

# **FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN**

Township of Hope  
Warren County, New Jersey

May 2025

Adopted by the Land Use Board on June 17,  
2025

Prepared By:



**Heyer, Gruel & Associates**  
Community Planning Consultants  
236 Broad Street, Red Bank, NJ 07701  
(732) 741-2900

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The original of this report was signed and  
sealed in accordance with N.J.S.A. 45:14A-12

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## **EXECUTIVE SUMMARY**

The following Fourth Round Housing Element and Fair Share Plan has been prepared for the Township of Hope in the County of Warren in accordance with the Fair Housing Act as most recently amended (P.L.2024, c.2).

Hope Township is an 18.29 square mile community located in northwest New Jersey, within the northern half of Warren County. The Township shares municipal boundaries with Blairstown Township and Frelinghuysen Township to the north, Knowlton Township to the west, White Township and Liberty Township to the south, and Independence Township to the east. Primary roadways, including Interstate Highway 80, and Warren County Routes 611, 609, 521, and 519, run through the Township.

The Township can be characterized as a rural municipality and, according to the State Development and Redevelopment Plan (SDRP), is located in a handful of Planning Areas, including: Rural Planning Area 4; Rural Environmentally Sensitive Planning Area 4b; and Environmentally Sensitive Planning Area 5. Further, it is located within the Highlands Region Preservation and Planning Areas.

According to the 2020 Census, Hope Township's population was 1,835, which represents a decrease of 6% from 2010. In 2020, the Township's median age was 49.5 years, representing a 9.5% increase from the median age of 45.2 years in 2010. The Township's average household size in 2023 was 2.41 persons, which was the same as the average at the County level.

The housing stock of the Township is predominantly single-family detached dwelling units. Approximately 50% of the housing stock was built prior to 1970, making these dwellings older than fifty years. According to the guidelines originally established by COAH, the Township is located in Housing Region 2, a region that consists of Essex, Morris, Union, and Warren counties. Based on the 2025 Regional Income Limits (released by Affordable Housing Professionals of New Jersey on May 5, 2025), the median income in Region 2 for a four-person household is \$135,300, the moderate-income is \$108,240, the low-income is \$67,650, and the very-low-income level is \$40,590.

Affordable housing obligations in New Jersey are divided into "housing rounds," as will be discussed in detail later in this Plan. Each municipality in New Jersey has a constitutional obligation to provide their fair share of the calculated regional need for affordable housing within the respective housing round. These obligations to construct new affordable housing are known as the "Prospective Need" obligation. Municipalities also have an obligation to rehabilitate units that are deemed substandard, pursuant to the criteria of the Fair Housing Act. This obligation is known as the Present Need, or Rehabilitation Share. The housings rounds are as follows: Prior Round (1987-1999), Third Round (1999-2025), and Fourth Round (2025-2035).

The Township of Hope has participated in each of the three housing rounds. In the Third Round, the Township entered into a Settlement Agreement with Fair Share Housing Center to establish the municipality's Third Round affordable housing obligation. The subsequent compliance efforts were approved by the Court in multiple Judgements of Compliance and Repose, the final JOR being dated September 30, 2022, confirming the Township satisfied its Third Round obligations.

The Township was able to fully meet its Prior Round and Third Round obligations through durational adjustments.

The Township has a Fourth Round obligation as follows:

Rehabilitation Share: 0

Prospective Need: 31

The 31-unit Fourth Round Prospective Need obligation will be addressed through a durational adjustment due to the lack of water and sewerage infrastructure in the Township.

## INTRODUCTION

The need to provide a realistic opportunity for the construction of affordable housing in New Jersey, the country's most densely populated state, has been recognized for decades. In the case of Southern Burlington County NAACP v. the Township of Mount Laurel 67 N.J. 151 (1975), (commonly known as Mount Laurel I), the New Jersey Supreme Court established the doctrine that developing municipalities in New Jersey have a constitutional obligation to create a realistic opportunity for their fair share of low and moderate income housing.

In Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158, 456 A.2d 390 (1983), decided on January 20, 1983 (commonly known as Mount Laurel II), the Supreme Court responded to the response of municipalities to Mount Laurel II. The builder's remedy created a mechanism for developers to sue non-compliant municipalities and force them to comply. Mount Laurel II also created the Judgment of Repose to incentivize municipalities to comply. A Judgment of Repose protected municipalities from potential lawsuits and those who would claim entitlement to a builder's remedy or other relief based upon the claim that the municipality was noncompliant.

In the wake of Mount Laurel II, developers sued municipalities seeking builder's remedies. The wave of builder's remedy lawsuits created the impetus for legislation to protect municipalities from builder's remedies. A decision by Judge Serpentelli, one of three judges appointed by Chief Justice Wilentz to implement Mount Laurel II, increased the need for a legislative cure. More specifically, in 1984, Judge Serpentelli issued the "AMG decision" (AMG Realty Co. v. Warren Twp), which established a formula for any developer to determine the fair share obligation of any municipality.

The pressure of builder's remedy suits, combined with the ease in determining the fair share of any municipality through the AMG formula, culminated in the enactment of the New Jersey Fair Housing Act in 1985. The Fair Housing Act (FHA) is found at N.J.S.A. 52:270-301, et seq. The FHA established the Council on Affordable Housing (COAH) as an administrative alternative to builder's remedy lawsuits and the concomitant jurisdiction of the courts. COAH was given the responsibility of dividing the state into housing regions, determining regional and municipal fair share affordable housing obligations, and adopting regulations that would establish the guidelines and approaches that municipalities may use in addressing their affordable housing need.

In 2008, the Legislature amended the FHA to add requirements for very low-income housing. Very low-income households are those in which the gross household income is 30% or less than the region's median household income. Low-income households are those with incomes no greater than 50% of the region's median household income. Moderate-income households are those with incomes no greater than 80% and no less than 50% of the region's median household income. Each is adjusted for household size and is in relation to the median gross income of the housing region in which the municipality is located.

### FIRST AND SECOND ROUNDS

The First and Second Rounds under COAH are collectively referred to as the "Prior Round." The Prior Round obligation is the cumulative 1987-1999 fair share obligation. The First Round consists of the six-year period between 1987 and 1993 for which COAH first established a formula for determining municipal affordable housing obligations (N.J.A.C. 5:92-1 *et seq.*). Then in 1994, COAH established amended regulations (N.J.A.C. 5:93-1.1 *et seq.*) and produced additional municipal affordable housing obligations for the years 1993 to 1999. This second round of obligations is known as the Second Round. When COAH adopted regulations for Round 2, it made the Round 1 and 2 obligations cumulative for both periods.

### THIRD ROUND

Housing rounds were originally established by the Fair Housing Act as six-year periods, but in 2001 the Legislature extended the rounds to 10-year periods. This should have meant that the Third Round ran from 1999 to 2009. However, COAH didn't establish new rules for the Third Round until the end of 2004 (N.J.A.C. 5:94-1 and 95-1 *et seq.*). The Third Round time period was therefore extended to 2014. The Third Round rules established a new method for calculating a municipality's affordable housing obligation, known as "growth share." This method required municipalities to project future residential and non-residential development, and then derive their obligation from that growth.

After the New Jersey Appellate Court invalidated several components of the Third Round rules, COAH released revised rules in 2008. The Third Round was once again extended to 2018 to provide municipalities with the time to apply the amended rules and establish mechanisms to meet their obligations. The revised

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Third Round rules, like the initial Third Round rules, established the obligations based on a growth share approach.

On October 8, 2010, in response to numerous legal challenges to the second iteration of COAH's Third Round regulations, the Appellate Divisions ruled that COAH could not allocate obligations through a "growth share" formula and directed COAH to use similar methods to those used in the First and Second Rounds. COAH proposed Third Round regulations a third time in 2014 using a formula similar to the ones it had used in the first and second rounds. However, when COAH met to consider adopting these rules on October 20, 2014, it deadlocked.

On March 10, 2015, the New Jersey Supreme Court decided In re Adoption of N.J.A.C. 5:96 & 5:97 by the N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (Mount Laurel IV), wherein it responded to COAH's failure to adopt defensible rules for Round 3. This decision changed the landscape by which municipalities are required to comply with their constitutional obligation to provide their fair share of affordable housing. The Supreme Court held that since COAH was no longer functioning, trial courts were to resume their role as the forum of first instance for evaluating municipal compliance with Mount Laurel obligations, and also established a transitional process for municipalities to seek temporary immunity and ultimately a Judgment of Compliance and Repose ("JOR") from a Court, which was the "judicial equivalent" of Substantive Certification from COAH.

On January 18, 2017, the Supreme Court decided In Re Declaratory Judgment Actions Filed by Various Municipalities, County of Ocean, Pursuant To The Supreme Court's Decision In In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) ("Mount Laurel V"), which held that need having accrued during the Gap Period (1999-2015) was part of the Present Need, not Prospective Need. The Supreme Court held that there is an obligation with respect to that period for households that came into existence during that gap that are eligible for affordable housing, that are presently (as of 2015) in need of affordable housing, and that are not already counted in the traditional present need.

As the methodology and obligations from the Gap and Prospective Need had not been fully adjudicated at that time, various trial judges issued opinions on the appropriate methodology and 354 municipalities reportedly settled with Fair Share Housing Center wherein they negotiated the obligations for Round 3.

Municipal obligations were therefore broken down in Round Three Housing Element and Fair Share Plans as Present Need/Rehabilitation, Prior Round (1987-1999), and Third Round and Gap Period (1999-2015). Municipalities that received their Final Judgement of Compliance and Repose were guaranteed immunity from builders' remedy lawsuits through the end of the Third Round, June 30, 2025.

#### FOURTH ROUND

On March 18, 2024, the affordable housing legislation known jointly as Senate Bill S50 and Assembly Bill A4 passed both houses of the legislature. Governor Murphy signed the bill (P.L.2024, c.2) into law on March

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20, 2024, establishing a new methodology for determining municipalities' affordable housing obligations for the Fourth Round and beyond. The new legislation, which comprehensively amends the FHA, overhauled the process that municipalities undertake to establish and plan for their constitutionally mandated affordable housing obligation. Most notably, this legislation formally abolished COAH while transferring its functions to the New Jersey Department of Community Affairs (DCA) and Housing Mortgage and Finance Agency (HMFA). As a result, the legislation codified the method for calculating regional and municipal affordable housing needs and returned most of the process from the Courts to state administrative departments.

The amended FHA called on the DCA to issue a non-binding report on the new Present Need Obligation (commonly referred to as the rehab obligation) and the Prospective Need for Round 4 and subsequent rounds. The amended FHA requires the DCA to base its analysis of the obligations for each municipality based upon the standards set forth in the amended FHA. Accordingly, on October 18, 2024 the DCA released a report outlining the Fourth Round (2025-2035) Fair Share methodology and its calculations of low- and moderate-income obligations for each of the State's municipalities. The amended FHA gave municipalities until January 31, 2025, to review the obligation reported by the DCA and perform their own analysis of their obligation based on the methodology in the legislation and previously established by the Courts. If any municipality wished to commit to an obligation different from the one reported by the DCA, the amended FHA required the municipality to adopt a resolution by January 31, 2025, committing to the number that it contended was the appropriate obligation. If a municipality wished to commit to the numbers that the DCA reported, the amended FHA required the municipality to adopt a resolution committing to the DCA numbers.

The amended FHA required any municipality that wished to participate in the new process that the Act created to file a declaratory relief action within 48 hours of adopting the resolution committing to the numbers the municipality deemed appropriate.

The amended FHA gave any interested party who wished to oppose the numbers to which any municipality committed to file an Answer by February 28, 2025, which included a particularized objection to the numbers to which the municipality committed.

The amended FHA gave "the program" until March 31, 2025, to try to resolve any disputes over the fair share numbers to which a municipality committed through an "Affordable Housing Dispute Resolution Program." The program is a new entity created by the amended FHA. It is staffed with seven current or retired judges and the judges have the authority to use adjudicators to assist it in mediating disputes over the obligations of municipalities.

The amended FHA gives municipalities until June 30, 2025, to file a Housing Element and Fair Share Plan and related documents showing how the municipality will comply with its obligations. The Fourth Round

Plans will follow the same general format as they have with certain updates to their requirements dealing with various types of housing and the bonus credit calculation system. Notably, HEFSPs are required to be consistent with the State Development and Redevelopment Plan (SDRP) (a new draft SDRP was released in late 2024 and has yet to be adopted) and the Highlands Regional Master Plan for conforming municipalities. As part of the HEFSP, municipalities shall include an assessment of the degree to which the municipality has met its fair share obligation from the prior rounds of affordable housing (i.e. First, Second, and Third Rounds).

### **HOPE TOWNSHIP'S HISTORY OF AFFORDABLE HOUSING**

The Township of Hope received First Round Certification on February 3, 1993. On February 23, 2001, the Township petitioned COAH for Second Round Certification, which was received and deemed valid for a period of six (6) years, to expire on December 20, 2005. Following COAH's December 20, 2004 adoption of its Third Round Methodology and Rules, Hope prepared a Third Round Housing Element and Fair Share Plan (HEFSP), which was adopted by the Planning Board on December 5, 2005 and endorsed by the Governing Body on December 14, 2005. However, these initial Third Round Rules were deemed invalid by the New Jersey Appellate Court.

A development fee ordinance creating a dedicated revenue source for affordable housing was adopted by the Township on January 20, 2006 and approved by COAH on May 1, 2007. However, the Township would not begin collecting fees until years later in 2021. The most recent alteration to the trust fund and development fee legislation was conducted through the passage of Ordinance 2018-02 on February 20, 2018.

Subsequent to the release of COAH's revised Third Round Rules in 2008, the Township proceeded to prepare an amended Third Round Housing Element and Fair Share Plan (2008 Plan). The Planning Board adopted the 2008 Plan and the Governing Body endorsed it on December 1, 2008. The Township petitioned COAH for substantive certification on December 31, 2008, and was deemed complete on January 16, 2009. The Township, however, did not receive substantive certification for the Third Round because a large majority of COAH's regulations were invalidated by the Appellate Division.

In response to Mount Laurel IV, Hope Township filed a Declaratory Judgment action on July 9, 2015, seeking a declaration of its compliance with the Mount Laurel doctrine and the Fair Housing Act of 1985, N.J.S.A. 52:27D-201 et seq. Due to the uncertainty surrounding the appropriate manner by which to calculate municipal obligations throughout New Jersey at that time, the Township and the Fair Share Housing Center ("FSHC") agreed that a settlement was in the best interest of the Township and its residents. The Township professionals and representatives of the FSHC entered into negotiations to settle the Township's Declaratory Judgment action and seek Court-approval for an accepted fair share obligation

for the Township. The settlement agreement was executed by the Township and FSHC on September 25, 2017.

A Fairness Hearing was held on October 23, 2017, and in an Order from that same day, the Court approved the settlement agreement, and determined that the agreement is “fair and reasonable to the interests of low and moderate income households...” Pursuant to the Court Order, the Township had 120 days from October 23, 2017 to prepare a Housing Element and Fair Share Plan and Spending Plan that reflected the terms of the settlement agreement. The resulting HEFSP was adopted January 29, 2018 (“2018 Plan”) by Resolution.

Another Fairness Hearing was conducted on April 19, 2018. By result, the Honorable Judge Thomas C. Miller granted a conditional JOR on January 10, 2019. The Township was given several orders including, but not limited to, adopting the spending plan that had been produced earlier that year, passing an accessory apartment ordinance, and partnering with the Warren County Housing Program to address the municipality’s rehabilitation need. Upon meeting the outlined conditions, Hope was granted a final JOR on September 30, 2022 by Honorable Robert A. Ballard Jr.. This order bestowed upon the Township immunity from builder’s remedy lawsuits until July 8, 2025.

On January 22, 2025, in accordance with the standards established by the amended FHA and described above, the Township adopted Resolution 2025-20. This resolution maintained the Fourth Round DCA-generated Prospective Need obligation of 31 and Present Need obligation of 0 and thus guaranteed protection from builders’ remedy suits (Appendix G).

This Fourth Round HEFSP sets forth mechanisms implemented to address the Township’s affordable housing obligations and has been prepared in accordance with the Fair Housing Act as most recently amended (P.L.2024, c.2).

### **PLANNING FOR AFFORDABLE HOUSING**

Pursuant to both the FHA (N.J.S.A. 52:27D-310, et seq.) and the Municipal Land Use Law (MLUL) (N.J.S.A. 40:55D-28), municipalities in New Jersey are required to include a housing element in their master plans. The principal purpose of the housing element is to describe the specific, intended methods that a municipality plans to use in order to meet its low- and moderate-income housing needs. Further, the housing element is meant to demonstrate the existing zoning or planned zoning changes that will allow for the provision of adequate capacity to accommodate household and employment growth projections, to achieve the goal of access to affordable housing for present and future populations. The statutorily required contents of the housing element are:

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- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate-income households and substandard housing capable of being rehabilitated;
  - b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
  - c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
  - d. An analysis of the existing and probable future employment characteristics of the municipality;
  - e. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1);
  - f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;
  - g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20);
  - h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and

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- i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

**PART 1: HOUSING ELEMENT****DEMOGRAPHIC CHARACTERISTICS****Population**

Table 1 below depicts the population trends experienced in Hope Township, Warren County, and the State of New Jersey in the 93-year period between 1930 and 2023. In 2023, there were 1,837 residents in Hope Township, which indicates an increase of 2 people (0.1%) from 2020. Hope Township has experienced steady growth over the past 93 years, with just one minor decrease of 117 residents (-6.0%) between 2010 and 2020. Overall, the Township has seen a growth of 1,284 residents during this time frame, reflecting a 232.2% increase in its population. Proportionally speaking, the Township's most significant period of growth occurred in the decade between 1960 and 1970 when the Township saw a 36.9% increase in its population. These trends are reflected at the County and State level, as well, which saw a similarly significant increase in population throughout the 1960s. While population growth has been steady during this time period in Warren County and the State of New Jersey as a whole, the Township's overall growth (232.2%) has proportionally exceeded that of the County (123.5%) and State (129.2%).

<b>Table 1: Population Trends, 1930-2023</b>									
<b>Hope Township, Warren County, and New Jersey</b>									
	<b>Hope Township</b>			<b>Warren County</b>			<b>New Jersey</b>		
<b>Year</b>	<b>Population</b>	<b>Change</b>		<b>Population</b>	<b>Change</b>		<b>Population</b>	<b>Change</b>	
		<b>Number</b>	<b>Percent</b>		<b>Number</b>	<b>Percent</b>		<b>Number</b>	<b>Percent</b>
<b>1930</b>	553	-	-	49,319	-	-	4,041,334	-	-
<b>1940</b>	646	93	16.8%	50,181	862	1.7%	4,160,165	118,831	2.9%
<b>1950</b>	681	35	5.4%	54,374	4,193	8.4%	4,835,329	675,164	16.2%
<b>1960</b>	833	152	22.3%	63,220	8,846	16.3%	6,066,782	1,231,453	25.5%
<b>1970</b>	1,140	307	36.9%	73,960	10,740	17.0%	7,171,112	1,104,330	18.2%
<b>1980</b>	1,468	328	28.8%	84,429	10,469	14.2%	7,365,011	193,899	2.7%
<b>1990</b>	1,719	251	17.1%	91,607	7,178	8.5%	7,730,188	365,177	5.0%
<b>2000</b>	1,891	172	10.0%	102,437	10,830	11.8%	8,414,350	684,162	8.9%
<b>2010</b>	1,952	61	3.2%	108,692	6,255	6.1%	8,791,894	377,544	4.5%
<b>2020</b>	1,835	-117	-6.0%	109,632	940	0.9%	9,288,994	497,100	5.7%
<b>2023</b>	1,837	2	0.1%	110,238	606	0.6%	9,267,014	-21,980	-0.2%
<b>Total Change</b>	-	<b>1,284</b>	<b>232.2%</b>	-	<b>60,919</b>	<b>123.5%</b>	-	<b>5,225,680</b>	<b>129.3%</b>

Source: U.S. Census Bureau, Decennial Census and 2023: ACS 5-Year Estimates Table S0101

**Population Composition by Age**

The median age of the residents in Hope Township in 2020 was 49.5 years, which shows a 9.5% increase from the 2010 median age of 45.2 years. Analysis of age group characteristics provides insight into the actual changes in population. This comparison is helpful in determining the impact these changes have on housing needs, community facilities and services for the municipality. As detailed in Table 2 below, the entire composition of Hope Township experienced notable shifts in the years between 2010 and 2020. The most significant shift occurred in the population aged 65 and over, which collectively saw a 124-person (43.2%) increase. Simultaneously, the Township experienced a significant decrease in its population ages 5 to 14 years old (-38.4%) and between the ages 35 to 54 (-30.6%). This data suggests that a larger portion of the Township's residents are transitioning into the senior citizen age range, which will require the Township to consider planning tools and approaches that encourage aging-in-place.

<b>Table 2: Population by Age, 2010 to 2020</b>						
<b>Hope Township</b>						
<b>Population</b>	<b>2010</b>		<b>2020</b>		<b>Change (2010 to 2020)</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Under 5 years	89	4.6%	81	4.4%	-8	-9.0%
5 to 14	268	13.7%	165	9.0%	-103	-38.4%
15 to 24	219	11.2%	211	11.5%	-8	-3.7%
25 to 34	138	7.1%	182	9.9%	44	31.9%
35 to 44	255	13.1%	189	10.3%	-66	-25.9%
45 to 54	382	19.6%	247	13.5%	-135	-35.3%
55 to 64	314	16.1%	349	19.0%	35	11.1%
65 and over	287	14.7%	411	22.4%	124	43.2%
<b>Total population</b>	<b>1,952</b>	<b>100.00%</b>	<b>1,835</b>	<b>100.00%</b>	<b>-117</b>	<b>-6.0%</b>
<b>Median Age</b>	<b>45.2</b>	<b>-</b>	<b>49.5</b>	<b>-</b>	<b>4.3</b>	<b>9.5%</b>

Source: U.S. Census Bureau, Decennial Census, Tables DP1, P12 and P13

Warren County experienced population fluctuation as well. The County also saw the greatest shift of roughly 33% in its population aged 55 and over, which was proportionally slightly lower than the increase experienced at the Township level. The County experienced rather significant decreases in its population aged 14 and below (16.9%) as well as those aged 35 to 54 (19.3%), directly mirroring shifting age trends occurring in the Township. This data is displayed in Table 3 below.

<b>Table 3: Population by Age, 2010 to 2020</b>						
<b>Warren County</b>						
<b>Population</b>	<b>2010</b>		<b>2020</b>		<b>Change (2000 to 2010)</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Under 5 years	6,084	5.6%	4,951	4.5%	-1,133	-18.6%
5 to 14	14,725	13.5%	12,507	11.4%	-2,218	-15.1%
15 to 24	13,434	12.4%	13,220	12.1%	-214	-1.6%
25 to 34	10,671	9.8%	12,281	11.2%	1,610	15.1%
35 to 44	15,484	14.2%	12,551	11.4%	-2,933	-18.9%
45 to 54	19,174	17.6%	15,413	14.1%	-3,761	-19.6%
55 to 64	13,828	12.7%	18,054	16.5%	4,226	30.6%
65 and over	15,292	14.1%	20,655	18.8%	5,363	35.1%
<b>Total population</b>	<b>108,692</b>	<b>100.0%</b>	<b>109,632</b>	<b>100.0%</b>	<b>940</b>	<b>0.9%</b>
<b>Median Age</b>	<b>41.5</b>	<b>-</b>	<b>44.4</b>	<b>-</b>	<b>2.9</b>	<b>7.0%</b>

Source: U.S. Census Bureau, Decennial Census, Tables DP1, P12 and P13

### Households

A household is defined as one or more persons, either related or not, living together in a housing unit. In 2020 there was a total of 743 households in Hope Township. Over half of the Township's households comprised two or less people. In fact, Two-person households were the most common household size at both the Township (39.3%) and County (33.5%) levels, followed by one-person households. The average household size of the Township in 2020 was 2.41, which was the same as the County's average.

<b>Table 4: Household Size of Occupied Housing Units, 2020</b>				
<b>Hope Township and Warren County</b>				
	<b>Hope Township</b>		<b>Warren County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
1-person household	164	22.1%	11,741	27.1%
2-person household	292	39.3%	14,511	33.5%
3-person household	109	14.7%	7,024	16.2%
4-person household	102	13.7%	5,829	13.5%
5-person household	42	5.7%	2,583	6.0%
6-person household	22	3.0%	1,060	2.4%
7-or-more-person household	12	1.6%	579	1.3%
<b>Total Households</b>	<b>743</b>	<b>100.0%</b>	<b>43,327</b>	<b>100.0%</b>
<b>Average Household Size (2023)</b>	<b>2.41</b>		<b>2.41</b>	

Source: US Census Bureau 2020, H9 and 2023 ACS 5\_year Table S1101



According to the United States Census, family households are defined as two or more persons living in the same household, related by birth, marriage, or adoption. As shown in Table 5, a majority (73%) of all households in the Township in 2023 were categorized as family households. Households in Hope containing a married couple with children only accounted for 15% of all households in the Township. Data for 2023 includes the sub-groups of non-traditional households, including “Other Family” and “Non-Family” households. “Other Family” households accounted for 19% of all households, broken down into 9% female householders with no spouse or partner present and 10% male householders with no spouse or partner present. “Non-Family” households are defined as those that consist of a householder living alone or sharing the home exclusively with people to whom he/she is not related. Non-family households comprised approximately 27% of all households in the Town.

<b>Table 5: Household Size and Type, 2023</b>		
<b>Hope Township</b>		
	<b>Total</b>	<b>Percent</b>
<b>Total Households</b>	<b>762</b>	<b>100%</b>
<b>Family Households</b>	<b>560</b>	<b>73%</b>
Married couple family	415	54%
With children	115	15%
Without children	300	39%
Other Family	145	19%
Male householder, no spouse	78	10%
With children	43	6%
Without children	35	5%
Female householder, no spouse	67	9%
With children	28	4%
Without children	39	5%
<b>Nonfamily household</b>	<b>202</b>	<b>27%</b>
Male householder	100	13%
Living alone	74	10%
Not living alone	26	3%
With children	0	0%
Female householder	102	13%
Living alone	70	9%
Not living alone	32	4%
With children	0	0%

Source: 2023 ACS 5-Year B11005 and B11010

**Income**

As measured in 2023, Hope Township had a higher median household income compared to Warren County and the State of New Jersey. The median income in Hope Township was \$106,212, which was roughly \$6,700 greater than that of the County and \$5,100 greater than that of the State. The per capita income in Hope Township was comparable to that of the County and State. This data is outlined in Table 6 below.

<b>Table 6: Per Capita Household Income, 2023 Hope Township, Warren County, and New Jersey</b>		
	<b>Per Capita Income</b>	<b>Median Household Income</b>
Hope Township	\$49,405	\$106,212
Warren County	\$48,232	\$99,596
New Jersey	\$140,299	\$101,050

Source: 2023 ACS 5-year Estimates, Tables S1901 and B19301

In 2023, roughly 78% percent of all households in the Township earned an income of \$50,000 or more, as compared to roughly 77% of households in the County. The income range that accounted for the most Township households was the \$100,000 to \$149,999 bracket, which comprised nearly 23% of households in Hope; this was also the case across Warren County as a whole. The second largest income bracket in the Township was \$200,000 or more, comprising 16.3% of households. At the County level, the second largest income bracket was \$50,000 to \$74,999. This suggests that the Township's household income distribution is slightly skewed toward these higher income brackets as compared to the County, which may at least partially help explain the stark difference between the median income reported at the Township (\$106,212) and County (\$99,596) levels.

<b>Table 7: Household Income, 2023 Hope Township and Warren County</b>				
	<b>Hope Township</b>		<b>Warren County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than \$10,000	48	6.3%	1,663	3.7%
\$10,000 to \$14,999	0	0.0%	944	2.1%
\$15,000 to \$24,999	21	2.8%	2,382	5.3%
\$25,000 to \$34,999	15	2.0%	2,292	5.1%
\$35,000 to \$49,999	81	10.6%	3,236	7.2%
\$50,000 to \$74,999	90	11.8%	6,697	14.9%
\$75,000 to \$99,999	89	11.7%	5,348	11.9%
\$100,000 to \$149,999	173	22.7%	10,472	23.3%
\$150,000 to \$199,999	121	15.9%	5,753	12.8%
\$200,000 or more	124	16.3%	6,157	13.7%
<b>Total Households</b>	<b>762</b>	<b>100.0%</b>	<b>44,943</b>	<b>100.0%</b>
<b>Median Household Income</b>	<b>\$106,212</b>		<b>\$99,596</b>	

Source: 2023 ACS 5-Year Estimates, Table S1901

**Poverty Status**

Of the 1,834 people in Hope Township for which poverty status was determined, 149 (8.1%) individuals lived in poverty in 2023; this was the same rate as that at the County level. Of Hope Township's population that fell below the poverty level in 2023, most were between the ages of 18 to 64; this trend was mirrored at the County level as well. Proportionally, the Township had lower rates of children and elderly living in poverty than Warren County as a whole. This data is presented in Table 8 below.

<b>Table 8: Poverty Status, 2023</b>				
<b>Hope Township and Warren County</b>				
	<b>Hope Township</b>		<b>Warren County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Total persons</b>	<b>1,834</b>	<b>100.0%</b>	<b>108,645</b>	<b>100.0%</b>
Total persons below poverty level	149	8.1%	8,827	8.1%
Under 18	12	0.7%	2,119	2.0%
18 to 64	124	6.8%	5,381	5.0%
65 and over	13	0.7%	1,327	1.2%

Source: 2023 American Community Survey 5-Year Estimate, Table S1701

**Household Costs**

Tables 9 and 10 below show the expenditures for housing as a percentage of household income for those who own and rent in Hope Township and Warren County. In 2023, a majority of Township residents lived in homes they owned, which was the same at the County level as well. General affordability standards set a limit at 30% of gross income to be allocated for owner-occupied housing costs and 28% of gross income to be allocated for renter-occupied housing costs. Approximately 31.2% of Township residents who owned the units they occupied spent 30% or more of their household income on housing, as compared to 14.8% of Township residents who rented the units they occupied. These figures were the opposite of trends found at the County level, with renters usually spending a higher percentage of their gross income on housing compared to owners.

<b>Table 9: Selected Monthly Owner Costs as a Percentage of Household Income, 2023</b>				
<b>Hope Township and Warren County</b>				
	<b>Hope Township</b>		<b>Warren County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Total Owner-Occupied Housing Units</b>	<b>647</b>	<b>100.0%</b>	<b>33,386</b>	<b>100.0%</b>
Less than 20.0%	259	40.0%	16,372	49.0%
20.0 to 24.9%	95	14.7%	4,916	14.7%
25.0 to 29.9%	91	14.1%	3,503	10.5%
30.0 to 34.9%	52	8.0%	1,858	5.6%
35.0% or more	150	23.2%	6,604	19.8%
Not computed	0	0.0%	133	0.4%

Source: 2023 American Community 5-Year Estimates, Table DP04

<b>Table 10: Gross Rent as a Percentage of Household Income, 2023</b> <b>Hope Township and Warren County</b>				
	Hope Township		Warren County	
	Number	Percent	Number	Percent
<b>Total Renter-Occupied Housing Units</b>	<b>115</b>	<b>100.00%</b>	<b>11,557</b>	<b>100.00%</b>
Less than 10%	0	0.0%	481	4.2%
10.0 to 14.9%	23	20.0%	1,049	9.1%
15.0 to 19.9%	23	20.0%	1,593	13.8%
20.0 to 24.9%	0	0.0%	1,361	11.8%
25.0 to 29.9%	16	13.9%	1,159	10.0%
30.0 to 34.9%	17	14.8%	1,036	9.0%
35.0 to 39.9%	0	0.0%	639	5.5%
40.0 to 49.9%	0	0.0%	802	6.9%
50% or more	0	0.0%	2,648	22.9%
Not computed	36	31.3%	789	6.8%

Source: 2023 American Community 5-Year Estimates, Table B25070

**EXISTING HOUSING CONDITIONS****Housing Unit Data**

Hope Township's housing stock is largely comprised of structures built prior to the year 1990. In 2023, Hope Township had a total of 762 occupied housing units, roughly 84.9% of which were owner-occupied and 15.1% of which were renter-occupied. The Township experienced a housing boom in the 1950s up until the 1990s, during which approximately 54.5% of the Township's housing structures were constructed. According to 2023 American Community Survey Estimates, the Township has seen very few housing structures built between 2010 and 2020. The median year of construction for the housing stock in Hope Township is 1970. This data is outlined in Tables 11 and 12 below.

<b>Table 11: Housing Data, 2023</b>			
<b>Hope Township</b>			
	<b>Number</b>	<b>% of Total Housing Units</b>	<b>% of Occupied Housing Units</b>
<b>Total Housing Units</b>	<b>858</b>	<b>100.00%</b>	-
Occupied Housing Units	762	88.8%	100.00%
Owner Occupied	647	75.4%	84.9%
Renter Occupied	115	13.4%	15.1%
Vacant Housing Units	96	11.2%	-

Source: 2023 American Community Survey 5-Year Estimates, Table DP04

<b>Table 12: Year Structure Built, 2023</b>		
<b>Hope Township</b>		
	<b>Number</b>	<b>Percent</b>
<b>Total Housing Units</b>	<b>858</b>	<b>100.00%</b>
Built 1939 or earlier	183	21.3%
Built 1940 to 1949	52	6.1%
Built 1950 to 1959	107	12.5%
Built 1960 to 1969	86	10.0%
Built 1970 to 1979	128	14.9%
Built 1980 to 1989	147	17.1%
Built 1990 to 1999	83	9.7%
Built 2000 to 2009	68	7.9%
Built 2010 to 2019	4	0.5%
Built 2020 or later	0	0.0%
<b>Median Year Structure Built</b>	<b>1970</b>	

Source: 2023 American Community Survey 5-Year Estimates, Tables B25034 and B25035

According to the 2023 Census, Hope Township has a high occupancy rate, with very few of their housing units vacant. Of Hope Township's 858 housing units, 762 (88.8%) were occupied and only 96 (11.2%) were vacant. Nearly three-quarters (72.9%) of vacant units could be attributed to the "Other Vacant" category, with "For Sale Only" and "For Migrant Workers" accounting for the remaining 27.1%. This data is represented in Table 13 below.

<b>Table 13: Housing Occupancy, 2023</b>			
<b>Hope Township</b>			
	<b>Total</b>	<b>% of Total Housing Units</b>	<b>% of Vacant Housing Units</b>
Total Housing Units	<b>858</b>	100.00%	-
Occupied	762	88.8%	-
Vacant Housing Units	96	11.2%	100.0%
For Rent/Rented Not Occupied	0	0.0%	0.0%
For Sale Only	12	1.4%	12.5%
Sold, not occupied	0	0.0%	0.0%
For Seasonal, Recreational or Occasional Use	0	0.0%	0.0%
For migrant workers	14	1.6%	14.6%
Other Vacant	70	8.2%	72.9%

Source: ACS 5-Year DP04 and B25004

### Housing Type and Size

In 2023, single-family detached housing made up the vast majority of the Township's housing stock at 98.7%. 2-unit homes were the next most common type of housing, representing 0.8% of the Township's housing stock. The median number of rooms within housing structures in the Township was 6.8, with nearly 74% of housing units having a minimum of 6 rooms and less than 5% of housing units having 2 or less rooms.

<b>Table 14: Housing Type and Size, 2023</b>		
<b>Hope Township</b>		
<b>Units in Structure</b>	<b>Total</b>	<b>Percent</b>
1, detached	847	98.7%
1, attached	4	0.5%
2	7	0.8%
3 or 4	0	0.0%
5 to 9	0	0.0%
10 to 19	0	0.0%
20 or more	0	0.0%
Mobile home	0	0.0%
Boat, RV, van, etc.	0	0.0%
<b>Total Housing Units</b>	858	100.00%
<b>Rooms</b>	<b>Total</b>	<b>Percent</b>
1 room	0	0.0%
2 rooms	38	4.4%
3 rooms	13	1.5%
4 rooms	58	6.8%
5 rooms	114	13.3%
6 rooms	169	19.7%
7 rooms	113	13.2%
8 rooms	171	19.9%
9 or more rooms	182	21.2%
<b>Total Housing Units</b>	858	100.00%
<b>Median number of rooms</b>	6.8	

Source: 2023 ACS 5-Year Estimates, Tables DP04

### Housing Growth and Projections

In terms of residential growth, the issuance of building permits serves as one of the indicators that help to determine housing needs in a given municipality. Table 15 below illustrates the number of building permits that were issued over the 10-year period between January 2014 through November 2024, when the Township issued building permits authorizing the development of 12 housing units. The vast majority of the permits issued during this time frame were for single- and two-family homes, while only 2 permits were issued for mixed-use structures, and none were issued for multifamily structures. Further, throughout the same 10-year period, Hope issued permits authorizing the demolition of 4 units.

<b>Table 15: Housing Units Authorized by Building Permits, 2014-2024 Hope Township</b>				
<b>Year</b>	<b>1 &amp; 2 Family</b>	<b>Multi Family</b>	<b>Mixed-Use</b>	<b>Total</b>
2014	0	0	0	0
2015	0	0	0	0
2016	0	0	0	0
2017	2	0	0	2
2018	0	0	0	0
2019	1	0	0	1
2020	0	0	0	0
2021	3	0	0	3
2022	1	0	0	1
2023	2	0	0	2
2024	1	0	2	3
<b>Total 2014-2024</b>	<b>10</b>	<b>0</b>	<b>2</b>	<b>12</b>
<b>10-Year Average</b>				<b>1.2</b>
<b>10-Year Permit Projection (2025-2035)</b>				<b>12</b>

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data

<b>Table 16: Housing Units Demolished by Building Permits, 2014-2024 Hope Township</b>				
<b>Year</b>	<b>1 &amp; 2 Family</b>	<b>Multi Family</b>	<b>Mixed-Use</b>	<b>Total</b>
2014	0	0	0	0
2015	0	0	0	0
2016	0	0	0	0
2017	0	0	0	0
2018	0	0	0	0
2019	0	0	0	0
2020	1	0	0	1
2021	0	0	0	0
2022	1	0	0	1
2023	0	0	0	0
2024	0	0	2	2
<b>Total 2014-2024</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>4</b>
<b>10-Year Average</b>				<b>0.4</b>
<b>10-Year Demolition Projection (2025-2035)</b>				<b>4</b>

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data



**Housing Values and Contract Rents**

According to the 2023 American Community Survey, 66.9% of the owner-occupied housing stock in Hope Township in 2023 was valued at over \$300,000, as compared to 55% of the County's housing stock. In addition, the Township's median home value (\$399,600) exceeded that of the County (\$323,100) by an estimated \$76,500. This data is outlined in Table 17 below.

<b>Table 17: Value for Owner-Occupied Housing Units, 2023 Hope Township and Warren County</b>				
	<b>Hope Township</b>		<b>Warren County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Total</b>	<b>647</b>	<b>100.0%</b>	<b>33,386</b>	<b>100.0%</b>
Less than \$50,000	15	2.3%	935	2.8%
\$50,000 to \$99,999	0	0.0%	694	2.1%
\$100,000 to \$149,999	50	7.7%	1,683	5.0%
\$150,000 to \$199,999	33	5.1%	2,917	8.7%
\$200,000 to \$299,999	87	13.4%	8,609	25.8%
\$300,000 to \$499,999	297	45.9%	13,850	41.5%
\$500,000 to \$999,999	136	21.0%	4,522	13.5%
\$1,00,000 and greater	29	4.5%	176	0.5%
<b>Median Value</b>	<b>\$399,600</b>		<b>\$323,100</b>	

Source: 2023 American Community Survey 5-Year Estimates, Tables B25075 and B25077

As shown in Table 18 below, it is estimated that 384 (59.4%) of owner-occupied units in the Town were financed by a primary mortgage, contract to purchase, or similar debt. Of those units, 81.5% did not have any additional lines of credit associated with the unit, while 4.6% were associated with a home equity loan, 10.7% were associated with a home equity loan without a primary mortgage, and none were associated with just a second mortgage or both a home equity loan and second mortgage. There were slightly more owner-occupied housing units with a mortgage at the County level; more specifically, 65.9% of such units had a primary mortgage. Of those units in the County tied to a primary mortgage, 83.4% did not have any additional lines of credit associated with the unit, while 9.6% were associated with a home equity loan 2.1% were associated with a second mortgage, 0.3% were associated with both a second mortgage and a home equity loan, and 4.7% were associated with a home equity loan without a primary mortgage.

**Table 18: Mortgage Status, 2023**  
**Hope Township and Warren County**

	Hope Township			Warren County		
	Number	% of Total Units	% of Units with Mortgage	Number	% of Total Units	% of Units with Mortgage
Total Owner-Occupied Units	647	100.00%	-	33,386	100.00%	-
Housing units with a mortgage, contract to purchase, or similar debt:	384	59.4%	100.00%	21,995	65.9%	100.00%
Housing units with no second mortgage and no home equity loan	313	48.4%	81.5%	18,340	54.9%	83.4%
Housing units with multiple mortgages:	30	4.6%	7.8%	2,617	7.8%	11.9%
Mortgage with both second mortgage and home equity loan	0	0.0%	0.0%	55	0.2%	0.3%
Mortgage, with only home equity loan	30	4.6%	7.8%	2,110	6.3%	9.6%
Mortgage, with only second mortgage	0	0.0%	0.0%	452	1.4%	2.1%
Home equity loan without a primary mortgage	41	6.3%	10.7%	1,038	3.1%	4.7%
Housing units without a mortgage	263	40.6%	-	11,391	34.1%	-

Source: 2023 American Community Survey 5-Year Estimates, Table B25081

As shown in Table 19 below, the median contract rent in Hope Township in 2023 was \$1,550, which was roughly \$330 higher than the County median rent of \$1,220. Within the Township, the highest percentage of renters paid between \$1,000 to \$1,499 for monthly rent (34.8%), followed by no rent paid (28.7%), and \$2,000 to \$2,499 (27.8%). At the County level nearly half (42.3%) of renters paid between \$1,000 to \$1,499 for monthly rent, and there was a significantly higher occurrence of renters paying less than \$1,000 for rent (26.8%). This data suggests that rent in the Township is not as affordable as it is throughout the County as a whole.

**Table 19: Contract Rent, 2023**  
**Hope Township and Warren County**

	Hope Township		Warren County	
	Number	Percent	Number	Percent
<b>Total Renter-Occupied Units</b>	<b>115</b>	<b>100.0%</b>	<b>11,557</b>	<b>100.0%</b>
Less than \$500	0	0.0%	1004	8.7%
\$500 to \$999	0	0.0%	2094	18.1%
\$1,000 to \$1,499	40	34.8%	4,892	42.3%
\$1,500 to \$1,999	10	8.7%	2,162	18.7%
\$2,000 to \$2,499	32	27.8%	727	6.3%
\$2,500 to \$2,999	0	0.0%	116	1.0%
\$3,000 or More	0	0.0%	0	0.0%
No Rent Paid	33	28.7%	562	4.9%
<b>Median Contract Rent</b>	<b>\$1,550</b>		<b>\$1,220</b>	

Source: 2023 American Community Survey 5-Year Estimates, Table B25056 and B25058

**Housing Conditions**

Table 20 below details the conditions of the Township's housing stock in 2023. Overcrowding and age, plumbing, and kitchen facilities are used to determine housing deficiency. In 2023, over half (60.5%) of the Townships housing stock relied on fuel oil, kerosene, etc., followed by bottled, tank, or LP gas (16.4%). No occupied housing units experienced overcrowding (more than one person per room). Throughout the Township, there were no occupied housing units that lacked complete plumbing, 38 units that lacked complete kitchen facilities, and only 8 units lacked telephone service.

<b>Table 20: Housing Conditions, 2023</b>		
<b>Hope Township</b>		
	<b>Number</b>	<b>Percent</b>
<b>House Heating Fuel-Occupied Housing Units</b>		
Total	762	100.0%
Utility gas	15	2.0%
Bottled, tank, or LP gas	125	16.4%
Electricity	58	7.6%
Fuel oil, kerosene, etc.	461	60.5%
Coal or coke	3	0.4%
Wood	96	12.6%
Solar energy	0	0.0%
Other fuel	4	0.5%
No fuel used	0	0.0%
<b>Occupants per Room – Occupied Housing Units</b>		
Total	762	100.0%
1.00 or Less	762	100.0%
1.01 to 1.50	0	0.0%
1.51 or More	0	0.0%
<b>Facilities – Total Units</b>		
Total	858	100.0%
Lacking complete plumbing facilities	0	0.0%
Lacking complete kitchen facilities	38	4.4%
<b>Telephone Service – Occupied Housing Units</b>		
Total	762	100.0%
No Service	8	1.0%

Sources: 2023 ACS 5-Year Estimates DP04, B25047, and B25051

**EMPLOYMENT DATA**

Tables 21, 22, and 23 below detail the changes in employment between the years 2010 and 2023 in Hope Township, Warren County, and New Jersey, respectively. Throughout this thirteen-year period, the Township saw an overall 9.4% decrease in its unemployment rate; although the Township experienced a 4.2% spike in unemployment between 2019 and 2020 due to the COVID-19 pandemic, it has rebounded to a considerably lower unemployment rate in recent years. This overall trend is mirrored at both the County and State level as well, although in comparison the Township has consistently exhibited a lower unemployment rate throughout this time period. In 2023, the Township's unemployment rate was 3.6%, which was 0.4% lower than the County (4.0%) and 0.8% lower than the State (4.4%).

<b>Table 21: Employment and Residential Labor Force, 2010 to 2023 Hope Township</b>				
<b>Year</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
2010	1,051	914	137	13.0%
2011	1,020	909	111	10.9%
2012	1,022	956	66	6.5%
2013	1,031	953	78	7.6%
2014	1,022	955	67	6.6%
2015	1,014	960	54	5.3%
2016	1,001	957	44	4.4%
2017	1,020	978	42	4.1%
2018	1,007	974	33	3.3%
2019	1,022	992	30	2.9%
2020	1,002	931	71	7.1%
2021	1,022	963	59	5.8%
2022	1,036	1,002	34	3.3%
2023	1,052	1,014	38	3.6%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates

<b>Table 22: Employment and Residential Labor Force, 2010 to 2023</b>				
<b>Warren County</b>				
<b>Year</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
2010	58,695	52,833	5,862	10.0%
2011	58,746	53,411	5,335	9.1%
2012	58,588	53,441	5,147	8.8%
2013	57,636	53,144	4,492	7.8%
2014	56,922	53,337	3,585	6.3%
2015	56,748	53,749	2,999	5.3%
2016	56,584	54,012	2,572	4.5%
2017	57,634	55,277	2,357	4.1%
2018	57,109	54,975	2,134	3.7%
2019	58,154	56,256	1,898	3.3%
2020	57,587	52,883	4,704	8.2%
2021	58,190	54,760	3,430	5.9%
2022	59,058	56,933	2,125	3.6%
2023	60,052	57,624	2,428	4.0%

Source: NJ Dept. of Labor &amp; Workforce Development Labor Force Estimates

<b>Table 23: Employment and Residential Labor Force, 2010 to 2023</b>				
<b>New Jersey</b>				
<b>Year</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
2010	4,559,800	4,119,000	440,800	9.7%
2011	4,561,800	4,134,700	427,100	9.4%
2012	4,576,300	4,147,200	429,100	9.4%
2013	4,528,000	4,147,700	380,400	8.4%
2014	4,493,900	4,191,300	302,600	6.7%
2015	4,494,600	4,237,900	256,700	5.7%
2016	4,492,800	4,271,200	221,600	4.9%
2017	4,615,000	4,406,200	208,800	4.5%
2018	4,604,800	4,420,700	184,100	4.0%
2019	4,686,300	4,524,300	162,000	3.5%
2020	4,650,300	4,212,400	437,900	9.4%
2021	4,666,100	4,357,200	308,900	6.6%
2022	4,739,800	4,564,100	175,700	3.7%
2023	4,829,671	4,615,722	213,949	4.4%

Source: NJ Dept. of Labor &amp; Workforce Development Labor Force Estimates

**Employment Status**

It is estimated that over two-thirds (70.4%) of Hope Township's population over the age of 16 was in the labor force in 2023, which was slightly lower than the County's rate of 66.6%. Of the Township's labor force, 99.9% of workers were civilians and a vast majority (95.2%) were employed. At the County level, 99.9% of workers were civilians and 94.3% of the labor force was employed, indicating that the Township and County exhibited similar trends. This data is shown in Table 24 below.

<b>Table 24: Employment, 2023 Hope Township and Warren County</b>						
	<b>Hope Township</b>			<b>Warren County</b>		
	<b>Number</b>	<b>% of 16+ Population</b>	<b>% of Labor Force</b>	<b>Number</b>	<b>% of 16+ Population</b>	<b>% of Labor Force</b>
Population 16 years and over	1,596	100.0%	-	91,893	100.0%	-
In labor force	1,124	70.4%	100.0%	61,167	66.6%	100.0%
Civilian Labor Force	1,123	70.4%	99.9%	61,106	66.5%	99.9%
Employed	1,070	67.0%	95.2%	57,702	62.8%	94.3%
Unemployed	53	3.3%	4.7%	3,404	3.7%	5.6%
Armed Forces	1	0.1%	0.1%	61	0.1%	0.1%
Not in labor force	472	29.6%	-	30,726	33.4%	-

Source: 2023 American Community Survey 5-Year Estimates, Table DP03

**Class of Worker and Occupation**

According to the 2023 American Community Survey Estimates, the majority of workers (76.4%) living in Hope Township were a part of the private wage and salary worker group. This group includes people who work for wages, salary, commission, and tips for a private for-profit employer or a private not-for-profit, tax-exempt or charitable organization. The next largest category was self-employed worker or unpaid family worker (7.9%), followed by local government workers (7.5%). This data is outlined in Table 25 below.

<b>Table 25: Class of Worker, 2023 Hope Township</b>		
	<b>Number</b>	<b>Percent</b>
Total Civilian Employed Workers (Age 16+)	1,070	100.0%
Private Wage and Salary Worker	817	76.4%
Private not-for-profit wage and salary workers	53	5.0%
Local Government Worker	80	7.5%
State Government Worker	14	1.3%
Federal Government Worker	21	2.0%
Self-Employed Worker or Unpaid Family Worker	85	7.9%

Source: 2023 American Community Survey 5-Year Estimates, Table S2408

The occupational breakdown shown in Table 26 below includes only private wage and salary workers. Township residents who worked within the private wage field were concentrated heavily in Management, Business, Science, and Arts occupations as well as Sales and Office occupations. Collectively, the two fields accounted for just over 62% of the entire resident workforce over the age of 16.

<b>Table 26: Resident Employment by Occupation, 2023 Hope Township</b>		
	<b>Number</b>	<b>Percent</b>
Employed Civilian population 16 years and over	1,070	100.0%
Management, business, science and arts occupations	403	37.7%
Service occupations	112	10.5%
Sales and office occupations	266	24.9%
Natural resources, construction and maintenance occupations	116	10.8%
Production Transportation and material moving occupations	173	16.2%

Source: 2023 American Community Survey 5-Year Estimates, Table DP03

As portrayed in Table 27, the industry that employed the greatest number of Hope Township residents in 2023 was the Professional, scientific, and management, and administrative and waste management services sector, which made up 18.9% of the workforce. The second most common industry during this time was the Educational Services, and Health Care and Social Assistance sector, which accounted for 16.6% of the Township's resident workforce.

<b>Table 27: Employment by Industry, 2023 Hope Township</b>		
<b>Industry</b>	<b>Number</b>	<b>Percent</b>
Employed Civilian Population 16 Years and Over	1,070	100.00%
Agriculture, forestry, fishing and hunting, mining	29	2.7%
Construction	109	10.2%
Manufacturing	111	10.4%
Wholesale Trade	32	3.0%
Retail Trade	136	12.7%
Transportation and Warehousing, and Utilities	35	3.3%
Information	8	0.7%
Finance and insurance, and real estate and rental and leasing	82	7.7%
Professional, scientific, and management, and administrative and waste management services	202	18.9%
Educational services, and health care and social assistance	178	16.6%
Arts, entertainment, and recreation, and accommodation and food services	63	5.9%
Other Services, except public administration	37	3.5%
Public administration	48	4.5%

Source: 2023 American Community Survey 5-Year Estimates, Table DP03

**Commuting to Work**

In 2023, it is estimated that just over half (56%) of the employed population that did not work from home commuted up to 35 minutes to their place of work. Approximately more than three-quarters of the township's workers commuted up to an hour, with the last quarter of the population traveling between an hour to an hour and a half to get to work. A vast majority (73.3%) of the Township's working population drove alone as their primary means of travel to work. Roughly 17.6% of workers carpooled or utilized public transportation, a taxicab, motorcycle, bike, or walked to work, while the remaining 9.1% of the population worked from home. This data is outlined in Tables 28 and 29 below.

<b>Table 28: Travel Time to Work, 2023 Hope Township</b>		
	<b>Number</b>	<b>Percent</b>
Workers who did not work at home	953	100.0%
Less than 5 minutes	44	4.6%
5 to 9 minutes	109	11.4%
10 to 14 minutes	27	2.8%
15 to 19 minutes	52	5.5%
20 to 24 minutes	129	13.5%
25 to 29 minutes	107	11.2%
30 to 34 minutes	67	7.0%
35 to 39 minutes	91	9.5%
40 to 44 minutes	45	4.7%
45 to 59 minutes	74	7.8%
60 to 89 minutes	179	18.8%
90 or more minutes	29	3.0%
<b>Mean Travel Time to Work (minutes)</b>	<b>33.8</b>	

Source: 2023 American Community Survey 5-Year Estimates, Table B08303 and DP03

<b>Table 29: Means of Travel to Work, 2023 Hope Township</b>		
	<b>Number</b>	<b>Percent</b>
Workers 16 years and over	1,048	100.0%
Car, truck, van - Drove Alone	768	73.3%
Car, truck, van - Carpooled	125	11.9%
Public Transportation	16	1.5%
Walked	42	4.0%
Taxicab, Motorcycle, Bike, or Other	2	0.2%
Worked at home	95	9.1%

Source: 2023 American Community Survey 5-Year Estimates, Table DP03



**Covered Employment**

There is currently very limited information available on actual job opportunities within municipalities. The Department of Labor and Workforce Development collects information on covered employment, which is employment and wage data for private employees covered by unemployment insurance. The following table provides a snapshot of private employers located within Hope. The first table reflects the number of jobs covered by private employment insurance from 2013 through 2023.

According to data from the New Jersey Department of Labor and Workforce Development, the highest number of jobs covered in the Township between 2013 and 2023 was in 2014 when 327 jobs were covered by unemployment insurance. Private employment has remained slowly decreased in Hope since 2013, with its largest loss occurring between 2019 and 2020 (-25.1%), and largest gain occurring between 2013 and 2014 (7.9%). The township experienced a gain of 7 jobs in 2023, representing an increase of 3.5 percent from 2022.

<b>Table 30: Private Wage Covered Employment 2013 - 2023</b>			
<b>Hope Township</b>			
<b>Year</b>	<b>Number of Jobs</b>	<b># Change</b>	<b>% Change</b>
2013	303	-	-
2014	327	24	7.9%
2015	310	-17	-5.2%
2016	303	-7	-2.3%
2017	276	-27	-8.9%
2018	274	-2	-0.7%
2019	247	-27	-9.9%
2020	185	-62	-25.1%
2021	197	12	6.5%
2022	200	3	1.5%
2023	207	7	3.5%

*Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates*

**In-Township Establishments and Employees by Industry: 2022**

Table 31 below depicts the average annual number of establishments and employees by industry sector that exist within the Township, as reported in the Quarterly Census of Employment and Wages (QCEW) published by the New Jersey Department of Labor and Workforce Development (NJDLWD). The QCEW provides a quarterly accounting of employment, establishments, and wages throughout the State of New Jersey, and accounts for over 95% of available jobs in the state. The annual municipal reports group data according to the North American Industry Classification System (NAICS). The QCEW considers an establishment to be a single economic unit, which is located at one physical location and engaged in one

type of economic activity. The NJDLWD specifies that establishments differ from firms or companies in the sense that the latter can have multiple establishments.

In 2023, the Township had an annual average of 21 establishments employing an average of 207 people in the private sector. The local government sector had an annual average of 2 establishments employing an average of 50 people. The Construction sector was the most sector was the Township's predominant private sector in establishments, with 3 establishments and 18 persons employed.

<b>Table 31: Average Number of Establishments and Employees by Industry, 2023</b>			
<b>Hope Township</b>			
<b>Industry ID and Description</b>		<b>2023 Average</b>	
		<b>Units</b>	<b>Employment</b>
11	Agriculture	.	.
23	Construction	3	18
31	Manufacturing	.	.
42	Wholesale Trade	.	.
44	Retail Trade	.	.
48	Transp/Warehousing	.	.
	Information	.	.
52	Finance/Insurance	.	.
53	Real Estate	.	.
54	Professional/Technical	.	.
56	Admin/Waste Remediation	.	.
61	Education	.	.
62	Health/Social	.	.
71	Arts/Entertainment	.	.
72	Accommodations/Food	.	.
81	Other Services	.	.
	Unclassified	.	.
	<b>Private Sector Totals</b>	<b>21</b>	<b>207</b>
	<b>Local Government Totals</b>	<b>2</b>	<b>50</b>

Source: NJ Dept. of Labor & Workforce Development Labor Force, Quarterly Census of Employment and Wages (QCEW), Municipal Report by Sector (NAICS Based), 2022

Data have been suppressed (-) for industries with few units or where one employer is a significant percentage of employment or wages of the industry.

**Probable Future Employment Opportunities**

The North Jersey Transportation Planning Authority (NJTPA) completes regional forecasts for the New York/New Jersey metropolitan area every four years for population, households, and employment. The most recent report was released in 2025, documenting projections between 2015 and 2050. The 2025 report predicts that the Township's population (0.29%) and households (0.62%) will see steady annualized growth through 2050, while employment will see a decrease (-0.17%). It is estimated that the population will see an overall 10.6% increase, while households will increase by 24.1% and employment will decrease by -5.7%.

<b>Table 32: Population and Employment Projections, 2015 to 2050</b>					
<b>Hope Township</b>					
<b>Category</b>	<b>2015</b>	<b>2050 (Projected)</b>	<b>Annualized</b>	<b>Overall Projected Change</b>	
			<b>Percent Change</b>	<b>Number</b>	<b>Percent</b>
Population	1,918	2,122	0.29%	204	10.6%
Households	741	919	0.62%	178	24.1%
Employment	463	437	-0.17%	-26	-5.7%

Source: NJTPA Municipal Forecasts, dated 9/13/2021

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## **PART 2: FAIR SHARE PLAN**

### **INTRODUCTION**

The following Fair Share Plan ("Plan") details the Hope's Prior Round (1987-1999), Third Round (1999-2025), and Fourth Round (2025-2035) Prospective Need obligations, as well as the Township's Fourth Round Present Need. This Plan proposes mechanisms by which the Township can realistically provide opportunities for affordable housing for those moderate-, low-, and very low- income households.

### **CURRENT STANDARDS**

The amended Fair Housing Act includes a number of changes associated with the application of various categories of credits. The below walks through the current standards applicable to the Township's Fourth Round obligation.

#### **Age-Restricted Housing**

A municipality may not satisfy more than 30% of the affordable units, exclusive of bonus credits, to address its prospective need affordable housing through the creation of age-restricted housing.

#### **Transitional Housing**

Transitional housing units, which will be affordable for persons of low- and moderate-income, were not previously categorized by the Fair Housing Act as a standalone housing type. The amended legislation includes such transitional housing units as a new category which may be included in the HEFSP and credited towards the fulfillment of a municipality's fair share obligations. This is limited to a maximum of 10% of the municipality's obligations, however.

#### **Veterans Housing**

Up to 50% of the affordable units in any particular project may be prioritized for low- and moderate-income veterans.

#### **Families with Children**

A minimum of 50% of a municipality's actual affordable housing units, exclusive of bonus credits, must be made available to families with children.

#### **Rental Units**

A minimum of 25% of a municipality's actual affordable housing units, exclusive of bonus credits, shall be satisfied through rental units. At least half of that number shall be available to families with children.

#### **Very-Low Income Requirement**

At least 13% of the housing units made available for occupancy by low-income and moderate-income houses shall be reserved for low-income households earning 30% or less of the median income pursuant to the Fair Share Housing Act, N.J.S.A. 52:27D-301, et seq. Half of the very low-income units will be made available to families with children.

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### Low/Moderate Income Split

At least 50% of the units addressing the Township's obligation shall be affordable to very-low income and low-income households, and the remaining may be affordable to moderate-income households.

### Affordability Controls

Newly created rental units shall remain affordable to low-and moderate-income households for a period of not less than 40 years, 30 years for for-sale units, and 30 years for housing units for which affordability controls are extended for a new term of affordability, provided that the minimum extension term may be limited to no less than 20 years as long as the original and extended terms, in combination, total at least 60 years.

### Affirmative Marketing

The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law, to include the community and regional organizations identified in the agreement as well as the posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.

### Uniform Housing Affordability Controls (UHAC)

All affordable units created through the provisions of this Plan shall be developed in conformance with the Uniform Housing Affordability Controls (UHAC) pursuant to N.J.A.C. 5:80-26.1 et seq. as amended.

### Unit Adaptability

All new construction units shall be adaptable in conformance with P.L.2005, c.250/N.J.S.A. 52:27D-311a and -311b and all other applicable laws.

### Inclusionary Development Requirements

Pursuant to UHAC N.J.A.C. 5:80-26.5(b), in inclusionary developments, the affordable units shall be integrated with the market-rate units. The affordable units shall not be concentrated in less desirable locations, nor shall the affordable units be physically clustered so as to segregate the affordable units and market-rate units. Affordable units must be interspersed throughout the development, except that age-restricted and supportive housing units may be physically clustered if the clustering facilitates the provision of on-site medical services or on-site social services.

Construction of the affordable units in inclusionary developments shall be phased in compliance with N.J.A.C. 5:80-26(b)4. All inclusionary developments shall be subject to the most recent version of UHAC standards.

**Bonus Credits**

Bonus credits shall not exceed 25% of a municipality's prospective need obligation, nor shall a municipality receive more than one type of bonus credit for any one unit. Bonus credits may be granted on the following schedule:

Unit Type	Unit Credit	Bonus Credit
Each unit of low- or moderate-income housing for individuals with special needs or permanent supportive housing, as those terms are defined in section 2 of P.L. 2004, c.70 (C.34:1B-21.24).	1	1
Each low- or moderate-income ownership unit created in partnership sponsorship with a non-profit housing developer.	1	0.5
Each unit of low- or moderate-income housing located within a one-half mile radius, or one-mile radius for projects located in a Garden State Growth Zone, as defined in section 2 of P.L.2011, c.149 (C.34:1B-243), surrounding a New Jersey Transit Corporation, Port Authority Transit Corporation, or Port Authority Trans-Hudson Corporation rail, bus, or ferry station, including all light rail stations. <sup>1</sup>	1	0.5
A unit of age-restricted housing, provided that a bonus credit for age-restricted housing shall not be applied to more than 10 percent of the units of age-restricted housing constructed in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency in a municipality that count towards the municipality's affordable housing obligation for any single 10-year round of affordable housing obligations.	1	0.5
A unit of low- or moderate-income housing constructed on land that is or was previously developed and utilized for retail, office, or commercial space.	1	0.5
Each existing low- or moderate-income rental housing unit for which affordability controls are extended for a new term of affordability, in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency, and the municipality contributes funding towards the costs necessary for this preservation.	1	0.5
Each unit of low- or moderate-income housing in a 100 percent affordable housing project for which the municipality contributes toward the costs of the project. <sup>2</sup>	1	1
Each unit of very low-income housing for families above the 13 percent of units required to be reserved for very low-income housing pursuant to section 7 of P.L.2008, c.46 (C.52:27D-329.1).	1	0.5
Each unit of low- or moderate-income housing created by transforming an existing rental or ownership unit from a market rate unit to an affordable housing unit. <sup>3</sup>	1	1

<sup>1</sup> The distance from the bus, rail, or ferry station to a housing unit shall be measured from the closest point on the outer perimeter of the station, including any associated park-and-ride lot, to the closest point of the housing project property.

<sup>2</sup> This contribution may consist of: (a) real property donations that enable siting and construction of the project or (b) contributions from the municipal affordable housing trust fund in support of the project, if the contribution consists of no less than three percent of the project cost.

<sup>3</sup> A municipality may only rely on this bonus credit as part of its fair share plan and housing element if the municipality demonstrates that a commitment to follow through with this market to affordable agreement has been made and: (a) this agreement has been signed by the property owner; or (b) the municipality has obtained ownership of the property.

### HOPE'S AFFORDABLE HOUSING OBLIGATIONS

Hope Township's affordable housing obligations are as follows:

Prior Round Obligation	8
Third Round Obligation	70
Fourth Round Prospective Need	31
Fourth Round Present Need / Rehabilitation Obligation	0

### REVIEW OF PREVIOUS ROUND COMPLIANCE

As part of any Housing Element and Fair Share Plan, a municipality shall include an assessment of the degree to which the municipality has met its fair share obligation from the previous rounds of affordable housing obligations as established by prior court approval or approval by COAH and determine to what extent this obligation is unfulfilled or whether the municipality has credits in excess of its previous round obligations. If a previous round obligation remains unfulfilled, or a municipality never received an approval from the court or COAH for any previous round, the municipality shall address such unfulfilled previous round obligation in its Housing Element and Fair Share Plan.

In addressing previous round obligations, the municipality shall retain any sites that, in furtherance of the previous round obligation, are the subject of a contractual agreement with a developer, or for which the developer has filed a complete application seeking subdivision or site plan approval prior to the date by which the Housing Element and Fair Share Plan are required to be submitted, and shall demonstrate how any sites that were not built in the previous rounds continue to present a realistic opportunity.

#### Prior Round Compliance 1987-1999

The Township had a Prior Round obligation of 8 units. Per the court-approved Third Round settlement agreement and the Township's Third Round JOR, Hope has met their Prior Round obligation through a durational adjustment of 8 units. The durational adjustment is due to the Township lacking the proper water and sewage infrastructure to support inclusionary development.

#### Third Round Compliance 1999-2025

The Township had a Third Round obligation of 70 units. As part of their Third Round compliance process, Hope received an additional durational adjustment for 70 units. Again, the adjustment was granted in response to the lack of water and sewage infrastructure within the Township.

On February 20, 2018, Hope adopted Ordinance 2018-02. Two affordable housing mechanisms were included in said ordinance:

**Mandatory set-aside ordinance:** Hope requires a 20% affordable set-aside for for-sale projects and a 15% affordable set-aside for rental projects consisting of 5 or more units at densities in excess of 4 units per acre.

**Accessory apartment ordinance:** Should the necessary water and sewer infrastructure become available, Hope will utilize \$10,000 per unit from its affordable housing trust fund to subsidize the creation of each accessory unit created. Affordability controls shall remain in effect for at least 30 years.

#### **FOURTH ROUND PRESENT NEED / REHABILITATION OBLIGATION**

Present Need was previously determined in N.J.A.C. 5:93-1.3 to be the sum of a municipality's indigenous need, the deficient housing units occupied by low- and moderate-income households, and the reallocated present need, which is the portion of a housing region's present need that is redistributed throughout the housing region. Under the Second Round rules, evidence for deficient housing included: year structure was built, persons per room, plumbing facilities, kitchen facilities, heating fuel, sewer service, and water supply. (N.J.A.C. 5:92).

The Third Round Rules (N.J.A.C. 5:97-1.1 et seq.) reduced the number of criteria of evidence of deficient housing to three: pre-1960 over-crowded units, which are units that have more than 1.0 persons per room; incomplete plumbing, and incomplete kitchen facilities. (N.J.A.C. 5:97). This reduction in the number of criteria was found to be by the Appellate Division to be within the Council's discretion and was upheld in the Supreme Court's decision in Mount Laurel IV.

The previously discussed Mount Laurel IV decision found that the reallocated need is no longer a component in the determination of Present Need. Therefore, the Present Need now equates to indigenous need, which means the obligation is based on deficient housing as determined by pre-1960 over-crowded units, incomplete plumbing, and incomplete kitchen facilities.

While the Township was assigned a 0-unit Fourth Round Rehabilitation Obligation, Hope will continue its partnership, established March 23, 2022, with Warren County's housing rehabilitation program. The Warren County Housing Program coordinates a grant-funded Affordable Housing Support Fund Rehabilitation Program, which provides financial and technical assistance for the purpose of enabling low- and moderate-income homeowners and property owners to rehabilitate substandard housing. See Appendix E for the County Housing Program's Operating Manual.-The Township may also utilize monies from the Township's Affordable Housing Trust Fund to supplement any aid received from the County's rehabilitation program.



**FOURTH ROUND PROSPECTIVE NEED OBLIGATION (2025-2035)**

On January 22, 2025, the Township adopted Resolution 2025-20, accepting their Fourth Round Prospective Need obligation of 31. On October 20, 2024, the New Jersey Department of Community Affairs (“DCA”) released a report outlining the Fourth Round (2025-2035) Fair Share methodology and its calculations of low- and moderate-income obligations for each of the State’s municipalities. The obligations were calculated in alignment with the formulas and criteria found in P.L.2024, c.2.

The amended Fair Housing Act affirms that the DCA report is not binding on any municipality and that “a municipality shall determine its present and prospective fair share obligation for affordable housing in accordance with the formulas established in sections 6 and 7 of P.L.2024, c.2...by resolution...” The 2025-20 resolution adopted by the Township determined a Rehabilitation Obligation of 0 and a Prospective Need of 31, the same as the obligations determined by DCA.

As outlined in the following sections, the Township proposes to meet its entire Fourth Round obligation.

**Durational Adjustment**

The Township of Hope is seeking a durational adjustment for their entire Fourth Round obligation based upon the lack of adequate sewage capacity and sewer infrastructure within the Township. Pursuant to N.J.S.A. 52:27D-307(c)(2) a municipality can seek a durational adjustment based on a lack of infrastructure. The adjustment allows the municipality to defer its low and moderate-income housing obligation until the infrastructure required to develop additional housing is implemented. Hope lacks any sewage capacity and sewage infrastructure.

**Development Fee Ordinance and Affordable Housing Trust Fund (AHTF)**

Pursuant to Ordinance 2018-02, developers must deposit an affordable housing development fee into the Township’s Affordable Housing Trust Fund equal to 1.5% of the assessed value for residential developments or 2.5% for commercial developments. As is outlined in the appended Spending Plan, Hope projects collecting \$65,727 in development fees from June 2025 to June 2035.

**Mandatory Set-Aside Ordinance**

Hope requires a 20% affordable set-aside for for-sale projects and a 15% affordable set-aside for rental projects consisting of 5 or more units at densities in excess of 4 units per acre as decreed by Ordinance 2018-02.

**Accessory Apartment Ordinance**

In conformance with Ordinance 2018-02, for every accessory apartment created either within an existing home, through the conversion of an existing accessory structure on the same site, or created as an addition to an existing home, Hope will dispense \$10,000 from the affordable housing trust fund to assist in the creation. This initiative is contingent on whether the water and sewer infrastructure needed to support an additional unit becomes available. Affordability controls shall remain in effect for at least 30 years.

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### Fourth Round Summary

Hope Township's ability to provide affordable housing is hamstrung by the lack of water and sewerage infrastructure. Regardless, the Township has ordinances and initiatives in place designed to encourage the creation of affordable units should the necessary infrastructure become available. In spite of being assigned a Present Need obligation of 0, Hope remains committed to its partnership with the Warren County Housing Program.

## **CONSISTENCY WITH STATE PLANNING REQUIREMENTS**

### STATE PLAN

In accordance with the amended Fair Housing Act, Housing Elements and Fair Share Plans shall provide an analysis of consistency with the State Development and Redevelopment Plan (SDRP), including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

Sites that are located in the Metropolitan Planning Area 1 or Suburban Planning Area 2 of the SDRP, or are located in an existing sewer service area, are the preferred location for municipalities to address their fair share obligation.

The 2001 State Plan describes Planning Area 1 as "a variety of communities that range from large Urban Centers such as Newark, to 19th century towns shaped by commuter rail and post-war suburbs, such as Englewood and Cherry Hill. As the name implies, the communities in this Planning Area often have strong ties to, or are influenced by, major metropolitan centers" These communities often exhibit traits like mature settlement patterns, diminished supply of vacant land, infrastructure systems beyond or approaching their reasonable life expectancy; housing stock in need of rehabilitation; positioned for redevelopment, and the need for regionalized services.

Planning Area 1 is delineated in the 2024 Preliminary State Plan by:

- Density of more than 1,000 people per square mile.
- Existing public water and sewer systems, or physical accessibility to those systems, and access to public transit systems.
- Land area greater than one (1) square mile.
- A population of not less than 25,000 people.

The 2001 State Plan describes Planning Area 2 as "generally located adjacent to the more densely developed Metropolitan Planning Area, but can be distinguished from it by a lack of high intensity Centers, by the availability of developable land, and by a more dispersed and fragmented pattern of predominantly low-density development... [they] lack the compact settlement pattern of the older suburbs in the Metropolitan Planning Area and are almost entirely dependent on the private automobile for transportation.

The pattern of scattered subdivisions and employment centers offers few if any focal points for community interaction."

Planning Area 2 is delineated in the 2024 Preliminary State Plan by:

- Population density of less than 1,000 people per square mile.
- Infrastructure systems reasonably anticipated to be in place by 2050 that have the capacity to support development that meets the Policy Objectives of this Planning Area. These systems include public water supply, sewage collection and treatment facilities, stormwater management, various modes of transportation, public schools, and parks.
- Land area greater than one (1) square mile.

A draft SDRP was approved by the New Jersey State Planning Commission December 4, 2024. This draft does not include mapping alterations. Instead, the Planning Commission is relying on municipalities to propose where Planning Areas should change. The Planning Commission has final say on whether to accept the proposed changes.

Because Hope is located in a handful of planning areas that discourage development, including Rural Planning Area 4; Rural Environmentally Sensitive Planning Area 4b; and Environmentally Sensitive Planning Area 5, the Township is not broadly considered to be an ideal location for development. Any affordable housing created in Hope should be co-located with pre-existing pockets of development in order to leave as much land undisturbed as possible.

#### MULTIGENERATIONAL FAMILY HOUSING CONTINUITY COMMISSION

A previous amendment to the Fair Housing Act requires "an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20)." As of the date of this Housing Plan there have been no recommendations by the Multigenerational Family Housing Continuity Commission in which to provide an analysis.

#### **HIGHLANDS REGIONAL MASTER PLAN COMPLIANCE**

The Highlands is an 800,000 square acre region that provides drinking water to over half of New Jersey households. Its preservation is critical in ensuring a potable water supply for generations to come. The land within the Highlands region is divided between Planning Areas and Preservation Areas. Preservation Areas are undisturbed lands protected from development. Planning Areas are all other portions of the Highlands Region that fall outside of the preservation zone. They follow enhanced development standards as set forth by the Highlands Regional Master Plan which promotes growth management tools such as TDR and Smart Growth.

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Hope Township is located in a Highlands Region Planning Area. Any affordable housing that is developed in the municipality should be co-located with pre-existing development so as to conserve as much land as possible.

## **Appendix A**

### **Hope Township Third Round Settlement Agreement with Fair Share Housing Center (2017)**



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

September 25, 2017

Michael S. Selvaggi, Esq.  
 Lavery, Selvaggi, Abromitis & Cohen, P.C.  
 1001 Route 517  
 Hackettstown, New Jersey 07840

**Re: In the Matter of the Application of the Township of Hope, County of Warren, Docket No. WRN-L-237-15**

Dear Mr. Selvaggi:

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

#### **Background**

Hope Township filed the above-captioned matter on July 9, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq. in accordance with In re N.J.A.C. 5:96 and 5:97, supra. FSHC and the Township by and through the respective attorneys, initiated settlement discussions on or about January 30, 2017. Those discussions involved the exchange of the Township's draft Fair Share Plan and other data. Through that process, the Township and FSHC agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

#### **Settlement terms**

The Township and FSHC hereby agree to the following terms:

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

{00535185-1}



Rehabilitation Share (per Kinsey Report <sup>1</sup> )	9
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	8
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this settlement agreement)	70

4. For purposes of this agreement, the Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in its January 18, 2017 decision in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).
5. The Township's efforts to meet its present need include partnering with Warren County and its housing rehabilitation program to provide individuals with funding to repair and upgrade homes. This is sufficient to satisfy the Township's present need obligation of 9 units.
6. As noted above, the Township has a Prior Round prospective need of 8 units, which is met through the following compliance mechanisms:

Accessory Apartment Program	6
<b>Total</b>	<b>6</b>

7. The municipality will address its remaining 2 unit Prior Round obligation and its entire Third Round prospective need obligation through a durational adjustment:
  - a. As demonstrated by the following facts, the Township does not have any capacity for water or sewer to support inclusionary development and thus is entitled to a durational adjustment in accordance with N.J.A.C. 5:93-4.3:
    - i. The Township is a small sparsely populated rural community in northwest New Jersey. The existing housing stock is serviced by on-site private wells and septic systems. There is no water or sewer infrastructure presently and none proposed. Without such infrastructure, the prospect of securing any inclusionary development is remote. The Township did commence with the preparation of a joint waste water management along with Blairstown and Hardwick Townships. The mapping for the area has been completed and discloses a lack of future waste water facilities and sewers in the Township. As a result, Hope is requesting that its 3<sup>rd</sup> Round Obligation be deferred.
  - b. The municipality agrees to comply with N.J.A.C. 5:93-4.3 as follows:
    - i. The Township will seek court approval for, and FSHC will support, a durational adjustment of 70 units. In accordance with N.J.A.C. 5:93-4.3(c), the requirement to address Third Round prospective need obligation of 70 units shall be deferred until adequate water and/or sewer are made available. The Township shall reserve and set aside new water and/or sewer capacity, when it becomes available, for low and moderate income housing, on a priority basis. Municipal officials shall endorse all

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

- applications to the Department of Environmental Protection (DEP) or its agent to provide water and/or sewer capacity. Where the DEP or its designated agent approves a proposal to provide infrastructure to a site for the development of low and moderate income housing identified in the housing element, the Township shall permit such development. Where the Township has designated sites for low and moderate income housing that lack adequate water and/or sewer and where the DEP or its designated agent approves a proposal to provide water and/or sewer to a site other than those designated for the development of low and moderate income housing in the housing element, the Township shall amend its housing element and fair share housing ordinance to permit development of such site for low and moderate income housing. The amended housing element and fair share housing ordinance shall be submitted to the Court and FSHC, with a copy to the Special Master, within 90 days of the site's approval by the DEP or its agent.
- c. The Township will create an accessory apartment program to help address its Third Round obligations. The Township has already created 6 accessory apartments to meet its Prior Round compliance, this program will remain in existence through the Third Round.
  - d. The Township will adopt a mandatory set-aside ordinance that requires 20% of newly approved housing to be available to lower-income households.
8. The Township agrees to require 13% of any future units to be very low income units, with half of the very low income units being available to families.
  9. The Township shall meet its Third Round Prospective Need in accordance with the following standards, including units provided through the provisions related to the durational adjustment addressed in this agreement:
    - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
    - b. At least 50 percent of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
    - c. At least twenty-five percent of the Third Round Prospective Need shall be met through rental units, including at least half in rental units available to families.
    - d. At least half of the units addressing the Third Round Prospective Need in total must be available to families.
    - e. The Township agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
  10. The Township shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, and NORWESCAP and Supportive Housing Association and shall, as part of its regional



affirmative marketing strategies during its implementation of this plan, provide notice to those organizations of all available affordable housing units. The Township also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.

11. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. The Township as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied.
12. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
13. As an essential term of this settlement, within one hundred twenty (120) days of Court's approval of this Settlement Agreement, the Township shall adopt a final Housing Element and Fair Share Plan and Spending Plan consistent with the terms of this Agreement and introduce and adopt an ordinance providing for the amendment of the Township's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this settlement agreement and the zoning contemplated herein.
14. The parties agree that if a decision of a court of competent jurisdiction in Warren County, or if Fair Share obligations are not adjudicated for Warren County, then a decision of a court of competent jurisdiction within COAH Region 2 (Essex, Morris, Warren, Union) or Vicinage 13 (Hunterdon/Somerset/Warren), or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Township for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round need obligation established in this agreement, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township shall be obligated to implement the fair share plan attached hereto, including by leaving in place any site specific zoning adopted or relied upon in connection with the Plan approved pursuant to this settlement agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's obligation below that established in this agreement does not provide a basis for seeking leave to amend this agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
15. The Township will prepare a spending plan within one hundred twenty (120) days, subject to comment by FSHC and approval by the Court. The Township reserves the right to seek approval that expenditures of funds contemplated under the agreement constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-

year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of this agreement, and every anniversary thereafter through the end of this agreement, the Township agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

16. On the first anniversary of the execution of this agreement, and every anniversary thereafter through the end of this agreement, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
17. The Fair Housing Act includes two provisions regarding action to be taken by the Township during the ten-year period of protection provided in this agreement. The Township agrees to comply with those provisions as follows:
  - a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the court regarding these issues.
  - b. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of this agreement, and every third year thereafter, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
18. FSHC is hereby deemed to have party status in this matter and to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading. The parties to this agreement agree to request the Court to enter an order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.



19. This settlement agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The Township shall present its planner as a witness at this hearing. FSHC agrees not to challenge the Plan at the fairness hearing. In the event the Court approves this proposed settlement, the parties contemplate the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The "accompanying protection" shall remain in effect through July 1, 2025. If the settlement agreement is rejected by the Court at a fairness hearing it shall be null and void.
20. If an appeal is filed of the Court's approval or rejection of the Settlement Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of the Settlement Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful at which point, the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
21. This settlement agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Warren County. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney's fees.
22. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
23. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
24. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
25. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
26. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
27. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by

counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.

28. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.
29. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.
30. No member, official or employee of the Township shall have any direct or indirect interest in this Settlement Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
31. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.
32. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

**TO FSHC:**

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

**TO THE TOWNSHIP:**

Michael S. Selvaggi, Esq.  
Lavery, Selvaggi, Abromitis & Cohen, P.C.  
1001 Route 517  
Hackettstown, New Jersey 07840  
Telecopier: (908) 852-8225  
Email: mselvaggi@lsaclaw.com

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

Judith Fisher  
Hope Township Municipal Clerk  
P.O. Box 284  
407 Hope Great Meadows Road  
Hope, New Jersey 07844  
Telecopier: (908) 459-5011  
Email: townclerk@hopetwp-nj.us

September 25, 2017  
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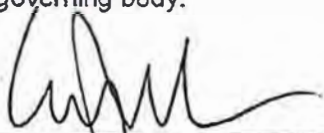
Please sign below if these terms are acceptable.

Sincerely,



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

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



Timothy McDermott, Mayor, Hope, NJ  
Dated: 9-27-2017

---

## **Appendix D**

### **Hope Township Third Round Final JOR (2022)**



**FAIR SHARE HOUSING CENTER, INC.**

519 Park Boulevard

Cherry Hill, New Jersey 08002

P: (856) 665-5444

F: (856) 663-8182

Attorneys for Interested Party

By: Ashley J. Lee, Esq. (375392021)

ashleylee@fairsharehousing.org

IN THE MATTER OF THE APPLICATION  
OF THE TOWNSHIP OF HOPE,  
COUNTY OF WARREN

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION: WARREN COUNTY

DOCKET NO.: WRN-L-237-15

**CIVIL ACTION**

(Mount Laurel)

**FINAL JUDGMENT OF COMPLIANCE  
AND REPOSE**

This matter having come before the Court by way of a declaratory judgment action which was filed by plaintiff/petitioner Township of Hope (the "Township") on July 8, 2015 in accordance with In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1 (2015) (Mount Laurel IV); and the Court having conducted a fairness hearing on October 23, 2017 on a proposed settlement of the declaratory judgment action between the Township and Fair Share Housing Center ("FSHC") in accordance with East/West Venture v. Bor. of Fort Lee, 286 N.J. Super. 311, 328-329 (App. Div. 1996), and Morris County Fair Housing Council v. Boonton Tp., 197 N.J. Super. 359 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986), which the settlement is substantiated in a Settlement Agreement dated September 25, 2017; and the Court having entered an Order on October 23, 2017 approving the Settlement Agreement which includes provisions establishing the Township's Rehabilitation obligation, Prior Round obligation, and Third Round prospective need and gap period need obligations; and the Court having subsequently conducted a compliance hearing on April 19, 2018 for the purpose of reviewing the Township's compliance with its Third Round

Mount Laurel affordable housing obligations; and the compliance hearing having been conducted with appearances of the following attorneys: Katrina L. Campbell, Esq. (Lavery, Selvaggi, Abromitis & Cohen, PC) on behalf of plaintiff Township, and Joshua D. Bauers, Esq., on behalf of intervening defendant FSHC; and the Court having considered during the compliance hearing the testimony of Township planning expert, Fred Heyer, P.P.; and for the reasons set forth on the record on April 19, 2018, the Court finding and concluding that the Settlement Agreement remains reasonable and fair to, and adequately protects, the interests of the region's low and moderate income households, and that subject to the conditions set forth in the Amended Order of Conditional Judgment of Compliance and Repose entered on January 10, 2019, the 2018 Housing Element and Fair Share Plan ("HEFSP") and the land use regulations and affirmative devices adopted by the Township and Board comply with the Township's Third Round Mount Laurel constitutional affordable housing obligations; and FSHC reporting to the Court on April 19, 2022 that all conditions of the Amended Order of Conditional Judgment of Compliance and Repose have been satisfied, and accordingly, that the within final judgment of compliance and repose should be entered;

THEREFORE, IT IS ON THIS 30th DAY OF **SEPTEMBER, 2022** HEREBY  
ORDERED AND ADJUDGED AS FOLLOWS:

1. Final Judgment of Compliance and Repose ("FJCR") is hereby entered in favor of the Township in the within declaratory judgment action.
2. It is hereby ordered and adjudged that the within FJCR shall remain in effect for 10 years, beginning on July 8, 2015 and ending on July 8, 2025, and during this 10-year period the Township and all of its boards shall have repose and immunity from any and all exclusionary zoning lawsuits, including but not limited to "builder's remedy" lawsuits. The



grant of repose shall not prohibit actions brought by FSHC to enforce the terms of the Settlement Agreement or the within FJCR.

3. It is ordered and adjudged that the Township's Third Round Mount Laurel affordable housing obligations are as follows:

Rehabilitation (Present Need) Obligation	9 units
Prior Round (1987-1999) Obligation	8 units
Third Round (1999-2025) Fair Share Prospective Need and Gap Present Need Obligation	70 units

4. As detailed in the 2018 Housing Element and Fair Share Plan, the Township cannot satisfy the entirety of its Prior Round (1987-1999) obligation and Third Round (1999-2025) Fair Share Prospective Need and Gap Present Need obligation through new construction/development at this time due to the unavailability of sewer and water infrastructure and capacity. As such, it is ordered and adjudged that the Township is entitled to a durational adjustment in accordance with N.J.A.C. 5:93-4.3.
5. It is ordered and adjudged that the Township has satisfied its Rehabilitation (present need) obligation of nine (9) units through the partnership with the Warren County rehabilitation program.
6. It is ordered and adjudged that the Township has satisfied its Prior Round (1987-1999) obligation of eight (8) units and a Third Round (1999-2025) Fair Share Prospective Need and Gap Present Need obligation of seventy (70) units through the following mechanism:
- Accessory Apartment Program to produce six (6) accessory apartment units
  - Mandatory set aside ordinance requiring 20% of newly approved housing consisting of 5 or more units to be available to lower-income households.
  - The remaining obligation will be met through a durational adjustment.

7. As a continuing obligation and condition of this FJCR, the Township shall comply with all monitoring and reporting requirements identified in the Settlement Agreement.
  - a. On every anniversary of the execution of the Settlement Agreement, the Township shall provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC.
  - b. For the review of very low-income housing requirements required by N.J.S.A. 52:27D-329.1, within thirty (30) days of every third anniversary of the Settlement Agreement, the Township shall post on its municipal website, providing a copy to FSHC, a status report as to its satisfaction of its very low income requirements.
8. While the within FJCR resolves all issues raised in the litigation, the Court retains jurisdiction over this matter for the purpose of monitoring compliance and assisting the Township and FSHC in promptly resolving any issues that may arise.
9. In this regard, the Court hereby continues the appointment of Elizabeth McManus, PP, AICP as special master in this matter for the purpose of assisting the Township and advising the Court regarding the Township's compliance efforts. The special master shall issue reports annually to the Court with copies to the Township and FSHC. The special master's services shall be paid for by the Township.
10. Counsel for the Township shall provide all parties on the Municipal Service List with a copy of this Order within seven (7) days of posting of the within Order on eCourts.

**/s/Robert A. Ballard, Jr., P.J.Cv.**

HON. ROBERT A. BALLARD, JR., P.J.CV

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## **Appendix E**

# **Warren County Housing Rehabilitation Program Operating Manual**

**HOUSING REHABILITATION POLICY AND PROCEDURAL  
MANUAL FOR SMALL CITIES PROGRAM**

**PREPARED FOR:  
COUNTY OF WARREN HOUSING PROGRAM**

**SUBMITTED:  
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS**

**DATE: JUNE 2006  
AMENDED: NOVEMBER 2006  
AMENDED: JULY 2007  
AMENDED: JULY 2008  
AMENDED: JULY 2009  
AMENDED: JULY 2010  
AMENDED: JULY 2011  
AMENDED: JULY 2012  
AMENDED: DECEMBER 2012**

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## **INTRODUCTION**

A procedure manual (including definition of terms and forms), has been prepared to assist in the administration of the Warren County Affordable Housing Support Fund Rehabilitation Program, funded under the Small Cities Community Development Block Grant. It will serve as a guide to program staff in conjunction with the New Jersey Department of Community Affairs and the U.S. Department of Housing and Urban Development publications.

The manual discusses basic content and operation of the program by examining basic program purpose, program guidelines, and a framework for implementation of the program. It has been prepared with a flexible format, allowing for a periodic update of its sections, when required, due to revisions in regulations and/or procedures.

Further procedural assistance may be received by directing specific questions and problems to the program's New Jersey Department of Community Affairs representative in Trenton.

Lastly, the procedural guide is to be utilized for the processing of rehabilitation cases and is not a standard applied or to be applied in the administration of any prior grant assistance. Small Cities funds will be utilized for rehabilitation improvements. Technical assistance will be provided to identify property improvement needs and financing for addressing those needs.

## REHABILITATION PROGRAM PROCEDURES I-XII

The sections which follow address eleven areas or steps in the Warren County Housing Program rehabilitation process. The areas or steps have been identified by the New Jersey Department of Community Affairs and are incorporated within the Small Cities Program funding agreement by and between the State and the County of Warren. Specific points are presented which describe eligible participants, benefits available, property improvements, selection procedures, administrative procedures, program staffing and job responsibilities, maintenance of records and client files and fund obligation – payout.

- I. Eligible Participants: The following section of the manual describes categories of eligible participants; income limits for participation; and target area(s) to be served by the program.

- a. The conditions of eligibility for receipt of loans or grants.

The affordable housing support fund strategy developed by Warren County to address housing needs of low- and moderate-income persons will provide financial and technical assistance for rehabilitation of substandard housing. Complementary funding from County and other public sources will be utilized to correct or eliminate street, storm drainage, bridge and culvert needs. The primary object of the program presented in the application and this manual, is in conformance with mandated requirements established for the State of New Jersey Small Cities Block Grant guidelines. Specific compliance may be described as follows with respect to each of the three program requirements.

- o "...the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income."

The Warren County housing rehabilitation program has been designed to address both the physical and economic needs of the housing market. In addition, other funds will be utilized to address public improvement needs or problems in target areas. The program assistance provided will eliminate conditions in dwelling units which are detrimental to health, safety and public welfare. Further, proposed rehabilitation technical assistance activities will expand the quality and quantity of community services available to the lower-income population of the County. Finally, rehabilitation of substandard housing will facilitate more rational utilization of land and arrangement of land uses. Together, these program emphases will maximize the functional development of neighborhoods and communities in the County.

- o "...give maximum feasible priority to activities which will benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight..." and

The Warren County housing rehabilitation program has been designed to exclusively benefit low- and moderate-income persons, and alleviate substandard living conditions. The program will provide rehabilitation assistance and other public funds will provide for public improvement facilities for low income persons where households who are able to meet a low and/or moderate income test and where substandard housing conditions have been identified and residents therein surveyed. Based on income and condition survey results, there is a projected need to rehabilitate structures in the target areas occupied by lower income households. Proposed program activities will address housing needs by financing rehabilitation assistance and creating a self-perpetuating



rehabilitation loan program. Further, the needs of lower income households will be addressed through the provision of affordable financing and technical assistance to eliminate unsafe or blighting living conditions. Finally, program services and assistance will reduce the isolation of lower income households by correcting for environmental conditions which result in a neighborhood being labeled or designated as blighted, deteriorated, deteriorating, or inappropriately developed.

- o "...the projected use of funds may also include activities... designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs."

The Warren County housing rehabilitation program has been designed to give assistance on a priority basis. Priority applicants will be selected on the basis of income, age, physical health, family size, household composition, and perhaps the most important, type of required improvements. In addition, special consideration will be given for emergencies. Structural conditions which threaten the health and/or safety of occupants will be corrected first. Included here are electrical, heating, plumbing, and structural conditions with a particular urgency. The system of prioritization will require the processing of the most critical and/or life threatening rehabilitation cases on an immediate basis throughout the period of program implementation

**b. Income limits.**

The program will utilize the following specific applicant income test for determining eligibility.

- o Income shall be income from all sources received by the head of household, spouse and other household members, other than minors, included in the determination of household size. ("Minor" is a member of the household, excluding foster children, other than the family head or spouse, who is under 18 years of age or is a full-time student.) Funds contributed directly to the household expenses by family members not included in the determination of household size shall also be considered as income.
- o Household size shall be determined in accordance with U.S. Department of Housing and Urban Development Section 8 Program criteria, except that household members whose total income is not included in the household income, as described above, shall not be included in the determination of household size.

**c. Target Areas.**

The Warren County neighborhood revitalization program has identified target area neighborhoods as appropriate for housing rehabilitation and assistance. Specific locations in the target areas and eligible municipalities for rehabilitation assistance are as follows:



Target Area  
Community

Alpha  
 Belvidere  
 Blairstown  
 Franklin  
 Frelinghuysen  
 Greenwich  
 Hackettstown  
 Hardwick  
 Harmony  
 Hope  
 Independence  
 Knowlton  
 Liberty  
 Lopatcong  
 Mansfield  
 Oxford  
 Phillipsburg  
 Pohatcong  
 Washington Borough  
 Washington Township  
 White

Note: Maps presented in each annual Small Cities application.

- II. Benefits available. The following section of the manual describes program financing and technical assistance available under the rehabilitation program. Information is presented concerning available subsidies; financing terms and amounts; and emergency assistance. Technical services are also defined.
- a. The Terms of the loans, including interest rates, maximum amounts and periods and frequency of repayment.

The two methods of providing rehabilitation assistance through the program are summarized below:

- o **Direct Assistance.** The program is available to very low-income applicants and uses Community Development Block Grant funds to make direct assistance to property owners to cover the cost of rehabilitation. The property owner will be required to execute a deferred payment loan agreement.
- o **Revolving Loan Program.** The program is available to low-income applicants and uses Community Development Block Grant funds to lend to homeowners at 1 percent interest for a six – fifteen year term.

1. **Direct Assistance**

Assistance provided in the form of non-interest bearing and deferred payment loan. Repayment of the loan shall be secured

by a mortgage and shall be made at the time of the sale or transfer of the property after rehabilitation is completed. Very low-income participation guidelines for receipt of such assistance are set forth below:

Maximum Income by Number Of Persons per Household		Assistance Amount
Persons	Maximum Adjusted Income (Section 8 Income Criteria)	
1	\$32,450	Improvement costs.
2	37,050	
3	41,700	
4	46,300	
5	50,050	
6	53,750	
7	57,450	
8+	61,150	

## 2. Revolving Loan Program at 1 Percent Interest

Assistance provided under a revolving loan program. Applicant eligible to borrow an average of \$10,000 at 1 percent for a 6, 10, or 15 year term depending on the applicant's ability to repay the loan. Repayment of principal and interest shall be secured by a mortgage, repaid on a monthly basis during the term of the mortgage, or at the time of property sale or transfer if this occurs prior to repayment of the mortgage. Low-income participation guidelines for receipt of such assistance are set forth below:

Maximum Income by Number Of Persons per Household		Assistance Amount
Persons	Maximum Adjusted Income (Section 8 Income Criteria)	
1	\$45,100	Improvement Costs
2	51,550	
3	58,000	
4	64,400	
5	69,600	
6	74,750	
7	79,900	
8+	85,050	

Occasionally, program staff may identify a home improvement case with excessive rehabilitation needs. If sufficient funds are available, assistance would be made available and allocated to homeowners on the basis of health, safety and socioeconomic need. Assistance would be available to homeowners provided the following conditions are evident:

- o Repair of items which threaten health, safety, and/or welfare of applicant, the most of which would exceed the maximum amount of assistance available per the requirements described above.
- o Case characteristics (socioeconomic, emergency, other) are such that additional assistance is in the best interest of both the applicant and the program.

A case must meet both criteria in order to receive additional assistance. Financing is made available as follows:

- o Establishment of property lien with repayment on a 1 percent loan basis for up to 15 years, or a due-on-sale repayment basis. The selected repayment approach will be based on a staff decision and will emphasize loan affordability (ability to repay loan).
  - o A memorandum describing the hardship circumstance requiring the additional funding will be included in the applicant case file. All points noted in this section must be addressed in the memorandum.
- b. Technical assistance which the program will provide and the manner or procedures to be followed in the implementation of the program are described below:
- o Initiate advertisement and outreach program for applications for assistance with final date of application as part of the notice.
  - o Set up interviews and prepare applications and provide technical assistance, as may be required, to applicants. (This will likely include personal interviews, follow-up requests for missing documentation, assistance in contractor negotiations, etc.)
  - o Obtain all verifications necessary to determine eligibility. (Homeowner to provide verification data. Program staff to obtain judgment search and property report).
  - o Advise eligible applicant of status.
  - o Notify ineligible applicants with the reason for their ineligibility.
  - o Complete ownership and other locally required verifications.
  - o Review and rank all applicants and determine which applications may be funded with available funds.
  - o Set up appointment for an inspection.
  - o Inspect property of eligible applicants to verify the need for rehabilitation and provide a report which will be the basis upon which all contractor proposals will be submitted.
  - o Review work write-up with applicants and indicate when construction may start and explain again steps to be followed (contract signing, payment procedures, etc.)
  - o Obtain cost estimates.



- o Execute applicant agreement, appropriate mortgage and related documentation, draw Community Development Block Grant funds and record approved assistance amount for each rehabilitation case.
  - o Transfer approved assistance funds from regular account to rehabilitation escrow account and establish account records.
  - o Applicant is then in construction stage and regular inspections should be made to determine status and quality of work.
  - o Make payments, as provided in contract, (identify contractors as payee) after progress inspection. Final payment to be made only after receipt of release of liens, warranty, contractor's invoice voucher and final inspection by program staff and municipal inspector.
  - o Retain applicant's records in closed case file.
- c. The manner in which cost estimates will be developed for the rehabilitation, renovation or construction activities to be undertaken with such loans or grants.

All homeowners found eligible for program assistance will be required to submit their properties to an on-site inspection by the program administrators. Homeowners will be requested to abate all substandard conditions identified by the program inspector within a specified period of time in order to receive program assistance.

Small Cities rehabilitation funds will be utilized to address health and safety problems affecting plumbing; heating-energy; lead base paint; electrical; roof; and, structural systems. Rehabilitation needs of a lesser or secondary priority will include exterior weather proofing (siding and wall masonry repairs, exterior painting); interior improvements (plaster work, flooring, interior painting); premise repairs (driveway resurfacing, steps and railings, demolition, clearance, etc.); and, essential appliances (stoves and refrigerators).\*

All construction or improvement work will be in accordance with regulations and guidelines under the New Jersey Uniform Construction Code.

- d. The manner in which contractors will be selected for the construction, rehabilitation or renovation work funded in whole or in part with Small Cities funds provided through loans or grants including but not limited to, bidding procedures.

The program will be designed so as to offer and maximize employment opportunities to area residents in the construction trades. The following contractor systems are proposed in order to facilitate these objectives.

Program administrators will maintain a list of contractors for property rehabilitation work. Contractors will be identified and recruited by advertising, public meeting(s), and other resources such as County and municipal records. The list will show contractors in different areas of expertise (electrical contractors, general contractors, etc.). All contractors included on this list must show evidence of competence in their claimed area of expertise (contractors will be required to cite several examples of their recent work); must show evidence of carrying public liability insurance and must carry workmen's compensation insurance; and, must provide affirmative action and non-collusion statements.

Plumbing and electrical contractors must be licensed, as required by local ordinances.

A contractor may be removed from the list if the program administrators find that the contractor through his own deficiency has failed on at least one occasion to meet the terms of an agreement entered into with a program participant.

The contractor information described above will be maintained in a contractor file.

- e. The manner in which the program will inspect and monitor the construction, rehabilitation and renovation activities to be undertaken.

The procedures described below will provide for program inspection and monitoring relative to rehabilitation activities:

- o The owner and the program shall be afforded access at all times to inspect the work and the program may, at all times, inspect the contractor's books, records, correspondence, construction drawings, receipts, vouchers, payrolls and agreements with subcontractors in relation to this contract, and the contractor shall preserve all such records for a period of two (2) years after the payment hereunder.
- o As a condition to receiving payment, the contractor shall deliver to the owner a complete release of all liens arising out of this contract, and a warranty covering all work performed to the effect that such work shall be free from defects arising from the workmanship of the contractor, or subcontractor, or the quality of the material used in the work performed hereunder.
- o The owner of the program, before making any payments, may require the contractor to furnish releases or receipts from any or all persons performing work and supplying materials under this contract, if this is deemed necessary to protect the owner's interests.
- o The contractor shall give all notices required by and comply with all applicable laws, ordinances and codes of the local government and shall, at his own expense, accrue and pay fees or charges for all permits required for the performance of the contract work.

III. Eligible Property Improvements. Eligible rehabilitation activities, priorities, standards and ineligible improvements are described in the following section of the manual.

- a. The following limitations shall apply to the assistance monies:
  - o Funds may be used for the purpose of covering the cost of repairs and improvements necessary to make the structure occupied by the applicant conform to Section 8 Program housing quality standards with provisions for improvements under the New Jersey Uniform Construction Code.
  - o Improvements initiated or completed prior to the approval of assistance as set forth herein, will not be eligible for financing under the provisions of this program.
- \* If the owner sells the property after improvement, appliances, purchased with grant funds must remain in the property.



- o Funds may not exceed the lesser of:
  1. The actual and approved cost of eligible repairs and improvements.
  2. The maximum amount of assistance the owner is eligible to receive.
- o Emergency assistance shall be available under the following procedures:  
 The Program Administrator shall determine that an emergency situation exists based on the following:
  1. The repair problem is an immediate and serious threat to the health and safety of the building's residents;
  2. The problem has been inspected and the threat verified by the appropriate local construction and/or health official; and
  3. The building is owner occupied and the residents are determined to be income eligible.

All income qualified homeowners throughout the County are eligible for this assistance. Only those repairs necessary to correct the emergency situation are eligible for this priority assistance.
- o The recipient must abate all violations found to exist in the subject property. If the assistance is not adequate to provide for such abatement, the recipient must (1) exhibit adequate funds from supplemental sources prior to receipt of the assistance or, (2) agree to abate primary violations which directly effect the health and safety of occupants of the weathertightness of the structure and to address the balance of code violations at some time in the near future and as household financing is available.
- o The recipient property will be reviewed for flood zone location. Properties within the 100 year flood boundary will be required to have flood insurance.
- o The maximum number of applicants to be assisted would not exceed fund availability, as identified in the Community Development Program budget. Applicants will be selected during the initial six months of project implementation. Application interest will be recorded for cases not selected and a program waiting list will be maintained.
- o Priority applicants will be selected on the basis of income. The earliest applications shall be approved first.
- o Priority applicants will also be selected based on need relative to applicant age, physical health, family size and composition (preference will be given to female-headed and large families), and type of required improvement to structure. In addition, special consideration will be given for emergencies.
- o After applicants have been selected, applications will be processed in phases and in the chronological order in which they are received, provided funds are available for assistance in the community development budget.

IV. Grantee Performance Procedures. applicant selection, project estimating and property owner participation are described in the following sections of the manual.

- a. The manner in which applications for grants or loans under the program are to be accepted, evaluated and approved or disapproved.

Applications for financial assistance under the program will be accepted as received. Each application will be provided with a case number and processed and evaluated upon receipt.

Approval and/or disapproval will be in accordance with established program criteria and process review and rating will be in accordance with the guidelines described.

Applicants will be processed until such time as funds under the Small cities Program grant are exhausted for any particular target area neighborhood. At that time, applicants will be advised that they will only be listed on a waiting list.

- b. The manner in which applications for assistance under the rehabilitation loan program are to be received and evaluated. Also, the entity who will make the final determination as to whether an application for assistance will be approved, and if so, upon what terms and conditions.

Applications for rehabilitation assistance will be received for each locality target area neighborhood and scored for the following criteria:

**SCORE ONE POINT FOR EACH APPLICABLE ITEM**

Income is BELOW:

Very Low Income Limits  
Low Income Limits

Applicant Is and/or Has:

Large Family (5 or more members)  
Elderly (65 years of age)  
Handicapped  
Female Headed Household  
Special Social Problem  
Explain \_\_\_\_\_

Applicant has received emergency assistance:

Property Is:

Within municipal goal  
\_\_\_\_ Target Area \_\_\_\_ Non-Target Area

Improvement Necessary to Bring to Standard Condition:

Plumbing  
Heating  
Electrical  
Other Structural Repairs  
Insulation/Energy Conservation  
Specialty Item (i.e. Lead Based Paint)  
Specify: \_\_\_\_\_

TOTAL:



A score of 15-19 points will provide for immediate treatment; a 7-14 point rating will provide for high or secondary phase treatment; and, a 1-6 point rating will result in tertiary or final phase treatment.

The final determination of approval will be provided by Housing Program staff under the direction of Housing and Community Development Services, Inc., program consultant.

- c. The manner in which contractors are to be selected to perform any rehabilitation or renovation work with funds provided under the program.

Contractors will be given the opportunity to submit estimates (bids) on a phased basis. Contractors will be asked to contact the program office and ask for available specifications. Each job will have two to three estimates provided to the homeowner, who will select the low bidder for the improvement work. (An exception to this system may be utilized for emergency improvement items.) Notification will be sent to all successful bidders and an explanation of the estimate selected will be provided upon request.

The successful contractor will be notified and asked to come into the program office to sign contracts.

- V. Administrative Procedures. Procedures for processing rehabilitation applications and who is responsible are described in the manual section which follows:

- a. Administration described.

<u>Step</u>	<u>Responsible Agent*</u>
o Program Advertisement and Public Relations	
- Advertise program through use of media, use of brochures, word of mouth, local municipal meetings, and housing committee member outreach.	1,2,3
- Hold contractor meeting and establish contractor list.	1,2,3
o Applicant Processing and Approval	
- Distribute and place applications.	1,2,3
- Provide for initial interviews.	1,2
- Verify applicant income eligibility.	1,2
o Property Inspection and Costing	
- Inspect property, prepare work write-ups and cost estimate.	3
- Schedule subsequent interview.	
o Contractor Selection	
- Obtain 3 estimates.	2,3
- Select contractor (homeowner).	2



- Prepare and sign contract documents. 2
- o Construction
  - Authorize and begin construction. 2
  - Provide inspection services. 3
  - Complete construction. 3
  - Complete instruction service. 3
- o Case Closeout
  - Provide for recordkeeping and compliance documentation. 1,2,3
  - Provide for follow-up counseling, if necessary and/or close case files. 2
  - Make payments, as provided in contract, (identify contractor as payee) after progress inspection. Final payment to be made only after receipt of release of liens, warranty, contractor's invoice voucher and final inspection by program staff and municipal inspector. 3
  - Retain applicant's records in closed case file, should questions arise in the future. The following basic documentation should be part of the permanent case file: 1,2,3
    - Rehabilitation Assistance Application
    - Income verification and Related Data
    - Inspection Report and Related Data
    - Application Tabulation
    - Ownership Verification
    - Contractor Proposals
    - Contract and Change Orders, if applicable
    - Construction Inspection Reports
    - Contractor's Invoice, Release of Liens and Warranty
    - Voucher(s)
    - Payment and Account Records
  - During the rehabilitation program application and construction stages, the property owner should be given copies of the following for his/her permanent household records: 2
    - Rehabilitation Assistance Application
    - Work Write-Up
    - Signed Contract and Change Orders, if applicable
    - Contractor's Invoice, Release of Liens and Warranty

<u>Step</u>	<u>Responsible Agent*</u>
- Providing for loan servicing and loan repayment records.	2

Note: In all instances, the administrative agent is Housing and Community Development Services, Inc., Project Consultant to the Warren County Board of Chosen Freeholders.

- 1 – indicates Administrative Assistant
- 2 – indicates Rehabilitation Program Administrator
- 3 – indicates Housing Inspector

VI. Program staffing and job responsibilities for each person who works in the program.

See job descriptions which follow.

REHABILITATION PROGRAM ADMINISTRATOR

The Rehabilitation Program Administrator will provide for the day-to-day operation of the Warren county Home Improvement Program.

RESPONSIBILITIES AND DUTIES

The Rehabilitation Program Administrator will administer the Home Improvement Program at the direction of, and will be responsible to, Housing and Community Development Services, Inc. The specific responsibilities and duties of the Rehabilitation Program Administrator are as follows:

1. Administration of all Home Improvement project activities.
2. Management of program procedures, including recordkeeping, filing and accounting requirements.
3. Advice/counseling to applicants on purpose of loan program.
4. Collection of pertinent application data and preparation of recommendations for presentation to the Board of Chosen Freeholders and/or the Housing Committee.
5. Liaison with Board of Chosen Freeholders and attendance at all required meetings.
6. Processing of rehabilitation loans after selection of recipients.
7. Liaison with private lending institutions on behalf of low interest loan applicants.
8. Liaison with program participating municipalities on behalf of selected applicants.
9. Liaison with County departments.
10. Preparation of program summary and final reports.
11. Provision of such other services as may be required in connection with the administration of the county's approved Housing and Community Development Program and/or which the County may direct.

HOUSING INSPECTOR

The Housing Inspector will assist the Home Improvement Program staff and provide data necessary to prepare work write-ups; specifications; and unit inspections.

RESPONSIBILITIES AND DUTIES

The Housing Inspector will assist the Housing Program staff at the direction of, and will be responsible to, Housing and Community Development Services, Inc.

The specific responsibilities and duties of the Housing Inspector are as follows:

1. Coordination with the Housing Program staff in the administration of all housing and project activities.
2. Performance of property inspections.
3. Preparation of work write-ups and cost estimates for inspected properties.
4. Provision of such other services as may be required in connection with the administration of the County's approved program which the County may direct.

ADMINISTRATIVE ASSISTANT

The Administrative Assistant will assist the Home Improvement Program staff, as well as perform general administrative and secretarial functions.

RESPONSIBILITIES AND DUTIES

The Administrative Assistant will assist the Housing Program staff at the direction of, and will be responsible to, Housing and Community Development Services, Inc.

The specific responsibilities and duties of the Administrative Assistant are as follows:

1. Typing of correspondence, forms, work write-ups and cost estimates, etc., for the Home Improvement Program staff.
2. Management of program books accounting, and filing requirements, as directed by program staff.
3. Provision of such other services as may be required in connection with the administration of the County's approved Home Improvement Program and/or which may be directed by the County.

VII. Maintenance of Records and Client Files.

Program records shall be maintained in the Warren County Housing Program Office (415B Front Street, Belvidere, New Jersey 07823 and shall include individual case files and supporting documentation as required by Small Cities Regulations. Case files should include all applicable forms presented in the Forms section of the rehabilitation manual.

- a. The manner in which the program will ensure the repayment of the loans provided through appropriate security devices. In providing for the execution of such security devices, the procedures shall provide appropriate means by which the program can ensure that the value of the property being provided as security for the repayment of any loan is equal to or greater than the amount of the loan provided.



The County of Warren Housing Program staff will require the execution of Title Affidavit, Mortgage Note and Mortgage Documents for rehabilitation assistance provided under the Small Cities Program

Further, each assistance case will be subject to a title search preparation to identify outstanding indebtedness on the case property. The County of Warren Housing Program Staff will not provide financing in those instances where the value of a property or the value of the property without indebtedness is less than the amount of proposed assistance.

- b. The manner in which the program will insure payment in full of the loan will be received, should the borrower sell his residence or commercial property prior to the final payment as scheduled.

The County of Warren Housing Program will secure all financing assistance repayments by execution of an Affidavit of Title; a Mortgage Note; and, a Mortgage. Documentation will be recorded with the Warren County Clerk's Office.

- c. The manner in which the program will ensure the value of any real or personal property being provided to secure the repayment of any loan made under the program be equal to or greater than the amount of any such loan.

The Small cities Housing Program staff will provide for the processing of each rehabilitation case with a title search analysis to determine property value available to secure repayment of program assistance monies. Further, each applicant case will be required to execute an Affidavit of Title assuring the program of no recent indebtedness on the property in the past 6 months.

Housing Program staff will permit other than a primary mortgage position under the program for the County of Warren.

#### VIII. Program Marketing Strategy.

- a. The manner in which the program will advertise and otherwise disseminate information as to the availability of loans and grants.

The advertisement for program participation and the dissemination of program information as to the availability of loans and grants will be on a target area neighborhood basis.

Measures will include the provision of door-to-door material on the project and funding availability, and the announcement of a local community meeting with Housing Program staff and members of the Governing Body for each target area municipality.

The municipal target area public meetings will be conducted for the purpose of program explanation and will distribute preapplication forms.

#### IX. Instructions about How Funds are Obligated and Paid Out by the County.

- a. The manner in which the disbursement of loan or grant funds and the payment for work performed by such contractors is to be made on a periodic, rather than on an advance, lump-sum, basis as the work is completed to the satisfaction of both an appropriate municipal official and the owner of the property being rehabilitated or renovated.

Construction work should be started within 30 days of contract and completed within 60 days after that (weather permitting).

Contractors will be paid in a minimum of two stages.

- o Upon completion of 50 percent of the work – 40 percent of the contract price.
- o Upon completion of 100 percent of the work – the remainder of the contract price.

A certificate of final inspection will be signed by the homeowner and the program administrators (property inspector).

All amounts due and payable by the owner to the contractor for the work performed under this agreement shall be payable within thirty (30) days after the work is satisfactorily completed and approved by the owner and Housing Program staff. The owner may withhold its approval of such work if the program refuses to give its approval thereof.

- b. The establishment of a revolving loan fund to be created with the repayments of the loans.

In November 1982, the Warren county board of Chosen Freeholders established the procedures and policy for a housing program rehabilitation trust fund. The fund has received loan principal and interest repayment monies since that time and in accordance with the following loan repayment guidelines.

- o Monies may be used for any eligible Community Development Block Grant activity which the Board of Chosen Freeholders identifies and approves. This includes the following activities.
  - Rehabilitation assistance for dwelling units owned and occupied by lower income households, program administration and management or planning. Essentially, assistance will be used to eliminate code and incipient code violations for households in specified areas and meeting income and other policy criteria.
  - Acquisition of previously rehabilitation properties with foreclosure status for the purpose of maintaining affordable housing opportunities in the County.
- o Revolving loan fund distribution:
  - The funds are and will be administered by the County of Warren and its agents. The county Treasurer/Chief Financial Officer has established a rehabilitation trust fund and is responsible for the financial security of that account. The housing program staff as supplied by the County monitor the loan fund and process applicants with assistance from that fund.
  - Decisions with respect to the distribution of funds will be made by housing program staff employed by the County of Warren and the Board of Chosen Freeholders.
  - The geographic area in which the revolving loan fund will operate includes all residential areas in the County of Warren.



- The administrative costs for the fund are provided through current housing program grants received by the Freeholder Director and Board of Chosen Freeholders of the County of Warren. This has included continuing funding under the Small cities Program. At such time as these resources are not available, the County most likely would need to utilize a portion of the revolving loan fund to cover administrative charges.
  - Unobligated monies are maintained in the County Treasurer/Chief Financial Officer Housing Rehabilitation Trust Fund. This is an interest bearing account. Generally, monies are turned around and applied to new cases within a short time of repayment thereby reducing the actual return on investment.
  - Any proposed changes in the use of funding must be undertaken with the approval of both the New Jersey Department of Community Affairs State of New Jersey and the County of Warren Freeholder Director and Board of Chosen Freeholders as the public housing agency.
- o Affordable Housing Program Guidelines:
- Prior to property acquisition, the housing program staff will obtain property appraisal and title search documentation in order to determine acquisition feasibility.
  - Properties acquired through foreclosure proceedings shall be made available to Self Sufficiency Program households under the US Department of Housing and Urban Development Voucher Choice Program. A contractual agreement or lease-purchase mortgage will be executed between an income eligible tenant and the County of Warren. The County Treasurer will agree to credit a portion of the monthly rental toward a down payment and convey title to the property to the tenant after a specified period of time for an agreed upon sale price.
  - Acquired property must meet local codes/standards or must be free of safety and health hazards prior to occupancy or within 6 months of property transfer, whichever is sooner.
  - Acquired property will be subject to resale or recapture provisions in order to address program affordability requirements. All of the Warren County investment in the property and the assistance to the buyer must be recaptured at the time of property sale.
  - Voucher Choice Self Sufficiency Program clients will be provided with a detailed analysis of the household ability to afford the purchase of the dwelling. The affordability analysis will consider income, liabilities, and available funds, along with lease-purchase terms and conditions.

The housing program will allow the following homeownership expenses:

Principal and interest on initial mortgage debt, any refinancing of such debt, any mortgage insurance premium incurred to finance the purchase of the home, real estate taxes and public assessments on the home, home insurance, an allowance for maintenance expenses and the cost of major repairs and replacements (these amounts will be determined on a case-by-case basis), the Warren County utilities allowances for the home, principal and interest on mortgage debt incurred to finance the costs of major repairs, replacements or improvements for the home.

- (1) All applicants for the homeownership vouchers must be participants in good standing with the Section 8 Housing Choice Voucher Program and have a good credit history.
  - (2) Program participants must also have established an Escrow/Savings account with a current balance not less than \$1,000.
  - (3) Applicants for the Voucher Choice Homeownership Program must have gross annual income of at least \$25,000 to be eligible for the Homeownership voucher.
  - (4) Homeownership participants (head of household or spouse) will be required to complete a pre-homeownership counseling. All costs for the homeownership counseling will be paid by the Warren County Housing Program.
  - (5) The Housing Program will conduct annual Housing Quality Standards evaluations of all homes that are purchased through the homeownership voucher choice program. These evaluations will enable the program to assess the conditions of the homes and to provide any counseling or training that may be needed to sustain the homeownership opportunity for participating families.
- o Housing program staff will monitor loan repayment information reported by data processing and will follow-up on applicants failing to maintain repayment schedules. At this time, the largest loan was made for the moderate rehabilitation program. Loan repayment funds are to be automatically paid from the monthly rental subsidy contract which is in effect for 15 years. In all rehabilitation loan cases, staff will be guided by contract, not and coupon specifications.
- X. Complaint Processing. The Warren County Housing Rehabilitation Program will establish a Complaint Review Committee to consider issues raised by program applicants and participants, including both homeowners and contractors. The Complaint Review Committee will be comprised of three members of the Warren County Housing Committee and the Fair Housing Officer or, an alternate member assigned by each. Complaints must be submitted in writing to the Fair Housing Officer and should describe the problem in sufficient detail for the Committee to review the case. A response will be provided to the complaint within 15 working days and will establish the procedures to be followed to resolve the issues raised.
- In the event there arises a dispute regarding program guidelines or policy, payment, construction or contractual matters, the disputes shall be resolved in accordance with the following procedure:
1. The housing rehabilitation program administrators shall attempt to negotiate any dispute and establish a settlement which is acceptable to the owner, the contractor, and the County.
  2. In the event the dispute cannot be negotiated, the housing rehabilitation program administrators shall complete a detailed report describing the issues and their recommendation for resolution of the dispute. The report shall be submitted to the Complaint Review Committee (CRC). If the dispute is resolved with the assistance of the CRC in accordance with the administration recommendation or other acceptable manner, the resolution shall be duly memorialized and no further action will be



required. In the event the dispute cannot be resolved, the matter will be submitted to arbitration as set forth below.

3. In the event the dispute cannot be resolved through negotiation, the matter shall be submitted to binding arbitration before a neutral third party, preferably an established arbitration service. In the event arbitration is required, the following procedure shall apply:
  - a. The arbitrator shall schedule a hearing for the matter in a timely manner.
  - b. Parties to the dispute and their representatives may attend the arbitration hearing.
  - c. Written and oral arguments and statements may be presented at the hearing.
  - d. Based upon the information presented at the hearing, the arbitrator shall determine the manner or resolution of the dispute.

XI. What is 40 CFR Part 745 – Lead; Renovation, Repair, and Painting Program Final Rule and What Is the Lead-Based Paint Renovation, Repair and Painting Program (RRP)?

1. The Lead-Based Paint Renovation, Repair and Painting Program is a federal regulatory program affecting contractors, property managers, and others who disturb painted surfaces.
2. It applies to residential houses, apartments, and child-occupied facilities such as schools and day-care Centers built before 1978.
3. It includes pre-renovation education requirements as well as training, certification, and work practice requirements.
  - 3.1 Pre-renovation education requirements are effective now:
    - 3.1.1 Contractors, property managers, and others who perform renovations for compensation in residential houses, apartments, and child-occupied facilities built before 1978 are required to distribute a lead pamphlet before starting renovation work.
  - 3.2 Training, certification, and work practice requirements become effective April 22, 2010:
    - 3.2.1 Firms are required to be certified, their employees must be trained in use of lead-safe work practices, and lead-safe work practices that minimize occupants' exposure to lead hazards must be followed.
4. Renovation is broadly defined as any activity that disturbs painted surfaces and includes most repair, remodeling, and maintenance activities, including window replacement.
5. The program includes requirements implementing both Section 402(c) and 406(b) of the Toxic Substances Control Act (TSCA). ([www.epa.gov/lead/pubs/titleten.html](http://www.epa.gov/lead/pubs/titleten.html))
6. EPA's lead regulations can be found at 40 CFR Part 745, Subpart E.

What Happens if the Agency Discovers a Violation? (reprinted directly from EPA-Small Entity Compliance guide to Renovate Right 12/08)

EPA uses a variety of methods to determine whether businesses are complying, including inspecting work sites, reviewing records and reports, and responding to citizen tips and complaints. Under TSCA, EPA (or a state, if this program has been delegated to it) may file an enforcement action against violators **seeking penalties of up to \$32,500 per violation, per day**. The proposed penalty in a given case will depend on many factors, including the number, length, and severity of the violations, the economic benefit obtained by the violator, and its ability to pay. EPA has policies in place to ensure penalties are calculated fairly. These policies are available to the public. In addition, any company charged with a violation has the right to contest EPA's allegations and proposed penalty before an impartial judge or jury.

#### What Are the Recordkeeping Requirements?

1. All documents must be retained for three years following the completion of a renovation.
2. Records that must be retained include:
  - 2.1 Reports certifying that lead-based paint is not present.
  - 2.2 Records relating to the distribution of the lead pamphlet.
  - 2.3 Any signed and dated statements received from owner-occupants documenting that the requirements do not apply (i.e. there is no child under age 6 or no pregnant woman who resides at the home, and it is not a child-occupied facility).
3. Documentation of compliance with the requirements of the Lead-Based Paint Renovation, Repair, and Painting Program require but is not limited to; copies of supervisors certification and training of workers in 7 work practices, posting of warning signage, cleaning verification, dust sampling, etc., (EPA has prepared a sample form that is available at [www.epa.gov/lead/pubs/samplechecklist.pdf](http://www.epa.gov/lead/pubs/samplechecklist.pdf)).

#### What Does the Program Require?

##### Pre-Renovation Education Requirements – Effective Now.

1. In housing, you must:
  - 1.1 Distribute EPA's lead pamphlet to the owner and occupants before renovation starts.
2. In a child-occupied facility, you must:
  - 2.1 Distribute the lead pamphlet to the owner of the building or an adult representative of the child-occupied facility before the renovation starts.
3. For work in common areas of multi-family housing or child-occupied facilities, you must:
  - 3.1 Distribute renovation notices to tenants or parents/guardians of the children attending the child-occupied facility. Or you must post informational signs about the renovation or repair job.
4. Informational signs must:
  - 4.1 Be posted where they will be seen;



- 4.2 Describe the nature, locations, and dates of the renovation; and
- 4.3 Be accompanied by the lead pamphlet or by information on how parents and guardians can get a free copy (see page 31 for information on obtaining copies),
- 5. Obtain confirmation of receipt of the lead pamphlet (see page 23) from the owner, adult representative, or occupants (as applicable), or a certificate of mailing from the post office.
- 6. Retain records for three years.

\*Note: Pre-renovation education requirements do not apply to emergency renovations. Emergency renovations include interim controls performed in response to a resident child with an elevated blood-lead level.

#### Training, Certification, and Work Practice Requirements – Effective after April 22, 2010.

- 1. Firms must be certified.
- 2. Renovators and workers must be trained.
- 3. Lead-safe work practices must be followed. Examples of these practices include:
  - 3.1 Work-area containment to prevent dust and debris from leaving the work area.
  - 3.2 Prohibition of certain work practices like open-flame burning and the use of power tools without HEPA exhaust control.
  - 3.3 Thorough clean up followed by a verification procedure to minimize exposure to lead-based paint hazards.
- 4. The training, certification, and work practice requirements do not apply where the firm obtained a signed statement from the owner that all of the following are met:
  - 4.1 The renovation will occur in the owner's residence;
  - 4.2 No child under age 6 resides there;
  - 4.3 No woman who is pregnant resides there;
  - 4.4 The housing is not a child-occupied facility; and
  - 4.5 The owner acknowledges that the renovation firm will not be required to use the work practices contained in the rule.

#### What Are the Responsibilities of a Certified Firm?

Firms performing renovations must ensure that:

- 1. All individuals performing activities that disturb painted surfaces on behalf of the firm are either certified renovators or have been trained by a certified renovator and the firm must maintain documentation to such training.
- 2. A certified renovator is assigned to each renovation and performs all of the certified renovator responsibilities.

3. All renovations performed by the firm are performed in accordance with the work practice standards of the Lead-Based Paint Renovation, Repair, and Painting Program.
4. Pre-renovation education requirements of the Lead-Based Paint Renovation, Repair, and Painting Program are performed.
5. The program's recordkeeping requirements are met.

#### What Are the Responsibilities of a Certified Renovator?

Certified renovators are responsible for ensuring overall compliance with the Lead-Based Paint Renovation, Repair, and Painting Program's requirements for lead-safe work practices at renovations they are assigned. A certified renovator

1. Must use a test kit acceptable to EPA, when requested by the party contracting for renovation services, to determine whether components to be affected by the renovation contain lead-based paint (EPA will announce which test kits are acceptable prior to April 2010. Please check our Web Site at [www.epa.gov/ead](http://www.epa.gov/ead)).
2. Must provide on-the-job training to workers on the work practices they will be using in performing their assigned tasks and document such training.
3. Must be physically present at the work site when warning signs are posted, while the work-area containment is being established, and while the work-area cleaning is performed.
4. Must regularly direct work being performed by other individuals to ensure that the work practices are being followed, including maintaining the integrity of the containment barriers and ensuring that dust or debris does not spread beyond the work area.
5. Must be available, either on-site or by telephone, at all times renovations are being conducted.
6. Must perform project cleaning verification.
7. Must have with them at the work site copies of their initial course completion certificate and their most recent refresher course completion certificate.
8. Must prepare required records.

#### Lead hazard Reduction Methods

Lead Hazard Reduction methods are the specific types of treatments to control lead-based paint hazards. The method of Lead Hazard Reduction required is determined by the type of housing activity being undertaken. There are two Lead Hazard Reduction methods: abatement and interim controls. These methods are discussed below and consolidated into a **summary table of reduction methods**.

##### 1. Abatement

Abatement is a Lead Hazard Reduction method that is designed to permanently eliminate lead-based paint or lead-based paint hazards. Permanent is defined as having 20 year expected life. Abatement must be performed by certified abatement workers who successfully completed an EPA accredited abatement worker course and supervised by an abatement supervisor certified under a State program authorized by EPA, or by EPA. Abatement activities include:



- o Removing lead-based paint and its dust
- o Permanently encapsulating or enclosing the lead-based paint
- o Replacing components with lead-based paint
- o Removing or permanently covering lead-contaminated soil

## 2. **Interim Controls.**

Interim controls are Lead Hazard Reduction activities that temporarily reduce exposure to lead-based paint hazards through repairs, painting, maintenance, special cleaning, occupant protection measures, clearance, and education programs. A person performing paint stabilization, interim controls, or standard treatments must be trained in accordance with OSHA Hazard Communication requirements (**29 CFR 1926.50**) and must be supervised by a certified lead-based paint abatement supervisor, or must have successfully completed a **HUD-approved training course**. Interim control methods require **safe work practices** and include:

- o Paint stabilization. Repair any physical defect in the substrate of a painted surface that is causing paint deterioration, remove loose paint and other material from the surface to be treated, and apply a new protective coating or paint.
- o Treatment for friction and impact surfaces. Correct the conditions that create friction or impact with surfaces with lead-based paint.
- o Treatment for chewable surfaces. If a child under age six has chewed surfaces known or presumed to contain lead-based paint, these surfaces must be enclosed or coated so they are impenetrable.
- o Lead-contaminated dust control. All rough, pitted or porous horizontal surfaces must be covered with a smooth, cleanable covering. Carpets must be vacuumed on both sides using HEPA vacuums or equivalent.
- o Lead-contaminated soil control. If bare soil is lead-contaminated, impermanent surface coverings such as gravel, bark, and sod, as well as land use controls such as fencing, landscaping, and warning signs may be used.

### o **Standard Treatments.**

Standard treatments may be conducted in lieu of a risk assessment and interim controls. Standard treatments are designed to reduce all lead-based paint hazards in a unit. Standard treatments must be performed on all applicable surfaces, including bare soil, to control lead-based paint hazards that may be present. All standard treatment methods must follow **safe work practices**. Standard treatments consist of a full set of treatments that include:

- Paint stabilization
- Creating smooth and cleanable horizontal surfaces
- Correcting dust-generating conditions
- Addressing bare residential soil

- XII. Copies of all forms and agreements, including application, income verification, case log, form letters, grants, inspection forms, etc. are described in the Forms section.

## ATTACHMENT



U.S. ENVIRONMENTAL  
PROTECTION AGENCY  
WASHINGTON, D.C. 20640

U.S. DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT  
WASHINGTON, D.C. 20410-3000



APR 19 2001

Dear Colleague:

This letter clarifies the Title X requirements for rehabilitation and lead hazard reduction in property receiving up to \$25,000 per unit in Federal rehabilitation assistance under regulations issued by the Department of Housing and Urban Development (HUD). This letter also clarifies the definition of "abatement" under regulations issued by the Environmental Protection Agency (EPA) and HUD. Both agencies issued their regulations under the authority of Title X of the 1992 Housing and Community Development Act, which among other things amended the Toxic Substances Control Act. EPA and HUD are working together to ensure that these two regulations complement each other to ensure that children are protected from lead-based paint hazards.

EPA is authorized to set minimal standards for all lead-based paint abatements, inspections, and risk assessments. This includes establishing training and certification requirements and work practice standards for individuals and firms engaged in those activities, and developing hazard standards. While EPA regulations do not mandate abatement, they require that whenever abatement activities occur by design, they be performed by certified personnel. EPA also authorizes states and tribes to operate their own training and certification programs to address inspections, risk assessments, and abatement if they demonstrate that they are at least as protective as the EPA program and provide for adequate enforcement. Because authorized state and tribal programs may differ from the EPA training and certification program, individuals and firms working in these areas must check with the authorized state or tribe to ensure compliance with those requirements. Local jurisdictions may also have requirements for lead hazard control.

HUD is authorized to require lead-based paint hazard control measures in federally-assisted housing, community development, and loan guarantee programs, and to provide grants to address lead-based paint hazards in low-income, privately-owned dwelling units. HUD's Lead Safe Housing Rule, also issued under the authority of Title X, requires that each recipient of Federal rehabilitation assistance less than \$25,000 per unit must reduce lead-based paint hazards, through either interim controls or, if desired, abatement (this does not include public housing authorities conducting modernization). With limited exception, recipients conducting Federally assisted rehabilitation of more than \$25,000 per unit must abate lead-based paint hazards.

Pursuant to Title X, both EPA's and HUD's regulations define abatement generally as any measure or set of measures *designed* to permanently eliminate lead-based paint hazards, including occupant protection and safe work practices. Whenever activities intended to permanently eliminate lead hazards are being conducted, EPA and HUD consider such activities



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to be abatement. Under HUD's Lead Safe Housing Rule, intention to conduct abatement would, in virtually all circumstances, be established when HUD regulations require abatement, when abatement is specified in work specifications, job write-ups, cost allocation, or similar documents, or when abatement is expressly ordered by a responsible state or local agency or court order. HUD regulations require abatement during modernization of conventional pre-1978 family public housing developments (regardless of funding level), conversions, and for housing rehabilitation programs funded through the HUD Office of Community Planning and Development when Federal rehabilitation assistance exceeds \$25,000 per unit.

EPA's regulations at 40 CFR Part 745.223 exclude from abatement "renovation, remodeling, landscaping or other activities, when such activities are not *designed* to permanently eliminate lead-based paint hazards, but, instead, are designed to repair, restore, or remodel a given structure or dwelling, even though these activities may incidentally result in a reduction or elimination of lead-based paint hazards" (emphasis added). When the primary purpose of work is rehabilitation or weatherization, EPA and HUD do not consider such activities to be abatement. The presence of a lead inspection or risk assessment report or the presumption of the presence of lead-based paint does not trigger federal abatement requirements or automatically change a housing rehabilitation project into an abatement project. Similarly, the use of specific work practices, such as window replacement, does not by itself change a rehabilitation project into an abatement project. On the other hand, even if a housing unit's Federal rehabilitation assistance is less than \$25,000, activities expressly intended to permanently eliminate lead hazards are considered abatement. For example, if a cost allocation document subtracts the cost of window replacement from the hard cost of rehabilitation as a lead-based paint hazard reduction measure, the window removal is considered to be abatement. Any other building component replacement, enclosure, or encapsulation measure intended to permanently eliminate a lead-based paint hazard, particularly as documented in regulation, project specifications, cost allocation document, or court or agency order is abatement.

For paint repair and rehabilitation activities in properties receiving less than \$25,000 in federal rehabilitation assistance, HUD regulations require occupant protection, the use of workers trained in lead-safe work practices and clearance testing whenever more than de minimis amounts of paint are disturbed. Occupant protection is a required element of all federally-assisted rehabilitation projects covered under Subpart J of the HUD regulation, regardless of funding level, because occupant protection is a requirement under lead-safe work practices (see 24 CFR 35.1350(b) and 24 CFR 35.1345). While EPA does not currently regulate remodeling or renovation activities, both EPA and HUD support the use of lead-safe work practices for all rehabilitation and paint repair activities involving surfaces that may contain lead-based paint. HUD has adapted EPA's one-day training courses to address the requirements of HUD's Lead Safe Housing Rule and HUD is working to make its courses widely available for those subject to HUD's rule (see [www.hud.gov/offices/lead](http://www.hud.gov/offices/lead) for a schedule of course offerings).

HUD will enforce its requirements. Those who believe HUD's lead-based paint

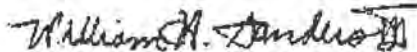
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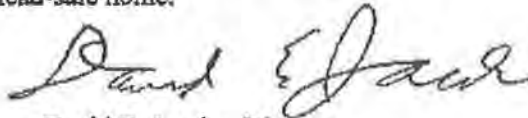
regulations are being violated should send a written complaint and supporting documentation to:

John P. Kennedy  
Associate General Counsel for Finance and Regulatory Enforcement  
U. S. Department of Housing and Urban Development  
451 Seventh St., SW  
Washington, DC 20410

When fully implemented, these requirements will help to ensure that every child living in federally-assisted housing will have a lead-safe home.



William H. Sanders, III, Director  
Office of Pollution Prevention and Toxics  
U.S. Environmental Protection Agency



David E. Jacobs, Director  
Office of Healthy Homes and Lead Hazard Control  
U.S. Department of Housing and Urban  
Development



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HUD > Program Offices > Healthy Homes and Lead Hazard Control > Enforcement > Summary of Lead-s:

# Lead-safe Housing Rule Requirements

The Lead Safe Housing Rule (LSHR) applies to all federally-assisted housing. Depending on the nature of work and the dollar amount of federal investment in the property, certain requirements must be complied with in handling lead-based paint. **HUD and EPA issued a joint statement** in 2001 that clarified the requirements of Title X for rehabilitation and lead abatement in federally-assisted properties.

In summary, as it relates to recipients under Subpart J, if a project exceeds \$25,000 in federal rehab assistance, abatement is required (and the use of a certified abatement contractor is also required). If a project receives less than \$25,000 in federal rehab assistance, activities *intended* to permanently eliminate lead paint hazards, as documented in regulation, project specifications, cost allocation documents, or court or agency orders, are considered abatement and require the use of certified abatement contractors. Weatherization and rehabilitation activities are not automatically considered abatement. More information on EPA's requirements under the Renovation, Repair and Painting Rule is available at **OHHLHC's RRP Website**.

Refer to the **LSHR Overview** document for additional information.

**Note:** Clearance is always required after abatement, interim controls, paint stabilization, or standard treatments unless the area is below de minimis levels.

Subpart of Rule	Type of Assistance	Construction Period	Requirements
C	Disposition by Federal Agency Other Than HUD	Pre-1960	<ul style="list-style-type: none"> <li>▶ LBP inspection and risk assessment</li> <li>▶ Abatement of LBP hazards</li> <li>▶ Notice to occupants of inspection/abatement results</li> </ul>
		1960-1977	<ul style="list-style-type: none"> <li>▶ LBP inspection and risk assessment</li> <li>▶ Notice to occupants of results</li> </ul>
D	Project-Based Assistance by Federal Agency Other Than HUD	Pre-1978	<ul style="list-style-type: none"> <li>▶ Provision of pamphlet</li> <li>▶ Risk assessment</li> <li>▶ Interim controls</li> <li>▶ Notice to occupants of results</li> <li>▶ Response to EBL child</li> </ul>
F	HUD-Owned Single Family Sold With a HUD-Insured Mortgage	Pre-1978	<ul style="list-style-type: none"> <li>▶ Visual assessment</li> <li>▶ Paint stabilization</li> <li>▶ Notice to occupants of clearance</li> </ul>

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## Summary of Lead-safe Housing Rule Requirements - HUD

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G	Multifamily Mortgage Insurance	1. For properties that are currently residential	Pre-1960	<ul style="list-style-type: none"> <li>Provision of pamphlet</li> <li>Risk assessment</li> <li>Interim controls</li> <li>Notice to occupants</li> <li>Ongoing LBP maintenance</li> </ul>
			1960-1977	<ul style="list-style-type: none"> <li>Provision of pamphlet</li> <li>Ongoing LBP maintenance</li> </ul>
		2. For conversions and major renovations	Pre-1978	<ul style="list-style-type: none"> <li>Provision of pamphlet</li> <li>LBP inspection</li> <li>Abatement of LBP</li> <li>Notice to occupants</li> </ul>
H	Project-Based Assistance (HUD Program)	1. Multifamily property receiving more than \$5,000 per unit per year	Pre-1978	<ul style="list-style-type: none"> <li>Provision of pamphlet</li> <li>Risk assessment</li> <li>Interim controls</li> <li>Notice to occupants</li> <li>Ongoing LBP maintenance and reevaluation</li> <li>Response to EBL child</li> </ul>
		2. Multifamily property receiving less than or equal to \$5,000 per unit per year, and single family properties	Pre-1978	<ul style="list-style-type: none"> <li>Provision of pamphlet</li> <li>Visual assessment</li> <li>Paint stabilization</li> <li>Notice to occupants</li> <li>Ongoing LBP maintenance</li> <li>Response to EBL child</li> </ul>
I	HUD-Owned Multifamily Property	Pre-1978		<ul style="list-style-type: none"> <li>Provision of pamphlet</li> <li>LBP inspection and risk assessment</li> <li>Interim controls</li> <li>Notice to occupants</li> <li>Ongoing LBP maintenance</li> <li>Response to EBL child</li> </ul>
J	Rehabilitation Assistance	1. Unit receiving less than or equal to \$5,000 per unit	Pre-1978	<ul style="list-style-type: none"> <li>Provision of pamphlet</li> <li>Paint testing of surfaces to be disturbed, or presume LBP</li> <li>Safe work practices in rehab</li> <li>Repair disturbed paint</li> <li>Notice to occupants</li> </ul>
		2. Unit receiving more than \$5,000 and up to \$25,000	Pre-1978	<ul style="list-style-type: none"> <li>Provision of pamphlet</li> <li>Paint testing of surfaces to be disturbed, or presume LBP</li> <li>Risk assessment</li> <li>Interim controls</li> <li>Notice to occupants</li> <li>Ongoing LBP maintenance if HOME or CILP</li> </ul>
		3. Unit receiving more than \$25,000 per unit	Pre-1978	<ul style="list-style-type: none"> <li>Provision of pamphlet</li> <li>Paint testing of surfaces to be disturbed, or presume LBP</li> <li>Risk assessment</li> <li>Abatement of LBP hazards</li> </ul>

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### Summary of Lead-safe Housing Rule Requirements - HUD

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K	Acquisition, Leasing, Support Services, or Operation	Pre-1978	<ul style="list-style-type: none"> <li>▶ Ongoing LBP maintenance</li> <li>▶ Provision of pamphlet</li> <li>▶ Visual assessment</li> <li>▶ Paint stabilization</li> <li>▶ Notice to occupants</li> <li>▶ Ongoing LBP maintenance</li> </ul>
L	Public Housing	Pre-1978	<ul style="list-style-type: none"> <li>▶ Provision of pamphlet</li> <li>▶ LBP inspection</li> <li>▶ Abatement of LBP</li> <li>▶ Risk assessment if LBP not yet abated</li> <li>▶ Interim controls if LBP not yet abated</li> <li>▶ Notice to occupants</li> <li>▶ Response to EBL child</li> </ul>
M	Tenant-Based Rental Assistance	Pre-1978	<ul style="list-style-type: none"> <li>▶ Provision of pamphlet</li> <li>▶ Visual assessment</li> <li>▶ Paint stabilization</li> <li>▶ Notice to occupants</li> <li>▶ Ongoing LBP maintenance</li> <li>▶ Response to EBL child</li> </ul>



**PROGRAM DEFINITIONS:**

**Absorption.** In portability (under subpart H of this part 982): the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

**Accessible.** The facility or portion of the facility can be approached, entered, and used by individuals with physical handicaps.

**Adjusted Income.** Annual income, less allowable HUD deductions.

**Adjusted Annual Income.** The Annual Income (described above) less the HUD-approved allowances. Remember that these changed with the HURRA legislation. Same as Adjusted Income (always annual).

**Administrative fee.** Fee paid by HUD to the PHA for administration of the program. See §982.152.

**Administrative fee reserve** (formerly “operating reserve”). Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes. See §982.155.

**Administrative plan.** The plan that describes PHA policies for administration of the tenant-based programs. See §982.54.

**Admission.** The point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program.

**Amortization payment.** In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home.

**Annual contributions contract (ACC).** The written contract between HUD and a PHA under which HUD agrees to provide funding for a program under the 1937 Act, and the PHA agrees to comply with HUD requirements for the program.

**Annual Income.** The anticipated total Annual Income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

**Applicant (applicant family).** A family that has applied for admission to a program but is not yet a participant in the program.

**Area Exception Rent.** An amount that exceeds the published FMR. See §982.504(b).

**“As-paid” States.** States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

**Assets.** (See Net Family Assets.)

**Assistance Payment.** The amount HUD pays the owner for a unit occupied by a Section 8, RAP or Rent Supplement tenant. It includes HUD's share of the contract rent and any utility reimbursement due the tenant. It is the gross rent for the unit minus the TTP.

**Assisted Rent.** Any rent less than the market rent defined herein. Includes Section 236 rents that are greater than the basic rent.

**Assisted Tenant.** A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and 221 (d)(3) BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.

**Auxiliary aids.** Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving Federal financial assistance.

**Budget authority.** An amount authorized and appropriated by the Congress for payment to HAS under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

**Certificate.** A document issued by a PHA to a family selected for admission to the certificate program. The certificate describes the program and the procedures for PHA approval of a unit selected by the family. The certificate also states obligations of the family under the program.

**Certificate program.** The rental certificate program.

**Certificate or voucher holder.** A family holding a certificate or voucher with unexpired search time.

**Child.** A member of the family other than the family head or spouse who is under 18 years of age.

**Child care expenses.** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

**Citizen.** A citizen or national of the United States.



**Co-head.** An individual in the household who is equally responsible for the lease with the Head of Household. A family may have a Co-head or Spouse but not both. A Co-head never qualifies as a dependent.

**Common space.** In shared housing: Space available for use by the assisted family and other occupants of the unit.

**Computer match.** The automated comparison of data bases containing records about individuals.

**Confirmatory review.** An on-site review performed by HUD to verify the management performance of a PHA.

**Consent form.** Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and payments of retirement income); and return information for unearned income from the Internal Revenue Service. The consent forms expire after a certain time and may authorize the collection of other information from assistance applicants or participants to determine eligibility or level of benefits.

**Congregate housing.** Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. A special housing type: see §982.606 to §982.609.

**Contiguous MSA.** In portability (under subpart H of this part 982): An MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

**Continuously assisted.** An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Act program when the family is admitted to the certificate or voucher program.

**Contract.** (See Housing Assistance Payments Contract.)

**Contract authority.** The maximum annual payment by HUD to a PHA for a funding increment.

**Contract Rent.** The rent HUD (or the contract administrator) authorizes an owner to collect for a unit occupied by a family receiving assistance. The rent may be paid by the tenant, HUD, or both. The term "contract rent" includes Section 236 basic rents, HUD-approved rents for BMIR, Section 202 and Rent Supplement units, and the unit rents specified in a Section 8 HAP contract. The contract rent is listed on the project's HUD-approved rent schedule (Form HUD-92458) or HAP contract. In the Section 8 Certificate Program, Contract Rent is the total rent paid to the owner, including the tenant payment and the HAP payment from the PHA.

**Cooperative** (term includes mutual housing). Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type: see §982.619.

**Entity applicant.** A partnership, corporation, or any other association or entity, other than an individual owner applicant or a public entity, such as a PHA, IHA, or State Housing Finance Agency, that seeks to participate as a private owner in any of the following:

- The project-based assistance programs under Section 8 of the 1937 Act;
- The programs in 24 CFR Parts 215, 221, or 236; or
- The other mortgage and loan insurance programs in 24 CFR parts 201 through 267, except that the term "entity applicant" does not include a mortgagee or lender.

**Evidence of citizenship or eligible status.** The documents which must be submitted to evidence citizenship or eligible immigration status. (See §5.508(b).)

**Extremely Low Income Family.** A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. (CFR 5.603)

**Facility.** All or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock or other real or personal property or interest in the property.

**Fair Housing Act** means title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988

**Fair market rent (FMR).** The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. See periodic publications in the Federal Register in accordance with 24 CFR part 888.

**Family.** Defined by PHA in policy.

**Family rent to owner.** In the Voucher program, the portion of rent to owner paid by the family.

**Family self-sufficiency program (FSS program).** The program established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

**Family share.** The portion of rent and utilities paid by the family. For calculation of family share, see §982.515(a).

**Family unit size.** The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.

**Federal agency.** A department of the executive branch of the Federal Government.

**Foster Child Care Payment.** Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.



**Full-time Student.** A person who is attending school or vocational training on a full-time basis. (CFR 5.603)

**Funding increment.** Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

**General Counsel.** The General Counsel of HUD.

**Gross rent.** The sum of the rent to owner plus any utility allowance.

**Group home.** A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide). A special housing type: see §982.610 to §982.614.

**Handicap.** Any condition or characteristic that renders a person an individual with handicaps. See "Disability"

**Handicap Assistance Expense.** The definition of "handicap" has been combined with that of "Disability." See "Disability Assistance Expense."

**HAP contract.** Housing assistance payments contract. (Contract). A written contract between HUD or a Contract Administrator and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family (sometimes referred to as the HAP Contract). For Section 8 programs, the Housing Assistance Payment Contract is executed between the PHA and the private owner.

**Head of household.** The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

**Housing assistance payment.** The monthly assistance payment by a PHA, which includes: (1) A payment to the owner for rent to the owner under the family's lease; and (2) An additional payment to the family if the total assistance payment exceeds the rent to owner.

**Housing agency (HA).** A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing. ("PHA" and "HA" mean the same thing.)

**Housing Assistance Plan.** (1) A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. (2) A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.



**Housing Quality Standards.** The HUD minimum quality standards for housing assisted under the tenant-based programs.

**Imputed Asset.** Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

**Imputed Income.** HUD passbook rate x total cash value of assets. Calculation used when assets exceed \$5,000.

**Income.** Income from all sources of each member of the household, as determined in accordance with criteria established by HUD.

**Income For Eligibility.** Annual Income.

**Income information** means information relating to an individual's income, including:

- All employment income information known to current or previous employers or other income sources;
- All information about wages, as defined in the State's unemployment compensation law, including any Social Security Number; name of the employee; quarterly wages of the employee; and the name, full address, telephone number, and, when known, Employer Identification Number of an employer reporting wages under a State unemployment compensation law;
- Whether an individual is receiving, has received, or has applied for unemployment compensation; The amount and the period received;
- Unearned IRS income and self-employment, wages and retirement income; and
- Wage, social security, and supplemental security income data obtained from the Social Security Administration.

**Individual owner applicant.** An individual who seeks to participate as a private owner in:

- The project-based assistance programs in 24 CFR Parts 880, 882, 886, 887, or 891; or
- The project-based assistance programs under Section 8 of the 1937 Act

**Individual with handicaps.** Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment.

**Initial PHA.** In portability, the term refers to both: (1) A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and (2) A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

**Initial payment standard.** The payment standard at the beginning of the HAP contract term.

**Initial rent to owner.** The rent to owner at the beginning of the HAP contract term.

**Interest Reduction Subsidies.** The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

**Jurisdiction.** The area in which the PHA has authority under State and local law to administer the program.

**Landlord.** Either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

**Lease.** A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA.

**Lease addendum.** In the lease between the tenant and the owner, the lease language required by HUD.

**Live-in aide.** A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- Is determined to be essential to the care and well-being of the persons;
- Is not obligated for the support of the persons; and
- Would not be living in the unit except to provide the necessary supportive services.

**Low Income Family.** A family whose income does not exceed 80% of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80% on the basis of its findings that such variations are necessary because of the prevailing levels of construction costs or unusually high or low incomes.

**Manufactured home.** A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. A special housing type: see §982.620 and §982.621.

**Manufactured home space.** In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See §982.622 to §982.624.



**Market Rent.** The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For Section 236 units, the market rent is shown on the project's HUD-approved rent schedule. For Rental Supplement, Section 202 and Section 8 units, the Market Rate Rent is the same as the contract rent. For BMIR units, market rent varies by whether the project is a rental or cooperative, as follows: 1) For BMIR Rentals, market rent equals 110% of the BMIR contract rent; 2) For BMIR Cooperatives, market rent equals the contract rent plus any surcharge established by the cooperative and approved by HUD. If the cooperative did not receive HUD approval of a plan for purchasing its over-income members, market rent equals 110% of the contract rent.

**Medical expenses.** Medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance.

**Merger Date.** August 12, 1999.

**Minor.** A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age.

**Mixed family.** A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

**Monthly adjusted income.** One twelfth of adjusted income.

**Monthly income.** One twelfth of annual income.

**Mutual housing.** Included in the definition of "cooperative."

**National.** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

**Near-elderly family.** A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

**Net family assets.** (1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

- In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under §5.609.
- In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

**Noncitizen.** A person who is neither a citizen nor national of the United States.

**Notice of Funding Availability (NOFA).** For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.

**Over-FMR tenancy.** In the certificate program: A tenancy for which the initial gross rent exceeds the FMR/exception rent limit.

**Owner.** Any person or entity with the legal right to lease or sublease a unit to a participant.

**PHA Plan.** The annual plan and the 5-year plan as adopted by the PHA and approved by HUD.

**PHA's quality control sample.** An annual sample of files or records drawn in an unbiased manner and reviewed by a PHA supervisor (or by another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to program requirements. For minimum sample size see CFR 985.3.

**Participant (participant family).** A family that has been admitted to the PHA program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term).

**Payment standard.** The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

**Persons With Disabilities.** See "Individual with handicaps"

**Portability.** Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial PHA.



**Premises.** The building or complex in which the dwelling unit is located, including common areas and grounds.

**Private space.** In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

**Processing entity.** The person or entity that, under any of the programs covered, is responsible for making eligibility and related determinations and any income reexamination.

**Program.** The Section 8 tenant-based assistance program.

**Project owner.** The person or entity that owns the housing project containing the assisted dwelling unit.

**Public Assistance.** Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

**Public Housing Agency (PHA).** Any State, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.

**Public Housing covered programs.** The public housing programs administered by the Assistant Secretary for Public and Indian Housing under title I of the 1937 Act. This definition does not encompass HUD's Indian Housing programs administered under title II of the 1937 Act. Further, this term does not include those programs providing assistance under section 8 of the 1937 Act. (See "Section 8 Covered Programs")

**Reasonable rent.** A rent to owner that is not more than rent charged: (1) For comparable units in the private unassisted market; and (2) For comparable unassisted units in the premises.

**Receiving PHA.** In portability: A PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a certificate or voucher and provides program assistance to the family.

**Recertification.** Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported.

**Regular tenancy.** In the certificate program: A tenancy other than an over-FMR tenancy.

**Remaining Member Of Tenant Family.** Person left in assisted housing who may or may not normally qualify for assistance on own circumstances (i.e., an elderly spouse dies, leaving widow age 47 who is not disabled).

**Rent to owner.** The total monthly rent payable to the owner under the lease for the unit. Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

**Residency Preference.** A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area ("residency preference area").

**Residency Preference Area.** The specified area where families must reside to qualify for a residency preference.

**Resident Assistant.** A person who lives in an Independent Group Residence and provides on a daily basis some or all of the necessary services to elderly, and disabled individuals receiving Section 8 housing assistance and who is essential to these individuals' care or well-being. A Resident Assistant shall not be related by blood, marriage or operation of law to individuals receiving Section 8 assistance nor contribute to a portion of his/her income or resources towards the expenses of these individuals. (See Sections 882.109(n), 882.106(c) and 882.102 definitions in Appendix 1 of 7420.7.)

**Responsible entity.** For the public housing and the Section 8 tenant-based assistance, project-based certificate assistance, and moderate rehabilitation programs, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

**Secretary.** The Secretary of Housing and Urban Development.

**Section 8.** Section 8 of the United States Housing Act of 1937.

**Section 8 covered programs.** All HUD programs which assist housing under Section 8 of the 1937 Act, including Section 8 assisted housing for which loans are made under section 202 of the Housing Act of 1959.

**Section 214** Section 214 of the Housing and Community Development Act of 1980, as amended

**Section 214 covered programs** is the collective term for the HUD programs to which the restrictions imposed by Section 214 apply. These programs are set forth in §5.500.

**Security Deposit.** A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.

**Set-up charges.** In a manufactured home space rental: Charges payable by the family for assembling, skirting and anchoring the manufactured home.

**Shared housing.** A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. A special housing type: see §982.615 to §982.618.



**Single Person.** A person living alone or intending to live alone.

**Single room occupancy housing (SRO).** A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. A special housing type: see §982.602 to §982.605.

**Social Security Number (SSN).** The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.

**Special admission.** Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

**Special housing types.** See subpart M of part 982. Subpart M states the special regulatory requirements for: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

**Spouse.** The marriage partner of the Head of Household.

**State Wage Information Collection Agency (SWICA).** The State agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the State, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

**Subsidized Project.** A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which receives the benefit of subsidy in the form of:

- Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act, or
- Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965, or
- Direct loans pursuant to Section 202 of the Housing Act of 1959, or
- Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974,
- Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency, or
- A Public Housing Project.

**Subsidy standards.** Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

**Suspension.** Stopping the clock on the term of a family's voucher after the family submits a request for approval of the tenancy. If the PHA decides to allow extensions or suspensions of the voucher term, the PHA administrative plan must describe how the PHA determines whether to grant extensions or suspensions, and how the PHA determines the length of any extension or suspension.

**Tenant.** The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

**Tenant Rent.** The amount payable monthly by the family as rent to the unit owner (Section 8 owner or PHA in public housing).

**Term of Lease.** The amount of time a tenant agrees in writing to live in a dwelling unit.

**Total Tenant Payment (TTP).** The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

**Unit.** Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero (0) bedrooms to six (6) bedrooms.

**Utility allowance.** If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

**Utility reimbursement.** In the Certificate program, the amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment for the family occupying the unit. In the Voucher program, the portion of the housing assistance payment which exceeds the amount of rent to owner.

**Utility hook-up charge.** In a manufactured home space rental: Costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

**Vacancy Loss Payments.** (Applies only to pre-10/2/95 HAP Contracts in the Rental Certificate Program). When a family vacates its unit in violation of its lease, the owner is eligible for 80% of the Contract Rent for a vacancy period of up to one additional month, (beyond the month in which the vacancy occurred) if s/he notifies the PHA as soon as s/he learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.



***Very Low Income Family.*** A Low-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the Certificate and Voucher Programs.

***Violent criminal activity.*** Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

***Voucher (rental voucher).*** A document issued by a PHA to a family selected for admission to the voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states obligations of the family under the program.

***Voucher Holder.*** A family holding a voucher with an unexpired term (search time).

***Voucher program.*** The rental voucher program.

***Waiting list admission.*** An admission from the PHA waiting list.

***Welfare assistance.*** Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, State or local governments.

***Welfare Rent.*** This concept is used ONLY for Section 8 Rental Certificate tenants who receive welfare assistance on an "AS-PAID" basis. It is not used for the Rental Voucher Program.

***Welfare-to-work (WTW) family.*** A family assisted by a PHA with Voucher funding awarded to the PHA under the HUD welfare-to-work voucher program.

#### **FORMS**

A copy of each form that will be used during the implementation of the rehabilitation program is presented subsequently.

The following listing summarizes the documents to be used by program staff for applicant file completion, reporting efforts and organizational activities.

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## **Appendix F**

### **Warren County Commissioners Resolution 128-22 – Agreement with Hope Township and Warren County Housing Program**

**THE BOARD OF COUNTY COMMISSIONERS  
OF THE COUNTY OF WARREN**

Wayne Dumont, Jr., Administration Building  
165 County Route 519 South  
Belvidere, NJ 07823

**RESOLUTION 128-22**

On motion by **Mr. Kern**, seconded by **Ms. Ciesla**, the following resolution was adopted by the Board of County Commissioners of the County of Warren at a meeting held March 23, 2022.

**RESOLUTION AUTHORIZING DIRECTOR OF THE BOARD TO EXECUTE THE  
WARREN COUNTY HOUSING PROGRAM AGREEMENT WITH THE  
TOWNSHIP OF HOPE AND THE BOARD OF COUNTY COMMISSIONERS  
OF THE COUNTY OF WARREN**

**WHEREAS**, the Warren County Housing Program was initiated by the Board of County Commissioners of the County of Warren; and

**WHEREAS**, the Warren County Housing Program was established in response to the recognized need for an increase in affordable housing opportunities in the County and as an organization to coordinate, promote and develop affordable housing on a County-wide basis; and

**WHEREAS**, the Warren County Housing Program has developed a housing rehabilitation program to assist municipalities on a voluntary basis, to bring substandard housing units which are occupied by low- and moderate-income persons up to housing code standards in accordance with the rules of the State of NJ Council on Affordable Housing (COAH); and

**WHEREAS**, the municipality desires to utilize the services of the Warren County Housing Program for the purpose of addressing the municipal housing rehabilitation needs;

**NOW, THEREFORE, BE IT RESOLVED** that the Director of the Board is authorized to execute the Warren County Housing Program Agreement between the Township of Hope and the Warren County Board of County Commissioners as per the mutual promises and other conditions, covenants and obligations made by and between the parties as presented in the attached agreement.

**RECORDED VOTE: Mr. Kern yes, Ms. Ciesla yes, Mr. Sarnoski yes**

I hereby certify the above to be a true copy of a resolution adopted by the Board of County Commissioners of the County of Warren on the date above mentioned.



Alex J. Lazorisak

, Clerk



## WARREN COUNTY HOUSING PROGRAM AGREEMENT

THIS AGREEMENT, entered into this 23<sup>RD</sup> day of MARCH, 2022, by and between The Township of Hope (hereinafter referred to as the "Municipality") and the Warren County Board of Chosen Commissioners, Wayne Dumont, Jr. Administration Building, Belvidere, New Jersey, 07823.

WHEREAS, the Warren County Housing Program was initiated by the Warren County Board of Chosen Commissioners; and,

WHEREAS, the Warren County Housing Program was established in response to the recognized need for an increase in affordable housing opportunities in the county and as an organization to coordinate, promote, and develop affordable housing on a county-wide basis; and,

WHEREAS, the Warren County Housing Program has developed a housing rehabilitation program to assist municipalities, on a voluntary basis, to bring substandard housing units which are occupied by low and moderate-income persons up to housing code standards, in accordance with the rules of the NJ Council of Affordable Housing (COAH); and,

WHEREAS, the Municipality desires the services of the Warren County Housing Program for the purpose of the addressing the municipal housing rehabilitation needs;

NOW, THEREFORE, in consideration of the mutual promises and other conditions, covenants, and obligations made and agreed to by and between the parties, it is hereby agreed as follows:

### 1. SCOPE OF SERVICES

The Warren County Housing Program will be responsible for the administration of a housing rehabilitation program, and will utilize municipal and other funds as may be available to undertake the rehabilitation service as described in Section 1 of Attachment A. Funds available under this Agreement will be applied toward the specific activities enumerated in the Warren County Housing Rehabilitation Program Policy and Procedural Manual.

### 2. TIME OF PERFORMANCE

The services of the Warren County Housing Program shall commence upon execution of a signed Agreement for program participation and shall terminate upon completion of all rehabilitation construction. The project execution schedule shall be as set forth in Section 2 of Attachment A.

### 3. COMPENSATION

It is expressly agreed and understood that the total compensation to be paid by the Municipality under this Agreement for the above described project services shall include an administrative fee of \$2,000 for each rehabilitation project undertaken within the Municipality. This fee is the minimum required by COAH for municipalities to set aside for administration, however, the actual costs of operating local rehabilitation programs

typically exceed \$2,000 per unit. The Warren County Housing Program will pay any administrative cost above this limit so that all program participating municipalities will have access to the program on an equal and predictable basis.

The Municipality will also pay the cost of the actual rehabilitation work up to the local budgeted amount of \$8,000 for each rehabilitation project undertaken. To the extent that rehabilitation costs exceed the \$8,000 fund, the Warren County Housing Program will contribute funding, if funds are available in the Housing Program's loan repayment account, for the rehabilitation for each project, thus reducing the municipal expense for construction costs. Under no circumstances will the County of Warren provide additional funds from any other sources.

The project budget shall be as set forth in Section 2 of Attachment A.

4. METHOD OF PAYMENT

The Municipality agrees to pay the Warren County Housing Program the amount set forth in Article 3 upon submission of a bona fide municipal voucher. The County of Warren Finance Office will deposit the municipal funding in an escrow account for the purpose of funding the rehabilitation program activity. The Warren County Housing program will voucher the County of Warren for payments from the escrow account with submission of the necessary information to document the bill submitted for payment. The voucher will be submitted after the low bid for the project is reviewed by the Housing Program and after execution of the Program Policy and Procedural Manual Rehabilitation Contract with a property owner. The escrow account shall include funds to pay the Housing Program the \$2,000 administrative fee, plus the full estimated cost of construction upon execution of the rehabilitation contract with the owner.

Progress payments may be made as appropriate, upon submission of a proper voucher and supporting documentation. Progress payments are individual case payments for which the escrow account will be invoiced on a case-by-case basis.

5. AMENDMENTS

The Municipality and/or the Warren County Housing Program may, from time to time, require changes in the Scope of Services or other terms to be performed hereunder. Such changes, including any modifications in the amount of the Warren County Housing Program's compensation, which are mutually agreed upon by and between the Municipality and the Warren County Housing Program, shall be incorporated in written amendments to this Agreement.

6. TERMINATIONS

This Agreement may be terminated by either party subject, however, to compliance with the termination provisions as set forth in Attachment B.

7. PROGRAM CANCELLATION

It is understood that this Agreement is financed by municipal and Warren County Housing Program funds, and in the event the NJ Council on Affordable Housing no longer requires the implementation of a housing rehabilitation program, the Municipality reserves the right to cancel this Agreement, and in such event, the Municipality shall only be obligated for the payment under this Agreement for services rendered, or work performed prior to the effective date of cancellation. Funds expended on behalf of the homeowner will not be returned to the Municipality until the property is sold or transferred by the property owner. Funds for which no proceed order has been issued and no work has been initiated will be returned to the Municipality upon cancellation.

8. OBLIGATIONS OF WARREN COUNTY HOUSING PROGRAM WITH RESPECT TO CERTAIN THIRD-PARTY RELATIONSHIPS

The Warren County Housing Program shall remain fully obligated under the provisions of this Agreement notwithstanding its designation of any third party or parties for the undertaking of all, or any part of the program, with respect to which assistance is being provided to the Warren County Housing Program pursuant to this Agreement. Any party which is not the Warren County Housing Program shall comply with all lawful requirements of the Warren County Housing Program necessary to insure that the program for which assistance is being provided under this Agreement is carried out in accordance with the Warren County Housing Program's assurances and certifications to the Municipality. The Municipality will be given written notice in the event that any third party or parties other than the Warren County Housing Program staff, are designated for the undertaking of all or any part of the program with respect to which assistance is being provided to the Warren County Housing Program.

9. OBLIGATIONS OF MUNICIPALITY

The Municipality agrees to provide the required inspection, permitting and related building department services as may be required to identify and address substandard dwelling unit conditions pursuant to COAH, local and State regulations.

10. GENEREAL TERMS AND CONIDITIONS

This Agreement is subject to and incorporated all of the terms and conditions outlined in Attachment B, and the Warren County Housing Program agrees to comply with all such terms and conditions.

11. RECORDS TO BE MAINTAINED

The Warren County Housing Program agrees to establish and maintain sufficient records in a format acceptable to the Municipality in order to enable the Municipality to determine whether the Warren County Housing Program has met the regulations of the NJ Council on Affordable Housing. The records to be maintained are detailed in Attachment C.

12. MONITORING

The Municipality shall provide written notice of monitoring site visits to permit the Warren County Housing Program to prepare such information and materials as may be desired on such visits.

13. Nothing in this Agreement is intended or shall be construed to create a private cause of action or as a waiver of defenses and immunities available to Warren County or the Municipality under Title 59 or other law.

IN WITNESS WHEREOF, the Municipality and the Warren County Housing Program have executed this Agreement as of the date first written above.

ATTEST:

**The Township of Hope**

("Municipality")

Robin J. Keggan

By: 

ATTEST:

**The Warren County Board of  
Chosen Commissioners**



By: 



**ATTACHMENT A****Section 1: Project Description****Summary of Project:**

The project will provide funding assistance for housing rehabilitation structures owned and/or occupied by low and moderate-income residents.

Anticipated accomplishments will provide for units to be upgraded and/or treated relative to code standards and New Jersey Council on Affordable Housing requirements.

Warren County Housing Program rehabilitation policy and procedures as described in the Program Policy and Procedural Manual are hereby accepted by the Municipality.

**Municipal Contact:**

Name: Robin L. Keggan, Township Clerk

Address: 407 Hope Great Meadows Road

PO Box 284, Hope, NJ 07844

Telephone: 908-459-5011 x1

Area Served or Location: Hope Township

Project location may be described as available on a community-wide basis.

**Section 2: Project Schedule and Budget\***

Year	Number of Units	Administration	Construction
<u>2022</u>	<u>2</u>	\$ <u>4,000</u>	\$ <u>16,000</u>
<u>2023</u>	<u>2</u>	\$ <u>4,000</u>	\$ <u>16,000</u>
<u>2024</u>	<u>2</u>	\$ <u>4,000</u>	\$ <u>16,000</u>
<u>2025</u>	<u>3</u>	\$ <u>6,000</u>	\$ <u>24,000</u>
<u>      </u>	<u>      </u>	\$ <u>      </u>	\$ <u>      </u>
<u>      </u>	<u>      </u>	\$ <u>      </u>	\$ <u>      </u>

\* The Municipal budget must provide a minimum of \$2,000 per housing unit for administration and \$8,000 per housing unit for rehabilitation construction.

## ATTACHMENT B

### General Terms and Conditions

1. Extent of Agreement - This Agreement represents the entire and integrated Agreement between the Municipality and the Warren County Housing Program and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Municipality and the Warren County Housing Program.
2. Termination of Contract for Cause - If, through any cause, the Warren County Housing Program shall fail to fulfill in timely and proper manner obligations under this Agreement, or if the Warren County Housing Program shall violate any of the covenants agreements or stipulations of the Agreement, the municipality shall thereupon have the right to terminate this Agreement by giving written notice to the Warren County Housing Program of such termination and by specifying the effective date of such termination. In such event, all finished or unfinished documents, data, studies and reports prepared by the Warren County Housing Program under this Agreement shall, at the option of the municipality become its property and the Warren County Housing Program shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents.

The Municipality may terminate the contract upon at least thirty (30) days written notice to the Warren County Housing Program at any time. In the event of notice of cancellation, the Municipality will fulfill any program which has been accepted and approved prior to the cancellation date.

3. Representation of the Warren County Housing Program - The Warren County Housing Program shall render services under this Agreement in accordance with generally accepted professional practices. The Warren County Housing Program shall not, however, be responsible for delays caused by employees and/or agents of Municipality, nor shall the Warren County Housing Program be responsible for acts of omissions of the Municipality employees and/or agents.
4. Warren County Housing Program Insurance - The Warren County Housing Program shall acquire and maintain statutory workmen's compensation insurance coverage and comprehensive general liability insurance coverage.
5. Damages - Neither party shall hold the other responsible for damages for delay in performance. Additionally, neither party shall hold the other responsible for damages or delay caused by acts of god, strikes, lockouts, accidents, or other events beyond the control of the other or the other's employee's and agents.
6. Ownership of Material - ownership of all data, material, and documents originated and prepared solely for the Municipality pursuant to this Agreement shall belong exclusively to the Municipality.

7. Records Access and Retention - the Municipality, or any of the duly authorized representatives shall have access to any books, documents, papers, and records of the Warren County Housing Program which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcriptions. All such records shall be retained by the Warren County Housing Program as required in accordance with New Jersey Council on Affordable Housing Substantive rules.
8. Audit - the Municipality, or any of their duly authorized representatives shall have access to any books, documents, papers, and records of the Warren County Housing Program which are directly pertinent to assistance made under this agreement for the purpose of making audit, examination, excerpts, and transcriptions.
9. Equal Employment Opportunity - In compliance with Federal Executive Orders 11246 and 11375, applicable Federal regulations and applicable state laws, in carrying out this Agreement the Warren County Housing program shall not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, atypical cellular or blood trait, liability for military service, mental or physical disability, subject only to conditions and limitation applicable to insure that applicants for employment are employed, and that employees are treated during employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, atypical cellular or blood trait, liability for military service, or mental or physical disability subject only to conditions and limitations applicable alike to all persons. Such action shall include, but not be limited to employment upgrading, demotion or transfer, recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship; and setting of working conditions.
10. Compliance with Local Laws -The Warren County Housing Program shall comply with all applicable laws, ordinances, and codes of the state and local governments.
11. Remedies - Unless otherwise provided in this Agreement, all claims, counterclaims, disputes, and other matters in question between the Municipality and the Warren County Housing Program arising out of or relating to this Agreement or the breach of it will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction.

## **ATTACHMENT C**

### **Records to be Maintained**

The Warren County Housing Program shall establish and maintain sufficient records to enable the Municipality to determine whether the Warren County Housing Program has met all requirements of the New Jersey Council on Affordable Housing. At a minimum, the following documentation is needed and will be maintained as part of each client record:

1. The name of each applicant;
2. If the applicant is not approved, the reasons for the disapproval; and,
3. If the applicant is approved:
  - a. Proof of income eligibility;
  - b. The initial inspection by the building inspector;
  - c. Bids by contractors;
  - d. The final contract to do the work;
  - e. Progress reports;
  - f. A copy of the final inspection; and
  - g. The lien on the property evidencing the Municipality's assistance and anticipated amount of funding repayment.
4. Property address
5. Block and lot
6. Tenure of unit (rental or for-sale)
7. Income level (very-low-income, low, or moderate)
8. Final inspection date
9. Funds expended on hard costs
10. Development fees expended
11. Major systems repaired (e.g. roof, septic, etc.)
12. Effective date of affordability controls

These records shall be provided to the Municipality annually to ensure the Municipality can complete its required monitoring forms. Annual records shall be provided by January 15 for the previous year's rehabilitation activity.

If any information additional to the aforementioned is or may be required to fulfill Municipality's reporting requirements, Municipality will notify the Warren County Housing Program in writing prior to the commencement of projects subject to same requirements so any additional required data can be collected.

### **Retention of Records**

Financial records, supporting documents, statistical records, and all other records pertinent to this agreement shall be retained by the Warren County Housing Program.



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## **Appendix G**

### **Hope Township Resolution 2025-20 Accepting the Township's Fourth Round Obligations**

# EXHIBIT A

**HOPE TOWNSHIP, WARREN COUNTY, NEW JERSEY**

**RESOLUTION OF THE TOWNSHIP OF HOPE, COUNTY OF WARREN, STATE OF NEW JERSEY, ESTABLISHING THE TOWNSHIP'S PRESENT AND PROSPECTIVE FAIR SHARE OBLIGATIONS FOR AFFORDABLE HOUSING FOR THE FOURTH 10-YEAR PERIOD OF 2025-2035 AND AUTHORIZING THE FILING OF A DECLARATORY JUDGMENT ACTION SEEKING A CERTIFICATION OF COMPLIANCE IN ACCORDANCE WITH THE FAIR HOUSING ACT**

**RESOLUTION NO. 2025-20**

**WHEREAS**, on March 20, 2024, Governor Philip D. Murphy signed into law amendments to the Fair Housing Act, N.J.S.A. 52:37D-301 et. sec., requiring the Department of Community Affairs (hereafter "DCA") to conduct a calculation of regional need and municipal present and prospective fair share obligations for affordable housing in accordance with the formulas established in N.J.S.A. 52:27D-304.2 and N.J.S.A. 52:27D-304.3 beginning with the fourth 10-year round of housing obligations beginning July 1, 2025, (hereafter "Fourth Round") and to render a report with regards to the same; and,

**WHEREAS**, the Department of Community Affairs published its report in October 2024, (hereafter "DCA Report"); and,

**WHEREAS**, the DCA Report calculated the Township's Fourth Round (2025-2035) fair share affordable housing obligation as a present need of 0 and a prospective need of 31; and,

**WHEREAS**, the DCA Report is not binding upon the municipalities; and,

**WHEREAS**, the Amended Fair Housing Act further provides that "[a]ll parties shall be entitled to rely upon regulations on municipal credits, adjustments and compliance mechanisms adopted by the Council on Affordable Housing ("COAH") unless those regulations are contradicted by statute, including P.L. 2024, c.2, or binding court decisions" (N.J.S.A. 52:27D-311(m)); and,

**WHEREAS**, COAH regulations also empower municipalities to secure vacant land adjustments, durational adjustment and other adjustments; and,

**WHEREAS**, pursuant to N.J.S.A. 52:27D-304.1(3)(f)(1), with consideration of the calculation contained in the aforesaid DCA Report, each municipality must determine its present and prospective fair share obligation for affordable housing in accordance with the formulas established in sections N.J.S.A. 52:27D-304.2 and N.J.S.A. 52:27D-304.3 by resolution, which describes the basis for the municipality's determination and bind the municipality to adopt a housing element and fair share plan pursuant to paragraph 2 of N.J.S.A. 52:27D-304.1(3)(f); and,

**WHEREAS**, the Township has reviewed the DCA Report titled Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background, and its supporting documents; and,

**WHEREAS**, based upon the foregoing, Hope Township accepts the DCA calculations of Hope Township's fair share obligations and commits to its fair share of 0 present need units and 31 prospective need units subject to any vacant land and/or durational adjustment it may seek as part

of the Housing Element and Fair Share Plan it subsequently submits in accordance with the Amended Fair Housing Act; and,

**WHEREAS**, the Township is aware of certain litigation before the Courts and potential additional changes to the Fair Housing Act, and therefore reserves the right to adjust its obligation based upon any adjudication in the Courts, change in legislation, change in methodology or DCA Report, in the event of a Third-Party challenge, and commits to the within obligation numbers subject to all reservations of rights; and,

**WHEREAS**, in light of the above, the Township Committee of Hope Township finds it is in the best interest of Hope Township to declare its commitment to the Present Need obligation and Prospective Need Obligation reported in the DCA Report, subject to the reservations set forth herein; and,

**WHEREAS**, pursuant to Directive #14-24, a municipality seeking a certification of compliance with the Fair Housing Act shall file an action in the form of a declaratory judgment complaint in which the municipality is located within 48 hours after adoption of this resolution in Warren County.

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and Township Committee of the Township of Hope, County of Warren, State of New Jersey as follows:

1. All of the above Whereas Clauses are incorporated into the operative clauses of this resolution.

2. Pursuant to N.J.S.A. 52:27D-304.1(3)(f)(1) and in conformance with the formulas set forth in N.J.S.A. 52:27D-304.2 and N.J.S.A. 52:37D-304.3, the Township Committee of Hope Township commits to the present fair share obligation for affordable housing of 0 units and prospective fair share obligation for affordable housing of 31 units based upon the DCA Report, for the Fourth Round, subject to all reservation of rights, including but not limited to the following:

- a. The right to a vacant land adjustment, durational adjustments, and all other applicable adjustments permitted.
- b. The right to comply with any future changes in legislation that changes its obligations under current law including any additional changes to the Fair Housing Act.
- c. The right to adjust the fair share obligations in the event of any future legislation that adjusts the fair share obligations as set forth in the DCA Report calculations.
- d. The right to adjust its fair share obligation based on any future adjudication by a court of competent jurisdiction.
- e. The right to adjust its fair share obligation in the event of a Third-Party challenge to the fair share obligations and Hope Township's response, including that its prospective need obligation should be lower than described herein.



3. The Township Attorney is hereby authorized to file a Declaratory Judgment action with Warren County seeking a certification of compliance as to the Township's Fourth Round Affordable Housing obligations, which action shall be filed within 48 hours of the adoption of this resolution and attaching this resolution as an exhibit.

4. A certified copy of this resolution along with the filing date of the Declaratory Judgment action shall be published on the Alternate Dispute Resolution Program or any other such entity a may be determined to be appropriate. A certified copy of the resolution shall be posted on the municipal website.

5. The Township shall adopt a housing element and fair share plan based upon the need obligations as determined in this resolution and as may be adjusted by the Alternate Dispute Resolution Program in accordance with N.J.S.A. 52:27D-304.1(3)(f)(2) or as may be subsequently adjusted based upon the reservation of rights.

6. This Resolution shall take effect immediately, according to law.

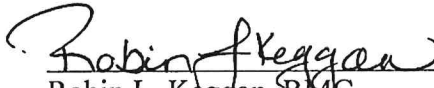
Motion: Mr. Urfer

Second: Mr. Kruk

Roll Call: Mr. Kruk – yes Mr. Urfer – yes Mayor McDonough – yes

#### CERTIFICATION

I, Robin L. Keggan, Clerk of the Township of Hope, County of Warren, do hereby certify that the foregoing is a true and exact copy of the resolution adopted by the Township of Hope Committee on January 22, 2025.

  
Robin L. Keggan, RMC  
Hope Township Clerk

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## **Appendix H**

### **Accessory Apartment and Development Fee Ordinances**

## ORDINANCE 2018-02

AN ORDINANCE AMENDING CHAPTER XX OF THE REVISED GENERAL  
ORDINANCE OF THE TOWNSHIP OF HOPE TO ADDRESS THE REQUIREMENTS OF  
THE FAIR HOUSING ACT AND THE UNIFORM HOUSING AFFORDABILITY CONTROLS  
(UHAC) REGARDING COMPLIANCE WITH THE TOWNSHIP'S AFFORDABLE  
HOUSING OBLIGATIONS

BE IT ORDAINED by the Mayor and Committee of the Township of Hope, Warren County, New Jersey, that Chapter XX of the Code of the Township of Hope is hereby amended to include provisions addressing Hope's constitutional obligation to provide for its fair share of low- and moderate-income housing, as directed by the Superior Court and consistent with N.J.A.C. 5:93-1, et seq., as amended and supplemented, N.J.A.C. 5:80-26.1, et seq., as amended and supplemented, and the New Jersey Fair Housing Act of 1985. This Ordinance is intended to provide assurances that low- and moderate-income units ("affordable units") are created with controls on affordability over time and that low- and moderate-income households shall occupy those units. This Ordinance shall apply except where inconsistent with applicable law.

The Hope Township Planning Board has adopted a Housing Element and Fair Share Plan pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. The Committee has endorsed the Housing Element and Fair Share Plan. This Ordinance implements and incorporates the adopted and endorsed Housing Element and Fair Share Plan and addresses the requirements of N.J.A.C. 5:93-1, et seq., as amended and supplemented, N.J.A.C. 5:80-26.1, et seq. as amended and supplemented, and the New Jersey Fair Housing Act of 1985.

BE IT FURTHER ORDAINED by the Mayor and Committee of the Township of Hope, Warren County, New Jersey, Ordinance Section 20-28, entitled "Fair Share Plan," shall be repealed in its entirety and replaced with the following text:

## **20-28 AFFORDABLE HOUSING**

### **20-28.1 Affordable Housing Requirements and Regulations.**

#### **Section 1. Monitoring and Reporting Requirements**

The Township of Hope shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its Housing Element and Fair Share Plan:

1. Beginning on February 1, 2018, and on every anniversary of that date through February 1, 2025, the Township agrees to provide annual reporting of its Affordable Housing Trust Fund activity to the New Jersey Department of Community Affairs, Committee on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center (FSHC) and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs (NJDC), Committee on Affordable Housing

(COAH), or Local Government Services (NJLGS). The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

2. Beginning on February 1, 2018, and on every anniversary of that date through February 1, 2025, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by COAH.
3. By July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the Court regarding these issues.
4. By March 1, 2020, and every third year thereafter, as required by N.J.S.A. 52:27D-329.1, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very low income requirements, including its family very low income requirements. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very low income and family very low income housing obligations.

## **Section 2. Definitions**

The following terms when used in this Ordinance shall have the meanings given in this Section:

“Act” means the Fair Housing Act of 1985, P.L. 1985, c. 222 (N.J.S.A. 52:27D-301 et seq.)

“Adaptable” means constructed in compliance with the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.

“Administrative Agent” means the entity designated by the Township to administer affordable units in accordance with this Ordinance, N.J.A.C. 5:93, and UHAC (N.J.A.C. 5:80-26).

“Affirmative marketing” means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.15.

“Affordability average” means the average percentage of median income at which new restricted units in an affordable housing development are affordable to low- and moderate-income households.



“Affordable” means, a sales price or rent level that is within the means of a low- or moderate-income household as defined within N.J.A.C. 5:93-7.4, and, in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.6, as may be amended and supplemented, and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.12, as may be amended and supplemented.

“Affordable housing development” means a development included in or approved pursuant to the Housing Element and Fair Share Plan or otherwise intended to address the Township's fair share obligation, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable housing development.

“Affordable housing program(s)” means any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality’s fair share obligation.

“Affordable unit” means a housing unit proposed or created pursuant to the Act and approved for crediting by the Court and/or funded through an affordable housing trust fund.

“Agency” means the New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (N.J.S.A. 55:14K-1, et seq.).

“Age-restricted unit” means a housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that: 1) all the residents of the development wherein the unit is situated are 62 years of age or older; or 2) at least 80 percent of the units are occupied by one person who is 55 years of age or older; or 3) the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

“Alternative living arrangement” means a structure in which households live in distinct bedrooms, yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangements include, but are not limited to: transitional facilities for the homeless; Class A, B, C, D and E boarding homes as regulated by the State of New Jersey Department of Community Affairs; residential health care facilities as regulated by the New Jersey Department of Health; group homes for the developmentally disabled and mentally ill as licensed and/or regulated by the New Jersey Department of Human Services; and congregate living arrangements.

“Assisted living residence” means a facility that is licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor and that offers units containing, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

“Certified household” means a household that has been certified by an Administrative Agent as a low-income household or moderate-income household.

“COAH” means the Committee on Affordable Housing, as established by the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, et seq.).

“DCA” means the State of New Jersey Department of Community Affairs.

“Deficient housing unit” means a housing unit with health and safety code violations that requires the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

“Developer” means any person, partnership, association, company or corporation that is the legal or beneficial owner or owners of a lot or any land included in a proposed development including the holder of an option to contract to purchase, or other person having an enforceable proprietary interest in such land.

“Development” means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure, or of any mining, excavation or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to N.J.S.A. 40:55D-1, et seq.

“Inclusionary development” means a development containing both affordable units and market rate units. This term includes, but is not limited to: new construction, the conversion of a non-residential structure to residential use and the creation of new affordable units through the gut rehabilitation or reconstruction of a vacant residential structure.

“Low-income household” means a household with a total gross annual household income equal to 50 percent or less of the regional median household income by household size.

“Low-income unit” means a restricted unit that is affordable to a low-income household.

“Major system” means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and load bearing structural systems.

“Market-rate units” means housing not restricted to low- and moderate-income households that may sell or rent at any price.

“Median income” means the median income by household size for the applicable housing region, as adopted annually by COAH or a successor entity approved by the Court.

“Municipal Housing Liaison” means the employee charged by the governing body with the responsibility for oversight and administration of the affordable housing program for the Township of Hope.

“Moderate-income household” means a household with a total gross annual household income in excess of 50 percent but less than 80 percent of the regional median household income by household size.

“Moderate-income unit” means a restricted unit that is affordable to a moderate-income household.

“Non-exempt sale” means any sale or transfer of ownership other than the transfer of ownership between husband and wife; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor’s deed to a class A beneficiary and the transfer of ownership by court order.

“Random selection process” means a process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery).

“Regional asset limit” means the maximum housing value in each housing region affordable to a four-person household with an income at 80 percent of the regional median as defined by duly adopted Regional Income Limits published annually by COAH or a successor entity.

“Rehabilitation” means the repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

“Rent” means the gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted living residences, rent does not include charges for food and services.

“Restricted unit” means a dwelling unit, whether a rental unit or an ownership unit, that is subject to the affordability controls of N.J.A.C. 5:80-26.1, as amended and supplemented, but does not include a market-rate unit financed under UHORP or MONI.

“UHAC” means the Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26, et seq.

“Very low-income household” means a household with a total gross annual household income equal to 30 percent or less of the regional median household income by household size.

“Very low-income unit” means a restricted unit that is affordable to a very low-income household.

“Weatherization” means building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for purposes of a rehabilitation program.

### **Section 3. Applicability**

1. The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created within the Township of Hope pursuant to the Township's most recently adopted Housing Element and Fair Share Plan.

2. Moreover, this Ordinance shall apply to all developments that contain low-and moderate-income housing units, including any currently unanticipated future developments that will provide low- and moderate-income housing units.

3. All residential development consisting of 5 or more units at densities in excess of 4 units per acre approved by the Township after the date of the adoption of this Ordinance shall provide an affordable housing set-aside. Rental projects shall have a mandatory set-aside of 15%, and for-sale projects shall have a mandatory set-aside of 20%. All affordable units created pursuant to this paragraph shall be governed by the provisions of this Ordinance.

### **Section 4. Alternative Living Arrangements**

1. The administration of an alternative living arrangement shall be in compliance with N.J.A.C. 5:93-5.8 and UHAC, with the following exceptions:

a. Affirmative marketing (N.J.A.C. 5:80-26.15), provided, however, that the units or bedrooms may be affirmatively marketed by the provider in accordance with an alternative plan approved by the Court;

b. Affordability average and bedroom distribution (N.J.A.C. 5:80-26.3).

2. With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, alternative living arrangements shall have at least 30-year controls on affordability in accordance with UHAC, unless an alternative commitment is approved by the Court.

3. The service provider for the alternative living arrangement shall act as the Administrative Agent for the purposes of administering the affirmative marketing and affordability requirements for the alternative living arrangement.



**Section 5. Phasing Schedule for Inclusionary Zoning**

In inclusionary developments the following schedule shall be followed:

Maximum Percentage of Market-Rate Units Completed	Minimum Percentage of Low- and Moderate-Income Units Completed
25	0
25+1	10
50	50
75	75
90	100

**Section 6. New Construction**

1. Low/Moderate Split and Bedroom Distribution of Affordable Housing Units:

a. The fair share obligation shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low income unit. At least 13 percent of all restricted rental units shall be very low-income units (affordable to a household earning 30 percent or less of regional median income by household size). The very low-income units shall be counted as part of the required number of low income units within the development.

b. In each affordable development, at least 50 percent of the restricted units within each bedroom distribution shall be very low or low-income units.

c. Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:

1) The combined number of efficiency and one-bedroom units shall be no greater than 20 percent of the total low- and moderate-income units;

2) At least 30 percent of all low- and moderate-income units shall be two bedroom units;

3) At least 20 percent of all low- and moderate-income units shall be three bedroom units; and

4) The remaining units may be allocated among two and three bedroom units at the discretion of the developer.

d. Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the inclusionary development. This standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.

## 2. Accessibility Requirements:

a. The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free SubCode, N.J.A.C. 5:23-7 and the following:

b. All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one other dwelling unit shall have the following features:

- 1) An adaptable toilet and bathing facility on the first floor; and
- 2) An adaptable kitchen on the first floor; and
- 3) An interior accessible route of travel on the first floor; and
- 4) An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and

5) If not all of the foregoing requirements in b.1) through b.4) can be satisfied, then an interior accessible route of travel must be provided between stories within an individual unit, but if all of the terms of paragraphs b.1) through b.4) above have been satisfied, then an interior accessible route of travel shall not be required between stories within an individual unit; and

6) An accessible entranceway as set forth at P.L. 2005, c. 350 (N.J.S.A. 52:27D-311a, et seq.) and the Barrier Free SubCode, N.J.A.C. 5:23-7, or evidence that Hope has collected funds from the developer sufficient to make 10 percent of the adaptable entrances in the development accessible:

a) Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.

b) To this end, the builder of restricted units shall deposit funds within the Township of Hope's Affordable Housing Trust Fund sufficient to install accessible entrances in 10 percent of the affordable units that have been constructed with adaptable entrances.

c) The funds deposited under paragraph 6)b) above shall be used by the Township of Hope for the sole purpose of making the adaptable entrance of an affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.

d) The developer of the restricted units shall submit a design plan and cost estimate to the Construction Official of the Township of Hope for the conversion of adaptable to accessible entrances.

e) Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free SubCode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made to the Township's Affordable Housing Trust Fund in care of the Township Treasurer who shall ensure that the funds are deposited into the Affordable Housing Trust Fund and appropriately earmarked.

6) Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is "site impracticable" to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free SubCode, N.J.A.C. 5:23-7.

### 3. Design:

a. In inclusionary developments, to the extent possible, low- and moderate-income units shall be integrated with the market units.

b. In inclusionary developments, low- and moderate-income units shall have access to all of the same common elements and facilities as the market units.

### 4. Maximum Rents and Sales Prices:

a. In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC, utilizing the most recently published regional weighted average of the uncapped Section 8 income limits published by HUD and the calculation procedures set forth in the Consent Order entered on December 16, 2016, by the Honorable Douglas K. Wolfson, JSC, in In the Matter of the Township of East Brunswick for a Judgment of Compliance of its Third Round Housing Element and Fair Share Plan, Docket No.: MID-L-004013-15.

b. The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60 percent of median income, and the average rent for restricted rental units shall be affordable to households earning no more than 52 percent of median income.

c. The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units, provided that at least 13 percent of all low- and moderate-income rental units shall be affordable to very low-income households, which very low-income units shall be part of the low-income requirement.

d. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70 percent of median income, and each affordable development must achieve an affordability average of 55 percent for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different sales prices for each bedroom type, and low-income ownership units must be available for at least two different sales prices for each bedroom type.

e. In determining the initial sales prices and rent levels for compliance with the affordability average requirements for restricted units other than assisted living facilities and age-restricted developments, the following standards shall be used:

- 1) A studio shall be affordable to a one-person household;
- 2) A one-bedroom unit shall be affordable to a one and one-half person household;
- 3) A two-bedroom unit shall be affordable to a three-person household;
- 4) A three-bedroom unit shall be affordable to a four and one-half person household; and
- 5) A four-bedroom unit shall be affordable to a six-person household.

f. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted developments, the following standards shall be used:

- 1) A studio shall be affordable to a one-person household;
- 2) A one-bedroom unit shall be affordable to a one and one-half person household; and
- 3) A two-bedroom unit shall be affordable to a two-person household or to two one-person households.

g. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95 percent of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28 percent of the eligible monthly income of the appropriate size household as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.



h. The initial rent for a restricted rental unit shall be calculated so as not to exceed 30 percent of the eligible monthly income of the appropriate size household, including an allowance for tenant paid utilities, as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.

i. The price of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the Administrative Agent be lower than the last recorded purchase price.

j. The rents of very low-, low- and moderate-income units may be increased annually based on the permitted percentage increase in the Housing Consumer Price Index for the Northeast Urban Area. This increase shall not exceed nine percent in any one year. Rent increases for units constructed pursuant to low- income housing tax credit regulations shall be indexed pursuant to the regulations governing low- income housing tax credits.

#### **Section 7. Utilities**

1. Affordable units shall utilize the same type of heating source as market units within an inclusionary development.
2. Tenant-paid utilities included in the utility allowance shall be set forth in the lease and shall be consistent with the utility allowance approved by HUD for the Section 8 program.

#### **Section 8. Occupancy Standards**

In referring certified households to specific restricted units, the Administrative Agent shall, to the extent feasible and without causing an undue delay in the occupancy of a unit, strive to:

1. Provide an occupant for each bedroom;
2. Provide children of different sexes with separate bedrooms;
3. Provide separate bedrooms for parents and children; and
4. Prevent more than two persons from occupying a single bedroom.

#### **Section 9. Control Periods for Restricted Ownership Units and Enforcement Mechanisms**

1. Control periods for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.5, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the requirements of this Ordinance for a period of at least thirty (30) years, until Hope takes action to release the unit from such requirements; prior to such action, a restricted ownership unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented.

2. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.

3. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the non-restricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.

4. At the time of the initial sale of the unit, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obligating the purchaser (as well as the purchaser's heirs, successors and assigns) to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.

5. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.

6. A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all Code standards upon the first transfer of title following the removal of the restrictions provided under N.J.A.C. 5:80-26.5(a), as may be amended and supplemented.

#### **Section 10. Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices**

Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, including:

1. The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.

2. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.

3. The master deeds of inclusionary developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by low- and moderate-income purchasers and those paid by market purchasers.

4. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of anticipated capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom. See Section 13.

### **Section 11. Buyer Income Eligibility**

1. Buyer income eligibility for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50 percent of median income and moderate-income ownership units shall be reserved for households with a gross household income less than 80 percent of median income.
2. Notwithstanding the foregoing, the Administrative Agent may, upon approval by the Township Committee, and subject to the Court's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there is an insufficient number of eligible low-income purchasers in the housing region to permit prompt occupancy of the unit and all other reasonable efforts to attract a low income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit.
3. A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.
4. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 33 percent of the household's eligible monthly income.

### **Section 12. Limitations on Indebtedness Secured by Ownership Unit; Subordination**

1. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Administrative Agent for a determination in writing that the proposed indebtedness complies with the provisions of this Section, and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.
2. With the exception of First Purchase Money Mortgages, neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95 percent of the maximum allowable resale price of the unit, as such price is determined by the Administrative Agent in accordance with N.J.A.C.5:80-26.6(b).

### **Section 13. Capital Improvements To Ownership Units**

1. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements made since

the purchase of the unit. Eligible capital improvements shall be those that render the unit suitable for a larger household or that add an additional bathroom. In no event shall the maximum sales price of an improved housing unit exceed the limits of affordability for the larger household.

2. Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

#### **Section 14. Control Periods for Restricted Rental Units**

1. Control periods for restricted rental units shall be in accordance with N.J.A.C. 5:80-26.11, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of this Ordinance for a period of at least 30 years, until Hope takes action to release the unit from such requirements. Prior to such action, a restricted rental unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented.

2. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Warren. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a Certificate of Occupancy.

3. A restricted rental unit shall remain subject to the affordability controls of this Ordinance despite the occurrence of any of the following events:

- a. Sublease or assignment of the lease of the unit;
- b. Sale or other voluntary transfer of the ownership of the unit; or

3. The entry and enforcement of any judgment of foreclosure on the property containing the unit.



### **Section 15. Rent Restrictions for Rental Units; Leases**

1. A written lease shall be required for all restricted rental units and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.
2. No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
3. Application fees (including the charge for any credit check) shall not exceed five percent of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.
4. No rent control ordinance or other pricing restriction shall be applicable to either the market units or the affordable units in any development in which at least 15% of the total number of dwelling units are restricted rental units in compliance with this Ordinance.

### **Section 16. Tenant Income Eligibility**

1. Tenant income eligibility shall be in accordance with N.J.A.C. 5:80-26.13, as may be amended and supplemented, and shall be determined as follows:
  - a. Very low-income rental units shall be reserved for households with a gross household income less than or equal to 30 percent of the regional median household income by household size.
  - b. Low-income rental units shall be reserved for households with a gross household income less than or equal to 50 percent of the regional median household income by household size.
  - c. Moderate-income rental units shall be reserved for households with a gross household income less than 80 percent of the regional median household income by household size.
2. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income household, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35 percent (40 percent for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.16, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
  - a. The household currently pays more than 35 percent (40 percent for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;

b. The household has consistently paid more than 35 percent (40 percent for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;

c. The household is currently in substandard or overcrowded living conditions;

d. The household documents the existence of assets with which the household proposes to supplement the rent payments; or

e. The household documents reliable anticipated third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.

3. The applicant shall file documentation sufficient to establish the existence of the circumstances in 1.a. through 2.e. above with the Administrative Agent, who shall counsel the household on budgeting.

### **Section 17. Municipal Housing Liaison**

1. The Township of Hope shall appoint a specific municipal employee to serve as a Municipal Housing Liaison responsible for overseeing the Township's affordable housing program, including overseeing the administration of affordability controls on the affordable units and the affirmative marketing of available affordable units in accordance with the Township's Affirmative Marketing Plan; fulfilling monitoring and reporting requirements; and supervising Administrative Agent(s). Hope shall adopt a Resolution appointing the person to fulfill the position of Municipal Housing Liaison. The Municipal Housing Liaison shall be appointed by the governing body and may be a full or part time municipal employee. The Municipal Housing Liaison shall be approved by the Court and shall be duly qualified through a training program sponsored by Affordable Housing Professionals of New Jersey before assuming the duties of Municipal Housing Liaison.

2. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for Hope, including the following responsibilities which may not be contracted out to the Administrative Agent:

a. Serving as Hope's primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;

b. Monitoring the status of all restricted units in Hope's Fair Share Plan;

c. Compiling, verifying, submitting and posting all monitoring reports as required by the Court and by this Ordinance;

d. Coordinating meetings with affordable housing providers and Administrative Agent(s), as needed; and

e. Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing at least annually and more often as needed.

3. Subject to the approval of the Court, the Township of Hope shall designate one or more Administrative Agent(s) to administer and to affirmatively market the affordable units constructed in the Township in accordance with UHAC and this Ordinance. An Operating Manual for each affordable housing program shall be provided by the Administrative Agent(s) to be adopted by resolution of the governing body and subject to approval of the Court. The Operating Manual(s) shall be available for public inspection in the office of the Township Clerk, in the office of the Municipal Housing Liaison, and in the office(s) of the Administrative Agent(s). The Municipal Housing Liaison shall supervise the work of the Administrative Agent(s).

4. Compensation shall be fixed by the Governing Body at the time of the appointment of the Municipal Housing Liaison.

#### **Section 18. Administrative Agent**

An Administrative Agent may be either an independent entity serving under contract to and reporting to the municipality, or a municipality itself, through a designated municipal employee, department, board agency or committee, pursuant to N.J.A.C. 5:80-26.14(c). *The fees of the Administrative Agent shall be paid by the owners of the affordable units for which the services of the Administrative Agent are required.* The Administrative Agent shall perform the duties and responsibilities of an Administrative Agent as set forth in UHAC, including those set forth in Sections 5:80-26.14, 16 and 18 thereof, which includes:

##### **1. Affirmative Marketing:**

a. Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of the Township of Hope and the provisions of N.J.A.C. 5:80-26.15; and

b. Providing counseling or contracting to provide counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

##### **2. Household Certification:**

a. Soliciting, scheduling, conducting and following up on interviews with interested households;

b. Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;

c. Providing written notification to each applicant as to the determination of eligibility or non-eligibility;

d. Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in Appendices J and K of N.J.A.C. 5:80-26.1 et seq.;

e. Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located;

f. Employing a random selection process as provided in the Affirmative Marketing Plan of the Township of Hope when referring households for certification to affordable units; and

g. Notifying the following entities of the availability of affordable housing units in the Township of Hope: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, NORWESCAP, the Supportive Housing Association, and the Central Jersey Housing Resource Center.

### 3. Affordability Controls:

a. Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;

b. Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;

c. Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the Warren County Register of Deeds or Warren County Clerk's office after the termination of the affordability controls for each restricted unit;

d. Communicating with lenders regarding foreclosures; and

e. Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.10.

### 4. Resales and Rerentals:

a. Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or rental; and

b. Instituting and maintaining an effective means of communicating information to low- (or very low-) and moderate-income households regarding the availability of restricted units for resale or re-rental.



5. Processing Requests from Unit Owners:

- a. Reviewing and approving requests for determination from owners of restricted units who wish to take out home equity loans or refinance during the term of their ownership that the amount of indebtedness to be incurred will not violate the terms of this Ordinance;
- b. Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems;
- c. Notifying the municipality of an owner's intent to sell a restricted unit; and
- d. Making determinations on requests by owners of restricted units for hardship waivers.

6. Enforcement:

- a. Securing annually from the municipality a list of all affordable housing units for which tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;
- b. Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;
- c. Posting annually, in all rental properties (including two-family homes), a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent or other charges can be made;
- d. Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.18(d)4;
- e. Establishing a program for diverting unlawful rent payments to the municipality's Affordable Housing Trust Fund; and
- f. Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent, to be approved by the Township Committee and the Court, setting forth procedures for administering the affordability controls.

7. Additional Responsibilities:

- a. The Administrative Agent shall have the authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.

b. The Administrative Agent shall prepare monitoring reports for submission to the Municipal Housing Liaison in time to meet the Court-approved monitoring and reporting requirements in accordance with the deadlines set forth in this Ordinance.

c. The Administrative Agent shall attend continuing education sessions on affordability controls, compliance monitoring, and affirmative marketing at least annually and more often as needed.

### **Section 19. Affirmative Marketing Requirements**

1. The Township of Hope shall adopt by resolution an Affirmative Marketing Plan, subject to approval of the Court, that is compliant with N.J.A.C. 5:80-26.15, as may be amended and supplemented.

2. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs marketing activities toward Housing Region 3 and is required to be followed throughout the period of restriction.

3. The Affirmative Marketing Plan shall provide a regional preference for all households that live and/or work in Housing Region 3, comprised of Warren, Somerset, Middlesex, and Hunterdon Counties.

4. The municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Program, including initial sales and rentals and resales and rerentals. The Administrative Agent designated by the Township of Hope shall implement the Affirmative Marketing Plan to assure the affirmative marketing of all affordable units.

5. In implementing the Affirmative Marketing Plan, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

6. The Affirmative Marketing Plan shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Plan, the Administrative Agent shall consider the use of language translations where appropriate.

7. The affirmative marketing process for available affordable units shall begin at least four months (120 days) prior to the expected date of occupancy.

8. Applications for affordable housing shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within

the housing region; the municipal administration building and the municipal library in the municipality in which the units are located; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.

9. In addition to other affirmative marketing strategies, the Administrative Agent shall provide specific notice of the availability of affordable housing units in Hope, and copies of the application forms, to the following entities: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, NORWESCAP, the Supportive Housing Association, and the Central Jersey Housing Resource Center.

10. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner.

## **Section 20. Enforcement of Affordable Housing Regulations**

1. Upon the occurrence of a breach of any of the regulations governing an affordable unit by an Owner, Developer or Tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, a requirement for household recertification, acceleration of all sums due under a mortgage, recuperation of any funds from a sale in violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.

2. After providing written notice of a violation to an Owner, Developer or Tenant of a low- or moderate-income unit and advising the Owner, Developer or Tenant of the penalties for such violations, the municipality may take the following action(s) against the Owner, Developer or Tenant for any violation that remains uncured for a period of 60 days after service of the written notice:

a. The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation or violations of the regulations governing the affordable housing unit. If the Owner, Developer or Tenant is adjudged by the Court to have violated any provision of the regulations governing affordable housing units the Owner, Developer or Tenant shall be subject to one or more of the following penalties, at the discretion of the Court:

1) A fine of not more than \$500.00 per day or imprisonment for a period not to exceed 90 days, or both, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;

2) In the case of an Owner who has rented a low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Township of Hope Affordable Housing Trust Fund of the gross amount of rent illegally collected;

3) In the case of an Owner who has rented a low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.

b. The municipality may file a court action in the Superior Court seeking a judgment that would result in the termination of the Owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any such judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low- or moderate-income unit.

1) The judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating Owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating Owner shall have his right to possession terminated as well as his title conveyed pursuant to the Sheriff's sale.

2) The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating Owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the Owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the Owner shall make a claim with the municipality for such. Failure of the Owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the Owner or forfeited to the municipality.

3) Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The Owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.

4) If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the low- and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low-



and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess, which would have been realized from an actual sale as previously described.

5) Failure of the low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the Owner to accept an offer to purchase from any qualified purchaser which may be referred to the Owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.

6) The Owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the Owner.

### **Section 21. Appeals**

Appeals from all decisions of an Administrative Agent appointed pursuant to this Ordinance shall be filed in writing with the Court.

## **20-28.2 Accessory Apartment Program**

### **Section 1. Purpose**

The purpose of this program is to help meet Hope Township's fair share housing obligation through the subsidization of up to 10 voluntary conversions of existing single-family dwellings or accessory buildings in the Township to accommodate accessory apartments for occupancy by very low-, low-, and moderate-income households.

### **Section 2. Definitions**

"Applicant" means the person or persons applying for funds to create an accessory apartment in accordance with the provisions of this chapter.

"Accessory Apartment" means a self-contained residential dwelling unit with a kitchen, sanitary facilities, sleeping quarters, and a private entrance, which is created within an existing home or through the conversion of an existing accessory structure on the same site or by an addition to an existing home or accessory building or by the construction of a new accessory structure on the same site.

### **Section 3. Regulations**

1. The maximum number of creditable accessory apartments shall be equal to no more than 10.
2. All accessory apartments shall meet the following conditions:

a. Accessory apartments are permitted in every zoning district throughout the Township of Hope, provided that the units are affordable to very low-, low-, and moderate-income households.

b. Accessory apartments shall comply with all applicable statutes and regulations of the State of New Jersey in addition to all building codes.

c. At the time of initial occupancy of the unit and for at least 30 years thereafter, the accessory apartment shall be rented only to a household which is either a very low-, low- or moderate-income household.

d. There shall be a recorded deed or declaration of covenants and restrictions applied to the property upon which the accessory apartment is located, running with the land and limiting its subsequent rental or sale of the unit and the accessory apartment.

e. Pursuant to N.J.A.C. 5:93-5.9, the Hope Township accessory apartment program shall not restrict the number of bedrooms in any accessory apartment.

f. The appropriate utility authority must certify that there is water and sewer infrastructure with sufficient capacity to serve the proposed accessory apartment. Where the proposed location is served by an individual well and/or septic system, the additional capacity necessitated by the new unit must meet the appropriate NJDEP standards.

### **Section 3. Administration**

1. The accessory apartments program shall be affirmatively marketed by the Township's Administrative Agent in accordance with UHAC and the Township's Affirmative Marketing Plan.

2. The Administrative Agent shall administer the accessory apartment program, including income qualifying of prospective renters, setting rents and annual rent increase, maintaining a waiting list, distributing the subsidy, securing certificates of occupancy, qualifying properties, handling application forms, filing deed restrictions and monitoring reports, and the development of applications for interested owners.

3. The Township shall provide at least \$10,000 per unit to subsidize the creation of each accessory apartment.

### **Section 4. Eligibility**

1. Only owners of existing dwelling units within the Township of Hope are eligible to apply for the accessory apartments program. Eligibility is further determined by the following criteria:

a. The owner must agree to rent the accessory apartment to a very low-, low-, or moderate-income household. Proof of each prospective tenant's income qualifications shall be required by the Administrative Agent.

b. Any existing code deficiencies in the portion of the building to be devoted to the accessory apartment unit shall be corrected, and the unit shall be brought up to code standard.

c. The owner of the accessory apartment shall agree, by written contract, to comply with all of the requirements of Ordinance Section 20-28.1, Affordable Housing Regulations and Requirements, of the Code of the Township of Hope.

d. Property owners wishing to apply to create an accessory apartment shall submit a completed application form to the Administrative Agent. Accompanying the form shall be a report from the Township's Construction Code Official, ruling on whether the structure proposed to contain the accessory apartment meets applicable code requirements.

### **20-28.3 Development Fee Ordinance**

#### **Section 1. Purpose**

This Ordinance establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with COAH's regulations developed in response to P.L. 2008, c. 46, Sections 8 and 32-38 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7). Fees collected pursuant to this Ordinance shall be used for the sole purpose of providing very low, low- and moderate-income housing in accordance with a Court-approved Spending Plan.

#### **Section 2. Basic Requirements**

1. This Ordinance shall not be effective until approved by the Court.
2. The Township of Hope shall not spend development fees until the Court has approved a plan for spending such fees (Spending Plan).

#### **Section 3. Definitions**

The following terms, as used in this Ordinance, shall have the following meanings:

"Affordable housing development" means a development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable housing development.

"COAH" or the "Council" means the New Jersey Council on Affordable Housing established under the Fair Housing Act.

"Development fee" means money paid by a developer for the improvement of property as authorized by Holmdel Builder's Association v. Holmdel Township, 121 N.J. 550 (1990) and the Fair Housing Act of 1985, N.J.S.A. 52:27d-301, *et seq.*, and regulated by applicable COAH Rules.

“Developer” means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

“Equalized assessed value” means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with Sections 1, 5, and 6 of P.L. 1973, c.123 (C.54:1-35a through C.54:1-35c).

“Green building strategies” means those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

#### **Section 4. Residential Development Fees**

##### **1. Imposition of Fees**

a. Within the Township of Hope, all residential developers, except for developers of the types of developments specifically exempted below and developers of developments that include affordable housing, shall pay a fee of one and a half percent (1.5%) of the equalized assessed value for all new residential development provided no increased density is permitted. Development fees shall also be imposed and collected when an additional dwelling unit is added to an existing residential structure; in such cases, the fee shall be calculated based on the increase in the equalized assessed value of the property due to the additional dwelling unit.

b. When an increase in residential density is permitted pursuant to a “d” variance granted under N.J.S.A. 40:55D-70d(5), developers shall be required to pay a “bonus” development fee of six percent (6%) percent of the equalized assessed value for each additional unit that may be realized, except that this provision shall not be applicable to a development that will include affordable housing. If the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.

##### **2. Eligible Exactions, Ineligible Exactions and Exemptions for Residential Developments**

a. Affordable housing developments and/or developments where the developer has made a payment in lieu of on-site construction of affordable units, if permitted by Ordinance or by Agreement with the Township of Hope, shall be exempt from the payment of development fees.

b. Developments that have received preliminary or final site plan approval prior to the adoption of this Ordinance shall be exempt from the payment of development fees, unless the developer seeks a substantial change in the original approval. Where site plan approval is not



applicable, the issuance of a Zoning Permit and/or Construction Permit shall be synonymous with preliminary or final site plan approval for the purpose of determining the right to an exemption. In all cases, the applicable fee percentage shall be determined based upon the Development Fee Ordinance in effect on the date that the Construction Permit is issued.

c. Improvements or additions to existing one and two-family dwellings on individual lots shall not be required to pay a development fee, but a development fee shall be charged for any new dwelling constructed as a replacement for a previously existing dwelling on the same lot that was or will be demolished, unless the owner resided in the previous dwelling for a period of one year or more prior to obtaining a demolition permit. Where a development fee is charged for a replacement dwelling, the development fee shall be calculated on the increase in the equalized assessed value of the new structure as compared to the previous structure.

d. Homes replaced as a result of a natural disaster (such as a fire or flood) shall be exempt from the payment of a development fee.

## **Section 5. Non-Residential Development Fees**

### **1. Imposition of Fees**

a. Within all zoning districts, non-residential developers, except for developers of the types of developments specifically exempted below, shall pay a fee equal to two and one-half (2.5) percent of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.

b. Within all zoning districts, non-residential developers, except for developers of the types of developments specifically exempted below, shall also pay a fee equal to two and one-half (2.5) percent of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.

c. Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of two and a half percent (2.5%) shall be calculated on the difference between the equalized assessed value of the pre-existing land and improvements and the equalized assessed value of the newly improved structure, i.e. land and improvements, and such calculation shall be made at the time a final Certificate of Occupancy is issued. If the calculation required under this Section results in a negative number, the non-residential development fee shall be zero.

### **2. Eligible Exactions, Ineligible Exactions and Exemptions for Non-residential Development**

a. The non-residential portion of a mixed-use inclusionary or market rate development shall be subject to a two and a half percent (2.5%) development fee, unless otherwise exempted below.

b. The two and a half percent (2.5%) development fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within the existing footprint, reconstruction, renovations and repairs.

c. Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), as specified in Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption". Any exemption claimed by a developer shall be substantiated by that developer.

d. A developer of a non-residential development exempted from the non-residential development fee pursuant to the Statewide Non-Residential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final Certificate of Occupancy for the non-residential development, whichever is later.

e. If a property which was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this Section within 45 days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by the Township of Hope as a lien against the real property of the owner.

#### **Section 6. Collection Procedures**

1. Upon the granting of a preliminary, final or other applicable approval for a development, the approving authority or entity shall notify or direct its staff to notify the Construction Official responsible for the issuance of a Construction Permit.

2. For non-residential developments only, the developer shall also be provided with a copy of Form N-RDF "State of New Jersey Non-Residential Development Certification/ Exemption" to be completed as per the instructions provided. The developer of a non-residential development shall complete Form N-RDF as per the instructions provided. The Construction Official shall verify the information submitted by the non-residential developer as per the instructions provided in the Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.

3. The Construction Official responsible for the issuance of a Construction Permit shall notify the Township Tax Assessor of the issuance of the first Construction Permit for a development which is subject to a development fee.

4. Within 90 days of receipt of such notification, the Township Tax Assessor shall prepare an estimate of the equalized assessed value of the development based on the plans filed.

5. The Construction Official responsible for the issuance of a final Certificate of Occupancy shall notify the Township Tax Assessor of any and all requests for the scheduling of a final inspection on a property which is subject to a development fee.

6. Within 10 business days of a request for the scheduling of a final inspection, the Township Tax Assessor shall confirm or modify the previously estimated equalized assessed value of the improvements associated with the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.

7. Should the Township of Hope fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b. of Section 37 of P.L. 2008, c.46 (C.40:55D-8.6).

8. Except as provided in Section 5.A.3) hereinabove, fifty percent (50%) of the initially calculated development fee shall be collected at the time of issuance of the Construction Permit. The remaining portion shall be collected at the time of issuance of the Certificate of Occupancy. The developer shall be responsible for paying the difference between the fee calculated at the time of issuance of the Construction Permit and that determined at the time of issuance of the Certificate of Occupancy.

#### 9. Appeal of Development Fees

a. A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest bearing escrow account by the Township of Hope. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 54:48-1, *et seq.*, within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

b. A developer may challenge non-residential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest bearing escrow account by the Township of Hope. Appeals from a determination of the Director may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1, *et seq.*, within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

### **Section 7. Affordable Housing Trust Fund**

1. There is hereby created a separate, interest-bearing Affordable Housing Trust Fund to be maintained by the Chief Financial Officer of the Township of Hope for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.

2. The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:

- a. Payments in lieu of on-site construction of a fraction of an affordable unit, where permitted by Ordinance or by Agreement with the Township of Hope;
- b. Funds contributed by developers to make ten percent (10%) of the adaptable entrances in a townhouse or other multistory attached dwelling unit development accessible;
- c. Rental income from municipally operated units;
- d. Repayments from affordable housing program loans;
- e. Recapture funds;
- f. Proceeds from the sale of affordable units; and
- g. Any other funds collected in connection with Hope's affordable housing program.

3. In the event of a failure by the Township of Hope to comply with trust fund monitoring and reporting requirements or to submit accurate monitoring reports; or a failure to comply with the conditions of the judgment of compliance or a revocation of the judgment of compliance; or a failure to implement the approved Spending Plan and to expend funds within the applicable required time period as set forth in In re Tp. of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563); or the expenditure of funds on activities not approved by the Court; or for other good cause demonstrating the unapproved use(s) of funds, the Court may authorize the State of New Jersey, Department of Community Affairs, Division of Local Government Services (LGS), to direct the manner in which the funds in the Affordable Housing Trust Fund shall be expended, provided that all such funds shall, to the extent practicable, be utilized for affordable housing programs within the Township of Hope, or, if not practicable, then within the County or the Housing Region.

Any party may bring a motion before the Superior Court presenting evidence of such condition(s), and the Court may, after considering the evidence and providing the municipality a reasonable opportunity to respond and/or to remedy the non-compliant condition(s), and upon a finding of continuing and deliberate non-compliance, determine to authorize LGS to direct the expenditure of funds in the Trust Fund. The Court may also impose such other remedies as may be reasonable and appropriate to the circumstances.

4. Interest accrued in the Affordable Housing Trust Fund shall only be used to fund eligible affordable housing activities approved by the Court.

### **Section 8. Use of Funds**

1. The expenditure of all funds shall conform to a Spending Plan approved by the Court. Funds deposited in the Affordable Housing Trust Fund may be used for any activity approved by



the Court to address the Township of Hope's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls; housing rehabilitation; new construction of affordable housing units and related costs; accessory apartments; a market to affordable program; Regional Housing Partnership programs; conversion of existing non-residential buildings to create new affordable units; green building strategies designed to be cost saving and in accordance with accepted national or State standards; purchase of land for affordable housing; improvement of land to be used for affordable housing; extensions or improvements of roads and infrastructure to affordable housing sites; financial assistance designed to increase affordability; administration necessary for implementation of the Housing Element and Fair Share Plan; and/or any other activity permitted by the Court and specified in the approved Spending Plan.

2. Funds shall not be expended to reimburse the Township of Hope for past housing activities.

3. At least 30 percent of all development fees collected and interest earned on such fees shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30 percent or less of the median income for Housing Region 2, in which Hope is located.

a. Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, and assistance with emergency repairs. The specific programs to be used for affordability assistance shall be identified and described within the Spending Plan.

b. Affordability assistance to households earning 30 percent or less of median income may include buying down the cost of low or moderate income units in the municipal Fair Share Plan to make them affordable to households earning 30 percent or less of median income. The specific programs to be used for very low income affordability assistance shall be identified and described within the Spending Plan.

c. Payments in lieu of constructing affordable housing units on site, if permitted by Ordinance or by Agreement with the Township of Hope, and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.

4. The Township of Hope may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including its programs for affordability assistance.

5. No more than 20 percent of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultants' fees necessary to develop or implement a new construction program,

prepare a Housing Element and Fair Share Plan, and/or administer an affirmative marketing program or a rehabilitation program.

a. In the case of a rehabilitation program, the administrative costs of the rehabilitation program shall be included as part of the 20 percent of collected development fees that may be expended on administration.

b. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with COAH's monitoring requirements. Legal or other fees related to litigation opposing affordable housing sites or related to securing or appealing a judgment from the Court are not eligible uses of the Affordable Housing Trust Fund.

### **Section 9. Monitoring**

1. The Township of Hope shall provide annual reporting of Affordable Housing Trust Fund activity to the State of New Jersey, Department of Community Affairs, Council on Affordable Housing or Local Government Services or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing or Local Government Services. The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, payments in lieu of constructing affordable units on site (if permitted by Ordinance or by Agreement with the Township), funds from the sale of units with extinguished controls, barrier free escrow funds, rental income from Township owned affordable housing units, repayments from affordable housing program loans, and any other funds collected in connection with Hope's affordable housing programs, as well as an accounting of the expenditures of revenues and implementation of the Spending Plan approved by the Court.

### **Section 10. Ongoing Collection of Fees**

1. The ability for the Township of Hope to impose, collect and expend development fees shall expire with the expiration of the repose period covered by its Judgment of Compliance unless the Township of Hope has first filed an adopted Housing Element and Fair Share Plan with the Court or with a designated State administrative agency, has petitioned for a Judgment of Compliance from the Court or for Substantive Certification or its equivalent from a State administrative agency authorized to approve and administer municipal affordable housing compliance and has received approval of its Development Fee Ordinance from the entity that will be reviewing and approving the Housing Element and Fair Share Plan.

2. If the Township of Hope fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance, it may be subject to forfeiture of any or all funds remaining within its Affordable Housing Trust Fund. Any funds so forfeited shall be

deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to Section 20 of P.L. 1985, c. 222 (C. 52:27D-320).

3. The Township of Hope shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its Judgment of Compliance, nor shall the Township of Hope retroactively impose a development fee on such a development. The Township of Hope also shall not expend any of its collected development fees after the expiration of its Judgment of Compliance.

### **REPEALER**

All Ordinances or parts of Ordinances inconsistent herewith are repealed as to such inconsistencies.

### **SEVERABILITY**

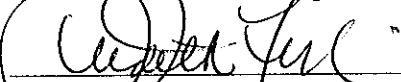
If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

### **EFFECTIVE DATE**

This Ordinance shall take effect upon passage and publication as provided by law.

### **NOTICE**

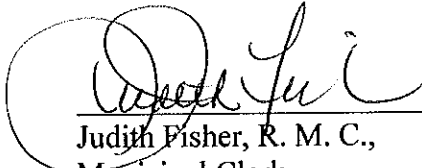
NOTICE IS HEREBY GIVEN, that the above Ordinance was introduced and passed on first reading at the Regular Business Meeting of the Governing Body of the Township of Hope held in the Municipal Building on the 31 day of January, 2018, and the same shall come up for public hearing at the Regular Business Meeting of the Governing Body to be held on the 20 day of February 2018, at 7:00 P.M., at which times any persons interested shall be given the opportunity to be heard concerning said Ordinance. Following the public hearing, said Ordinance shall be considered for final adoption.

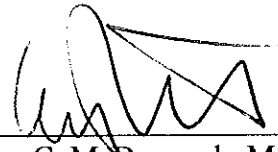


Judith Fisher, R. M. C.,  
Municipal Clerk

**ATTEST:**

**TOWNSHIP OF HOPE**

  
\_\_\_\_\_  
Judith Fisher, R. M. C.,  
Municipal Clerk

  
\_\_\_\_\_  
Timothy C. McDonough, Mayor

Introduced: January 31, 2018  
Motion by: Mr. Terry Urfer  
Second by: Mr. Christopher John Kruk

Introduction Roll Call:

Ayes: Mr. Urfer, Mr. Kruk Mayor McDonough

Nayes: NONE

Absent: NONE

Abstain: NONE

Adopted: February 20, 2018

Motion by: Mr. Urfer

Second by: Mr. Kruk

Adoption Roll Call:

Ayes: Mr. Urfer, Mr. Kruk Mayor McDonough

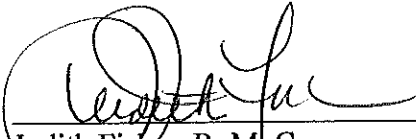
Nayes: None

Absent: None

Abstain: None



I hereby certify the foregoing to be a true copy of an Ordinance adopted by the Mayor and Committee at a meeting held on February 20, 2018.

A handwritten signature in black ink, appearing to read "Judith Fisher", is written over a horizontal line.

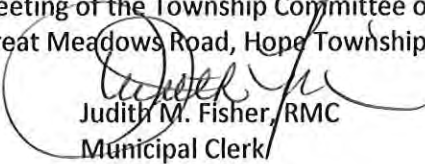
Judith Fisher, R. M. C.,  
Municipal Clerk



NOTICE  
HOPE TOWNSHIP, WARREN COUNTY  
NEW JERSEY

ORDINANCE AMENDING CHAPTER XX OF THE REVISED GENERAL ORDINANCE OF THE TOWNSHIP OF  
HOPE TO ADDRESS THE REQUIREMENTS OF THE FAIR HOUSING ACT AND THE UNIFORM HOUSING  
AFFORABILITY CONTROLS (UHAC) REGARDING COMPLIANCE WITH THE TOWNSHIP'S AFFORDABLE  
HOUSING OBLIGATIONS 2018-02

NOTICE IS HEREBY GIVEN that the above entitled Ordinance was introduced and passed on first reading by the Township Committee of the Township of Hope at a meeting held on the 31<sup>st</sup> day of January, 2018. It was then published in the New Jersey Herald and after second reading and public hearing it was finally adopted on the 20<sup>th</sup> day of February, 2018 at a meeting of the Township Committee of the Township of Hope held in the Municipal Building, 407 Hope-Great Meadows Road, Hope Township, Warren County, New Jersey.



Judith M. Fisher, RMC  
Municipal Clerk

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## **Appendix I**

### **Spending Plan**



**TOWNSHIP OF HOPE**  
**AMENDED AFFORDABLE HOUSING TRUST FUND**  
**SPENDING PLAN**

**May 2025**

Township of Hope  
Warren County, New Jersey

Prepared By:



**Heyer, Gruel & Associates**  
Community Planning Consultants  
236 Broad Street, Red Bank, NJ 07701  
(732) 741-2900

The original of this report was signed and sealed in  
accordance with N.J.S.A. 45:14A-12

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Michael Davis, AICP P.P. #6533



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## **INTRODUCTION**

The Township of Hope, Warren County has prepared and adopted a Housing Element and Fair Share plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and the Fair Housing Act (N.J.S.A. 52:27D-301).

The Township of Hope received First Round Certification on February 3, 1993. On February 23, 2001, the Township petitioned COAH for Second Round Certification, which was received and deemed valid for a period of six (6) years.

Hope Township prepared a Third Round Housing Element and Fair Share Plan (HEFSP), which was adopted by the Planning Board on December 5, 2005. However, these initial Third Round Rules were deemed invalid by the New Jersey Appellate Court. The Township proceeded to prepare an amended Third Round Housing Element and Fair Share Plan ("2008 Plan"). The Planning Board adopted the 2008 Plan and the Governing Body endorsed it on December 1, 2008. The Township, however, did not receive substantive certification for the Third Round because a large majority of COAH's regulations were invalidated by the Appellate Division.

Due to the uncertainty surrounding the appropriate manner by which to calculate municipal obligations throughout New Jersey at that time, the Township and the Fair Share Housing Center ("FSHC") entered into a settlement agreement on September 25, 2017. The Court approved the settlement agreement, and pursuant to the Court Order, Hope adopted a new Third Round HEFSP on January 29, 2018 ("2018 Plan").

Honorable Judge Thomas C. Miller granted a conditional JOR on January 10, 2019. Upon meeting the outlined conditions, Hope was granted a final JOR on September 30, 2022 by Honorable Robert A. Ballard Jr.

On January 22, 2025, the Township adopted Resolution 2025-20, officially accepting the Prospective Need and Present Need obligations calculated by DCA.

A development fee ordinance creating a dedicated revenue source for affordable housing was adopted by the Township on January 20, 2006 and approved by COAH on May 1, 2007. The development fee ordinance established standards for the collection, maintenance, and expenditure of development fees consistent with COAH rules and P.L.2008, c.46 (C.52:27D-329.1 et al.). The Township established an interest-bearing affordable housing trust fund in the First Hope Bank. The most recent amendment to the development fee ordinance is Ordinance 2018-02 which the Township adopted on February 20, 2018.

Hope's original Third Round Spending Plan was created as part of the 2008 Plan. A new Third Round Spending Plan was then adopted alongside the 2018 Plan. Pursuant to the settlement agreement with Fair Share Housing Center (FSHC) executed on September 25, 2017, annual monitoring reports were submitted to the New Jersey Department of Community Affairs and FSHC. This 2025 Spending Plan supersedes all prior Spending Plans.

While the trust fund was legislatively established by Hope in 2006, the Township did not begin collecting development fees until 2021. Over the account's lifetime, The Township has collected over \$25,000 in development fees and interest. Approximately \$300 has been spent on administrative costs. In accordance with the Budget Detail Inquiry for the trust fund account, the balance as of December 31, 2024 was \$25,349.09.





All development fees, payments in lieu of constructing affordable units on site, interest generated by the fees as well as any other source of income are deposited into this separate, interest-bearing affordable housing trust fund for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:93, or applicable regulations, as described in the sections that follow.

This Amended Spending Plan is submitted to the Superior Court of New Jersey for approval to expend all current and future affordable housing trust fund monies, as necessary, that will contribute to the development of new affordable housing units.







## 1. REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated during the period of Fourth Round "Substantive Certification," the Township of Hope considered the following:

### (a) Development fees

1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
3. Future development that is likely to occur based on historical rates of development.

### (b) Payment in lieu (PIL)

Actual and committed payments in lieu (PIL) of construction from developers.

### (c) Other funding sources

Funds from other sources, including, but not limited to, the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, proceeds from the sale of affordable units.

### (d) Projected interest

Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate.

### (e) Projected Revenues

Projected Revenues – Housing Trust Fund – 2025 through 2035				
	Current Balance	(a) Projected Development Fees:	(d) Interest	TOTAL
Trust Fund Balance as of 12/31/2024*	\$25,349	-	-	\$25,349
2025	-	\$3,286	\$82	\$3,368
2026	-	\$6,573	\$164	\$6,737
2027	-	\$6,573	\$164	\$6,737
2028	-	\$6,573	\$164	\$6,737
2029	-	\$6,573	\$164	\$6,737
2030	-	\$6,573	\$164	\$6,737
2031	-	\$6,573	\$164	\$6,737
2032	-	\$6,573	\$164	\$6,737
2033	-	\$6,573	\$164	\$6,737
2034	-	\$6,573	\$164	\$6,737
2035	-	\$3,286	\$82	\$3,368
<b>TOTAL</b>	<b>\$25,349</b>	<b>\$65,727</b>	<b>\$1,643</b>	<b>\$92,719</b>

\*Balance pursuant to Budget Detail Inquiry received from the Township on 12/31/2024

To calculate the projection of revenue anticipated from the general development fees, 10 years (2014 through 2023) of construction data (for both residential and non-residential construction) for the Township,





acquired from the New Jersey Department of Community Affairs, was examined. The historic activities of Township's existing affordable housing trust fund were also analyzed.

The Township projects a total of \$65,727 will be collected between June 2025 and June 30, 2035. An additional \$1,643 in interest is projected to be earned through 2035. Interest calculations are based on a historic average of the interest earned in the Township's trust fund. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing. Including the existing trust fund balance, the Township projects a total of \$92,719 through June 30, 2035.





## **2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS**

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Township of Hope:

### **(a) Collection of development fee revenues:**

Collection of development fee revenues shall be consistent with Hope's development fee ordinance for both residential and non-residential developments.

### **(b) Distribution of development fee revenues:**

The Administrative Agent and the Municipal Housing Liaison will manage the projects outlined in this Spending Plan and the Housing Element and Fair Share Plan.

The release of funds requires the adoption of a resolution by the governing body. Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the governing body's resolution.

### **(c) Collection and distribution of barrier free funds:**

Collection and distribution of barrier free funds shall be consistent with the Township's Affordable Housing Ordinance and in accordance with applicable regulations. A process describing the collection and distribution procedures for barrier free escrow is detailed within the Township's Affordable Housing Ordinance.





### 3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

The following sections represent the anticipated affordable housing expenditures within the Township of Hope, that will utilize trust fund monies.

#### (a) New Construction Programs and Projects (N.J.A.C. 5:93-8.16)

Additional information on each of the below programs and projects can be found in the Housing Element and Fair Share Plan.

##### Affordable Housing Construction

Hope's lack of water and sewerage infrastructure limits housing development opportunities. However, if the necessary infrastructure is added, the Township will consider dedicating Affordable Housing Funds in support of affordable housing development during the Fourth Round. While to date no specific expenditures are anticipated, funds are set aside and available for any new projects that may arise.

##### Accessory Apartment Program

On January 20, 2006, the Township adopted its first affordable housing ordinance which included guidelines for an accessory apartment program. The most recent amendment to the accessory apartment ordinance is Ordinance 2018-02 which the Township adopted on February 20, 2018. For every accessory apartment created either within an existing home, through the conversion of an existing accessory structure on the same site, or created as an addition to an existing home, Hope will dispense \$10,000 from the affordable housing trust fund to assist in the creation. This initiative is contingent on if the water and sewer infrastructure needed to support an additional unit becomes available. No such disbursements have been made yet.

#### (b) Affordability Assistance (N.J.A.C. 5:93-8.16)

As per the requirements regarding the use of funds for affordability assistance laid out in N.J.A.C. 5:93-8.16, the Township is required to dedicate at least 30% of all development fees collected and interest earned to provide affordability assistance to low-, and moderate-income households. In addition, at least one-third of the affordability assistance shall be used to provide affordability assistance to very-low income households.

The calculation of available affordability assistance funds is performed by considering the lifetime of the trust fund. To project the funding amount that is dedicated to affordability assistance, all actual expenditures spent on new construction activities as well as any rehabilitation activities from the inception of the fund are subtracted from the sum of the actual and projected development fees and interest. That total is multiplied by 30% to determine the 30% requirement. The actual affordability assistance expenditures from inception of the fund are then subtracted from the overall 30% requirement. This final outcome is the total remaining funds that must be dedicated to affordability assistance for the period moving forward.

The Township of Hope has collected \$25,657 in development fees and interest through December 31, 2024. The Township projects an additional \$65,727 in development fees and \$1,643 in interest through 2035. The Township has spent \$0 on housing activities.





**Affordability Assistance Projection**

<b>Affordability Assistance</b>		
Actual development fees collected, and interest earned through 12/31/2024		\$25,657
Projected Development Fees June 2025-2035	+	\$65,727
Projected Interest June 2025-2035	+	\$1,643
Less Housing Activity Through 12/31/2024	-	\$308
<b>Total</b>	<b>=</b>	<b>\$92,719</b>
30 percent requirement	x 0.30=	\$27,816
<b>Minimum Affordability Assistance</b>	<b>=</b>	<b>\$27,816</b>
Less Affordability Assistance Expenditures through 12/31/2024	-	\$0
<b>Remaining Affordability Assistance Requirement</b>		<b>\$27,816</b>
Minimum Very Low-Income Requirement	÷ 3 =	\$9,272

**Housing Activity History**

Since the inception of the trust fund in 2006, the Township has spent \$0 on housing activity.

**(c) Administrative Expenses (N.J.A.C. 5:93-8.16)**

No more than 20% of revenues collected from development fees shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop and implement: a new construction program; a housing element; and an affirmative marketing program. Administrative funds may be used for: income qualification of households; monitor the turnover of sale and rental units; and compliance with monitoring requirements.

The calculation of allowable administrative expenses is performed by considering the lifetime of the trust fund. To project the funding amount that will be available for administrative costs, the sum of all development fees actually collected, and all interest earned since the inception of the account will be added to the sum of all projected development fees and interest projected to be collected through the remainder of this round. From this amount, any Regional Contribution Agreement (RCA) expenditures made or contractually obligated from the inception of the account are subtracted. This final amount is multiplied by 20% and then actual administrative expenditures made from inception is subtracted out. The final outcome of this calculation, as depicted in the following table, is the total remaining funds that will be available for administrative expenses through the end of this Round.

The Township has collected \$25,657 in development fees and interest from inception through December 31, 2024. The Township projects an additional \$65,727 in development fees and \$1,643 in interest through 2035. The Township has never taken part in an RCA. Hope has spent \$308 on administrative expenses through December 31, 2024.

<b>Administrative Expenses</b>		
Actual development fees collected, and interest earned through 12/31/2024*		\$25,657
Projected Development Fees June 2025-2035	+	\$65,727
Projected Interest June 2025-2035	+	\$1,643
RCA expenditures	-	\$0
<b>Total</b>	<b>=</b>	<b>\$93,027</b>
20 percent maximum permitted on administrative expenses based on total projection	x 0.20 =	\$18,605
Less Administrative Expenditures through 12/31/2024	-	\$308
<i>Projected Allowed Admin. Expenditures</i>	<b>=</b>	<b>\$18,297</b>

Moving forward, the Township projects that \$18,297 will be available from the affordable housing trust fund for administrative expenses for the time period of June 1, 2025 through June 30, 2035. Because the actual administrative expense maximum is calculated on an ongoing basis based on actual revenues, the Township shall be permitted to spend 20% of the actual balance at any given time on administrative fees. Money becomes available for administrative expenses as additional income is collected.

Projected administrative expenditures, subject to the 20 percent cap, include but are not limited to:

- Administration and expenses associated with the Township's affordable housing units;
- Expenses associated with the preparation and implementation of the Housing and Fair Share Plan and monitoring of the current and future housing programs for the Township of Hope;
- Affirmative Marketing;
- Income qualification; and
- Administration of the Township's affordable housing units.

Legal or other fees related to litigation opposing affordable housing sites are not eligible uses of the affordable housing trust fund.



#### 4. EXPENDITURE SCHEDULE

Projected Expenditure Schedule – 2025 through 2035				
	Affordable Housing Construction and Accessory Apartments	Affordability Assistance	Administration	TOTAL
2025	\$2,330	\$1,391	\$915	\$4,636
2026	\$4,661	\$2,782	\$1,830	\$9,272
2027	\$4,661	\$2,782	\$1,830	\$9,272
2028	\$4,661	\$2,782	\$1,830	\$9,272
2029	\$4,661	\$2,782	\$1,830	\$9,272
2030	\$4,661	\$2,782	\$1,830	\$9,272
2031	\$4,661	\$2,782	\$1,830	\$9,272
2032	\$4,661	\$2,782	\$1,830	\$9,272
2033	\$4,661	\$2,782	\$1,830	\$9,272
2034	\$4,661	\$2,782	\$1,830	\$9,272
2035	\$2,330	\$1,391	\$915	\$4,636
<b>TOTAL</b>	<b>\$46,606</b>	<b>\$27,816</b>	<b>\$18,297</b>	<b>\$92,719</b>

#### 5. EXCESS OR SHORTFALL OF FUNDS

In the event funding sources as identified within this Spending Plan for the projects detailed in the Housing Element and Fair Share Plan prove inadequate to complete the affordable housing programs, the Township shall provide sufficient funding to address any shortfalls through bonding.

In the event that more funds than anticipated are collected or projected funds exceed the amount necessary to implement the Township's affordable housing projects, these excess funds will be used to fund eligible affordable housing activity pursuant to applicable rules and regulations.





## **SUMMARY**

The Township of Hope intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:93 and consistent with the housing programs outlined in its adopted Housing Element and Fair Share Plan.

In accordance with the Budget Inquiry Statement, the Township's trust fund has a balance of \$25,349 as of December 31, 2024. Hope anticipates an additional \$67,370 in revenues and interest by June 30, 2035. The Township will expend:

Affordable Housing Construction and Accessory Apartment Program: \$46,606

Affordability Assistance: \$27,816, which includes \$9,272 for the very low-income requirement.

Administration: \$18,297

<b>SPENDING PLAN SUMMARY</b>	
Balance as of December 31, 2024	\$25,349
<b>Projected REVENUE June 1, 2025 to December 31, 2035</b>	
Development fees	+ \$65,727
Interest	+ \$1,643
<b>TOTAL REVENUE + CURRENT BALANCE</b>	<b>= \$92,719</b>
<b>EXPENDITURES</b>	
Funds used for New Construction/Accessory Apartments	- \$46,606
Affordability Assistance	- \$27,816
Administration	- \$18,297
Excess Funds for Additional Housing Activity	= \$0
<b>TOTAL PROJECTED EXPENDITURES</b>	<b>= \$92,719</b>
<b>REMAINING BALANCE</b>	<b>= 0</b>

