

Board engineer.

30. In terms of traffic impact, the existing four buildings have four curb cuts. The proposed residential use will generate almost no vehicle trips. The existing JESPY facilities on the subject properties generate four trips in the AM peak hour and 9 trips in the PM peak hour and additional trips are generated from the structure currently housing a dental office on one of the lots that are the subject of this application.
31. As proposed, the number of current employees on these properties (18) will be increased to approximately 24 employees at the peak time. The four AM peak trips will increase to five trips and the nine PM peak trips will increase to 12 trips. In addition, there could be as many as three additional van trips to and from the property, for a total of 6 total new trips, which is not a significant increase in traffic volumes.
32. In terms of site circulation, there will be a one way access to the drop off area and a two way driveway to the five surface spaces and the garage. The applicant credibly demonstrated that this safe site circulation will be safe and efficient.
33. Pedestrian access will be provided through the main front entrance. A sidewalk/ crosswalk will be installed from the street to both the cellar and first floor levels. The grades of these walkways will satisfy ADA requirements. This access will be accomplished through an accessible walkway and ramp to the entrances. The crosswalk will be relocated to the West side of the intersection of Prospect Street and Milligan Place. Pedestrian safety during construction will be assured through the development, approval and implementation of a pedestrian safety plan.

34. With regard to landscaping, there are 36 existing trees on the site, nineteen of which are alien invasive trees and ten of the on-site trees are in poor condition. Other trees are off of the properties but are in close proximity. There are no street trees. All of the on-site trees are to be removed. The trees that are off site but close to the property line are typically alien invasive trees. The Applicant will nevertheless undertake steps to protect trees that are located on other properties. The Applicant shifted a sidewalk closer to the building to avoid impacted trees at or near the property line. As the result of changes during the course of the hearings to the exterior parking area, the Applicant was able to increase a landscape buffer and also improve sight distance.
35. The Applicant has proposed a rain garden in the exterior parking and loading area on the east side of the building, as well as pervious pavement for the patio in the rear and for the sidewalks.
36. An evergreen hedge is proposed on top of the modular block retaining walls to the sides and rear of the building. The Applicant also proposes a six foot high, earth tone PVC fence in these areas. Foundation plantings will also be included at the lower level and along the front of the building. Landscaping in the front of the property will also include annuals, perennials, shrubs and six street trees and a hedge. The street trees will be planted at 30 to 40 feet on center. As a condition of approval, the Applicant agreed to coordinate the final tree species selection with the Environmental Commission. The applicant also agreed to replace vegetation as it dies. The Municipal Land Use Law requires a two-year guarantee for the maintenance of the trees.
37. On the West side of the building, the Applicant proposes retaining walls and planted terraces. In the rear of the property

the applicant proposes a 2600 square foot landscaped flex space that can be used for multiple purposes, including staff activities, exercise space, picnics and other activities. The rear space will also include a patio with an area of approximately 345 square feet.

38. It is in this rear area where the “ground level green roof” will be installed, consisting of soil three feet deep with grass on top of the underground parking, with a storm water collection system.
39. In the interior courtyard, roof planters will be installed with depths of approximately 18 inches and plantings.
40. An emergency generator will be provided to operate the elevator, lights and controls for the doors. The generator will be tested once per week during business hours.
41. The grading and drainage plan demonstrates a reduction in peak runoff and volume, meeting applicable stormwater standards. The applicant will use porous pavement in some areas to reduce impervious coverage. Roof leaders will be connected to the proposed on-site stormwater system which will connect to the existing storm sewer in the street. The driveway pitches toward the garage so there will be a trench drain which connects to a catch basin adjacent to the rain garden.
42. Lighting will consist primarily of building and bollard lighting. All fixtures will be focused downward. Fixtures around the rooftop courtyard will be mounted 10 feet high as will all of the parking lot fixtures except for one fixture near the loading area which will be mounted at 12 feet. Emergency lighting will be installed but only turned on in the event of an emergency along the southeast façade of the building. The

surface parking area and driveways will be illuminated with a Colonial-style pole-mounted fixture. Bollards installed along the walks will have a light at the top with a downward focus. The Applicant will work with the Board engineer to determine if additional street lighting can be provided.

43. The project will have a number of features promoting sustainability. These features include the additional plantings and landscaping, consisting of native plants where possible. The aforementioned green infrastructure and solar panels will promote sustainability. Sustainable materials and pervious pavers will be used and there will be minimal, high-efficiency outdoor lighting.
44. There will be two signs with a total area of twelve square feet. The primary sign will be located over the main entrance. It will have an area of 10 square feet, less than the Ordinance maximum of 12 square feet. The second sign will be installed to the right of the main entrance and will have an area of two square feet, so that the total sign area meets the Ordinance requirement. The second sign and the number of colors on the sign require relief from this Board.

NOW, THEREFORE, based upon the foregoing findings of fact, the Board reaches the following conclusions of law.

1. The Applicant seeks the following relief:
 - a) under Ordinance Section 185, Attachment 3, a side yard setback variance is required on the West side of the property because a minimum setback of 15 feet is required, whereas 12.22 feet is proposed to the limits of a parking garage to be constructed below grade;
 - b) under Section 185, Attachment 3, a rear yard setback variance is required on the South side of the property

because a minimum setback of 25 feet is required, whereas 11.03 feet is proposed to the limits of the below-grade parking garage;

- c) under Section 185-174.A, a parking variance is required because a minimum of 131 spaces is required for the combined uses on the property and a six space credit is applicable for the six electric vehicle spaces provided, for a net parking requirement of 125 spaces, whereas the applicant is proposing to install 36 spaces;
- d) under Section 185-143.A.2.a, a variance is required because the Ordinance permits one sign whereas the applicant is proposing two signs; and
- e) a design waiver from section 185-141A.8 requiring a maximum of six colors on a sign whereas the applicant proposes nine colors.

2. The variances must be evaluated pursuant to the criteria set forth in N.J.S.A. 40:55D-70(c). Under subsection c(1), the Applicant must prove hardship (a) by reason of exceptional narrowness, shallowness, or shape of the specific piece of property, or (b) by reason of exceptional topographic conditions and physical features uniquely affecting a specific piece of property, or (c) by reason of an extraordinary situation uniquely affecting a specific piece of property or the structures lawfully existing thereon, the strict application of the applicable regulation would result in peculiar and exceptional practical difficulties to or exceptional and undue hardship upon the developer of such a property. The Applicant then must demonstrate that granting the relief requested will not be substantially detrimental to the public good and will not substantially impair the intent and purpose of the zone plan and zoning ordinance.

3. For a c(2) variance, the Applicant must prove that the purposes of the MLUL would be met by a deviation from the zoning ordinance requirement and that the variance can be granted

without substantial detriment to the public good and without substantial impairment to the intent and purpose of the zoning plan or zoning ordinance.

4. In this case, the setback variances are due to the distance between the property line and the underground parking structure, which will not be visible or impact upon light, air and open space. The setbacks are compliant at and above grade. Providing the underground parking within the setbacks permits the construction of additional parking. Because the primary purpose of setback requirements is to avoid visual impacts and impacts to light, air and open space, the construction of underground structures has no such impacts and thus is also consistent with the intent and purpose of the Ordinance.
5. Regarding the parking variance, the residential component of the project will generate virtually no parking demand because very few of the residents drive. The non-residential component is primarily related to the parking needs of staff. Applicant has addressed the accommodation of the vans by including the drop off area at the front of the building.
6. The Applicant has accepted several conditions on the granting of the parking variance. Based on the imposition of these conditions, the parking proposed will be adequate, will not cause a substantial detriment to the public good and is consistent with the intent and purpose of the Ordinance, which does not contemplate the unique parking aspects of this use. Furthermore, the Master Plan supports equity and enhanced quality of life for all Village residents and granting this variance so that this project may proceed supports this objective.
7. The variance and design waiver associated with the signs are de minimis relief that will not result in any detrimental impact and will provide appropriate and attractive identification.

NOW THEREFORE be it resolved by the Planning Board of South Orange Village that the application of JESPY House, Inc for property located at 102-110 Prospect Street, also known as Block 2017, Lots 16-19 is determined as follows:

1. The Board grants rear and side yard setback variances, parking variance and sign variance pursuant to N.J.S.A. 40:55D-70(c)(2);
2. The Board grants a design waiver for number of sign colors pursuant to N.J.S.A. 40:55D-51; and
3. The Board grants major preliminary and final site plan approval pursuant to N.J.S.A. 40:55D-46 and 50.

AND IT IS FURTHER RESOLVED that the above approval is subject to the following terms and conditions:

1. The Applicant shall comply with all applicable Village, County and State laws, ordinances, regulations and directives, including without limitation, obtaining all applicable local and state approvals and/or permits.
2. In the event that any other required regulatory approval conflicts with the terms and conditions hereof, or materially alters the same, or the terms and conditions hereof are materially altered by any change in applicable law or regulation other than those municipal regulations for which change is prohibited by the Municipal Land Use Law (MLUL), or in the event Applicant or its successors or assigns construct or attempt to construct any improvement in conflict with or in violation of the terms of this approval, the Board hereby reserves the right to withdraw, amend or supplant the instant approval.

3. The Applicant shall pay all outstanding taxes, application fees, technical review fees and inspection fees that may be required hereunder. The Applicant shall pay any additional fees or escrow deposits which may be due and owing within ten (10) days of notification.
4. If the Applicant desires to make any changes to the final plans, regardless of whether any such change is material or non-material, the Applicant shall request approval therefor by written application to the Board's Administrative Officer, which application shall clearly identify each change proposed. The Administrative Officer shall determine whether each such change is "material" or "non-material". Changes determined by the Administrative Officer to be non-material shall be automatically approved. Material changes shall require an application for amended approval to be filed with the Board. Failure to comply with this condition may be sufficient grounds for withholding any certificate of occupancy or revocation of any previously issued certificate of occupancy pursuant to N.J.A.C. 5:23, Uniform Construction Code of New Jersey.
5. All construction, use and development of the property shall be in conformance with the plans approved herein, all representations of the Applicant and its witnesses during the public hearing, all exhibits introduced by the Applicant, and all terms and conditions of this resolution, all of which have been relied upon by the Board in rendering its decision. The Applicant shall be bound to comply with the representations made before this Board by the Applicant and its professionals and the conditions imposed by the Board at the public hearing and the same are incorporated herein and are representations upon which this Board has relied in granting the approval set forth herein and shall be enforceable as if those representations were made conditions of this approval.
6. Prior to the commencement of any land disturbance or construction,

revised plans incorporating all additions, amendments and corrections made a part of this approval as indicated during testimony and as required by the Board, the Board's professionals, and/or any other agency having jurisdiction in the matter, shall be submitted to the Zoning Officer, which will be distributed to the Board Professionals for Resolution Compliance Review and Approval. Additionally, the plans will incorporate all items from the professional reports unless otherwise specifically addressed in this resolution, will show an updated bulk chart with all variances and design waivers granted, and add notes to confirm compliance with conditions expressed within this resolution. All changes from the previously filed plans shall be clearly identified. Said plans and reports shall be delivered within sixty (60) days of (i) the date of this resolution, or (ii) receipt of final approval from all other agencies with jurisdiction over the project, whichever last occurs; provided, however, that in no event shall such revised plans and reports be submitted more than one hundred eighty (180) days from the date of this resolution. In the event the Applicant does not comply with these deadlines, it shall apply to the Board for an extension. Errors and omissions by the Applicant in the submission process will not be deemed to be a valid basis for extension requests of the aforementioned timeframes. Construction permit(s) shall not be issued by the Building Department until the Zoning Officer determines that the construction documents submitted for permits conform to all Board approval requirements.

7. Except as modified by the Board, the Applicant will comply with all terms and conditions set forth in the reports of Greer Patras and Justin Cutroneo, Board planners, dated March 28, 2024; August 14, 2024; and October 9, 2024; and the reports of Eric Keller, Board engineer, dated December 4, 2023; December 28, 2023; February 19, 2024; July 9, 2024; and October 7, 2024.

8. The Applicant will obtain approval from all other governmental agencies whose approval is required for the project, including but not limited to, South Orange Village and the County of Essex Planning Board and Health Department, and the Soil Conservation District.
9. The Applicant shall provide a plan identifying the routes of trucks carrying soil from the site, which shall be coordinated with and reviewed by the Board engineer.
10. The Applicant shall coordinate landscaping species selection with the Environmental Commission and Board Engineer.
11. Additional street trees will be planted across Prospect Street from the subject property (likely three trees) and along Milligan Place (likely five trees), to be coordinated with the Environmental Commission and Board professionals.
12. Evergreen shrubs will be added to shield the front yard retaining walls.
13. All planters in the rooftop courtyard will have an 18-inch minimum depth.
14. All ground-mounted and rooftop-mounted equipment shall be screened, with details depicted on the revised plans. Testing of the generator will be limited to once per week during business hours.
15. The Applicant shall work with the Board engineer to determine if additional street lighting should reasonably be provided along the frontage.
16. The lights on the East façade adjacent to Lots 21 and 22 are to be lit only in emergencies.

17. A mural or other aesthetic improvement will be added on the interior garage wall opposite the ADA-compliant spaces and the EV parking spaces.
18. A pedestrian cross walk and signage in accordance with MUTCD standards shall be installed in connection with the Prospect Street crosswalk at Milligan Place, which is to be relocated to the west side of the intersection.
19. A pedestrian safety plan shall be prepared, incorporated into the plan set, and subject to Board Engineer review and approval prior to construction. Sidewalks and streets will not be blocked unless necessary to accomplish a special construction objective and will be reopened as soon as safe to do so during construction.
20. The Applicant shall fund an engineering study to be performed by the Village to determine whether a pedestrian warning device, like a flashing beacon or similar device, should be installed at the crosswalk, and if so, it shall be installed at Applicant's expense.
21. The Applicant shall prepare a truck maneuvering plan for an emergency vehicle, to the satisfaction of the Board engineer.
22. The Applicant shall install a gate, no more than four feet in height to restrict access to the rear yard of the building.
23. The garage gate will be closed at 8 PM until 8AM and during these times, the gate will be activated by card, fob or similar type of access control. Provisions will be made for garage access by emergency services.
24. The Applicant shall provide utility will-serve letters.

25. The Applicant shall coordinate with utilities for overhead electric removal and new pole locations/service lines.
26. The Applicant shall provide a Deed of lot consolidation for review and approval by the Board attorney and engineer and shall obtain a new Block and Lot number from the Tax Assessor.
27. The Applicant shall provide the Board professionals with a copy of the survey for Lot 19.
28. The Applicant shall submit a stormwater maintenance manual for review and approval by the Board engineer.
29. The Applicant shall submit a revised stormwater management report for review and approval by the Board engineer, including reconciliation and coordination of prior impervious coverage calculations.
30. The Applicant shall submit a detail of the sign proposed for the package drop off area.
31. The Applicant shall revise the plans to show the relocated fire hydrant and obtain approval for same from the Fire Chief.
32. The Applicant shall submit an updated earthwork analysis to address the comments of the Board engineer on same.
33. To address a comment from the HPC, the Applicant shall incorporate building details from the existing buildings into artwork for the completed building and include a plaque depicting/describing the structures to be demolished.

34. The Applicant shall provide an engineer's cost estimate, including a separate bond estimate for improvements to be constructed in the public right of way.
35. The Applicant will post a bond for work in the right of way and execute a Developer's Agreement for any such work.
36. The Applicant shall comply with all applicable requirements related to affordable housing, including entering into appropriate agreements with the Village and Deed Restrictions to ensure that twenty percent (20%) of the residential units will be reserved as affordable housing.
37. There will be no parking of JESPY-owned vans during overnight hours on-site.
38. Staff hours will be staggered in a manner consistent with the testimony.
39. Applicant shall provide an engineer's certification, including an as-built confirming all building setbacks.
40. The Applicant shall conduct a parking study every two years, commencing two years after the issuance of the Certificate of Occupancy to confirm that the proposed parking is adequate. The study will be conducted by a consultant retained by the Applicant but reviewed and confirmed by the Board engineer. If the parking on-site is not adequate, then the Applicant shall implement a plan for employees to park at off-site facilities (either applicant or Village controlled), implement car-pooling or propose another alternative that will redirect parking in sufficient numbers to

provide for adequate parking on-site, to the satisfaction of the Board engineer.

The undersigned secretary certifies that this decision was made by this Board on November 4, 2024 and memorialized herein pursuant to N.J.S.A. 40:55D-10(g) on January 6, 2025.


Ojetti Davis, Board Secretary

Vote on Action Taken by the Board

FOR: 7

AGAINST: 1

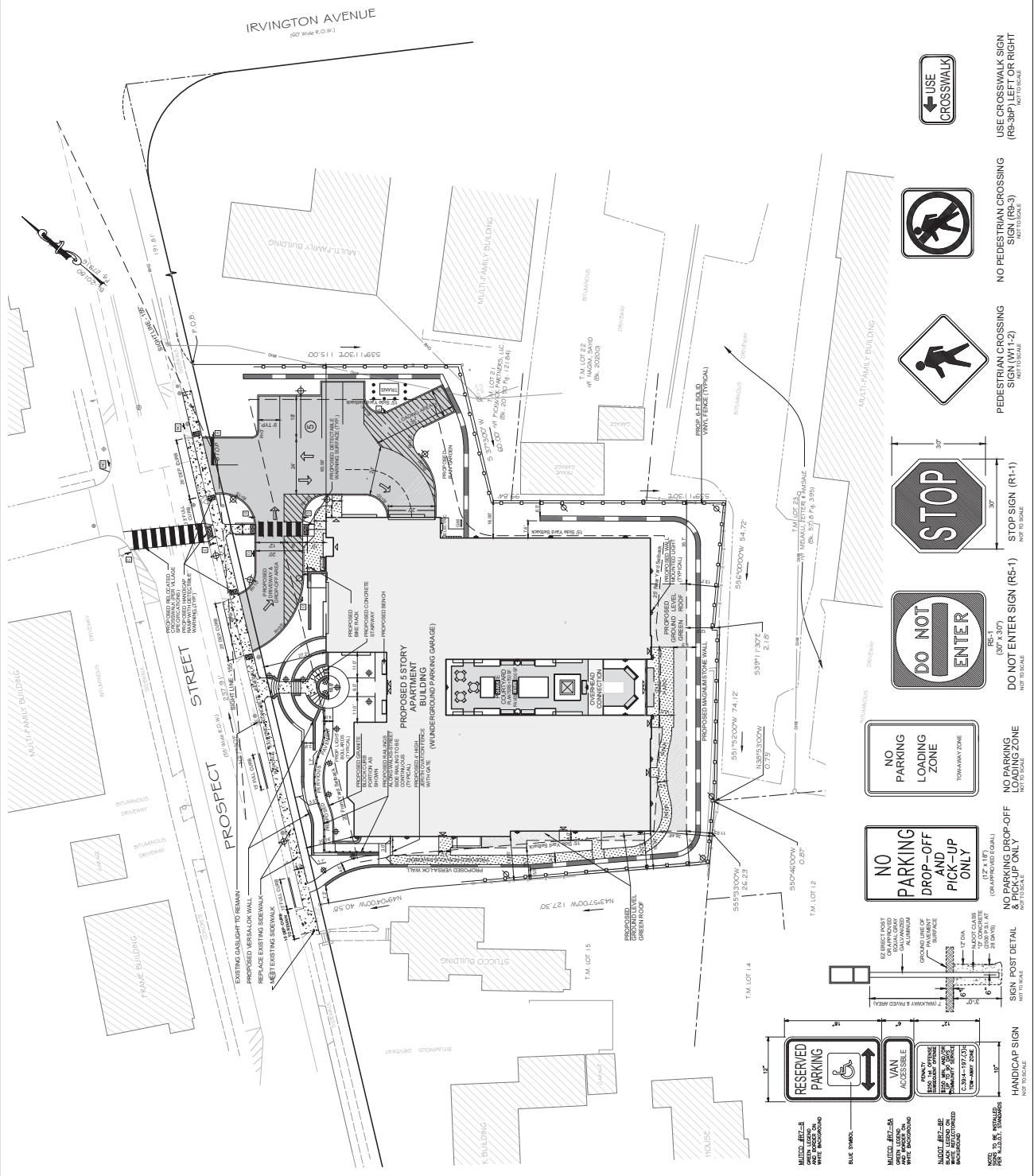
ABSTAIN:

Board Member(s) Eligible to Vote:

BOARD MEMBER	MOTION	SECOND	AYE	NAY	ABSTAIN	ABSENT
BUSCH-VOGEL		X	X			
COLTON-MAX (Ch.)	X		X			
HARRIS			X			
DORAN				X		
MILLER (V. Ch.)			X			
KRAIKER			X			
HOUSE			X			
MORIN			X			

Vote on Memorialization of Resolution:

BOARD MEMBER	MOTION	SECOND	AYE	NAY	ABSTAIN	ABSENT
BUSCH-VOGEL			X			
COLTON-MAX (Ch.)			X			
HARRIS	X		X			
DORAN						
MILLER (V. Ch.)		X	X			
KRAIKER						X
HOUSE			X			
MORIN			X			



Appendix F – Resolution of intent to fund cost of municipality’s municipally sponsored affordable housing development as well as its rehabilitation program

Resolution #2020-064
02-24-2020

TOWNSHIP OF SOUTH ORANGE VILLAGE

RESOLUTION AUTHORIZING APPROPRIATING FUNDS OR BOND IN THE EVENT OF
A SHORTFALL IN FUNDING FOR THE TOWNSHIP'S RENTAL REHABILITATION
PROGRAM

WHEREAS, pursuant to In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) (Mount Laurel IV), on July 2, 2015, the Township of South Orange Village (hereinafter "South Orange" or the "Village") filed a Declaratory Judgment Complaint in Superior Court, Law Division, seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan, to be amended as necessary, satisfies its "fair share" of the regional need for low and moderate income housing pursuant to the "Mount Laurel doctrine;" and

WHEREAS, the Village simultaneously, and ultimately secured, a protective order providing South Orange immunity from all exclusionary zoning lawsuits while it pursues approval of its Housing Element and Fair Share Plan, which is still in full force and effect; and

WHEREAS, the Village adopted a Housing Element and Fair Share Plan on or about January 6, 2020; and

WHEREAS, the Village has prepared a Spending Plan consistent with N.J.A.C. 5:97-8.1 – 8.14 and P.L. 2008, c.46; and

WHEREAS, in the event the funding sources as identified in the Spending Plan prove inadequate to complete the affordable housing programs included in the Village's Housing Element and Fair Share Plan, and any future amendments thereof; and to the extent permitted by law, the Village shall provide sufficient funding to address any shortfalls.

NOW THEREFORE BE IT RESOLVED, by the Board of Trustees of the Township of South Orange Village in the County of Essex, and the State of New Jersey, that the Village does hereby agree to appropriate funds or authorize the issuance of debt to fund any shortfall in its rental rehabilitation program that may arise whether due to inadequate funding from other sources or for any other reason; and

BE IT FURTHER RESOLVED that the Village may repay debt through future collections of development fees and in-lieu contributions, as such funds become available; and

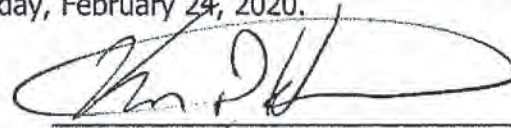
BE IT FURTHER RESOLVED that the Mayor (or her designee), Village Administrator, and Village Clerk are authorized and designated to execute any and all necessary documents in order to implement the intent of this Resolution.

#

Trustee Member	Motion	Second	Ayes	Nays	Abstain	Absent
Clarke			X			
Coallier			X			
Hartshorn-Hilton			X			
Jones	X		X			
Schnall			X			
Zuckerman		X	X			

CERTIFICATION

I, Kevin D. Harris, Village Clerk of the Township of South Orange Village, County of Essex, State of New Jersey, do hereby certify that this is a true and correct copy of the Resolution adopted by the Board of Trustees at their meeting held on Monday, February 24, 2020.



Kevin D. Harris
Village Clerk

Appendix G – Copies of resolutions appointing Administrative Agent(s) and ordinance creating the position of and appointing the Municipal Affordable Housing Liaison

Resolution #2020-072
02-24-2020

TOWNSHIP OF SOUTH ORANGE VILLAGE

**RESOLUTION APPOINTING CGP&H AS THE ADMINISTRATIVE AGENT FOR THE
TOWNSHIP OF SOUTH ORANGE VILLAGE**

WHEREAS, under authorization of the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, et seq.), the Township of South Orange Village is implementing a program to provide affordable housing units to low-and moderate-income households within the Township; and

WHEREAS, the Township's Affordable Housing Ordinance, found in Article XXXVIII of the Township's Code, sets forth the duties of the administrative agent pursuant to N.J.A.C. 5:80-26.14, 16 and 18, that requires the affordability controls of affordable housing units be administered by an administrative agent acting on behalf of a municipality; and

NOW THEREFORE BE IT RESOLVED, the Governing Body of the Township of South Orange Village, County of Essex, that CGP&H is hereby appointed by the Township Committee of South Orange as the Administrative Agent for the administration of the affordable housing program, pursuant to and in accordance with Article XXXVIII of the Code of the Township of South Orange Village, in an amount not to exceed \$30,000.00

CERTIFICATION OF AVAILABLE FUNDS

As required by N.J.S.A. 40A:4-57, N.J.A.C. 5:34-5.1 et seq. and any other applicable requirement, I, Christopher Battaglia, Chief Financial Officer of the Township of South Orange Village, have ascertained that there are available sufficient uncommitted funds in the line item specified below to award the contract specified in the above resolution, in the amount specified below. I further certify that I will encumber these funds upon the passage of this resolution.

Line Item	Amount
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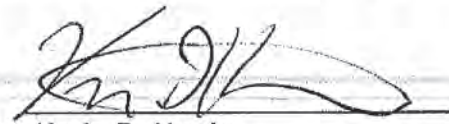
Christopher Battaglia, CFMO	Date
-----------------------------	------

#

Trustee Member	Motion	Second	Ayes	Nays	Abstain	Absent
Clarke			X			
Coallier			X			
Hartshorn Hilton			X			
Jones	X		X			
Schnall			X			
Zuckerman		X	X			

CERTIFICATION

I, Kevin D. Harris, Village Clerk of the Township of South Orange Village, County of Essex, State of New Jersey, do hereby certify that this is a true and correct copy of the Resolution adopted by the Board of Trustees at their meeting held on February 24, 2020.

A handwritten signature in black ink, appearing to read 'Kevin D. Harris', is written over a horizontal line.

Kevin D. Harris
Village Clerk

SOUTH ORANGE VILLAGE
Municipal Offices
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 Essex County
 New Jersey 07079

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RESOLUTION #2024-102

March 25, 2024

RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWNSHIP OF SOUTH ORANGE VILLAGE, ESSEX COUNTY, NEW JERSEY, ENDORSING AN AMENDED HOUSING ELEMENT AND FAIR SHARE PLAN

WHEREAS, pursuant to N.J.A.C. 5:94-7 and N.J.A.C. 5:80-26.1 et seq., the Township of South Orange Village is required to appoint a Municipal Housing Liaison for the administration of the Village's affordable housing program to enforce the requirements of N.J.A.C. 5:94-7 and N.J.A.C. 5:80-26.1 et seq.; and

WHEREAS, the Village's Affordable Housing Ordinance sets forth the duties of the Municipal Housing Liaison in which the Municipal Housing Liaison is required to oversee the Village's affordable housing programs; and

WHEREAS, pursuant to N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq. the Township of South Orange Village is required to appoint a Municipal Housing Liaison for administration of the Village's affordable housing programs to enforce the requirements of N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.

NOW THEREFORE BE IT RESOLVED, by the Board of Trustees of the Township of South Orange Village, County of Essex, State of New Jersey, that Greer Patras is hereby appointed as the Municipal Housing Liaison for the administration of the affordable housing program, pursuant to and in accordance with Article XXXVIII of the Code of the Township of South Orange Village.

Trustee Member	Motion	Second	Ayes	Nays	Abstain	Absent
Brown			X			
Greenberg						X
Haskins			X			
Hartshorn Hilton		X	X			
Jones	X		X			
Lewis-Chang			X			



CERTIFICATION

I, Ojetti E. Davis, Village Clerk of the Township of South Orange Village, County of Essex, State of New Jersey, do hereby certify that this is a true and correct copy of the Resolution adopted by the Board of Trustees at their regular meeting held on Monday, March 25, 2024.

A handwritten signature in blue ink, appearing to read "Ojetti E. Davis", is written over a horizontal line.

Ojetti E. Davis
Village Clerk

Appendix H – Village Home Improvement Program – Policies and Procedures Manual

Home Improvement Program

Policies and Procedures Manual

Township of South Orange Village

Created 12-8-21

Prepared by:



1249 South River Road, Suite 301
Cranbury, NJ 08512-3633
609/664-2769 www.cgph.net

Home Improvement Program

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Home Improvement Program

Polices & Procedures Manual

I. INTRODUCTION

The purpose of this document is to establish policies, guidelines and procedures which will govern the Home Improvement Program (HIP). The HIP was created by the Township to assist properties occupied by very low, low and moderate-income households to correct all existing interior and exterior health, safety and code violations in conformity with the standards of the New Jersey State Housing Code, N.J.A.C. 5:28 and the Rehabilitation Subcode, N.J.A.C. 5:23-6. Additionally, the HIP was designed to fulfill South Orange Village's rental and owner rehabilitation obligation, as found in the Township's Settlement Agreement entered into between the Township and Fair Share Housing Center (FSHC) on May 17, 2019, as well as in the Township's Housing Element and Fair Share Plan (HEFSP). The HIP is guided by N.J.A.C. 5:93-5.2 and is subject to all laws, regulations, ordinances, and codes of the New Jersey Department of Community Affairs (DCA) and the Township of South Orange Village ¹. The Township of South Orange Village has contracted with Community Grants, Planning & Housing LLC (CGP&H), a private consulting firm specializing in the implementation of publicly-funded housing rehabilitation programs, to manage and administer the HIP. The Program's funding source will be municipal affordable housing trust fund. If the funding source changes, the manual will be updated to reflect the change as well as changes to regulation requirements, if any.

A. Fair Housing and Equal Housing Opportunities

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



For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1-866-405-3050 or <http://www.state.nj.us/lps/dcr/index.html>. Fair Housing and Equal Housing Opportunities apply to both owner and tenant applications.

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

II. ELIGIBLE PARTICIPANTS

A. Program Area

The HIP is a Township wide program currently aimed at scattered site housing rehabilitation of housing occupied by very low, low and moderate-income households throughout the Township of South Orange Village.

B. Categories of Participants

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

For housing units which received past affordable housing state credit, the following rules for repeat assistance shall apply.

- An owner of a previously rehabbed unit may apply for current rehab assistance if the unit was rehabbed prior to 2010 and the affordability period has expired.
- An owner of an existing affordable deed restricted ownership unit with an active deed restriction that is currently meeting a Round 1 or Round 2 credit may apply for current rehab assistance for the municipality to obtain a Round 3 present need credit, unless the affordable housing deed restriction received a new affordable housing credit during Round 3 due to extended controls.
- Housing units which the municipality received an affordable housing credit in Round 3 in any category are not eligible for additional assistance from the Township's housing rehabilitation program during Round 3.

Basically, a municipality cannot double dip credits on a unit within the same affordable housing Round.

C. Income Limits

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

Since the 2015 NJ Supreme decision declaring COAH nonfunctioning, it is now left to the local court vicinages to approve income, sales and rental increases using similar methodologies that were employed by COAH.

The income limits and applicable methodology are in Appendix B, and the plan for properly amending median incomes and rental increases every year going forward until or unless COAH or another state entity becomes functional again is also included in Appendix B at the end of this manual. The Program Administrator will ensure that the annual chart in Appendix B is updated whenever updates become available.

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

D. Application Selection

At program start-up, and if and when the homeowner intake demand exceeds the number of openings, applications will be prioritized based on the reported income of the household as a percentage of the maximum allowable income for households of that size. This will give priority to the lowest income applicants and assist the municipality in reaching its goal of providing assistance to a minimum of 50% of the properties comprising of low income households.

Otherwise, the Program will process new applicants added to the waiting list/applicant pool on a first-come, first served basis, to qualified applicants. If and when there is a waiting list, priority will be given to homeowners with less than \$250,000 in liquid assets. Assets in federally recognized retirement accounts do not apply to the liquid asset limit. The HIP will establish the waiting list from the program marketing efforts identified in Section IX of this manual.

Emergency Processing Order

Properties with safety and/or health hazards, confirmed/certified as an emergency by the municipal Construction Official or Health Department, can by-pass the first-come, first served process however they must meet all the other program requirements including income eligibility and bringing the unit up to code.

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

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

Depending on the type and extent of the emergency and with the homeowner's permission, the Program may by-pass the standard contractor proposal process outlined in *Section V sub-section N* to expedite the proposal/contractor selection process. Instead the Program may have a proven qualified contractor familiar with the Program present at the initial property inspection with the homeowner to count as the contractor's site visit. This will allow for a quick turn-around on emergency scope of work to be contracted on a single quote basis. To be awarded the emergency work, the contractor's proposal must be determined to be a reasonable cost based on the Program Inspector's cost estimate and the contractor must commit to a tight timeline to resolve the emergency situation. This emergency process may apply to heavily leaking roofs, inoperable heating systems during the winter months, immediately hazardous electrical systems and/or blocked sewer lines unresolvable to unclog via a simple service call for under \$1,000.

Please note that the loan agreement will state that if the homeowner takes the emergency funds to abate the safety/health hazards and then subsequently decides to voluntarily remove themselves from participation in the Township's Home Improvement Program to complete the non-emergency substandard code violation components of their project, essentially negating any opportunity for the municipality to gain credit for a fully rehabilitated home for this unit, those public funds used for the emergency shall be immediately due and payable back to the Township.

To address this potential, any homeowner receiving emergency funds will also be required to execute a statement indicating that the Township will place a lien on the property assisted for the Township to recapture the emergency funds, to be repaid with interest, based on the monthly average mortgage loan commitment rates at the time of closing in the event of noncompliance.

III. ELIGIBLE ACTIVITIES

A. Eligible Improvements

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

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

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

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

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

B. Ineligible Improvements

Work not eligible for program funding includes but is not limited to luxury improvements (improvements which are upgrades/higher than mid-grade and/or strictly cosmetic), carpets, additions, conversions (basement, garage, porch, attic, etc.), repairs to structures separate from the living units (detached garage, shed, barn, etc.), furnishings, pools, landscaping, solar panels and generators. If determined unsafe, stoves may be replaced. The replacement or repair of other appliances is prohibited.

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

C. Rehabilitation Standards

Funds are to be used for work and repairs required to make the unit standard and abate all interior and exterior violations of the New Jersey State Housing Code, N.J.A.C. 5:28 and the Rehabilitation Subcode, N.J.A.C. 5:23-6, and Chapter 237 of the municipality's local property maintenance code adopted by the municipality or ordinance (of which the more restrictive requirements will apply), conserve energy and remove health and/or safety hazards; and any other work or repairs, including finishing and painting, which are directly related to the above listed objectives. For projects that require construction permits, the rehabilitated unit shall be considered complete at the date of final approval pursuant to the Uniform Construction Code.

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

D. Certifications of Substandard/Standard

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

IV. FUNDING TERMS FOR OWNER OCCUPIED AND INVESTOR OWNED UNITS

Funding will be provided on the following terms:

A. Terms and Conditions for Owner Occupied Units

Table 1 Owner-Occupied Single Family Home Terms & Conditions

Owner-Occupied Single Family Unit Terms and Conditions of Loan	
Minimum Loan Amount	The municipality may rehabilitate substandard units that require less than \$10,000 of work, provided the municipal rehabilitation activity shall average at least \$10,000 per unit.
Maximum Loan Amount	\$10,000 per unit
Interest Rate	0% (No monthly payments)
Payment Terms:	100% forgivable if homeowner maintains occupancy and title during the 10-year period. Original Principal is due if house is sold and/or title/occupancy changes years 1 through 10 except for <i>Exceptions to Loan Repayment Terms</i> section below.
Mechanism for Securing Loan	Mortgage and Mortgage Note recorded against property

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

Exceptions to Loan Repayment Terms above during the lien period:

1. If the loan transfers due to inheritance by a Class A beneficiary who will take occupancy upon death of Program mortgagee/Borrower and assume the lien (income eligibility not a requirement); or if by inheritance by a qualified income eligible non-Class A beneficiary, or
2. If the house is sold at an affordable price pursuant to UHAC to someone who can be qualified as income eligible, takes occupancy and agrees to assume the program lien, or

3. If the house is sold at an affordable price pursuant to UHAC to an investor who assumes the lien and also signs a deed restriction for the remaining duration of the affordability period to rent the dwelling at the affordability controls restricted rental rate and according to the affirmative marketing requirements for re-rentals. When this occurs, the Township's Administrative Agent will be responsible for monitoring compliance over that unit.

B. Terms and Conditions on Owner-Occupied Multi-Family Rental Units

Table 2 Owner-Occupied Multi-Family Home Terms & Conditions

Owner-Occupied Multi-Family Including Tenant Unit(s) Terms and Conditions of Loan	
Minimum Loan Amount	The municipality may rehabilitate substandard units that require less than \$10,000 of work, provided the municipal rehabilitation activity shall average at least \$10,000 per unit.
Maximum Loan Amount	\$10,000 per unit
Interest Rate	0% (No monthly payments)
Payment Terms	100% forgivable if homeowner maintains occupancy and title during the 10 year period. Original Principal is due if not in compliance with affordability controls. Rental restrictions transfer with property. See Restrictions below.
Mechanism for Securing Loan	Mortgage, Mortgage Note and Deed Restriction recorded on property

The assisted housing unit(s) must be occupied by and affordable to a household that is certified as an income eligible household as per either the latest Income Limits by Region, or in compliance with the municipality's Settlement Agreement and Court Order, whichever is applicable

The owner will execute a Mortgage, Mortgage Note, and Deed Restriction, the latter which guarantees the continued availability of the rental unit to low or moderate-income households for the terms of the ten-year deed restricted affordability period. The affordability terms for the rental units do not expire even if the owner sells the property, transfers title to the property, or dies within the ten-year program deed restricted affordability period.

Moreover, if Program funds were expended on the owner-occupied unit, and the homeowner sells, transfers title, dies or is not in compliance during the ten-year deed restricted affordability

period, unless ownership is transferred to another low or moderate-income homeowner, any Program funds expended on work done on the owner's individual unit along with a pro-rata portion of the shared improvements must be fully repaid to the Township and used to rehabilitate another housing unit.

Additionally, for rental units in a multi-family owner-occupied home:

For tenant units, the maximum permitted rent is pursuant to UHAC and subject to annual adjustment. If a unit is vacant upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the Deed Restriction shall require the unit to be rented to a low- or moderate- income household at an affordable rental price and will be affirmatively marketed by the Township designated Administrative Agent, in accordance with the Township of South Orange Village Affordable Housing Affirmative Marketing Plan. Landlords are responsible to pay income certification fees and affirmative marketing cost for re-rentals.

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

C. Terms and Conditions on Investor-Owned Multi-Family Rental Units

Table 3 Investor-Owned Terms & Conditions

Investor-Owned Multi-Family Unit Terms and Conditions of Loan	
Minimum Loan Amount	Per N.J.A.C. 5:93-5.2, the municipality may rehabilitate substandard units that require less than \$8,000 of work, provided the municipal rehabilitation activity shall average at least \$10,000 per unit.
Maximum Loan Amount	\$10,000 per rental unit
Interest Rate	0% (No monthly payments)
Payment Terms	Owner pays 25% of rehab cost at construction agreement signing. 75% balance forgiven if in compliance with rental restrictions. Rental restrictions transfer with property. See restrictions below.
Mechanism for Securing Loan	Mortgage, Mortgage Note and Deed Restriction recorded against property

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

The assisted housing unit(s) must be occupied by and affordable to a household that is certified as an income eligible household as per either the latest Income Limits by Region, or in compliance with the municipality's Settlement Agreement and Court Order, whichever is applicable and as designated by unit in the Deed Restriction. The maximum permitted rent is determined by the Township's Administrative Agent and is pursuant to UHAC and subject to annual adjustment. A copy of the income figures for 2019, and the methodology for going forward, until the reinstitution of COAH or another state entity performing this function is included in Appendix B of this document.

Throughout the ten year affordability controls, if a rental unit is vacant upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the Deed Restriction shall require the unit to be rented to a low- or moderate-income household(as designated by unit in the Deed Restriction) at an affordable price and will be affirmatively marketed in accordance with the Township of South Orange Village Affordable Housing Affirmative Marketing Plan by the Township's current Administrative Agent at the rates and terms defined within that Agreement. Landlords are responsible to pay income certification fees and affirmative marketing costs for re-rentals.

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

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

D. Special Needs Waivers for Higher Cost Rehabilitation Projects

In cases of housing rehabilitation costs exceeding the program maximum loan amounts listed in applicable Tables 1, 2 and 3 above:

- The Program will get confirmation of whether or not the homeowner can contribute personal funding.
- If needed, the Program will attempt to partner with other possible funding sources such as the Low Income Home Energy Assistance Program (LIHEAP) or the Essex County's Home Improvement Program.
- The Program reserves the right to make an exception and allow a reasonable additional expenditure per unit to address code violations. The Township will consider other situations for special needs waivers. Individual files will be reviewed on a case-by-case

basis. Upon Program and Township approval, a Special Needs Funding Limit Waiver may be issued.

- If no viable options, the case will have to be terminated.

E. Use of Recaptured Program Funds

All recaptured funds will be deposited into a South Orange Village Township affordable housing trust fund in accordance with N.J.A.C. 5:93-8.15

V. IMPLEMENTATION PROCESS

A. Application/Interview

For each prospective applicant, this process starts with a homeowner either submitting an online preliminary application or the Housing Rehabilitation Specialist pre-qualifies the interested homeowner by phone, whichever is the homeowner's preference. The information is entered in the program applicant pool/waiting list. If the homeowner passes the preliminary criteria review, program information, guidelines, and an application package will be mailed or emailed to the applicant when their name is reached in the program's waiting list. Each prospective applicant is to complete the application and return it to the Housing Rehabilitation Specialist, along with the required verification documents. Upon receipt of the completed application package, a case file will be opened for the applicant and a case file number will be assigned to the unit. The Housing Rehabilitation Specialist will be available via a direct phone line to assist applicants during this and all other phases of the process. Additionally, as needed, a Housing Rehabilitation Specialist will be available for face to face prescheduled appointments. Once a case is assigned a number, the cases are processed in the order of receipt of completed applications.

B. Eligibility Certification

To be eligible for assistance, households in each unit to be assisted must be determined to be income eligible. All adult members, 18 years of age and older, of both the owner household and tenant household (if any) must be fully certified as income-eligible before any assistance will be provided by the Program. The HIP will income qualify applicant, and when applicable tenant, households in accordance with N.J.A.C. 5:93-9 and the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-16.1 et seq., except for the asset test.

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

C. What is Considered Income

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

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

D. What is Not Considered Income

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

- Rebates or credits received under low-income energy assistance programs
- Food stamps
- Payments received for foster care
- Relocation assistance benefits
- Income of live-in attendants
- Scholarships
- Student loans

- Personal property such as automobiles
- Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements
- Part-time income of dependents enrolled as full-time students
- Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income

E. How to Verify Income

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

1. Four current consecutive pay stubs, including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.
2. A signed copy of regular IRS Form 1040 (Tax computation form), 1040A or 1040EZ (as applicable) and state income tax returns filed for the last three years prior to the date of interview or notarized tax waiver letter for respective tax year(s)- A Form 1040 Tax Summary for the past three tax years can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.
3. If applicable, a letter or appropriate reporting form verifying monthly benefits such as:
 - Social Security or SSI – Current award letter or computer printout letter
 - Unemployment – verification of Unemployment Benefits
 - Welfare -TANF current award letter
 - Disability - Worker's compensation letter or
 - Pension income (monthly or annually) – a pension letter
4. A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support – copy of court order or recent original letters from the court (includes separation agreement or divorce papers) or education scholarship/stipends – current award letter;
5. Reports from the last two consecutive months that verify income from assets to be submitted by banks or other financial institutions managing savings and checking accounts (bank statements and passbooks), trust funds, money market accounts, certificate of deposit, stocks or bonds (In brokerage accounts – most recent statements

and/or in certificate form – photocopy of certificates), whole life insurance. Examples include copies of all interest and dividend statements for savings accounts, interest and non-interest bearing checking accounts, and investments;

6. Evidence or reports of income from directly held assets, such as real estate or businesses owned by any household member 18 years and older.
7. Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.
8. Current reports of assets – Market Value Appraisal or Realtor Comparative Market Analysis and Bank/Mortgage Co. Statement indicating Current Mortgage Balance. For rental property attach copies of all leases.

F. Additional Income Verification Procedures

1. Student Income

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

2. Income from Real Estate

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

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

G. Other Eligibility Requirements

Applicant to submit the following in the application package:

- Copy of current Homeowner's insurance declarations page (not the policy or receipt);
- Proof of flood insurance, if property is located in a flood zone;

- Copy of recorded deed to the property to be assisted;
- If deed co-holder resides at another location, provide proof of same (driver's license, etc);
- If widow or widower, copy of spouse's Death Certificate;
- Receipt for paid property taxes;
- Proof that all mortgage payments and, when applicable, Homeowner Association (HOA) Fees are paid current;
- Copy of any and all other liens recorded against the property;
- Personal identification (a copy of any of the following: Driver's License, Passport, Birth Certificate, Social Security Card, Adoption Papers, Alien Registration Card, etc.); and
- Original of signed Eligibility Release form.

Properties for sale are ineligible for program assistance as well as any property the homeowner plans to sell within the next two years.

H. Requirements of Property Taxes and Municipal Utilities Account Paid Current

All applicants' property tax, municipal sewer account and New Jersey American Water account must be paid current. The Program reserves the right to make an exception to the requirement of paid up property taxes and applicable utilities accounts. Individual files will be reviewed on a case-by-case basis. Upon approval by the appropriate municipal officials and the Program, a Special Needs Eligibility Requirements Waiver may be issued.

I. Sufficient Equity and Carrying Cost

Additionally, to be determined eligible, there must be sufficient equity in the home to cover the program lien. In other words, the market value of the house must be greater than the total of the existing liens and anticipated program lien combined. For the sake of this rule, the market value of the home will be calculated using the municipality's assessed value divided by the equalization ratio. All existing property liens (mortgage, home equity loan, etc.) are then deducted from the calculated house value to determine the current property equity. The Township may consider a Special Needs Waiver approved by the municipality on a case-by-case basis for limited equity, but not for negative equity. Additionally, the applicant's income shall be sufficient to meet the carrying costs of the unit or the homeowner is to demonstrate how the unit's carrying costs are funded. This will be reviewed on a case-by-case basis.

J. House Conditions:

All areas of the house must be readily accessible, uncluttered, and clean. This is in anticipation of the Program Inspector and contractors needs of proper and sanitary access for inspections and construction work progress.

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

K. Eligibility Scenarios of Multi-Family Structures

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

Scenario 1. The Program Administrator determines that the owner is income eligible and the renters in each unit are income eligible. In this case, all of the units are eligible for rehabilitation.

Scenario 2. The Program Administrator determines that the owner is income eligible, but the renters are not. In this case, only the landlord's unit is eligible for rehabilitation. If a home improvement is undertaken which affects all the units in the house (e.g., replacement of a roof), the HIP will only cover a prorated percentage of the cost. For example, in a two-family home with units of approximately equal size, only 50% of the cost of roof replacement will be covered. Where units differ by more than 10% in size, the proration should be based on percentage of square footage within each unit compared to the total interior square footage of all other units in the structure. Shared common areas should not be counted in the denominator for the pro rata calculation.

Scenario 3. The Program Administrator determines that the owner is not income eligible, but the renters are. In this case, the rental units are eligible for rehab, but the owner's is not. If a rehab activity is undertaken which affects all of the units in the house (e.g., replacement of roof), the HIP will only cover a prorated percentage of the cost. For example, in a four-family home, only 75% of the cost of roof replacement would be covered. Where units differ in size, the proration is based on percentage of square footage.

If any of the conditions above apply to a particular applicant's case, CGP&H sends a letter that explicitly identifies which of the units is eligible for rehabilitation, as well as specifies any applicable percentage of the hard costs of rehabilitation between the Program and the homeowner. The homeowner's monetary contribution is to be paid prior to the start of construction at the preconstruction conference in the form of a money order or certified check made payable to the contractor. The payment is held by the Program until the work is satisfactorily completed, at which time the Program will release the payment to the contractor.

L. Eligibility Certification

After the Program Administrator has determined that the household is income eligible and meets all other eligible requirements, the Program Manager will complete and sign the Eligibility Certification. This certification is valid for 180 days starting from date of eligibility certification. A

Construction Agreement must be signed within this time period. If not, the Program Administrator must reevaluate the household's eligibility.

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

If an applicant is determined ineligible, for any reason, the Program will issue a Notice of Ineligibility explaining the reason for the ineligibility determination and case termination.

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

The Program Inspector will perform a comprehensive inspection to determine what work items are necessary to bring the home up to code, as identified in section III C. Photos will be taken at the comprehensive inspection to document existing conditions. As a result of the comprehensive inspection, the Program Inspector will prepare a work write-up and cost estimate. All repairs needed to bring the home up to code will be identified. To the extent that the budget may permit, home weatherization will also be included. This work write-up will include a breakdown of each work item by category and by location in the house. The work write-up will contain information as to the scope of work and specifics on materials such as type, quantity and cost. A total cost estimate will be calculated for each housing unit. Improvements approved under the Program shall be based on the cost of mid-grade fixtures and materials. No upgrades from this standard shall be allowed. Only eligible rehab work will be funded by the Program. In the event that not all items can be accomplished due to program funding caps, the Program Inspector will establish a priority repair system which addresses the code violations before the non-code violations. The HIP's policy is to create Work Write-Ups and Cost Estimates that fall within the HIP funding caps. In unusual hardship cases and when the cost to correct all code violations exceeds the program funding limit, the HIP will seek the homeowner's monetary contribution. If the homeowner is unable to contribute funds or obtain funds from another funding source, the HIP will request additional funds from South Orange Village.

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

N. Contractor Selection

The homeowner, with the approval of the Program Inspector, will select the contractor. The Housing Rehabilitation Specialist will provide the homeowner with a copy of the work write up and the Program Contractor List. The homeowner will complete the Work Write-Up Review Form indicating review and approval of the work write-up and advising of any contractors currently on the Program Contractor List that the homeowner does not wish to have notified of the availability of the proposal package. If the homeowner wishes to solicit a proposal from a contractor not

currently on the Program Contractor List, the homeowner will provide the contractor's name, address and telephone number on the Work Write-Up Review Form. Any contractors that have not been previously qualified are eligible to participate but must submit their qualifications as well as their proposal in the proposal package.

The Housing Rehabilitation Specialist will notify at least three (3) currently active contractors that a proposal package for the property is available. Each contractor must contact the Housing Rehabilitation Specialist to obtain a full proposal package and the contractor must submit a proposal to the Housing Rehabilitation Specialist by the submission deadline (usually within three (3) weeks of the date of the proposal notification letter). All submitted proposals will be opened and recorded by the Program Administrator at a meeting open to all interested parties.

The submitted proposals will be reviewed by the homeowner and the Program Inspector. Generally, the lowest responsible proposal from a qualified contractor will be chosen. If the homeowner selects a higher proposal, he/she must pay the difference between the chosen and the lowest responsible proposal.

The Housing Rehabilitation Specialist will forward the contractor award Bid Tabulation form to the Township for the Village Administrator and Purchasing Agent's authorization.

O. Pre-Construction Conference/Contract Signing

The Program Inspector will conduct a pre-construction conference with the homeowner and contractor. Prior to the pre-construction conference the homeowner will be provided with copies of the loan documents and the Construction Agreement and the contractor will be provided with a copy of the Construction Agreement for review. At the time of the pre-construction conference, the scope of work will once again be reviewed. The homeowner and contractor responsibilities will also be reviewed, as well as the Program's construction procedures and program limitations. The homeowner and contractor will each sign the Construction Agreement and receive copies. The homeowner will sign and receive copies of the Mortgage and Mortgage Note in the amount of the HIP subsidy. For rental properties, the property owner will also sign the Deed Restriction (COAH form Appendix E-3).

If the homeowner is providing any funds for the rehabilitation of his/her home, those funds must be provided at the time of the pre-construction conference in the form of a certified check or money order made payable to the contractor. The check will be held by the Program and will be applied towards the contractor's first progress payment.

The contractor will be provided with information regarding the Lead-Based Paint Poisoning Prevention Act (42 USC 4831 (b)). The homeowner will be advised of the hazards of lead base

paint in houses built prior to 1978 and provided with the EPA booklet Renovate Right. Both contractor and homeowner will each sign the respective Certifications. Additionally, for houses built prior to 1978, Section VII Lead Base Paint (LBP) applies.

Following the pre-construction conference, the Housing Rehabilitation Specialist will provide the Township with a copy of the Construction Agreement which includes an itemized price list of the work.

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

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

P. Initiate Township Voucher

Upon contractor award decision, the Township will provide the Housing Rehabilitation Specialist with a blanket purchase order for full amount and two purchase orders for future contractor payments for each case for the contractor to sign at the pre-construction conference at time of contract signing. The contractor's signed purchase orders will be held by the Housing Rehabilitation Specialist until construction progress is sufficient to submit to the municipality.

The Township voucher will be separated into two potential payments. The Program staff will match the payment request up with the Township voucher issued at the pre-construction conference and adjust the payment amount as per the inspection results. Ultimately upon construction completion, the payments will equal the full voucher amount plus or minus any change orders.

For each contractor's first award in a calendar year, the Housing Rehabilitation Specialist will provide the municipal applicable staff with the awarded contractor Business Registration Certificate (BRC) and W-9 form.

Q. Progress Inspections

The Program Inspector will make the necessary inspections of the progress of property improvements. Inspections are necessary to ensure that the ongoing improvements coincide with the scope of work outlined in the work write-up. It is the contractor's responsibility to notify the Program Inspector when a minimum of 40% of the total contract work is completed. The Program Inspector will schedule the inspection with the homeowner, at which time the Program Inspector will also obtain verbal confirmation from the homeowner that the work is ready for inspection.

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

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

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

R. Change Orders

If it is determined during rehabilitation that a change from the original work write-up is required, a Program Change Order Authorization form must be completed and approved by the homeowner, the contractor, the Program and the Township. The Housing Rehabilitation Specialist will forward the change order with the first three signatures to the Township for approval by the Village Administrator and the Purchasing Agent.

The contractor will be notified by the Housing Rehabilitation Specialist of the results, and no change order work should be undertaken by the contractor until he has received a copy of the fully executed Change Order Authorization or the contractor risks non-payment for the change order work.

S. Final Inspection

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

- Properly close out all the permits and to provide proof of closed out permits to the Housing Rehabilitation Specialist via the municipal Certificate of Approval;
- Deliver to the homeowner a complete release of all liens arising out of the Construction Agreement, a receipt in full covering all labor, materials and equipment for which a lien could be filed or a bond satisfactory to the owner indemnifying owner against any lien; and;
- Provide the homeowner with all applicable warranties for items installed and work completed during the course of the rehabilitation.

Once the contractor has provided the Housing Rehabilitation Specialist with all required job closeout forms, the contractor will be responsible to request the Program's final inspection. The

Program Inspector will schedule the final inspection with the homeowner, at which time the Program Inspector will also obtain verbal confirmation from the homeowner that the rehabilitation work has been completed and is ready for inspection. The Program Inspector will then conduct a final inspection to certify that the required property improvements are complete. The homeowner will be present during the final inspection and the contractor will be present if there are issues to resolve.

Construction progress on work line items will be inspected and considered for payment. If the work passes satisfactory final inspection, the Housing Rehabilitation Specialist will follow the procedures spelled out in Section V subsection T. *Payment Structure and Process* to process the contractor's final payment request.

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

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

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

T. Payment Structure and Process

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

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

Upon a satisfactory program inspection, and confirmation from the Housing Rehabilitation Specialist that all contractor's documents have been submitted according to program procedures, the Housing Rehabilitation Specialist will submit to the Township:

- Program's Request for Payment form with Owner's and Program's written approval
- The Township voucher signed by the contractor and adjusted to match the current payment amount
- Copy of change order, if one occurred

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

The Housing Rehabilitation Specialist is to submit the contractor payment request to the Township Purchasing Agent and, if acceptable, the payment request will be placed on the upcoming Bill List agenda. The Township will forward to the Housing Rehabilitation Specialist a copy of the executed payment to the contractor for case file records.

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

U. Standard Certification

A Certificate of Approval issued by the municipal construction official at the time the contractor closes out the rehabilitation construction permits, will confirm the scope of rehabilitation work has been completed and that the housing unit is now up to code standard. The contractor is to provide the Certificate of Approval to the Housing Rehabilitation Specialist when requesting the final inspection. The Housing Rehabilitation Specialist will ensure that a copy of the Certificate of Approval is placed in the case file.

V. Record Mortgage Documentation

At construction completion, the Housing Rehabilitation Specialist will forward the executed mortgage to the Village Council for recording. The Township will immediately file the mortgage with the County Clerk. For rental properties, the Deed Restriction will also be recorded.

W. File Closing

The Housing Rehabilitation Specialist will close the homeowner's file after the final payment is made and the mortgage, and when applicable, Deed Restriction is/are returned from the County with recorded date, book and page.

The Housing Rehabilitation Specialist will send the homeowner a case closeout letter explaining the warranty period, importance of program documents for personal record keeping, explaining the homeowner's responsibility to continue to maintain the home, providing the homeowner with a home maintenance checklist as guidance, thanking the owner for program participation, and encouraging him/her to recommend the program to other households in the community and, when applicable, reminding owner of the affordable housing rental requirements listed in the program lien documents and deed restriction.

X. Requests for Subordination or Program Loan Payoff

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

The fee to process program loan subordination requests will be paid by the homeowner directly to the Program Administrator in accordance with the fee set forth in the yearly program administration contract.

VI. CONTRACTOR REQUIREMENTS AND RECRUITMENT**A. Marketing**

The Program will coordinate with the Township to advertise the availability of construction work on the Township's website and display a contractor outreach poster and handouts in the municipal building, including the local construction office. Additionally, CGP&H will reach out to home improvement contractors registered with Consumer Affairs who are geographically near or in South Orange Village. If determined needed, additional outreach will be conducted in the local newspapers and through the posting of community notices. As necessary, the Program will

advertise the availability of construction work by posting information at local building supply dealers. All interested contractors will have the opportunity to apply for inclusion on the Program Contractor List, which will be made available for the homeowner's use in selecting rehabilitation contractors. The contractor outreach material will also be posted on CGP&H's website.

B. Contractor Qualifications

To qualify, contractors must meet the following minimum requirements:

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

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

VII. Lead Based Paint (LBP):

For houses built prior to 1978, contractors must comply with the Environmental Protection Agency Renovation, Repair and Painting Rules (40 CFR Part 745) when any work item is marked with (EPA-RRP Rule) in the work specifications. The requirements are spelled out in the General Conditions of the work specifications.

The Housing Rehabilitation Specialist will provide information on the Essex County Lead Remediation Program to homeowners of houses built prior to 1978.

VIII. Rental Procedures:

Rental units are subject to the Uniform Housing Affordability Controls (UHAC) at N.J.A.C.5-80:26.1 et. seq. once the rental units are rehabilitated. In addition to the mortgage and mortgage note, the controls on affordability shall be in the form of a deed restriction.

- If a unit is vacant, upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the deed restriction shall require the unit be rented to an income eligible household at an affordable rent and affirmatively marketed pursuant to UHAC.
- If a unit is renter-occupied, upon completion of the rehabilitation, the maximum rate of rent shall be the lesser of the current rent or the maximum permitted rent pursuant to UHAC.
- Rental Increases: See section VIII C, below.

The municipality's Administrative Agent will administer the rental affordability controls during the 10-year affordability period for each rental property assisted. Landlords are responsible to pay income certification fees for re-rentals.

A. Determining Initial Affordable Rents

The initial maximum affordable rent for a rehabilitated unit is determined by the program staff based on several NJ rules and regulations. The Administrative Agent will make every attempt to price initial rents to average fifty-two percent (52%) of the median income for the household size appropriate to the sized unit within each individual project (N.J.A.C. 5:80-26.3 (d)). Thirty percent (30%) (N.J.A.C. 5:80-26-12 (a)) of that figure is considered the "maximum base rent." Subtracted from the maximum base rent is the cost of all tenant-paid utilities as defined and calculated by the HUD Utilities Allowance figures (updated annually). The remainder becomes the maximum

initial rent for that unit. The Home Improvement Program staff can provide potential applicants/landlords with a reasonable estimate of what the maximum base rent will be on their rental unit if they elect to participate in the program.

B. Pricing by Household Size

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

Table 4 Initial Rental Pricing by Housing Size

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

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

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

C. Determining Rent Increases

Rents for rehabilitated units may increase annually based on the standards in Appendix B, entitled "Approved Calculation of Annual Increases to Income Limits, Resale Prices and Rents" and only upon written notification from the Administrative Agent.

In addition, the Township's Administrative Agent must be used by the Landlord to ensure that all appropriate affirmative marketing and all other affordable housing compliance procedures are followed and will continually oversee compliance for these affordable rental units throughout their restrictive term.

These increases must be filed with and approved by the Administrative Agent. Property managers or landlords who have charged less than the permissible increase may use the maximum allowable rent with the next tenant with permission of the Administrative Agent. Rents may not be increased more than once a year, may not be increased by more than one approved calculated increment at a time, and may not be increased at the time of new occupancy if this occurs less than one year from the last rental. No additional fees may be added to the approved rent without the express written approval of the Administrative Agent.

IX. MARKETING STRATEGY

In coordination with the Township, the Program Administrator will employ a variety of proven strategies to advertise the program within South Orange Village to establish the Program's applicant pool/waiting list. The marketing strategy/plan possibilities include but are not limited to:

- Creation and distribution of Program homeowner outreach posters, flyers and handouts
- Place Program outreach material on the Township's website
- Place Program outreach material on CGP&H's website
- Municipal E-newsletter and paper newsletter (if available)
- Appending announcements and/or flyers to other municipal mailings as they become available (tax, etc.) or direct mailing, if approved by the municipality
- Municipal email blasts and Twitter communication (if available)
- Program marketing will be distributed to local community organizations and major employers including religious organizations, civic groups, senior group, ethnic organizations, etc.
- Free local cable TV advertising (when available)
- Periodic Press releases
- Program group presentations to community organizations or at the Township Municipal Building to prospective homeowners and even to local contractors
- Paid newspaper advertisements (last resort) when deemed necessary and appropriate

- The order of method used will be analyzed to implement the most effective combination of strategies. Extensive marketing efforts are essential for all successful housing rehabilitation programs to meet their productivity objectives.

Available rental units assisted via the HIP will be affirmatively marketed in accordance with the Township of South Orange Village Affordable Housing Affirmative Marketing Plan.

X. MAINTENANCE OF RECORDS AND CLIENT FILES

A. Programmatic Recording

The Program files will include:

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

B. Participant Record Keeping

The Program will be responsible for ensuring that individual files for each unit are established, maintained and then submitted to the municipality upon completion. Each completed file will contain a minimum of the following:

- Checklist
- Application form
- Tenant Application form (Rental Units Only) including rental lease
- Proof of ownership
- Income verification (for all households)
- Proof of currency of property tax and water/sewer accounts
- Proof of homeowner extended coverage/hazard insurance (Declaration Page)

- Proof that the municipal lien plus the total of other liens does not exceed the market value of the unit.
- Certification of Eligible Household or Notice of Ineligible Household (whichever is applicable)
- Homeowner/Program Agreement
- Certificate of Substandard
- Work Specifications/Cost Estimate aka Work Write-Up
- Contractor Proposal Notice
- Contractor proposals
- Proposal Tabulation
- Construction Agreement
- Mortgage and Mortgage Note, and for rental properties, Deed Restriction
- Notice of Right of Rescission
- Homeowner Confirmation of Receipt of EPA Lead Information Pamphlet
- Contractor Confirmation of Receipt of Lead Paint Notice
- Copies of all required permits
- Change orders, if any
- Work progress and final inspection reports
- Copies of contractor payment documentation
- Photographs (Before and After)
- Close-out documents
- Certification of Approval

C. State Reporting

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

- Street Address

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

The Program Administrator will provide each completed unit's data for annual monitoring.

D. Financial Recordkeeping

Financial recordkeeping is the responsibility of the Municipal Housing Liaison, with assistance from the Administrative Agent, as may be requested from time to time.

XI. HOUSING ADVISORY COMMITTEE AND APPEALS PROCESS

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

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

However, on the rare occasion if a homeowner or contractor decides to dispute a Program staff decision, the Program will refer the matter to the Township for further resolution. It is recommended the Township forms a Housing Advisory Committee to mediate and resolve the

differences. Homeowners or contractors involved in a dispute will be instructed to submit their concerns in writing. The homeowner or contractor may request a hearing conducted by the Housing Advisory Committee. All Housing Advisory Committee decisions are final. The Housing Advisory Committee formation may occur when the first need arises.

XII. CONCLUSION

If the procedures described in this manual are followed, the Township of South Orange Village's Home Improvement Program should operate smoothly and effectively. Where it is found that a new procedure will eliminate a recurring problem, that procedure may be incorporated into the program operation. In addition, this manual may be periodically revised to reflect changes in local, state and federal policies and regulations relative to the Home Improvement Program.

APPENDIX A - LIST OF PROGRAM FORMS

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

APPENDIX B – Approved Calculation of Annual Increases to Income Limits, Resale Prices and Rents

Methodology for Calculating Regional Income Limits and Rental Increase:

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

- a. Regional income limits shall be established for the region that the municipality is located within, based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the municipality's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low-income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
- b. The income limits attached are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for the most recent year and shall be utilized until the municipality updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
- c. If at any time, COAH (or a successor administrative agency duly empowered by an amendment to the Fair Housing Act) begins to issue updated annual income limits and

rules for increasing sales prices and rent levels each year, said updated income limits and rules for increasing sales prices and rent levels each year may be used instead of the methodology set forth herein.

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

The rent levels of very-low-, low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed nine percent in any one year. Rents for units constructed pursuant to low income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing.

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - April 27, 2021

2021 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

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

		1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents** Sales***	Regional Asset Limit****
Region 1	Median	\$72,846	\$78,050	\$83,253	\$93,659	\$104,066	\$108,229	\$112,391	\$120,717	\$129,042	\$137,367		
	Moderate	\$58,277	\$62,440	\$66,602	\$74,928	\$83,253	\$86,583	\$89,913	\$96,573	\$103,233	\$109,894	1.6%	8.46%
	Low	\$36,423	\$39,025	\$41,626	\$46,830	\$52,033	\$54,114	\$56,196	\$60,358	\$64,521	\$68,684		\$201,229
	Very Low	\$21,854	\$23,415	\$24,976	\$28,098	\$31,220	\$32,469	\$33,717	\$36,215	\$38,713	\$41,210		
Region 2	Median	\$75,331	\$80,711	\$86,092	\$96,854	\$107,615	\$111,920	\$116,224	\$124,834	\$133,443	\$142,052		
	Moderate	\$60,265	\$64,569	\$68,874	\$77,483	\$86,092	\$89,536	\$92,980	\$99,867	\$106,754	\$113,642	1.6%	2.00%
	Low	\$37,665	\$40,356	\$43,046	\$48,427	\$53,808	\$55,960	\$58,112	\$62,417	\$66,721	\$71,026		\$206,459
	Very Low	\$22,599	\$24,213	\$25,828	\$29,056	\$32,285	\$33,576	\$34,867	\$37,450	\$40,033	\$42,616		
Region 3	Median	\$86,240	\$92,400	\$98,560	\$110,880	\$123,200	\$128,128	\$133,056	\$142,912	\$152,768	\$162,624		
	Moderate	\$68,992	\$73,920	\$78,848	\$88,704	\$98,560	\$102,502	\$106,445	\$114,330	\$122,214	\$130,099	1.6%	3.10%
	Low	\$43,120	\$46,200	\$49,280	\$55,440	\$61,600	\$64,064	\$66,528	\$71,456	\$76,384	\$81,312		\$234,592
	Very Low	\$25,872	\$27,720	\$29,568	\$33,264	\$36,960	\$38,438	\$39,917	\$42,874	\$45,830	\$48,787		
Region 4	Median	\$76,469	\$81,931	\$87,393	\$98,317	\$109,242	\$113,611	\$117,981	\$126,720	\$135,460	\$144,199		
	Moderate	\$61,175	\$65,545	\$69,915	\$78,654	\$87,393	\$90,889	\$94,385	\$101,376	\$108,368	\$115,359	1.6%	0.00%
	Low	\$38,235	\$40,966	\$43,697	\$49,159	\$54,621	\$56,806	\$58,990	\$63,360	\$67,730	\$72,099		\$205,486
	Very Low	\$22,941	\$24,579	\$26,218	\$29,495	\$32,772	\$34,083	\$35,394	\$38,016	\$40,638	\$43,260		
Region 5	Median	\$67,620	\$72,450	\$77,280	\$86,940	\$96,600	\$100,464	\$104,328	\$112,056	\$119,784	\$127,512		
	Moderate	\$54,096	\$57,960	\$61,824	\$69,552	\$77,280	\$80,371	\$83,462	\$89,645	\$95,827	\$102,010	1.6%	0.00%
	Low	\$33,810	\$36,225	\$38,640	\$43,470	\$48,300	\$50,232	\$52,164	\$56,028	\$59,892	\$63,756		\$179,028
	Very Low	\$20,286	\$21,735	\$23,184	\$26,082	\$28,980	\$30,139	\$31,298	\$33,617	\$35,935	\$38,254		
Region 6	Median	\$57,458	\$61,562	\$65,666	\$73,874	\$82,083	\$85,366	\$88,649	\$95,216	\$101,782	\$108,349		
	Moderate	\$45,966	\$49,250	\$52,533	\$59,100	\$65,666	\$68,293	\$70,919	\$76,173	\$81,426	\$86,679	1.6%	0.00%
	Low	\$28,729	\$30,781	\$32,833	\$36,937	\$41,041	\$42,683	\$44,325	\$47,608	\$50,891	\$54,175		\$153,730
	Very Low	\$17,237	\$18,469	\$19,700	\$22,162	\$24,625	\$25,610	\$26,595	\$28,565	\$30,535	\$32,505		

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

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

** This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3 (Consumer price index for All Urban Consumers (CPI-U); Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, 2018, 2019 or 2020 because of the lack of authority to do so, may increase rent by up to the applicable combined percentage including 2021 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

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

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

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

Note: Since the Regional Income Limits for Regions 4, 5, and 6 in 2020 were higher than the 2021 calculations, the 2020 income limits will remain in force for 2021 (as previously required by N.J.A.C. 5:97-9.2(c)).

Appendix I: Vacant Land Adjustment



South Orange Village Essex County Round 4: Vacant Land Adjustment

Prepared For:



South Orange Village
76 South Orange Avenue
South Orange, NJ 07079
Report Date: May 5, 2025

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I. Introduction + Methodology

A. Purpose of Vacant Land Adjustment

The foregoing analysis was prepared on behalf of South Orange Village (herein the “Village” or “South Orange Village”). This analysis reviews the Village’s inventory of available vacant properties and summarizes an adjustment in the Fourth Round affordable housing obligation due to available land capacity. The analysis also takes into consideration projects likely to be redeveloped in the Fourth Round obligation. These include projects that have existing land use approvals, are under construction or were constructed, or are part of the Village’s Fourth Round compliance plan.

This analysis is otherwise known as a Vacant Land Adjustment (“VLA”). The VLA determines a municipality’s Realistic Development Potential (“RDP”) for its Fourth Round municipal obligation. Such obligation is memorialized in the municipal Fourth Round Housing Element and Fair Share Plan (“HEFSP”), which runs from 2025-2035.

In conclusion, the Village’s RDP for its Fourth Round is 0 where 41 credits must be accommodated on parcels likely to redevelop during the current round of obligations to address at least 25 percent of the prospective need obligation that has been adjusted.

B. Legislation + Changes in Fourth Round VLA Requirements

On March 20, 2024, Governor Phil Murphy signed P.L. 2025, c.2¹ (the “Legislation”) which expands and modifies the State’s affordable housing regulations. As a result of the Legislation, each municipality is assigned a non-binding affordable housing obligation to be met during the Fourth Round. The non-binding calculations were published by the NJ Department of Community Affairs (“DCA”) on October 20, 2024, with supplemental data releases provided through November 23, 2024, with the publication of the Land Capacity Analysis GIS Composite Layer. This obligation is also referred to as the “prospective need.”

Based on the numbers released by the DCA, the Prospective Need for the Village is 163. On January 28, 2025, the governing body adopted Resolution #2025-017² accepting the Prospective Need of 163 as calculated by the DCA.

The Legislation sets forth procedures by which municipalities may adjust their prospective obligation, including via the VLA process (See 52:27D-310.1).³ Under the Fourth Round, a municipality is permitted to make adjustments due to a lack of available land resources. However, the bill requires a municipality that receives such a vacant land adjustment to its

¹ https://pub.njleg.state.nj.us/Bills/2024/PL24/2_.PDF

² https://nj-jacmedia-prod-general-purpose.s3.amazonaws.com/files/civil/affordable-housing/essex/s-orange-township/12725SouthOrangeResoAcceptDCARound4Numberadopted.pdf?VersionId=qFf11Mo0ySeMCkBhCdR5Q_5mALy.j8

³ <https://law.justia.com/codes/new-jersey/title-52/section-52-27d-310-1/>

obligation identify parcels for development that address at least 25 percent of the prospective need and adopt zoning that allows for the adjusted obligation, or demonstrate why this is not possible.

See Appendix “A” for the full legislation of municipal computation requirements and changes via P.L. 2024, c.2.

C. Assumptions Underlying Realistic Development Potential

Inclusionary Development

N.J.A.C. 5:93-4.2(f) specifies that the RDP is based on an inclusionary zoning framework and available land is not assumed to be developed as 100% affordable housing. The minimum presumptive set aside for affordable housing is 20%, or one in five units. As such, suitable development sites for inclusionary development must have the capacity to provide a minimum of five units.

Assumed Densities and Minimum Project Size

According to the Second Round Rules, it is important to “consider the character of the area surrounding each site” when crafting assumptions underlying the intensity of residential development. As such, the maximum density for each assemblage was determined as follows:

- The permitted density of each parcel pursuant to the Municipal Zoning Ordinance;
- Minimum presumptive density of six units per acre as required by the Second Round Rules where permitted density is below six units per acre;
- Surrounding land uses;
- The need for affordable housing; and
- Density count of approved projects by the Planning or Zoning Board.

D. Data Sources Used in Analysis

In compiling the analysis for the VLA, this report utilizes the following data:

- **Mod IV Tax Assessment Data** was obtained from the most recent Assessment Records. Parcel files were used utilizing the New Jersey Geographic Information Network (NJGIN) Open Data portal.
- **Flood Hazard Area Dataset** was obtained from the Federal Emergency Management Agency (FEMA) data of flood zones⁴.

⁴ <https://hazards-fema.maps.arcgis.com/apps/webappviewer/index.html?id=8b0adb51996444d4879338b5529aa9cd>

- **Wetlands Dataset** was developed using the Land Use/Land Cover from the New Jersey Department of Environmental Protection (NJDEP), last updated 2020. A 50-foot riparian buffer is also included.
- **Waterbodies Dataset** was obtained from the National Hydrography Dataset Waterbody Streams and Waterbodies dataset as developed by the NJDEP, last updated 2015.
 - *Note: No Category One (C1) Waters were observed in South Orange per [N.J.A.C 7:13-4.1\(c\)\(2\)](#).*
- **Steep Slope Dataset** was developed using the NJGIN Open Data portal⁵.

E. Methodology of Vacant Land Parcels Assemblage

Step 1: Selection of Sites

- *Step 1.1: Classification of Vacant Land / General Assemblages*

Using the most recent **Mod IV Tax Assessment Data**, properties that did not have the tax class 1 (Vacant) and vacant properties with tax class 15C (Public) were removed from the analysis.

These remaining properties are considered in the analysis as an inventory of all vacant sites. Assemble vacant properties (including those adjacent and under common ownership) and confirm acreage.

- *Step 1.2: Removing “False” Vacant Land / General Assemblages*

The **Mod IV Tax Assessment Data** properties of the assemblages created in Step 1.1 was further analyzed for “false” vacant land results that were removed from the analysis. False vacant land results included:

- Parcels that are actually common area part of a larger townhome / condominium development (i.e. “Condo Mother Lot”) and thus not actually “vacant”.
- Parcels that are developed with active improvements, where MODIV Tax Assessment Data erroneously coded property as “vacant” or may not be up-to-date given the construction status.
 - For purposes of this analysis, “active improvements” means any structure upon the site with an active Certificate of Occupancy (“C.O”), or building permit / temporary “C.O” where structures are underway for a full C.O. Also included are parcels where there are no structures on the land but where there are improvements on the land that are associated with a

⁵ <https://njgin.nj.gov/njgin/edata/elevation/index.html>

structure on a different parcel (e.g. parking lot associated with building on a different, likely adjacent, parcel).

- Parcels that are coded “vacant,” but are not in the municipal jurisdiction (i.e. small portion of vacant land belonging to larger assemblage that is in adjacent municipality).

Step 2: Exclusion of Known Land Encumbrances / Additional Exclusions

Step 2.1: Exclusion of Parklands and Recreational Land

All parklands and active recreational lands properties’ appearing were excluded based on their property tax classification under in the MOD IV tax assessment data.

Step 2.2: Exclusion of Open Space Restricted Land

All open space and properties on the Recreation and Open Space Inventory (ROSI) were excluded based on review of the [NJ State ROSI](#)⁶.

Step 2.3: Exclusion of Historic and Architecturally Important Sites

If applicable, areas of vacant land impacted by [historically or architecturally important constraints](#)⁷ were removed from the calculation of developable area.

Step 3: Exclusion of Low Yield Properties

Step 3.1: Exclude Properties Yielding Less Than 5 Units

The Second Round Rules established by the Council of Affordable Housing in N.J.A.C. 5:93 required development potential to consider principles of sound land use planning in regards to density, and that the minimum presumptive density be 6 du/ac.

In conformance with this requirement, the analysis used existing zoning densities to determine the number of units per acre that could be constructed. In cases where permitted density under the zoning ordinance did not meet the minimum presumptive density, the development potential was calculated at 6 units per acre. The acreage of the assemblages created in Step 1 was multiplied by the permitted number of units per acre to determine the property yield. All vacant assemblages whose yield was less than five units were excluded from the Inventory of Vacant Sites.

Step 4: Site Analysis (Exclusion of Environmentally Sensitive Areas from Development Calculations)

Step 4.1: Overlay Environmentally Sensitive Areas

⁶ <https://dep.nj.gov/otpla/rosi/>

⁷ <https://www.arcgis.com/apps/webappviewer/index.html?id=6706acec2a7e46489f6d4dabba02fc9c>

Properties occupied by major environmental factors as described in the “Data Sources Used” section of this report above were removed as candidates for development. This was done using a Geographic Information Systems (GIS) program.

- *Step 4.2: Calculate Development Potential.*

Areas of vacant land impacted by these environmental constraints were removed from the calculation of developable area.

II. Vacant Land Parcels Assemblages

Following the process of parcels in Steps 1-3 as detailed in above in Section I.E, four parcel assemblages are left that should be further reviewed for environmentally sensitive areas per Step 4. Individual mapping and analysis of these parcels may be found in Appendix "B."

- Block 1503, Lot 33.01 (100 Tillou Road West)
- Block 2102, Lots 15-18 (266-278 Irvington Avenue)
- Block 2605, Lot 1 (616 South Orange Avenue West)
- Block 703, Lot 1 (602 Centre Street)



Figure 1: Map of Vacant Land Parcel Assemblages to Analyze against Environmental Areas

The map below summarizes the eligible vacant sites with environmentally sensitive mapping. Each assemblage was individually assessed for irregularities, access, and environmental constraints to conclude if the site is “developable” for consideration in the RDP (See individual environmental site analysis in Appendix “B”).

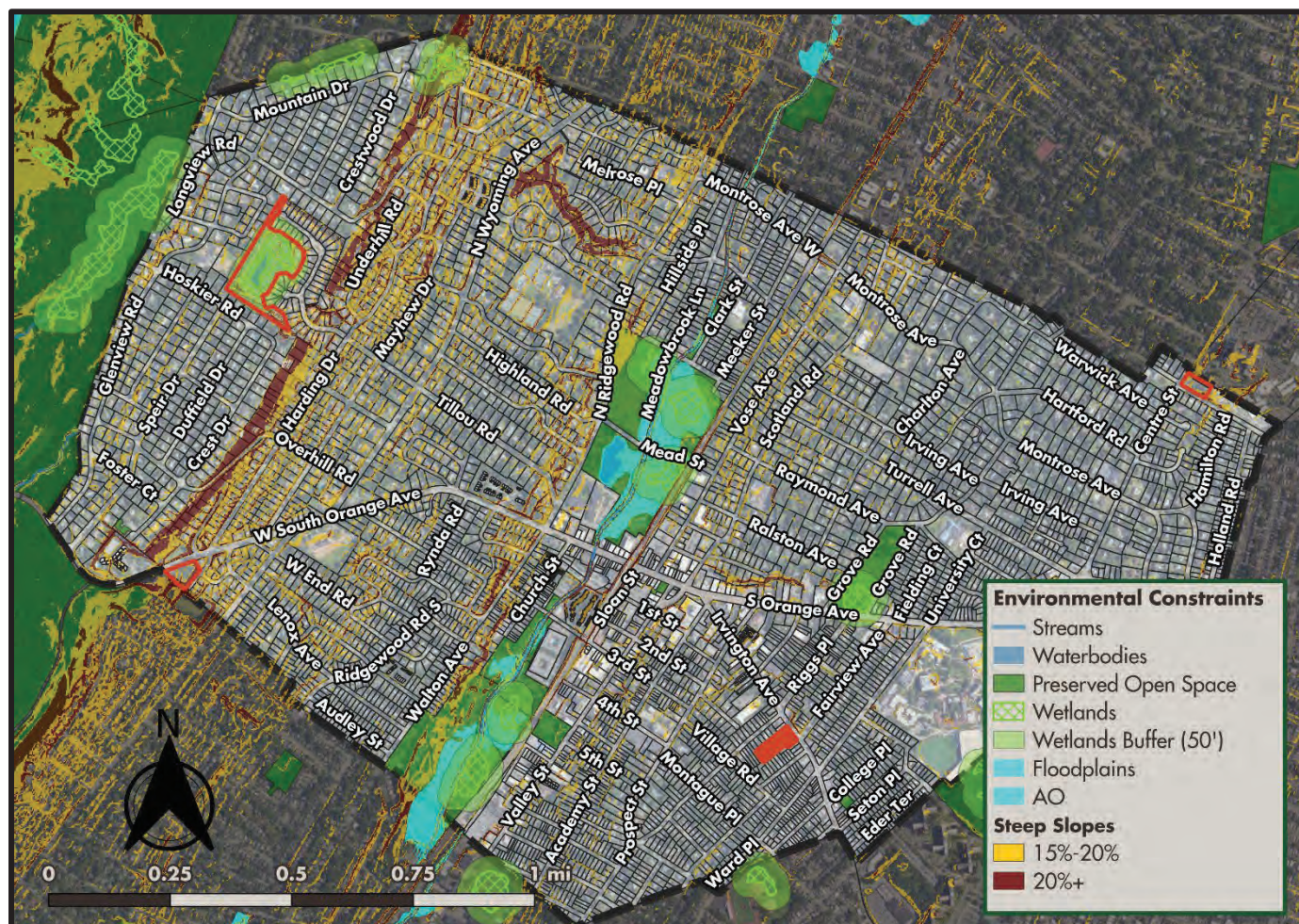


Figure 2: Municipal-Wide Map of Vacant Properties and Environmental Constraints

III. Parcels With “Developability”

A. Realistic Development Potential Based on Vacant Land Adjustment

Analysis of the four sites remaining on the inventory of vacant sites revealed that all vacant land within the Village is constrained, with no sites containing sufficient land free of environmental or access constraints with dimensions that could accommodate five or more residential units including a 20% affordable set aside. Therefore, these sites comprise 4 “buildable” units according to the assemblage analysis, of which 0 is the estimated 20% set-aside.

BLOCK	LOT	PROPERTY LOCATION	UNCONSTRAINED ACRES	EST. UNIT YIELD	EST. LMI SET-ASIDE
1503	33.01	100 TILLOU ROAD WEST	0	0	0
2102	15-18	266-278 IRVINGTON AVENUE	0	0	0
2605	1	616 SO ORANGE AVENUE WEST	0.69	4	0
703	1	602 CENTRE STREET	0	0	0
TOTAL REALISTIC DEVELOPMENT POTENTIAL (RDP)			0.73	4	0

B. Parcels Likely to be Redeveloped in Round 4

In addition to vacant properties that have a realistic development potential, the Village must also consider known projects in its RDP assessment likely to be redeveloped in the 2025-2035 Fourth Round obligation. The Legislation includes the following language (emphasis added):

Any municipality that receives an adjustment of its prospective need obligations for the fourth round or subsequent rounds based on a lack of vacant land shall as part of the process of adopting and implementing its housing element and fair share plan identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25 percent of the prospective need obligation that has been adjusted, and adopt realistic zoning that allows for such adjusted obligation, or demonstrate why the municipality is unable to do so.

As noted, South Orange Village’s Fourth Round prospective need is 163. The Realistic Development Potential is 0. While the language in the statute leaves room for at least three interpretations for how to calculate this 25% obligation, the Village’s plan significantly exceeds even the most generous interpretation of twenty-five percent of the remaining need of 163, which is 41.

Projects on parcels likely to be redeveloped between 2025-2035 are below:

BLOCK AND LOTS	PROJECT	UNITS PLANNED	SET-ASIDE / CREDITS
Block 2301 Lots 21 & 42-44	185-189 Church Street	23 Units	4 Affordable Units 2 Bonus Credits (TOD)
Block 2017 Lots 16-18	102-110 Prospect Street	46 Bedrooms	46 Bedrooms 46 Bonus Credits (Permanent Supportive Housing)
Block 2003 Lots 7-8	164-168 Valley Street	50 Units	5 Affordable Units 5 Bonus Credits (TOD)
N/A	Age-Restricted Market-to-Affordable Conversion	18 Units	18 Affordable 18 Bonus Credits (Age-Restricted)
N/A	Round 3 Surplus Credits	N/A	5 Surplus Credits
N/A	Bonus Credits	N/A	40.5 (Capped)
GRAND TOTAL = 78 affordable units + 40.5 bonus credits + 5 R3 surplus credits = 123.5 credits			

C. Conclusion

In conclusion, the preceding analysis demonstrates (1) that the Village lacks sufficient vacant, suitable land to fully address its prospective need obligation of 163 and (2) that the Village's RDP is 0, based on developable land and land likely to redevelop within the Village by 2035. Once the RDP has been met, the 123.5 affordable credits unaddressed by current and anticipated development will constitute "unmet need."

Appendix A: Computing Municipal Adjustment, Exclusions (52:27D)

Section 52:27D-310.1 – As Amended via P.L. 2024, c. 2 (amendment is underlined)

1. Any municipality that receives an adjustment of its prospective need obligations for the fourth round or subsequent rounds based on a lack of vacant land shall as part of the process of adopting and implementing its housing element and fair share plan identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25 percent of the prospective need obligation that has been adjusted, and adopt realistic zoning that allows for such adjusted obligation, or demonstrate why the municipality is unable to do so. When computing a municipal adjustment regarding available land resources as part of the determination of a municipality's fair share of affordable housing, the [Council on Affordable Housing] municipality, in filing a housing element and fair share plan pursuant to subsection f. of section 3 of P.L.2024, c.2 (C.52:27D-304.1), shall exclude from designating , and the process set forth pursuant to sections 3 of P.L.2024, c.2 (C.52:27D-304.1) and section 13 of P.L.1985, c.222 (C.52:27D-313) shall confirm was correctly excluded, as vacant land:
 - a. any land that is owned by a local government entity that as of January 1, 1997, has adopted, prior to the institution of a lawsuit seeking a builder's remedy or prior to the filing of a petition for substantive certification of a housing element and fair share plan, a resolution authorizing an execution of agreement that the land be utilized for a public purpose other than housing;
 - b. any land listed on a master plan of a municipality as being dedicated, by easement or otherwise, for purposes of conservation, park lands or open space and which is owned, leased, licensed, or in any manner operated by a county, municipality or tax-exempt, nonprofit organization including a local board of education, or by more than one municipality by joint agreement pursuant to P.L.1964, c.185 (C.40:61-35.1 et seq.), for so long as the entity maintains such ownership, lease, license, or operational control of such land;

- c. any vacant contiguous parcels of land in private ownership of a size which would accommodate fewer than five housing units [if current standards of the council were applied] based on appropriate standards pertaining to housing density;
- d. historic and architecturally important sites listed on the State Register of Historic Places or National Register of Historic Places prior to the [submission of the petition of substantive certification] date of filing a housing element and fair share plan pursuant to section 3, or initiation of an action pursuant to section 13 of P.L.1985, c.222 (C.52:27D-313);
- e. agricultural lands when the development rights to these lands have been purchased or restricted by covenant;
- f. sites designated for active recreation that are designated for recreational purposes in the municipal master plan; and
- g. environmentally sensitive lands where development is prohibited by any State or federal agency.

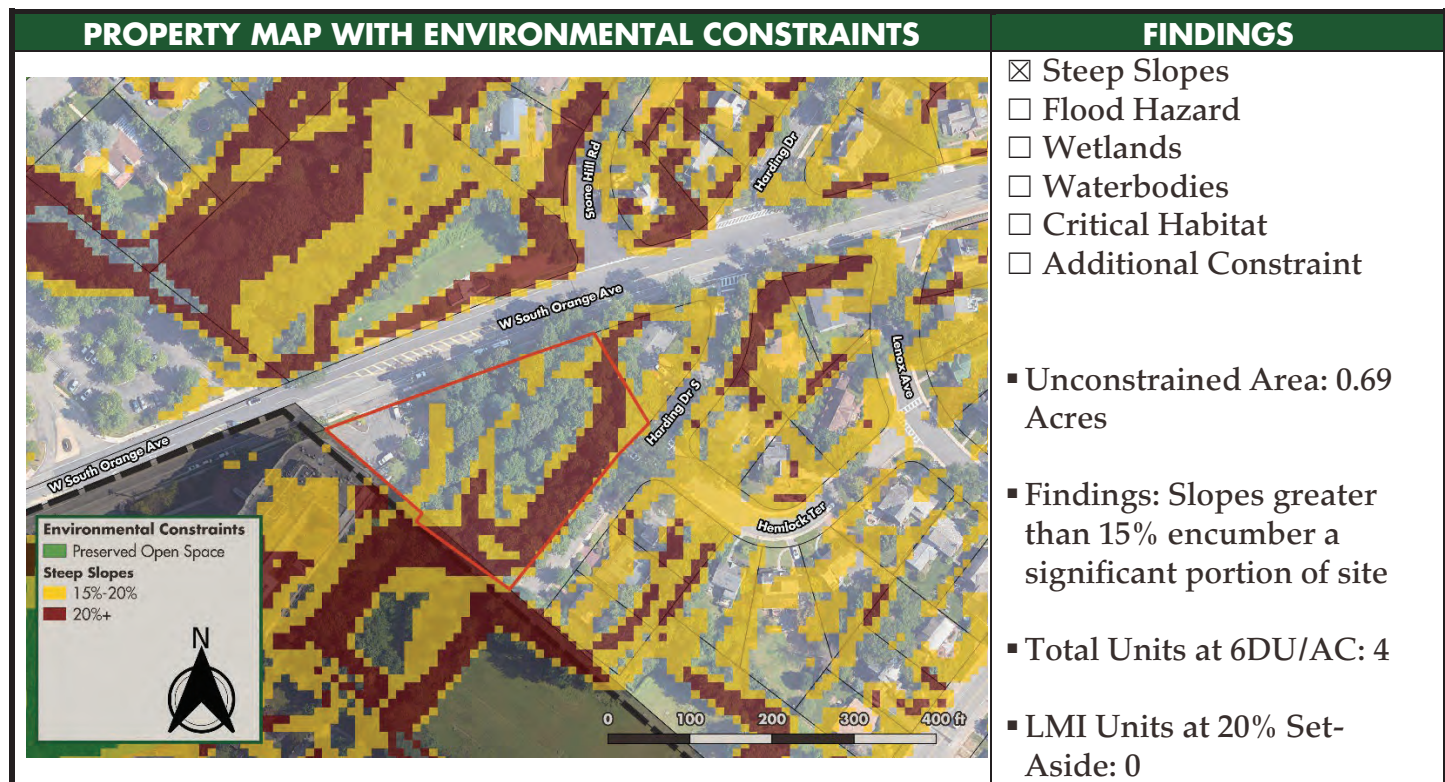
No municipality shall be required to utilize for affordable housing purposes land that is excluded from being designated as vacant land. (cf: P.L.2008, c.46, s.39)

Appendix B: Constraint Analysis Mapping

Parcels Above Presumed Density of 6DU/AC:

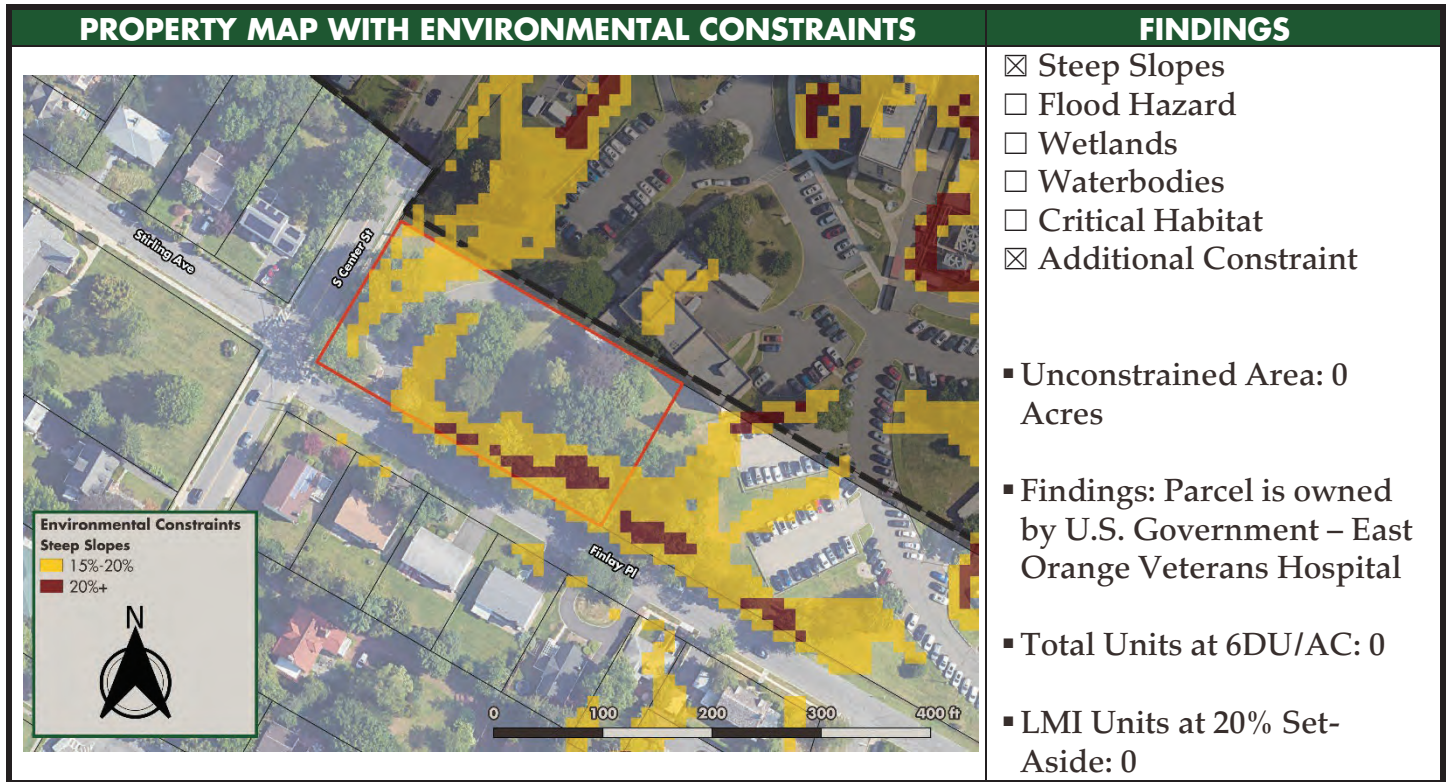
616 South Orange Avenue West

- Block and Lot(s): Block 2605, Lot 1
- Approximate Area: 1.42 Acres



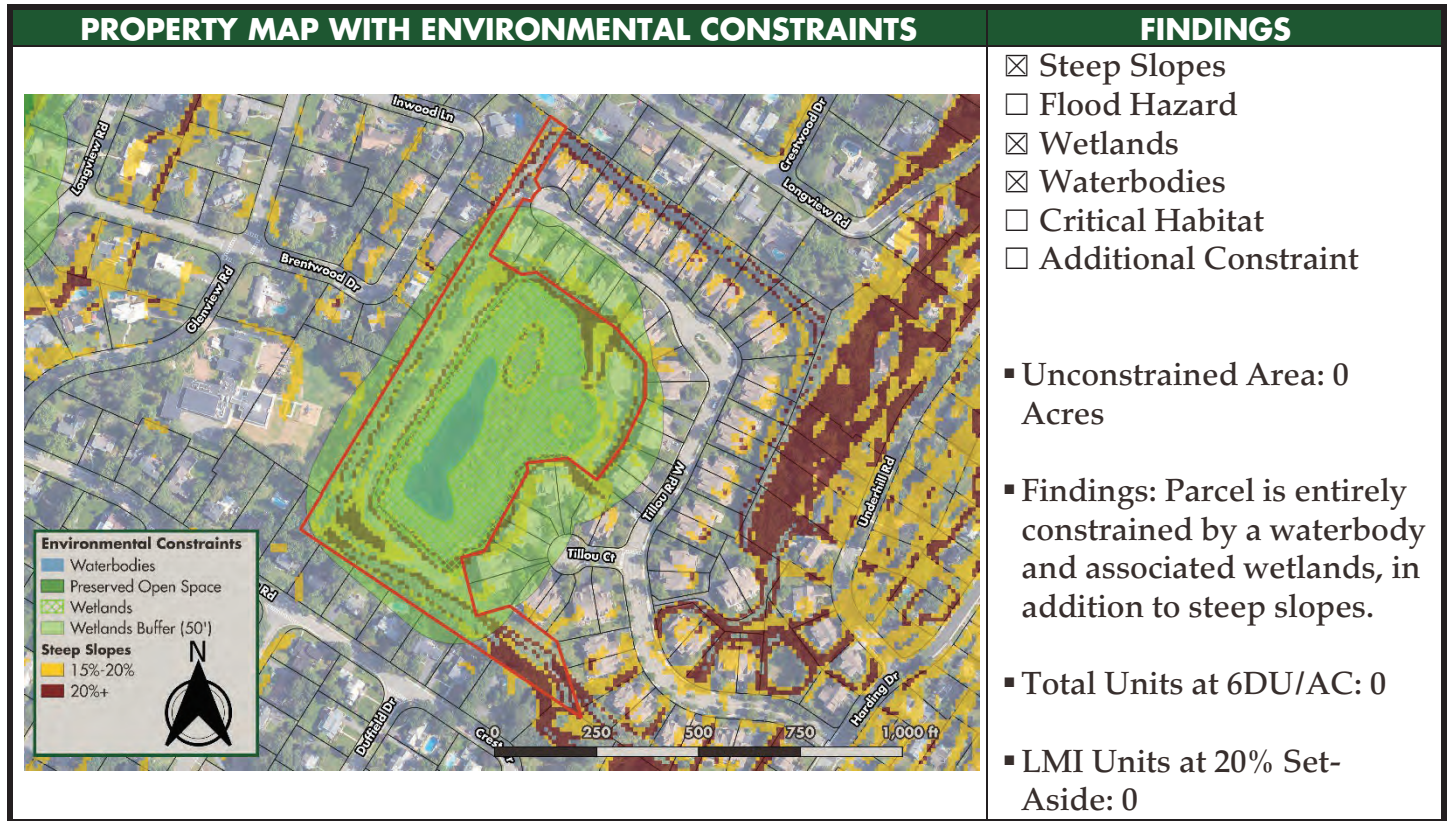
602 Centre Street

- Block and Lot(s): Block 703, Lot 1
- Approximate Area: 1.03 Acres



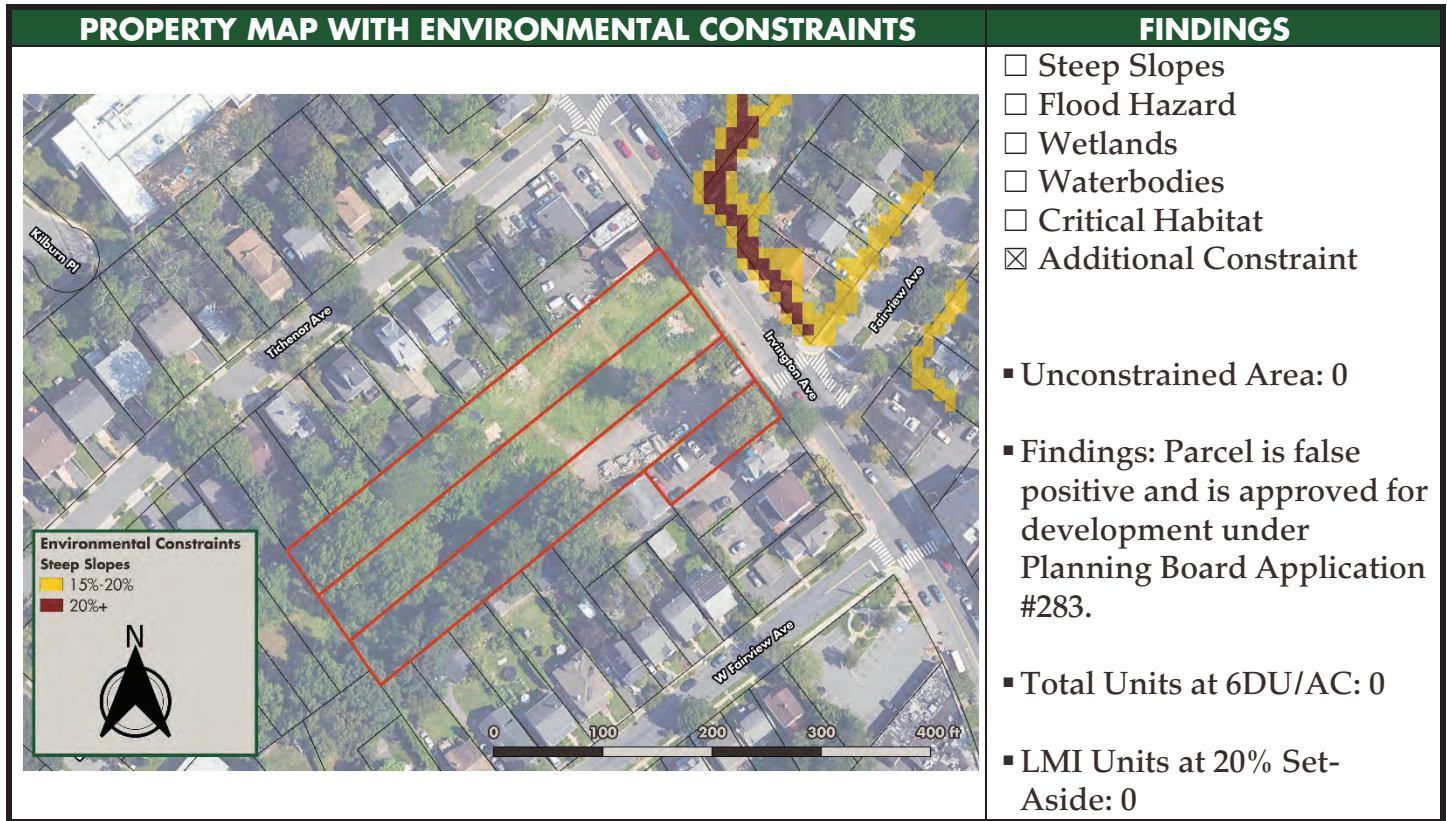
100 Tillou Road West

- Block and Lot(s): Block 1503, Lot 33.01
- Approximate Area: 1.03 Acres



602 Centre Street

- Block and Lot(s): 703 - 1
- Approximate Area: 1.03 Acres



All Vacant Parcels:

BLOCK	LOT	TAX CLASS	ADDRESS	ACRES	CONSTRAINT	UNCONSTRAINED ACRES	6 DU/AC	20% LMI SET-ASIDE
1503	33.01	1	100 TILLOU ROAD WEST	10.24	Wetlands & Buffer, Waterbody, Steep Slopes	0	0	0
2102	15-18	1	266-278 IRVINGTON AVENUE	1.64	False Positive: Planning Board Application #283 approved on November 1, 2021	0	0	0
2605	1	1	616 SO ORANGE AVENUE WEST	1.42	Steep Slopes (0.69 Acres)	0.69	4	0
703	1	15C	602 CENTRE STREET	1.03	False Positive: Owned by U.S. Government – East Orange Veterans Hospital	0	0	0
205	12	1	289 WYOMING AVENUE	0.61	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
1905	1	1	8 SECOND STREET	0.53	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
1503	33.08	1	2 TILLOU ROAD WEST	0.52	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
1102	2	1	114 IRVING AVENUE	0.40	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
508	8	1	414 CHARLTON AVENUE	0.35	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
602	27	1	395 TURRELL AVENUE	0.26	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
2301	16	15C	230A WALTON AVENUE REAR	0.23	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
307	26	1	471 RIDGEWOOD ROAD NORTH	0.23	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
307	27	1	463 RIDGEWOOD ROAD NORTH	0.23	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
503	5	1	165 HALSEY PLACE	0.22	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
1902	37	15C	SO ORANGE AVE	0.19	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
402	6	1	ROAD	0.18	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
2604	12	1	592 OVERHILL ROAD	0.18	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
1503	4	15C	630 LONGVIEW ROAD	0.17	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
704	14.01	1	619 SOUTH ORANGE AVENUE	0.17	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
503	3	1	747 BERKELEY AVENUE (16)	0.15	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
1009	30	1	331 SOUTH ORANGE AVENUE	0.14	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0

BLOCK	LOT	TAX CLASS	ADDRESS	ACRES	CONSTRAINT	UNCONSTRAINED ACRES	6 DU/AC	20% LMI SET-ASIDE
2506	9	1	431 LENOX PLACE	0.12	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
1902	22	15C	68 SO ORANGE AVENUE WEST	0.10	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
102	6	15C	674 LONGVIEW ROAD	0.10	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
401	5	1	UNKNOWN	0.09	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
2604	33	1	14 STONEHILL ROAD	0.09	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
2106	22	1	231 WARD PLACE	0.08	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
2112	18	15C	410 WILDEN PLACE	0.08	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
705	57	1	11 HOLLAND ROAD	0.07	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
160.04	10	1	2 HILLCREST AVENUE	0.07	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
161.05	6	1	HENRIETTA DRIVE	0.05	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
707	5	1	711 MARION AVENUE	0.04	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
2201	36	15C	316 VALLEY STREET	0.04	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
702	45	15C	625 HAMILTON ROAD	0.03	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
2404	23	15C	318-A WESTERN DRIVE SOUTH	0.03	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
2302	7	1	351-A VALLEY ST REAR	0.03	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
45.06	6	1	12 MOUNTAIN WAY SOUTH	0.03	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
45.01	15	1	DEVON DRIVE	0.02	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
5.03	14.01	1	429-A LENOX PLACE	0.02	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
45.06	7	1	29 DEVON DRIVE	0.02	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
602	11	1	312 SELF PLACE	0.02	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
402	15	1	525 PAGE TERRACE	0.02	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
1904	14	15C	103 SO ORANGE AVENUE WEST	0.02	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
808	9	1	77 MONTROSE STREET	0.02	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
402	14	1	515 PAGE TERRACE	0.01	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
812	6	1	12 MONTROSE STREET	0.01	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
7003	12	1	792 EAST CLARK PLACE	0.01	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0

BLOCK	LOT	TAX CLASS	ADDRESS	ACRES	CONSTRAINT	UNCONSTRAINED ACRES	6 DU/AC	20% LMI SET-ASIDE
6705	16	1	180 STIRLING AVE REAR LOT	0.01	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
4179	1	1	17 MONTROSE ST	0.01	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
4178	5	1	8 MONTROSE ST REAR	0.01	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
6902	4	1	8 KEASBY ROAD	0.00	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
16.01	1	15C	HIXON PLACE	0.00	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
4178	7	1	10 MONTROSE ST REAR	0.00	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
15.07	422	15C	21 PARKER AVE WEST	0.00	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
6705	10	1	STIRLING AVENUE	0.00	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
5501	1	15C	TREMONT AVENUE	0.00	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0
1	1.26	15C	VALLEY RD.& HILLSIDE	0.00	Under presumed density of 6DU/AC (0.83 Acres)	0	0	0