

RESOLUTION #26.82

RESOLUTION ADOPTING AN OPERATING MANUAL FOR THE BOROUGH OF PAULSBORO'S HOUSING REHABILITATION PROGRAM IN FURTHERANCE OF THE BOROUGH OF PAULSBORO'S HOUSING ELEMENT AND FAIR SHARE PLAN

WHEREAS, the New Jersey Legislature amended the State's Fair Housing Act ("Amended FHA" or "Law") pursuant to P.L. 2024, c.2, which was signed into law by the Governor on March 20, 2024; and

WHEREAS, the Amended FHA sets forth that the Fourth Round period of affordable housing obligations shall run from July 1, 2025, through June 30, 2035 ("Fourth Round" or "Round Four"); and

WHEREAS, in accordance with the New Jersey Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26-1, et seq. ("UHAC"), the Borough of Paulsboro ("Borough") is required to prepare and publish on the Borough's website an affordable housing operating manual, as required by N.J.A.C. 5:99-7.2, setting forth procedures for administering such affordability controls, including procedures for long-term control of restricted units, for enforcing the covenants set forth in the UHAC appendices, consistent with the provisions at N.J.A.C. 5:80- 26.19, and for releasing restricted units promptly at the conclusion of applicable control periods; and

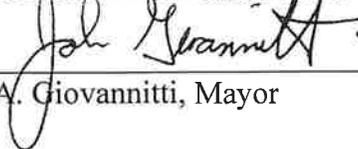
WHEREAS, the Mayor and Council of the Borough of Paulsboro ("Borough Council") has determined that the Operating Manual is designed for such purposes, and it is in the best interest of the Borough to adopt the same; and

WHEREAS, the Borough desires to adopt an Operating Manual for such purposes.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Paulsboro, County of Gloucester, that the Borough Council does hereby adopt the Operating Manual, dated February 2026, prepared by Christopher Dochney, PP, AICP, of CME Associates.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately.

BOROUGH OF PAULSBORO



John A. Giovannitti, Mayor



Elsie Tedeski, Borough Clerk

BOROUGH OF PAULSBORO

GLOUCESTER COUNTY, NEW JERSEY

HOUSING REHABILITATION PROGRAM

Operating Manual for the Administration of

Rental & For Sale Units

In Accordance with the Uniform Housing Affordability Controls, N.J.A.C. 5:93 and
N.J.A.C. 5:97

Prepared: February, 2026

Prepared by



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Adopted _____ by: _____

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL

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BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL**INTRODUCTION**

The Housing Rehabilitation Program provides funds from the Borough's Affordable Housing Trust Fund, to rehabilitate sub-standard housing within Paulsboro, which will be occupied by very-low, low-, or moderate-income households. Funding is available for either owner-occupied homes, or housing units rented to qualified households.

This Rehabilitation Program Operating Manual has been prepared to assist in the administration of the Borough of Paulsboro's Housing Rehabilitation Program. It will serve as a guide to the program's staff and applicants.

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

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

Fair Housing and Equal Housing Opportunities

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

For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1-866-405-3050 or <https://www.njoag.gov/about/divisions-and-offices/division-on-civil-rights-home/> .

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

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL**SECTION I. ELIGIBLE PARTICIPANTS****CATEGORIES OF PARTICIPANTS**

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

NOTE: Pursuant to N.J.A.C. 5:97-6.2(b)6 rental units may not be excluded from a municipal rehabilitation program. If a county administers the municipal rehabilitation program and the county program does not include rehabilitation of rental units, the municipality will need to supplement the county program with its own rehabilitation program for rental units.

INCOME LIMITS FOR PARTICIPATION

Household income is defined as the combined annual income of all family members over 18 years of age including wages, Social Security, disability insurance, unemployment insurance, pensions, dividend/interest income, alimony, etc. Each unit's total household income must fall within the State's very low, low, and moderate income limits based on family size in accordance with the most recently adopted regional income limits determined by the Affordable Housing Professionals of New Jersey (AHPNJ), for Region 5 (Burlington, Camden, and Gloucester Counties), or any successive regional income limit determination adopted by an appropriate authority.

The Program Administrator or the Administrative Agent will ensure that the most up to date regional income limits are utilized by the Borough.

PROGRAM AREA

This is a municipal-wide program. The rehabilitation property must be located in the Borough of Paulsboro.

CERTIFICATION OF SUBSTANDARD

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

1. Roof
2. Plumbing (including wells)

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

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

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL**SECTION II. AVAILABLE BENEFITS****PROGRAM FINANCING**

The average per unit rehabilitation costs shall be \$10,000¹. If a particular unit requires substantially more than \$10,000, the Borough will review and approve on a case by case basis. Rehabilitation funds through this program shall be limited to a maximum of \$25,000 for each dwelling unit.

OWNER-OCCUPIED UNITS

Eligible property owners may be eligible for an interest free loan which will be due if the property is sold and/or title/occupancy change occurs within fifteen (15) years of acceptance of funds, except for allowable conditions under loan repayment terms section below.

If the owner decides to sell the property, transfer title, or if the owner should die before the terms of the lien expire, the owner, heirs, executors or legal representatives must repay the loan. Rental of the house is allowable under certain conditions subject to approval by the Program Administrator.

Exceptions to Loan Repayment Terms above during the lien period:

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

RENTER-OCCUPIED UNITS

Eligible landlords of one to four unit buildings may be eligible for an interest free loan which will be due when title to the property is transferred. The landlords are required to

¹ As per N.J.A.C. 93 et seq, the regulatory minimum average for rehabilitation program costs is \$10,000.00 per unit. The Borough reserves the right to satisfy this standard with any average amount exceeding \$10,000.00.

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provide at least 50% of the total construction costs needed for each unit to meet the New Jersey State Housing Code, N.J.A.C. 5:28 and each unit must meet the major system repair or replacement requirement. At the time the application is submitted, owners must submit proof of their share through bank statements, credit lines, etc. Title searches and property appraisals will be required to determine if there is sufficient equity in the property to cover to cost of the loan. The landlords will be expected to pay for the costs of the title searches and provide up to date property appraisals. In addition to the interest free, deferred payment loan, a fifteen-year deed restriction, attached to the mortgage and note, will be used to control the contract rent and ongoing tenant eligibility on rental units that receive assistance. The loan will be due upon transfer of title to the property; however, the deed restrictions shall remain in effect for ten years from the date the units are certified as standard. There are no monthly payments. The deed restriction will be recorded in the county deed book.

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

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

SUBORDINATION

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

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL**SECTION III. ELIGIBLE PROPERTY IMPROVEMENTS****ELIGIBLE IMPROVEMENTS**

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

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

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

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

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

INELIGIBLE IMPROVEMENTS

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

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shed, barn, etc.), furnishings, pools, and landscaping. If determined unsafe, stoves may be replaced. The replacement or repair of other appliances is prohibited. Rehabilitation work performed by property owners shall not be funded under this program.

REHABILITATION STANDARDS

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

CERTIFICATION OF STANDARD

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

EMERGENCY REPAIRS

A situation relating to a safety and/or health hazard for the occupants would constitute an emergency. A municipal inspector will confirm the need for such work. In emergency cases, the formal solicitation process will not be followed. A minimum of three (3) estimates will be obtained when possible for the "emergency" work. However, eligibility, as stated in Section I, subsection B, must be determined prior to soliciting estimates. Application for additional non-emergency work may be made in accordance with the procedures outlined in this Operating Manual. The funding for the emergency work and any additional rehabilitation may not exceed the program financing provisions in Section II.

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL**SECTION IV. OVERVIEW OF ADMINISTRATIVE PROCEDURES****APPLICATION/INTERVIEW**

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

Borough of Paulsboro Municipal Building
1211 North Delaware Street
Paulsboro, New Jersey 08066
Phone: (856)-423-1500

Upon request, Borough staff, or the Administrative Agent will mail a preliminary application to an interested property owner. If after the program staff reviews a preliminary application an owner-occupant appears to be income eligible, an interview will be arranged with the applicant for a formal application to the program. At the time of the interview, the applicant must present required documentation. Applicants for rental rehabilitation funding must provide a list of tenants and the rents paid by each. The program staff will contact the tenants to provide evidence of income eligibility of the occupants of the units.

Applications will be processed in the order of receipt. Only emergency situations shall be handled out of the order of receipt.

INCOME ELIGIBILITY AND PROGRAM CERTIFICATION

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

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

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

If after review of the income documentation submitted by the applicant's tenants, the tenant is determined to be ineligible, the applicant will receive a letter delineating the reasons for the determination of ineligibility. An applicant may be determined ineligible if the each tenants' income exceeds the most recently adopted regional income limits determined by the Affordable Housing Professionals of New Jersey (AHPNJ), for Region 5 (Burlington, Camden, and Gloucester Counties), or any successive regional income limit determination adopted by an appropriate authority

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

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

HOUSING INSPECTION/SUBSTANDARD CERTIFICATION

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

INELIGIBLE PROPERTIES

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

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

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

If after review the property is determined to be eligible, the inspector will then certify that the dwelling is substandard by completing and signing the Certificate of Sub-Standard Form and submitting this to the program staff.

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

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

CONTRACTOR BIDDING NEGOTIATIONS

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

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

CONTRACT SIGNING/PRE-CONSTRUCTION CONFERENCE

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

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

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the date of the conference and be totally completed within ninety (90) days from the start of work, will be issued to each contractor at this Conference.

PROGRESS INSPECTIONS

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

CHANGE ORDERS

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

PAYMENT SCHEDULE

The contract will permit three progress payments if the project costs less than \$20,000 or up to four progress payments if the project costs more than \$20,000, with the first payment of \$10,000 and the remaining payments to be divided equally. First payment is made when the project is one-quarter completed. Fourth and final payment upon completion.

The contractor will submit a payment request. The applicant will sign a payment approval if both the applicant and housing / building inspector are satisfied with the work performed. The municipality will then release the payment. Final payment will be released once all final inspections are made, a Certificate of Occupancy is issued (if applicable) and the program staff receives a Property Owner Sign-off letter. The contractor's performance bond will be released within a minimum of three months after the final payment is made to the contractor.

APPEAL PROCESS

If an applicant does not approve a payment that the housing/building inspector has approved, the disputed payment will be appealed to the Land Use Board for a hearing. The Land Use Board will decide if the payment shall be released to the contractor or the contractor must complete additional work or correct work completed before the release of the payment. The Land Use Board's decision will be binding on both the applicant and the contractor.

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FINAL INSPECTION

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

RECORD RESTRICTED COVENANT AND MORTGAGE DOCUMENTATION

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

FILE CLOSING

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

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL**SECTION V. PROCEDURE FOR INCOME-ELIGIBILITY CERTIFICATION****COMPLETE A HOUSEHOLD ELIGIBILITY DETERMINATION FORM**

The program staff shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify their income, pursuant to the Uniform Housing Affordability Controls at N.J.A.C. 5:80-16.1 et seq. (except for the asset test).² Income verification documentation should include, but is not limited to the following for each and every member of a household who is 18 years of age or older:

- Four current consecutive pay stubs (including both the check and the stub), including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.
- Copies of Federal and State income tax returns for each of the preceding three tax years - A Form 1040 Tax Summary for the past three tax years can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.
- A letter or appropriate reporting form verifying monthly benefits such as:
 - Social Security or SSI – Current award letter or computer print-out letter
 - Unemployment – verification of Unemployment Benefits
 - Welfare -TANF³ current award letter
 - Disability - Worker’s compensation letter or
 - Pension income (monthly or annually) – a pension letter
- A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support – copy of court order or recent original letters from the court or education scholarship/stipends – current award letter.
- Current reports of savings and checking accounts (bank statements and passbooks) and income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds (In brokerage accounts – most recent statements and/or in certificate form – photocopy of certificates).

² Asset Test – N.J.A.C. 5:80-26.16(b)3 which provides that if an applicant household owns a primary residence with no mortgage on the property valued at or above the regional asset limit as published annually by the most recently adopted regional income limits determined by the Affordable Housing Professionals of New Jersey (AHPNJ), for Region 5 (Burlington, Camden, and Gloucester Counties), or any successive regional income limit determination adopted by an appropriate authority, a certificate of eligibility shall be denied by the administrative agent, unless the applicant’s existing monthly housing costs ...exceed 38 percent of the household’s eligible monthly income.

³ TANF – Temporary Assistance for Needy Families

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

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

Income

1. Wages, salaries, tips, commissions
2. Alimony
3. Regularly scheduled overtime
4. Pensions
5. Social security
6. Unemployment compensation (verify the remaining number of weeks they are eligible to receive)
7. TANF
8. Verified regular child support
9. Disability
10. Net income from business or real estate
11. Interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds
12. Imputed interest (using a current average annual rate of four percent) from non-income producing assets, such as equity in real estate. Rent from real estate is considered income, after deduction of any mortgage payments, real estate taxes, property owner's insurance.
13. Rent from real estate is considered income
14. Any other forms of regular income reported to the Internal Revenue Service

Not Income

1. Rebates or credits received under low-income energy assistance programs
2. Food stamps
3. Payments received for foster care
4. Relocation assistance benefits

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5. Income of live-in attendants
6. Scholarships
7. Student loans
8. Personal property such as automobiles
9. Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements
10. Part-time income of dependents enrolled as full-time students
11. Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income

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

Student Income

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

Income from Real Estate

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

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

RECORDS DOCUMENTING HOUSEHOLD COMPOSITION AND CIRCUMSTANCES

The following are various records for documenting household information:

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

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Program staff will certify the income eligibility of low- and moderate-income households by completing the application form. The applicant shall be provided with the original and the Program staff shall keep a copy in the project files.

APPEALS

Appeals from all decisions of an Administrative Agent shall be made in writing to the New Jersey Housing and Mortgage Finance Agency (NJHMFA). HMFA shall have 15 days to render a written decision of an appeal, which shall be considered to be final.

Director of Programs
NJ Housing and Mortgage Finance Agency
637 S. Clinton Ave
Trenton, NJ 08611

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL**SECTION VI. CONTRACTOR RELATED PROCEDURES****CONTRACTOR SELECTION**

Contractors must apply to the program staff to be placed on the pre-approved contractors list. Contractors seeking inclusion on the list must submit references from at least three recent general contracting jobs. Contractors also must submit documentation proving financial stability and the ability to obtain performance bonds, as performance bonds will be required on every rehabilitation project. If it is ever necessary for the Borough or Administrative Agent to access the performance bond in order to complete a project, the contractor will be removed from the pre-approved contractors list. Contractors must carry workmen's compensation coverage and liability insurance of at least \$100,000/\$300,000 for bodily injury or death and \$50,000 for property damage. Only licensed tradesmen will be permitted to perform specialty work such as plumbing, heating and electrical.

NUMBER OF PROPOSALS REQUIRED

The property owner will select a minimum of three general contractors from a list of pre-approved contractors. Property owners may not select contractors who do not appear on the list.⁴ The approved work write-up will be submitted to the selected contractors by the program staff. Contractors must visit the property and submit bids within 14 days. The contract will be awarded to the lowest bidder⁵, provided that the housing/building inspector or the professional who drafted the work write-up certify that the work can be completed at the price bid and that the bid is reasonably close to the cost estimate. Bids must fall within 10 percent of the cost estimate.

CONTRACTOR REQUIREMENTS

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

⁴ The program may permit a property owner to seek proposals from non-program participating contractors. However, the municipality must pre-approve the contractor prior to submitting a bid.

⁵ If the property owner wishes to use a contractor other than the lowest responsible bidder, the property owner shall pay the difference between the lowest bid price and the bid price of the selected contractor.

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SECTION VII. MAINTENANCE OF RECORDS

FILES TO BE MAINTAINED ON EVERY APPLICANT

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

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

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

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

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

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

Individual files will be maintained throughout the process.

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL**REHABILITATION LOG**

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

MONITORING

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

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

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SECTION VIII. PROGRAM MARKETING

The Borough will conduct a public meeting announcing the implementation of the Housing Rehabilitation Program. For the term of the program, the municipality will include flyers once a year with the tax bills, water bills or other regular municipal mailing to all property owners. Program information will be available at the Borough municipal building, library, and other municipal public facilities as well as on the Borough website.

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

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL**SECTION IX. RENTAL PROCEDURES**

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

FAIR HOUSING AND EQUAL HOUSING OPPORTUNITIES

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

For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1-866-405-3050 or <https://www.njoag.gov/about/divisions-and-offices/division-on-civil-rights-home/>

OVERVIEW OF THE AFFORDABLE HOUSING ADMINISTRATION PROCESS FOR RENTAL UNITS

- The Municipal Housing Liaison serves as an initial point of contact for unsolicited calls to the Borough about affordable housing and to appropriately direct applicants to the Administrative Agent as necessary.
- The Administrative Agent implements the Borough's adopted Affirmative Marketing Plan.
- The Administrative Agent serves as the initial point of contact for all inquiries generated by the affirmative marketing efforts and sends out pre-applications to interested callers.
- The Administrative Agent will accept these returned pre-applications for a specific period of time, for example, 30 to 90 days. At the end of this time period these applications will be randomly selected, through a lottery, to create a pool of applicants.
- The Administrative Agent pre-qualifies applicants in the applicant pool for income eligibility and sends either a rejection letter to those over income or a preliminary approval letter to those who appear income-eligible.
- When a unit becomes available, the Administrative Agent will interview the applicant households and proceed with the income qualification process.
- The Administrative Agent must notify applicant households in writing of certification or denial within 20 days of the determination.
- Once certified, households are further screened to match household size to bedroom size.

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

ROLES AND RESPONSIBILITIES

Responsibilities of the Municipal Housing Liaison

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

- **Monitor the status of all restricted units in the Municipality's Fair Share Plan.** Regardless of any arrangements the municipality may have with one or more Administrative Agents, it is the Municipal Housing Liaison's responsibility to know the status of all restricted units in their community.
- **Serve as the municipality's primary point of contact for all inquiries from the State, Administrative Agents, developers, affordable housing sponsors, owners, property managers, and interested households.** The Municipal Housing Liaison serves as the municipality's primary point of contact on affordable housing issues. Interested applicants should be provided with information on the types of affordable units within the municipality and, where applicable, the name of the Administrative Agent that manages the units and the contact information for the Administrative Agent.
- **Compile, verify and submit annual reporting.** Administrative Agents are responsible for collecting much of the data that is ultimately included in an annual monitoring report. However, it is the Municipal Housing Liaison's responsibility to collect and verify this data and consolidate it into the annual report. Any requests from the court, or any other agency having jurisdiction over Fair Housing Act compliance, for additional information or corrections will be directed to the Municipal Housing Liaison.
- **Provide Administrative Services, unless those services are contracted out.** The responsibilities for providing administrative services are described in the next Section under, **Responsibilities of an Administrative Agent**.

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Responsibilities of an Administrative Agent

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

- **Secure written acknowledgement.** All owners must acknowledge in writing that no restricted unit can be offered or in any other way committed to any person other than a household duly certified by the Administrative Agent.
- **Create and adhere to an Operating Manual.** Administrative Agents are required to follow the policies and procedures of an Operating Manual, as applicable to the scope of services they have been contracted to perform.
- **Implement the municipality’s Affirmative Marketing Plan.** The Administrative Agent is responsible for implementing the Affirmative Marketing Plan adopted by the Borough. At the first meeting with the Municipal Housing Liaison, Administrative Agent, and the developer, affordable housing sponsor or owner this responsibility should be discussed. Advertising costs may also be delegated to the developer, but this must be established by ordinance and a condition of approval of the Planning Board or Zoning Board.
- **Accept applications from interested households.** In response to marketing initiatives or by referral from the Municipal Housing Liaison, interested households will contact the Administrative Agent. The Administrative Agent will supply applicants with applications, provide additional information on available units and accept completed applications.
- **Conduct random selection of applicants for rental of restricted units.** The Administrative Agent is responsible for conducting the random selection in accordance with the Affirmative Marketing Plan and any related local ordinances, and as described in the Operating Manual.
- **Create and maintain a pool of applicant households.** This includes reaching out to households in the applicant pool to determine continued interest and/or changes in household size and income.
- **Determine eligibility of households.** The task of collecting application materials and documentation from applicant households and analyzing it for eligibility is the responsibility of an Administrative Agent. A written determination on a household’s eligibility must be provided within twenty (20) days of the Agent’s determination of eligibility or non-eligibility. Whether or not the household is determined to be eligible for a unit, it is an Administrative Agent’s responsibility to secure all information provided by the household in individual files and to maintain strict confidentiality of all information regarding that household. An Administrative Agent is required to ensure that all certified applicants execute a certificate acknowledging the rights and requirements of renting an affordable unit, in the form of Appendix K of UHAC.
- **Establish and maintain effective communication with property managers and landlords.** Property managers and landlords of restricted units should be instructed and regularly reminded that the Administrative Agent is their primary point of

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL

contact. The Administrative Agent must immediately inform all property managers and landlords of any changes to the Administrative Agent's contact information or business hours. Property managers and landlords shall immediately contact the Administrative Agent:

- Upon learning that an affordable rental unit will be vacated.
- For review and approval of annual rental increases.
- **Provide annual notification of maximum rents.** Each year when low- and moderate-income regional limits are published by the Affordable Housing Professionals of New Jersey (AHPNJ), for Region 5 (Burlington, Camden, and Gloucester Counties), or any successive regional income limit determination adopted by an appropriate authority, rental households must be notified of the new maximum rent that may be charged for their unit. The Administrative Agent's contact information must be included on such notification in case the tenant is being overcharged.
- **Serve as the custodian of all legal documents.** An Administrative Agent is responsible for maintaining original of all legal instruments for the units in their portfolio. Throughout the duration of a control period, an Administrative Agent must maintain a file containing its affordability control documents. This includes, but is not limited to, the recorded Declarations of Covenants, Conditions and Restrictions, Deed Restrictions, Deeds, Repayment Mortgages, Repayment Mortgage Notes, Leases and Rental Certifications.
- **Serve as point of contact on all matters relating to affordability controls.** It is recommended that the Administrative Agent develop a system to be notified by lenders when a unit is at risk of foreclosure. In the event of a foreclosure, the Administrative Agent should work with the foreclosing institution to ensure that the affordability controls are maintained. The Administrative Agent should seek the counsel of the municipality's attorney on legal matters that threaten the durability of the affordability controls.
- **Provide annual activity reports to Municipal Housing Liaison for use in the annual monitoring report.** An Administrative Agent is responsible for collecting the reporting data on each unit in their portfolio.
- **Maintain and distribute information on HUD-approved Housing Counseling Programs.**

Responsibilities of the Municipal Attorney

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

Responsibilities of Owners of Rental Units

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

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL

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

Responsibilities of Landlords and Property Managers

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

AFFIRMATIVE MARKETING

Overview of the Requirements of an Affirmative Marketing Plan

All affordable units are required to be affirmatively marketed using Borough of Paulsboro's Affirmative Marketing Plan. The Borough of Paulsboro's Affirmative Marketing Plan can be found under separate cover on file at the Borough Municipal Building or with the Administrative Agent.

Implementation of the Affirmative Marketing Plan

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

Initial Randomization

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

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

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

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

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

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

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

For future re-rentals or the Administrative Agent will keep the applicant pool open after the initial lottery and add names to the existing list based on time and date of submission. This procedure may only be followed if the Administrative Agent engages in ongoing monthly affirmative marketing efforts according to the approved Affirmative Marketing Plan to ensure outreach to the housing region.

Randomization after Certification

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

After advertising is implemented, applications are accepted for 60 days.

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

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

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

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

After the lottery is conducted, the first household selected is given twenty (20) days to express interest or disinterest in the unit. (If the first household is not interested in the unit, this process continues until a certified household selects the unit.)

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL

Applications are accepted on an ongoing basis, certified households are added to the pool for the appropriate household income and size categories, and advertising and outreach is ongoing, according to the Affirmative Marketing Plan.

Matching Households to Available Units

In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to implement the following policies:

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

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

Maximum Monthly Payments

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

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

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

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL

- The household documents proposed third party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the Owner of the unit; and
- The household receives budget counseling.

Housing Counseling

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

The Applicant Interview

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

- Confirm and update all information provided on the application.
- Explain program requirements, procedures used to verify information, and penalties for providing false information. Ask the head of household, co-head, spouse and household members over age 18 to sign the Authorization for Release of Information forms and other verification requests.
- Review the applicant's identification and financial information and documentation, ask any questions to clarify information on the application, and obtain any additional information needed to verify the household's income.
- Make sure the applicant has reported all sources for earned and benefit income and assets (including assets disposed of for less than fair market value in the past two years). Require the applicant to give a written certification as to whether any household member did or did not dispose of any assets for less than fair market value during the past two years.

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL***Determining Affordable Rents***

To determine the initial rents the Administrative Agent uses the COAH calculators located at <http://www.hudser.org/portal/datasets/il.html>.

Pricing by Household Size

Initial rents are based on targeted “model” household sizes for each size home as determined by the number of bedrooms. Initial rents must adhere to the following rules. These maximum sales prices and rents are based on the Annual Regional Income Limits Chart as published by AHPNJ, or any other agency having such jurisdiction, at the time of occupancy:

- 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.

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

The above rules are only to be used for setting initial rents. They are not guidelines for matching household sizes with unit sizes. The pricing of age-restricted units may not exceed affordability based on a two-and a half person household.

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL***Split Between Low- and Moderate-income Rental Units***

At least 50 percent (of the affordable units within each bedroom distribution (unit size) must be low-income units and at least 13 percent of the affordable units within each bedroom distribution must be affordable to households earning no more than 30 percent of the regional median income. The remainder of the affordable units must be affordable to moderate-income households.

Affordability Average

The average rent for all affordable units cannot exceed 52 percent of the regional median income. At least one rent for each bedroom type must be offered for very low income, low-income and moderate-income units. Calculation of the affordability average is available on DCA's website.

Maximum Rent

The maximum rent of restricted rental units within each affordable development shall be affordable to households earning no more than 60 percent of the regional median income.

Determining Rent Increases

Annual rent increases are permitted in affordable units. Rent increases are permitted at the anniversary of tenancy according to the most recently adopted regional income limits determined by the Affordable Housing Professionals of New Jersey (AHPNJ), for Region 5 (Burlington, Camden, and Gloucester Counties), or any successive regional income limit determination adopted by an appropriate authority. These increases must be filed & 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. The maximum allowable rent would be calculated by starting with the rent schedule approved as part of initial lease-up of the development, and calculating the annual approved increase from the initial lease-up year to the present. Rents may not be increased more than once a year, may not be increased by more than one approved increment at a time, and may not be increased at the time of new occupancy if this occurs less than one year from the last rental. No additional fees may be added to the approved rent without the express written approval of the Administrative Agent.

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Rehabilitation Program Audit Checklist

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

BOROUGH OF PAULSBORO – REHABILITATION PROGRAM MANUAL

Rehabilitation Program Audit Checklist for Rental Units

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