domus, Inc. dated August 24, 2011, or any other agreement executed by the Owner and approved by the Agency, for the construction of the Project in accordance with the plans and specifications for the Project approved by the Agency.

"Construction Period" means the period of time as required to substantially complete the construction of the Project. The Project Construction Period is estimated to be twelve (12) months from the date of execution of this Agreement, if applicable.

"Day" or "Days," whether or not the word is a capitalized term, shall mean calendar day or day(s) unless otherwise specified.

"DDD" means the New Jersey Department of Human Services, Division of Developmental Disabilities, or its successors and assigns, if applicable.

"DMHS" means the New Jersey Department of Human Services, Division of Mental Health Services, or its successors or assigns, if applicable.

"Environmental Laws" shall mean and include any federal, State, or local statute, law, ordinance, code, rule, regulation, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous waste, substance, element, compound, mixture or material, as now or at any time hereafter in effect including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended, 42 U.S.C. Sections 9601 et seq., the Federal Hazardous Materials Transportation Act, as amended 42 U.S.C. Sections 1801 et seq., the Federal Resource Conservation and Recovery Act as amended, 42 U.S.C. Sections 6901 et seq., the Superfund Amendments and Reauthorization Act, 42 U.S.C. Sections 9601 et seq., the Federal Toxic Substances Control Act, 15 U.S.C. Sections 2601 et seq., the Federal Hazardous Material Transportation Act, 49 U.S.C. Sections 1801 et seq., the Federal Clean Air Act, 42 U.S.C. Sections 7401 et seq., the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251 et seq., the Rivers and Harbors Act of 1899, 33 U.S.C. Sections 401 et seq., the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. Section 4852d, the New Jersey Environmental Cleanup Responsibility Act, as amended, N.J.S.A. 13:1K-6 et seq., the New Jersey Industrial Site Recovery Act, N.J.S.A. 13:1K-6 et seq., the Spill Compensation and Control Act, as amended, N.J.S.A. 58:10-23.11 et seq., the New Jersey Tank Registration Act, N.J.S.A. 58:10A-21 et seq., the New Jersey Water Pollution Control Act, as amended, N.J.S.A. 58:10A-1 et seq., and all rules and regulations adopted and publications promulgated thereto, or any other so-called "Superfund" or "Superlien" laws, or any other federal, State or local environmental law, ordinance, code, rule, or regulation, order or decree as any of the foregoing have been, or are hereafter amended.

"Environmental Report" means the Phase I Environmental Site Assessment prepared by Whitestone Associates dated September 29, 2009.

"Event of Default" means any of the events set forth in Section 31 of this Agreement.

"First Mortgage Note" means the interest bearing non-recourse promissory note that contains the promise of the Owner to pay the sum of money stated therein at the times stated therein and that evidences the obligation of the Owner to repay the applicable portion of the Mortgage Loan.

"First Mortgage" means the first mortgage of even date herewith that constitutes a *first lien* on a fee simple interest in the Project and Land, given by the Owner to the Agency to secure the applicable portion of the Mortgage Loan.

"Fourth Mortgage Note" means the interest bearing non-recourse promissory note that contains the promise of the Owner to pay the sum of money stated therein at the times stated therein and that evidences the obligation of the Owner to repay the applicable portion of the Mortgage Loan.

"Fourth Mortgage" means the fourth mortgage of even date herewith that constitutes a *fourth lien* on a fee simple interest in the Project and Land, given by the Owner to the Agency to secure the applicable portion of the Mortgage Loan.

"Hazardous Materials" shall mean and include those elements, materials, compounds, mixtures or substances that are contained in any list of hazardous substances adopted by the United States Environmental Protection Agency (the "EPA") or any list of toxic pollutants designated by Congress, the EPA, or the New Jersey Department of Environmental Protection ("NJDEP"), or that are defined as hazardous, toxic, pollutant, infectious, flammable or radioactive by any of the Environmental Laws, and, whether or not included in such lists, shall be deemed to include all products or substances containing petroleum, asbestos, lead, and polychlorinated biphenyls.

"HUD" means the United States Department of Housing and Urban Development.

"Improvements" means the building together with all fixtures and utility improvements, easements and rights of way that are owned by the Owner and located on the Land.

"IRS Regulations" means the regulations promulgated or proposed by the United States Department of the Treasury or the Internal Revenue Service pursuant to the Code, and to the extent applicable, pursuant to the Internal Revenue Code of 1954, as both may be amended from time to time, including all rules, rulings, policies, and official statements issued by the United States Department of the Treasury or the Internal Revenue Service.

"Land" means the real property described in Exhibit A attached hereto, on which the Project is located.

"Loan Documents" means and includes this Agreement, the Mortgage Notes, the Mortgage and Security Agreement the UCC-1 Financing Statement, and Assignment of Leases.

"Loan" means the Mortgage Loan.

"Low Income" means a gross annual household income equal to 50% or less of the median gross annual household income for the same size within the relevant housing region.

"Mortgages" means the mortgages of even date herewith that constitutes a *first and fourth lien* on a fee simple interest in the Project and Land, given by the Owner to the Agency to secure the Mortgage Loan.

"Mortgage Loan" means the loan made to the Owner by the Agency to finance a portion of the cost of the development and/or rehabilitation of the Project that will be located on the real property described in Exhibit A attached hereto, as evidenced by the Mortgage Notes and secured by the Mortgages.

"Mortgage Notes" or "Notes" means the interest bearing non-recourse promissory notes that contain the promise of the Owner to pay the sums of money stated therein at the times stated therein and that evidences the obligation of the Owner to repay the Mortgage Loan.

"Permitted Encumbrances" means any

(i) Utility, access and other easements and rights of way, restrictions and exceptions that do not, individually or in the aggregate, materially impair the utility or value of the Project or Land for the purposes for which it is intended;

(ii) Liens that are being contested in good faith and for which the Owner has provided security satisfactory to the Agency;

(iii) Liens subordinate to the Mortgage Loan arising due to any monies loaned in connection with the Project or other monies loaned to the Owner, provided such liens are disclosed to and approved by the Agency in writing; and

(iv) Any other encumbrances approved by the Agency in writing.

"Plans" means all construction, architectural and design contracts and all architectural design plans and specifications.

"Program" means the Special Needs Housing Trust Fund pursuant to the Special Needs Housing Trust Fund Act, P.L. 2005, c.163.

"Program Guidelines" means the guidelines promulgated by the Agency pursuant to the Program and any policies or procedures issued by the Agency with respect to the housing projects financed by the Agency, all of the foregoing as they may be amended from time to time.

"Project" means the improvements located on the Land that together with the Land is financed, in part, with the proceeds of the Loan.

"Project Construction Period" means the period of time required to substantially complete construction of the Project. The Project Construction Period is estimated to be twelve (12) months from the date of execution of this Agreement.

"Regulations" means the regulations promulgated or proposed by the United States Department of Housing and Urban Development.

"Rehabilitation Period" means the period of time as required to substantially complete the rehabilitation of the Project. The Project Rehabilitation Period is estimated to be twelve (12) months from the date of execution of this Agreement, if applicable.

"Repair and Replacement Reserve" means the escrow account established pursuant to Section 21 of this Agreement.

"Servicing Fee" if applicable, means the servicing fee that is due from the Owner to the

Agency as set forth in the First Mortgage Note.

"Special Needs Project Escrow" means the escrow account established pursuant to Section 21 of this Agreement.

"State" means the State of New Jersey.

"Tax Credits" means low income housing tax credits that the Project may receive pursuant to the Code.

"UCC-1" means the UCC-1 Financing Statement(s) of even date herewith.

Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neuter gender shall be construed to include any other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice-versa, when appropriate. This Agreement and all the terms and provisions thereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

The titles and headings of the sections of this Agreement have been inserted for convenience of reference only, and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

Section 2. Background and Purpose. The Owner proposes to acquire or owns the Land, construct, and operate a Project to be located on the Land. The Project will carry a first construction and permanent loan of \$1,215,000 at an interest rate of zero percent (0%) during the construction period and zero percent (0%) interest rate, per annum, during the permanent mortgage term of thirty (30) years. The Project will also carry a fourth construction and permanent loan of \$2,115,723 at an interest rate of zero percent (0%) interest rate, per annum, during the permanent mortgage term of thirty (30) years. To obtain financing for the Project, the Owner has applied to the Agency for the Agency Financing pursuant to the provisions of the Program. The Agency will hold a first and fourth mortgage lien on the Project during the term of the Mortgage Loan. Financing for the Project is derived in part from the Agency's Program funds, and, in addition to the Mortgage Loan, the Owner has obtained and the Agency has approved funding for the Project as follows:

- a) The Owner has received a commitment in the estimated amount of \$500,000 from Burlington County HOME;
- b) The Owner has received a commitment in the estimated amount of \$400,000 from the Federal Home Loan Bank
- c) The Owner has received a commitment from DDD in the amount of \$126,000 in capital funding toward seven of the units for developmentally disabled tenants.

In connection with the Mortgage, the Owner and the Agency have entered into this Agreement.

In connection with its application for the Loan, the Owner has furnished to the Agency various details as to the Project, including the description of Land on which it is to be situated, plans

and specifications for the construction/rehabilitation of the Project, the tenant population that shall be housed in the Project, the number of units of each type to be included therein, the estimated costs of providing the Project, details as to the Project income and expenses of the Project once constructed and/or rehabilitated and placed in operation and arrangements for any tax abatement for the Project.

Section 3. Residential Rental Property. The Owner hereby represents, covenants, warrants and agrees that:

(a) The proposed project is located in the Township of Delanco in the County of Burlington, in a residential neighborhood. The project involves the new construction of a two-story, 20 unit building with an elevator. All units will contain one bedroom and will comprise approximately 600 square feet. Each unit will have a kitchen, living/dining area, one bedroom, a bathroom, and several closets for storage.

(b) The Project is to be utilized at all times in accordance with the types of use as permitted by the Act and the Program and as may be approved by the Agency. The Project shall be subject to use and occupancy and/or lease agreements between the Owner and the residents.

Section 4. Low Income Tenants. The Owner hereby represents, warrants and covenants that 100% of the units shall be occupied or available for occupancy by Low Income Tenants for a period of thirty (30) years from the date hereof.

Section 5. Additional Representations, Covenants and Warranties of the Owner. The Owner represents, warrants and covenants that:

(a) The Owner (i) is a limited liability company, duly organized, validly existing and in good standing under the laws of the State and duly authorized to transact business in the State; (ii) has filed with the Agency a true and complete copy of its Certificate of Formation with all amendments, if any, thereto; (iii) has the power and authority to own or lease its properties and assets, including the Project and the Land, and to carry on its business as now being conducted (and as now contemplated), and to borrow the proceeds of the Loans; and (iii) has the power to execute and perform all the undertakings of this Agreement and the other Loan Documents.

(b) All necessary legal action has been taken to authorize the execution, delivery and performance of the Loan Documents by the Owner.

(c) The Loan Documents have been duly executed and delivered by the Owner and constitute the valid and legally binding obligations of the Owner, enforceable against the Owner in accordance with their respective terms.

(d) To the best of the Owner's knowledge after due and diligent inquiry, the execution and performance of this Agreement, the Loan Documents and other instruments required pursuant to this Agreement by the Owner, (i) will not violate or, as applicable, have not violated, any provision of law, rule or regulations, any order of any court or other agency or government or any provision of any document to which the Owner is a party, and (ii) will not violate or, as applicable, have not violated, any provision of any indenture, agreement or other instrument to which the Owner is a

party, or result in the creation or imposition of any lien, charge or encumbrance of any nature other than the Permitted Encumbrances.

(e) The Owner will, at the time of execution of this Agreement or at the time of the closing of the Loan and subject only to such exceptions as have been disclosed in writing to the Agency and which will not materially interfere with or impact the beneficial use of the Project and Land for purposes of the Project; have good and marketable title to fee simple interest in the premises constituting the Land and the Project free and clear of any lien or encumbrance (subject to Permitted Encumbrances and encumbrances created or contemplated pursuant to this Agreement).

(f) There is, after due and diligent inquiry, no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair its right to carry on business substantially as now conducted, or as contemplated to be conducted under this Agreement, or would materially adversely affect its financial condition.

(g) To the best of the Owner's knowledge after due and diligent inquiry, the operation of the Project in the manner presently contemplated and as described in this Agreement will not conflict with any zoning, water or air pollution or other ordinance, order, law or regulation applicable thereto. The Owner has caused the Project to be designed in accordance with all applicable federal, state and local laws or ordinances (including rules and regulations) relating to zoning, building, safety and environmental quality and will proceed with due diligence to rehabilitate the Project pursuant to the Architectural Contract.

Further, the Owner has received or shall obtain all necessary governmental approvals and building permits for construction, rehabilitation and operation of the Project in accordance with the plans and specifications and the Architectural Contract, and shall obtain in a timely manner any and all required extensions of governmental approvals, including, but not limited to, site plan approval. The Owner will continue to retain ownership of the Project and Land during the term of the Mortgage, subject to the terms of this Agreement and the other Loan Documents, the Act, Agency Regulations, the Program, the Program Guidelines, and, if applicable, the Code.

(h) The Owner has filed, caused to be filed by it, or shall file all federal, state and local tax returns which are required to be filed by it, if any, and has paid or caused to be paid all taxes as shown on said return or on any assessment received by it, to the extent that such taxes have become due.

(i) To the best of the Owner's knowledge, after due and diligent inquiry, the Owner is not in material default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material agreement or instrument to which it is a party that may materially affect this Project.

(j) The information contained in the Project description provided in the applications for the Loan is accurate in all material respects and does not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(k) Except for Leases contemplated by the Project and Section 17 of this Agreement, the Owner shall not during the term of this Agreement sell, transfer or exchange, the Project or the Land (or any part thereof or any interest therein) at any time except in accordance with the terms of the Mortgage, this Agreement, the Act and the Agency Regulations promulgated pursuant to the Act, and the Program Guidelines and unless such sale, transfer or exchange shall have been approved by the Agency. The Owner shall notify in writing and obtain the agreement in writing of any buyer or successor or other person acquiring the Project or Land or any interest therein, in a form acceptable to the Agency that such acquisition is subject to the requirements of this Agreement. This provision shall not act to waive any other restriction on such sale, transfer or exchange.

(l) The Owner has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof and the Mortgage, and in any event, the requirements of this Agreement and the Mortgage are paramount and controlling as to the rights and obligations herein and in the Mortgage and such requirements shall supersede any other requirements in conflict herewith and therewith.

(m) All statements contained in all applications, correspondence or other materials delivered to the Agency by the Owner in connection with its consideration of the Loan to the Owner or relating to the Project are materially true and correct.

(n) The representations, covenants and warranties of the Owner contained in this Agreement on the date of its execution are true and shall continue to be true at all times during the term of this Agreement.

(o) No event has occurred and no condition exists which constitutes an Event of Default under this Agreement or the Mortgage or which, but for a requirement of notice or lapse of time, or both, would constitute such an Event of Default.

(p) As of the date of this Agreement, the Architectural Contract is in full force and effect and no default has occurred thereunder, and a true copy of the entire Architectural Contract with all modifications and addenda to date has been filed with the Agency.

Section 6. Covenants to Run With the Land. The covenants, reservations and restrictions set forth herein shall be deemed covenants running with the Land and, except as provided in Section 5 hereof, shall pass to and be binding upon the Owner's assigns and successors in title to the Land or the Project; provided, however, that upon the termination of this Agreement in accordance with the terms hereof said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Land or the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Land or Project are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Project and Land.

Section 7. Term. This Agreement shall remain in full force and effect until all indebtedness from the Owner to the Agency in respect to the Project shall have been paid in full in accordance with the provisions of this Agreement, the Mortgage Note and the other Loan Documents.

Section 8. Construction or Rehabilitation of Project. The Owner covenants and agrees to comply with all the provisions of the Architectural Contract and/or Construction Contract, as applicable. The Owner covenants and agrees diligently to pursue the construction or rehabilitation of the Project to completion in accordance with the plans and specifications set forth in the Owner's application for the Loan and the Architectural Contract and as approved by the Agency.

The Owner shall not approve or allow to occur any material change in the scope of plans and specifications for the Project without the express approval of the Agency. Construction or rehabilitation shall at all times be subject to the discretionary inspection, discretionary review, regulation and approval of the Agency and its duly authorized representatives. Any such inspection, regulation, review or approval of the Agency shall be solely for its benefit for the purpose of assuring that the programs and goals of the Project are being fulfilled.

The Owner shall not knowingly do any act which would cause the release, in whole or in part, of the surety bond or bonds issued in connection with the Architectural Contract or Construction Contract, as applicable, including, without limitation, deviation from the payment schedule, waiver of any material requirements imposed on the architect or any contractor or subcontractor under the Architectural Contract or Construction Contract, as applicable, or consent to any major change in the in the scope of plans and specifications or scope of the work, unless such act would not cause any release because the surety has consented thereto.

Section 9. Funding and Conditions Precedent to Advance.

A. Funding of Construction or Rehabilitation:

Upon and subject to the terms and conditions of this Agreement, the Mortgage and Mortgage Note, the Agency agrees to advance and disburse the principal sums of \$1,215,000 and \$2,115,723 as follows:

The balance of the Principal Sums of \$1,215,000 and \$2,115,723 remaining after disbursement of acquisition costs shall be made only after the Agency has received and approved, subject to its sole discretion, all items required for closing on the Agency Document Checklist for Construction and Permanent Financing.

B. Conditions Precedent to Advance:

The Agency's obligations to make the other disbursement under the Mortgage shall be subject to the satisfaction of the following conditions precedent, any of which may be waived in whole or part by the Agency.

1. Each of the Owner's covenants, agreements, representations and warranties contained in this Agreement shall continue to be true and shall not be breached.
2. If applicable, the full amount of the previous advance shall have been expended for Land acquisition, costs and discharge of any related lien.

3. All work performed and material furnished for the Project shall be in accordance with the plans and specifications for the Project and all work shall have been properly performed to the satisfaction of the Agency.

4. No event shall have occurred and no conditions shall exist that would prevent the advance from becoming a valid first mortgage lien on the Project and the Land or secured by a prior protected security interest on any other collateral mentioned in the Mortgage. If the Agency shall deem it necessary or desirable, all or part of the advance may be disbursed in escrow to a title insurance company licensed to do business in the State of New Jersey for the purpose of discharging any construction or other lien on the Project and Land or any other security mentioned in the Mortgage; and the Owner agrees to certify in writing that the foregoing conditions have been satisfied.

Section 10. Insurance; Condemnation.

During the term of the Agency Financing, the Owner shall cause all the buildings on the premises and the fixtures and articles of personal property covered by the Loan Documents to be insured against loss by fire and against loss by such other hazards as may be required by the Agency for the benefit of the Agency including, but not by way of limitation, flood insurance if any part of the Project is located in an area designated by or on behalf of the federal government as having specific flood hazard. Such insurance shall be written by companies, in forms as are satisfactory to the Agency, and in amounts not less than the full replacement value of the Project. The Owner shall assign and deliver the policies to the Agency. All such insurance policies which are obtained by the Owner during the term of the loan shall fully comply with all Agency requirements for property and liability insurance, including but not limited to the Agency requirement that the insurer must meet certain rating standards. The Agency shall be listed as first mortgagee, loss payee and additional insured under such policies. Such policies shall provide that the insurer may not cancel the policy and will not refuse to renew the policy except after thirty (30) days written notice to the Agency. If the Owner does not provide the Agency with the evidence of insurance as required herein, the Agency may (but shall not be required to) obtain such coverage. The Owner shall reimburse the Agency on demand for any premiums paid for insurance procured by the Agency, and until so reimbursed, the amount of such premiums shall be added to the principal sum of the First Mortgage Note and shall bear interest at the same interest rate as in the First Mortgage Note.

In the event of substantial damage to the Project by the occurrence of an insured casualty or the taking of a substantial portion of the Project by condemnation, if, in the sole judgment of the Agency (which judgment shall be conclusive): (a) the Project can be replaced or restored in whole or in part, and (b) the Project as so replaced will produce sufficient income to meet the obligations of the Owner under the Loan Documents, the proceeds of insurance or condemnation, together with any other money available for such purpose, if sufficient, shall be made available to the Owner, subject to the approval of the Agency. To the extent the Project is not replaced or restored, the balance of such proceeds shall be applied to the indebtedness secured thereby. Nothing in this Section shall affect the lien of this Agreement and the obligation of the Owner under the Loan Documents to pay the entire balance of the Loan.

The Owner shall maintain continuously in effect such other insurance coverage of the types and in the amounts specified by the Agency, including workers' compensation insurance and other insurance required by law with respect to employees of the Owner, and liability insurance, protecting

the Owner and the Agency against any loss or liability or damage for personal injury or property damage with respect to the Project. Owner shall also maintain use and occupancy insurance covering loss of revenues derived from the Project by reason of interruption, total or partial, of the use of the Project resulting from loss or physical damage thereto in an amount not less than one year's gross rental income. The Owner shall carry fidelity bond insurance covering all employees of the Owner authorized to handle the revenues derived from the Project in an amount equal to one-half times the maximum monthly rent roll.

Section 11. Taxes or Payments in Lieu of Taxes. Unless the Owner has received a full tax exemption for the taxes on the Project at the time the Owner takes title to the Project, the Owner covenants and agrees to pay any valid municipal taxes, payments in lieu of taxes, charges, assessments, water charges and/or sewer charges, and in default thereof the Agency may pay the same. Any such sum or sums so paid by the Agency shall be added to the principal sum secured by the Mortgage, as determined by the Agency, and shall bear interest at the then current rate being received by the Agency on its investment as determined in good faith by the Agency.

Section 12. Liens. The Owner covenants and agrees to maintain its right, title and interest in the Project and Land and all items enumerated in Section 7 of the Mortgage free and clear of all liens and security interests, except Permitted Encumbrances, those exceptions identified and set forth in title insurance commitments and title insurance commitment number #1073MA-01 issued by Stewart Title Guaranty Company dated December 2, 2011, and continued to the date of this Agreement, as accepted by the Agency. Except with the written consent of the Agency, the Owner will not install any item of tangible personal property as part of the fixtures or furnishings of the Project, which is subject to a purchase money lien or security interest.

The Agency may, at its sole option, pay the amount necessary to discharge any such lien, and the Owner shall promptly reimburse the Agency for any amounts so paid. Until reimbursement of the Agency of any amounts so paid, such amount shall be added to the Principal Sum as defined in and secured by the Mortgage, as determined by the Agency, and shall bear interest at the then current rate being received by the Agency on its investments as determined in good faith by the Agency.

Section 13. Encumbrances - Sale of Project. The Owner covenants and agrees not to sell, lease or otherwise encumber the Project or the Land, or any part thereof, or the rents or revenues thereof without prior written consent of the Agency, except by leasing to eligible residential tenants as provided by the Mortgage and this Agreement.

Section 14. Maintenance, Repair and Replacement. The Owner covenants and agrees to maintain the Project and the appurtenant equipment and grounds in good repair and condition so as to provide decent, safe and sanitary housing accommodations.

Following completion of construction or rehabilitation, the Owner will not make any substantial alteration in the Project without the consent of the Agency, nor will the Owner permit the removal of any fixtures or articles of personal property except in connection with the replacement thereof with appropriate property of at least equal value and free of all liens or claims.

The Owner will not permit any waste with respect to the Project or any of its real or personal property without the consent of the Agency, or make any alteration which will increase the hazard of fire or other casualty.

Section 15. Advance Amortization Payments. The Owner shall not make any advance principal repayment except as allowed by the Program and Program Guidelines.

Section 16. Compliance with the Program, the Act, Agency's Regulations and Any Federal or State Subsidy Source. The Owner covenants and agrees to comply with the Program, the Act and any regulations promulgated pursuant thereto, and with any amendments or supplements to the Program, the Act or regulations. Throughout the term of this Agreement, the Owner further covenants and agrees to comply with any and all requirements imposed upon it as a condition of any federal or state grant, subsidy or loan.

Section 17. Use of Project - Leasing. Except as otherwise expressly provided in Section 3 and 4 of this Agreement or as otherwise agreed to in writing by the Agency, and except for facilities approved by the Agency as normally appurtenant to residential projects for non-transients (such as laundry facilities), the Project shall be used solely (or as otherwise may be approved by the Agency) to provide affordable housing units for a special needs population(s) under the Agency's Program.

Section 18. Consideration for Lease. The Owner covenants and agrees not to require as a condition of the occupancy or leasing of any dwelling unit in the Project and not to accept or allow any employee or agent to accept any consideration other than the prepayment of the first month's rent, plus a security deposit not in excess of one (1) month's rent to guarantee the performance of the covenants of the rent agreement or lease.

Section 19. Security Deposit The Owner covenants and agrees to deposit all moneys paid to the Owner by any resident, if any, as a security deposit for the payment of rent or other allowable charges under any use and occupancy agreement and/or lease in a separate interest bearing bank account held and maintained in accordance with applicable law.

Section 20. Account for Project Revenues/Operating Account. The Owner covenants and agrees to establish an account for Project Revenues specific to the Project. "Project Revenues" shall mean all rents and other revenues of any type whatsoever received in respect of the Project or the Owner, except for Loan disbursements. Project Revenues shall be deposited in such account and all operating expenses should be paid from this account.

Section 21. Reserve and Escrow Payments.

On the date of the execution of this Agreement, the Owner will deposit with the Agency the following amounts as shown on the closing budget for the Project ("Form 10") which will serve as a reserve against late payments and be available to pay expenses when due or be available to assist with project expenses. These amounts will comprise the Special Needs Project Escrow:

(a) an amount equal to twelve (12) months of the estimated annual insurance payments; and

(b) an amount equal to twelve (12) months of the estimated annual tax payments; and

(c) an amount(s) as stated on the Form 10 for a project escrow.

Additionally, the Owner will deposit an amount as agreed upon between the Borrower and the Agency for the Project as a reserve for repairs and replacement of items at the Project and initial project costs, excluding social service and/or operating costs. Additionally, the repair and replacement reserve will be funded quarterly by the Borrower with an amount equal to three (3) months repair and replacement reserve as shown on the Project's Form 10. This reserve will be separate from the Special Needs Project Escrow and will be known as the Repair and Replacement Reserve.

All reserve and escrow payments required pursuant to this Section shall be held in accounts under the sole control of the Agency and shall be paid out for the benefit of the Project as needed on request of the Owner or on the Agency's own initiative. Any interest which may be earned on such reserves shall remain in the escrow account and shall be used for similar purposes unless the Owner and Agency mutually agree to apply the funds to some other Project purpose.

If the Agency determines that the payments specified herein are insufficient to ensure prompt payment of taxes, payments in lieu of taxes, insurance premiums, or to properly fund painting, decorating, repair and replacement needs with respect to the Project, then the Agency may require an increase in the minimum required escrow amounts necessary to assure proper funding.

Section 22. Inspection of Premises. The Owner covenants and agrees to permit the Agency, its agents or representatives, to inspect the Project at any and all reasonable times with or without notice, pursuant to the provisions of the Act and the Program.

Section 23. Books and Records. The Owner covenants and agrees to maintain adequate books and records of its transactions, including the social services provided to the Project's residents, with respect to the Project in the Owner's standard form. Such books and records shall be available for inspection and audit by the Agency or its agents at any time during business hours, with notice, pursuant to the provisions of the Act and the Program. The Owner further covenants and agrees to cause the financial affairs with respect to the Project to be audited by independent certified public accountants and shall furnish the Agency with its audit report of such accountants as may from time to time be required by the Agency.

The Owner shall furnish to the Agency such other information and reports respecting the Project as may from time to time be required by the Agency.

Section 24. Management Contract. The Owner may, and if the Agency so elects, shall contract for the services of a firm experienced in real estate management to act as the managing agent for the Project. The selection of any such managing agent, the scope of the agent's duties and the basis of the agent's compensation shall be the subject of a consultation between the Agency and the Owner and any contract for the employment of any managing agent shall provide that such contract may be terminated by the Agency at any time by notice of such determination by the Agency given to the Owner and managing agent.

Section 25. Prohibited Actions. Except with the express approval of the Agency, which approval shall not be unreasonably withheld, the Owner shall not with Project Revenues (as defined in Section 20 hereof), Loan disbursements or grant advances:

1. incur any liabilities, except in connection with the acquisition, rehabilitation and rental of the Project and its operation and maintenance;
2. engage in any business activity except the ownership and operation of the Project;
3. pay more than fair market value thereof for goods or services; and
4. pay compensation to any officer, director or partner in such capacity or make any cash distribution to any of the foregoing.

Section 26. Transfers of Ownership Interests. The Owner shall not transfer or sell any interest in the Project, except in accordance with the Agency's regulations governing such transfers.

Section 27. Statutory Powers and Restrictions. The Mortgage shall be subject to the restrictions in the Act and the Program, and in connection therewith, the Agency shall have the powers set forth in the Act, the Program and the regulations now or hereafter promulgated pursuant to the Act and the Program and the Owner hereby consents to such restrictions and agrees to be bound thereby. Such powers and restrictions shall be in addition to and not in limitation of the rights of the Agency expressly set forth in this Agreement.

Section 28. Accounting in Event of Default; Estoppel. Upon the occurrence of an Event of Default and within ten (10) business days of demand therefore by the Agency, and otherwise within ten (10) business days of written demand by the Agency, the Owner will furnish to the Agency in writing a statement of the principal amount remaining due on the Loan, together with a statement of any known defenses which may exist as to any liability of the Owner on the Notes or otherwise thereunder.

Section 29. Financing Statements. The Owner hereby irrevocably authorizes the Agency to execute on its behalf one or more financing statements or renewals thereof in respect to any of the security interests granted by the Mortgage.

Section 30. Assignment by Agency. The Owner hereby consents to any assignment of any Loan Document by the Agency.

Section 31. Defaults. Each of the following shall be an Event of Default:

(a) failure by the Owner to pay more than thirty (30) calendar days after the due date any installment of principal or interest on the Loan or any other payment required by the Owner to the Agency or any other person pursuant to the terms of this Agreement, the Mortgage or the other Loan Documents; provided, however, that interest shall accrue on any payment made beyond its due date;

(b) commission by the Owner of any act prohibited by the terms of this Agreement, the Mortgage or any other Loan Document, failure by the Owner to perform or observe in a timely

fashion any action or covenant required by any of the terms of this Agreement, the Mortgage or any other Loan Document, or failure by the Owner to produce satisfactory evidence of compliance therewith;

(c) the filing by the Owner under any federal or state bankruptcy or insolvency law or other similar law of any petition in bankruptcy or for reorganization or composition with creditors or the making of an assignment for the benefit of creditors;

(d) the filing against the Owner of a petition seeking its adjudication as a bankrupt or the appointment of a receiver for the benefit of its creditors which shall not have been dismissed within sixty (60) calendar days of the filing thereof, or the adjudication of the Owner as a bankrupt or the appointment of a receiver for the benefit of its creditors; or the appointment by court order of a custodian (such as a receiver, liquidator or trustee) of the Owner or of any of its property or the taking of possession of the Owner or any of its property for the benefit of its creditors and such order remains in effect or such possession continues for more than sixty (60) calendar days;

(e) the occurrence of substantial destruction of the Project by an uninsured casualty or the inability to replace or restore the Project in accordance with Section 11, or failure to maintain insurance that fully complies with the Agency insurance requirements set forth at Section 11 or in Agency insurance specifications minimum requirements, or failure to provide, immediately or no later than 30 days from notice, replacement insurance to meet Agency insurance requirements as set forth in Section 10 during the term of the Mortgage Loan;

(f) any representation in conjunction with the Loan and the Project by or on behalf of the Owner that is knowingly false or misleading in any respect or warranty of the Owner that is breached;

(g) any breach by the Owner of its obligations or any failure to observe its covenants under this Agreement, and the other Loan Documents; and

(h) failure to complete the Project.

(i) failure or refusal to acquire, rehabilitate, operate and/or maintain the Project in accordance with the Program.

The events set forth in the subsections (b) and (g) of this Section shall not constitute Events of Default until the prohibited acts, failure to perform or observe, or breaches shall remain uncured for a period of thirty (30) calendar days after the Agency's written notice to the Owner, specifying such prohibited act, failure or breach and requesting that it be remedied, unless the Agency shall agree in writing to an extension of such time prior to its expiration; provided, however, that after the Rehabilitation Period only, if the prohibited act, failure, or breach stated in each notice is correctable, but cannot be corrected within the 30-day period, the Agency may not unreasonably withhold its consent to an extension of up to 120 calendar days from the delivery of the written notice referred to herein if corrective action is instituted by the Owner, within the initial 30-day period and diligently pursued.

The failure of the Owner to comply with any of the provisions of Section 25 or 31 of this Agreement shall not be deemed an Event of Default hereunder unless such failure has not been corrected within a period of 60 calendar days, have actual or constructive knowledge of such failure or after the Agency's written notice to the owner, whichever is earlier.

Section 32. Remedies. Upon the occurrence of any Event of Default, the Agency may at its option take any one or more of the following actions or remedies and no failure to exercise any remedy or take any action enumerated shall constitute a waiver of such right or preclude a subsequent exercise by the Agency of any such remedy:

(a) declare the entire principal sum of the Mortgage together with all other liabilities of the Owner under the Note to be immediately due and payable;

(b) cease making disbursements to the Owner of any funds under the Loan or from reserves held by the Agency;

(c) apply any reserves held by the Agency or the balance in the accounts for Project disbursements and revenues, or any combination of these monies, to the payment of the Owner's liabilities hereunder;

(d) foreclose the lien of the Mortgage on the Project and Land or a portion thereof, including without limitation all Improvements existing or hereafter placed in or on the Project and Land. In any action to foreclose, the Agency shall be entitled to the appointment of a receiver of the rents and profits of the Project as a matter of right and without notice, with power to collect the rents, uses and profits of said Project, due and becoming due during the pendency of such foreclosure suit, such rents and profits being hereby expressly assigned and pledged as additional security for the payment of the indebtedness secured by the Mortgage without regard to the value of the Project or the solvency of any person or persons liable for payment of the mortgaged indebtedness. The Owner for itself and any such subsequent owner hereby waives any and all defenses to the application for a receiver as above and hereby specifically consents to such appointment without notice, but nothing herein contained is to be construed to deprive the holder of the Mortgage of any other right, remedy or privilege it may now have under the law to have a receiver appointed. The provisions for the appointment of a receiver of the rents and profits and the assignment of such rents and profits, is made an express condition upon which the Loan hereby secured are made. Upon such foreclosure the Agency shall have the right to have a receiver appointed for the Project and the rent from the Project;

(e) pursuant to its rights under the Act and the Program, remove the Project Manager(s) after consultation with the Owner, or, if the Agency, after consultation with the Owner, decides, it is in the best interest of the Project and Clients, hereinafter defined, the Owner shall deed the Project and Land to the Agency;

(f) take possession of the Project and Land or a portion thereof;

(g) without judicial process, collect all rents and other revenue including federal and State subsidies as the agent of the Owner (which upon the occurrence of any Event of Default the Agency is deemed to have been irrevocably appointed by the Owner), and apply the same at the Agency's

option either to the operation and maintenance of the Project or to the liabilities of the Owner under the Mortgage;

(h) act as landlord of the Project and rent or lease the same on any terms approved by it, or dispossess by summary proceedings or other available means any tenant defaulting under the terms of the lease of a dwelling unit;

(i) take possession of equipment, appliances or other tangible personal property in which a security interest has been granted by this Agreement or the Mortgage and dispose of the same in any commercially reasonable manner. The Agency shall have the option to dispose of any such equipment and personal property either separately from the Project and Land or in conjunction with a sale of the Project and Land, and the Owner agrees that either method of disposition shall be commercially reasonable;

(j) make effective an assignment of the Architectural Contract by the Owner to the Agency, in which event the Agency is specifically empowered by the Owner to exercise any and all rights of the Owner under the Architectural Contract, and at the option of the Agency to proceed with the rehabilitation of the Project, in which event all payments by the Owner made with respect to the Architectural Contract shall be treated as disbursements on the Loan;

(k) subject to Section 40 hereof, sue the Owner for a mandatory injunction or other equitable relief requiring performance by the Owner of any of its obligations under this Agreement or the Mortgage or the other Loan Documents. The Owner agrees with the Agency that the Agency's remedy at law for the violation or nonperformance of the Owner's obligations under the Mortgage or this Agreement or the other Loan Documents is not adequate by reason, among other things, of the Agency's public purpose to provide adequate, safe and sanitary dwelling units;

(l) after consultation with the Owner, sue under the Architectural Contract or on a warranty to recover any amount payable to the Owner pursuant to the Architectural Contract or payable to the Owner pursuant to any such warranty and to settle any such claim or liability and release the same and apply the proceeds of any such suit, settlement or release to the liabilities of the Owner under this Agreement or the Mortgage;

(m) if the Owner commits a breach or threatens to commit a breach of any of the provisions of the Mortgages or other Loan Documents, the Agency shall have the right, without posting bond or other security, to seek injunctive relief or specific performance, it being acknowledged and agreed that any such breach, or threatened breach, will cause irreparable injury to the Agency and that money damages will not provide an adequate remedy; and/or

(n) to undertake reasonable maintenance and make reasonable repairs to the Project and to add the cost thereof to the principal balance of the Mortgages.

(o) notwithstanding the above enumeration of remedies, the Agency shall have available to it all other remedies provided at law or in equity or any other action permitted by law subject to the provisions of Section 40 of this Agreement;

Section 33. Expenses Due to Default. All expenses (including reasonable attorneys' fees and costs and allowances) incurred in connection with an action to foreclose the Mortgage or in exercising any other remedy provided by the Mortgage or this Agreement or the other Loan Documents, including the curing of any Event of Default, shall be paid by the Owner, together with interest at the then current rate being received by the Agency on its investments as determined in good faith by the Agency. Any such sum or sums and the interest thereon shall be a further lien on the Project, Land and Improvements, and shall be secured by this Agreement and the Mortgage.

Section 34. Burden and Benefit. The Agency and the Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the Land in that the Owner's legal interest in the Land and the Project is rendered less valuable thereby. The Agency and the Owner hereby further declare their understanding and intent that the benefit of such covenants touch and concern the Land by enhancing and increasing the enjoyment and use of the Land and part of the Project as housing for persons with developmental disabilities.

Section 35. Uniformity; Common Plan. The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project and Land.

Section 36. Remedies; Enforceability. The provisions hereof are imposed upon and made applicable to the Land and shall run with the Land and shall be enforceable against the Owner or any other person or entity that has or had an ownership interest in the Project at the time of such violation or attempted violation. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time or times.

Section 37. Amendments; Notices; Waivers. This Agreement and the Mortgage may be amended only by an instrument in writing executed and acknowledged on behalf of the Agency and the Owner in such manner that the instrument may be recorded.

No waiver by the Agency in any particular instance of any Event of Default or required performance by the Owner and no course of conduct of the parties or failure by the Agency to enforce or insist upon performance of any of the obligations of the Owner under this Agreement, the Mortgage, or under the other Loan Documents at any time shall preclude enforcement of any of the terms of this Agreement, the Mortgage, the Note, or the other Loan documents thereafter.

Any provisions of this Agreement, the Mortgage or other Loan Documents requiring the consent or approval of the Agency for the taking of any action or the omission of any action requires such consent by the Agency in writing signed by a duly authorized officer of the Agency. Any such consent or approval, unless it expressly states otherwise, is limited to the particular action or omission referred to therein and does not apply to subsequent similar actions or omissions.

Notice provided for under this Agreement shall be given in writing signed by a duly authorized officer and any notice required to be given hereunder shall be given by recognized private carrier with acknowledgment of delivery or by confirmed facsimile, with a hard copy sent by certified mail, return receipt requested, or by certified or registered mail, postage prepaid, return

receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto.

Agency: Executive Director
New Jersey Housing and Mortgage Finance Agency
637 South Clinton Avenue, CN 18550
Trenton, NJ 08650-2085

Owner: LIVING SPRINGS MANOR, LLC
4151 Route 130 South
Edgewater, New Jersey 08046

All notices shall be deemed given when received.

Section 38. Severability. The invalidity of any part or provision hereof shall not affect the validity, legality and enforceability of the remaining portions hereof, and to this end the provisions of this Agreement shall be severable.

Section 39. Successors and Assigns. This Agreement and all rights, duties, obligations and interests arising hereunder shall bind and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

Section 40. Personal Liability. Notwithstanding any other provision contained in this Agreement, the other loan documents or any other document or instrument executed by the owner in connection herewith or therewith, the Agency agrees, on behalf of itself and any future holder of the Note, that the liability of the Owner, any general or limited partner, member or shareholder of the Owner, if applicable, and its respective heirs, representatives, successors and assigns, for the payment of its obligations hereunder and under the other loan documents, including, without limitation, the payment of principal, interest and other charges due hereunder and thereunder, shall be limited to the collateral pledged under the mortgage and the other loan documents, and that the Agency shall have no right to seek a personal judgment against the Owner, any general or limited partner, member or shareholder of the Owner, if applicable and its respective heirs, representatives, successors and assigns, individually, except to the extent necessary to subject the collateral (including the Project and Land) pledged under the Mortgage and the other loan documents to the satisfaction of the Mortgage debt, and provided, however, that the Agency shall retain the right to exercise any and all remedies granted to it under the Mortgage, this Agreement and the other loan documents, including without limitation the right to sue for injunctive or other equitable relief. The foregoing limitation of liability shall not apply to any party to the extent such party has committed fraudulent, criminal or other unlawful acts and shall not apply to such amounts due to the Lender pursuant to Sections 10, 11, 12, 13, 14, and 33 of this Agreement.

Section 41. Reserved.

Section 42. Disclaimer of Warranties, Liability; Indemnification/Defense.

A. The Owner acknowledges and agrees that (i) the Agency has not heretofore and does not make any warranty or representation, either express or implied, as to the value, condition, or

fitness for particular purposes of the Project or any portions thereof or any other warranty or representation with respect thereto; (ii) in no event shall the Agency or its agents or employees be liable or responsible for any incidental, indirect, special or consequential damages in connection with or arising out of this Agreement or any of the other Loan Documents or the development of the Project or the existence, functioning or use of the Project or any items or services provided for in this Agreement or the other Loan Documents; and (iii) during the term of this Agreement and the other Loan Documents and to the fullest extent permitted by law, the Owner shall indemnify, defend and hold the Agency harmless against, damage, claims, judgments or expenses of any and all kinds or nature and however arising, imposed by law, which the Owner and the Agency including reasonable attorneys' fees and costs, may sustain, be subject to, or be caused to incur by reason of any claim, suit or action based upon personal injury, death or damage to property, whether real, personal or mixed, or upon or arising out of contract entered into by the Owner, or arising out of the Owner's ownership of the Project or out of the construction, rehabilitation, operation or management of the Project.

B. It is mutually agreed by the Owner and the Agency that the Agency and its directors, officers, agents, servants and employees shall not be liable for any action performed under this Agreement, and that the Owner shall hold them harmless from any claim or suit of whatever nature.

C. Any claims asserted against the Agency shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. While this statute may not be applicable by its terms to claims arising under contracts with the Agency, the Owner agrees that it shall be applicable to any claims arising under the Loan Documents. It is acknowledged by the parties that the Agency is a public entity covered by the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq.

Section 43. Recording. This Agreement shall be duly recorded in the Office of the Clerk for the county in which the Land is located within ten (10) days following its execution.

Section 44. Governing Law. This Agreement shall be governed by the laws of the State of New Jersey. The parties agree that any cause of action that may arise under this Agreement or the Loan Documents shall have jurisdiction and venue only in the Courts of the State of New Jersey in and for the County of Mercer.

Section 45. Equal Opportunity and Non-Discrimination. The Owner covenants and agrees that it will comply with the Agency guidelines with respect to equal opportunity and non-discrimination in its purchase of goods and services for the operation and maintenance of the Project throughout the term of this Agreement.

Section 46. Counterparts

This Agreement may be executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original. A fax copy of a signature on this Agreement shall have the same effect as an original provided that an original is received by the other party hereto within two business days thereafter.

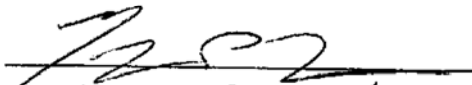
Section 47. Investment Funding

The Owner agrees to make an investment in the Project and Land in an amount which is not less than 20% of the total Project cost as determined by the Agency pursuant to the Act and the Program. In the event the principal sum set forth in the Agency Financing that is advanced to the Owner is determined by the Agency to exceed 80% of the total Project cost, the Owner shall reimburse the Agency an amount that would reduce the Agency Financing to 80% of the total Project cost.

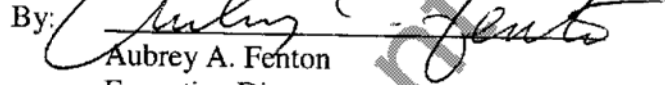
Unofficial Document

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

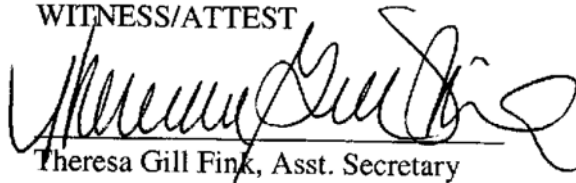
WITNESS/ATTEST


GREGORY P. DUFFY


LIVING SPRINGS MANOR, LLC
By: Abundant Life Community Development
Corporation, Inc., its sole managing member

By: 
Aubrey A. Fenton
Executive Director

WITNESS/ATTEST


Theresa Gill Fink, Asst. Secretary

LENDER:
NEW JERSEY HOUSING AND
MORTGAGE FINANCE AGENCY

By: 
Leslie S. Lefkowitz
Chief of Legal and Regulatory Affairs

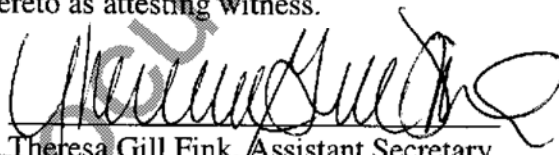
This Agreement is approved as to form:

ATTORNEY GENERAL OF NEW JERSEY

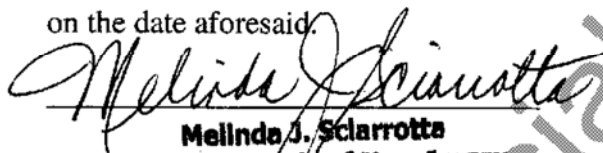
By: 
Jennier H. Linett
Deputy Attorney General

STATE OF NEW JERSEY)
) SS:
COUNTY OF MERCER)

BE IT REMEMBERED, that on this 13th day of March, 2012, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared Theresa Gill Fink, who, being by me duly sworn on her oath, acknowledges and makes proof to my satisfaction that she is an Assistant Secretary of the NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY (the "Agency"), named as the Lender in the within Instrument, that Leslie S. Lefkowitz is the Chief of Regulatory Affairs of said Agency, that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the members of the said Agency, that deponent well knows the corporate seal of said Agency, and that the seal and said Instrument signed and delivered by said Leslie S. Lefkowitz as and for the voluntary act and deed of said Agency, in the presence of deponent, who there upon subscribed her name thereto as attesting witness.



Theresa Gill Fink, Assistant Secretary

Sworn to and subscribed before me
on the date aforesaid.


Melinda J. Sclarrotta
A Notary Public of New Jersey
My Commission Expires 3/24/2014

STATE OF NEW JERSEY)
) SS:
COUNTY OF MERCER)

I certify that on March 13, 2012, Aubrey A. Fenton personally came before me, the subscriber, and acknowledged under oath, to my satisfaction, that (a) this person is the Executive Director of Abundant Life Community Development Corporation, Inc., the sole managing member of Living Springs Manor, LLC, the Limited Liability Company named in this document; (b) this document was signed and delivered by said President and Sole Officer of the corporation as its voluntary act duly authorized by a proper resolution of its Members on behalf of the Limited Liability Company; and (c) this person signed this proof to attest to the truth of these facts.


JEAN L. TEMPLE
A Notary Public of New Jersey
My Commission Expires July 19, 2013

Schedule A

See Attached

Unofficial Document

Schedule A
Legal Description

ALL THAT CERTAIN lot, tract and parcel of land together with improvements thereon, situate, lying and being in the Township of Delanco, County of Burlington, State of New Jersey, and described according to a certain Final Subdivision Plan - Phase 1 prepared by Eustace Engineering, Willow Grove, Pennsylvania dated May 20, 2009 and last revised August 28, 2009, plan number D21880106, said plan recorded in the Office of the Recorder of Deeds for Burlington County at Mount Holly, New Jersey document number 4672851 on September 1, 2009 as follows:

BEGINNING at a point a corner to Lot 3.00 Block 2200 being on the Southeasterly line of lands of now or formerly Burlington County Board of Freeholders Lot 2 Block 2200 said point being South 45 degrees 31 minutes 08 seconds West the distance of 657.96 feet and South 53 degrees 43 minutes 08 seconds West the distance of 260.32 feet from the Southwesterly line of Creek Road (33 feet wide) a corner to lands of aforementioned Burlington County Board of Freeholders Lot 2 Block 2200 and Lot 3.00 Block 2200 and extending from said point of BEGINNING;

THENCE South 36 degrees 22 minutes 02 seconds East along Lot 3.00 Block 2200 the distance of 182.66 feet to a point;

THENCE extending South 53 degrees 37 minutes 58 seconds West along the same the distance of 250.23 feet to a point;

THENCE extending North 36 degrees 22 minutes 02 seconds West along the same the distance of 183.04 feet to a point on the aforementioned line of lands of Burlington County Board of Freeholders Lot 2 Block 2200;

THENCE extending North 53 degrees 43 minutes 08 seconds East along the aforesaid lands the distance of 250.23 feet to the first mentioned point and place of BEGINNING.

BEING premises No. 501 Parkview Drive.

Block: 2200, Lot: 3.03

BEING the same land and premises which became vested in Living Springs Manor, LLC, a New Jersey limited liability company, by deed from Abundant Life Fellowship, Inc., a New Jersey nonprofit corporation, dated 7/21/2011, recorded 7/21/2011, in the Burlington County Clerk/Register's Office in Deed Book 6777, Page 817.

1014MA-01

2

LIHTC # 0921

BURLINGTON COUNTY
CLERK

Prepared By:

Signature

Frank Sciarrotta

2010 APR 13 P 1:07

RECEIVED
DEED OF EASEMENT AND RESTRICTIVE COVENANT
FOR EXTENDED LOW-INCOME OCCUPANCY

THIS DEED OF EASEMENT and RESTRICTIVE COVENANT (the "Covenant") dated as of April 8th, 2010 shall run with the land and is granted by Living Springs Senior Residence LLC, and its successors and assigns (the "Project Owner") whose principal address is 4151 Route 130 South, Edgewater Park, NJ 08046, 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 2011 Binding Commitment Letter for the building described below, the Agency has allocated Low Income Housing Tax Credits ("LIHTC") authorized under the Code in an annual amount not to exceed \$1,750,000 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, which consist of a total of 100 residential rental units, of which 94 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 Living Springs Senior Residence (the "Project"). The Project is located at 4151 Route 130, Delanco, NJ 08046, Municipal Tax Map Block No. 2200, Lot No.3.02 in the County of Burlington, 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.

1014MA-01

- (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 92.13 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:

[X] 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 2011.

- (7) 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.
- (8) ☒ If this box is checked, the Project is also subject to the state set-aside, which is defined in the 2009 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 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 10 units or 25 percent of the total project units, whichever is greater 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.
- (10) ☒ 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 2009 Qualified Allocation Plan, 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.
- (11) ☒ If this box is checked, the Project Owner pledged in the Application to employ throughout the compliance period a property manager for the Project who has successfully completed an Agency-approved tax credit certification course.
- (12) ☒ 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 2009 Qualified Allocation Plan.

- (13) 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.
- (14) 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.
- (15) 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.
- (16) 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.
- (17) The Project Owner agrees to comply with the requirements of the federal Fair Housing Act as it may from time to time be amended.
- (18) 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.
- (19) 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.
- (20) 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.
- (21) 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.


- (22) 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.
- (23) 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.
- (24) 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.
- (25) The invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining provisions.
- (26) 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.


Sworn and subscribed to before
the undersigned Notary Public or
Attorney on the date appearing below:

WITNESS
(IF INDIVIDUAL, LLC, OR PARTNERSHIP)


Arthur J. Meyer

PROJECT OWNER: Living Springs Senior Residence LLC

By: Living Springs Apartments, Inc.,
Manually recorded

By:  (R.F.)
Authorized Representative Aubrey A. Senton
PRESIDENT
(Print Name, Title, Organization)

ATTEST (IF A CORPORATION)

Secretary

PROJECT OWNER:

By: _____
President (Corporation)

Print Name

ACKNOWLEDGEMENT FOR PARTNERSHIP

(who has a corporate entity as general partner)

STATE OF NEW JERSEY)
) SS:
COUNTY OF)

I CERTIFY that on _____, 2010,
_____ OF THE PARTNERSHIP personally came
before me, and this person acknowledged under oath, to my satisfaction, that (a) this person is the
President of _____ who is the general partner of
_____, the Owner named in this document (the "Partnership");
and (b) this document was signed and delivered by the Partnership as its voluntary act duly authorized
by a proper resolution of the Board of Directors of the General Partner.

SWORN TO AND SUBSCRIBED
before me, the date aforesaid.

Notary Public

ACKNOWLEDGEMENT FOR LIMITED LIABILITY COMPANY

STATE OF NEW JERSEY)
COUNTY OF MERCER) ss:

I CERTIFY that on April 8, 2010, Aubrey Fenton, President
personally came before me, and this person acknowledged under oath, to my satisfaction, that (a) this
person is the Managing Member of Lenny Spry's Senior Residence 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

Arthur Mungie
Attorney-at-Law
Shaver & Lee Bldg

EXHIBIT "A"

LEGAL DESCRIPTION

File No.: 1014MA-01

REVISED / AMENDED

3/9/2010 / 4/7/2010

ALL THAT CERTAIN tract or parcel of land and premises lying, being and situate in Delanco Township, Burlington County, and State of New Jersey being more particularly described as follows:

BEGINNING at a point, an interior corner to lands of Lot 3.00, Block 2200 being South 45 degrees 31 minutes 08 seconds West the distance of 657.96 feet and South 53 degrees 43 minutes 08 seconds West the distance of 510.55 feet and South 36 degrees 22 minutes 02 seconds East the distance of 233.04 feet from the Southwesterly line of Creek Road (33 feet wide) a corner to lands of now or formerly Burlington County Board of Freeholders Lot 2, Block 2200 and Lot 3.00, Block 2200 and extending from said point of **BEGINNING**; **THENCE** extending North 53 degrees 37 minutes 58 seconds East along the said lands of Lot 3.00, Block 2200 the distance of 590.35 feet to a point; **THENCE** extending South 35 degrees 44 minutes 44 seconds East along the same the distance of 247.38 feet to a point; **THENCE** extending South 53 degrees 37 minutes 58 seconds West along the same the distance of 587.66 feet to a point; **THENCE** extending North 36 degrees 22 minutes 02 seconds West along the same distance of 247.37 feet to the first mentioned point and place of **BEGINNING**.

BEING Block 2200, Lot 3.02, as set forth on Final Subdivision Plan - Phase I, Living Springs filed in the Burlington County Clerk's Office on 9/01/2009 as Map No. 4672851.

TOGETHER with the benefits as contained in the Cross-Access Parking Easement and Maintenance Agreement about to be recorded.

RECORDING DATA PAGE

Consideration :
Code :
Transfer Fee :
Recording Date: 04/21/2010
Document No : 4724069 dcoco

SURETY TITLE CORP
1 E STOW RD STE 100
MARLTON, NJ 08053

Receipt No : 880504
Document No : 4724069
Document Type : EAS
Recording Date: 04/21/2010
Login Id : dcoco

Recorded
Apr 21 2010 10:54am
Burlington County Clerk

Clerk of Burlington County • 49 Rancocas Rd. • Mt. Holly, NJ 08060
609-265-5180

APPENDIX H - RHAWN/CORNERSTONE AT DELANCO – RESOLUTION OF APPROVAL/PROFORMA/SCHEDULE

**DELANCO TOWNSHIP
JOINT LAND USE BOARD**

RESOLUTION 2015-14

**RESOLUTION GRANTING
PRELIMINARY MAJOR
SITE PLAN APPROVAL AND DIRECTING
THE ISSUANCE OF BUILDING PERMITS FOR A
LOT WITHOUT FRONTAGE ON A PUBLIC STREET**

**CORNERSTONE AT DELANCO, LLC.
BLOCK 2100, LOT 1**

WHEREAS, Cornerstone at Delanco, LLC., (hereafter “Cornerstone” or “the applicant”), whose address is 21 East Euclid Avenue, Haddonfield, New Jersey, filed application #2015-07 for preliminary major site plan approval to construct sixty-three (63) affordable apartments, one site manager’s unit and associated improvements on the property commonly known as the Rhawn Factory site, 200 Rhawn Street, and designated as lot 1, block 2100 on the Delanco Township tax map; and

WHEREAS, the applicant served and published notice of a public hearing on the application and filed the corporate ownership disclosure required by the Township’s development regulations and the Municipal Land Use Law and was represented by counsel as required by general law; and

WHEREAS, the application was the subject of a public hearing held on July 7, 2015; and

WHEREAS, after receipt of public comment and the testimony of the board’s professional staff the board concluded that the proposed use is permitted in the zone, that the applicant’s plans and supporting documents meet the standards and requirements established by ordinance for the grant of preliminary major site plan approval and that the circumstances of the within application do not require the proposed structures to be related to a public street.

NOW, THEREFORE, in reliance on the foregoing it is hereby **RESOLVED** that application #2015-07 be and hereby is **GRANTED PRELIMINARY MAJOR SITE PLAN APPROVAL**.

Be it **FURTHER RESOLVED** that, upon approval of a final plan, the Construction Code Official is hereby authorized and directed to issue building permits for the proposed

development notwithstanding the fact that the subject property does not have frontage on an approved public street.

Be it **FURTHER RESOLVED** that the Solicitor is hereby authorized and directed to prepare a supplemental resolution with findings of fact, conclusions of law and conditions of approval.

Be it **FURTHER RESOLVED** that the Secretary is hereby authorized and directed to provide a signed and certified copy of this resolution to the applicant.


Laurie E. van Genderen, Chairperson

ATTEST: 
Katherine T. Martin, Secretary

DATE ADOPTED: July 7, 2015

DATE MEMORIALIZED: July 7, 2015

FOR ADOPTION: Mr. Ciancio, Ms. Lohr, Ms. Jass, Ms. Mader, Ms. Moore, Ms. van Genderen, Mr. Anastasi, Ms. Sargent

AGAINST: Mr. Matulewicz

ABSTENTIONS /RECUSALS: Mr. Martin

CERTIFICATION

Katherine T. Martin hereby certifies that she is the Secretary of the Delanco Township Joint Land Use Board and that the foregoing is a true copy of a Memorializing Resolution adopted by action of the said Board at a meeting held on July 7, 2015, and memorialized at a meeting held on the same date.


Katherine T. Martin, Secretary

**DELANCO TOWNSHIP
JOINT LAND USE BOARD**

RESOLUTION 2015-16

**SUPPLEMENTARY RESOLUTION RECITING
FINDINGS OF FACT, CONCLUSIONS OF LAW AND
THE CONDITIONS OF THE GRANT OF
PRELIMINARY SITE PLAN APPROVAL,
A SECTION 36 APPEAL AND A
VARIANCE/DE MINIMUS EXCEPTION**

**CORNERSTONE AT DELANCO, LLC.
BLOCK 2100, LOT 1**

WHEREAS, Cornerstone at Delanco, LLC., (hereafter “Cornerstone” or “the applicant”), whose address is 21 East Euclid Avenue, Haddonfield, New Jersey, filed application #2015-07 for preliminary major site plan approval to construct sixty-three (63) affordable apartments, one site manager’s unit and associated improvements on the property commonly known as the Rhawn Factory site, 200 Rhawn Street, and designated as lot 1, block 2100 on the Delanco Township tax map; and

WHEREAS, the application was the subject of a public hearing held on July 7, 2015; and

WHEREAS, testimony and evidence was received from Joseph Del Duca, the managing member of the applicant LLC, John McCormack, P.E., the applicant’s traffic engineer, Edmond Speitel, P.E., PP, the applicant’s engineer and professional planner, John Alderson, the applicant’s landscape architect, Daniel McCauley, the applicant’s architect and Richard Schniedereit, the applicant’s environmental consultant. Public comment was received from Daniel Martin, a board member who recused himself and Jeffrey Pippin, a Township resident and adjoining property owner; and

WHEREAS, the following exhibits were marked and admitted in evidence:

- A-1 An aerial map showing the site, its environs and existing conditions.
- A-2 A colorized site plan.
- A-3 A summary of parking counts in a number of income restricted apartment complexes in the area; and

WHEREAS, the application received preliminary site plan approval at the conclusion of the public hearing; and

WHEREAS, the resolution that memorialized that approval, resolution #2015-14, is incorporated herein and made a part hereof as if set forth in full; and

WHEREAS, that resolution authorized and directed the solicitor to prepare a supplemental resolution containing findings of fact and conclusions of law and detailing the conditions of that approval; and

WHEREAS, the Delanco Township Joint Land Use Board made the following finding of fact and conclusions of law:

1. The subject property is owned by Hovbros Delanco, LLC. (hereafter "Hovbros"). Hovbros has entered into agreements with both Delanco Township and the applicant and the applicant has entered into a Redevelopment Agreement with the Township. Each of these agreements contemplates the construction, by the applicant, of the proposed project.

2. The proposed use is permitted in the zone.

3. The applicant served and published notice of the application and filed the corporate ownership disclosure required by the Municipal Land Use Law (hereafter the "MLUL") and was represented by counsel as required by general law.

4. The applicant has standing and the board has jurisdiction to hear and decide the matter.

5. The board engineer and board planner reviewed the applicant's plan and supporting documents and submitted review letters dated July 1, 2015 and July 6, 2015, respectively. Those review letters are incorporated herein and made a part hereof as if set forth in full.

6. The board engineer's letter lists the plans reviewed. The approval contained herein refers to those plans.

COMPLETENESS

7. The board engineer's review letter indicated that the application was incomplete in two (2) respects:

- a. The applicant's environmental impact report did not include supporting documentation and

- b. There appear to be discrepancies between the project's utility plans and the approved plan for "Crossings at Delanco Station," an approved residential development which is immediately adjacent to the subject property.

8. The board engineer testified that, subsequent to his receipt of the review letter, the applicant had provided the supporting documentation. He also recommended that the matter of the inconsistency between the applicant's plan and the neighboring property's utility plans could be deferred until the application for final site plan approval is heard. The board concurred and deemed the application **COMPLETE**.

9. The applicant proposes an affordable housing community of sixty-four (64) units in eight (8) two-story buildings. One of the sixty-four (64) units will be occupied by a site manager. Thirteen percent (13%) of the units will be affordable to very low income households. Fifty percent (50%) of all units will be affordable to low and very low income households. Fifty percent (50%) of all units will be affordable to moderate income households. Twelve (12) one bedroom, thirty-six (36) two bedroom and sixteen (16) three bedroom apartments are proposed.

10. In addition to the sixty-four (64) units the project includes a 3,000 sq. ft. office building/clubhouse, a maintenance building, a tot-lot, a basketball court, barbeque grills and picnic tables, parking and stormwater management facilities.

11. In addition to site plan approval, the applicant's plan requires a variance from the minimum parking requirements of the zoning ordinance and a *de minimus* exception from the Residential Site Improvement Standards (hereafter "RSIS") to allow him to provide 116 parking spaces instead of the 127 spaces required. Relief is also required from MLUL section 35, which provides that building permits shall not be issued for lots without frontage on a public street.

VARIANCE/DE MINIMUS EXCEPTION

12. The RSIS and the zoning ordinance require 127 parking spaces for the proposed development; 116 spaces are proposed. The board found that a variance/*de minimus* exception could and should be granted for the following reasons:

- a. Although the zoning ordinance requires 127 spaces it specifically provides for a reduction, between 25 and 40 percent of that number, if the planning board deems the reduction *de minimus* and appropriate.
- b. The board finds that the proposed reduction is appropriate for a number of reasons:

- i. 127 parking spaces for sixty-four (64) dwellings equal two spaces per unit.
- ii. The Institute of Transportation Engineers (ITE) Informational Report on Parking Generation, Fourth Edition, indicates that the type of units proposed here require only 1.23 spaces per unit.
- iii. The RSIS provides that alternative parking standards may be accepted if the proposed alternative standards better reflect conditions applicable to the project. Factors affecting the appropriate number of parking spaces include household characteristics and the availability of mass transit.
- iv. The project site is immediately adjacent to a light rail station. The board also found that the low and moderate income nature of the project was a characteristic that would significantly impact parking space demand.
- v. The applicant's traffic engineer studied parking space demand in five (5) income restricted complexes of comparable size in the area. The study indicated an average demand of 1.55 spaces per unit. The engineer also asserts that the two (2) projects studied that are closest in size to the applicant's and that have ready access to public transit experience demands of 1.66 and 1.71 spaces per unit. The applicant proposes to provide 1.8 spaces per unit.
- vi. The applicant proposes to provide eleven (11) fewer parking spaces than required – a deficit of nine percent (9%). The zoning ordinance allows a reduction of up to forty percent (40%) in appropriate circumstances. The circumstances more than justify a reduction of nine percent (9%).

PUBLIC STREET REQUIREMENT

13. The MLUL and the Township's development regulations provide that no building permit shall issue for lots without frontage on a suitability improved public street. The subject property fits that description. The property's access to the road system, Coopertown Road, is via a forty (40) ft. wide non-exclusive access easement.

14. The MLUL and the Township's development regulation also provide that where the enforcement of the foregoing provision would entail practical difficulty or unnecessary hardship or the circumstances do not require the buildings to have direct access to a public street the

approving authority may, upon application or appeal, grant relief from the statute's proscription, subject to conditions that provide adequate access for emergency vehicles.

15. The subject property is a completely landlocked parcel; bordered on the south by the Rancocas Creek, on the north and west by the light rail line and on the east by a farm field.

16. The applicant provided a report of title in its application packet indicating that in 2001 a previous owner of the subject property sold a portion of its property to the New Jersey Transit Corporation for use by the Southern New Jersey Light Rail Transit System (SNJLRTS) while retaining a forty (40) foot wide non-exclusive access easement over what is now the Light Rail Station parking lot and driveway to the Coopertown Road.

17. The easement agreement is recorded in Deed Book 5861, Page 341 in the Office of the Burlington County Clerk and provides that New Jersey Transit is required to construct a roadway in the easement area "to industrial standards sufficient for 18 wheelers."

18. The board engineer testified that the paved portion of the easement has been constructed at least to RSIS standards.

19. The easement agreement further provides that NJ Transit is required to "maintain and keep clear the roadway including but not limited to snow and ice removal."

20. Based on all the foregoing the board found that the proposed development does not require frontage on a public street; that conditions are already in place that assure access by emergency vehicles and that, in fact, emergency vehicles readily gained access to the property when the Rhawn factory recently caught fire.

ENVIRONMENTAL

21. Although the applicant's professionals testified that the site has NJDEP approval for residential use, the board engineer's review letter details documentation that was not supplied but is needed to support this conclusion and to address concerns that all Areas of Concern (AOCs) have been adequately evaluated and remediated. The applicant agreed to provide the same.

22. To further address these concerns the applicant agreed to conduct a new environmental assessment certified to the Township and to provide a certification by a Licensed Site Remediation Professional (hereafter "LSRP") that the Response Action Outcome (hereafter "RAO") provided by the applicant is unrestricted and that the site has been cleared by the NJDEP for residential use. These matters shall be conditions of approval.

SITE PLAN

23. In general, the applicant agreed that he would comply with the numerous recommendations in the board engineer's and planner's review letters.

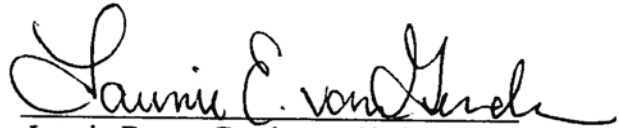
24. Specifically, the applicant agreed to:

- a. Modify the plan to add a third masonry wall to the trash enclosure.
- b. Investigate whether additional pedestrian connections between the proposed development and the light rail station are needed.
- c. Collaborate with the Township Board of Education and the County to provide for safe and efficient pedestrian circulation.
- d. Include sound attenuation construction in the final plan that exceeds code requirements.

NOW, THEREFORE, in reliance on the foregoing it is hereby **RESOLVED** that application #2015-07 be and hereby is **GRANTED PRELIMINARY MAJOR SITE PLAN APPROVAL**, together with the **VARIANCE/DE MINIMUS EXCEPTION** specified in the body of this resolution and an **ORDER DIRECTING THE ISSUANCE OF BUILDING PERMITS FOR A LOT WITHOUT FRONTAGE ON A PUBLIC STREET**. This approval is conditioned on the following:

1. All taxes and professional review fees must be paid current and in full.
2. The applicant shall amend the plan, add notes to the plan, provide additional documentation and information and investigate plan alternatives in consultation with other bodies and agencies as stated on the record and as set forth in the body of this resolution.
3. The applicant shall comply with all the terms and conditions of its Agreement with Delanco Township, including but not limited to conducting a new environmental assessment of the site certified to the Township.
4. The applicant shall provide a certification from an LSRP to this board that the RAO provided by the applicant is unrestricted and that the site has been cleared by the NJDEP for residential use.
5. The applicant's final plan will indicate sound attenuation construction that exceeds the requirements of the applicable code.

6. The approval of any and all outside agencies having jurisdiction of the matter shall also be required, including but not limited to:
- Burlington County Planning Board
 - Soil Erosion and Sediment Control
 - NJDEP – Waterfront Development Permit
 - NJDEP- LOI.
7. The applicant shall post performance and maintenance guarantees and inspection escrows in amounts to be determined by the Township engineer and in forms to be approved by the Township solicitor.


Laurie E. van Genderen, Chairperson

ATTEST: Katherine T. Martin
Katherine T. Martin, Secretary

DATE ADOPTED: July 7, 2015

DATE MEMORIALIZED: October 6, 2015

FOR ADOPTION: Mr. Ciancio, Ms. Lohr, Ms. Jass, Ms. Mader, Ms. Moore, Ms. van Genderen, Mr. Anastasi, Ms. Sargent

AGAINST: Mr. Matulewicz

ABSTENTIONS: None

RECUSALS: Mr. Martin

CERTIFICATION

Katherine T. Martin hereby certifies that she is the Secretary of the Delanco Township Joint Land Use Board and that the foregoing is a true copy of a Memorializing Resolution adopted by action of the said Board at a meeting held on July 7, 2015, and memorialized at a meeting held on October 6, 2015.

Katherine T. Martin
Katherine T. Martin, Secretary

Cornerstone at Delanco Apartments
200 Rhawn Street
Delanco Burlington

Units 64
Population Family Units

Total Project Cost \$17,290,619

Funding Sources

Wells Fargo Permanent Financing	\$520,000
Deferred Developer Fee	\$927,410
9% Low Income Housing Tax Credits	\$15,843,209

Timeline

Redevelopment / Rezoning Process	Mar-15
Preliminary Site Plan Approval	Jun-15
LIHTC Application	Jul-15
LIHTC Award	Nov-15
Final Site Plan Approval	Jun-16
Construction Closing	Sep-16
Begin Marketing / Leasing	Sep-17
Construction Completion	Dec-17
Lease Up	Jun-18

**DELANCO TOWNSHIP
JOINT LAND USE BOARD**

RESOLUTION 2016-14

**RESOLUTION GRANTING FINAL
MAJOR SITE PLAN APPROVAL**

**DELANCO FAMILY APARTMENTS
URBAN RENEWAL, LLC.
CORNERSTONE AT DELANCO, LLC.
THE WALTERS GROUP
BLOCK 2100, LOT 1**

WHEREAS, the Delanco Family Apartments Urban Renewal, LLC., whose address is 21 East Euclid Avenue, Suite 200, Haddonfield, New Jersey, filed application #2016-3 for final major site plan approval to construct a sixty-four (64) unit affordable apartment complex (63 affordable units and 1 manager's unit) on the property commonly known as 200 Rhawn Street and designated as lot 1, block 2100 on the Delanco Township tax map; and

WHEREAS, the application was the subject of a public hearing held on May 3, 2016; and

WHEREAS, testimony and evidence was received from Edmond Speitel, P.E., the applicant's engineer. Public comment was received from Daniel Martin; and

WHEREAS, a color rendering of the site plan was marked A-1 and elevations of the proposed buildings were marked A-2. Both exhibits were admitted in evidence; and

WHEREAS, the Delanco Township Joint Land Use Board has made the following findings of fact and conclusions of law:

1. The subject property is owned by a Hovnanian entity. Hovnanian owns and received approval to construct an inclusionary development on adjoining land. Hovnanian has entered into an agreement to turn the subject property over to the Township in order to be relieved of its obligation to produce affordable housing on the adjoining site.
2. The Township has, in turn, agreed to turn the subject property over to the applicant on condition that sixty-three (63) affordable, family, rental units are constructed there.
3. The applicant sought and received preliminary major site plan approval for the project and now seeks final approval.

4. Notice of applications for final site plan approval is not required by Municipal Land Use Law or local ordinance.

5. The applicant LLC filed the corporate ownership disclosure required by the Municipal Land Use Law and was represented by counsel, Damien DelDuca, Esquire, as required by general law.

6. The applicant has standing and the board has jurisdiction to hear and decide the matter.

7. The board engineer and board planner reviewed the applicant's plan and supporting documents and submitted review letters dated April 15, 2016 and April 22, 2016, respectively. Those review letters are incorporated herein and made a part hereof as if set forth in full.

8. The board engineer's review letter lists the plans submitted and reviewed. The approval contained herein refers to those plans.

COMPLETENESS

9. The board engineer's review letter indicates that the application was complete but for the receipt of outside agency approvals. The letter further suggested that these approvals be made conditions of final approval. The board, therefore, granted a deferral and deemed the application complete.

THE PROPOSAL

10. The applicant's engineer testified that a number of trees originally proposed for removal were now going to be preserved and, as a result, the clubhouse has been moved and reoriented. This resulted in six (6) additional parking spaces being added to the plan.

11. At the board's request the applicant agreed to add a gate to the playground area.

12. At the intersection of Rhawn Street and Coopertown Road there now stands a stick figure in human form constructed of pipes. The applicant proposes to have a project name sign in this location if it can obtain an easement. A note will be added to the plan to this effect as a condition of approval. If the figure is not used by the applicant it will be offered to the Township historical society.

13. The applicant's engineer indicated that he had received and reviewed the board engineer's review letter and that the applicant would comply with the technical comments contained therein. He acknowledged that there were inconsistencies between this applicant's utility plans and the utility plans for the adjacent Hovnanian development. The two developers

will have to resolve these differences and coordinate their proposed resolution with the board engineer.

14. The site will contain four (4) detention basins. Typically, two test pits must be dug within the infiltration area of each basin. Due to the relatively small size of the basins, only one test pit each was dug for three of the basins. Test pits could not be dug in the infiltration area of the fourth basin due to the presence of a concrete slab. A note will be added to the plan indicating that when the slab is removed one test pit will be completed and, if poor soils are encountered they will be removed and replaced. This will be a condition of approval.

15. The applicant's engineer indicated that he had also received and reviewed the board planner's review letter and that the applicant would comply with all of the recommendations contained therein.

16. The planner's review letter indicated that the applicant's plan required a design exception from the Township's standard for lighting uniformity ratios. The board determined that the exception was not needed.

CONDITIONS OF PRELIMINARY APPROVAL

17. The board secretary prepared a list of the conditions of preliminary approval and the applicant indicated that, while some of those conditions have been satisfied, a number remained to be resolved. Those matters include:

- a. Resolving the inconsistencies between the applicant's and Hovnanian's utility plans.
- b. Receipt of all required outside agency approvals.
- c. Paying local property taxes current.
- d. Providing plans that exceed code requirements for sound attenuation.
- e. Compliance with all terms and conditions of the applicant's agreement with the Township.
- f. In consultation with the Township board of education, providing for safe and efficient pedestrian circulation on site and around the New Jersey Transit site.
- g. Post performance and maintenance guarantees and inspection escrows.

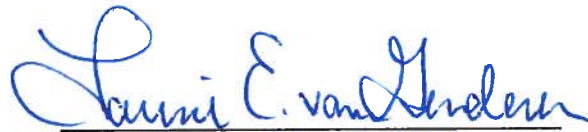
All the foregoing shall be conditions of final approval.

18. With the plan amendments recommended in the board engineer's and board planner's review letters and upon compliance with the terms and conditions specified herein the

applicant's plan will meet the standards and requirements established by ordinance for the grant of final major site plan approval.

NOW, THEREFORE, in reliance on the foregoing it is hereby **RESOLVED** that application #2016-3 be **GRANTED FINAL MAJOR SITE PLAN APPROVAL** upon the following terms and conditions:

1. All taxes and professional review fees must be paid current and in full.
2. Compliance with all unsatisfied conditions of preliminary approval.
3. Compliance with the technical recommendation contained in the board planner's and board engineer's review letters.
4. Compliance with COAH's occupancy requirements.
5. The applicant is conducting a Phase 2 archeological investigation. The applicant will share information and collaborate with the Township should that investigation reveal matters of interest.



Laurie E. van Genderen, Chairperson

ATTEST: Katherine T. Martin
Katherine T. Martin, Secretary

DATE ACTION TAKEN: May 3, 2016

DATE RESOLUTION ADOPTED/MEMORIALIZED: June 1, 2016

FOR ADOPTION: Mr. Bartlett, Ms. Lohr, Ms. Jass, Ms. Mader, Mr. Matulewicz, Ms. Moore, Ms. van Genderen, Ms. Sargent

AGAINST: NONE

ABSTENTIONS: NONE

RECUSALS: Mr. Martin

CERTIFICATION

Katherine T. Martin hereby certifies that she is the Secretary of the Delanco Township Joint Land Use Board and that the foregoing is a true copy of a Memorializing Resolution adopted by action of the said Board at a meeting held on May 3, 2016, and memorialized at a meeting held on June 1, 2016.

Katherine T. Martin
Katherine T. Martin, Secretary

State of New Jersey
County of Burlington

} SS.

DELANCO TWP
MUNICIPAL BLDG
DELANCO, NJ 08075

NOTICE
TOWNSHIP OF DELANCO
JOINT LAND USE BOARD

PLEASE TAKE NOTICE THAT on June 1, 2016 the Delanco Township Joint Land Use Board adopted Resolution 2016-14 memorializing the granting of final major site plan approval to Delanco Family Apartments Urban Renewal, LLC to permit the construction of a sixty-four unit affordable housing complex on property commonly known as 200 Rhawn Street. The property is designated as block 2100, lot 1 on the Delanco Township Tax Map and is located in the PD/AH3 Zone. A copy of said resolution is on file at the Delanco Township Municipal Building.

Katherine T. Martin, Secretary

Adv. Fee: \$ 17.02
BCT: June 9, 2016
Aff. Chg.: \$20.00

2-099012001
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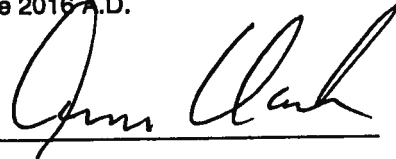
Kathleen Moreland being duly sworn or affirmed according to law, deposes and says that she is the Legal Billing Coordinator of the BURLINGTON TIMES, INC. Publisher of the "Burlington County Times" and that a copy of a notice published in such paper on

June 09, 2016

appears hereto, exactly as published in said newspaper


LEGAL BILLING CO-ORDINATOR

Sworn and subscribed to before me this 9th day of June 2016 A.D.


Ann Clark
My Commission expires on
May 04, 2020

APPENDIX I - SPENDING PLAN

SPENDING PLAN OF THE AMENDED THIRD ROUND HOUSING ELEMENT AND FAIR SHARE PLAN
Adopted August 2, 2016

Introduction

Delanco Township has prepared an amended Third Round Housing Element and Fair Share Plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Fair Housing Act (N.J.S.A. 52:27D-301) and the regulations of the Council on Affordable Housing (“COAH”) (N.J.A.C. 5:93-1 et seq). A development fee ordinance creating a dedicated revenue source for affordable housing was adopted by the municipality on October 6, 1997, last amended November 10, 2008 and approved by COAH on January 6, 2009.

As of December 31, 2015, Delanco Township has collected \$463,486.06 and expended \$418,601.26, resulting in a balance of \$44,884.80. All development fees, payments-in-lieu of construction, funds from the sale of units with extinguished controls and interest generated by the funds are deposited at Investors Bank in a separate interest-bearing affordable housing trust fund for the purposes 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.

1. Revenues for Certification Period

To calculate a projection of revenue anticipated during the period of Third Round Judgment of Repose, Delanco Township considered the following:

- (a) Development fees:
 - 1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals
 - 2. All projects currently before the Joint Land Use Board (“JLUB”) for development approvals that may apply for building permits and certificates of occupancy
 - 3. Future development that is likely to occur based on historical rates of development.
- (b) Payment in lieu (PIL): \$150,000

In relation to the High Point development, Delanco Township anticipates either the construction of three off site units or a PIL to be utilized for the construction of three affordable units.

- (c) Other funding sources: \$0

Delanco Township is not anticipating collecting money from other funding sources 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, payments in lieu of construction and interest.

- (d) Projected interest:

Based on the current average interest rate and previous amounts collected, Delanco Township anticipates collecting \$3,000 in interest through 2025.

Table SP-1 indicates the anticipated revenue to be generated from development impact fees and interest. Delanco Township projects a total of \$333,000 to be collected between January 1, 2016 and December 31, 2025, including interest, to be used for affordable housing purposes under the assumptions presented after the table, which is primarily an extrapolation of past trends. The total, after adding the money currently in the account, is projected to be \$377,800.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed:

Collection of Development Fee Revenues

Collection of development fee revenues shall be consistent with Delanco Township's development fee ordinance for both residential and non-residential developments in accordance with COAH's rules and P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7).

Distribution of Development Fee Revenues

The JLUB adopts and forwards a resolution to the governing body recommending the expenditure of development fee revenues as set forth in this spending plan. 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 in accordance with the Court approved spending plan. 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.

Table SP-1. Projected Revenues-Housing Trust Fund – 2016 through 2025

Year Source of Funds	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016- 2025 Total
Projected Residential Development	STARTING BALANCE \$44,884.80 (12/31/15)	\$6k	\$6k	\$6k	\$6k	\$6k	\$6k	\$6k	\$6k	\$6k	\$6k	\$60k
Projected Non- Residential Development		\$60k	\$60k	-	-	-	-	-	-	-	-	\$120k
Payment in Lieu		\$50k	\$50k	\$50k	-	-	-	-	-	-	-	\$150k
Interest		\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$3k
Total	\$44.8k	\$116.3k	\$116.3k	\$56.3k	\$6.3k	\$6.3k	\$6.3k	\$6.3k	\$6.3k	\$6.3k	\$6.3k	\$377.8k

Projected residential development is based on the Township planner's estimate of 20 new homes being constructed over the next 10 years. This estimate does not include affordable housing sites in the Township's Plan including the High Point site, the Cornerstone at Delanco site or the yet built later phases of the Abundant Life/Living Springs project as they will be producing affordable housing/in-lieu-payments and may not be charged an additional residential development fee. Projected non-residential development is based on the Township Planner's estimate of 170,000 sq. ft. of warehouse construction through 2025. This 170,000 sq. ft. was multiplied by \$27.95 (the Township's average per sq. ft. equalized assessed value for warehouse use) to produce an estimated \$4,752,115 new construction value. This \$4,752,115 was then multiplied by 0.025 (2.5% non-residential development fee) to determine the estimated collection of non-residential development fees. Interest calculations are based on deposits as indicated via bank statements, averaged and extrapolated through 2025.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

The Township of Delanco may use the funds in the trust fund for any of the below listed items, pursuant to *N.J.A.C. 5:93-8.16(a)* and (c):

- New construction of affordable housing units and related development costs; in the case of inclusionary developments, eligible costs shall be pro-rated based on the proportion of affordable housing units included in the development
- Extensions or improvements of roads and infrastructure directly serving affordable housing development sites; in the case of inclusionary developments, costs shall be pro-rated based on the proportion of affordable housing units included in the development
- Acquisition and/or improvement of land to be used for affordable housing
- Market-to-affordable programs
- Green building strategies designed to save money for low and moderate income households, either for new construction that is not funded by other sources, or as part of necessary maintenance or repair of existing units
- Maintenance and repair of affordable housing units
- Repayment of municipal bonds issued to finance low and moderate income housing activity
- Affordability assistance to very low, low and moderate income buyers and renters of affordable housing units to lower the cost of homeownership, subsidize closing costs, or to reduce the capitalized basis of the rent payments
- Affordability assistance to create very low-income and low-income units
- Any other activity as specified herein.

At least 30% of collected development fees, excluding expenditures made from the affordable housing trust fund prior to July 17, 2008 shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the Fair Share Plan and to create very-low income units. Additionally, no more than 20% of the revenues collected from development fees 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. At the present time, the share of allowed administrative expenses has not yet been exceeded in Delanco. Adding up the previously collected and projected revenue, the

Township would be permitted to spend an additional \$46,325 in administrative expenses if all projected revenues are received.

If funding should fall short of the amount necessary, Delanco will seek grants, low cost loans or use general revenues and may use its bonding capacity to meet such shortfall.

Specific Projects

Rehabilitation program:

The Burlington County Department of Human Services (Community Development Division) administers two rehabilitation programs. These programs utilize federal Community Development Block Grant ("CDBG") and HOME Investment Partnership funds. The Township will continue its participation with the County and institute a local program if required by the Court. If all projected trust fund revenue is received, the Township may be able to provide upwards of \$336,400 towards the rehabilitation program. All rehabilitated units will have an average hard cost of \$10,000 per unit and should there be any funding shortfall, the Township may provide additional funding through bonding if necessary.

Municipally-Sponsored New Construction (100% Affordable Housing Sites):

- I. The municipally sponsored sites in the Township's plan have all been fully funded.

4. AFFORDABILITY ASSISTANCE (N.J.A.C. 5:93-8.16(c))

The following table indicates the minimum amount anticipated being available for affordability assistance to low- and moderate-income households, including very-low income households.

Table SP-2. Projected Minimum Affordability Assistance Requirement

Development fees collected July 17, 2008 to December 31, 2015		\$60,079
Development fees projected 2016-2025	+	\$180,000
Interest earned July 17, 2008 to December 31, 2015		\$9,444
Interest projected 2016-2025	+	\$3,000
Total	=	\$ 252,523
30 percent requirement	x 0.30 =	\$75,757
Less affordability assistance expenditures through December 31, 2015	-	\$220,769
Projected minimum affordability assistance requirement	=	(\$145,012)
Projected minimum very low-income affordability assistance requirement	÷ 3 =	\$0

As Delanco Township has already dedicated \$220,769 from the affordable housing trust fund to render units more affordable through the creation of very-low income units¹, the Township does not intend to provide any additional affordability assistance funds at this time. In the future, if the requirement arises, the Township will have continued to create very-low income family rental units at Cornerstone at Delanco.

5. ADMINISTRATIVE EXPENSES (N.J.A.C. 5:93-8.16(e))

Table SP-3. Projected Allowed Administrative Expense

Development fees/interest collected through December 31, 2015		\$333,486
Payment-in-lieu of construction through July 17, 2008		\$130,000
Development fees projected 2016-2025		\$180,000
Interest projected 2016-2025	+	\$3,000
Total	=	\$646,486
20 percent maximum permitted administrative expenses	x 0.20 =	\$129,297
Less administrative expenditures through December 31, 2015	-	\$87,832
Projected allowed administrative expenditures	=	\$41,465

¹ The Township has already spent more than is required on affordability assistance.

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

Delanco Township projects that upwards of \$41,465 will 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 Third Round plan preparation and implementation including Judgment of Repose and future Court-required monitoring
- Rehabilitation administration fees

6. EXPENDITURE SCHEDULE

Delanco Township intends to use affordable housing trust fund revenues for the creation and/or rehabilitation of housing units. In developing this spending plan, it is important to note that the Township has committed or will commit the expenditure of funds in the municipal trust fund within four (4) years of the date of collection or within four (4) years after the Township receives a Judgment of Repose per the Appellate Division decision, whichever is later. The expenditure schedule is summarized as follows (assuming a Judgment of Repose in 2016):

Table SP-4 - Projected Expenditure Schedule 2016 through 2025

Program	Units/ Bedrooms	2016 2017	2018 2019	2020 2021	2022 2023	2024 2025	Total
Rehabilitation Program, if Necessary	23	\$67.3k	\$67.3k	\$67.3k	\$67.3k	\$67.2k	\$336.4k
Affordability Assistance for the Creation of Very-Low Units/New Construction		-	-	-	-	-	-
<i>Total Programs</i>		\$67.3k	\$67.3k	\$67.3k	\$67.3k	\$67.2k	\$ 336.4k
Administration		\$8.3k	\$8.3k	\$8.3k	\$8.3k	\$8.2k	\$41.4k
TOTAL	23	\$75.6k	\$75.6k	\$75.6k	\$75.6k	\$75.4k	\$377.8k

7. EXCESS OR SHORTFALL OF FUNDS

The Township anticipates collecting a sufficient amount of funds to address the Court-required 23-unit rehabilitation share. If funding should fall short of the amount

necessary, the governing body of Delanco Township may adopt a resolution agreeing to fund any shortfall of funds required for implementing the rehabilitation program.

8. SUMMARY

Delanco Township intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:93-8.16 and consistent with the housing programs outlined in the Township's Amended Third Round Housing Element and Fair Share Plan.

Delanco Township has a balance of \$44,885 as of December 31, 2015 and anticipates an additional \$333,000 in revenues before the expiration of its Judgment of Repose for a total of \$377,885. The municipality will dedicate all available funds towards a rehabilitation program and a small amount is anticipated for administration. Any shortfall of funds will be addressed through the use of outside funding sources or through bonding and/or appropriations as may be allowed by law.

Spending Plan Summary

Revenues	
Balance as of December 31, 2015	\$44,885
Projected Revenue from December 31, 2015 through 2025	
1. Development fees	+ \$180,000
2. Payments in lieu of construction	+ \$150,000
3. Other funds	+ \$0
Interest	+ \$3,000
<i>Total Projected Revenue</i>	<i>= \$377,885</i>
Expenditures	
Funds Used for Rehabilitation	- \$336,420
Affordability Assistance For The Creation of Very-Low Units/New Construction	- \$0
Administration	- \$41,465
<i>Total Projected Expenditures</i>	<i>= \$377,885</i>

APPENDIX J – DRAFT AFFORDABLE FAIR SHARE ORDINANCE

August 2, 2016

**DRAFT
ORDINANCE # _____**

**TOWNSHIP OF DELANCO
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**AN ORDINANCE OF THE TOWNSHIP OF DELANCO, COUNTY OF DELANCO
AND STATE OF NEW JERSEY AMENDING CHAPTER 58 "FAIR HOUSING"
OF THE CODE OF THE TOWNSHIP OF DELANCO TO ADDRESS THE
REQUIREMENTS OF THE NJ SUPERIOR COURT**

WHEREAS, the New Jersey Council on Affordable Housing ("COAH") has promulgated rules, set forth at N.J.A.C. 5:93 and 5:91, concerning the substantive and procedural requirements for obtaining third round substantive certification of the Township's Housing Element and Fair Share Plan; and

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

WHEREAS, on July 7, 2015, the Township submitted a Declaratory Judgment Action to NJ Superior Court; and

WHEREAS, on August 2, 2016, the Township Joint Land Use Board adopted a revised Third Round Housing Element and Fair Share Plan; and

WHEREAS, on August 15, 2016, the Township governing body adopted a resolution endorsing the adopted Township Plan; and

WHEREAS, on September 8, 2016, the NJ Superior Court granted the Township a Judgment of Compliance and Repose for the third round; and

WHEREAS, as part of its review and grant of the Township's petition for a Judgment of Compliance and Repose, the Superior Court requires that the Township's affordable housing ordinances be updated and brought into compliance with its current rules.

Now, therefore, **BE IT ORDAINED** by the Township Committee of the Township of Delanco, in the County of Burlington and State of New Jersey, that the "Code of the Township of Delanco" ("Code") is hereby amended as follows:

Section 1. Chapter 58, entitled " Fair Housing," Deleted and Replaced. Chapter 58 " Fair Housing" of the Code is hereby deleted in its entirety and replaced with a new Chapter 58 " Fair Housing," which shall read as follows:

August 2, 2016

CERTIFICATION

I, Janice M. Lohr, Clerk of the Township of Delanco, do hereby certify that the foregoing is a true and correct copy of a resolution passed by the Township Committee of the Township of Delanco at its meeting held on _____, 2016.

Janice M. Lohr, RMC
Delanco Township Clerk

Chapter 58. Fair Housing

§58-1. Statutory provisions.

- A. This section of the Township Code sets forth regulations regarding the 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., and the Township's constitutional obligation to provide a fair share of affordable housing for low and moderate income households. In addition, this section applies requirements for very low income housing as established in P.L. 2008, c.46 (the "Roberts Bill").
- B. This Ordinance is intended to assure that very-low, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very-low, low- and moderate-income households shall occupy these units. This Ordinance shall apply except where inconsistent with applicable law.
- C. The Delanco 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 Plan has also been endorsed by the Township Committee of the Township of Delanco. The Fair Share Plan describes the ways the Township shall address its fair share for low- and moderate-income housing as determined by the Superior Court and documented in the Housing Element.
- D. This Ordinance implements and incorporates the Fair Share Plan and addresses the requirements of N.J.A.C. 5:93, as may be amended and supplemented.
- E. Pursuant to a settlement agreement with Fair Share Housing Center (“FSHC”), the Township shall file annual monitoring reports and status reports with the Superior Court and place the reports on its municipal website.. Any plan evaluation report of the Housing Element and Fair Share Plan and monitoring prepared by the Special Master in accordance with N.J.A.C. 5:91 shall be available to the public at the Delanco Township Municipal Building, 770 Coopertown Road, Delanco, NJ 08075

§ 58-2. Definitions. As used herein the following terms shall have the following meanings:

“Accessory apartment” means a self-contained residential dwelling unit with a kitchen, sanitary facilities, sleeping quarters and a private entrance, which is created within an existing home, or through the conversion of an existing accessory structure on the same site, or by an addition to an existing home or accessory building, or by the construction of a new accessory structure on the same site.

August 2, 2016

“Act” means the Fair Housing Act of 1985, P.L. 1985, c. 222 (N.J.S.A. 52:27D-301 et seq.).

“Adaptable” means constructed in compliance with the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.

“Administrative agent” means the entity responsible for the administration of affordable units in accordance with this ordinance, N.J.A.C. 5:91N.J.A.C. 5:93 and N.J.A.C. 5:80-26.1 et seq.

“Affirmative marketing” means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.15.

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

“Affordable” means, a sales price or rent within the means of a low- or moderate-income household as defined in N.J.A.C. 5:93-7.4; in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.6, as may be amended and supplemented, and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.12, as may be amended and supplemented.

“Affordable development” means a housing development all or a portion of which consists of restricted units.

“Affordable housing development” means a development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100% affordable development.

“Affordable housing program(s)” means any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality’s fair share obligation.

“Affordable unit” means a housing unit proposed or created pursuant to the Act, credited pursuant to N.J.A.C. 5:93, and/or funded through an affordable housing trust fund.

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

“Age-restricted unit” means a housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that: 1) all the residents of the development where the unit is situated are 62 years or older; or 2) at least 80% of the units are occupied by one person that is 55 years or older; or 3) the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

“Alternative living arrangement” means a structure in which households live in distinct bedrooms, yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangement includes, but is not limited to: transitional facilities for the homeless, Class A, B, C, D, and E boarding homes as regulated by the New Jersey Department of Community Affairs; residential health care facilities as regulated by the New Jersey Department of Health; group homes for the developmentally disabled and mentally ill as licensed and/or regulated by the New Jersey Department of Human Services; and congregate living arrangements.

August 2, 2016

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

“Certified household” means a household that has been certified by an Administrative Agent as a low-income household or moderate-income household.

“COAH” means the Council on Affordable Housing, which is in, but not of, the Department of Community Affairs of the State of New Jersey, that was established under the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.).

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

“Deficient housing unit” means a housing unit with health and safety code violations that require the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

“Developer” means any person, partnership, association, company or corporation that is the legal or beneficial owner or owners of a lot or any land proposed to be included in a proposed development including the holder of an option to contract or purchase, or other person having an enforceable proprietary interest in such land.

“Development” means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure, or of any mining, excavation or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to N.J.S.A. 40:55D-1 et seq.

"Fair Share Plan" means the plan that describes the mechanisms, strategies and the funding sources, if any, by which the Township proposes to address its affordable housing obligation as established in the Housing Element, including the draft ordinances necessary to implement that plan, and addresses the requirements of N.J.A.C. 5:93-5.

"Housing Element" means the portion of the Township's Master Plan, required by the Municipal Land Use Law ("MLUL"), N.J.S.A. 40:55D-28b(3) and the Act, that includes the information required by N.J.A.C. 5:93-5.1 and establishes the Township's fair share obligation.

“Inclusionary development” means a development containing both affordable units and market rate units. This term includes, but is not necessarily limited to: new construction, the conversion of a non-residential structure to residential and the creation of new affordable units through the reconstruction of a vacant residential structure.

“Low-income household” means a household with a total gross annual household income equal to 50% or less of the median household income.

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

August 2, 2016

“Major system” means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement or load bearing structural systems.

“Market-rate units” means housing not restricted to low- and moderate-income households that may sell or rent at any price.

“Median income” means the median income by household size for the applicable county, as adopted annually by COAH or approved by the NJ Superior Court.

“Moderate-income household” means a household with a total gross annual household income in excess of 50% but less than 80% of the median household income.

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

“Non-exempt sale” means any sale or transfer of ownership other than the transfer of ownership between husband and wife; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor’s deed to a class A beneficiary and the transfer of ownership by court order.

“Random selection process” means a process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery).

“Regional asset limit” means the maximum housing value in each housing region affordable to a four-person household with an income at 80% of the regional median as defined by adopted/approved Regional Income Limits.

“Rehabilitation” means the repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

“Rent” means the gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted living residences, rent does not include charges for food and services.

“Restricted unit” means a dwelling unit, whether a rental unit or ownership unit, that is subject to the affordability controls of N.J.A.C. 5:80-26.1, as may be amended and supplemented, but does not include a market-rate unit financed under UHGRP or MONI.

“Special master” means an expert appointed by a judge to make sure that judicial orders are followed. A master’s function is essentially investigative, compiling evidence or documents to inform some future action by the court.

“UHAC” means the Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26.1 et seq.

“Very low-income household” means a household with a total gross annual household income equal to 30% or less of the median household income.

August 2, 2016

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

“Weatherization” means building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for rehabilitation.

§58-3. Division of construction.

Delanco's new construction or inclusionary component will be divided equally between low- and moderate-income households as per N.J.A.C. 5:93-2.20.

§58-4. New Construction.

The following requirements shall apply to all new or planned developments that contain low- and moderate- income housing units.

- A. Phasing. Final site plan or subdivision approval shall be contingent upon the affordable housing development meeting the following phasing schedule for low and moderate income units whether developed in a single phase development, or in a multi-phase development:

Maximum Percentage of Market-Rate Units <u>Completed</u>	Minimum Percentage of Low- and Moderate- Income <u>Units Completed</u>
25	0
25+1	10
50	50
75	75
90	100

- B. Design. In inclusionary developments, to the extent possible, low- and moderate- income units shall be integrated with the market units.
- C. Payments-in-lieu and off-site construction. The standards for the collection of payments-in-lieu of constructing affordable units or standards for constructing affordable units off-site, shall be in accordance with *N.J.A.C. 5:93-8.10 (c)*.
- D. Utilities. Affordable units shall utilize the same type of heating source as market units within the affordable development.
- E. Low/Moderate Split and Bedroom Distribution of Affordable Housing Units:
1. The fair share obligation shall be divided equally between low- and moderate- income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low income unit.
 2. In each affordable development, at least 50% of the restricted units within each bedroom distribution shall be low-income units.
 3. Within rental developments, of the total number of affordable rental units, at least 13% shall be affordable to very low income households.

4. Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:
 - (a) The combined number of efficiency and one-bedroom units shall be no greater than 20% of the total low- and moderate-income units;
 - (b) At least 30% of all low- and moderate-income units shall be two bedroom units;
 - (c) At least 20% of all low- and moderate-income units shall be three bedroom units; and
 - (d) The remaining units may be allocated among two and three bedroom units at the discretion of the developer.
5. Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the inclusionary development. The standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.

F. Accessibility Requirements:

1. 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.
2. 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:
 - (a) An adaptable toilet and bathing facility on the first floor;
 - (b) An adaptable kitchen on the first floor;
 - (c) An interior accessible route of travel on the first floor;
 - (d) An interior accessible route of travel shall not be required between stories within an individual unit;
 - (e) An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and
 - (f) An accessible entranceway as set forth at P.L. 2005, c. 350 (N.J.S.A. 52:27D-311a et seq.) and the Barrier Free Subcode, N.J.A.C. 5:23-7, or evidence that the Township has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:
 - (1) Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.
 - (2) To this end, the builder of restricted units shall deposit funds within the Township of

Delanco's affordable housing trust fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.

- (3) The funds deposited under paragraph (2) herein, shall be used by the Township for the sole purpose of making the adaptable entrance of any affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.
- (4) The developer of the restricted units shall submit a design plan and cost estimate for the conversion from adaptable to accessible entrances to the Construction Official of the Township of Delanco.
- (5) Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free Subcode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made to the Township of Delanco's affordable housing trust fund in care of the Municipal Treasurer who shall ensure that the funds are deposited into the affordable housing trust fund and appropriately earmarked.
- (6) Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is site impracticable to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free Subcode, N.J.A.C. 5:23-7.

§58-5. Maximum rents and sale prices.

In conjunction with realistic market information, the following criteria will be used in determining maximum rents and sale prices:

- A. In establishing rents and sales prices of affordable housing units, the administrative agent shall follow the procedures set forth in UHAC and by the Superior Court, utilizing the regional income limits established.
- B. The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60% of median income, and the average rent for restricted low- and moderate-income units shall be affordable to households earning no more than 52% of median income.
- 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.
 1. At least 13% of all low- and moderate-income rental units shall be affordable to households earning no more than 30% of median income.
- D. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70% of median income, and each affordable development must achieve an affordability average of 55% for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different prices for each bedroom type, and low-income ownership units must be available for at least two different prices for each bedroom type.

August 2, 2016

- E. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units other than assisted living facilities, the following standards shall be met:
 - 1. A studio or efficiency unit 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 rents for compliance with the affordability average requirements for restricted units in assisted living facilities, the following standards shall be met:
 - 1. A studio or efficiency unit 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% of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28% of the eligible monthly income of the appropriate size household as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- H. The initial rent for a restricted rental unit shall be calculated so as not to exceed 30% of the eligible monthly income of the appropriate household size as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- 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 rent of low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the United States. This increase shall not exceed 9% in any one year. Rents for units constructed pursuant to low- income housing tax credit regulations shall be indexed pursuant to the regulations governing low- income housing tax credits.
- K. Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by DCA for its Section 8 program.

§58-6. Condominium and Homeowners Association Fees.

For any affordable housing unit that is part of a condominium association and/or homeowners association, the Master Deed shall reflect that the association fee assessed for each affordable housing unit shall be established at 100% of the market rate fee.

§58-7. Affirmative Marketing.

- A. The Township shall adopt by resolution an Affirmative Marketing Plan, subject to approval of the Superior Court, compliant with N.J.A.C. 5:80-26.15, as may be amended and supplemented.
- B. The affirmative marketing plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The affirmative marketing plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward COAH Housing Region 3 and covers the period of deed restriction.
- C. The affirmative marketing plan shall provide a regional preference for all households that live and/or work in COAH Housing Region 5, comprised of Burlington, Camden and Gloucester Counties
- D. The Administrative Agent designated by the Township shall assure the affirmative marketing of all affordable units is consistent with the Affirmative Marketing Plan for the municipality.
- E. 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.
- F. The affirmative marketing process for available affordable units shall begin at least four months prior to the expected date of occupancy.
- G. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by the Township of Delanco.

§58-8. Occupancy Standards.

- A. In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to:
 - 1. Provide an occupant for each bedroom;
 - 2. Provide children of different sex with separate bedrooms; and
 - 3. Prevent more than two persons from occupying a single bedroom.
- A. Additional provisions related to occupancy standards (if any) shall be provided in the municipal Operating Manual.

§58-9. Selection of Occupants of Affordable Housing Units.

- A. The administrative agent shall use a random selection process to select occupants of low- and moderate- income housing.
- B. A waiting list of all eligible candidates will be maintained in accordance with the provisions of N.J.A.C. 5:80-26 *et seq.*

§58-10. Control Periods for Restricted Ownership Units and Enforcement Mechanisms.

- A. Control periods for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.5, and each restricted ownership unit shall remain subject to the controls on affordability for a period of at least 30 years.
- B. Rehabilitated owner-occupied single family housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.
- C. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.
- D. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.
- E. A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all code standards upon the first transfer of title that follows the expiration of the applicable minimum control period provided under N.J.A.C. 5:80-26.5(a), as may be amended and supplemented.

§58-11. Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices.

Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, including:

- A. The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.
- B. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.
- C. The method used to determine the condominium association fee amounts and special assessments shall be indistinguishable between the low- and moderate-income unit owners and the market unit owners.
- D. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom.

§58-12. Buyer Income Eligibility.

- A. Buyer income eligibility for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50% of median income and moderate-income ownership units shall be reserved for households with a gross household income less than 80% of median income.
- B. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 33% of the household's certified monthly income.

§58-13. Limitations on indebtedness secured by ownership unit; subordination.

- A. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the administrative agent shall determine in writing that the proposed indebtedness complies with the provisions of this section.
- B. With the exception of original purchase money mortgages, during a control period neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95% of the maximum allowable resale price of that unit, as such price is determined by the administrative agent in accordance with N.J.A.C.5:80-26.6(b).

§58-14. Control Periods for Restricted Rental Units.

- A. Control periods for restricted rental units shall be in accordance with N.J.A.C. 5:80-26.11, and each restricted rental unit shall remain subject to the controls on affordability for a period of at least 30 years.
- B. Rehabilitated renter-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.
- C. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Burlington. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a Certificate of Occupancy.
- D. A restricted rental unit shall remain subject to the affordability controls of this Ordinance, despite the occurrence of any of the following events:
 - 1. Sublease or assignment of the lease of the unit;
 - 2. Sale or other voluntary transfer of the ownership of the unit; or
 - 3. The entry and enforcement of any judgment of foreclosure.

§58-15. Price Restrictions for Rental Units; Leases.

- A. A written lease shall be required for all restricted rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.
- B. No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
- C. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.

§58-16. Tenant Income Eligibility.

- A. Tenant income eligibility shall be in accordance with N.J.A.C. 5:80-26.13, as may be amended and supplemented, and shall be determined as follows:
 - 1. Very low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of median income.
 - 2. Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of median income.
 - 3. Moderate-income rental units shall be reserved for households with a gross household income less than 80% of median income.
- B. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35% (40% for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.16, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
 - 1. The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
 - 2. The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
 - 3. The household is currently in substandard or overcrowded living conditions;
 - 4. The household documents the existence of assets with which the household proposes to supplement the rent payments; or
 - 5. The household documents proposed third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.

August 2, 2016

- C. The applicant shall file documentation sufficient to establish the existence of the circumstances in (b)1 through 5 above with the Administrative Agent, who shall counsel the household on budgeting.

§58-17. Conversions.

Each housing unit created through the conversion of a non-residential structure shall be considered a new housing unit and shall be subject to the affordability controls for a new housing unit.

§58-18. Unnecessary cost-generating features.

Section 14(b) of the Fair Housing Act, N.J.S.A. 52:270-301 et seq. incorporates the need to eliminate unnecessary cost-generating features from Delanco's land use ordinances. Accordingly, Delanco will eliminate development standards that are not essential to protect the public welfare and to expedite or fast-track municipal approvals/denials on inclusionary development applications. Delanco will adhere to the components of N.J.A.C. 5:93-10.1- 10.3.

§58-19. Rehabilitation program.

Delanco will undertake a rehabilitation program to rehabilitate substandard housing units occupied by low- and moderate-income households. Delanco has designated the Burlington County Community Development Program (BCCD) to administrator the rehabilitation program. BCCD will prepare a marketing plan for the rehabilitation program. The rehabilitation program will be consistent with N.J.A.C. 5:93-5.2(b) through 5:93-5.2(1).

§58-20. Municipal Housing Liaison.

- A. The position of Municipal Housing Liaison for the Township of Delanco is hereby established. The Municipal Housing Liaison shall be appointed by duly adopted resolution of the Township Committee and be subject to the approval by the Superior Court.
- C. The Municipal Housing Liaison must be either a full-time or part-time employee of the Township of Delanco.
- D. The Municipal Housing Liaison must meet the requirements for qualifications, including initial and periodic training found in N.J.A.C. 5:93.
- E. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for the Township of Delanco, including the following responsibilities which may not be contracted out to the Administrative Agent:
 - 1. Serving as the municipality's primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;
 - 2. The implementation of the Affirmative Marketing Plan and affordability controls.
 - 3. When applicable, supervising any contracting Administrative Agent.
 - 4. Monitoring the status of all restricted units in the Township of Delanco's Fair Share Plan;
 - 5. Compiling, verifying and submitting annual reports as required by the Superior Court;

August 2, 2016

6. Coordinating meetings with affordable housing providers and Administrative Agents, as applicable; and
7. Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing as offered or approved by the Superior Court.

§58-21. Administrative Agent.

- A. The Township shall designate by resolution of the Township Committee, subject to the approval of the Superior Court, one or more Administrative Agents to administer newly constructed affordable units in accordance with N.J.A.C. 5:93 and UHAC.
- B. An Operating Manual shall be provided by the Administrative Agent(s) to be adopted by resolution of the governing body and subject to approval of the Superior Court. The Operating Manuals shall be available for public inspection in the Office of the Municipal Clerk and in the office(s) of the Administrative Agent(s).
- C. The Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in UHAC and which are described in full detail in the Operating Manual, including those set forth in N.J.A.C. 5:80-26.14, 16 and 18 thereof, which includes:
 1. Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Superior Court;
 2. Affirmative Marketing;
 3. Household Certification;
 4. Affordability Controls;
 5. Records retention;
 6. Resale and re-rental;
 7. Processing requests from unit owners; and
 8. Enforcement, although the ultimate responsibility for retaining controls on the units rests with the municipality.
9. The Administrative Agent shall, as delegated by the Township Committee, have the authority to take all actions necessary and appropriate to carry out its responsibilities, hereunder.

§58-22. Enforcement of Affordable Housing Regulations.

- A. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an Owner, Developer or Tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.

- B. After providing written notice of a violation to an Owner, Developer or Tenant of a low- or moderate-income unit and advising the Owner, Developer or Tenant of the penalties for such violations, the municipality may take the following action against the Owner, Developer or Tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
1. The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation, or violations, of the regulations governing the affordable housing unit. If the Owner, Developer or Tenant is found by the court to have violated any provision of the regulations governing affordable housing units the Owner, Developer or Tenant shall be subject to one or more of the following penalties, at the discretion of the court:
 - (a) A fine of not more than \$500.00 or imprisonment for a period not to exceed 90 days, or both. Each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not as a continuing offense;
 - (b) In the case of an Owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Township of Delanco Affordable Housing Trust Fund of the gross amount of rent illegally collected;
 - (c) In the case of an Owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the court.
 2. The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the Owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low- and moderate-income unit.
- C. Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating Owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating Owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.
- D. The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating Owner shall be personally responsible for and to the extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the Owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the Owner shall make a claim with the municipality for such. Failure of the Owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the Owner or forfeited to the municipality.

August 2, 2016

- E. Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The Owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
- F. If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the low- and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low- and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.
- G. Failure of the low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the Owner to accept an offer to purchase from any qualified purchaser which may be referred to the Owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.
- H. The Owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the Owner.

§58-23. Appeals. Appeals from all decisions of an Administrative Agent designated pursuant to this Ordinance shall be filed in writing with the Township.

APPENDIX K – DRAFT AFFIRMATIVE MARKETING PLAN

AFFIRMATIVE FAIR HOUSING MARKETING PLAN

For Affordable Housing in **(REGION 5)**

I. APPLICANT AND PROJECT INFORMATION

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

1a. Administrative Agent Name, Address, Phone Number Zurbrugg Partnership, LLC 531 Delaware Avenue Delanco, NJ		1b. Development or Program Name, Address Zurbrugg Mansion	
1c. Number of Affordable Units: 27 Number of Rental Units: 27 Number of For-Sale Units: 0	1d. Price or Rental Range From TBD To	1e. State and Federal Funding Sources (if any) DCA Balanced Housing County HOME	
1f. <input checked="" type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	1g. Approximate Starting Dates Advertising: Ongoing as necessary Occupancy:		
1h. County Burlington, Camden, Gloucester		1i. Census Tract(s):	
1j. Managing/Sales Agent's Name, Address, Phone Number 			
1k. Application Fees (if any): n/a			

1a. Administrative Agent Name, Address, Phone Number Salt and Light 1841 Burlington-Mt. Holly Road (Co. Rt. 541) Westampton, NJ 08060 Tel: (609) 261-4571		1b. Development or Program Name, Address Russ Farm off-site units	
1c. Number of Affordable Units: 6 Number of Rental Units: 5 Number of For-Sale Units: 1	1d. Price or Rental Range From TBD 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: Ongoing as necessary Occupancy:		
1h. County Burlington, Camden, Gloucester		1i. Census Tract(s):	
1j. Managing/Sales Agent's Name, Address, Phone Number 			
1k. Application Fees (if any):			

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1a. Administrative Agent Name, Address, Phone Number MEND, Inc. 99 East Second Street Moorestown, New Jersey 08057 (856) 722 – 7070		1b. Development or Program Name, Address Russ Farm off-site units	
1c. Number of Affordable Units: 10 Number of Rental Units: 10 Number of For-Sale Units:	1d. Price or Rental Range From TBD 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: Ongoing as necessary Occupancy:		
1h. County Burlington, Camden, Gloucester		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 Triad Associates 1301 West Forest Grove Road, Building #3 Vineland, NJ 08360 Phone: 856.690.9590		1b. Development or Program Name, Address Creekside	
1c. Number of Affordable Units: 3 Number of Rental Units: 3 Number of For-Sale Units:	1d. Price or Rental Range From TBD 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: Ongoing as necessary Occupancy:		
1h. County Burlington, Camden, Gloucester		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 HAS 637 South Clinton Avenue P.O. Box 18550 Trenton, NJ 08650		1b. Development or Program Name, Address River's Edge	
1c. Number of Affordable Units: 15 Number of Rental Units: Number of For-Sale Units: 15	1d. Price or Rental Range From TBD 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: Ongoing as necessary Occupancy:		
1h. County Burlington, Camden, Gloucester		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 The Michaels Organization 3 E Stow Rd #100 Marlton, NJ 08053 856.461.1200		1b. Development or Program Name, Address Abundant Life/Living Springs Senior	
1c. Number of Affordable Units: 94 Number of Rental Units: 94 Number of For-Sale Units:	1d. Price or Rental Range From TBD 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: Ongoing as necessary Occupancy:		
1h. County Burlington, Camden, Gloucester		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 The Michaels Organization 3 E Stow Rd #100 Marlton, NJ 08053 856.461.1200		1b. Development or Program Name, Address Abundant Life/Living Springs Manor	
1c. Number of Affordable Units: 20 Number of Rental Units: 20 Number of For-Sale Units:	1d. Price or Rental Range From TBD 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: Ongoing as necessary Occupancy:		
1h. County Burlington, Camden, Gloucester		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 The Walters Group 500 Barnegat Boulevard N Building 100 Barnegat, NJ 08005 609-607-9500		1b. Development or Program Name, Address Cornerstone at Delanco	
1c. Number of Affordable Units: 63 Number of Rental Units: 63 Number of For-Sale Units:	1d. Price or Rental Range From TBD 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: Ongoing as necessary Occupancy:		
1h. County Burlington, Camden, Gloucester		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.)

** Sections II through IV is only for HAS projects. Tax credit projects or those administered by another entity will have their own affirmative marketing plan which will be approved by HMFA .**

II. RANDOM SELECTION

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

After advertising is implemented, applications are accepted for 90 days. All applications are reviewed and households are either certified or informed of non-eligibility. (The certification is valid for 180 days, and may be renewed by updating income-verification information.)

Eligible households are placed in applicant pools based upon the number of bedrooms needed and the need for an accessible unit. When a unit is available, only the certified households in need of that type of unit are selected for a lottery.

Households are informed of the date, time, and location of the lottery and invited to attend. After the lottery is conducted, the first household selected is given a length of time that is specified in the operating manual to express interest or disinterest in the unit. (If the first household is not interested in the unit, this process continues until a certified household selects the unit.)

Applications are accepted on an ongoing basis, certified households are added to the pool for the appropriate household income and size categories, and advertising and outreach is ongoing, according to the Affirmative Marketing Plan.

III. MARKETING

3a. Direction of Marketing Activity: (indicate which group(s) in the housing region are least likely to apply for the housing without special outreach efforts because of its location and other factors)			
<input type="checkbox"/> White (non-Hispanic) <input checked="" type="checkbox"/> Black (non-Hispanic) <input checked="" type="checkbox"/> Hispanic <input type="checkbox"/> American Indian or Alaskan Native <div style="text-align: center;"> <input type="checkbox"/> Asian or Pacific Islander <input type="checkbox"/> Other group: </div>			
3b. Commercial Media (required) (Check all that applies)			
	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL NEWSPAPER(S)	CIRCULATION AREA
TARGETS ENTIRE COAH REGION 5			
Daily Newspaper			
<input type="checkbox"/>		Philadelphia Inquirer	
<input checked="" type="checkbox"/>		Courier-Post	
TARGETS PARTIAL COAH REGION 5			
Daily Newspaper			
<input checked="" type="checkbox"/>		Burlington County Times	Burlington
<input type="checkbox"/>		Gloucester County Times	Gloucester
Weekly Newspaper			
<input type="checkbox"/>		Central Record, The	Burlington
<input type="checkbox"/>		Fort Dix Post	Burlington
<input type="checkbox"/>		Maple Shade Progress	Burlington
<input type="checkbox"/>		News Weekly	Burlington
<input type="checkbox"/>		Gloucester City News	Camden
<input type="checkbox"/>		Haddon Herald	Camden
<input type="checkbox"/>		Record Breeze	Camden
<input type="checkbox"/>		Retrospect	Camden
<input type="checkbox"/>		Plain Dealer	Camden, Gloucester
<input type="checkbox"/>		News Report	Gloucester
Monthly Newspaper			
<input checked="" type="checkbox"/>		Beverly Bee	Burlington
	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL TV STATION(S)	CIRCULATION AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE COAH REGION 5			

X		3 KYW-TV CBS Broadcasting Inc.	
<input type="checkbox"/>		6 WPVI-TV American Broadcasting Companies, Inc (Walt Disney)	
<input type="checkbox"/>		10 WCAU NBC Telemundo License Co. (General Electric)	
<input type="checkbox"/>		12 WHYY-TV Whyy, Inc.	
<input type="checkbox"/>		17 WPHL-TV Tribune Company	
<input type="checkbox"/>		23 WNJS New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		29 WTXF-TV Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		35 WYBE Independence Public Media Of Philadelphia, Inc.	
<input type="checkbox"/>		48 WGTW-TV Trinity Broadcasting Network	
<input type="checkbox"/>		52 WNJT New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		57 WPSG Cbs Broadcasting Inc.	
<input type="checkbox"/>		61 WPPX Paxson Communications License Company, Llc	
<input type="checkbox"/>		65 WUVP-TV Univision Communications, Inc.	
<input type="checkbox"/>		69 WFMZ-TV Maranatha Broadcasting Company, Inc.	
TARGETS PARTIAL COAH REGION 5			
<input type="checkbox"/>		2 WCBS-TV Cbs Broadcasting Inc.	Burlington
<input type="checkbox"/>		4 WNBC NBC Telemundo License Co. (General Electric)	Burlington
<input type="checkbox"/>		5 WNYW Fox Television Stations, Inc. (News Corp.)	Burlington
<input type="checkbox"/>		7 WABC-TV American Broadcasting Companies, Inc (Walt Disney)	Burlington
<input type="checkbox"/>		9 WWOR-TV Fox Television Stations, Inc. (News Corp.)	Burlington
<input type="checkbox"/>		11 WPIX Wpix, Inc. (Tribune)	Burlington
X		13 WNET Educational Broadcasting Corporation	Burlington
<input type="checkbox"/>		39 WLVT-TV Lehigh Valley Public Telecommunications Corp.	Burlington

<input type="checkbox"/>		58 WNJB New Jersey Public Broadcasting Authority	Burlington
<input type="checkbox"/>		38 WPHA-CA Commercial Broadcasting Corp.	Burlington, Camden
<input type="checkbox"/>		41 WNAI-LP Marcia Cohen	Burlington, Camden
<input type="checkbox"/>		60 WBPH-TV Sunshine Family Television Corp	Burlington, Camden
<input type="checkbox"/>		62 WWSI Hispanic Broadcasters of Philadelphia, Llc	Camden, Gloucester
	DURATION & FREQUENCY OF OUTREACH	NAMES OF CABLE PROVIDER(S)	BROADCAST AREA
TARGETS PARTIAL COAH REGION 5			
X		Comcast of Burlington County, Garden State, Gloucester County, South Jersey, Wildwood (Maple Shade System)	All Burlington, Camden, Gloucester
	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL RADIO STATION(S)	BROADCAST AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE COAH REGION 5			
AM			
<input type="checkbox"/>		WFIL 560	Christian
<input type="checkbox"/>		WIP 610	
<input type="checkbox"/>		WWJZ 640	
<input type="checkbox"/>		WTMR 800	
<input type="checkbox"/>		WWDB 860	
<input type="checkbox"/>		WPEN 950	
<input type="checkbox"/>		WNTX 990	
<input type="checkbox"/>		KYW 1060	
<input type="checkbox"/>		WPHT 1210	
<input type="checkbox"/>		WNWR 1540	
FM			
<input type="checkbox"/>		WXPX 88.5	
<input type="checkbox"/>		WRTI 90.1	
<input type="checkbox"/>		WHYY-FM 90.9	
<input type="checkbox"/>		WXTU 92.5	
<input type="checkbox"/>		WMMR 93.3	

<input type="checkbox"/>		WSTW 93.7	
<input type="checkbox"/>		WYSP 94.1	
<input type="checkbox"/>		WPST 94.5	
<input type="checkbox"/>		WBEN-FM 95.7	
<input type="checkbox"/>		WRDW-FM 96.5	
<input type="checkbox"/>		WUSL 98.9	
<input type="checkbox"/>		WJBR-FM 99.5	
<input type="checkbox"/>		WPHI-FM 100.3	
<input type="checkbox"/>		WBEB 101.1	
<input type="checkbox"/>		WIOQ 102.1	
<input type="checkbox"/>		WMGK 102.9	
<input type="checkbox"/>		WJJZ 106.1	
<input type="checkbox"/>		WKDN 106.9	Christian
<input type="checkbox"/>		WRNB 107.9	
TARGETS PARTIAL COAH REGION 5			
AM			
<input type="checkbox"/>		WOR 710	
<input type="checkbox"/>		WBUD 1260	
<input type="checkbox"/>		WIMG 1300	Black Gospel
<input type="checkbox"/>		WIFI 1460	Christian
<input type="checkbox"/>		WBCB 1490	
<input type="checkbox"/>		WPHY 920	
<input type="checkbox"/>		WURD 900	
<input type="checkbox"/>		WPHE 690	Latin
<input type="checkbox"/>		WNAP 1110	
<input type="checkbox"/>		WEMG 1310	Spanish
<input type="checkbox"/>		WHAT 1340	
<input type="checkbox"/>		WVCH 740	Christian
<input type="checkbox"/>		WDEL 1150	
<input type="checkbox"/>		WNJC 1360	

<input type="checkbox"/>		WDAS 1480	Black Gospel
FM			
<input type="checkbox"/>		WBZC 88.9	Burlington
<input type="checkbox"/>		WSJI 89.5	Burlington
<input type="checkbox"/>		WAWZ 99.1	Burlington (Christian)
<input type="checkbox"/>		WPPZ-FM 103.9	Burlington (Christian)
<input type="checkbox"/>		WKXW-FM 101.5	Burlington, Camden
<input type="checkbox"/>		WPRB 103.3	Burlington, Camden
<input type="checkbox"/>		WOGL 98.1	Burlington, Camden, Gloucester
<input type="checkbox"/>		WDAS-FM 105.3	Burlington, Camden, Gloucester
<input type="checkbox"/>		WKDU 91.7	Camden
<input type="checkbox"/>		WGLS-FM 89.7	Gloucester
<input type="checkbox"/>		WVLT 92.1	Gloucester
<input type="checkbox"/>		WIXM 97.3	Gloucester
<input type="checkbox"/>		WSJO 104.9	Gloucester
3c. Other Publications (such as neighborhood newspapers, religious publications, and organizational newsletters) (Check all that applies)			
DURATION & FREQUENCY OF OUTREACH	NAME OF PUBLICATIONS	OUTREACH AREA	RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE COAH REGION 5			
Weekly			
<input type="checkbox"/>	Al Dia	Philadelphia Area	Spanish-Language
<input type="checkbox"/>	Nuestra Comunidad	Central/South Jersey	Spanish-Language
TARGETS PARTIAL COAH REGION 5			
Weekly			
<input type="checkbox"/>	El Hispano	Camden and Trenton areas	Spanish-Language
<input type="checkbox"/>	Ukrainian Weekly	New Jersey	Ukrainian community
3d. Employer Outreach (names of employers throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing) (Check all that applies)			
DURATION & FREQUENCY OF OUTREACH	NAME OF EMPLOYER/COMPANY	LOCATION	
Burlington County			
<input type="checkbox"/>	Burlington County College	601 Pemberton Browns Mills Rd Pemberton	

X		Our Lady of Lourdes Medical Center	218 Sunset Rd Willingboro, NJ
<input type="checkbox"/>		Medford Leas Continuing Care	1 Medford Leas Medford, NJ
<input type="checkbox"/>		Virtua Geriatric Care Management	523 Fellowship Rd Mt Laurel, NJ
X		Virtua Hospital, Mount Holly	Mount Holly, NJ
<input type="checkbox"/>		DriveTime	600 Creek Rd, Delanco, NJ
Camden County			
<input type="checkbox"/>		Campbell Soup Company	Campbell Place Camden, NJ 08103-1701
X		Lockheed Martin	Federal, Camden, NJ 08102
X		Bancroft Neurohealth	1000 Atlantic Ave Camden, NJ 08102
X		Cooper Health System	One Cooper Plaza Camden, NJ 08102
<input type="checkbox"/>		L-3 Communications Systems	1 Federal Street, Camden, New Jersey, 08103
<input type="checkbox"/>		Towers Perrin	101 Woodcrest Rd, Cherry Hill, NJ
<input type="checkbox"/>		Arch Manufacturing & Sales Co.	1213 S 6th St, Camden, NJ
Gloucester County			
X		Underwood Memorial Hospital	509 North Broad Street, Woodbury, NJ 08096
X		Rowan University	201 Mullica Hill road Glassboro, NJ 08028
<input type="checkbox"/>		Kennedy Memorial Hospital	435 Hurffville-Cross Keys Road, Turnersville NJ 08012
<input type="checkbox"/>		U.S. Food Services	2255 High Hill Rd, Swedesboro, NJ & Swedesboro
<input type="checkbox"/>		Direct Group	100 Berkeley Dr, Swedesboro, NJ and 800 Arlington Blvd, Swedesboro, NJ
<input type="checkbox"/>		CompuCom Systems Inc.	1225 Forest Pkwy # 500, Paulsboro, NJ
<input type="checkbox"/>		Missa Bay LLC	101 Arlington Blvd, Swedesboro, NJ and 2339 Center Square Rd, Swedesboro, NJ and 730 Veterans Dr, Swedesboro, NJ
<input type="checkbox"/>		Sony Music	400 N Woodbury Rd, Pitman, NJ
<input type="checkbox"/>		Delaware Valley Wholesale Florists	520 N. Mantua Boulevard Sewell, NJ 08080
<input type="checkbox"/>		Valero Refining Co	800 Billingsport Rd, Paulsboro, NJ
<input type="checkbox"/>		Electric Mobility	591 Mantua Blvd, Sewell, NJ
<input type="checkbox"/>		Sunoco-Eagle Point Oil Refinery	US Highway 130 S & Highway 295, Westville, NJ
<input type="checkbox"/>		Heritage's Dairy Stores	376 Jessup Road Thorofare, NJ 08086
<input type="checkbox"/>		Cornell & Company	224 Cornell Ln, Westville, NJ

<input type="checkbox"/>		Exxon Mobil Research & Engineering Co	800 Billingsport Rd, Paulsboro, NJ
3e. Community Contacts (names of community groups/organizations throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing)			
Name of Group/Organization	Outreach Area	Racial/Ethnic Identification of Readers/Audience	Duration & Frequency of Outreach
Habitat for Humanity of Burlington County	Burlington County		Quarterly
Burlington County Board of Realtors	Burlington County		Quarterly
Camden County Board of Realtors	Camden County		Quarterly
Gloucester County Board of Realtors	Gloucester County		Quarterly
Burlington County Board of Social Services	Burlington County		Quarterly
Gloucester County Division of Social Services	Gloucester County		Quarterly
Camden County Board of Social Services	Camden County		Quarterly
Burlington County Office on Aging	Burlington County		Quarterly
Camden County Division of Senior Services	Camden County		Quarterly
Gloucester County Division of Senior Services	Gloucester County		Quarterly
Burlington County Housing Authority	Burlington County		Quarterly
Housing Authority of Gloucester County	Gloucester County		Quarterly
Fair Share Housing Center (FSHC)	The Region		Quarterly
Southern Burlington County Branch of the NAACP	Burlington County		Quarterly
Willingboro NAACP	Burlington County		Quarterly
Latino Action Network	The Region		Quarterly
Moorestown Ecumenical Neighborhood Development (MEND)	The Region		Quarterly
Lutheran Social Ministries of New Jersey	The Region		Quarterly
Camden County Council on Economic Opportunity	Camden County		Quarterly
Burlington County Community Action Program (BCCAP)	Burlington County		Quarterly

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)	
<input type="checkbox"/>	BUILDING
<input type="checkbox"/>	LOCATION

X	Burlington County Library Headquarters	5 Pioneer Boulevard, Westampton, NJ 08060
X	Burlington County Office Building	49 Rancocas Rd, Mount Holly NJ 08060 (609)265-5000
X	Camden Court House Square	520 Market St, Camden NJ 08102-1375 (856)225-5000
X	Gloucester County Court House	1 N. Broad Street, Woodbury, NJ 08096 (856)853-3390
4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)		
Delanco Township Municipal Building, 770 Coopertown Road, Delanco, NJ – Janice Lohr, Clerk Delanco Township Library, 1303 Burlington Ave., Delanco, NJ – Katharina Radcliffe, Director		
4c. Sales/Rental Office for units (if applicable)		

V. CERTIFICATIONS AND ENDORSEMENTS

<p>I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the (select one: Municipality's COAH substantive certification or DCA Balanced Housing Program funding or HMFA UHORP/MONI funding).</p>	
<p>Janice Lohr</p> <p>_____</p>	
<p>Township Clerk/Municipal Housing Liaison</p> <p>_____</p>	
<p>Signature</p> <p>_____</p>	<p>Date</p> <p>_____</p>

APPENDIX L – ADOPTED DEVELOPMENT FEE ORDINANCE

Township of Delanco, NJ
Tuesday, July 12, 2016

Chapter 60. Fee and Escrow Schedule

§ 60-3. Development fees.

[Added 10-6-1997 by Ord. No. 12-1997; amended 1-24-2005 by Ord. No. 2005-4; 11-10-2008 by Ord. No. 2008-12]

A. Purpose.

- (1) In *Holmdel Builder's Association v. Holmdel Township*, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), N.J.S.A. 52:27d-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's (COAH's) adoption of rules.
- (2) Pursuant to 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 N.J.S.A. 40:55D-8.7), COAH is authorized 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 the Council or court of competent jurisdiction and have a COAH-approved spending plan may retain fees collected from nonresidential development.
- (3) This section establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH's regulations and in accordance P.L. 2008, c. 46, Sections 8 and 32 through 38.^[1] Fees collected pursuant to this section shall be used for the sole purpose of providing low- and moderate-income housing. This section shall be interpreted within the framework of COAH's rules on development fees, codified at N.J.A.C. 5:97-8.

[1] *Editor's Note: See N.J.S.A. 52:27D-329.2 and N.J.S.A. 40:55D-8.1 through 40:55D-8.7, respectively.*

B. Basic requirements.

- (1) This section shall not be effective until approved by COAH pursuant to N.J.A.C. 5:96-5.1.
- (2) Delanco Township shall not spend development fees until COAH has approved a plan for spending such fees in conformance with N.J.A.C. 5:97-8.10 and N.J.A.C. 5:96-5.3.

C. Definitions. The following terms, as used in this section, shall have the following meanings:

AFFORDABLE HOUSING DEVELOPMENT

A development included in the Housing Element and Fair Share Plan and includes, but is not limited to, an inclusionary development, a municipal construction project or a one-hundred-percent affordable development.

COAH or THE COUNCIL

The New Jersey Council on Affordable Housing established under the Act which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the state.

DEVELOPER

The legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

DEVELOPMENT FEE

Money paid by a developer for the improvement of property as permitted in N.J.A.C. 5:97-8.3.

EQUALIZED ASSESSED VALUE

The assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with Sections 1, 5, and 6 of P.L. 1973, c. 123 (N.J.S.A. 54:1-35a through N.J.S.A. 54:1-35c).

GREEN BUILDING STRATEGIES

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.

D. Residential development fees.**(1) Imposed fees.**

- (a) Within all residential zoning districts, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1 1/2% of the equalized assessed value for residential development, provided that no increased density is permitted.
- (b) 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 shall 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% of the equalized assessed value on the first two units and the specified higher percentage up to 6% of the equalized assessed value for the two additional units, provided that zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

(2) Eligible exactions, ineligible exactions and exemptions for residential development.

- (a) Affordable housing developments and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.
- (b) 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.
- (c) Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
- (d) Developers of residential structures demolished and replaced as a result of fire damage, flood or similar natural disaster shall be exempt from paying a development fee.

E. Nonresidential development fees.**(1) Imposed fees.**

- (a) 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.
- (b) 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.

- (c) 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 a 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.
- (2) Eligible exactions, ineligible exactions and exemptions for nonresidential development.
 - (a) The nonresidential portion of a mixed-use inclusionary or market rate development shall be subject to the development fee, of 2.5% unless otherwise exempted below.
 - (b) The fee of 2.5% shall not apply to an increase in equalized assessed value resulting from alterations, change in use within the existing footprint, reconstruction, renovations and repairs.
 - (c) 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.
 - (d) 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 as the basis for 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.
 - (e) 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 Delanco Township as a lien against the real property of the owner.

F. Collection procedures.

- (1) 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. For nonresidential developments, the developer shall also be provided with a copy of Form N-RDF, "State of New Jersey Nonresidential Development Certification/Exemption," and complete as per the instructions provided.
- (2) 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 Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- (3) 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.
- (4) 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.
- (5) 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.
- (6) 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.

- (7) Should Delanco Township 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).
- (8) Fifty percent of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at issuance of certificate of occupancy.
- (9) Appeal of development fees.
 - (a) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by Delanco Township. Appeals from a determination of the Board may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, 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.
 - (b) 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 Delanco Township. Appeals from a determination of the Director may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, 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.

G. Affordable Housing Trust Fund.

- (1) There is hereby created a separate, interest-bearing housing trust fund to be maintained by the Chief Financial Officer of the Township of Delanco for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.
- (2) The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
 - (a) Payments in lieu of on-site construction of affordable units;
 - (b) Developer-contributed funds to make 10% of the adaptable entrances in a townhouse or other multistory attached development accessible;
 - (c) Rental income from municipally operated units;
 - (d) Repayments from affordable housing program loans;
 - (e) Recapture funds;
 - (f) Proceeds from the sale of affordable units; and
 - (g) Any other funds collected in connection with Delanco Township's affordable housing program.
- (3) Within seven days from the opening of the trust fund account, Delanco Township shall provide COAH with written authorization, in the form of a three-party escrow agreement between the municipality, the bank, and COAH, to permit COAH to direct the disbursement of the funds as provided for in N.J.A.C. 5:97-8.13(b).
- (4) All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities

approved by COAH.

H. Use of funds.

- (1) The expenditure of all funds shall conform to a spending plan approved by COAH. Funds deposited in the housing trust fund may be used for any activity approved by COAH to address Delanco 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 Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:97-8.7 through 8.9 and specified in the approved spending plan.
 - (2) Funds shall not be expended to reimburse the Township for past housing activities.
 - (3) 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.
 - (a) Affordability assistance programs may include down payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners' association or condominium fees and special assessments, and assistance with emergency repairs.
 - (b) 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. The use of development fees in this manner shall entitle the Township of Delanco to bonus credits pursuant to N.J.A.C. 5:97-3.7.
 - (c) 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.
 - (4) The Township 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. 5:96-18.
 - (5) 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 COAH's monitoring requirements. 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.
- I. Monitoring. Delanco Township shall complete and return to COAH all monitoring forms included in monitoring requirements related to 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 the Township's housing program, as well as to the expenditure of revenues and implementation of the plan certified by COAH or approved by the court. All monitoring reports shall be completed on forms designed by COAH.
- J. Ongoing collection of fees. The ability for Delanco Township to impose, collect and expend development fees shall expire with its substantive certification from COAH or judgment of compliance from the court (as the case

may be) unless the Township has filed an adopted Housing Element and Fair Share Plan with COAH, has petitioned for substantive certification or the entry of a judgment of compliance from the court, and has received COAH's approval of its development fee ordinance. If the Township fails to renew its ability to impose and collect development fees prior to the expiration of substantive certification or its judgment of compliance, 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). Delanco Township shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its substantive certification or judgment of compliance, nor shall the Township retroactively impose a development fee on such a development. Delanco shall not expend development fees after the expiration of its substantive certification or judgment of compliance.

APPENDIX M – SETTLEMENT AGREEMENT

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June 30, 2016

Kevin Walsh, Esquire
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002

Re: In the Matter of the Application of Delanco Township (Burlington County)
Docket No.: BUR-L-2595-2015

Dear Mr. Walsh:

This letter memorializes the terms of an agreement reached between the Township of Delanco (the "Township" or "Delanco"), 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

Delanco 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. 53:27D-301 et seq. in accordance with In re N.J.A.C. 5:96 and 5:97, supra. The Township, FSHC, the Court Master, and the Court undertook the following actions and processes:

1. Numerous telephone conferences were held between the Court and the Parties;
2. By date of December 11, 2015, the Court entered an Order of continued immunity and repose, wherein the Township was directed by the Court to diligently pursue preparation and submission of a preliminary summary of its housing element and fair share plan that demonstrates the satisfaction of the Township's present need, Prior Round (1987-1999) and Third Round (1999-2025) fair share obligations in accordance with applicable law ("Township Draft Plan");

3. The Court continued the appointment of Frank Banisch, P.P., to serve as Special Master;
4. By motion dated December 7, 2015, the Township's Draft Plan was submitted to the Court and FSHC on or before November 16, 2015, and the Draft Plan included the Township's proposed calculations of its affordable housing obligation for the Third Round (1999-2025), setting that obligation at 132 units. The Township's Draft Plan was approved by the Planning Board and Governing Body on or before December 7, 2015;
5. By letter dated January 26, 2016, in response to the Township's motion, the Court Master, Frank Banisch, recommended continued immunity;
6. A February 1, 2016 phone conference was held between the Parties and the Court, and thereafter, numerous communications between the Parties and upon notice to the Court, the Parties reached a framework for a settlement of this matter;
7. On February 9, 2016, the Court issued a second Order further extending immunity and repose;
8. On or about March 22, 2016 a third Order further extending immunity and repose was entered by the Court;
9. A May 6, 2016 phone conference was held between the Parties, the Court, and the Court Master, setting forth a process for the settlement, including this agreement and a fairness hearing;
10. A May 16, 2016 Order (fourth) was submitted to the Court and is pending at the time of the drafting of this Agreement;
11. A fairness hearing is scheduled before the Court on July 20, 2016 at 2:00 p.m., which shall be duly noticed 30 days in advance by the Township; and
12. The Court Master shall submit his report to the Court, with copy to all Parties, by July 13, 2016; and

Through that action and 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 the attached fair share plan, Exh. A, and the implementation of that plan and this agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 53:27D-301 et seq. for the Prior Round (1987-1999) and Third Round (1999-2025).
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when fair share obligations have yet to be definitively determined, it is appropriate for 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. Delanco and FSHC hereby agree that Delanco's affordable housing obligations are as follows:

Rehabilitation Share (per 2015 Kinsey report)	23 Units
Prior Round Obligation (pursuant to <u>N.J.A.C. 5:93</u>)	61 Units
Third Round Prospective Need (per Kinsey Report ¹ , as adjusted through this settlement agreement)	131 Units

4. The Township's efforts to meet its present need/rehabilitation share include participation in the County's Home Improvement Loan Program and Community Development Block Program. Should the rehabilitation of additional units be required and there is a funding shortfall, the Township will adopt a Resolution of Intent to Bond (Exh. B – Draft resolution). The above indicated mechanisms are sufficient to satisfy the Township's rehabilitation obligation.
5. As noted above, the Township has a Prior Round prospective need of 61 units, which is met through the following compliance mechanisms:

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, April 16, 2015, revised July 2015.

Delanco Township's Prior Round Compliance Mechanisms: 61-Unit Prior Round	Credits	Bonuses	Total
<i>Inclusionary Developments – completed</i>			
Russ Farm – family for-sale off-site - 404 Illinois Ave.	1	0	1
Russ Farm – family rentals off-site – multiple sites	15	15	30
Russ Farm – funded RCA with Palmyra	14	0	14
River's Edge - family affordable sale units on-site	15	0	15
River's Edge/Zurbrugg – senior affordable rentals (11 of 27)	11	0	11
Creekside – family affordable rentals (1 of 3)	1	1	2
Total	57	16	73
<i>Prior Round Surplus</i>			12

Maximum Prior Round Seniors = 11; (per N.J.A.C. 5:93-6.1(b) 1

.25((61 + 23) – 23 rehab component – 14 RCAs) = 11.75, required to round down to 11

Minimum Prior Round Rentals = 16; (per N.J.A.C. 5:93-5.15(a))

.25((61 + 23) – 23 rehab component) = 15.25, required to round up to 16

6. The Township has implemented the following mechanisms to address its Third Round prospective need of 131 units:

Delanco Township Third Round Compliance Mechanisms: 131-Unit Third Round	Credits	Bonuses	Total
<i>Surplus Credits - Prior Round - completed</i>	12	0	12
<i>Inclusionary Developments</i>			
Creekside – affordable family rentals, 2 of 3, balance – completed	2	2	4
Zurbrugg – affordable senior rentals, 16 of 27 bal. – completed	16	0	16
High Point –in-lieu payment – approved	–		–
<i>100% Affordable Sites</i>			
Abundant Life/Living Springs – 94+ affordable senior rentals; (senior cap) – completed	16	0	16
Abundant Life/Living Manor – affordable special needs – completed	20	0	20
Rhawn/Cornerstone at Delanco - affordable family rental units – approved, awarded tax credits	63	31	94
TOTAL	129	33	162

Maximum Third Round Seniors = .25(131) = 32.75 required to round down to 32
Minimum Third Round Rentals = .25(131) = 32.75 required to round up to 33

7. The Township continues to provide for not only the realistic opportunity for, but actual construction of, inclusionary development through the adoption of zoning ordinances. The Township will provide a realistic opportunity for the development of affordable housing that will be developed or created through the 100% affordable Cornerstone at Delanco.

In accordance with N.J.A.C. 5:93-5.5, the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide documentation indicating the funding available to the municipality and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. The Township meets those obligations as follows: In accordance with N.J.A.C. 5:93-5.5, the municipality has adequate and stable funding. Based on the Township's attached fair share plan the only projects requiring outside funding are the Cornerstone at Delanco and any required local rehabilitation.

- a. The 100% affordable Cornerstone at Delanco (formally the Rhawn site) project received funding through permanent mortgage financing (\$520,000), deferred Developer Fee (\$927,410) and a 9% Low Income Housing Tax Credit (\$15,843,209) awarded on November 18, 2015. The project is fully funded and per the developer there are "no outstanding sources of funding that have not been awarded."
- b. The Township's spending plan (an exhibit of the attached fair share plan) projects that sufficient funds will be available over the next 10 year period to fully fund the zero unit rehabilitation obligation, to the extent a local rehabilitation program is required to be implemented.

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

- a. The Township's Construction and Planning Department will be responsible for monitoring the construction and overall development activity related to the Cornerstone at Delanco. The project is located in an approved area in need of redevelopment, was awarded LIHTC funding and received preliminary site plan approval. The following timeline presents an overview of the necessary additional steps:

Final Site Plan Approval - June 2016
Construction Closing - September 2016
Begin Marketing / Leasing - September 2017
Construction Completion - December 2017
Lease Up - June 2018

8. The Township agrees to require 13% of all units referenced in this plan, with the exception of units that have been constructed as of July 17, 2008, to be very low income units, with half of the very low income units being available to families. Although no more than 13 very-low income units are required ($98 \text{ post-2008 units} \times 0.13 = 12.74$), a total of 24 very-low units will be provided. The municipality will comply with those requirements as follows:
 - a. Five (5) very low income senior rental units at Zurbrugg Mansion;
 - b. One (1) very low income family rental unit at Russ Farm;
 - c. 10 very-low income senior rental units at Living Springs Senior Residence; and
 - d. Eight (8) very-low income family rental units at the Cornerstone at Delanco.
9. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93 (i.e. one bonus credit per eligible rental unit up to the 25 percent maximum).
10. At least 50 percent of the units in each of the Third Round Prospective Need sites shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
11. At least half of the units addressing the Third Round Prospective Need in total must be available to families.

12. 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 obligations for more than 25% of units developed or planned to meet its 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 (FSHC), Southern Burlington County Branch of the NAACP, Willingboro NAACP, Latino Action Network, Moorestown Ecumenical Neighborhood Development (MEND), Lutheran Social Ministries of New Jersey, Camden County Council on Economic Opportunity, the Burlington County Community Action Program (BCCAP) and other non-profit/civil rights organizations to be added in the future and shall as part of its regional affirmative marketing strategies during its implementation of this plan provide notice to those organizations of all available affordable housing units. The 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 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, and all other applicable law, provided that the Township shall require projects receiving nine percent Low Income Housing Tax Credits to have 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 these provisions are satisfied.
15. As an essential term of this settlement, within forty five (45) days of Court Approval of this Settlement Agreement, the Township shall introduce an ordinance providing for the amendment of the Township's Housing Ordinance to implement the terms of this settlement agreement and the zoning contemplated herein.
16. The parties agree that if a court of competent jurisdiction in Burlington County, or an administrative agency responsible for implementing the Fair Housing Act, calculates an obligation for the Township for the period 1999-2025 that is lower by more than twenty (20%) percent of 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. Notwithstanding any such reduction, the Township shall be obligated to implement the fair share plan attached hereto, including to the extent applicable by leaving in place any site specific zone

changes made or continued in connection with the plan approved pursuant to this settlement agreement; taking all steps necessary to support the development of 100% affordable developments referenced herein; and otherwise fulfilling fully the fair share obligations 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 carryover any resulting extra credits to future rounds in conformance with the then-applicable law.

17. The Township has prepared a spending plan that is attached hereto as an exhibit to the fair share plan. The parties to this agreement agree that this spending plan is valid and should be approved by the court. 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 monitoring of trust fund activity to the Court, Special Master, and Fair Share Housing Center, and all entities on the affirmative marketing list in this agreement, using forms previously developed for this purpose by the Council on Affordable Housing. The monitoring shall include an accounting of any housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.
18. 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 monitoring of affordable housing activity to the Court, Special Master, and Fair Share Housing Center, and all entities on the affirmative marketing list in this agreement, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
19. The Fair Housing Act includes two provisions regarding action to be taken by the 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 as of July 1, 2021 as required pursuant to N.J.S.A. 52:27D-313, the Township will provide to the Court, with notice to Fair Share Housing Center and other interested parties identified in this agreement, including all entities on the affirmative marketing list in this agreement, a status report as to its implementation of its Fair Share Plan and any comments as to whether any unbuilt sites continue to present a realistic opportunity, with the opportunity for any interested party to submit comments and request a hearing before the court as to whether any sites no longer present a realistic opportunity and should be replaced.

- 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 three years thereafter, the Township will provide to the Court, with notice to Fair Share Housing Center and other interested parties identified in this agreement, including all entities on the affirmative marketing list in this agreement, a status report as to its satisfaction of its very low income requirements, including family low income requirements referenced herein, with the opportunity for any interested party to submit comments and request a hearing before the court as to whether the municipality has complied and whether any corrective actions should be taken.
20. A condition of this agreement is that FSHC shall be granted as part of any final judgment party status in this matter and shall be deemed to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading.
21. This settlement agreement must be approved by a court prior to going into effect through a fairness hearing process, 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 not challenge the attached fair share plan in court during the fairness hearing in which it is reviewed. FSHC agrees that the municipality may receive the "judicial equivalent of substantive certification" in accordance with the Supreme Court's decision in In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015).
22. This settlement agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Burlington County. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney's fees.
23. 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.
24. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
25. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.

26. 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.
27. 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.
28. 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.
29. 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.
30. 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.
31. 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.
32. 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 THE TOWNSHIP:

Douglas L. Heinold, Esquire
Raymond Coleman Heinold & Norman, LLP
325 New Albany Road
Moorestown, NJ 08057
Phone: (856)222-0100
Telecopier: (856)222-0411
Email: dheinold@rclawnj.com

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

Janice M. Lohr, RMC, Township Clerk
Delanco Township
770 Coopertown Road
Delanco, NJ 08075
Phone: (856)461-0561 (x224)
Telecopier: (856)461-0685
Email: jlohr@delancotownship.com

TO FSHC:

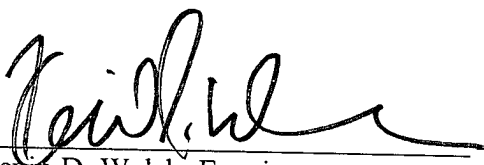
Kevin D. Walsh, Esquire
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
E-mail: kevinwalsh@fairsharehousing.org

Please sign below if these terms are acceptable. Upon approval by the governing body, I will countersign below.

Very truly yours,
RAYMOND COLEMAN
HEINOLD & NORMAN, LLP



DOUGLAS L. HEINOLD



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

8/10/2016

On behalf of the Township of Delanco, with the authorization
of the governing body by Resolution dated August 13, 2016

JUNE
(RES # 2016-80)



Douglas L. Heinold, Esquire

Dated: 8.15.16