



2018

Amended Third Round Housing Element & Fair Share Plan

ADOPTED JULY 20, 2017

AMENDED MARCH 8, 2018

Ho-Ho-Kus Borough, Bergen County, New Jersey

Prepared by:

Clarke Caton Hintz | 100 BARRACK STREET | TRENTON, NJ | 08608

RESOLUTION OF THE BOROUGH OF HO-HO-KUS
PLANNING BOARD ADOPTING AN AMENDED 2018 THIRD ROUND
HOUSING ELEMENT AND FAIR SHARE PLAN

WHEREAS, the Planning Board of the Borough of Ho-Ho-Kus, Bergen County, State of New Jersey ("Planning Board") adopted a Third Round Housing Element and Fair Share Plan on July 20, 2017 pursuant to N.J.S.A. 40:55D- 28, and N.J.A.C. 5:93, and the Court approved Settlement Agreement between the Borough, Fair Share Housing Center, Chamberlain Developers, Inc. ("Chamberlain"), and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings) that established the Borough's fair share obligation, granted a vacant land adjustment of the Borough's Third Round obligation, and outlined the Borough's compliance mechanisms; and

WHEREAS, on December 13, 2017, the Special Master to the Court In the Matter of the Application of the Borough of Ho-Ho-Kus submitted a letter to the Court recommending approval of the Borough's Adopted Housing Element and Fair Share Plan, subject to the Borough satisfying several conditions including making certain amendments to the adopted and endorsed HEFSP; and

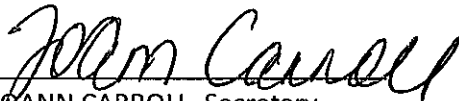
WHEREAS, the Superior Court held a Compliance Hearing on December 18, 2017 at which time the Court conditionally approved the Borough's Adopted Housing Element and Fair Share Plan, subject to the conditions recommended in the Master's December 13, 2017 letter; and

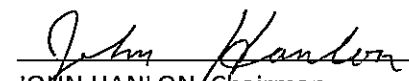
WHEREAS, pursuant to the Court order entered by the Honorable Christine Farrington, J.S.C. on December 18, 2017, the Borough received a Judgment of Repose through July 1, 2025 provided the Borough complies with the Master's conditions by April 17, 2018, at which time the Borough shall submit a certification to the Master that all conditions for a Final Judgment of Compliance and Repose have been met; and

WHEREAS the Borough's and Planning Board's affordable housing planning consultants Mary Beth Lonergan, PP, AICP, and Daniel Hauben, PP, AICP, of Clarke Caton Hintz, PC, have amended the Adopted Housing Element and Fair Share Plan in accordance with the conditions of the Court Master's December 13, 2017 letter to the Court.

NOW, THEREFORE, BE IT RESOLVED that the Planning Board of the Borough of Ho-Ho-Kus hereby amends its adopted Amended HEFSP to reflect those changes shown on pages 1, 13 through 18, 21 through 23, 26, 27, 39, and 40, attached to this resolution, on this 8th day of March, 2018.

Attest:


JOANN CARROLL, Secretary

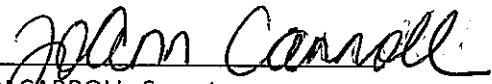

JOHN HANLON, Chairman

Dated: March 8, 2018

CERTIFICATION

I hereby certify that the undersigned, the Secretary of the Planning Board of the Borough of Ho-Ho-Kus, am duly authorized to certify a Resolution adopted by the Board at a regular meeting held on March 8, 2018, and I hereby certify that the above is a true copy of the Resolution adopted by the Board on said date.

Dated: March 8, 2018



JOANN CARROLL, Secretary

**MAYOR and COUNCIL of the
BOROUGH of HO-HO-KUS
BERGEN COUNTY, NEW JERSEY
Resolution No. 18-47**

Subject: Endorse Adopted HEFSP

Dated: February 27, 2018

WHEREAS, the Planning Board of the Borough of Ho-Ho-Kus, Bergen County, State of New Jersey (“Planning Board”) adopted a Third Round Housing Element and Fair Share Plan on July 20, 2017 pursuant to N.J.S.A. 40:55D- 28, and N.J.A.C. 5:93, and the Court approved Settlement Agreement between the Borough, Fair Share Housing Center, Chamberlain Developers, Inc. (“Chamberlain”), and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings) that established the Borough’s fair share obligation, granted a vacant land adjustment of the Borough’s Third Round obligation, and outlined the Borough’s compliance mechanisms; and

WHEREAS, the Borough Council endorsed the Plan on July 25, 2017 at a properly-noticed public meeting; and

WHEREAS, the Borough’s adopted and endorsed Plan included a commitment by the Borough to utilize its affordable housing trust fund to establish a municipal housing rehabilitation program for low- and moderate-income renter households in order to address the rental component of its rehabilitation share; and

WHEREAS, on July 25, 2017, the Borough Council adopted Resolution 17-80, “Committing to engage an experienced administrative agent to administer a municipal housing rehabilitation program for low- and moderate-income renter households”; and

WHEREAS, on December 13, 2017, the Special Master to the Court In the Matter of the Application of the Borough of Ho-Ho-Kus submitted a letter to the Court recommending approval of the Borough’s Adopted Housing Element and Fair Share Plan, subject to the Borough satisfying several conditions including making certain amendments to the adopted Third Round Housing Element and Fair Share Plan; and

WHEREAS, the Special Master to the Court and Fair Share Housing Center recommended to the Court that it should grant the Borough a waiver from addressing the rental component of its rehabilitation share; and

WHEREAS, the Superior Court held a Compliance Hearing on December 18, 2017 at which time the Court conditionally approved the Borough’s Adopted Housing Element and Fair Share Plan, subject to the conditions recommended in the Master’s December 13, 2017 letter, and waived the Borough’s rental component of its rehabilitation share; and

WHEREAS, pursuant to the Court order entered by the Honorable Christine Farrington, J.S.C. on December 18, 2017, the Borough received a Judgment of Repose

through July 1, 2025 provided the Borough complies with the Master’s conditions by April 17, 2018, at which time the Borough shall submit a certification to the Master that all conditions for a Final Judgment of Compliance and Repeal have been met; and

WHEREAS, the Borough’s and Planning Board’s affordable housing planning consultants Mary Beth Lonergan, PP, AICP, and Daniel Hauben, PP, AICP, of Clarke Caton Hintz, PC, have amended the Third Round Housing Element and Fair Share Plan in accordance with the conditions of the Court Master’s December 13, 2017 letter to the Court; and

WHEREAS, the Borough has amended its Housing Element and Fair Share Plan to remove its proposal to establish municipal rental rehabilitation program.

NOW THEREFORE, BE IT RESOLVED the Borough Council of the Borough of Ho-Ho-Kus, Bergen County, State of New Jersey, hereby endorses the Amended Third Round Housing Element and Fair Share Plan adopted by the Planning Board on March 8, 2018; and

BE IT FURTHER RESOLVED, that the Borough Council of the Borough of Ho-Ho-Kus hereby rescinds Resolution 17-80.

	Motion	Second	Aye	Nay	Abstain	Absent
Mayor Randall						
Councilmember Troast	X		X			
Councilmember Rorty					X	
Councilmember Shell						X
Councilmember Iannelli					X	
Councilmember Fiato			X			
Councilmember Crossley		X	X			

This is to certify that the above Resolution was adopted by the Mayor and Council on March 27, 2018

Laura Borchers, RMC/CMR
Borough Clerk

MAYOR AND COUNCIL
 BOROUGH OF HO-HO-KUS
 BERGEN COUNTY, NEW JERSEY
 Resolution # 17-78

SUBJECT: Appt. Municipal Housing Liaison

Dated July 25, 2017

WHEREAS, on May 16, 2017 the Superior Court approved the Settlement Agreements between the Borough of Ho-Ho-Kus, Fair Share Housing Center ("FSHC"), Chamberlain Developers, Inc. ("Chamberlain"), and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings), which included the Borough's preliminary compliance measures; and

WHEREAS, on July 20, 2017, the Ho-Ho-Kus Borough Planning Board adopted a Housing Element and Fair Share Plan, that addresses the Borough's Rehabilitation Need, Prior Round and Third Round "fair share" obligations; and

WHEREAS, on July 25, 2017, the Borough Council held a properly-noticed public meeting to consider endorsing the Housing Element and Fair Share Plan adopted by the Planning Board on July 20, 2017 and, after the consideration of any questions or concerns raised by members of the governing body or the public, the Borough Council determined that it is in the best interest of the Borough and the region's low- and moderate-income households to endorse said Housing Element and Fair Share Plan and to direct the Borough's professionals to file said Plan with the Court and to take any and all reasonable actions to secure a Judgment of Compliance and Repose approving said plan to protect the Borough from any Mount Laurel lawsuits; and

WHEREAS, pursuant to N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1, et seq., Ho-Ho-Kus is required to appoint a Municipal Housing Liaison for the administration of Ho-Ho-Kus' Affordable Housing Program to enforce the requirements of N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1, et seq.; and

WHEREAS, on May 22, 2007, the Borough adopted Ordinance 927, which amended Chapter 10 of its Code, entitled "Borough Personnel", to create Article XII, "Municipal Housing Liaison" to provide for the appointment of a Municipal Housing Liaison to administer Ho-Ho-Kus' Affordable Housing Program; and

WHEREAS, on February 24, 2009, the Governing Body adopted Resolution 09-44 to appoint Laura Borchers, Borough Clerk, as the Municipal Housing Liaison; and

WHEREAS, Ho-Ho-Kus has repealed Article XII of Chapter 10 and created Chapter 2, "Affordable Housing", including Section 2-25, "Municipal Housing Liaison" to provide for the appointment of a Municipal Housing Liaison to administer Ho-Ho-Kus' Affordable Housing Program;

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of the Borough of Ho-Ho-Kus, County of Bergen, State of New Jersey, that the February 24, 2009 appointment of Laura Borchers as the Municipal Housing Liaison for the administration of the Affordable Housing Program remains in effect, pursuant to and in accordance with Chapter 2, Article III, Sections 2-25 of Ho-Ho-Kus' Code

Laura Borchers

Moved Second Ayes Nays Absent Abstain

	Moved	Second	Ayes	Nays	Absent	Abstain
Mayor Randall						
Council Member Troast	✓		✓			
Council Member Shell					✓	
Council Member Iannelli					✓	
Council Member Rorty			✓			
Council Member Crossley		✓	✓			
Council Member Fiato					✓	



Housing Element and Fair Share Plan

Ho-Ho-Kus Borough, Bergen County, New Jersey

Adopted by the Planning Board on July 20, 2017

Endorsed by the Borough Council on July 25, 2017

Amended by the Planning Board on March 8, 2018

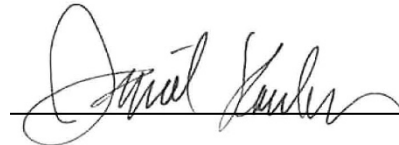
Endorsed by the Borough Council on March 27, 2018

Prepared for Ho-Ho-Kus Borough by

Clarke Caton Hintz:



Mary Beth Lonergan, PP, AICP | PP License # 4288



Daniel Hauben, PP, AICP | PP License # 6303

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



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Ed Snieckus, P.P., Borough Planner

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Philip Rorty
Kevin Crossley
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William Jones, Borough Administrator

Laura P. Borchers, Borough Clerk
David B. Bole, Esq., Borough Attorney
David Hals, P.E., Borough Engineer
Ed Snieckus, P.P., Borough Planner



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- A. Housing, Demographic and Employment Analysis
- B. Settlement Agreements: FSHC & Chamberlain / The Hollows
- C. May 16, 2017 and December 18, 2017 Court Orders
- D. Piazza & Associates Administrative Agent Proposal, Contract, and Authorizing Resolutions
- E. Vacant Land Adjustment
- F. Rehabilitation Manual
- G. Crossings at Ho-Ho-Kus
- H. Bergen County United Way / Madeline Corporation / Borough-Owned Commuter Parking Lot
- I. Downtown Inclusionary Overlay Ordinance
- J. Fair Share Ordinance, Including Borough Wide Mandatory Set-Aside Ordinance
- K. Spending Plan, Resolution of Intent to Fund, Resolution Adopting Spending Plan, and Development Fee Ordinance
- L. Affirmative Marketing Plan



EXECUTIVE SUMMARY

The Borough of Ho-Ho-Kus, a primarily residential suburban community of 4,078 persons with a land area of 1.8 square miles, is located in the Northwestern sector of Bergen County. The Borough adjoins Saddle River and Waldwick to the north, Ridgewood to the west and south, Washington Township to the east, and Hillsdale to the northeast, all located in Bergen County.

The Borough is less than 20 miles from midtown Manhattan and is within the “inner ring” of the New York metropolitan area, as described by the Regional Plan Association. It is easily accessible from much of the region, as it is located just west of the Garden State Parkway, and is bisected by Route 17. The Borough is also serviced by New Jersey Transit’s (“NJ Transit”) Main Line commuter rail line, providing access to New York City and other destinations throughout the region.

The half of the Borough west of Route 17 contains mostly quarter- to half-acre single-family residences. The Borough’s downtown occupies its southwestern corner, and is home to commercial and office buildings with and without apartments, two-family homes, and the NJ Transit Rail Station. The Borough’s industrial zone is half a mile north of the downtown, along the Borough’s border with Ridgewood Borough. The eastern half of the Borough contains large-lot residences and one townhouse development. This portion of the Borough has no non-residential zones, but contains public uses such as open space and utilities.

The Borough is virtually entirely built-out. With the exception of redevelopment in and around the downtown, and tear-down single-family development in single-family neighborhoods, the Borough’s development patterns do not support the potential for new development.

This Third Round Housing Element and Fair Share Plan has been prepared in order to comply with the Court-approved, executed December 21, 2016 Settlement Agreement (“FSHC Agreement”) between Ho-Ho-Kus Borough and Fair Share Housing Center (hereinafter “FSHC”). Chamberlain Developers, Inc. (“Chamberlain”) and Johnathan L. Mechanic D.B.A. Ho-Ho-Kus Crossing (“Crossings”) were additional signatories to the FSHC Agreement. FSHC and Chamberlain are intervenors in the Borough’s Declaratory Judgment filing, which was submitted to the Superior Court on July 1, 2015 as required by the March 10, 2015 Supreme Court decision known as Mt. Laurel IV. The Borough also entered into a Settlement Agreement with Chamberlain to resolve various challenges (“Chamberlain Agreement”).

There are three components to a municipality’s affordable housing obligation: The Rehabilitation Share, or Present Need, the Prior Round obligation, and the Third Round obligation. The FSHC Settlement Agreement established the Borough’s 7-unit Rehabilitation Share / Present Need obligation, an 83-unit Prior Round obligation for the years 1987 to 1999, and a 195-unit Third Round fair share obligation for the years 1999 to 2025 (including the “gap” period). The Settlement Agreement reflects Ho-Ho-Kus Borough’s vacant land adjustment (“VLA”), which adjusts the 278-unit cumulative 1987 to 2025 new construction



obligation (83 Prior Round units + 195 Third Round units = 278) to a 30-unit realistic development potential (“RDP”) and a 248-unit unmet need.

Per the Settlement Agreement, the Borough will address its RDP with 22 new affordable housing units from three developments, including eight (8) family affordable rental units from the mixed-use Crossings at Ho-Ho-Kus development, one (1) low-income family affordable rental unit from the mixed-use Maple Avenue Site / Frasco site, and 13 new family and special needs units (including two (2) very-low income units) to be created at a 100% affordable, municipally sponsored housing on a portion of the Borough-owned commuter parking lot serving the New Jersey Transit train station.

The Unmet Need will be addressed by the implementation of a Downtown Inclusionary Overlay Zone and a Borough-wide mandatory inclusionary housing ordinance, both of which will require an inclusionary set-aside for affordable housing from new multi-family development; and a development fee ordinance that was adopted in the 1990s to address the Borough’s Prior Round Unmet Need.

By Order of May 16, 2017, the Honorable William Meehan, J.S.C., approved both Agreements, specifically the establishment of Ho-Ho-Kus’ three-part fair share obligation and the Borough’s vacant land adjustment and preliminary plan components to address the RDP and Unmet Need. This Plan will serve as the foundation for the Borough’s application for a Judgment of Compliance and Order of Repose by the Court at an upcoming Court Compliance Hearing, and will address the following fair share obligation:

Third Round Rehabilitation Share: 7 units

Realistic Development Potential (1987 to 2025): 30 units

Unmet Need (1987 to 2025): 248 units



JUDICIAL & LEGISLATIVE BACKGROUND

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

In 1985, the Legislature enacted the Fair Housing Act in response to Mount Laurel II. The Fair Housing Act created the Council on Affordable Housing (hereinafter referred to as “COAH”) and an administrative alternative to compliance in a court proceeding. The Legislature conferred “primary jurisdiction” on COAH and charged COAH with promulgating regulations: (i) to establish housing regions; (ii) to estimate low- and moderate-income housing needs; (iii) to set criteria and guidelines for municipalities to determine and address their fair share numbers, and (iv) to create a process for the review and approval of appropriate housing elements and fair share plans. As will be further discussed, COAH has been declared a moribund agency which has forced the NJ Supreme Court to reactivate a judicial process in the review and approval of affordable housing plans. This document is being created to submit to the judicial process for determining affordable housing allocations and responses and ultimately, to receive a Third Round Judgment of Repose for a 10-year period from 2015 to 2025. This Judgment of Repose will provide protection from builders’ remedy suits during the time that it is in effect.

COAH’s First and Second Round

COAH created the criteria and guidelines for municipalities to determine and address their respective affordable housing obligation², or number of affordable dwellings. COAH originally established a formula for determining municipal affordable housing obligation for the six-year period between 1987 and 1993 (*N.J.A.C. 5:92-1 et seq.*), which became known as the “first round.” These rules established an existing need where sub-standard housing was being occupied by low- and moderate-income households (variously known as “present need” or “rehabilitation share”) and future demand to be satisfied with new construction (“prospective need” or “fair share”). They followed guidelines established by the U.S. Dept. of Housing and Urban Development (“HUD”), which defined affordable housing as dwellings that could be

¹ Southern Burlington NAACP v. Twp. of Mt. Laurel, 92 NJ 158 (1983)

² A.k.a. a municipality’s “fair share” of affordable housing.



occupied by households making 80% or less of the regional household income – this represents 38-41% of the total population.

The first round formula was superseded by COAH regulations in 1994 (*N.J.A.C. 5:93-1.1 et seq.*). The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 U.S. Census data. The regulations COAH adopted in 1994 to identify a municipality’s “cumulative” obligations for the first and second round are known as “the second round” regulations. Under regulations adopted for round three, the obligation of municipalities to create new affordable housing for the first and second round is referred to as the “prior round” obligation. This plan will refer to the new construction obligation for the first and second housing cycles as the “prior round”.

COAH’s Third Round and Related Judicial Activity

On December 20, 2004, COAH’s first version of the Third Round rules (*N.J.A.C. 5:94-1 and 5:95-1*) became effective some five years after the end of round two in 1999. Whereas the first two rounds covered periods of six years, the FHA was amended in 2001 to extend the time period to 10 years. The Third Round was defined as the time period from 1999 to 2014 but was intended to be addressed during a delivery period from January 1, 2004 through January 1, 2014. In other words, 15 years of necessary affordable housing activity was to take place in 10 years.

The Third Round rules marked a significant departure from the methods utilized in COAH’s prior round. Previously, COAH assigned an affordable housing obligation as an absolute number to each municipality. These Third Round rules implemented a “growth share” approach that linked the production of affordable housing to the development of residential and non-residential development within a municipality. Each municipality was required to project the amount of residential and non-residential growth that would occur during the period 2004 through 2014. Then municipalities were required to provide the opportunity of one affordable unit for every 8 market rate housing units developed and one affordable unit for every 25 jobs created. Jobs were not counted directly but rather by using non-residential building square footage as a substitute for employment. The Borough prepared a housing plan based on these rules as will be discussed below.

This set of rules changed, however, when the New Jersey Appellate Court invalidated key elements of the first version of the Third Round rules, including the growth share approach, on January 25, 2007, *In re Adoption of N.J.A.C. 5:94 and 5:95*, 390 *N.J. Super. 1*. The Court ordered COAH to propose and adopt amendments to its rules within six months to address the deficiencies identified by the Court. COAH missed this deadline but did issue revised rules effective on June 2, 2008 (as well as a further rule revision effective on October 20, 2008). COAH largely retained the growth share approach but implemented several changes intended



to create compliance with the 2007 Appellate Court decision. Additionally, the Third Round was expanded from 2014 to 2018. As such, this required 19 years of necessary affordable housing activity (1999-2018) to take place during a 10-year delivery period (2008-2018).

Just as various parties challenged COAH's initial Third Round regulations, parties challenged COAH's 2008 revised Third Round rules. On October 8, 2010, the Appellate Division issued its decision, *In re Adoption of N.J.A.C. 5:96 and 5:97*, 416 N.J. Super. 462, with respect to the challenge to the second iteration of COAH regulations. The Appellate Division validated the COAH prior round regulations that assigned rehabilitation and prior round numbers to each municipality, but invalidated the regulations by which the agency assigned housing obligations in the Third Round. Specifically, the Appellate Division ruled that COAH could not allocate obligations through a "growth share" formula. Instead COAH was directed to use similar methods that had been previously used in the first and second rounds. The Court gave COAH five months to address its ruling, and provide guidance on some aspects of municipal compliance. Other highlights of the Appellate Court's 2010 decision included:

- To be credited, municipally-sponsored or 100% affordable housing sites must show site control, site suitability, and a proposed source of funding.
- COAH's rules did not provide sufficient incentive for the private construction of inclusionary developments (market-rate and affordable units). Clearly defined percentages supported by economic data must be provided. The Court noted that a 20% affordable housing set-aside was typical.
- The Court invalidated Prior Round rental bonuses for developments that were not built within a reasonable time-frame.
- Bonuses for smart growth and redevelopment activities were upheld; however, the Court invalidated Third Round compliance bonuses.
- The Court upheld its prior ruling on COAH's formula that did not reallocate present need obligation from urban aid eligible municipalities to other municipalities in the region. The Court also questioned whether or not urban aid municipalities should be assigned an allocation for future growth.

Judicial Activity from 2011 to the Present

COAH sought a stay from the NJ Supreme Court of the March 8, 2011 deadline that the Appellate Division imposed in its October 2010 decision for the agency to issue new Third Round housing rules. The Supreme Court granted COAH's application for a stay and granted petitions and cross-petitions to all of the various challenges to the Appellate Division's 2010 decision. The Supreme Court heard oral argument on the various petitions and cross petitions on November 14, 2012.



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

On September 26, 2013 the NJ Supreme Court upheld the Appellate Court decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing, 215 N.J. 578 (2013), and ordered COAH to prepare the necessary rules. Subsequent delays in COAH's rule preparation and ensuing litigation led to the NJ Supreme Court, on March 14, 2014, setting forth a schedule for adoption.

Although ordered by the NJ Supreme Court to adopt revised new rules on or before October 22, 2014, COAH deadlocked 3-3 at its October 20th meeting and failed to adopt the draft rules it had issued on April 30, 2014. In response, FSHC filed a motion in aid of litigant's rights with the NJ Supreme Court and oral argument on that motion was heard on January 6, 2015.

On March 10, 2015, the Supreme Court issued a ruling on the Motion In Aid of Litigant's Rights (In re Adoption of N.J.A.C. 5:96 & 5:97, 221 NJ 1, aka "Mt. Laurel IV"). This long-awaited decision provides a new direction for how New Jersey municipalities are to comply with the constitutional requirement to provide their fair share of affordable housing. The Court transferred responsibility to review and approve housing elements and fair share plans (housing plans) from COAH to designated Mt. Laurel trial judges. The implication of this was that municipalities could no longer wait for COAH to adopt Third Round rules before preparing new Third Round housing plans and municipalities must now apply to Court, instead of COAH, if they wish to be protected from exclusionary zoning lawsuits. These trial judges, with the assistance of an appointed Special Master to the Court, should review municipal plans much in the same manner as COAH previously did. Those towns whose plans are approved by the Court should receive a Judgment of Repose, the court-equivalent of COAH's substantive certification.

While the NJ Supreme Court's decision set a process in motion for towns to address their Third Round obligation, it did not assign those obligations. Instead, that must be done by the trial courts. Additionally, the Court stated that municipalities should rely on COAH's Second Round rules (N.J.A.C. 5:93) and those components of COAH's 2008 regulations that were specifically upheld (including but not limited to Redevelopment Bonuses), as well as the Fair Housing Act (N.J.S.A. 52:27D – 301 et seq.), in their preparation of Third Round housing elements and fair share plans. This plan is prepared in response to and in compliance with the March 10, 2015 NJ Supreme Court decision.

On January 17, 2017, the NJ Supreme Court issued a decision In Re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017) that found that the "gap period," defined as 1999-2015, generates an affordable housing obligation. This obligation requires an



expanded definition of the municipal Present Need obligation to include low- and moderate-income households formed during the gap period. Accordingly, the municipal affordable housing obligation is now composed of the following four (4) parts: Present Need (rehabilitation), Prior Round (1987-1999, new construction), Gap Present Need (1999-2015, new construction), and Prospective Need (Third Round, 2015 to 2025, new construction). While the structure of the obligation established through the Borough's Settlement Agreement with FSHC is different than the findings of this recent Supreme Court decision (i.e. no redefined Present Need and a Prospective Need specific to 1999-2025), the Borough's Third Round obligation (1999-2025) includes the 1999-2015 gap period.

Legislative Activity

In addition to the COAH process and judicial decisions, the New Jersey Legislature has amended the Fair Housing Act in recent years. On July 17, 2008, Governor Corzine signed P.L.2008, c.46 (referred to as the "Roberts Bill", or "A500"), which amended the Fair Housing Act in a number of ways. Key provisions of the legislation included the following:

- It established a statewide 2.5% nonresidential development fee instead of requiring nonresidential developers to provide affordable housing;
- It eliminated regional contribution agreements ("RCAs") as a compliance technique available to municipalities whereby a municipality could transfer up to 50% of its fair share to a so called "receiving" municipality; and
- It added a requirement that 13% of all affordable housing units and 13% of all similar units funded by the state's Balanced Housing Program and its Affordable Housing Trust Fund be restricted to very low income households (30% or less of median income); and
- It added a requirement that municipalities had to commit to spend development fees within four years of the date of collection after its enactment, which commitment obligation deadline was initially the four-year anniversary of the law (July 17, 2012³).

These amendments to the FHA are not promulgated in any valid COAH regulations.

On July 27, 2009 Governor Corzine signed the "NJ Economic Stimulus Act of 2009",⁴ which instituted a moratorium on the collection of non-residential affordable housing development fees through July 2010. This moratorium was later extended until July 1, 2013 (P.L. 2011, c. 122). Since the moratorium has now expired, municipalities are obligated to collect the fee of 2.5% of the equalized assessed value of a non-residential development. Municipalities were always permitted to impose and collect residential development impact fees approved by COAH following a 1990 NJ Supreme Court decision⁵.

³ - The four-year period of fund commitment will start when the Court approves the municipal fair share plan and spending plan, per the subsequent Appellate Division decision on trust fund expenditure.

⁴ - P.L. 2009, c.90.

⁵ - Holmdel Builders Assn. v. Tp. of Holmdel, 121 N.J. 550, 583 A.2d 277 (1990).



AFFORDABILITY REQUIREMENTS

Affordable housing is defined under New Jersey's Fair Housing Act as a dwelling, either for sale or rent that is within the financial means of households of low- or moderate-income, as is measured within each housing region. Ho-Ho-Kus Borough is in COAH's Region 1, which includes Bergen, Hudson, Passaic, and Sussex Counties. Moderate-income households are those earning between 50% and 80% of the regional median

income. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. Very-low income households must be accounted for. These households, which are a subset of "low-income" households, are defined as households earning 30% or less of the regional median income.

Income Categories

Moderate = 50% to 80% regional median income

Low = 30% – 50% regional median income

Very Low = 30% regional median income or less.

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

The regional median income has historically been defined by COAH using the HUD income limits on an annual basis. In the spring of each year HUD releases updated regional income limits which COAH reallocates to its regions⁶. It is from these income limits that the rents and sale prices for affordable units are derived. COAH last published regional income limits in 2014; however, 2016 limits for Region 1 were unchanged from 2014. In June of 2017, the Affordable Housing Professionals of NJ and FSHC released income limits for 2017, which are shown for Housing Region 1 in Tables 1 through 3. The Borough will request that the Court approve of the use of 2017 income limits as part of a consent order between the Borough and FSHC. The sample rents and sale prices are gross figures and do not account for the specified utility allowance. The Borough will request that the Superior Court approve updated income limits through 2017⁷.

⁶ Future Annual Income Limits may be published by the Courts or another entity with relevant jurisdiction.

⁷ The 2017 regional income limits have not been adopted by any Court at the time of this Plan writing; however, the income limits for Region 1 have increased from 2014.



Table 1. Sample 2017 Income Limits for Region 1

Household Income Levels	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household
Moderate	\$48,217	\$55,105	\$61,993	\$68,882	\$74,392
Low	\$30,136	\$34,441	\$38,746	\$43,051	\$46,495
Very Low	\$18,081	\$20,664	\$23,248	\$25,831	\$27,897

Source: Affordable Housing Professionals of NJ / FSHC Affordable Housing Regional Income Limits

Table 2. Illustrative 2017 Affordable Rents for Region 1

Household Income Levels	1 Bedroom Unit Rent	2 Bedroom Unit Rent	3 Bedroom Unit Rent
Moderate	\$999	\$1,199	\$1,385
Low	\$766	\$919	\$1,062
Very Low	\$499	\$599	\$692

Source: Affordable Housing Professionals of NJ / FSHC Affordable Housing Regional Income Limits; Maximum rent increases per the proposed 2017 income limits table.

Table 3. Illustrative 2017 Affordable Sales Prices for Region 1

Household Income Levels	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate	\$116,001	\$139,202	\$160,856
Low	\$76,624	\$91,949	\$106,252
Very Low	\$37,246	\$44,695	\$51,648

Source: Affordable Housing Professionals of NJ / FSHC Affordable Housing Regional Income Limits; Maximum sales increases per the proposed 2017 income limits table.



HOUSING ELEMENT/FAIR SHARE PLAN REQUIREMENTS

In accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1, et seq.), a municipal Master Plan must include a housing element as the foundation for the municipal zoning ordinance. Pursuant to the FHA, a municipality's housing element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing. The housing element must contain at least the following, as per the FHA at N.J.S.A. 52:27D-310:

- 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;
This portion of the Housing Plan Element can be found in "Appendix A of the Housing Element and Fair Share Plan".
- A **projection of the municipality's housing stock**, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development trends;
See the section titled "Ho-Ho-Kus' Affordable Housing Plan" for information on the Borough's fair share of low- and moderate-income housing.
- An **analysis of the municipality's demographic characteristics**, including, but not necessarily limited to, household size, income level, and age;
- An **analysis of the existing and probable future employment characteristics** of the municipality;
See the section titled "Consideration of Lands Appropriate for Affordable Housing" for this information
- A **determination of the municipality's present and prospective fair share of low- and moderate-income housing and its capacity to accommodate** its present and prospective housing needs, including its fair share of low- and moderate-income housing; and
- A **consideration of the lands most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing**, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.



HO-HO-KUS BOROUGH AFFORDABLE HOUSING HISTORY

Ho-Ho-Kus Borough received Substantive Certification for Round 1 and Round 2 on February 6, 1991 and October 7, 1998, respectively. The Borough requested a vacant land adjustment, finding that its land use patterns were conducive to neither new development nor redevelopment. COAH approved the vacant land adjustment and determined that the Borough had no new construction obligation, based on the absence of developable lands, lands likely to redevelop, and housing stock suitable for the creation of accessory apartments.

The Borough adopted its first Third Round Housing Element and Fair Share Plan on December 12, 2005 and subsequently petitioned COAH for substantive certification. It adopted its second Third Round plan on December 16, 2008. In its 2008 plan, the Borough proposed to address its one (1) unit Growth Share obligation with a proposed two (2) unit accessory apartment program. COAH failed to certify either of the Borough's Third Round plans prior to the Court's invalidation of "growth share" in both 2007 and 2010.

On June 26, 2012, Ho-Ho-Kus adopted a resolution approving the execution of a contract between the Borough and the Bergen County United Way / Madeline Corporation ("BCUW / Madeline", or "Partnership") requiring the Borough to provide funds to the Partnership to implement a market-to-affordable program in the Borough. The Borough submitted to COAH, on July 3, 2012, an updated spending plan indicating a commitment to expend \$150,000 of trust funds on the market-to-affordable program. COAH did not approve the spending plan before the Appellate Division invalidated *N.J.A.C. 5:97*.

To comply with the March 10, 2015 *Mt. Laurel IV* decision, Ho-Ho-Kus petitioned the Superior Court on July 1, 2015 for a Declaratory Judgment and temporary immunity from builder's remedy suits. Additionally, it submitted a Summary Third Round Fair Share Plan to Judge Meehan, J.S.C. on November 23, 2015 in accordance to an October 29, 2015 order. FSHC and Chamberlain Developers are interveners in the Borough's Declaratory Judgment. In December of 2016, the Borough concluded settlement negotiations with Matt Frasco ("Frasco") of Chamberlain Developers, the Crossings, and with FSHC which resulted in two separate Settlement Agreements. The FSHC Agreement (Appendix B) established the Borough's Third Round fair share obligation and the Borough's preliminary compliance mechanisms. The Chamberlain Agreement (Appendix B) established the following Settlement conditions:

1. It required the Borough to adopt a zoning amendment that would permit, by right, Chamberlain's development of the non-inclusionary, single-family subdivision known as the Hollows.
2. It required Chamberlain to pay development fees equaling \$7,500 per unit, for a total of \$90,000 from construction of all 12 market-rate units on the Hollows.
3. It required the Borough to include in its fair share plan the creation of one (1) affordable family rental unit at the four (4) unit, mixed-use inclusionary development referred to



herein as the “Frasco” or “Maple Avenue” site, to address the RDP. The Borough is also required to cover half of the administrative costs related to the affordable unit at the Frasco / Maple Avenue site.

4. It required the Borough create a minimum of 13 affordable units at the Borough-owned train station commuter parking lot site.

Both agreements were approved by Judge Meehan at a Fairness Hearing on March 30, 2017, as reflected in an Order dated May 16, 2017 (See Appendix C).

CONSIDERATION OF LANDS APPROPRIATE FOR AFFORDABLE HOUSING

Pursuant to the NJ Fair Housing Act at *N.J.S.A. 52:27D-310.f*, a municipal housing element shall contain “a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.” As will be discussed below, two developers – Chamberlain (of the Hollows Site) and a potential developer of a site on Wearimus Road (Block 1905, Lot 5) – expressed a desire to provide inclusionary developments on their sites.

As part of this housing element, the Borough has considered land that is appropriate for the construction of low- and moderate-income housing. As discussed in the *Ho-Ho-Kus Borough Affordable Housing History* section of this Plan, the Borough received a vacant land adjustment as part of its first round substantive certification in 1991, and subsequently in its second round, with a zero-unit RDP.

Pursuant to the 2016 FSHC Settlement Agreement, the Borough has recalculated its RDP to reflect units that have been approved for redevelopment at the Crossings site, and the hypothetical inclusionary developability of the Hollows site and seven (7) vacant lots in the single-family neighborhoods east of Route 17 (including the Wearimus Road site at Block 1905, Lot 5), according to the rules provided in *N.J.A.C. 5:93-4.2* and based on densities recommended by the Special Master.

Sites Generating RDP						
Sites	Block / Lot	Address	Acres	Density (du/acre)	Total units	RDP @ 20%
Seven (7) eastern lots	Various	Various	12.22 gross 10.95 net	6	65.68	13.13
Hollows	802 / 1-4, 10	806W. Saddle River	3.5 gross 3.34 net	13	43.42	8.68
Crossings @ Ho-Ho-Kus	1016 / 3, 5, 11	619 N. Maple Avenue	2 gross 0.43 net	NA	NA	8
Total						29.81 Or 30



The FSHC Settlement Agreement permits the Borough to apply 6 dwelling units per acre (du/ac) for the seven (7) lots on the east side of the Borough (13.13-unit RDP), which is a typical RDP density to apply to sites in low density, single-family neighborhoods, and the minimum presumptive development density permitted by COAH's Second Round rules. However, the Agreement requires the Borough to apply a density of 13 du/ac at the Hollows site (8.68-unit RDP), which was the subject of a series of lawsuits resolved in the Chamberlain Agreement. Another eight (8) RDP units are generated from the Crossings site, consistent with the actual number of affordable units that were approved for construction by the Borough. The resulting, cumulative RDP is 29.81 units, rounded up to 30 units.

Sites Proposed for Consideration in the Housing Element and Fair Share Plan

As noted above, the following two sites were proposed to the Borough for inclusionary development and are included in the Borough's calculation of its revised RDP, but were ultimately not included in the Borough's Housing Element and Fair Share Plan as a means to address the Borough's revised RDP, as specifically permitted by COAH's rules at N.J.A.C. 5:93-4.2.g, which states "The municipality may address its RDP through any activity approved by [COAH] ... The municipality need not incorporate into its housing element and fair share plan all sites used to calculate the RDP if the municipality can devise an acceptable means of addressing the RDP." As approved by the Superior Court in an Order dated December 18, 2017, the Borough's adopted compliance plan included satisfactory compliance mechanisms to address its revised RDP.

- The Hollows site was the subject of litigation dating to May of 2015. Chamberlain Developers, Inc. proposed to construct 45 townhome and flat units on the 3.66-acre site with a 20% affordable housing set-aside (9 units). The site is located in a single-family neighborhood zoned R-2 Residential, where the minimum lot size is 10,000 square feet (a density of approximately 4 du/ac) and multi-family development is prohibited. The Borough and Chamberlain Developers entered into a Settlement Agreement on December 26, 2016 (amended January 13, 2017) that permitted Chamberlain to create a 12-unit single-family subdivision on the property⁸. The Borough was also required as part of its Settlement Agreement with FSHC to generate an RDP from the Hollows site based on a theoretical development density of 13 units per acre on a net developable 3.34 acres and a 20% set-aside, yielding 8.68 affordable units which the Borough will address elsewhere.

Although the Borough agreed to include the Hollows site in its revised RDP, the Borough determined that a possible multi-family development on the Hollows site was not appropriate, as the site is located in an established 4 du/ac single-family neighborhood where multi-family development at the proposed 13 du/ac would dramatically alter the neighborhood character. The Borough was concerned with the

⁸ At a Planning Board meeting of January 10, 2018, the Planning Board approved the Chamberlain application for 12 single-family detached market-rate units on site.



location of the Hollows site across Route 17 from the commuter train station and downtown amenities on the western portion of the Borough. The Borough was also concerned that the size of the lot may not have been able to accommodate visual buffers to mitigate the effects of high density development on the neighborhood.

- The Wearimus Road site (Block 1905, Lot 5) is a 3.65-acre lot (net developable 3.352 acres) at the easternmost edge of the Borough, which was brought to the Borough's attention as a possible multi-family development site. The Borough agreed, as part of the Borough's Settlement Agreement with FSHC, to generate an RDP from the Wearimus Road property, along with six (6) other large lots in the eastern half of the Borough, based on a 6 unit per acre density, in lieu of including the site in its Fair Share Plan. The Wearimus Road site contributes 4.02 units to the Borough's RDP.

Although the Borough agreed to include the Wearimus Road site in its revised RDP, the Borough determined that the Wearimus Road site was not appropriate for inclusionary development. As with the Hollows site, the site is in an established single-family neighborhood with densities of 1 du/ac where multi-family development would dramatically alter the neighborhood character. Also, the Wearimus Road site is not within walking distance of any commercial or community amenities. Additionally, the road system in this area of the Borough has no sidewalks and is not designed to accommodate non-motor-vehicle traffic. This places a burden on low- and moderate-income households who would need to purchase a personal vehicle in order to perform daily activities.

HO-HO-KUS'S AFFORDABLE HOUSING OBLIGATION

Rehabilitation Obligation

The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Ho-Ho-Kus Borough that are occupied by low- and moderate-income households. The Settlement Agreement with FSHC establishes Ho-Ho-Kus' Third Round rehabilitation obligation as seven (7) units.

Cumulative RDP and Unmet Need

Prior Round

The Prior Round obligation can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing, during which COAH had approved a 0-unit prior round RDP and 83-unit Unmet Need for Ho-Ho-Kus.



Third Round Obligation

The estimated demand for affordable housing includes the “gap” portion of the Third Round that has already passed by (1999-2015), as well as a projection 10 years into the future starting in July 2015 (2015-2025). The 10-year period is derived from the Fair Housing Act that, when amended in 2001, set the projection for this length of time (*N.J.S.A. 52:27D-310*).

As established by the Borough’s 2016 FSHC Settlement Agreement, Ho-Ho-Kus’ Third Round obligation (1999-2025) was set at 195 units. Application of the vacant land adjustment results in a combined Prior Round and Third Round 30-unit RDP and a 248-unit unmet need.

HO-HO-KUS’ AFFORDABLE HOUSING PLAN

Satisfaction of the Rehabilitation Obligation

As stated, Ho-Ho-Kus’ rehabilitation obligation is seven (7) units. The Borough will address this obligation through participation in Bergen County’s Home Improvement Loan Program (“HIP”), which provides low-interest loans to low-income households for eligible improvements. Household eligibility for rehabilitation through this program is restricted to qualifying households whose incomes are less than or equal to 80% of the Bergen-Passaic HUD Metro FMR Area median income⁹. This income eligibility cutoff, which can be found in Appendix F of this Plan, is within the low- and moderate-income range shown in the Affordability Requirements section of this Plan. All income qualified households in the County can apply for the program, and no contract is required between the Borough and the County.

Eligible improvements are consistent with those permitted by the Second Round rules, and include a variety of structural repairs, weatherization, as well as plumbing, heating, and electrical work. Loan amounts are capped at \$17,500 for single-family houses and \$25,000 for two-family houses. See the program manual in Appendix F. Any unit rehabilitated through the County program will be subject to a 10-year lien with the County. In the event of a shortfall of funding for the County’s HIP program, the Borough will commit to bond, if required, to fund a housing rehabilitation program.

The Borough sought a waiver from the requirement at N.J.A.C. 5:93-5.2(f) to provide a mechanism for rehabilitating rental units as part of its seven (7) unit rehabilitation obligation, on the basis that rentals make up only 8.3% of all occupied units and, as such, 8.3% of the 7-unit rehabilitation obligation is less than one full unit. In addition, there are no known rental units that would be eligible for such a program. In the event that one or more rental-property

⁹ The HIP Manual contained in Appendix F of this Plan indicates that the income eligibility cutoff is 60% of the area median income. However, Robert Esposito, Director of the Bergen County Division of Community Development, indicates that the effective income limit is 80% of AMI. This will be reflected in the upcoming update to the HIP Manual.



owners express an interest in the rehabilitation of eligible rental units, the Borough will establish a rental rehabilitation program funded by affordable housing trust funds or, if necessary, bonding.

Fair Share Housing Center and the Master recommended that the Court approve the waiver, and the Court accordingly granted the waiver as part of the December 18, 2017 order granting the conditional Judgment of Compliance and Repose.

Satisfaction of the Cumulative Fair Share Obligation (1987-2025)

As established in the FSHC Settlement Agreement, Ho-Ho-Kus' cumulative new construction obligation of 278 units (1987-2025) consists of a 30-unit RDP and 248-unit unmet need. The Borough proposes to address its 30-unit RDP through two proposed inclusionary developments – the Crossings and the Frasco / Maple Avenue sites – which will provide a combined 9 units (8 family-rental units at the Crossings and 1 family-rental unit at the Frasco/Maple site). The Borough will enter into an agreement with the Bergen County United Way / Madeline Corporation to provide a 100% affordable development with 13 affordable family-rental units at the Borough-owned Commuter Parking Municipally Sponsored Site.

The Borough's 83-unit Unmet Need for the First and Second Rounds was certified by COAH as addressed by the Borough's adoption of its development fee ordinance. The development fee ordinance continues to be in effect. In order to address the new, combined

Maximum Age-Restricted = 8 units

.25 (units addressing the RDP_and Unmet Need)
 $.25 \times 278 = 69.5$, round down to 69

248-unit unmet need, the Borough adopted inclusionary overlay zoning in its downtown and also a Borough-wide affordable housing ordinance requiring

Rental Bonuses:

The FSHC agreement requires the Borough to adhere to the rental bonus requirements found in N.J.S.A. 5:93-5.15(d). A family rental unit receives one rental bonus. The Borough is eligible for 8 rental bonuses

.25 (units addressing the RDP)
 $.25 \times 30 = 7.5$, round up to 8

An age-restricted unit receives a 0.33 rental bonus, but no more than 50 percent of the rental obligation shall receive a bonus for age-restricted units; and

No rental bonus is granted in excess of the rental obligation.

Family Unit Requirement

The FSHC Agreement requires that half of all rental units, and half of all units addressing the RDP and Unmet Need, be available to family households. The majority of units included in the Borough's plan are open to families.



an affordable set aside from any multi-family development (See below for additional details).

Very Low Income Requirement

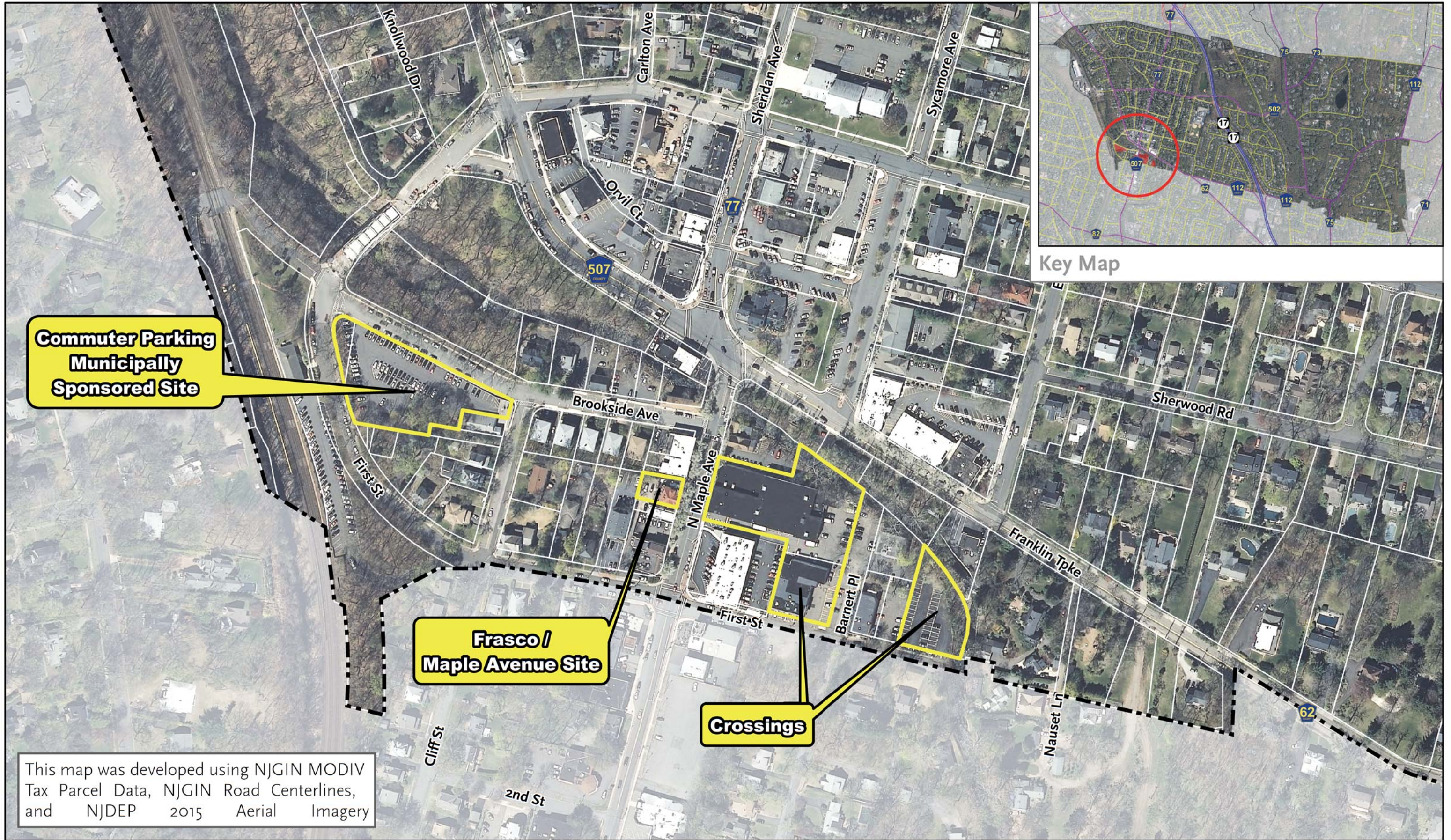
The Borough is required to ensure that at least 13% of all new affordable housing units created July 2008 or later are affordable to very-low income households. The Borough will address this obligation by setting aside two (2) very-low income units (1 family rental and 1 special needs) at the Borough-owned Commuter Parking Municipally Sponsored Site. An additional very-low income family unit will be created at the Crossings.

**Third Round Minimum
Very Low Income = 3 units**

$$.13(\text{units created after 7/2008}) = .13(22) = 2.86, \text{ rounded up to } 3$$

Crossings = 1 very-low income unit

Borough-owned Commuter Parking Site = 2 very-low income units



Affordable Housing Sites

Ho-Ho-Kus Borough, Bergen County, New Jersey

June 30, 2017



Clarke Caton Hintz ● ● ●
 Architecture
 Planning
 Landscape Architecture



REALISTIC DEVELOPMENT POTENTIAL (“RDP”)

INCLUSIONARY

Ho-Ho-Kus Crossings Inclusionary Redevelopment (Block 1016, Lots 3, 5, 11)

In January of 2016, the Ho-Ho-Kus Zoning Board approved the Ho-Ho-Kus Crossings, a 53-unit mixed-use redevelopment project consisting of ground-floor retail and upper-story apartments on ±1.5 acres (Block 1016, Lots 3 and 5), with additional parking on a separate ±0.5-acre lot (Lot 11), located in the Borough's downtown. The density resulting from this development is 26.5 du/ac, which is greater than the existing density of the Downtown as well as the densities permitted by the proposed Downtown Overlay Ordinance (which do not exceed 15 du/ac).

The inclusionary redevelopment will have a 15% affordable rental set-aside of 8 affordable family-rental units; one (1) of those units will be reserved for a very-low income household. As the project falls partially within a special flood hazard area and the floodway for Ho-Ho-Kus Brook, the project will conform to FEMA and NJDEP's regulations.

The redevelopment will be built on lots containing an existing office building with frontage on First Street and an existing commercial building with frontage on North Maple Avenue. The building fronting on North Maple Avenue is immediately across the street from shops and restaurants along North Maple Avenue, while the building fronting on First Street is somewhat isolated from the action of North Maple Avenue and faces single-family residences on the other side of First Street. Surrounding uses include retail and food service businesses, public parks, the Borough's public library and offices, and a New Jersey Transit train station. The primary means of ingress and egress into the project site will be via North Maple Avenue and First Street, which allow for access to Franklin Turnpike. The site is within the sewer service area with access to adequate sewer and water infrastructure and is in the State Development and Redevelopment Plan's Planning Area 1, where redevelopment is encouraged and affordable housing sites are preferred.

The eight (8) family rental units generated at this site are eligible for eight (8) rental bonuses, which will be applied toward addressing the RDP.

The eight (8) affordable units will be subject to minimum 30-year affordability controls, as required by the Second Round rules and UHAC, and will also comply with all other requirements of UHAC, including bedroom distribution, income distribution, and administration requirements except as modified by the terms of the Settlement Agreement

Inclusionary Development

A development containing low- and moderate-income units among market rate units. N.J.A.C. 5:93 requires 20% of units to be affordable in for-sale developments and 15% of units to be affordable in rental developments.

Inclusionary development may also be a mixed-use development (i.e. first-floor stores) with affordable units on upper stories.



with Fair Share Housing Center, and with the requirements of the Borough's Fair Share Affordable Housing Ordinance. The Borough has retained Piazza & Associates, Inc. ("Piazza") to administer the affordable units prior to receiving a Judgment of Third Round Compliance and Repose. Piazza will adhere to the Borough's affirmative marketing plan, which can be found in the appendices to this Plan.

As of the writing of this plan, the owner of the Crossings site is in ongoing discussions with NJ DEP to obtain approvals relating to development in the flood plain.

Maple Avenue Inclusionary site (Block 1015, Lot 9)

Pursuant to the Chamberlain Settlement Agreement, Frasco Realty, an entity associated with Chamberlain, will develop a Frasco-owned property at 612-614 Maple Avenue as an inclusionary development. The Agreement anticipates that the development will consist of a 3-story mixed-use building with three (3) market rate units and one (1) affordable low-income family-rental unit on the second and third stories. According to the agreement, and on floor plans prepared by Chamberlain, the site will include two retail units on the ground floor facing Maple Avenue, and four (4) residential units on the second and third floors, including an affordable studio unit having not less than 400 square feet in area. The affordable unit will be subject to minimum 30-year affordability controls, as required by the Second Round rules and UHAC, and will also comply with all other UHAC requirements, except as modified by the terms of the Settlement Agreement with FSHC, and with the requirements of the Borough's Fair Share Affordable Housing Ordinance. Proposed floor plans of the site may be found in the Chamberlain Agreement in Appendix B of this Plan.

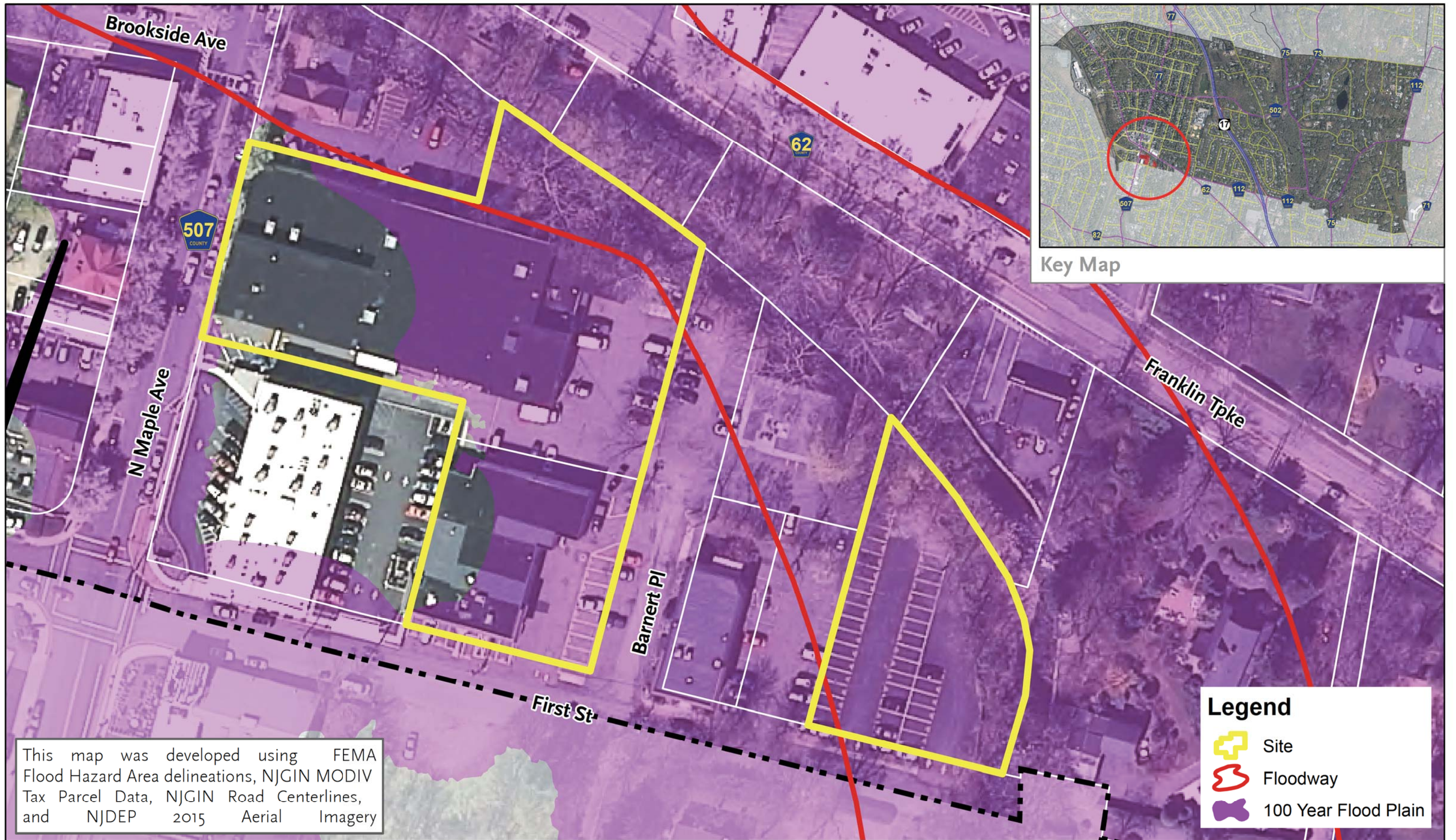
The Second Round rules at *N.J.A.C. 5:93-5.3* requires municipalities to "designate sites that are available, suitable, developable, and approvable, as defined in *N.J.A.C. 5:93-1*." This site meets each of these criteria, as follows:

- Available: Availability means that a site has clear title, and is free of encumbrances which preclude development for low- and moderate-income housing. The site is owned by Frasco Realty. The entity is required by the Settlement Agreements executed between the Borough, Chamberlain Developers, Inc., and FSHC to provide one (1) affordable rental unit at the Maple Avenue site. The Borough is not aware of any encumbrances to the development of the site as required by the Settlement Agreement.
- Suitable: Suitability means that a site is adjacent to compatible land uses, has access to appropriate streets, and is consistent with the environmental policies which would be applied in determining a site's realistic development potential. The site is surrounded by two and three story buildings with ground floor retail and commercial services. As with the Crossings, the site is within walking distance of the New Jersey Transit Train Station to New York City and New Jersey locations, as well as all the amenities available in the Borough's Downtown. The site is partially within the flood hazard area and can



- be redeveloped consistent with DEP's regulations, as noted below. As with the remainder of the Borough, the site is in the Metropolitan Planning Area (Planning Area 1) where redevelopment is encouraged and affordable housing is preferred.
- **Developable:** Developability is measured by a site's access to water and sewer infrastructure, its consistency with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by the DEP. The site is within the Borough's sewer service area and is currently connected to the existing water and sewer infrastructure, and additional units can be connected to and served by the existing sewer and water systems. The Borough's sewer/water engineering consultants at Maser Engineering confirmed in October of 2017 that there is sufficient capacity to serve all affordable housing units addressing the RDP.
 - **Approvable:** A site is approvable if it may be developed in a manner consistent with the rules/regulations of all agencies with jurisdiction over the site. A site may be approvable even if it is not consistent with the underlying zoning. The site is partially within the flood hazard area, and may be subject to minimal NJDEP development regulations.

The Chamberlain Settlement Agreement requires the Borough and Chamberlain to share equally the cost of hiring an affordable housing administrative agent for the administration of the low-income unit. The administrative agent, identified in this Plan as Piazza & Associates, Inc., will be guided by the Borough's affirmative marketing plan when marketing the low-income units to eligible households.

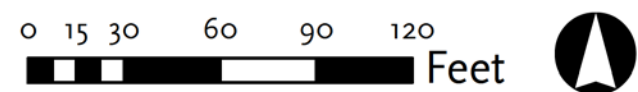


This map was developed using FEMA Flood Hazard Area delineations, NJGIN MODIV Tax Parcel Data, NJGIN Road Centerlines, and NJDEP 2015 Aerial Imagery




Crossings' Site

Ho-Ho-Kus Borough, Bergen County, New Jersey

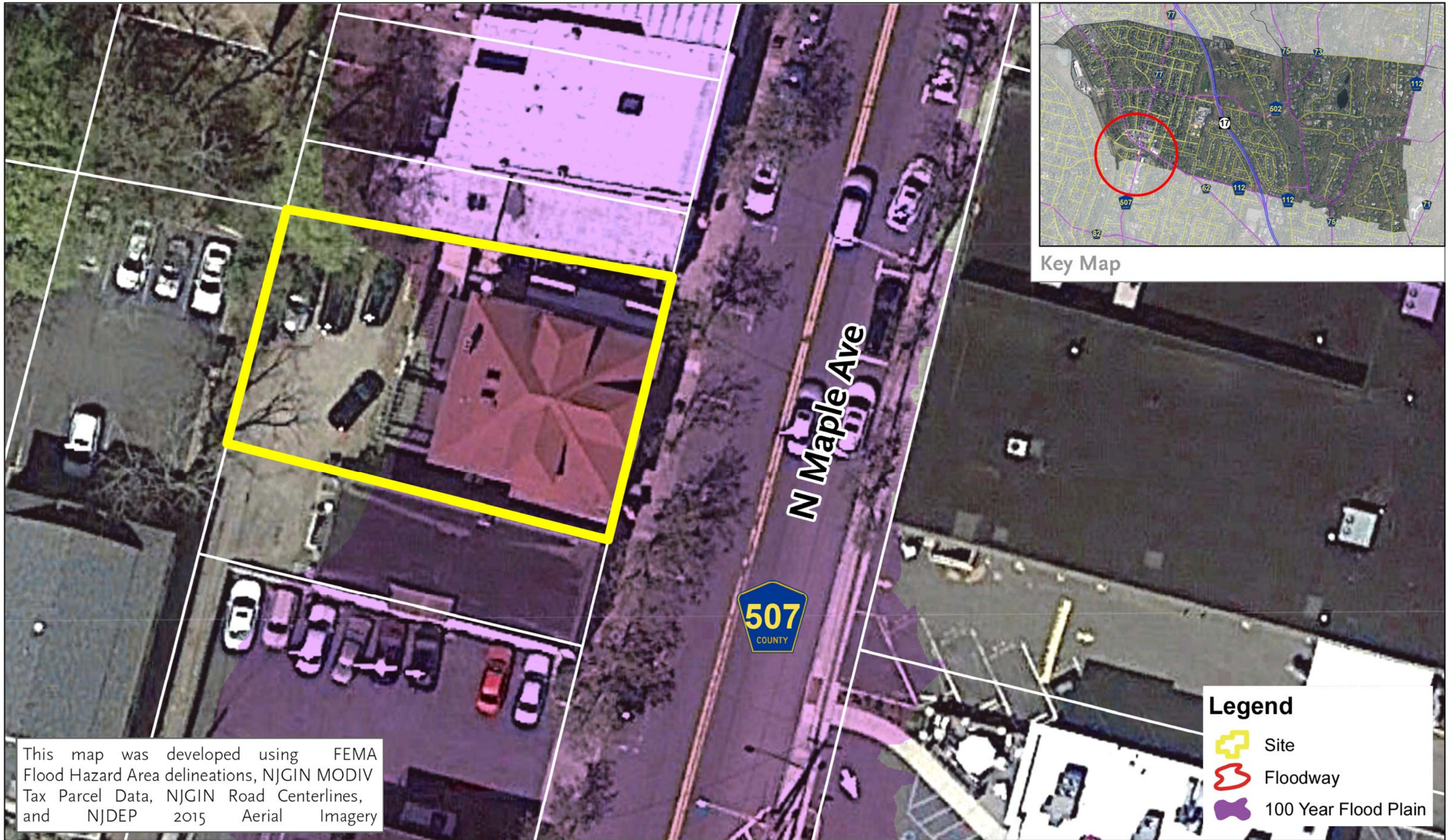
June 30, 2017



Legend

-  Site
-  Floodway
-  100 Year Flood Plain

Clarke Caton Hintz ● ● ■
 Architecture
 Planning
 Landscape Architecture



Frasco - Maple Avenue Site

Ho-Ho-Kus Borough, Bergen County, New Jersey

June 30, 2017



MUNICIPALLY SPONSORED, 100% AFFORDABLE

Bergen County United Way / Madeline Corporation, Commuter Parking Site (Block 1014, Lots 1 and 2)

A portion of the Borough-owned commuter parking lot will be redeveloped with a 100% affordable 13-unit development consisting of 10 family affordable rental units and three (3) special needs affordable rental units. Two (2) of the units, including one (1) special needs unit and one (1) family unit, will be affordable for very-low income households. The Borough also desires to permit a veteran's preference for up to half of the affordable units¹⁰.

The site is an approximately 1.12-acre tract consisting of a parking-lot serving the NJ Transit train station on First Street. It is adjacent to the Veterans of Foreign Wars ("VFW") building on Cliff Street. The site's central location between the train station and the Borough's downtown makes it a desirable location for low-income households who wish to avoid the expense of commuting by car. As with the rest of the Borough, the site is located in Planning Area 1. It is also within the sewer service area, and it is accessible from Brookside Avenue, Cliff Street, and First Street. The slope of the site will be factored into the construction of housing and structured parking.

Ho-Ho-Kus will enter into an agreement with the Bergen County United Way / Madeline Corporation Partnership ("BCUW / Madeline Partnership") to develop, own, and administer the 100% affordable Commuter Parking Municipally Sponsored Site. The BCUW / Madeline Partnership has prepared a pro-forma which anticipates total project costs at approximately \$3.25 million. A construction schedule has also been prepared which projects a timeframe of each step of construction such that construction begins within two years of the Court's approval of this Plan (See Appendix H). The Borough will spend the balance of its affordable housing trust funds, after required costs such as administration, on assisting in the construction of the development and the affordability of the 13 units. The Borough Council also adopted a resolution of intent to fund, demonstrating its intent to seek alternative funding sources in the event of a shortfall of funds needed for this development.

The 13 units will be administered by the BCUW / Madeline Partnership and be subject to minimum 30-year affordability controls required by the Second Round rules and UHAC, and will also comply with all other UHAC requirements, except as modified by the terms of the Settlement Agreement with FSHC, and with the requirements of the Borough's Fair Share Affordable Housing Ordinance. Additionally, FSHC agreed in an email dated May 23, 2017

Municipally Sponsored Construction / 100% Affordable Development

A development in which all units are affordable to low- and moderate-income households and where the municipality provides at least a commitment to fund any shortfall in the funding for the development.

¹⁰ As permitted by the Fair Housing Act, at N.J.S.A. 52-27D-311



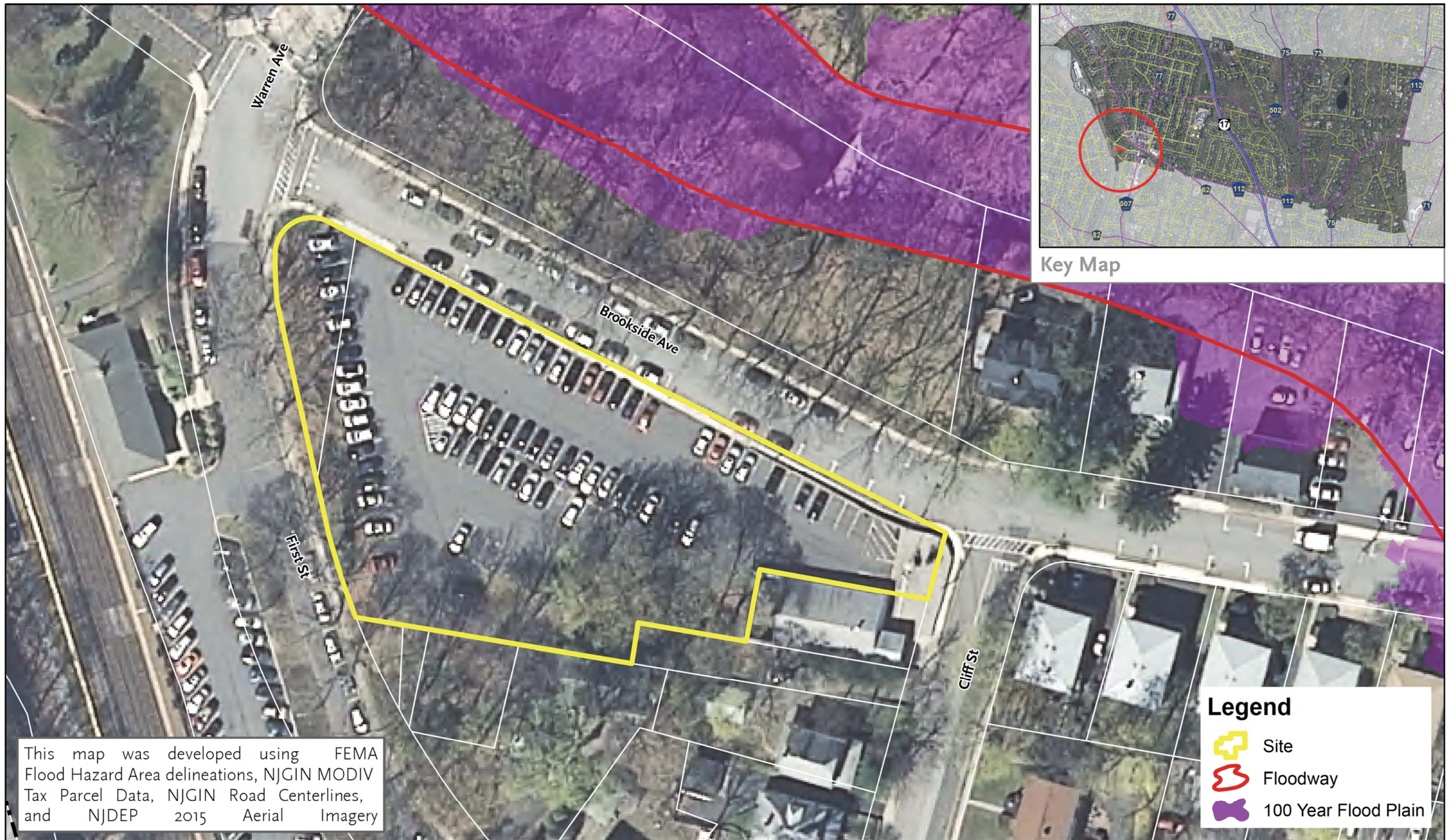
(see Appendix H) that the Borough could exceed UHAC's 20% cap on one-bedroom units since there would be more three-bedroom units than required.

The Second Round rules at *N.J.A.C. 5:93-5.3* requires municipalities to "designate sites that are available, suitable, developable, and approvable, as defined in *N.J.A.C. 5:93-1.*" This site meets each of these criteria, as follows:

- Available: Availability means that a site has clear title, and is free of encumbrances which preclude development for low- and moderate-income housing. The site is owned by the Borough and has no known encumbrances that would obstruct the creation of affordable housing.
- Suitable: Suitability means that a site is adjacent to compatible land uses, has access to appropriate streets, and is consistent with the environmental policies which would be applied in determining a site's realistic development potential. The site is surrounded by single- and two-family units in the Borough's R-4 residential district, and is within walking distance of the Borough's Downtown and resources such as the NJ Transit train station and the Borough's library. The site is also outside of the flood hazard area and has no wetlands or environmentally sensitive constraints. As with the remainder of the Borough, the site is in the Metropolitan Planning Area (Planning Area 1) where redevelopment is encouraged and affordable housing is preferred.
- Developable: Developability is measured by a site's access to water and sewer infrastructure, its consistency with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by the DEP. The site is within the Borough's sewer service area and is connected to or can be connected to the existing infrastructure. The Borough is requesting NJDEP approval to approve additional water service for the Borough-owned Commuter Parking Municipally Sponsored site, the Crossings, and the Hollows development.

The Borough's sewer and water engineer is preparing a memorandum that addresses the availability and capacity of water and sewer service to this site.

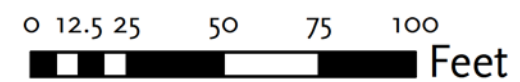
- Approvable: A site is approvable if it may be developed in a manner consistent with the rules/regulations of all agencies with jurisdiction over the site. A site may be approvable even if it is not consistent with the underlying zoning. The site is outside of the flood hazard area and does not contain any known wetlands or other constraints which would require special approval from the NJDEP.



Commuter Parking Municipally Sponsored Site

Ho-Ho-Kus Borough, Bergen County, New Jersey

June 30, 2017



Clarke Caton Hintz ● ● ●
 Architecture
 Planning
 Landscape Architecture



UNMET NEED

For the purpose of addressing its 248-unit combined Prior Round and Third Round Unmet Need, the Borough has followed COAH's Second Round regulations. N.J.A.C. 5:93-4.2(h) states that in addressing Unmet Need, COAH "may require at least any combination of the following in an effort to address the housing obligation:

- Zoning amendments that permit apartments or accessory apartments;
- Overlay zoning requiring inclusionary development or the imposition of a development fee consistent with N.J.A.C.5:93-8. In approving an overlay zone, the Council may allow the existing use to continue and expand as a conforming use, but provide that where the prior use on the site is changed, the site shall produce low- and moderate-income housing or a development fee; or
- Zoning amendments that impose a development fee consistent with N.J.A.C.5:93-8."

Ho-Ho-Kus was initially approved by COAH in the second round to address its entire 83-unit Second Round Unmet Need through the adoption of a development fee ordinance. For the Third Round, as set forth in the FSHC Agreement, the Borough proposes to further address Unmet Need through overlay inclusionary zoning within the Borough's Downtown area and a Borough-wide affordable housing set-aside requirement for any new multi-family construction, as detailed below.

DEVELOPMENT FEE ORDINANCE

The Borough adopted a development fee ordinance on July 22, 1997 as a mechanism to help to address its Prior Round Unmet Need, following COAH approval of the proposed ordinance on June 4th of that year. In its 1997 petition for substantive certification in the Second Round, the Borough indicated that it had no areas that were likely to redevelop and that an accessory apartment program would not be viable given the nature of its housing stock. It proposed a development fee ordinance as the only reasonable mechanism for addressing unmet need.

COAH stated in its Second Round Compliance Report dated September 17, 1998, that the development fee ordinance "is a sufficient mechanism to address unmet need given the characteristics of the borough. Ninety-five percent of the Borough's housing stock is single-family housing built predominantly on fully utilized lots which would preclude

Development Fee Ordinance

An ordinance that establishes a fee to be paid by developers of non-affordable housing or of non-residential construction. All fees collected are deposited into an Affordable Housing Trust Fund, the balance of which may only be spent on eligible affordable housing related costs. This ordinance may be used to address unmet need in municipalities receiving a vacant land adjustment.



the provision of adequate off-street parking. Most of the borough's housing stock was constructed prior to 1960 and it is smaller, suburban style housing as opposed to the larger, pre 1960, rural housing stock which is conducive to the creation of accessory apartments. In addition, there are no redevelopment areas that would be appropriate for an overlay zone. Commercial and industrial zones in the borough do not appear likely to redevelop and comprise less than one quarter of one percent of the Borough's total land mass."

The ordinance (Chapter 17 of the Borough's Code) requires that within the Borough's R-1 through R-5 residential zoning districts, residential developers (except when exempted) shall pay a fee equal to 1.5% of the equalized assessed value of the land and improvements on the lots in question. As required by statute, it also sets a mandatory 2.5% development fee for non-residential developers in all zoning districts. The ordinance includes exemptions, and also allows the Borough to impose a development fee of 6% on additional units that may result from a site where a "d(5)" density variance is granted.

DOWNTOWN INCLUSIONARY OVERLAY ZONING

As another means to address the Unmet Need, the Borough adopted an overlay inclusionary zoning district (See Appendix I) that encompasses approximately 23.5 acres of the Borough's Downtown (inclusive of rights of way) (see attached aerial and topographic maps). The current zoning in the area to be affected includes the Borough's R-2 and R-4 residential districts and GB general business districts, which explicitly prohibit multi-family, including upper-story apartments. Commercial uses are permitted in the GB district, but not in the residential districts. The Downtown Inclusionary Overlay Ordinance creates four separate overlay districts with permitted densities ranging from 6 to 15 dwelling units per acre and building heights ranging from 2 to 3 stories. Permitted development intensities are appropriately distributed across the Downtown area with consideration to the amenities such as the Borough's New Jersey Transit rail station, and the development intensity of neighboring residential districts.

The overlay zoning permits multi-family inclusionary housing in the affected area, conditioned on the following:

1. In the event that a non-residential land use changes to residential, or a building is enlarged for multi-family residential development, on a property for which the underlying zoning is the General Business GB District, the new residential use/building must have an inclusionary affordable housing set-aside of 20% on the upper stories, and the ground story of such building must contain a non-residential use.
2. In the event that there is a change of use to a multi-family residential use or the enlargement of a building to accommodate a multi-family use, on any property for which the underlying zoning is either R-2 or R-4, the multi-family units must include



an inclusionary affordable housing set-aside of 20%, and there may be no non-residential use.

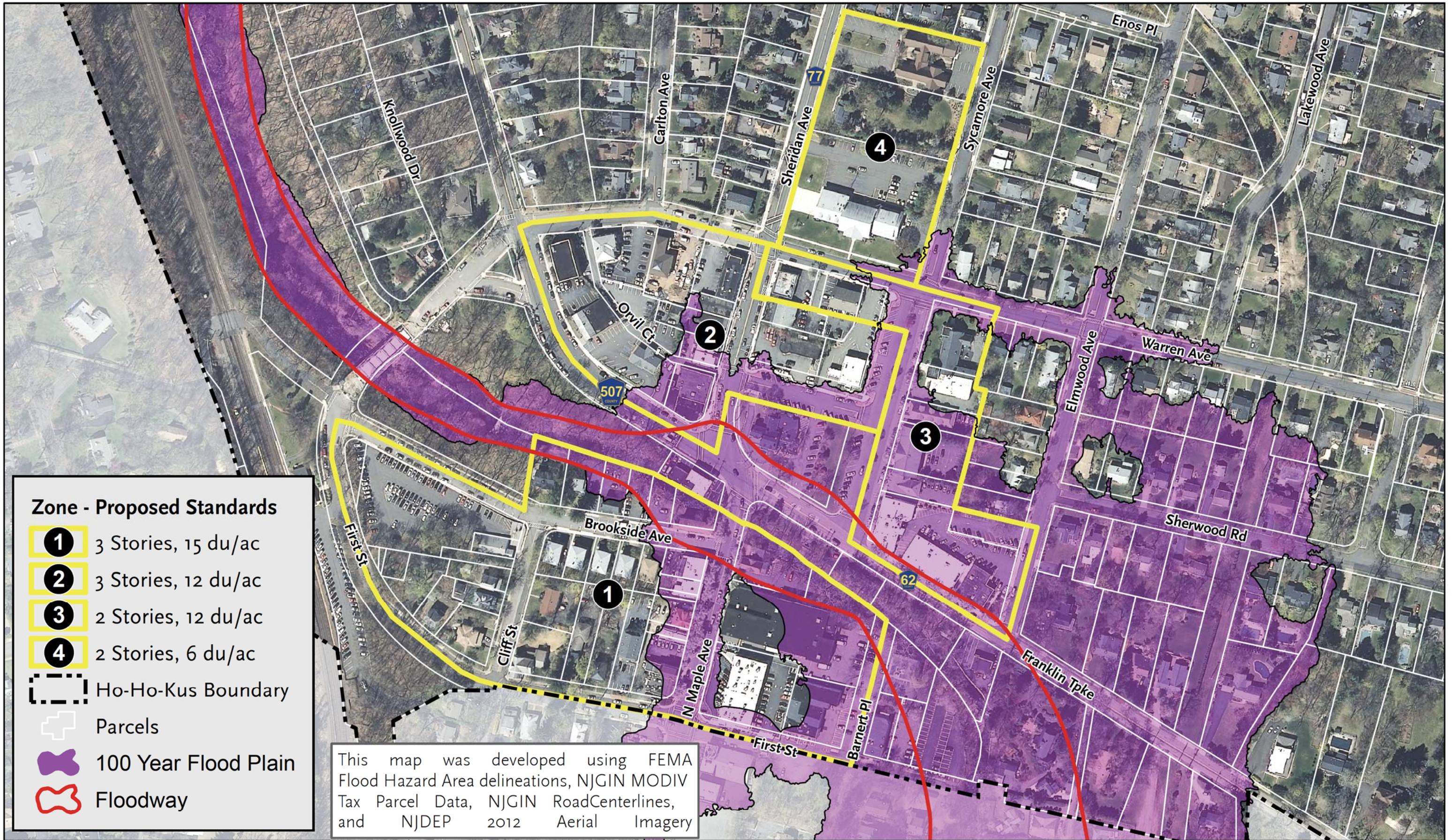
Where this Downtown Inclusionary Overlay is imposed, its requirements and provisions supersede those of the Borough-wide mandatory inclusionary ordinance.

As with the remainder of the Borough, the proposed overlay zoning districts are located within Planning Area 1, where higher density redevelopment is encouraged. The downtown is almost entirely within the special flood hazard area (100-year flood plain) and is also partially within the Ho-Ho-Kus Brook floodway; as such, any new redevelopment in the area will be required to adhere to NJDEP and FEMA's regulations for development within flood-fringes and floodways. Additionally, the Borough anticipates that the downtown's proximity to the train station will facilitate reduced parking requirements.

Outside of the recently approved Crossings redevelopment, the downtown may not experience significant redevelopment in the near future. However, there is a reasonable likelihood of developer(s) acquiring and developing individual parcels, which would allow for the gradual creation of affordable housing units as a means to continue to address the Borough's unmet need.

BOROUGH-WIDE MANDATORY INCLUSIONARY ORDINANCE

Pursuant to the FSHC Agreement, the Borough adopted an Affordable Housing Ordinance establishing a Borough-wide mandatory set-aside requirement for any multi-family or single-family attached development created through any municipal rezoning, or Zoning Board action, use or density variance, redevelopment plan, or rehabilitation plan that provide for densities at or above six (6) units per acre. The set-aside would be 20% if the affordable units will be for sale and 15% if the affordable units will be for rent. ***This policy would not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of Ho-Ho-Kus to grant such rezoning, variance or other relief.*** The Borough-wide mandatory inclusionary set-aside requirement does not supersede the requirements or provisions of the Downtown Inclusionary Overlay Zoning for any inclusionary multi-family residential development that occurs in the Downtown.



Proposed Downtown Overlay Inclusionary Zones Addressing Unmet Need

Ho-Ho-Kus Borough, Bergen County, New Jersey

May 16, 2017



Clarke Caton Hintz
 Architecture
 Planning
 Landscape Architecture



Affordable Housing Site Summary										
ID	Name	Block	Lot	Address	Zone	Existing Use	Acreage			Comments / Status
							Gross	Const.	Devel.	
<i>RDP</i>										
1	Crossings @ Ho-Ho- Kus	1016	3, 5, 11	Various	GB	Commercial	2	0.09	1.91	Approved
2	Commuter Parking Municipally Sponsored	1014	1, 2	100 Brookside Avenue	R-4	Commuter Parking	1.12	0	1.12	Proposed
3	Maple Avenue Site	1015	9	612-614 Maple Avenue	GB	Mixed-Use	0.12	0	0.12	Settlement Agreement
<i>Unmet Need</i>										
4	Development Fee Ordinance	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Adopted
5	Downtown Overlay Zone	Var.	Var.	Various	Var.	Commercial, Mixed-Use, Residential	23.5	0.24	23.26	Proposed
6	Borough-wide Mandatory Inclusionary Ordinance	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Proposed
Total							26.74	0.33	26.41	



Affordable Housing Program Summary											
ID	Name	Gross Acreage	Program Type	Unit Type	Housing Type	Sale / Rental	Density (du / ac)	Set-aside	Resulting Units		
									Total	Mkt.	Afford.
<i>RDP</i>											
1	Crossings @ Ho-Ho-Kus	2	Approved "d" Variance	Family	Multi-family	Rental	26.50	15%	53	45	8
2	Commuter Parking Municipally Sponsored	1.12	Municipal Sponsored	Family	Multi-family	Rental	11.61	100%	13	0	13
3	Maple Avenue Site	0.12	Inclusionary Zoning	Family	Multi-family	Rental	33.33	20%	4	3	1
<i>Unmet Need</i>											
4	Development Fee Ordinance	n/a	Development Fee Ordinance	Not applicable	Not applicable	Not applicable	n/a	n/a	N/A	N/A	N/A
5	Downtown Overlay Zone	23.5	Inclusionary Overlay Zoning	Not applicable	Multi-family	Not applicable	6 to 15	15-20%	N/A	N/A	N/A
6	Borough-wide Mandatory Inclusionary Ordinance	n/a	Inclusionary Zoning	Not applicable	Multi-family	Not applicable	n/a	15-20%	N/A	N/A	N/A
Total									70	48	22



Satisfaction of Prior Round and Third Round Obligations												
ID	Name	Gross Ac.	Program Type	Unit Type	Sale / Rental	Total Afford. Units	30-Unit RDP			248- Unit Unmet Need		
							Units	Bonus Credits	Credits	Units	Bonus Credits	Credits
RDP												
1	Crossings @ Ho-Ho- Kus	2	Approved "d" Variance	Family	Rental	8	8	8	16	0	0	0
2	Commuter Parking Municipally Sponsored	1.12	Municipal Sponsored	Family; Special Needs	Rental	13	13	0	13	0	0	0
3	Maple Avenue Site	0.12	Inclusionary Zoning	Family	Rental	1	1	0	1	0	0	0
Unmet Need												
4	Development Fee Ordinance		Dev. Fee Ordinance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Downtown Overlay Zone	23.5	Inclusionary Overlay Zoning	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	Borough-wide Mandatory Inclusionary Ordinance	n/a	Inclusionary Zoning	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total						22	22	8	30	N/A	N/A	N/A



AFFORDABLE HOUSING ADMINISTRATION & AFFIRMATIVE MARKETING

Ho-Ho-Kus Borough has prepared an Affordable Housing Ordinance in accordance with COAH's substantive rules and UHAC. The Ordinance will govern the establishment of affordable units in the Borough as well as regulating the occupancy of such units. The Ordinance covers the phasing of affordable units, the low/moderate income split, bedroom distribution, occupancy standards, affordability controls, establishing rents and prices, affirmative marketing, income qualification, etc.

As approved by municipal resolution, the Borough Clerk, Laura Borchers, RMC/CMR, has held and will continue to hold the position of the Municipal Housing Liaison. The Borough is required to name administrative agent(s) for the various proposed affordable housing sites. The 13 affordable units at the Borough-owned Commuter Parking Municipally Sponsored Site will be administered by the BCUW. At this time, the Borough will appoint Piazza as the administrative agent for the units at the Frasco / Maple Avenue Site or the Crossings. The contract appointing Piazza was approved as part of the adoption of this Plan.

The Borough adopted an affirmative marketing plan for all affordable housing sites including the municipally sponsored site, the Crossings and Frasco / Maple Avenue site. The affirmative marketing plan, attached hereto in the Appendices, is designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Borough. Additionally, the affirmative marketing plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who reside in the Borough's housing region, Region 1, consisting of Bergen, Hudson, Sussex, and Passaic counties.

The affirmative marketing plan lays out the random-selection and income qualification procedure of the administrative agent, which is consistent with COAH's rules and *N.J.A.C. 5:80-26*. All newly created affordable units will comply with the thirty-year affordability control required by UHAC, *N.J.A.C. 5:80-26-5* and *5:80-26-11*. This plan must be adhered to by all private, non-profit or municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit.

As required by the FSHC agreement, the Affirmative Marketing Plan lists Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Bergen County Branch of the NAACP, and Bergen County United Way among the list of community and regional organizations. The Borough has also included several local and regional veterans' groups.



AFFORDABLE HOUSING TRUST FUND

Ho-Ho-Kus adopted a development fee ordinance in July 22, 1997 which had been approved by COAH on June 4, 1997. The ordinance permits collection of residential development fees equal to 1.5% of the equalized assessed value of new residential construction and additions, and mandatory nonresidential development fees equal to 2.5% of the equalized assessed value of new nonresidential construction and additions.

A new spending plan has been prepared consistent with this Plan (See Appendix K). The Spending Plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, was prepared in accordance with COAH's applicable substantive rules. All collected revenues will be placed in the Borough's Affordable Housing Trust fund and will be dispensed for the use of eligible affordable housing activities including, but not limited to:

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

However, the Borough is required to fund eligible programs in a Court-approved Housing Element and Fair Share Plan, as well as provide affordability assistance.

At least 30% of collected development fees, excluding expenditures made since July 17, 2008, when affordability assistance became a statutory requirement in the Fair Housing Act, shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan. At least one-third (1/3) of the affordability assistance must be expended on very-low income units. Additionally, no more than 20% of the revenues collected from development fees each year, shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to prepare or implement a rehabilitation program, a new construction program, a housing element and fair share plan, and/or an affirmative marketing program.



COST GENERATION

Ho-Ho-Kus Borough’s Land Development Ordinance has been reviewed to eliminate unnecessary cost generating standards; it provides for expediting the review of development applications containing affordable housing. Such expedition may consist of, but is not limited to, scheduling of pre-application conferences and special monthly public hearings. Furthermore, development applications containing affordable housing shall be reviewed for consistency with the Land Development Ordinance, Residential Site Improvement Standards (*N.J.A.C. 5:21-1 et seq.*) and the mandate of the FHA regarding unnecessary cost generating features. Ho-Ho-Kus shall comply with COAH’s requirements for unnecessary cost generating requirements, *N.J.A.C. 5:93-10.1*, procedures for development applications containing affordable housing, *N.J.A.C. 5:93-10.4*, and requirements for special studies and escrow accounts where an application contains affordable housing, *N.J.A.C. 5:97-10.3*.

SATISFACTION OF SETTLEMENT AGREEMENT REQUIREMENTS

Requirement (and Agreement Paragraph ¶)	Manner / Location Addressed
¶5: Present Need / Rehabilitation Mechanism	See pages 16 and 17.
¶6: Satisfaction of RDP and Unmet Need	See pages 17 through 32.
¶8: Evidence of Stable Funding for 100% Affordable Development; Entity Responsible for Undertaking and Monitoring Construction & Overall Development Activity; Pro-Forma and Implementation Schedule; Mandatory Set-Aside Requirement	See Spending Plan and resolution of intent to bond (Appendix K), as well as the MOU, Pro Forma, and Construction Schedule for the Municipally Sponsored Development (Appendix H) Mandatory Set-Aside Requirement is stated in the Affordable Housing Ordinance (Appendix I and described on Page 30 of the Plan.
¶9: Very Low Income Requirement	See page 18. Very-low income units from future development will also be created pursuant to the Borough’s Affordable Housing Ordinance (Appendix I). Two (2) Very-low income units (1 family rental and 1 special needs) @ Commuter Parking Site One (1) Very-low income family rental unit @ the Crossings



Requirement (and Agreement Paragraph ¶)	Manner / Location Addressed
¶10: Rental, Family, and Age Restricted Crediting Requirements	See pages 16 and 17
¶11: Direct Notification Requirements	See the Affirmative Marketing Plan and Resolution in Appendix L
¶12: Affordability Controls and Very-Low Income Set Aside.	See the Fair Share Ordinance (Appendix J). Additionally, the description of each compliance mechanisms states that the UHAC will be followed, except as modified by the Settlement Agreement relative to very-low income housing requirements.
¶13: Unit Accessibility	See the Affordable Housing Ordinance (Appendix J)
¶16: Spending Plan	See Appendix K
¶17: Monitoring	See revised Development Fee Ordinance in Appendix K and Fair Share Ordinance in Appendix I.
¶18: Midpoint & Annual Review	See Affordable Housing Ordinance in Appendix I



2018

Appendices to the Housing Element & Fair Share Plan

ADOPTED JULY 20, 2017
AMENDED MARCH 8, 2018

Ho-Ho-Kus Borough, Bergen County, New Jersey

Prepared By:

Clarke Caton Hintz | 100 BARRACK STREET | TRENTON, NJ | 08608



APPENDIX A

**HOUSING, DEMOGRAPHIC, AND
EMPLOYMENT ANALYSIS**

HOUSING, DEMOGRAPHIC & EMPLOYMENT ANALYSIS

HOUSING CHARACTERISTICS

According to the 2011-2015 American Community Survey (ACS¹), the Borough of Ho-Ho-Kus has a total of 1,477 housing units, of which 62 (4.1%) are vacant. Of the 1,415 occupied units, 1,289 (91.1%) are owner-occupied and 126 (9%) are renter occupied. Ninety-three percent (93%) of the Borough’s housing units are single-family, detached units. Of the remaining housing units, 31 (2%) are attached single-family units and the remaining five percent are in multi-family buildings. It should be noted that only 11 units are identified as being in buildings containing 20 or more units, which may be an element of statistical error. The Borough’s housing stock is heavily concentrated in single-family, detached units (93%) compared to the average for Bergen County and New Jersey, where detached single-family units only comprise 54.5% and 55% of housing, respectively.

See [Table 1, Housing Units by Number of Units in Structure](#).

Number of units	Total Units	% Total	Owner Occupied	% Owner Occupied	Rentals	Vacant
1, detached	1,379	93%	1,268	98%	59	52
1, attached	31	2%	21	2%	10	0
2	48	3%	0	0%	38	10
3 or 4	8	1%	0	0%	8	0
5 to 9	0	0%	0	0%	0	0
10 to 19	0	0%	0	0%	0	0
20 or more	11	1%	0	0%	11	0
Mobile home	0	0%	0	0%	0	0
Boat, RV, van, etc.	0	0%	0	0%	0	0
Total	1,477	100%	1,289	100%	126	62

Source: 2011-2015 American Community Survey 5-Year Estimate (B25032, DP04).
**The margins of error for these values exceed the estimated counts. As such, the estimates may be unreliable.*

¹ The American Community Survey replaced the long-form Census as the source for much of the housing data necessary to complete this section. The Census is a one-time count of the population while this ACS is an estimate taken over five years through sampling. As such, data in the ACS is subject to a margin of error.

Table 2, Housing Units by Year Built, illustrates the decades during which the Borough's housing units were built. Ho-Ho-Kus has an aging housing stock, with two-thirds of its existing housing constructed more than fifty years ago, compared to 55.37% of all units across Bergen County and 41.42% of units across New Jersey. The Borough's 50-plus year old housing comprise 34.9% of all renter-occupied units. Another 32.5% of renter units were constructed in the 1960s. The median year built for housing in the Borough is 1953, which is only five years older than the median year for Bergen County (1958), and thirteen years older than the median year for New Jersey (1966).

TABLE 2. HOUSING UNITS BY YEAR BUILT, 2015.					
Year Built	Occupied Units	Percent	Owner	Renter	Vacant
2014 or later	0	0.00%	0	0	0
2010 to 2013	6	0.41%	6	0	0
2000 to 2009	104	7.04%	92	12	0
1990 to 1999	67	4.54%	49	18	0
1980 to 1989	52	3.52%	52	0	0
1970 to 1979	89	6.03%	50	11	28
1960 to 1969	191	12.93%	150	41	0
1950 to 1959	337	22.82%	309	28	0
1940 to 1949	217	14.69%	207	10	0
1939 or earlier	414	28.03%	374	6	34
Totals	1,477	100%	1289	126	62
Median Year built:	1953		1952	1965	
<i>Source: 2011-2015 American Community Survey 5-Year Estimate (DP04, B25036, B25037)</i>					
<i>*The margins of error for this information exceed the estimated counts. As such, the estimates may be unreliable.</i>					

Table 3, Housing Units by Number of Rooms, 2015 and Table 4, Number of Bedrooms per Housing Unit, 2015 show that housing in Ho-Ho-Kus is generally larger than housing across the County and the State, as evidenced by the number of bedrooms and rooms in general per housing unit. Housing units with three or more bedrooms comprise 91.3% of all housing units in Ho-Ho-Kus, compared to only 57.1% and 57.5% in New Jersey and Bergen County. Additionally, housing units with eight or more rooms in Ho-Ho-Kus make up 59% the Borough's housing stock compared to only about a quarter of the housing stocks of Bergen County or New Jersey. For further emphasis, the median number of rooms in the Borough is 7.9, compared to 5.7 and 5.8 in the County and the State.

COAH's illustrative rent and sales calculations assume that households of 1.5 persons (between one and two, for our purposes) should be matched with one-bedroom units,

that three-person households should be matched with two-bedroom units, and that households of 4.5 persons (between four and five, for our purposes) should be matched with three-bedrooms. As shown in Table 4, below, less than 10% of the units in Ho-Ho-Kus are ideal for one- to three-person households, based on COAH's standards.

TABLE 3. HOUSING UNITS BY NUMBER OF ROOMS, 2015.		
Rooms	Number of Units	Percentage of Total
1	8	0.5%
2	23	1.6%
3	11	0.7%
4	28	1.9%
5	91	6.2%
6	215	14.6%
7	230	15.6%
8	357	24.2%
9+	514	34.8%
Total	1,477	100%

Source: 2011-2015 American Community Survey 5-Year Estimate (DP04)

TABLE 4. NUMBER OF BEDROOMS PER HOUSING UNIT, 2015		
Bedrooms	Number of Units	Percent of Total
Efficiency	8	0.5%
1	50	3.40%
2	70	4.70%
3	654	44.30%
4	427	28.90%
5+	268	18.10%
Total	1,477	100%

Source: 2011-2015 American Community Survey 5-Year Estimate (DP04)

Table 5, Housing Values, shows that, according to the 2015 ACS data, only 28 of the Borough's 1,289 owner-occupied housing units are valued below \$175,000. All 28 are valued at less than \$10,000. In fact, 83.6% of the Borough's housing is valued at more

than \$500,000, compared to 19.9% of units across New Jersey and 38.1% of units in Bergen County. Based on COAH's 2014 Illustrative Sales tables, discussed in the Affordability Requirements section of the Fair Share Plan, a very-low income household seeking to own a 3-bedroom unit could afford a home at \$36,519, a low-income household seeking a 3-bedroom unit may be able to afford a \$104,179 home, and a moderate-income household seeking to own a 3-bedroom unit may be able to afford a home at \$157,717. Only 28 units (2.17%) are affordable to these households, and are valued at \$10,000².

In 2000, there were no units valued below \$100,000. Additionally, 14.1% of owner-occupied units were valued between \$100,000 and \$300,000, whereas there are no units valued in that range as of 2015. This may be a result of statistical error (reported margin of error is ±24 units), or it may illustrate a bifurcation of housing valuation change; over the last decade and a half the majority of housing has become significantly more expensive, while a small share of the housing stock has become more affordable. In 2000, only 12.1% of units were valued at \$750,000 or more while that share was 45.93% in 2015.

Housing Unit Value	2015 Units	Percent	2000 Units	Percent
Less than \$10,000	28	2.17%	0	0.00%
\$10,000 to \$99,999	0	0.00%	0	0.00%
\$100,000 to \$249,999	0	0.00%	56	4.40%
\$250,000 to \$299,999	0	0.00%	124	9.70%
\$300,000 to \$399,999	73	5.66%	308	24.10%
\$400,000 to \$499,999	110	8.53%	266	20.80%
\$500,000 to \$749,999	486	37.70%	369	28.90%
\$750,000 to \$999,999	312	24.20%	89	7.00%
\$1,000,000 or more	280	21.72%	65	5.10%
Total	1,289	100%	1,277	100%
Median	\$723,000		\$456,600	
<i>Sources: 2000 Census (H074, H085), 2011-2015 American Community Survey 5-Year Estimate (DP04, B25075) *The margins of error for this information exceed the estimated counts. As such, the estimates may be unreliable.</i>				

² This may be the result of statistical error

The median rent in Ho-Ho-Kus in 2015 was \$2,243, compared to \$1,348 across Bergen County. Based on COAH’s 2014 illustrative rents, there are no rental units in Ho-Ho-Kus that would be affordable to low or very-low income households of any size. Except for 20 renter-occupied units with “no cash rent”, all rental units within the Borough rent at or above \$1,250 per month. For comparison, only 29.6% of renter-occupied units across Bergen County charge monthly rents greater than or equal to \$1,250. Only 21 of 126 rental units across the Borough go for between \$1,250 and \$1,500, and therefore may be affordable to moderate income households seeking a 3-bedroom unit, which COAH calculates may be able to afford a rent of \$1,317 per month.

Meanwhile, very-low income households and low-income households seeking to rent 3-bedroom units can afford rents not exceeding \$658 and \$1,010, respectively. Eleven percent of rental units across Bergen County may be affordable to very-low income units, and 20% of County-wide rental units (exclusive of those affordable to very-low income households) may be affordable to low-income households. See Table 6, Comparison of Ho-Ho-Kus and Bergen County, Gross Rent, 2015.

TABLE 6. HO-HO-KUS AND BERGEN COUNTY GROSS RENT, 2015.				
Gross Rent	Ho-Ho-Kus		Bergen County	
	Units	Percent	Units	Percent
Less than \$100	0	0.0%	224	0.2%
\$100 to \$149	0	0.0%	266	0.2%
\$150 to \$199	0	0.0%	536	0.5%
\$200 to \$249	0	0.0%	1,276	1.1%
\$250 to \$299	0	0.0%	608	0.5%
\$300 to \$349	0	0.0%	982	0.9%
\$350 to \$399	0	0.0%	837	0.7%
\$400 to \$449	0	0.0%	684	0.6%
\$450 to \$499	0	0.0%	635	0.6%
\$500 to \$549	0	0.0%	521	0.5%
\$550 to \$599	0	0.0%	428	0.4%
\$600 to \$649	0	0.0%	633	0.5%
\$650 to \$699	0	0.0%	721	0.6%
\$700 to \$749	0	0.0%	1,029	0.9%
\$750 to \$799	0	0.0%	1,554	1.3%
\$800 to \$899	0	0.0%	3,511	3.0%
\$900 to \$999	0	0.0%	6,833	5.9%
\$1,000 to \$1,249	0	0.0%	27,315	23.7%
\$1,250 to \$1,499	21	16.7%	20,909	18.1%
\$1,500 to \$1,999	15	11.9%	23,394	20.3%

TABLE 6. HO-HO-KUS AND BERGEN COUNTY GROSS RENT, 2015.				
	Ho-Ho-Kus		Bergen County	
\$2,000 or more	70	55.6%	18,325	15.9%
No cash rent	20	15.9%	4,183	3.6%
Total	126	100%	115,404	100%
Median Rent	\$2,243		\$1,334	
<i>Source: 2011-2015 American Community Survey 5-Year Estimate (DP04, B25063)</i>				
<i>*The margin of error for this information exceeds the estimated counts. As such, the estimates may be unreliable.</i>				

Housing is generally considered to be affordable if the costs of rents, mortgages, and other essential costs consume 28% or less of an owner-household's income or 30% or less of a renter-household's income. Homeowner rates are lower to account for the additional home maintenance costs associated with ownership. In Ho-Ho-Kus, 23.74% of homeowner households and 45.3% of renter households (an average of 25.38% of all households in the Borough) pay 30% or more of their monthly income toward housing costs. See [Table 7, Housing Affordability](#).

TABLE 7: HOUSING AFFORDABILITY, 2015						
Monthly Housing Cost as % of Income	Owner-Occupied	% of Total	Renter	% of Total	All Occupied	% of Total
Less than 20 Percent	647	50.19%	25	23.58%	672	48.17%
20 to 29 Percent	336	26%	33	31%	369	26.45%
30 Percent or More	306	23.74%	48	45.28%	354	25.38%
Total	1,289	100%	106	100%	1,395	100%
<i>Source: 2011-2015 American Community Survey 5-Year Estimate (DP04)</i>						

Though the definition of deteriorated housing has evolved over several iterations of the State's affordable housing regulations, the currently accepted criteria for determining whether a housing unit is in deficient state are as follows: (1) the unit is overcrowded (contains more than 1 person per room) and is more than fifty years old, (2) the unit has inadequate plumbing, or (3) the unit has inadequate kitchen facilities. While [Table 8, Indicators of Deficiency, 2011-2015](#), demonstrates the percentage of units meeting each criterion, it should not be interpreted as reflecting the Borough's rehabilitation obligation, as it does not account for double counting units containing more than one indicator of deficiency and it only shows overcrowding in units built prior to 1950 instead of 1965, due to constraints in available data tables. As of 2015, there were no units in the Borough having deficient plumbing or kitchen facilities, but 18 units were considered crowded or overcrowded and were built prior to 1950.

TABLE 8: INDICATORS OF HOUSING DEFICIENCY, 2015			
Indicator	Incomplete Plumbing	Incomplete Kitchen	Crowded or Overcrowded, and Built Pre-1950
Number of Units	0*	0*	18*
<i>Source: 2011-2015 American Community Survey 5-Year Estimate (DP04, B25050)</i>			
<i>*The margin of error for this information exceeds the estimated counts. As such, the estimates may be unreliable</i>			

GENERAL POPULATION CHARACTERISTICS

The Borough has seen its population grow by 3.6% since the 1990 census, while New Jersey has grown by 19.4% and Bergen County has grown by 13.7% in the same period. Additionally, between 2000 and 2010, the Borough grew at one-tenth the pace of the State and one-sixth the pace of the County. See [Table 9, Population Growth](#).

TABLE 9. POPULATION GROWTH.					
	1990	2000	% Change	2010	% Change
Ho-Ho-Kus	3,935	4,060	3.2%	4,078	0.4%
Bergen County	825,380	884,118	7.1%	905,116	2.4%
New Jersey	7,730,188	8,414,350	8.9%	8,791,894	4.5%
<i>Sources: 1990, 2000, and 2010 US Census</i>					

Ho-Ho-Kus has seen its 25 to 44 year-old population shrink by 7.8%, and its population of children younger than 5 years old dropping 2.3 percentage points. The 25 to 44 year-old cohort includes young adults in the early stages of their careers, as well as those forming families. This exodus of persons in this age group may explain the decrease in the population of children younger than 5 years old.

Notwithstanding the net loss of young children, the population of older children and teenagers grew. This may reflect a combination of the “Echo Boom” cohort (also known as Millennials) who now make up the plurality of persons in the U.S., and the “Boomerang” trend in which young adults graduating high-school and college during or after the financial crisis in 2008 opted to live with their parents until they were able to find well-paying jobs and live on their own.

Simultaneously, middle-aged adults between 45 and 64 years old as well as seniors aged 75 and up also saw a net growth in population. This is consistent with the “graying” trend being seen in many communities across the country. This trend is attributed to a 2.2-year increase in the median age of the Borough, from 41.1 to 43.3

TABLE 10. AGE DISTRIBUTION, 2000 – 2010.					
Age Group	2000	Percent	2010	Percent	Percent Change
Under 5	343	8.4%	251	6.2%	-2.3%
5-14	646	15.9%	735	18.0%	2.1%
15-24	265	6.5%	393	9.6%	3.1%
25-34	345	8.5%	215	5.3%	-3.2%
35-44	735	18.1%	550	13.5%	-4.6%
45-54	652	16.1%	753	18.5%	2.4%
55-64	456	11.2%	530	13.0%	1.8%
65-74	363	8.9%	322	7.9%	-1.0%
75+	255	6.3%	329	8.1%	1.8%
Total	4,060	100%	4,078	100%	
Median Age:	41.1		43.3		
<i>Sources: 2000 and 2010 US Census</i>					

Household Characteristics

A household is defined by the U.S. Census Bureau as those persons who occupy a single room or group of rooms constituting a housing unit; however, these persons may or may not be related. As a subset of households, a family is identified as a group of persons including a householder and one or more persons related by blood, marriage or adoption, all living in the same household. In 2010, there were 4,060 households in the Borough, with an average of 3.01 persons per household and an average of 3.47 persons per family. Approximately 74.2% of the households are comprised of married couples with or without children. Approximately 17.6% of the Borough's households are non-family households which include individuals living alone (15.5% of all households). See [Table II, Household Composition, 2010](#).

TABLE 11. HOUSEHOLD COMPOSITION, 2010		
Household Type	Number of Households	Percent
<i>Family households</i>	1,154	82.4%
Married-couple family	1,040	74.2%
With Children	532	38.0%
Male householder, no spouse present	21	1.5%
With Own Children Under 18	7	0.5%
Female householder, no spouse present	93	6.6%
With Own Children Under 18	31	2.2%

TABLE 11. HOUSEHOLD COMPOSITION, 2010		
Household Type	Number of Households	Percent
<i>Nonfamily households</i>	247	17.6%
Householder living alone	217	15.5%
Total Households	1,401	100.0%
<i>Source: 2010 US Census</i>		

INCOME CHARACTERISTICS

Households and families in Ho-Ho-Kus have on average much higher incomes than in Bergen County as a whole. Median income in 2015 in Ho-Ho-Kus was \$162,386 for households and \$174,688 for families. Comparable figures for the County were \$85,806 for households and \$104,286 for families. [Table 12, Household Income by Income Brackets, 2015](#), further illustrates these findings by noting the number of households in each of the income categories. The Borough's poverty rates for individuals and families (0.2% for individuals, 0% for families) are well below the rates for the County (7.4% and 5.8%, respectively). See [Table 13, Individual and Family Poverty Rates, 2015](#) for the comparison.

TABLE 12. HOUSEHOLD INCOME BY INCOME BRACKETS, 2015.		
	Households	Percent
Less than \$10,000	9	0.6%
\$10,000-\$14,999	0	0.0%
\$15,000-\$24,999	57	4.0%
\$25,000-\$34,999	74	5.2%
\$35,000-\$49,000	72	5.1%
\$50,000-\$74,999	89	6.3%
\$75,000-\$99,999	72	5.1%
\$100,000-\$149,999	257	18.2%
\$150,000-\$199,999	250	17.7%
\$200,000 +	535	37.8%
Total:	1,415	100.00%
Median Income:	\$162,386	
<i>Source: 2011-2015 American Community Survey 5-Year Estimate (DP03)</i>		

TABLE 13. INDIVIDUAL AND FAMILY POVERTY RATES, 2015		
Location	Individuals	Families
Ho-Ho-Kus Borough	0.2%	0.0%
Bergen County	7.4%	5.8%
New Jersey	10.8%	8.2%

Source: 2011-2015 American Community Survey 5-Year Estimate (DP03)

EMPLOYMENT CHARACTERISTICS

Table 14, Distribution of Employment by Industry, Ho-Ho-Kus Residents, 2015, shows the distribution of employment by industry for employed Ho-Ho-Kus residents. The four industries to capture the largest segments of the population were the finance, insurance and real estate at 23.6%; education, health and social services industry at 22.9%; professional and related services at 13.1%; and retail trade at 9%.

TABLE 14. DISTRIBUTION OF EMPLOYMENT BY INDUSTRY, HO-HO-KUS RESIDENTS, 2015.		
Sector Jobs	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	6	0.3%
Construction	78	3.9%
Manufacturing	105	5.3%
Wholesale Trade	62	3.1%
Retail Trade	178	9.0%
Transportation, Warehousing, and Utilities	95	4.8%
Information	81	4.1%
Financing, Insurance, Real Estate, Renting, and Leasing	466	23.6%
Professional, Scientific, Management, Administrative, and Waste Management Services	259	13.1%
Educational, Health and Social Services	453	22.9%
Arts, Entertainment, Recreation, Accommodation and Food Services	136	6.9%
Other	35	1.8%
Public Administration	23	1.2%
Total:	1,977	100.0%

Source: 2011-2015 American Community Survey 5-Year Estimate (DP03)

Table 15, Employment by Occupation, Ho-Ho-Kus Borough, 2015, identifies the occupations of employed persons. While Ho-Ho-Kus residents work in a variety of

industries, 63% of employed residents work in management, professional, and related occupations, while sales and office occupations employ 24.3% of residents.

Sector Jobs	Number	Percent
Management, Business, Science, Arts	1,246	63.0%
Service	126	6.4%
Sales and Office	480	24.3%
Natural Resources, Construction, Maintenance	46	2.3%
Production, Transportation, Material Moving	79	4.0%
Total	1,977	100.0%

Source: 2011-2015 American Community Survey 5-Year Estimate (DP03)

Since 2010, the size of Ho-Ho-Kus labor force grew and workers have had an easier time finding a job. The Borough’s unemployment rate fell from 8.4% in 2010 to 2.7% in 2016. In 2016, the labor force in Ho-Ho-Kus Borough consisted of 2,117 persons; the 2015 ACS indicates that in 2015 there were 3,111 residents ages 16 and older, indicating that approximately 1,000 working-age residents have not entered the labor force or are not looking for employment. Table 16, Change in Employment Since 2010, illustrates these trends.

Year	Labor Force	Employment	Unemployment	Unemployment Rate (%)
2010	2,117	1,940	177	8.4
2011	2,058	1,928	130	6.3
2012	2,112	2,007	105	5.0
2015	2,087	1,995	92	4.4
2014	2,101	2,023	78	3.7
2015	2,146	2,071	75	3.5
2016	2,117	2,060	57	2.7

Source: NJ Department of Labor and Workforce Development

The number of jobs in Ho-Ho-Kus is lower than the number of working age residents in the Borough. The New Jersey Department of Labor tracks covered employment throughout the state. Covered employment data includes only those jobs for which unemployment compensation is paid. By definition it does not cover the self-employed, unpaid family workers, most part-time or temporary employees, and certain agricultural and in-home domestic workers. See Table 17, Covered Employment Estimates, for additional detail.

TABLE 17. COVERED EMPLOYMENT ESTIMATES		
Year	Ho-Ho-Kus	Bergen County
2015	1,080	432,113

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

Local municipal government and private health and social services were the largest sectors of in-town occupations, with 167 and 171 jobs, respectively (local government education, employing 99 of the 167 local government employees, is included in the broader local government category). The second largest private sector field was the accommodations and food sector with 127 jobs. Table 18, Covered Employment by Sector, provides additional employment information.

TABLE 18. COVERED EMPLOYMENT BY SECTOR, 2015							
	Employment					Wages	
	March	June	Sept.	Dec.	Average	Annual	Weekly
Private Sector Municipality Total	855	948	883	932	903	\$43,053	\$828
Construction	52	68	64	82	64	\$56,737	\$1,091
Manufacturing	.	.	.	.	.	.	.
Wholesale Trade	38	39	37	39	38	\$60,190	\$1,158
Retail Trade	38	33	31	45	36	\$22,375	\$430
Information	.	.	.	.	.	.	.
Finance/Insurance	29	28	30	23	27	\$34,894	\$671
Real Estate	10	10	11	11	10	\$29,732	\$572
Professional/Technical	48	51	55	57	52	\$70,392	\$1,354
Admin/Waste Remediation	16	28	18	21	21	\$53,800	\$1,035
Education	.	.	.	.	.	.	.
Health/Social	174	181	167	162	171	\$45,809	\$881
Arts/Entertainment	.	.	.	.	.	.	.
Accommodations/Food	128	131	132	117	127	\$25,740	\$495
Other Services	79	124	119	116	105	\$23,627	\$454
Unclassified	.	.	.	.	.	.	.
Federal Government Municipality Total	9	10	9	10	10	\$55,132	\$1,060
Local Government Municipality Total	178	188	164	188	167	\$50,843	\$978
Local Government Education Total	109	119	94	115	99	\$51,269	\$986

TABLE 18. COVERED EMPLOYMENT BY SECTOR, 2015

	Employment					Wages	
	March	June	Sept.	Dec.	Average	Annual	Weekly
Total Covered Employment	1,042	1,146	1,056	1,130	1,080	\$56,117	\$1,079

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

As [Table 19, Journey to Work, 2011-2015](#) below shows, workers from Ho-Ho-Kus are less likely to drive to work (68% vs 69.5% and 71.9%, respectively) and more likely to take public transit (21% vs. 14.1% and 11.1%) than workers across the State or County. Additionally, 7.8% of workers from Ho-Ho-Kus work from home, and none walk to work. These statistics reflect the Borough’s historic character as a bedroom community in which residents primarily live and shop, and few residents’ own or work in local businesses that they can walk to.

TABLE 19. JOURNEY TO WORK, 2011-2015

Mode	Ho-Ho-Kus Borough	Bergen County	New Jersey
Drive Alone	68.0%	69.5%	71.9%
Carpool	2.5%	7.4%	8.1%
Transit	21.0%	14.1%	11.1%
Walk	0.0%	2.9%	3.1%
Work at Home	7.8%	4.6%	4.6%
Other	0.7%	1.5%	1.9%

Source: 2011-2015 American Community Survey: Selected Economic Characteristics (DP03)

Nearly three-quarters of the Borough’s households own two or more personal vehicles, compared to a little over half in Bergen County and across New Jersey. Additionally, only 2.5% of households in Ho-Ho-Kus have no personal vehicles, compared to 8.2% across Bergen County and 11.7% statewide. See [Table 20, Available Vehicles by Household, 2011-2015](#).

TABLE 20. AVAILABLE VEHICLES BY HOUSEHOLD, 2011-2015

Vehicles	Count	Percent
None	36	2.5%
One	381	26.9%
Two	640	45.2%
Three +	358	25.3%
Total	1,415	100%

Source: 2011-2015 American Community Survey: Selected Housing Characteristics (DP04)

As shown in Table 21, Top Ten Commuting Destinations for Ho-Ho-Kus Residents below, Manhattan is the most common place of employment for employed residents of Ho-Ho-Kus, with 231 (14.2%) workers traveling there for their primary jobs. Ho-Ho-Kus is the second most common destination, with 93 (7.8%) residents working locally. The remaining eight of the top ten municipalities employs 21.2% of the Borough's employed residents throughout Bergen, Hudson, and Passaic Counties.

TABLE 21. TOP TEN COMMUTING DESTINATIONS FOR HO-HO-KUS RESIDENTS, 2015		
Destination	Jobs	Percent
Manhattan (New York, NY)	231	14.2%
Ho-Ho-Kus Borough	93	5.7%
Ridgewood Village	81	5.0%
Paramus Borough	81	5.0%
Hackensack City	39	2.4%
Ramsey Borough	33	2.0%
Jersey City	30	1.8%
Franklin Lakes Borough	27	1.7%
Mahwah Township	27	1.7%
Wayne Township (Passaic, NJ)	26	1.6%
All Other Locations	957	58.9%

Source: US Census and Center for Economic Studies. Longitudinal Employer-Household Dynamics, 2015

POPULATION PROJECTIONS

The North Jersey Transportation Planning Authority (NJTPA), the Metropolitan Planning Organization (MPO) that addresses Ho-Ho-Kus as well as the remainder of Bergen County, published population and employment projections for the year 2040. The NJTPA projects that the Borough's population and employment will increase by 13% and 51.4%, respectively, from 2010 to 2040. As [Table 22, Population, Household, and Employment Projections, 2010 to 2040](#) shows, the Borough's projected population growth rate is consistent with countywide growth, but Borough employment growth is expected to be nearly double countywide employment growth.

TABLE 22. POPULATION, HOUSEHOLD, AND EMPLOYMENT PROJECTIONS, 2010 TO 2040						
	Ho-Ho-Kus			Bergen County		
	2010	2040	% Change	2010	2040	% Change
Population	4,080	4,610	13.0%	905,100	1,030,400	13.8%
Employment	1,070	1,620	51.4%	451,100	578,100	28.2%
<i>Sources: NJTPA Regional Transportation Plan for Northern New Jersey: Appendix A – 2040 Demographic Projections., April 2013</i>						

The Fair Housing Act requires that Housing Plans include a 10-year projection of new housing units based on the number of building permits, development applications approved, and probable developments, as well as other indicators deemed appropriate (N.J.S.A. 52:27D-310.b). Annual building permit issuance for residential new construction in Ho-Ho-Kus during the years 2000 through 2016 averaged approximately 3 units.

If this rate were to remain relatively constant, Ho-Ho-Kus would see approximately 24 new dwellings by the year 2025. Factors such as economic cycles, zoning, environmental constraints, and physical obstacles to development may result in a lower or higher actual number. [Table 23, Housing Projections](#), provides an estimate of anticipated residential growth based on the extrapolation of prior housing activity into the future.

TABLE 23. HOUSING PROJECTIONS TO 2025	
Year	Building Permits Issued
2000	5
2001	1
2002	2
2003	3
2004	2

TABLE 23. HOUSING PROJECTIONS TO 2025	
Year	Building Permits Issued
2005	5
2006	3
2007	4
2008	0
2009	2
2010	3
2011	0
2012	1
2013	4
2014	2
2015	5
2016	6
Total 2000 to 2016	48
17-Year Average	2.824
<i>8.5-Year Projection (January 2017 to July 2025)</i>	24
<i>Source: Ho-Ho-Kus Borough Construction Department</i>	

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APPENDIX B

**SETTLEMENT AGREEMENTS: FSHC AND
CHAMBERLAIN / THE HOLLOWS**



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December 21, 2016

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Re: In the Matter of the Application of Ho-Ho-Kus Borough, County of Bergen, Docket No. BER-L-4253-15

Dear Mr. Bole:

This letter memorializes the terms of an agreement reached between the Borough of Ho-Ho-Kus (the "Borough" or "Ho-Ho-Kus Borough"), the declaratory judgment plaintiff in this matter, 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, an Intervenor/defendant in this proceeding, as well as with Intervenor/defendants Chamberlain Developers, Inc. ("Chamberlain") and Jonathan L. Mechanic DBA Ho-Ho-Kus Crossing ("Crossings").

Background

As background, the Borough of Ho-Ho-Kus was granted first round substantive certification by the Council on Affordable Housing ("COAH") on February 6, 1991, through which COAH approved a reduction of the Borough's fair share obligation to a zero-unit (0) realistic development potential ("RDP") by a vacant land adjustment. COAH reaffirmed the Borough's zero-unit (0) RDP again on October 7, 1998, with an 83-unit unmet need, when it granted the Borough second round substantive certification.

Ho-Ho-Kus Borough filed the above-captioned matter on July 1, 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. On August 26, 2015, the Honorable William C. Meehan, J.S.C. granted the Borough initial immunity from builder remedy lawsuits. The Court appointed Elizabeth C. McKenzie, AICP, PP, to serve as Special Master by way of an Order entered on September 24, 2015. FSHC, Master McKenzie and the Borough undertook the following actions and process:

1. Numerous telephone and in-person conferences were held between the Court, the Master and the Parties;
2. On October 29, 2015, the Court entered an Order of continued immunity and repose wherein the Borough was directed by the Court to diligently pursue preparation and submission of a preliminary summary of its housing element and fair share plan that demonstrates the satisfaction of the Borough's present need, Prior Round (1987-1999) and Third Round (1999-2025) fair share obligations in accordance with applicable law;

3. On November 23, 2015, the Borough of Ho-Ho-Kus submitted a Preliminary Plan Summary, dated November 19, 2015, to The Honorable William Meehan, J.S.C., in order to comply with the March 10, 2015 NJ Supreme Court decision and the subsequent Superior Court order of October 29, 2015, and was granted immunity from builder's remedy lawsuits until March 31, 2016. Immunity has subsequently been extended until February 6, 2017.
4. The November, 2015, Borough submission asserted that, based on an analysis of land-uses in Ho-Ho-Kus, the Borough lacks vacant, developable land and continues to be eligible for a vacant land adjustment. The analysis included the review of approximately 103 sites deemed by the Borough's tax assessor to be vacant or municipally owned.
5. As required by the Special Master, the Borough revised its RDP calculation to include potential redevelopment sites and other isolated vacant lots that COAH had previously eliminated from consideration in the calculation of the Borough's RDP. As described below, the Borough's RDP is now revised to 30 units, with a combined prior round and third round unmet need of 248 units.
6. Through numerous communications among the Parties, a framework for a settlement of this matter with FSHC has been achieved, as reflected in this agreement, which also reflects the settlement of the Chamberlain lawsuit ("Chamberlain Agreement"), embodied in a separate agreement.

Through the foregoing process, the Borough, Chamberlain, Crossings and FSHC have agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter for review and a duly noticed Fairness Hearing, 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 Borough, Chamberlain, Crossings and FSHC hereby agree to the following terms:

1. The Chamberlain Agreement is attached hereto as Exhibit A, incorporated herein and made a part hereof.
2. FSHC, Crossings and Chamberlain agree that the Borough, through the future adoption of a revised Housing Element and Fair Share Plan ("the Plan"), which will conform to the terms of this agreement, and through 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).
3. 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.

4. FSHC, Chamberlain, Crossings and Ho-Ho-Kus Borough hereby agree that Ho-Ho-Kus Borough's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report ¹)	7
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	83
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this settlement agreement)	195

The Borough's cumulative prior round and third round prospective need, which totals 278, will be adjusted through a vacant land adjustment ("VLA") to a 30-unit realistic development potential ("RDP") and a 248-unit unmet need.

5. The Borough's efforts to meet its present need include the following: participation in Bergen County's Home Improvement Program and implementation of a third round municipal rental rehabilitation program. The Borough will adopt a Resolution of Intent to Bond as part of its revised third round housing plan. This is sufficient to satisfy the Borough's present need obligation of seven (7) units.
6. As noted above, the Borough's cumulative prior round and third round prospective need, which totals 278, will be reduced through a vacant land adjustment to a 30-unit RDP and a 248-unit unmet need. For settlement purposes only and as requested by the Master, the revised third round RDP of 30 units was generated from the approved Crossings at Ho-Ho-Kus redevelopment site ("Crossings") which includes eight (8) affordable family rental units and the theoretical development of the Hollows at Ho-Ho-Kus site ("Hollows") assuming, for settlement purposes, a density of 13 units per acre, yielding 8.6 affordable housing units, as well as the theoretical development of seven (7) isolated lots in single-family residential areas on the east side of the Borough. For settlement purposes only and as requested by the Master, the Borough refined its calculation of the RDP from the Crossings to equal the eight (8) approved affordable units. Although the settlement agreement between the Borough and Chamberlain will permit 12 single-family detached dwelling units to be constructed on the Hollows site (per the Chamberlain Agreement), the Borough is applying a theoretical RDP density of 13 dwelling units per acre to the Hollows site (3.34 unconstrained net acres) resulting in an RDP of 8.68. Lastly, the Borough is applying a theoretical RDP density of six (6) dwelling units per acre to the seven (7) isolated lots on the east side of the Borough for the purposes of calculating its revised RDP (10.95 unconstrained net acres) resulting in an RDP of 13.13. Based on COAH's regulations at N.J.A.C. 5:93-4.2, which eliminate constrained land and base the RDP on net acreage, the resulting total RDP for the Borough is 30 units (8 + 8.68 + 13.13 = 29.81). The Borough will address the 30-unit RDP through the following compliance mechanisms:

¹ David N. Kinsey, PhD, PP, FAICP, NEW JERSEY LOW AND MODERATE INCOME HOUSING OBLIGATIONS FOR 1999-2025 CALCULATED USING THE NJ COAH PRIOR ROUND (1987-1999) METHODOLOGY, April 16, 2015, revised July 2015.

Mechanisms to Address Ho-Ho-Kus Borough's 30-unit RDP	Units	Rental Bonuses	Total Credits
Inclusionary Rentals			
The Crossings at Ho-Ho-Kus – approved	8	8	16
Per Chamberlain Agreement - Bor. Train Station Parking Lot – @ 20% or 100%	13		13
Per Chamberlain Agreement - Frasco/Maple Ave - proposed	1		1
Total	22	8	30

For the purpose of addressing its 248-unit unmet need, the Borough proposes to implement overlay inclusionary zoning within the Borough's downtown area and to adopt a Borough-wide affordable housing set-aside requirement for any new multi-family construction over a certain density as described below in settlement term #8.

Regarding the Downtown Overlay Inclusionary Zoning, the Borough proposes overlay inclusionary zoning districts that would encompass approximately 18 acres of the Borough's Downtown as outlined on the overlay zoning map attached Exhibit B to this Agreement. The zoning would require that in the event that land uses change on any property within the district, affordable housing must be produced on that property by virtue of an affordable housing set aside.

7. The Borough intends to provide a realistic opportunity for the development of affordable housing through the adoption of inclusionary zoning on the following sites:
 - The Crossings – previously approved by use variance;
 - Per Chamberlain Agreement, redevelopment of Borough-owned Train Station Parking Lot with inclusionary zoning or 100% municipally sponsored affordable housing wherein the Borough would contract with an affordable housing developer, who would obtain outside subsidies. If the site is determined by the Borough to be developed through inclusionary zoning, the Borough shall adhere to the required redevelopment process and will prepare a schedule for adopting the redevelopment plan, selecting a redeveloper and executing a redevelopment agreement that will permit construction to begin within two years of the grant of a final judgment of compliance and repose. If the site is developed as a municipally-sponsored affordable housing project, the revised third round Plan shall include the information required by paragraph 8 of this Agreement for that project. The determination as to which option the Borough will chose will be made as part of its revised third round Plan.
 - Per Chamberlain Agreement, redevelopment of the Frasco/Maple Avenue site.

8. In accordance with N.J.A.C. 5:93-5.5, the Borough recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending.

In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. The Borough meets this obligation as follows: Ho-Ho-Kus Borough will adopt a resolution of intent to bond as part of its revised third round Plan.

In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process: including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor and construction. The schedule shall provide for construction to begin within two (2) years of court approval of this settlement for any 100% affordable housing project, including, but not limited to the site described in Paragraph 7 and referenced in the Chamberlain Agreement. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity. The Borough will meet these obligations as will be included in the Borough's revised third round Plan.

Additionally, the Borough agrees to establish a mandatory set-aside requirement of 20% if the affordable units will be for sale and 15% if the affordable units will be for rent, for any multi-family or single-family attached residential development providing a minimum of five (5) new units created through any municipal rezoning; Zoning Board use or density variance; redevelopment plan or rehabilitation plan providing for redevelopment with density at or above six (6) units per acre or other compensatory benefit, subject to further modification as may be agreed upon by FSHC and the Borough between now and the final compliance hearing to be scheduled in this matter. **This does not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of Ho-Ho-Kus Borough to grant such rezoning, variance or other relief.** No subdivision shall be permitted or approved for the purpose of avoiding compliance with this requirement.

9. The Borough agrees to require 13% of all units referenced in this plan, with the exception of units already approved or constructed as of July 1, 2008, and units subject to preliminary or final site plan approval, to be very low income units (affordable to households earning 30% or less of median income by household size), with half of the very low income units being available to families. Three (3) very-low income units are required (approximately 22 post-2008 units x 0.13 = 2.86). The municipality will comply with these requirements as follows:
 - The Crossings – 1 very-low income family rental;
 - Per Chamberlain Agreement, Borough-owned Train Station Parking Lot – up to 2 very-low income family rentals or 1 very-low income family rental and 1 very-low income special needs unit.
 - Requirement of 13% of units as very low income for any units created through the downtown overlay and/or the Borough-wide mandatory set-aside requirement.
10. The Borough shall meet its Third Round Prospective Need in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 3 as adjusted through a vacant land adjustment to a 30-unit RDP and a 248-unit unmet need.

- a. Rental bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d) which shall solely govern application of bonus credits to both the Prior Round and Third Round obligation.
 - b. At least 50 percent of the units addressing the RDP 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 RDP 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 RDP must be available to families.
 - e. The Borough 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 minus previously approved RCAs.
11. The Borough 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), the following entities: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Bergen County Branch of the NAACP, and Bergen County United Way. The Borough 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 Borough also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.
12. All units, including units funded with Low Income Housing Tax Credit financing, 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, provided that the Borough shall require projects receiving nine percent Low Income Housing Tax Credits to comply with a control period of not less than a 30 year compliance period plus a 15 year extended use period; all such units will receive one credit toward Prospective Need and may receive up to one bonus credit in accordance with the other terms of this Agreement. The Borough 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.
13. 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.
14. As an essential term of this settlement, within one hundred twenty (120) days of the Court's approval of this Settlement Agreement and the Borough's Compliance Plan, the Borough shall have adopted an ordinance providing for the amendment of the Borough's

Affordable Housing Ordinance and Zoning Ordinance and a final Housing Element and Fair Share Plan to implement the terms of this settlement agreement and the zoning contemplated herein. This provision shall not lengthen the time agreed upon in the Chamberlain Agreement for adoption of Ordinances related to any properties covered by the terms of that Agreement.

15. The parties agree that if a decision of a court of competent jurisdiction in Bergen County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Borough 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 settlement term #3 in this agreement (before the implementation of the Borough's vacant land adjustment), and if that calculation is memorialized in an unappealable final judgment, the Borough may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Borough shall be obligated to implement the fair share plan contemplated herein, 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 adjusted through the vacant land adjustment as established herein. The reduction of the Borough'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 Borough prevails in reducing its prospective need for the Third Round, the Borough may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
16. The Borough will prepare a revised spending plan within 120 days to be attached to its adopted HE/FSP. FSHC may comment on or object to this spending plan. The Borough reserves the right to request the Court's approval that the expenditures of funds under the revised spending plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of this agreement, and every anniversary thereafter through the end of this agreement, the Borough 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 the Intervenors 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. The parties recognize that the expenditure of trust fund fees on administrative costs is capped at 20%.
17. On the first anniversary of the execution of this agreement, and every anniversary thereafter through the end of this agreement, the Borough 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 and the Intervenors, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.

18. The Fair Housing Act includes two provisions regarding action to be taken by the Borough during the ten-year period of protection provided in this agreement. The Borough 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 Borough will post on its municipal website, with a copy provided to Fair Share Housing Center and the Intervenors, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity. Such posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center and the Intervenors, 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. In the event the Court determines that a site or mechanism no longer presents a realistic opportunity and should be replaced or supplemented, then the municipality shall have the opportunity to supplement or revise its plan to correct any deficiency.
 - b. For the review of compliance with 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 Borough will post on its municipal website, with a copy provided to Fair Share Housing Center and the Intervenors, 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 and the Intervenors on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
19. 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.
20. 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 Borough shall present its planner as a witness at this hearing. FSHC, Crossings and Chamberlain agree not to challenge the Borough's Compliance Plan at the fairness and/or compliance hearing. FSHC contends that the municipality should receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA" in accordance with the Supreme Court's decision in In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 36 (2015) through July 2025. The Borough contends that it is entitled to a Judgment of Compliance and Repose through July 2025. Both parties agree

to let the trial judge make a final determination as to the form of judgment entered at the fairness hearing and not appeal any such determination. If the settlement agreement is rejected by the Court at a fairness hearing it shall be null and void.

21. 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.
22. This settlement agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Bergen County.
23. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
24. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
25. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
26. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
27. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
28. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.
29. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.

30. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.
31. No member, official or employee of the Borough 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.
32. 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.
33. 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: Kevin D. Walsh, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
E-mail: kevinwalsh@fairsharehousing.org

TO CHAMBERLAIN: Chamberlain Developers Inc.
479 State Route 17 North
Mahwah, NJ 07430
Phone: (201) 236-1517
Telecopier: (201) 236-5169
E-mail: frascorealty@verizon.net

TO CROSSINGS: Jonathan L. Mechanic DBA Ho-Ho-Kus Crossing
c/o Wendy Levine-Mechanic
808 Broadway – Apartment 2R
New York, NY 10003
Phone: 917-301-3012 cell
Telecopier:
E-mail: wendyslevine@gmail.com

WITH A COPY TO: Gail L. Price, Esq.
Price, Meese, Shulman & D'Arminio, PC
50 Tice Boulevard – Suite 380
Woodcliff Lake, NJ 07677
Phone: 201-391-3737
Telecopier: 201-391-9360
E-mail: gprice@pricemeese.com

TO THE BOROUGH:

Dave Bole, Esq.
240 Frisch Court, Suite 102
Paramus, NJ 07652
Telecopier: (201) 368-8883
Email: wdblaw@optimum.net

William Jones, Borough Administrator
Borough of Ho-Ho-Kus
333 Warren Avenue
Ho-Ho-Kus, NJ 07423
Telecopier: (201) 652-4400
Email: JonesW@ho-ho-kusboro.com

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

Borough Clerk
Borough of Ho-Ho-Kus
333 Warren Avenue
Ho-Ho-Kus, NJ 07423

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 Borough of Ho-Ho-Kus, with the authorization
of the governing body:

Dated: _____

On behalf of Chamberlain:

Dated: _____

TO THE BOROUGH:

Dave Bole, Esq.
240 Frisch Court, Suite 102
Paramus, NJ 07652
Telecopier: (201) 368-8883
Email: wdblau@optimum.net

William Jones, Borough Administrator
Borough of Ho-Ho-Kus
333 Warren Avenue
Ho-Ho-Kus, NJ 07423
Telecopier: (201) 652-4400
Email: JonesW@ho-ho-kusboro.com

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

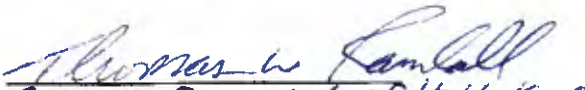
Borough Clerk
Borough of Ho-Ho-Kus
333 Warren Avenue
Ho-Ho-Kus, NJ 07423

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 Borough of Ho-Ho-Kus, with the authorization
of the governing body:


THOMAS W. SAMBALL
MAYOR BOROUGH OF HO-HO-KUS
Dated: 11/5/17

On behalf of Chamberlain:

Dated: _____

TO THE BOROUGH: Dave Bole, Esq.
240 Frisch Court, Suite 102
Paramus, NJ 07652
Telecopier: (201) 368-8883
Email: wdblaw@optimum.net

William Jones, Borough Administrator
Borough of Ho-Ho-Kus
333 Warren Avenue
Ho-Ho-Kus, NJ 07423
Telecopier: (201) 652-4400
Email: JonesW@ho-ho-kusboro.com

**WITH A COPY TO THE
MUNICIPAL CLERK:** Borough Clerk
Borough of Ho-Ho-Kus
333 Warren Avenue
Ho-Ho-Kus, NJ 07423

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 Borough of Ho-Ho-Kus, with the authorization
of the governing body:

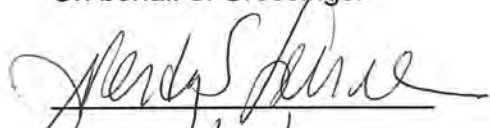
Dated: _____

On behalf of Chamberlain:



Dated: Dec 29th, 2016

On behalf of Crossings:

A handwritten signature in cursive script, appearing to read "Wendy Spence", written over a horizontal line.

Dated: 1/12/17

EXHIBIT A

SETTLEMENT OF LITIGATION AGREEMENT

This Settlement of Litigation Agreement (the "Agreement") is entered into this 29th day of December, 2016, by and between **CHAMBERLAIN DEVELOPERS, INC.**, a corporation of the State of New Jersey with a business address of 479 State Route 17, Mahwah, New Jersey ("**Chamberlain**"), the **BOROUGH OF HO-HO-KUS**, County of Bergen, State of New Jersey, a municipal corporation of the State of New Jersey with a business address of 333 Warren Avenue, Ho-Ho-Kus, New Jersey (the "**Borough**"), and the **PLANNING BOARD OF THE BOROUGH OF HO-HO-KUS**, a municipal body with a business address of 333 Warren Avenue, Ho-Ho-Kus, New Jersey (the "**Board**"). Chamberlain, the Borough and the Board are referred to herein collectively as the "**Parties.**".

WITNESSETH:

WHEREAS, Chamberlain is the contract purchaser of certain lands situated on Hollywood Avenue in the Borough, which comprise approximately three and 66/100 (3.66) contiguous acres of real property, which is identified as Block 802, Lots 1, 2, 3, 4 and 10 on the Borough's Tax Map (the "**Property**"); and

WHEREAS, Frasco Realty (an entity related to Chamberlain) is the owner of certain real property identified as Block 1015, Lot 9 on the Borough's Tax Map, having a street address of 612-614 North Maple Avenue, Ho-Ho-Kus, New Jersey (the "**Maple Avenue Property**"); and

WHEREAS, Chamberlain instituted certain litigation against the Borough and the Board now pending in the Superior Court of New Jersey, Bergen County, New Jersey (the "**Court**") captioned Chamberlain Developers, Inc. v. Borough of Ho-Ho-Kus and Planning Board of the Borough of Ho-Ho-Kus, Docket No. BER-L-4253-15 (the "**Chamberlain Litigation**"); and

WHEREAS, the Chamberlain Litigation includes claims concerning compliance by the Borough with its fair share obligation to provide a realistic opportunity for the provision of affordable housing for low and moderate income households (the “**Mt. Laurel Obligation**”), as set forth in the decision of the New Jersey Supreme Court in So. Burlington Cty. N.A.A.C.P. v. Twp. of Mt. Laurel, 92 N.J. 158 (1983) (“**Mt. Laurel II**”), the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq. (the “**Act**”), and the regulations of the New Jersey Council on Affordable Housing (“**COAH**”), N.J.A.C. 5:93-1, et seq.; and

WHEREAS, Chamberlain also instituted litigation against the Board, Borough and Municipal Clerk now pending in the Court captioned Chamberlain Developers, Inc. v. Planning Board of the Borough of Ho-Ho-Kus, Docket No. BER-L-5271-15 (the “**Automatic Approval Litigation**”); and

WHEREAS, the Automatic Approval Litigation seeks a default approval from the Board in connection with Chamberlain’s application for subdivision approval in connection with the Property, Board Application No. 001-14; and

WHEREAS, the Borough instituted certain litigation now pending in the Court captioned In the Matter of the Application of the Borough of Ho-Ho-Kus, Bergen County, Docket No. BER-L-6215-15 (the “**Declaratory Judgment Litigation**”); and

WHEREAS, the Declaratory Judgment Litigation seeks declaratory relief approving the Borough’s plan to satisfy its Mt. Laurel Obligation, and immunity from builders remedy lawsuits; and

WHEREAS, Chamberlain intervened as a defendant in the Declaratory Judgment Litigation, in which Chamberlain asserted or could assert objections to the Borough’s plan to satisfy its Mt. Laurel Obligation; and

WHEREAS, the Parties, subject to the terms hereof, have agreed that the Property may be permitted to be developed as a “Residential Development” by: (a) the construction of a subdivision of not less than twelve (12) single family detached market rate units on the Property; (b) the payment of residential development fees by Chamberlain to the Affordable Housing Trust Account of the Borough in lieu of the actual construction of affordable units on the property, which funds are to be used solely for the purposes of the creation of a realistic housing opportunity pursuant to the satisfaction of the Borough’s Mt. Laurel Obligation. The fee is negotiated pursuant to this agreement and shall be calculated at a rate of Seven Thousand Five Hundred and Zero Dollars (\$7,500.00) per single family unit constructed on the Property (the **“Affordable Housing Development Fee Payment”**). Notwithstanding any ordinance, COAH regulation or requirement to the contrary, the \$7,500.00 payment per single family unit shall be Chamberlain’s sole obligation regarding the payment of monies to the Borough’s Affordable Housing Trust Fund.

WHEREAS, in order to amicably resolve all issues in the Chamberlain Litigation, the Automatic Approval Litigation and the Declaratory Judgment Litigation on the basis of: (a) the Borough’s adoption of an ordinance rezoning the Property for the provision of not less than twelve (12) detached single family market rate units consistent with the permitted uses and bulk standards as set forth in a proposed amendment to the Zoning Ordinance of the Borough in the form attached hereto and made a part hereof as **EXHIBIT A** (the **“Zoning Amendment”**); (b) the Board’s processing and adjudication of Chamberlain’s application for subdivision approval on the Property in a manner consistent with this Agreement; (c) the Borough’s rezoning and/or inclusion in a Redevelopment Plan of real property owned by the Borough, identified as Block 1014, Lot 1-3-98 on the Borough’s Tax Map (the **“Downtown Commuter Parking Lot”**), for

the provision of an inclusionary multi-family development of at least fifty (50) total units, of which at least 20% shall be affordable housing units if for sale and 15% if rental units, or for inclusion in a Redevelopment Plan for a 100% Affordable Housing Development of at least 12 affordable housing units. An inclusionary multi-family development of at least fifty (50) total units would require a structured commuter parking garage; (d) the Borough's inclusion of the Maple Avenue Property in the Borough's downtown area Redevelopment Plan (to the extent the proposed redevelopment/rehabilitation area qualifies for an area in need of redevelopment/rehabilitation designation per the applicable statute) and/or rezoning of the Maple Avenue Property (regardless of whether the Borough's proposed redevelopment/rehabilitation area qualifies for an area in need of redevelopment/rehabilitation) for an inclusionary residential redevelopment comprised of a three-story building of one first floor commercial unit and four residential units, one of which will be an affordable housing unit; and (e) the Board's processing and adjudication of any site plan application for the Maple Avenue Property in a manner consistent with this Agreement;

WHEREAS, the Parties have reached an amicable settlement of the Chamberlain Litigation and the Automatic Approval Litigation and desire and intend to memorialize the settlement by the execution of this Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES, TERMS AND CONDITIONS SET FORTH HEREIN, INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES AGREE AS FOLLOWS:

1. RECITALS. The WHEREAS recital paragraphs hereinabove set forth are incorporated herein by reference.

1.1 **PURPOSE.** The Purpose of this agreement is to amicably resolve the Chamberlain Litigation and Automatic Approval Litigation consistent with the terms hereof which, in part, are intended to ensure that: (a) not less than twelve (12) market rate single-family detached residential units are constructed on the Property; and (b) delivery is made of the Affordable Housing Development Fee to help finance satisfaction of the Borough's Mt. Laurel Obligation as currently exists or as may exist in the future.

2. **OBLIGATIONS OF BOROUGH AND BOARD.**

2.1. **The Zoning Amendment for the Property.**

2.1.1. **Adoption of Zoning Amendment.** Within sixty days (60) days from Court Approval of this Agreement, the Borough shall move and vote on the adoption of an ordinance similar in all material respects to the Zoning Amendment after a duly noticed public hearing. Within the same time period, the Board shall make recommendation on the Zoning Amendment in accordance with the procedures of the Municipal Land Use Law, N.J.S.A. 40:55D-1, et seq.

2.1.2. **Failure to Adopt Zoning Amendment.** In the event the Borough elects not to adopt the Zoning Amendment within sixty (60) days of Court Approval of this Agreement at a Fairness Hearing duly noticed, this Agreement becomes null and void and of no effect, as if the Litigations were not settled, and the Property shall be rezoned at the direction of the Court-appointed Master and permitted to be redeveloped as an inclusionary multi-family residential development for purposes of meeting a portion of the Borough's fair share obligation, including its unmet need. Any inclusionary multi-family residential development site plan application for the Property shall be heard and acted on by the Special Master or by a Court-appointed Hearing Officer, who would serve in lieu of the Board.

2.2. The Redevelopment/Rezoning of the Downtown Commuter Parking Lot.

2.2.1. Adoption of Redevelopment Plan/Zoning Ordinance. The Downtown Commuter Parking Lot and other portions of the Borough's proposed downtown redevelopment area are to be included in a Redevelopment Plan and/or rezoning ordinance to be adopted within six (6) months of the entry of an Order by the Court approving the fairness of this settlement and granting preliminary approval of the Borough's compliance plan. The Redevelopment Plan and/or rezoning of the Downtown Commuter Parking Lot shall provide for the construction of a structured commuter parking garage and at least fifty (50) multi-family residential units, of which at least 20% shall be set aside as affordable housing units if for sale and 15% if rental units, or for a 100% Affordable Housing Development of at least 12 affordable housing units.

2.2.2. Failure to Adopt Redevelopment Plan/Zoning Ordinance. In the event the Borough elects not to adopt a Redevelopment Plan or Rezoning Ordinance pursuant to paragraph 2.2.1 above, this Agreement becomes null and void and of no effect, as if the Litigations were not settled (even if the 12-lot subdivision application is already approved), and the Property shall be rezoned at the direction of the Court-appointed Master and permitted to be redeveloped as an inclusionary multi-family residential development for purposes of meeting a portion of the Borough's fair share obligation, including its unmet need. Any inclusionary multi-family residential development site plan application for the Property shall be heard and acted on by the Special Master or by a Court-appointed Hearing Officer, who would serve in lieu of the Board.

2.3 The Redevelopment/Rezoning of the Maple Avenue Property.

2.3.1. Adoption of Redevelopment Plan/Zoning Ordinance. The Maple Avenue Property is to be included in a Redevelopment Plan and/or rezoning ordinance to be

adopted within six (6) months of the entry of an Order by the Court approving the fairness of this settlement and granting preliminary approval of the Borough's compliance plan. The Redevelopment Plan and/or rezoning of the Maple Avenue Property Lot shall permit a three-story mixed use building containing four residential units comprised of three market rate units and one affordable unit (a studio unit not less than 400 square feet in area) on the second and third floors of the building, with commercial retail use of the first floor, consistent with the Concept Plan attached hereto as Exhibit B. The affordable unit provided shall be a low income, family affordable rental housing unit and shall comply with the affordable housing requirements set forth in the Uniform Housing Affordability Controls ("UHAC") at N.J.A.C. 5:80-26.1 et seq. and COAH's Regulations at N.J.A.C. 5:93 including, but not limited to, a thirty (30) year affordable deed restriction, affirmative marketing, income eligibility and administration by an experienced Affordable Housing administrative agent.

2.3.2. Failure to Adopt Redevelopment Plan/Zoning Ordinance. In the event the Borough elects not to adopt a Redevelopment Plan or Rezoning Ordinance pursuant to paragraph 2.3.1 above, this Agreement becomes null and void and of no effect, as if the Litigations were not settled, and the Property shall be rezoned at the direction of the Court-appointed Master and permitted to be redeveloped as an inclusionary multi-family residential development for purposes of meeting a portion of the Borough's fair share obligation, including its unmet need. Any inclusionary multi-family residential development site plan application for the Property shall be heard and acted on by the Special Master or by a Court-appointed Hearing Officer, who would serve in lieu of the Board.

2.4. Obligation to Cooperate. The Borough and the Board acknowledge that in order to construct the proposed developments on the Property and Maple Avenue Property,

Chamberlain and Frasco Realty will be required to obtain all necessary agreements, approvals and permits from all relevant public entities and utilities; such as, by way of example only, the Borough, the Board, the County of Bergen, the Bergen County Planning Board, the New Jersey Department of Environmental Protection, the New Jersey Department of Transportation, the Soil Conservation District and the like -- including all ordinance requirements as to site plan and subdivision (the “**Required Approvals**”). The Borough and the Board agree to cooperate with Chamberlain and Frasco Realty in their undertakings to obtain the Required Approvals.

2.5. **Concept Plan.** The Parties have reviewed a conceptual plan for the Development of the Property, which plan is entitled “Concept Plan” dated December 13, 2016 and which plan is attached hereto and made a part hereof as Exhibit C (the “**Concept Plan**”). The Parties find the design of the development proposed for the Property as represented on the Concept Plan, as a general concept, to be feasible and acceptable as well as consistent with the Zoning Amendment (Exhibit A).

2.6. **The Board’s Obligation to Fast-Track Chamberlain’s Development Applications.** The parties agree that, in proceedings before the Board, Chamberlain shall be entitled to have the Board fast-track its application(s) as follows:

2.6.1. **Completeness.** Chamberlain will complete and submit a subdivision application for the Property which shall be reviewed by the Borough Planner and Borough Engineer for purposes of determining completeness, as defined by the Municipal Land Use Law, and compliance with the new zoning requirements and applicable design standards. A completeness determination by the Board must occur within thirty (30) days of submission.

2.6.2. **Decision By the Board.** After the Board determines that the subdivision application is complete, the Board shall schedule the public hearing on the application. Action

on the subdivision application shall be taken within 45 days of the determination of completeness. The Board will attempt, in good faith, to hear and decide the application at a single meeting, but if unable to do so the Board shall schedule a special meeting to complete the hearing and vote upon the application within the 45-day period. If necessary, the Board shall provide Chamberlain with a special meeting exclusively for the review of the development application.

2.6.3. No Payment of Application/Escrow Fees. The Board shall not require Chamberlain to pay any application fees and/or escrow fees in connection with any application filed by Chamberlain, notwithstanding any Borough ordinance to the contrary. The Board hereby agrees to bear the full cost for any and all of its own professionals, including but not limited to the Board Planner, Board Engineer and Board Attorney, in connection with the review and hearing of Chamberlain's application(s).

2.6.4. Applicability to the Maple Avenue Property. All of the fast-tracking provisions contained in this paragraph 2.6, except Paragraph 2.6.3, shall apply to any applications filed by Frasco Realty concerning the development of the Maple Avenue Property.

3. OBLIGATIONS OF CHAMBERLAIN.

3.1. Dismissal of the Chamberlain Litigation and Automatic Approval Litigation. Upon execution and entry by the Court of a Consent Order incorporating and approving this Settlement Agreement, that Consent Order shall operate as an Order dismissing without prejudice all of Chamberlain's claims that Chamberlain brought or could have raised against the Borough or the Board in the Chamberlain Litigation or the Automatic Approval Litigation, which dismissal shall become with prejudice effective upon the occurrence of the later of the following four (4) events: (a) the approval of this Agreement by the Superior Court; and (b) the

adoption of the Zoning Amendment (all appeal periods having expired with no appeals having been filed or any such appeal having been resolved in a final, unappealable decision or settlement in favor of the Zoning Amendment); (c) the Board's subdivision approval for the Property (all appeal periods having expired with no appeals having been filed or any such appeal having been resolved in a final, unappealable decision or settlement in favor of the said approval); and (d) the Borough's adoption of a Redevelopment Plan and/or rezoning ordinance for the Downtown Commuter Parking Lot (all appeal periods having expired with no appeals having been filed or any such appeal having been resolved in a final, unappealable decision or settlement in favor of the Zoning Amendment).

Effective upon dismissal with prejudice of the Chamberlain and Automatic Approval Litigation, Chamberlain shall release the Borough, its public officials, agents, attorneys and employees from any and all suits, claims, causes of action, liabilities, legal obligations, damages, costs and attorneys' fees arising out of the process of Chamberlain's prior pursuit of land development approvals in connection with the Property which Chamberlain has or may have against the Borough, its public officials, agents, attorneys and employees from the beginning of time through the effective date of such dismissal with prejudice. A final Consent Order and Release memorializing the foregoing shall be executed by the parties. Nothing contained herein is intended to release any future claims arising from development of the Property or the Maple Avenue property, including issuance of building permits and/or certificates of occupancy.

3.2. Exception in the Case of Certain Third Party Appeals.

(A) The foregoing notwithstanding, in the event a third party files an appeal with respect to the Zoning Amendment and/or Subdivision approval for the Property, which appeal results in anything other than an unqualified affirmance of the action taken below, Chamberlain has the

right to declare this settlement Agreement null and void at Chamberlain's sole option, and the Property shall be rezoned at the direction of the Court-appointed Master and shall be permitted to be developed with inclusionary multi-family residential development for purposes of meeting a portion of the Borough's fair share obligation, including its unmet need. Chamberlain is under no obligation to appeal any adverse ruling or wait out the appellate process if the Borough files an appeal in connection with any adverse ruling. In accordance with the foregoing, Chamberlain will allow the appellate process to proceed (to the Supreme Court, if necessary), provided that the decision at each appellate level is an unqualified affirmance of the action taken below.

(B) The foregoing Paragraph A notwithstanding, if a third party prevails on an appeal from Subdivision Approval for the property, which appeal is based upon a procedural defect (i.e., Notice), which defect is the responsibility of Chamberlain, Chamberlain shall not declare the Settlement Agreement to be null and void and Chamberlain shall cure any such defect and/or as appropriate, defend said appeal and allow the appellate process to continue at each appellate level until a final, unappealable decision is reached.

(C) The parties agree to cooperate with each other to review all procedural and substantive steps to be undertaken in connection with adoption of the Zoning Amendment, Subdivision Application before the Planning Board and court approval of this Agreement. Chamberlain agrees not to object to the Borough's proposals for the downtown commuter parking lot provided they are consistent with this Agreement.

(D) In the event that this Settlement Agreement becomes null and void, then the fast track provisions under Paragraph 2.6 from 2.6.1 to Paragraph 2.6.4 and the negotiated residential development fee of \$7,500.00 per single family unit shall no longer apply.

3.3. Development Application.

3.3.1. Obligation To Submit Development Applications Substantially Consistent With the Concept Plan. Chamberlain shall file and seek Board approval of a subdivision plan application substantially consistent with the design for the development of the Property as represented in the Concept Plan. In light of the Zoning Amendment, the parties do not contemplate that any substantial waivers and/or variances will be necessary to develop the Property in accordance with the Concept Plan. However, the parties acknowledge that Chamberlain has not yet engineered the project and that upon engineering the project and submission of land development application, it may become necessary to seek minor waivers, variances (except use variances) and/or other relief. In such event, the parties acknowledge that Chamberlain shall be entitled to such minor relief as may be necessary to develop the subject Property in accordance with the Concept Plan.

3.3.2. Obligation To Make Affordable Housing Payment. Upon receipt of each certificate of occupancy for the Property and as a condition of the release thereof, Chamberlain shall make a delivery to the Borough of Ho-Ho-Kus a check payable to the Affordable Housing Trust Fund in the amount of \$7,500.00. Notwithstanding any ordinance, COAH regulation or requirement to the contrary, the \$7,500.00 per single family unit shall be Chamberlain's sole obligation regarding the payment of monies to the Borough's Affordable Housing Trust Fund.

3.4 Maple Avenue Property Affordable Unit. Chamberlain and the Borough shall equally share the cost of hiring an experienced affordable housing administrative agent for the long term administration of the Maple Avenue Affordable low income unit, including the filing of a deed restriction, setting rent and rental increases, affirmative marketing, income eligibility determinations, monitoring, etc. pursuant to the UHAC regulations.

4. **MUTUAL OBLIGATIONS.**

4.1 **Mutual Good Faith, Cooperation and Assistance.** The Parties shall exercise good faith, cooperate and assist each other in fulfilling the intent and purpose of this Agreement, including, but not limited to, the approval of this Agreement by the Superior Court, the adoption of the Zoning Amendment and the subdivision approval for the Property, and the defense of any challenge with regard to any of the foregoing.

4.2. **Fairness Hearing.** The Parties acknowledge that the Superior Court will need to conduct a fairness hearing as to the fairness and reasonableness of this Agreement before approving same and the Court will presumably seek the input of the Special Master before making a decision. The Parties agree to share equally in the costs of the Master reviewing this Agreement and making a recommendation at a fairness hearing.

4.3 **Fees of Special Master.** Chamberlain and the Borough/Board agree to equally split the cost of all services invoiced by the Special Master Elizabeth McKenzie, PP. in the Declaratory Judgment Litigation, Chamberlain, Automatic Approval Litigation, including all services necessary and appropriate to conclude the matters set forth in this Agreement. The Borough/Board agree to credit Chamberlain the amount of \$10,831.50 against Chamberlain's 50% share of the Special Master's fee, which credit is equal to the fees paid by Chamberlain for the Board's engineering fees paid for out of Chamberlain's escrow account in connection with the Board's review of a prior subdivision application made by Chamberlain for the Property.

5.0 **Miscellaneous Provisions.**

5.1 **Effective Date of Agreement.** The terms set forth in this Agreement shall become effective upon approval thereof by the Court at a Fairness Hearing duly noticed in accordance with law.

5.2 **Severability.** Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any section, clause or provision of this Agreement shall not affect the validity of the remaining 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.

5.3 **Successors Bound.** The provisions of this Agreement and the obligations and benefits hereunder shall be binding upon and inure to the benefit of the parties, their successors and assigns, including any person, corporation, partnership, or other legal entity which at any particular time may have an interest in any of the provisions which are the subject of this Agreement.

5.4 **Governing Law.** This Agreement shall be governed by and construed by the laws of the State of New Jersey.

5.5 **No Modification.** This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the parties hereto.

5.6 **Counterparts.** 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.

5.7 **Voluntary Agreement.** 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 possesses 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.

5.8 **Preparation.** Each of the parties hereto acknowledges that this Agreement was not drafted by anyone 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 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.

5.9 **Exhibits.** Any and all exhibits annexed to this Agreement are hereby made a part of this Agreement.

5.10 **Entire Agreement.** 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.

5.11 **Notices.** 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 50 pages) Notices shall be served by email. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows:

To Chamberlain:
Chamberlain Developers, Inc.
479 State Route 17 North
Mahwah, New Jersey 07430


To the Borough:
Borough of Ho-Ho-Kus
Attention: Borough Administrator
c/o Borough of Ho-Ho-Kus
333 Warren Avenue
Ho-Ho-Kus, New Jersey 07423

To the Planning Board:
Planning Board of Ho-Ho-Kus
c/o Borough of Ho-Ho-Kus
Attention: Chairman
333 Warren Avenue
Ho-Ho-Kus, New Jersey 07423

IN WITNESS WHEREOF, Chamberlain, The Borough and The Board have caused this Agreement to be properly executed, witnessed and/or attested this 29th day of December, 2016.

CHAMBERLAIN DEVELOPERS, INC.

Witness: _____

By  _____
Dated: 12-29-2016

THE BOROUGH OF HO-HO-KUS

Attest: _____
Laura Borchers, Municipal Clerk

By _____
THOMAS W. RANDALL, Mayor

Dated:

To the Borough:
Borough of Ho-Ho-Kus
Attention: Borough Administrator
c/o Borough of Ho-Ho-Kus
333 Warren Avenue
Ho-Ho-Kus, New Jersey 07423

To the Planning Board:
Planning Board of Ho-Ho-Kus
c/o Borough of Ho-Ho-Kus
Attention: Chairman
333 Warren Avenue
Ho-Ho-Kus, New Jersey 07423

IN WITNESS WHEREOF, Chamberlain, The Borough and The Board have caused this Agreement to be properly executed, witnessed and/or attested this ____ day of _____, 2016.

_____ CHAMBERLAIN DEVELOPERS, INC.

Witness: _____

By _____
Dated: _____

THE BOROUGH OF HO-HO-KUS

Attest: Laura Borchers
Laura Borchers, Municipal Clerk

By Thomas W. Randall
THOMAS W. RANDALL, Mayor

Dated: _____

PLANNING BOARD OF THE
BOROUGH OF HO-HO-KUS

Attest:
Board Secretary

John Carroll
John Carroll
12/21/16

By *John Hanlon*
JOHN HANLON, CHAIRMAN

Dated: *21 Dec 16*

EXHIBIT A

BOROUGH OF HO-HO-KUS
ORDINANCE NO.

AN ORDINANCE TO AMEND CHAPTER 85 OF THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF HO-HO-KUS, 1971 ENTITLED "ZONING" BEING AN ORDINANCE ESTABLISHING A UNIFORM SET OF ZONING REQUIREMENTS; TO ADD AN R-2A SINGLE-FAMILY RESIDENTIAL DISTRICT.

WHEREAS, pursuant to N.J.S.A. 40:55D-62b, the Mayor and Council of the Borough of Ho-Ho-Kus are authorized and empowered to adopt and amend the Zoning Ordinance of the Borough;

WHEREAS, it is the intent and purpose of the Municipal Land Use Law to encourage municipal action to guide the appropriate use or development of all lands in the State, in a manner which will promote the public health, safety, morals, and general welfare;

WHEREAS, pursuant to N.J.S.A. 40:55D-62b, amendments to the zoning ordinance must be either substantially consistent with the land use and housing elements of the Master Plan, as amended and supplemented or designed to effectuate such elements;

WHEREAS, the purpose of the R-2A Zone District is to establish a new zone in connection with a Settlement of Litigation Agreement between the Borough of Ho-ho-kus and Chamberlain Developers, Inc. as part of settlement terms of the Declaratory Judgement Mount Laurel Litigation, by the terms of which the affected properties shall generate the development set forth therein. The affected properties are identified in the Borough of Ho-ho-kus tax maps as Block 802, Lots 1, 2, 3, 4 & 10.

WHEREAS, the purpose of this Zoning Ordinance amendment is to establish specific zoning for the tract identified in the agreement and for the subdivision concept plan arrangement dated 12-13-16 and stipulated bulk criteria contained herein.

WHEREAS, this ordinance also provides that "The Settlement of Litigation Agreement" entered into between the Borough and Chamberlain Developers, Inc. dated December 29, 2016 shall be incorporated herein by reference

and shall be incorporated in any plan approval granted pursuant to this Ordinance.

WHEREAS, the Planning Board, by Resolution dated _____, approved the _____ amendment to the 2013 Master Plan, which includes reference to the continuing needs of the population of the Borough of Ho-Ho-Kus to provide alternate forms of housing; and

WHEREAS, the Mayor and Council have deemed it in the best interest of the Borough to amend the Zoning Ordinance to allow for a new single-family residential zone consistent with the current Master Plan; and

WHEREAS, the Governing Body has reviewed the report of its planner who has recommended the proposed new single-family zone and map to effectuate these changes; and

WHEREAS, upon passage of this Ordinance upon first reading, it shall be referred to the Planning Board for review and confirmation of the proposed amendments to the Zoning Code:

BE IT ORDAINED by the Borough Council, the Borough of Ho-Ho-Kus, County of Bergen, State of New Jersey, as follows:

Section I - Chapter 85 of the Revised General Ordinances of the Borough of Ho-Ho-Kus 1971, as amended, being an Ordinance entitled "Zoning" is hereby amended by adding thereto following section(s) and revising the numbered sections:

1. Article IV entitled "District Regulations", is amended by adding thereto the following new district "**R-2A Single-Family Residential District.**"
2. Article IV entitled "Zoning", Chapter § 85-5 'Zoning Map; Schedule of Requirements' is amended to reflect the designation of Block 802, Lots 1, 2, 3, 4 and 10 as an R-2A Single-Family Residential" Zone District.
3. There is added thereto a new Section entitled "**§ 85-10.1 R-2A Single-Family Residential.**" to read as follows:
§ 85-10.1 R-2A Single-Family Residential District.

The following regulations shall apply in all R-2A Districts:

A. Permitted uses.

- (1) Single-family dwellings and the accessory buildings and uses normally auxiliary thereto.
- (2) Private garages as an accessory building and as regulated by § 85-29 of this chapter.
- (3) Private swimming pools as an accessory structure and as regulated by Chapter 67,

Swimming Pools.

- (4) Municipally owned or operated facilities.
 - (5) Accessory structures including but not limited to detached sheds, cabanas, gazebos, built in barbecue's, carports and canopies.
 - (6) Home occupations as an accessory use and as regulated by § 85-32.1 of this chapter.
- B. Conditional uses requiring a special use permit as provided in Article VIII.
- (1) Public utility facilities or uses.
 - (2) County, state or federal facilities or uses.
- C. Prohibited uses. Any uses other than those uses permitted by Subsection A or B are prohibited.
- D. Minimum lot area and dimensions shall comply with the following standards.
- (1) The lot area shall not be less than 7,500 square feet.
 - (2) The lot frontage shall not be less than 60 feet, except a minimum lot frontage or width can be reduced to a minimum of 20 feet if all of the following is provided:
 - (a) Said lot is developed to be served by a public street for primary roadway access;
 - (b) The lot using this reduced frontage arrangement shall be a reduced frontage lot as configured in the settlement agreement identified herein, although the lots with reduced frontage may be further adjusted subject to the requirements of this zone. Such a reduced frontage configuration is to foster this specific settlement agreement noted in this amendment since the municipality has a long standing prohibition on flag lot arrangements.
 - (c) Served by a paved driveway with a minimum width of 11 feet where serving one lot or a minimum of 16 feet should the driveway serve more than one lot by a shared driveway easement.
 - (d) The depth of the portion of the lot permitted at the reduced lot frontage measured from the front lot line, wherein the width is less than the required lot width of 60 feet, shall be

no greater than 145 feet from the front lot line.

(e) No principal or accessory buildings or structures shall be permitted in this reduced portion (less than 60 feet in width), referenced herein.

(3) The lot width shall not be less than 48 feet.

(4) The lot depth shall not be less than 80 feet.

(5) The front door location on a principal residential structure on a lot in this zone shall not prescribe the identification of a front, rear or side yard.

(6) The area of an easement on a lot, shall not reduce the area of the lot for purposes of calculating the regulatory criteria of this zone.

E. Minimum yard requirements, interior lots.

(1) Front yard depth: 25 feet.

(2) Side yard width: 8 feet, except that side yards adjacent to an existing R-2 lot shall be 10 feet.

(3) Rear yard depth: 25 feet.

F. Minimum yard requirements, corner lots.

(1) Front street yard depth: 25 feet.

(2) Side street yard width: 25 feet.

(3) Interior side yard width: 8 feet, except that side yards adjacent to an existing R-2 lot shall be 10 feet.

(4) Rear yard depth: 25 feet.

G. Minimum open space requirements.

(1) Total lot coverage shall not exceed 30 percent of the total lot area. The total lot coverage can be increased an additional 5 percent only for conforming accessory

buildings.

- (2) Lot coverage by accessory buildings and structures shall not exceed 15% of lot area.
- (3) Total improved lot coverage shall not exceed 60 percent of the area of the lot, except an additional 10 percent is permitted but must use pervious pavement or composition of materials with a rate of permeability that will not result in an increase in runoff from the existing pervious surface conditions. subject to the approval of the designated municipal official. In the case of pavers, the applicant shall show that the pavement materials or a composition of materials are specifically designed for enhanced permeability through the use of wide gaps between pavers or open spaces created by the paving that are filled with gravel (not sand) or of sufficient composition to permit and maintain porosity. In the case of pervious asphalt or concrete, the mix design shall be specifically designed, prepared and installed for high permeability by a firm or firms with experience in the same. Additionally, the applicant must demonstrate there is sufficient soil infiltration below said pervious pavement for the system to function.
- (4) Livable floor area for one-story dwellings shall not be less than 1,000 square feet and 1,500 square feet for multistory dwellings, exclusive of garages, basements, open porches, livable attics and accessory buildings.
- (5) There shall be a minimum of 1,500 square feet of lot area for each bedroom provided in a dwelling.
- (6) First-floor gross floor area of accessory buildings shall not exceed 1,000 square feet per building.
- (7) Swimming pool improved lot coverage exception. A swimming pool is permitted to exceed the maximum improved lot coverage calculation up to a total of 700 square feet. The area of the pool that exceeds the total lot coverage calculation shall be subject to the installation of a seepage tank sized for draining the pool in accordance with the requirements of the Borough Engineer.

H. Maximum floor area ratio. The maximum floor area ratio (FAR) for a principal structure on a lot or lots that make a single tract for development, shall not be more than 40% for the first 10,000 square feet of lot area. The portions of a lot greater than 10,000 square feet the following additional floor area shall be permitted:

- (1) For the area of a lot greater than 10,000 square feet and up to 20,000 square feet, a maximum 20 percent FAR calculation is permitted for such area. This additional floor area shall be added to the total permitted floor area calculated by the FAR for the first 10,000 square feet of lot area.
- (2) For the area of a lot greater than 20,000 square feet, a maximum 10 percent FAR calculation is permitted for such area. This additional floor area shall be added to the total permitted floor area calculated by the FAR for the first 20,000 square feet of lot area as noted herein

The FAR calculations of this section shall exclude the area of a typical two car garage (limited to a maximum of 600 square feet), basements, open porches, attics and accessory buildings. If more than a two car garage is proposed, the area above the two car garage limit shall be added to the FAR calculation.

I. Maximum building height. No principal building shall exceed a height of 35 feet containing no more than 2 1/2 stories. No accessory building shall exceed a height of 25 feet containing no more than 2 stories. The accessory building second story interior floor area where the floor to ceiling height is 5 feet or greater shall not exceed more than 75 percent of the total floor area of the first story of the accessory structure.

J. Detached accessory building and structure setbacks. Minimum distances to the following:

- (1) Principal building and each other: 8 feet.
- (2) Front street: 25 feet.
- (3) Side street: 25 feet.
- (4) Interior lot side line: 5 feet, except that setback adjacent to an existing R-2 lot shall be 10

feet.

- (5) Interior lot rear line: 5 feet, except that setback adjacent to an existing R-2 lot shall be 10 feet.
- (6) Corner lot side line: 5 feet, except that side setback adjacent to an existing R-2 lot shall be 10 feet.
- (7) Corner lot rear line: 5 feet.

- K. Projections into front yard for interior and corner lots. Roofed and unroofed entry platforms and/or associated stoops and steps not exceeding 35 square feet in area shall be permitted in the front yard setback area, provided that, in any single-family zone, such projection shall not extend into the required front yard setback area by more than eight feet.
- L. Retaining walls requirements. The maximum height of a retaining wall is 6 feet. Shall a series of terraced retaining walls be proposed within 10 feet or less, then a landscaped terrace of a minimum width of 4 feet shall be provided. Where a retaining wall is adjacent to a lot line contiguous with the R-2 zone, retaining walls 4 feet or less in height shall have a one foot offset from a contiguous lot line. Should a retaining wall exceed 4 feet in height or if terraced where the adjacent wall is within 10 feet or less from the face of each wall, the closest wall to an adjacent lot line shall be setback a minimum of two feet plus one foot of setback for every one-foot vertical wall height of the closest wall and the setback shall be landscaped for screening.
- M. The right angle or radial lot line requirements contained in §32B-10 A.(5)(b) shall not be applicable to the subdivision of lots in the R-2A zone district.

Section II. VALIDITY-SEVERABILITY If the provisions of any section, subsection, paragraph, subdivision, or clause of this Ordinance shall be held invalid by a court of competent jurisdiction, such judgment shall not affect or invalidate the remainder of this

Ordinance but such judgment shall be confined in its operation to the section, paragraph, subdivision or clause directly involved in the controversy in which said judgment shall have been rendered.

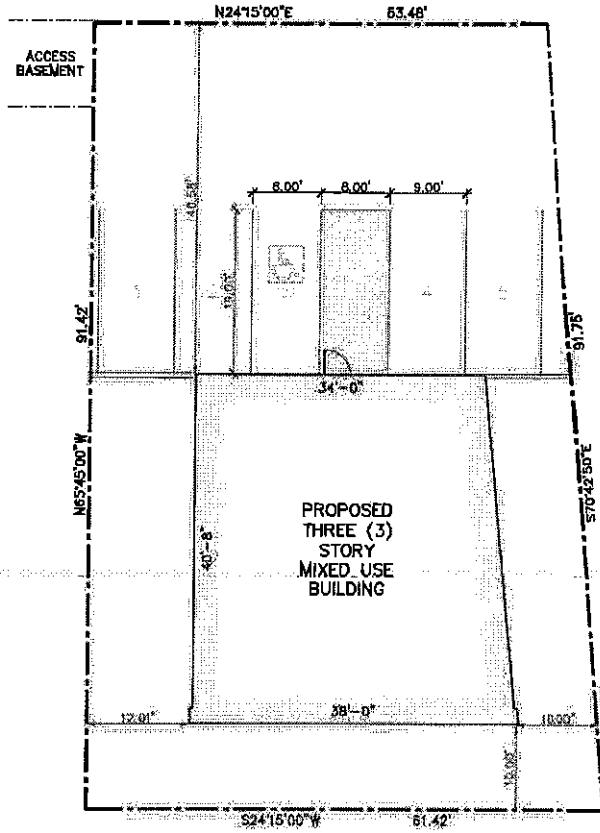
Section III All Ordinances or parts of Ordinances inconsistent with the provisions hereof are hereby repealed.

Section IV This Ordinance shall take effect upon passage as required by law.

Laura Borchers, Borough Clerk, RMC

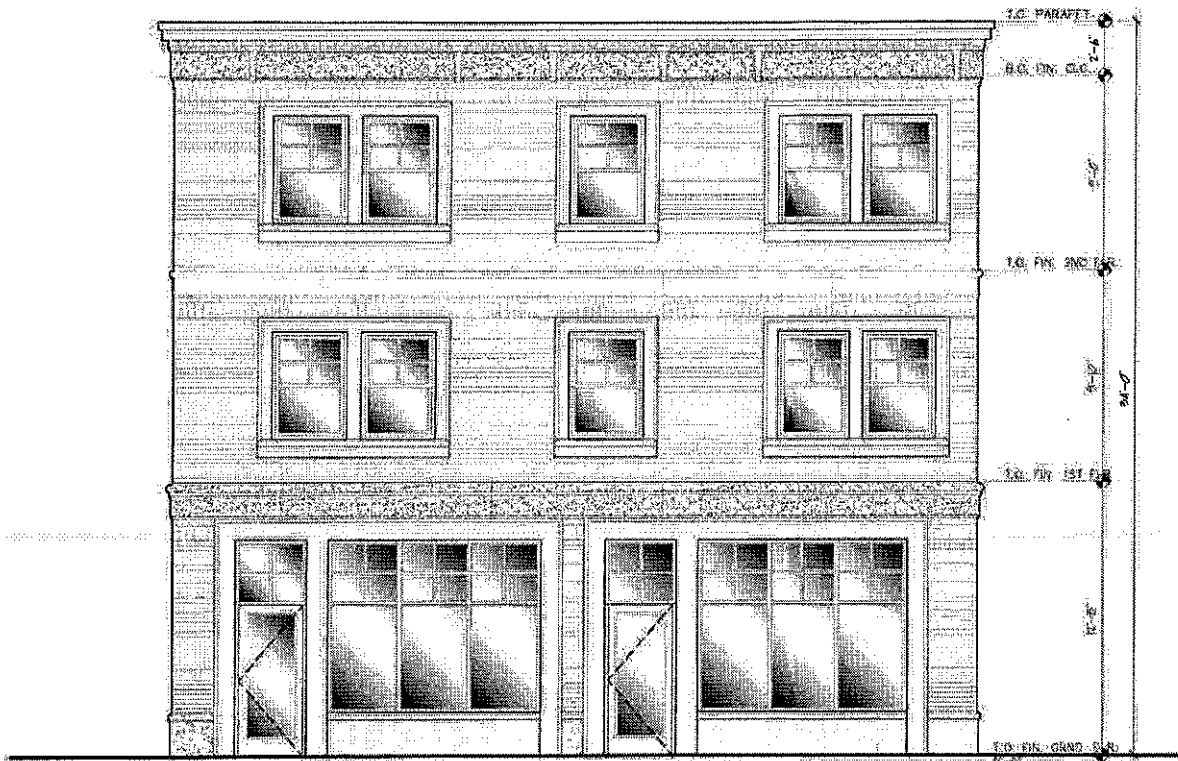
Thomas W. Randall, Mayor

EXHIBIT B



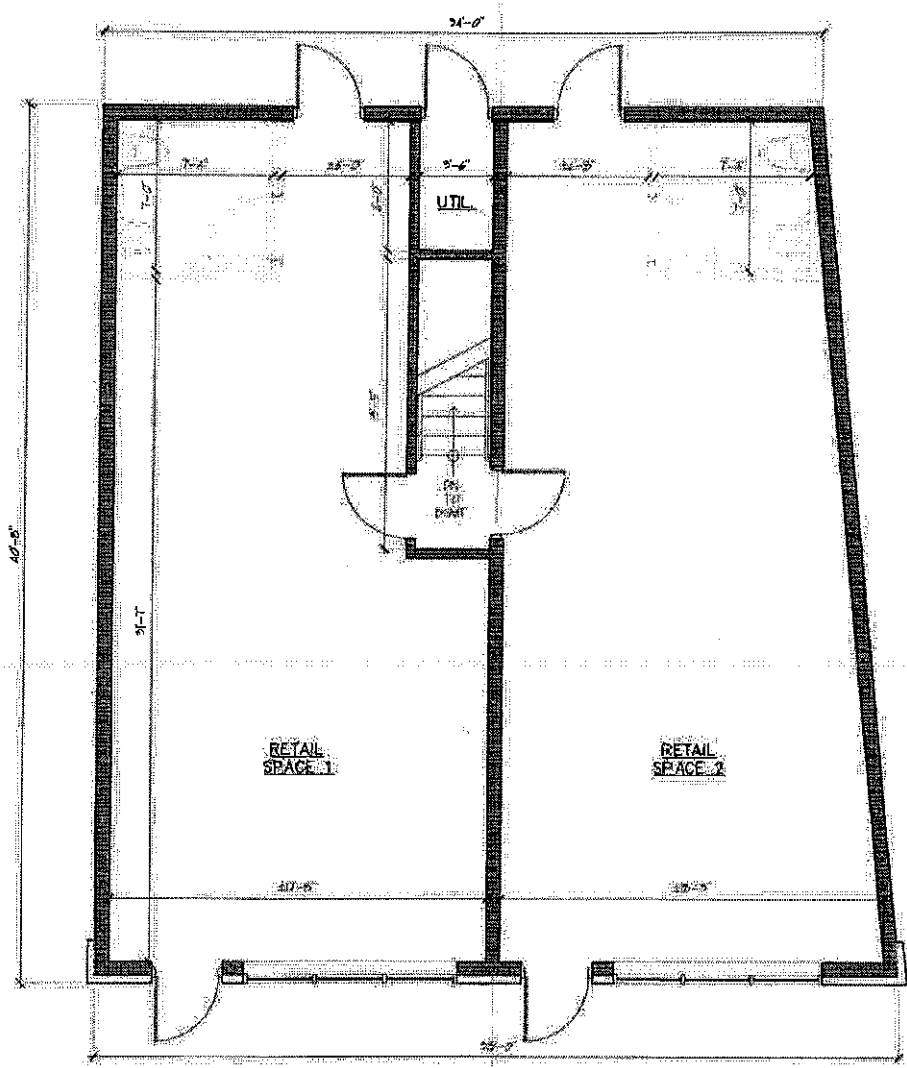
MAPLE AVENUE
(NORTH MAPLE AVEN.)





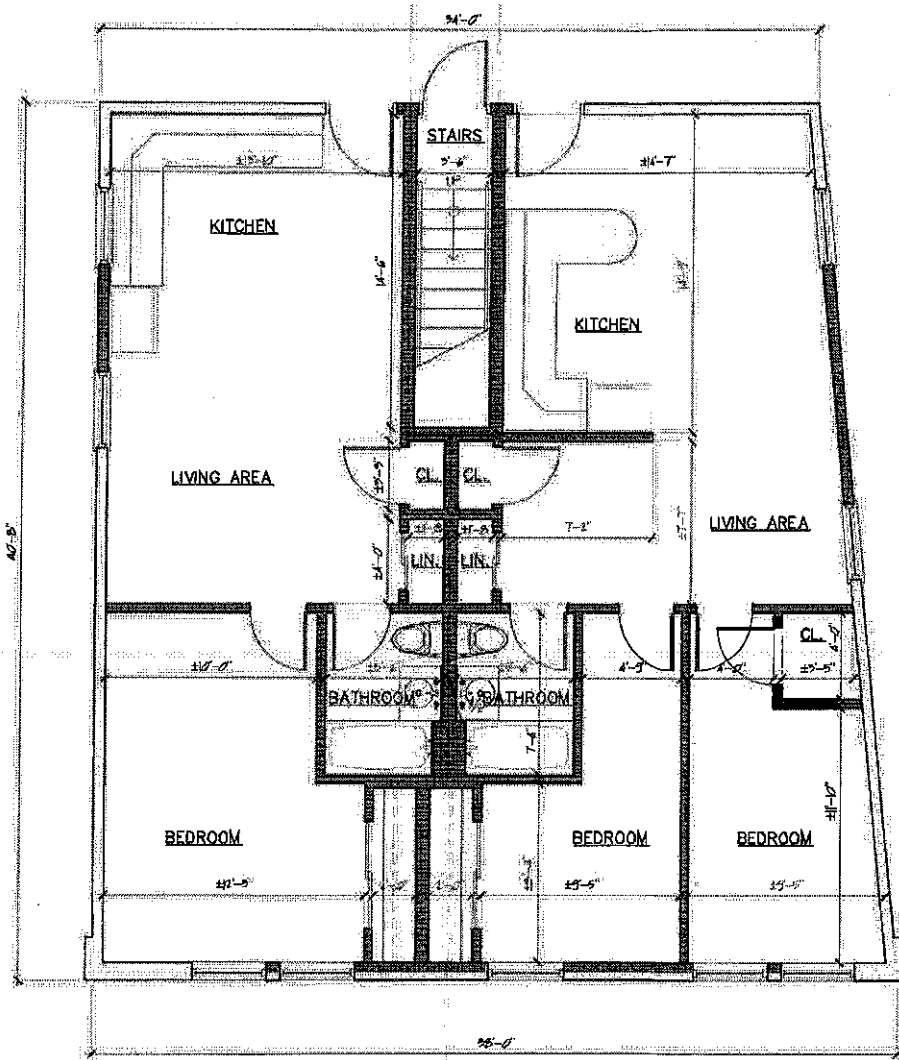
FRONT ELEVATION

SCALE: 1/4"=1'-0"



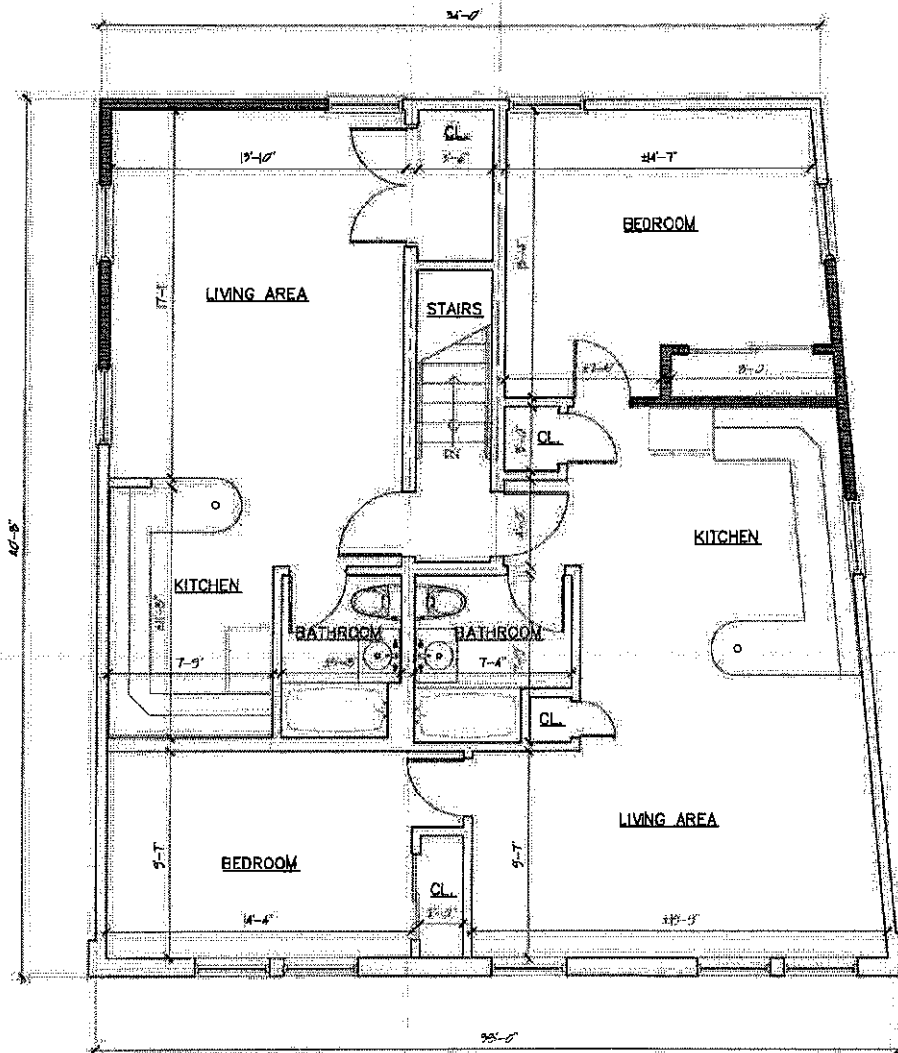
GROUND FLOOR PLAN

SCALE: 1/8" = 1'-0"



SECOND FLOOR PLAN

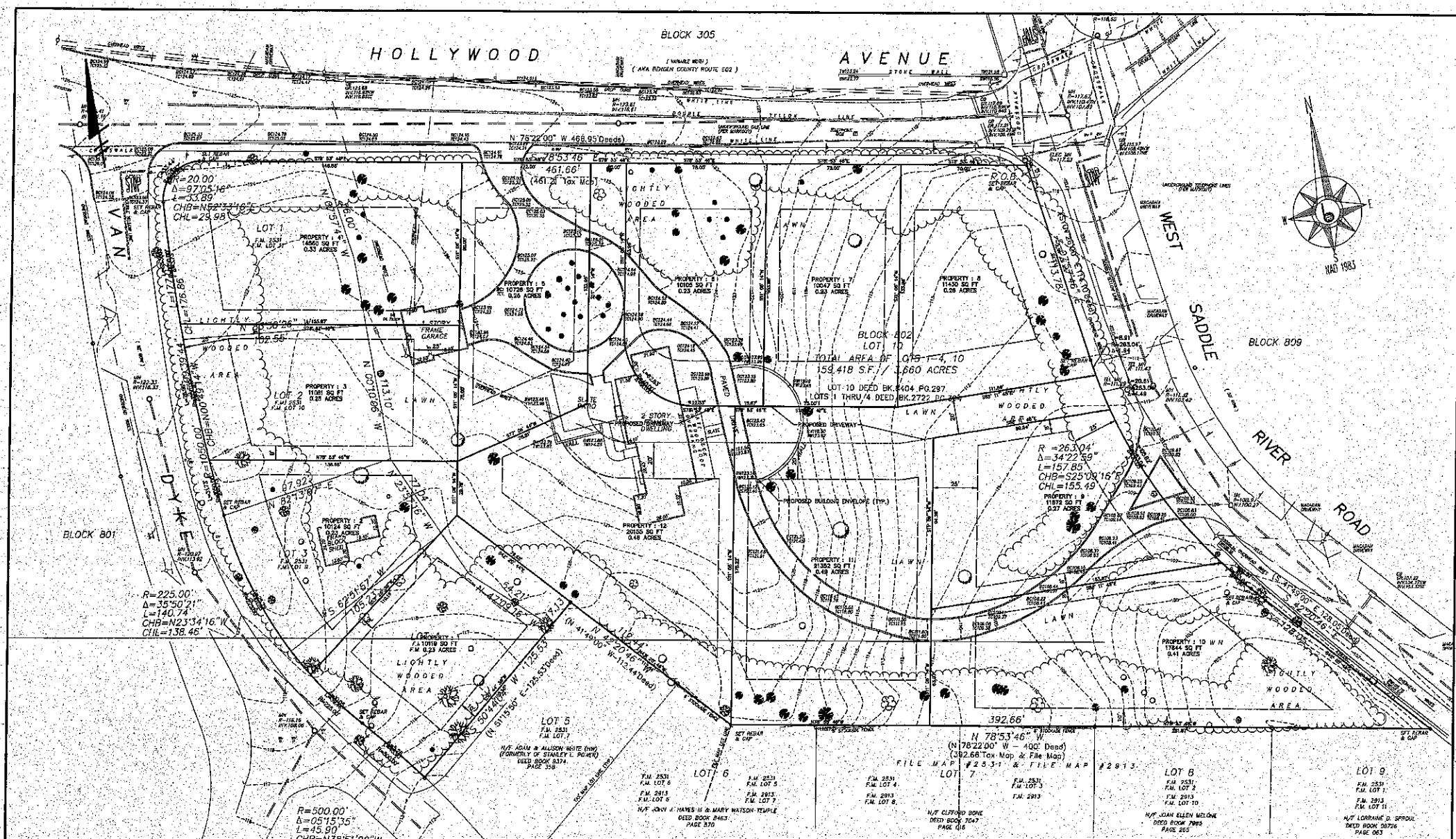
SCALE: 1/4"=1'-0"



THIRD FLOOR PLAN

SCALE: 1/4"=1'-0"

EXHIBIT C



SCHEDULE OF REQUIREMENTS

Zone	District	Minimum Lot Requirements			Minimum Open Space Requirements			Livable Floor Area		Interior Lots					Corner Lots			Detached Accessory Buildings							
		Lot Area (sq. ft.)	Lot Frontage (feet)	Lot Width (feet)	Lot Depth (feet)	Lot Coverage (percent)	Improved Lot Coverage (percent)	Lot Coverage (percent)	One-Story (sq. ft.)	Multi-Story (sq. ft.)	Minimum Floor Area Ratio (percent)	Maximum Building Height (feet)	Front Depth (feet)	Side Width (feet)	Rear Depth (feet)	Front Street Depth (feet)	Side Street Width (feet)	Interior Side Width (feet)	Rear Depth (feet)	Principal Building (feet)	Front Side (feet)	Side Street (feet)	Interior Lot Lines (feet)	Interior Lot Line (feet)	Corner Lot Line (feet)
R-2A	Single-Family Residential	7,500 square feet	60'	48'	80'	30%*	60%*	15%*	1,000	1,500	40*	35/24*	25	8*	25	25	25	8*	25*	8	25	25	5*	5*	5*

NOTES:
 * This Schedule of Requirements is only a summary of the basic zoning requirements for each zone district. It is not complete in that there are requirements applicable to each zone that do not appear here. The text of this chapter must be consulted for the detailed requirements, general provisions, exceptions and modifications.
 Under no circumstances should this schedule be relied upon exclusively in making a zoning analysis.
 † These percentage limitations are to be calculated based upon permitted improved lot coverage, not upon the land area of the lot.
 ‡ Established by Modification Agreement as noted in Ordinance No. (to be added).
 § See §85-10.1 D. (3) for exceptions.
 ¶ See §85-10.1 G. (1) for exceptions pertaining to accessory buildings.
 ** See §85-10.1 G. (2) for exceptions and requirements.
 *** See §85-10.1 H. for adjustments for lot areas over 10,000 square feet.
 **** See §85-10.1 J. (2) and §85-10.1 F. (2) for exceptions for setbacks to lot lines contiguous with R-2 zone.
 ***** See §85-10.1 J. for exceptions for setbacks to lot lines contiguous with R-2 zone.



CONCEPT PLAN
 DATE: 12-13-18
 1"=20'
 #1-113

ZONING

85 Attachment 1

Borough of Ho-Ho-Kus, New Jersey

Schedule of Requirements 1

AMENDMENT TO ADD R-2A ONLY

Zone	District	Minimum Lot Requirements			Minimum Open Space Requirements			Livable Floor Area		Maximum Floor Area Ratio (percent)	Maximum Building Heights (feet/story)	Interior Lots			Corner Lots			Detached Accessory Buildings						
		Lot Area	Lot Frontage (feet)	Lot Width (feet)	Lot Depth (feet)	Lot Coverage (percent)	Improved Lot Coverage (percent)	Lot Coverage Accessory Buildings and Structures ² (percent)	One-Story (square feet)			Multi-story (square feet)	Front Depth (feet)	Side Width (feet)	Rear Depth (feet)	Front Street Depth (feet)	Side Street Width (feet)	Interior Side Width (feet)	Rear Depth (feet)	Principal Building (feet)	Front Side (feet)	Side Street (feet)	Interior Lot Side Lines (feet)	Interior Lot Rear Line (feet)
R-2A ³	Single-Family Residential	7,500 square feet	60 ⁴	48	80	30% ⁵	60% ⁶	15% ⁷	1,000	1,500	40 ⁸	35/2½	25	8 ⁹	25	25	25	25	8	25	25	5 ¹⁰	5 ¹⁰	5 ¹⁰

NOTES:

¹ This Schedule of Requirements is only a summary of the basic zoning requirements for each zone district. It is not complete in that there are requirements applicable to each zone that do not appear here. The text of this chapter must be consulted for detailed requirements, general provisions, exceptions and modifications. Under no circumstances should this schedule be relied upon exclusively in making a zoning analysis.

² These percentage limitations are to be calculated based upon permitted improved lot coverage, not upon the land area of the lot

³ Established by litigation agreement.

⁴ See §85-10.1 D. (2) for exceptions.

⁵ See §85-10.1 G. (1) for exceptions pertaining to accessory buildings.

⁶ See §85-10.1 G. (3) for exceptions and requirements.

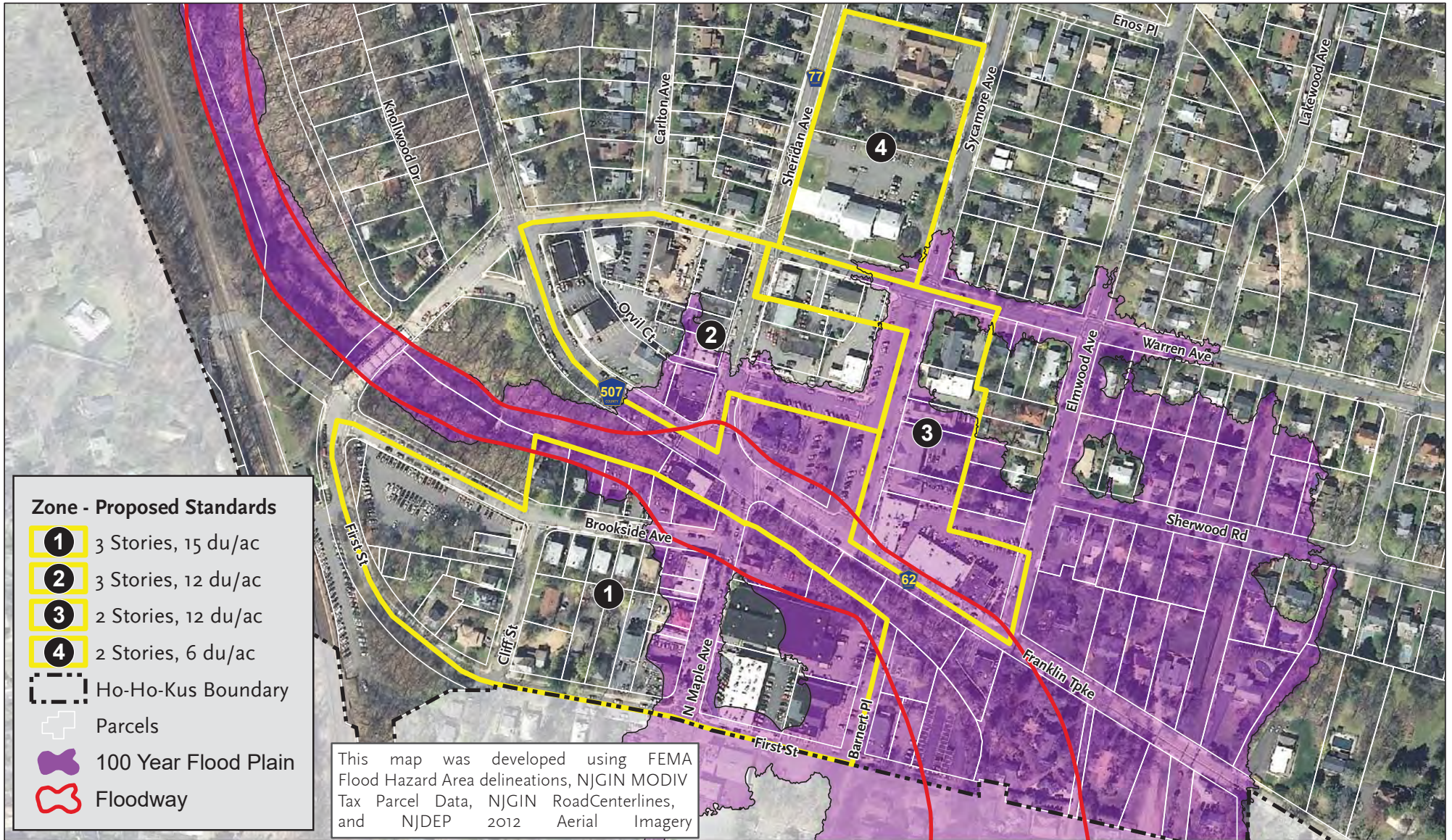
⁷ See §85-10.1 G. (2) for exceptions and requirements.

⁸ See §85-10.1 H. for adjustments for lot sizes over 10,000 square feet.

⁹ See §85-10.1 E. (2) and §85-10.1 F. (3) See exceptions for setbacks to lot lines contiguous with R-2 zone.

¹⁰ See §85-10.1 J. for exceptions for setbacks to lot lines contiguous with R-2 zone.

EXHIBIT B



Proposed Downtown Overlay Inclusionary Zones Addressing Unmet Need

Ho-Ho-Kus Borough, Bergen County, New Jersey

August 24, 2016



Clarke Caton Hintz ● ● ●
 Architecture
 Planning
 Landscape Architecture



APPENDIX C
MAY 16, 2017 AND
DECEMBER 18, 2017
COURT ORDERS

Bryan D. Plocker, Esq. (ID# 028172000)
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459 Amboy Avenue
P.O. Box 648
Woodbridge, New Jersey 07095
(732) 634-6400
Attorneys for Intervenor-Defendant
Chamberlain Developers, Inc.

IN THE MATTER OF THE
APPLICATION OF THE BOROUGH OF
HO-HO-KUS,

Plaintiff/Petitioner.

CHAMBERLAIN DEVELOPERS, INC., a
New Jersey Corporation,

Plaintiff,

v.

BOROUGH OF HO-HO-KUS and
PLANNING BOARD OF THE
BOROUGH OF HO-HO-KUS,

Defendants.

CHAMBERLAIN DEVELOPERS, INC., a
New Jersey Corporation,

Plaintiff,

v.

PLANNING BOARD OF THE
BOROUGH OF HO-HO-KUS,

Defendant.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - BERGEN COUNTY

DOCKET NO. BER-L-6215-15
DOCKET NO. BER-L-4253-15
DOCKET NO. BER-L-5271-15

CIVIL ACTION
(Mount Laurel)

**ORDER APPROVING
SETTLEMENT AGREEMENTS
AFTER FAIRNESS HEARING**

FILED
MAY 16 2017
WILLIAM C. MEEHAN
J.S.C.

THIS MATTER having come before the Court on March 30, 2017 for a Mount Laurel fairness and preliminary compliance hearing on the joint request of Winne, Dooley and Bole, P.C. (David B. Bole, Esq., appearing), attorneys for the Borough of Ho-Ho-Kus; Gary J. Cucchiara, Esq., attorney for the Planning Board of the Borough of Ho-Ho-Kus; Hutt & Shimanowitz, P.C. (Bryan D. Plocker, Esq., appearing), attorneys for Chamberlain Developers, Inc. in Docket Nos. BER-L-6215-15 and BER-L-4253-15; and McDonnell & Whitaker, LLC (Bruce E. Whitaker, Esq., appearing), attorneys for Chamberlain Developers, Inc. in Docket No. BER-L-5271-15; and Price, Meese, Shulman & D'Aminio, P.C. (Gail L. Price, Esq., appearing), attorneys for Jonathan Mechanic d/b/a/ Ho-Ho-Kus Crossing; and Joshua D. Bauers, Esq., attorney for Fair Share Housing Center; and the Borough of Ho-Ho-Kus (the "Borough") having entered into a Settlement Agreement dated December 21, 2016 (the "Fair Share Settlement Agreement") with Fair Share Housing Center ("FSHC"), Chamberlain Developers, Inc. ("Chamberlain") and Jonathan Mechanic d/b/a Ho-Ho-Kus Crossing ("Crossing") in connection with the Mount Laurel declaratory judgment action filed by the Borough on July 1, 2015, Docket No. BER-L-6215-15, in response to the Supreme Court's decision in In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015); and the Borough and the Planning Board of the Borough of Ho-Ho-Kus (the "Planning Board") having entered into a Settlement of Litigation Agreement dated December 29, 2016 with Chamberlain in connection with actions filed by Chamberlain pursuant to Section 317 of the New Jersey Fair Housing Act, Docket No. BER-L-4253-15, and the automatic approval provisions of the New Jersey Municipal Land Use Law, Docket No. BER-L-5271-15 (the "Chamberlain Settlement Agreement"); and notice of the fairness hearing having been published and served as set forth in the Certification of Public Notice of David B. Bole, Esq., which was submitted to the Court; and the Court having reviewed the settlement

agreements; and the Court having considered the Statement of Objections and Comments With Respect to Proposed Settlement filed by Robert J. Inglima, Jr., Esq., attorney for members of the public Clifford Bone, Silvia Bone, Edward De Bruyn, Randi De Bruyn, John J. Hayes, III, Mary W. Hayes, Matthew W. Westfall and Allison W. Westfall; and the Court having considered the testimony of Mary Beth Lonergan, PP, AICP, affordable housing planner for the Borough, which summarized the preliminary compliance determination established in the Fair Share Settlement Agreement of the Borough's 30-unit Realistic Development Potential ("RDP") and 248-unit unmet need and the Borough's proposed preliminary compliance efforts to address the RDP and unmet need and the recommendations of Special Master Elizabeth C. McKenzie, A.I.C.P., P.P. as set forth in a letter report dated March 27, 2017 and in oral testimony recommending that the Court approve the agreements and the Borough's preliminary compliance plan; and the Court having considered the testimony of the foregoing witnesses as set forth in the record; and the Court having considered comments by counsel for the settling parties; and good cause having been shown;

IT IS ON THIS 16th DAY OF May 2017 ORDERED THAT:

1. The Fair Share Settlement Agreement and Chamberlain Settlement Agreement are hereby determined to be fair to the interests of lower income persons who are the beneficiaries of Mount Laurel litigation consistent with standards articulated by the Appellate Division in East/West Venture v. Borough of Fort Lee, 286 N.J. Super 311 (App. Div. 1996), and in other decisions, subject to the following clarification:

a. Sections 2.1.2, 2.2.2, 2.3.2 and, 3.2(A) of the Chamberlain Settlement Agreement, which provides for the potential rezoning of property owned by Chamberlain at the

direction of the Court-appointed Special Master, shall be interpreted to mean that any such rezoning shall be done by the Court upon the recommendation of the Special Master;

b. Notwithstanding Paragraph 14 of the FSHC Agreement, the parties agree that the Borough shall have until September 30, 2017 to adopt the redevelopment plan and/or rezoning of the Downtown Commuter Parking Lot, as required by Section 2.2.1 of the Chamberlain Settlement Agreement;

2. In order for the Borough to obtain a final judgment of compliance and repose, the Borough shall comply with the Required Elements of Final Affordable Housing Compliance Plan attached hereto as Exhibit A, which was also attached by the Special Master to her letter report dated March 27, 2017;

3. After the Borough satisfies all of its obligations under the Fair Share Settlement Agreement and Chamberlain Settlement Agreement, the Borough must adopt and submit to the Court the Borough's final Housing Element and Fair Share Plan, after which the Court will schedule a hearing to determine whether the Borough is entitled to a final judgment of compliance and repose;

4. The Borough's immunity from builders remedy and other exclusionary zoning lawsuits is hereby extended through December 31, 2017, as per the parties' agreement;

5. Chamberlain's Section 317 litigation, Docket No. BER-L-4253-15, be and hereby is dismissed **without prejudice**; and

6. Chamberlain's automatic approval litigation, Docket No. BER-L-5271-15, be and hereby is dismissed **without prejudice**; and

7. Pursuant to the Fair Share Settlement Agreement, the Borough's present need of rehabilitation share is 7, the Borough's prior round obligation is 83 and the Borough's third round "Gap" and prospective need is 195.

8. Pursuant to the Fair Share Settlement Agreement, the Borough's Realistic Development Potential ("RDP") is 30 and unmet need is 248.

9. The Borough has proposed to adopt a satisfactory plan to address its 30-unit RDP and 248-unit unmet need.

10. A true copy of this Order shall be served on the Special Master and all counsel within 7 days of receipt.


HON. WILLIAM C. MEEHAN, J.S.C (Ret., On Recall)

EXHIBIT A

ELIZABETH C. MCKENZIE, P.P., P.A.

REQUIRED ELEMENTS OF FINAL AFFORDABLE HOUSING COMPLIANCE PLAN
Borough of Ho-Ho-Kus, Bergen County
March 27, 2017

1. The Borough will need to prepare a final Housing Element and Fair Share Plan that complies with all statutory requirements for the preparation of a Housing Element and Fair Share Plan.

The Plan will need to include, for example, consideration of any site that may have been proposed for inclusionary residential development but that was not included in the Plan (and the reasons therefor).

Moreover, a full analysis of the suitability of each proposed inclusionary and/or 100 percent affordable housing site that is included in the Plan, as well as the applicable density and set-aside in each case, must be provided as part of the final Plan.

For new inclusionary rental units proposed in the Plan, evidence of a firm commitment on the part of the developer to create affordable rental units must be submitted.

All of the applicable terms of the executed settlement agreement with FSHC should be referenced, and compliance with each of its terms demonstrated, as part of the Plan.

The final Housing Element and Fair Share Plan, once reviewed by the Special Master, must be adopted and submitted to the Court for approval as part of the final Judgment of Compliance and Repose.

2. The Fair Share Plan portion of the Plan must also be prepared, reviewed by the Special Master for compliance with the terms of the executed settlement agreement, the Fair Housing Act and the UHAC regulations, and then adopted and submitted to the Court prior to the entry of an Order granting a final Judgment of Compliance and Repose. The Fair Share Plan is a document that includes all of the proposed Ordinances and Resolutions needed to implement the Plan, including zoning amendments, an Affordable Housing Ordinance, a Development Fee Ordinance, an Affirmative Marketing Plan, a Rehabilitation Program description and Manual, a Spending Plan, a resolution of intent to fund any shortfall in

ELIZABETH C. MCKENZIE, P.P., P.A.

the costs of municipally sponsored affordable housing programs, resolutions appointing an Administrative Agent and a Municipal Affordable Housing Liaison, a resolution adopting the Housing Element and Fair Share Plan (Planning Board) and a resolution endorsing the Housing Element and Fair Share Plan (Governing Body).

3. In Ho-Ho-Kus' case, the Fair Share Plan must also include, with respect to the 100 percent affordable housing development, if applicable, all of the programmatic information required in paragraph 8 of the FSHC settlement agreement, to wit: the requirement for the submission, as an attachment to the Fair Share Plan, of a construction implementation schedule, or timetable, for each step in the development process, including the preparation of a site plan where applicable, granting of municipal approvals, applications for State and Federal permits, selection of a contractor, and start of construction, as well as the identity of the entity that will be undertaking and monitoring the construction and overall development activity.

Additionally, as required in paragraph 8. of the settlement agreement, the Fair Share Plan must provide evidence of an adequate and stable source of funding for the municipally sponsored 100 percent affordable housing development, if applicable, and the submission of a pro forma, documentation of available funding to the municipality and/or project sponsor, including any pending applications for funding, and a commitment to provide a stable alternative source, such as municipal bonding, in the event that a pending application for funding is not approved.

Should redevelopment or rezoning of the train station site with an inclusionary residential project be selected as the approach to providing the 13 affordable units attributable to the train station site instead, the adoption of the Redevelopment Plan or zoning amendment shall occur within 180 days of the Court's entry of the Order approving the Fairness of the Settlement and granting Preliminary Approval of the Borough's Compliance Plan (regardless of the timing of the final Compliance Hearing) and shall be submitted to the Special Master for review and to the Court for approval as a condition of the final Judgment.

If a Redevelopment Plan is to be adopted (rather than a zoning amendment), it shall be accompanied by a firm timetable for the selection of the redeveloper, the execution of a redevelopment

ELIZABETH C. MCKENZIE, P.P., P.A.

agreement and, if applicable, the execution of a financial agreement so as to enable the train station site to be shovel ready within ten (10) months of the entry of the final Judgment.

4. A Spending Plan must be prepared, submitted to the Special Master for review and comment, adopted by the Planning Board as part of the Fair Share Plan and by the Borough Council as a separate action, and submitted to the Court for approval before the Borough will be permitted to expend any funds from its Affordable Housing Trust Fund. The Spending Plan must include specific programs for affordability assistance and for very low income affordability assistance.

5. All proposed inclusionary and 100 percent affordable housing development zoning and redevelopment plan amendments must be prepared, reviewed by the Special Master, adopted in accordance with the timetables set forth in the FSHC settlement and the Chamberlain settlement, as applicable, and submitted to the Court prior to the entry of an Order granting a final Judgment of Compliance and Repose, except as specifically provided in paragraph 3. above with respect to the train station Redevelopment Plan, if applicable.

6. The Borough will need to prepare and adopt (after review by the Special Master and FSHC) a new Affordable Housing Ordinance that reflects all provisions of the settlement agreement as well as applicable UHAC and COAH Rules. In addition, an Affirmative Marketing Plan Resolution consistent with the terms of the settlement agreement must be prepared and adopted. These documents must be prepared, reviewed by the Special Master, and adopted and submitted to the Court prior to the entry of an Order granting a final Judgment of Compliance and Repose.

7. The Borough's existing Development Fee Ordinance should be included in the Appendices to the Fair Share Plan, if it is up to date. If it is not, then the Development Fee Ordinance must be revised, reviewed by the Special Master, and adopted and submitted to the Court prior to the entry of an Order granting a final Judgment of Compliance and Repose.

8. The Borough will need to contract with one or more outside Administrative Agents, responsible to the Borough but paid for by the owners of the affordable housing units created in the Borough, to administer the affordability controls on all of the low and moderate income units that have been or will be created

ELIZABETH C. MCKENZIE, P.P., P.A.

in the Borough. This must be accomplished and submitted to the Court prior to the entry of an Order granting a final Judgment of Compliance and Repose.

Upon its timely compliance with all of the foregoing and approval of the final submission by the Court, I believe that Ho-Ho-Kus will be entitled to a final Judgment of Compliance and Repose through July 1, 2025.

PREPARED BY THE COURT

: SUPERIOR COURT OF NEW JERSEY
: LAW DIVISION: BERGEN COUNTY
: DOCKET NO. BER L-4253-15

IN THE MATTER IF THE : CIVIL ACTION
APPLICATION OF : (MOUNT LAUREL)
BOROUGH OF HO-HO-KUS : CONDITIONAL JUDGMENT OF COMPLIANCE
: AND REPOSE

THIS MATTER having been opened to the court on December 18, 2017, by Winne, Dooley and Bole, David B. Bole, Esq. appearing, attorneys for the Borough of Ho-Ho-Kus, hereinafter "Borough;" and Joshua Bauers, Esq., on behalf of the Fair Share Housing Center; and Gary J. Cucchiara, Esq., appearing on behalf of the Borough Planning Board; Robert J. Inghima, Esq. on behalf of Sylvia Bone, Edward DeBruyn, Randi DeBruyn, John Hayes, Mary Hayes, Matthew Westfall and Alison Westfall; Bryan D. Plocker, Esq., Hutt & Shimanowitz, P.C., appearing on behalf of intervenor-defendant, Chamberlain Developers, Inc.; Gail L. Price, Esq., Price Meese Shulman & D'Arminio, P.C., appearing on behalf of defendants-intervenors Jonathan Mechanic, "Ho-Ho-Kus Crossing;" and Mary Beth Lonergan, Borough Affordable Housing Administrator; and

It appearing no objections have been filed to the proceedings;

And it appearing to the court that the Borough adopted a Housing Element and Fair Share Plan dated July 20, 2017 (the "Plan");

And the court having set a date of March 30, 2017 for a Fairness and Compliance Hearing to entertain approval of the Plan and to determine whether said Plan is fair, reasonable and adequately protects the interest of low and moderate income households;

And the Borough having provided proper publication and service of the actual Notice of Fairness and Compliance Hearing and no objections having been received;

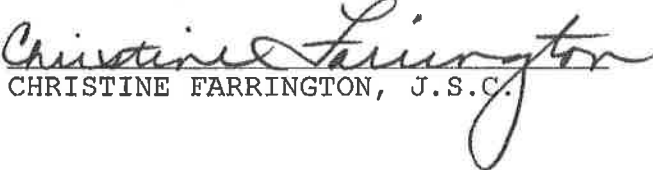
And the court having appointed Special Master Elizabeth C. McKenzie, P.P., A.I.C.P., previously accepted as an expert, and the Special Master having submitted a Master's Report to the court dated December 13, 2017 marked McKenzie-1 in Evidence, and the court having considered the testimony and exhibits taken at said Hearing;

IT IS HEREBY ORDERED AND ADJUDGED THIS 18th DAY OF DECEMBER, 2017 as follows:

1. The court finds and determines that the Plan is fair, reasonable and adequately protects the interests of low and moderate income households, and the court hereby approves the Plan, the terms and conditions of which are hereby incorporated by reference.

2. The court hereby grants the Borough a Conditional Judgment of Compliance and a Conditional Judgment of Repose which will afford the Borough, among other things, protection from any builder remedy lawsuits brought pursuant to the "Mount Laurel Doctrine" until July 1, 2025, provided the Borough complies with all of the eight recommended requirements of the Master's Report which is incorporated herein within 120 days from the date hereof. The Borough shall submit a Spending Plan, Affirmative Marketing Plan, Affordable Housing Ordinance and other administrative documents set forth in the Master's Report.
3. Immunity is extended 120 days from this day to April 17, 2018.
4. On or before April 17, 2018, the Borough may submit a certification to Special Master McKenzie, certifying that all conditions for a Final Judgment of Compliance and Final Judgment of Repose have been met.
5. Upon receipt of said certification by the Borough and upon the Special Master's verification of same, the Special Master shall advise the court in writing and a Judgment of Compliance and Judgment of Repose without conditions shall be entered by the court.

The Court provides a copy of this Order to all counsel of record on this date via eCourts Civil. Movant is directed to serve a copy of this Order within seven days of the date hereof on all parties not served electronically.


CHRISTINE FARRINGTON, J.S.C.

ELIZABETH C. MCKENZIE, P.P., P.A.

ITEMS REMAINING TO BE FULFILLED AND CORRECTIONS TO ADOPTED
DOCUMENTS FOR FINAL AFFORDABLE HOUSING COMPLIANCE PLAN
Borough of Ho-Ho-Kus, Bergen County
December 13, 2017

1. The Borough will need to prepare a final Housing Element and Fair Share Plan that complies with all statutory requirements for the preparation of a Housing Element and Fair Share Plan.

Prepared and adopted.

Recommendation (and agreement by the Borough) to add, on pages 19-21, after the language describing how each of the three inclusionary/100 percent affordable projects will comply with the 30 year affordability controls set forth in the Second Round Rules, the words "and UHAC" as well as the following language: "and will also comply with all other UHAC requirements, except as modified by the terms of the Settlement Agreement with Fair Share Housing Center, and with the requirements of the Borough's Fair Share Affordable Housing Ordinance.

As the Borough is no longer proposing a municipally-funded rental rehabilitation program and is seeking a waiver of the requirement to make a rehabilitation program available to rental units, the Housing Element and Fair Share Plan will need to be amended to eliminate all references to this mechanism, including repealing and removing Resolution 17-80 from the Appendices, and to address, instead, the waiver.

The Plan will need to include...consideration of any site that may have been proposed for inclusionary residential development but that was not included in the Plan (and the reasons therefor).

I did not see any discussion of the reasons why two sites that were proposed for inclusionary zoning were not included in the Plan. The Borough has agreed to add a discussion of its reasons for excluding the Wearimus Road tract and Chamberlain's Hollows tract as inclusionary residential development sites.

Moreover, a full analysis of the suitability of each proposed inclusionary and/or 100 percent affordable housing site that is

ELIZABETH C. MCKENZIE, P.P., P.A.

included in the Plan, as well as the applicable density and set-aside in each case, must be provided as part of the final Plan.

I did not see an analysis of site suitability for the Maple Avenue inclusionary site. The Borough has agreed to add this analysis. The analyses presented for The Crossings and the municipally sponsored 100 percent affordable site are acceptable.

For new inclusionary rental units proposed in the Plan, evidence of a firm commitment on the part of the developer to create affordable rental units must be submitted.

Addressed via the FSHC settlement agreement, which both Chamberlain and The Crossings signed. This is acceptable.

All of the applicable terms of the executed settlement agreement with FSHC should be referenced, and compliance with each of its terms demonstrated, as part of the Plan.

The Borough has agreed to include a matrix identifying where in the Plan compliance with each of the terms of the FSHC settlement agreement are addressed. This is an acceptable approach.

2. The Fair Share Plan portion of the Plan (in Ho-Ho-Kus' case, the Appendices to the Housing Element and Fair Share Plan) must also be prepared, reviewed by the Special Master for compliance with the terms of the executed settlement agreement, the Fair Housing Act and the UHAC regulations, and then adopted and submitted to the Court prior to the entry of an Order granting a final Judgment of Compliance and Repose. The Fair Share Plan is a document that includes all of the proposed Ordinances and Resolutions needed to implement the Plan, including zoning amendments, an Affordable Housing Ordinance, a Development Fee Ordinance, an Affirmative Marketing Plan, a Rehabilitation Program description and Manual, a Spending Plan, a resolution of intent to fund any shortfall in the costs of municipally sponsored affordable housing programs, resolutions appointing an Administrative Agent and a Municipal Affordable Housing Liaison, a resolution adopting the Housing Element and Fair Share Plan (Planning Board) and a resolution endorsing the Housing Element and Fair Share Plan (Governing Body).

Other than the requirement for a Rental Rehabilitation Program description and Manual, from which the Borough seeks a waiver

ELIZABETH C. MCKENZIE, P.P., P.A.

(which has been agreed to by FSHC and recommended by the Special Master), all required documents have been prepared, adopted and submitted. However, see further refinements recommended and agreed to by the Borough below.

3. In Ho-Ho-Kus' case, the Fair Share Plan must also include, with respect to the 100 percent affordable housing development...all of the programmatic information required in paragraph 8 of the FSHC settlement agreement, to wit: the requirement for the submission, as an attachment to the Fair Share Plan, of a construction implementation schedule, or timetable, for each step in the development process, including the preparation of a site plan where applicable, granting of municipal approvals, applications for State and Federal permits, selection of a contractor, and start of construction, as well as the identity of the entity that will be undertaking and monitoring the construction and overall development activity.

Submitted (Appendix H of the Housing Element and Fair Share Plan).

Additionally, as required in paragraph 8. of the settlement agreement, the Fair Share Plan must provide evidence of an adequate and stable source of funding for the municipally sponsored 100 percent affordable housing development, if applicable, and the submission of a pro forma, documentation of available funding to the municipality and/or project sponsor, including any pending applications for funding, and a commitment to provide a stable alternative source, such as municipal bonding, in the event that a pending application for funding is not approved. ***A detailed pro forma and pending applications for funding or anticipated sources of funding have not yet been prepared. The Resolution of Intent to Fund Shortfall needs to be modified to add a timing commitment for bonding. The two paragraphs that permit the municipality to explore all other available funding resources before committing to bond are too open-ended to satisfy the timing requirements of the Settlement Agreement.***

Should redevelopment or rezoning of the train station site with an inclusionary residential project be selected as the approach to providing the 13 affordable units attributable to the train station site instead, the adoption of the Redevelopment Plan or zoning amendment shall occur within 180 days of the Court's entry

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of the Order approving the Fairness of the Settlement and granting Preliminary Approval of the Borough's Compliance Plan (regardless of the timing of the final Compliance Hearing) and shall be submitted to the Special Master for review and to the Court for approval as a condition of the final Judgment.

This is no longer applicable, as the Borough has elected to do the 100 percent affordable project to obtain the 13 units it needs at the train station site instead of the inclusionary redevelopment project. The Borough had retained the right to exercise this option in the FSHC settlement agreement.

If a Redevelopment Plan is to be adopted (rather than a zoning amendment), it shall be accompanied by a firm timetable for the selection of the redeveloper, the execution of a redevelopment agreement and, if applicable, the execution of a financial agreement so as to enable the train station site to be shovel ready within ten (10) months of the entry of the final Judgment.

For the reasons stated above, this is no longer applicable.

4. A Spending Plan must be prepared, submitted to the Special Master for review and comment, adopted by the Planning Board as part of the Fair Share Plan and by the Borough Council as a separate action, and submitted to the Court for approval before the Borough will be permitted to expend any funds from its Affordable Housing Trust Fund. The Spending Plan must include specific programs for affordability assistance and for very low income affordability assistance.

The Spending Plan has been prepared and adopted. In general, the Spending Plan is well done, but the schedule for payments to support the construction of the municipally sponsored project does not appear to be consistent with the requirement for a shovel ready project by the end of 2019. The expenditure schedule will need to be adjusted to work with the schedule for construction and delivery of these units. There are a few other editorial changes that need to be made to the Spending Plan, which we have supplied to the Borough, and the Borough has agreed to make.

5. All proposed inclusionary and 100 percent affordable housing development zoning and redevelopment plan amendments must be prepared, reviewed by the Special Master, adopted in accordance

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with the timetables set forth in the FSHC settlement and the Chamberlain settlement, as applicable, and submitted to the Court prior to the entry of an Order granting a final Judgment of Compliance and Repose, except as specifically provided in paragraph 3. above with respect to the train station Redevelopment Plan, if applicable.

The necessary inclusionary zoning changes, including the Downtown Overlay Ordinance targeted at addressing the Unmet Need, have been prepared and adopted in timely fashion. I have reviewed them, and they are acceptable and comply with the terms of the FSHC and Chamberlain agreements. I have not yet seen a draft or adopted version of Ordinance 2017-11, rezoning the train station site for the 100 percent affordable project.

6. The Borough will need to prepare and adopt (after review by the Special Master and FSHC) a new Affordable Housing Ordinance that reflects all provisions of the settlement agreement as well as applicable UHAC and COAH Rules.

The Affordable Housing Ordinance needs some revisions. These have been conveyed to the Borough, and the Borough has agreed to make them. The major changes relate to: a) the need to add regulations providing for annual updates to regional household income limits and annual increases in sales prices and rent levels to compensate for the fact COAH no longer provides this service; and b) the need to incorporate the monitoring and reporting requirements pertaining to annual trust fund activity, annual affordable housing implementation, three year look-back on very low income housing, and midpoint (July 1, 2020) realistic opportunity review, consistent with the terms of the FSHC settlement agreement. Additionally, I am requesting that the Borough add language to Section 2.1 of the Ordinance that states its applicability to both inclusionary developments and 100 percent affordable projects even if funded with low income tax credit financing.

In addition, an Affirmative Marketing Plan Resolution consistent with the terms of the settlement agreement must be prepared and adopted.

The Affirmative Marketing Plan does not currently include provisions for the direct notification to certain entities of the

ELIZABETH C. MCKENZIE, P.P., P.A.

availability of affordable housing units in Ho-Ho-Kus, consistent with the terms of the FSHC settlement agreement. The Borough has agreed to correct this.

7. The Borough's existing Development Fee Ordinance should be included in the Appendices to the Fair Share Plan, if it is up to date. If it is not, then the Development Fee Ordinance must be revised, reviewed by the Special Master, and adopted and submitted to the Court prior to the entry of an Order granting a final Judgment of Compliance and Repose.

The Development Fee Ordinance needs to be updated to reflect the Court's rather than COAH's jurisdiction. The Borough has agreed to amend the Ordinance to reflect the Court's jurisdiction.

8. The Borough will need to contract with one or more outside Administrative Agents, responsible to the Borough but paid for by the owners of the affordable housing units created in the Borough, to administer the affordability controls on all of the low and moderate income units that have been or will be created in the Borough.

This has been accomplished. The contract with Piazza and Associated for Administrative Agent services is not included in the Appendices to the Housing Element and Fair Share Plan, but I have received a separate copy of it, and it is acceptable.

The Borough has submitted its Ordinance creating the position of Municipal Housing Liaison and a Resolution appointing a municipal employee to fill that position.

In sum, I believe that the Borough has moved mountains to prepare and adopt the documents required of it. I would recommend the grant of a conditional Judgment of Compliance and Repose giving the Borough another 100 days to amend the adopted documents, as noted herein, submit them to the Special Master for review and recommendation, and then submit them to the Court along with a proposed form of final Judgment of Compliance and Repose.



APPENDIX D

PIAZZA AND ASSOCIATES

ADMINISTRATIVE AGENT

PROPOSAL, CONTRACT, AND

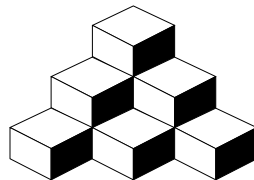
AUTHORIZING RESOLUTIONS

Proposal to Provide
Affordable Housing
Compliance Services
submitted to the
Borough of Ho-Ho-Kus

by

Piazza & Associates
Affordable Housing Services

July 18, 2017



BACKGROUND

There are various very low-, low- and moderate- income, rental homes that are planned to be developed in the Borough of Ho-Ho-Kus (the "Borough") to help the Borough satisfy its affordable housing obligation as defined by the New Jersey New Jersey Fair Housing Act ("NJFHA"), as regulated by N.J.A.C. 5:80-26.1 et seq., the uniform Housing Affordability Controls ("UHAC"), well as applicable state and local laws, rules, ordinances and regulations (hereafter, collectively referred to as the "Regulations"). Among other things, the Regulations govern the maximum rental rates and income limits of the renters, and compliance to fair housing and marketing of the affordable units.

The Borough is seeking an experienced, qualified agency or entity to serve as an Administrative Agent on its behalf. By way of this document, Piazza & Associates, Inc. ("P&A"), an experienced firm that provides such affordable housing services, proposes to establish the maximum rental rates, review and approve the income of the applicants, and ensure compliance to the Affirmative Marketing Plan ("AMP") in order to certify to the Borough that the restricted units are in compliance with the Regulations, thereby assuring the Borough that it will receive proper credit for the very low-, low- and moderate- income units towards its affordable housing obligation.

In addition, the Borough is establishing a Rental Rehabilitation Program that will be managed by a Rehabilitation Program Consultant ("RPC") that requires limited support services of the Administration Agent, which P&A will provide under this proposal.

SCOPE OF SERVICES

Specifically, Piazza & Associates will provide the following services under this proposal.

A) Preliminary Application Services

1. P&A will develop a complete set of application documents specifically designed to meet the requirements of the Regulations, including a Preliminary Application for Affordable Housing, an Application for Affordable Housing, Employer Verification Form, Landlord Verification Form, Gift Verification Form and other such forms as may be required.
2. P&A will mail out Preliminary Applications and answer questions, via telephone and e-mail, as required.
3. P&A will collect all of the Preliminary Applications, and process such applications as necessary, keeping a complete record of the information, and responding to all applicants appropriate to their submission.

4. P&A will provide to the Borough, the Owners and Managers a lists of available pre-qualified applicants by unit type as needed.
5. Upon notification that units are or will be available, P&A will send notices and final applications to a representative number of prequalified applicants, who will be asked to contact the Owner or its agent, and, at the same time, to submit the final application to Piazza & Associates.
6. P&A will complete a review of the final application and notify both the applicant and the Owner or its agent as to the status of that application, i.e., Approved, Not Approved or Incomplete..

B) Rental Units

1. On an annual basis, P&A will assist the Manager in determining rental rates for the Affordable Units that are in compliance with the applicable Regulations and viable relative to local market conditions; and
2. Certify to the Borough that the rental rates for the Affordable Units are in compliance to the Regulations.
3. P&A will provide a written certification form to the Manager for all approved applications, and ask the Manager to return the certification form, signed by the applicant, together with a copy of the lease agreement.
4. P&A will communicate the status of the compliance plan to the Manager and the Borough on an ongoing basis, and be available to meet with representatives of both as reasonable and appropriate.
5. P&A will provide compliance reports to the Borough and regulatory agencies as necessary.
6. P&A will maintain accurate records of the status of all certification work on an on-going basis; and
7. Make all files, reports and other documentation readily available to the Borough or an independent auditor working on behalf of the Borough.

C) Rental Rehabilitation Support Services

1. P&A will assist the Borough in the marketing of this program to landlords;
2. P&A will prepare an application to send to tenants of prospective units to be rehabilitated; and assess the application, together with the required documentation, for compliance to the program income requirements.

3. P&A will forward prequalified applicants to the RPC for final approval ;
4. P&A will maintain the monitoring data of the units as the complete the program; and
5. Except as otherwise stated provided, herein, RPC will provide all of the services related to / required by the Rental Rehabilitation Program.

D) Fair Housing Marketing and Compliance Plan

1. Review all marketing materials to ensure that all Equal Housing Opportunity logos and notices appear where and when appropriate; and
2. Review the marketing plan and process for adherence to Fair Housing rules and the Regulations.

TERMS AND CONDITIONS

A. Contract Administration: All work performed by P&A under this proposal shall be accomplished in close consultation with and under the direction of the Borough or its designee.

B. Professionalism: At all times, P&A will endeavor to maintain a sense of professionalism with respect to the services performed on behalf of the Borough.

C. Implementation of Services: P&A will begin the implementation of its services immediately upon the approval of the Borough and receipt of a signed engagement letter or contract with the Borough.

D. Confidentiality: All data provided by the Borough, the Owner and its applicants will be considered strictly confidential and shall be used solely for the purposes delineated in this proposal. Likewise, the materials developed by P&A on behalf of the Owner and/or the Borough shall be considered proprietary and may only be used by the Owner and/or Borough for its own affordable housing endeavors in the future.

E. Insurance: P&A shall maintain or cause to be maintained in full force and effect insurance in such amounts and against such risks as follows:

1. Workers Compensation Insurance coverage in the statutory amount. Employer's Liability Insurance coverage in an amount not less than Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) each accident; and
2. Professional Liability Insurance coverage in an amount of not less than One Million Dollars and Zero Cents (\$1,000,000.00) for each claim.

Upon the execution of this Agreement, as well as upon the Borough's request from time to time, the Consultant shall provide to the Borough a certificate of insurance evidencing the coverages set forth above in (a) through (c) from an insurance company authorized to do business in New Jersey and having an A.M. Best Rating of at least an "A-". The Consultant shall also provide, upon the Borough's reasonable request, complete copies of the above policies of insurance.

F. Files and Documentation: P&A will look to the Owner to provide files, documents and notices necessary for it to implement its maintenance and compliance services.

G. Certain Services Not Provided Herein: Under this proposal, P&A shall not be responsible for:

1. The obligation of the Borough to meet its affordable housing obligation aside from the certifications as provided in the Scope of Services herein for the units administered by P&A;
2. The implementation of a local or municipal preference, or any other program or activity that P&A determines, in its sole discretion, to be in conflict with any Federal or State fair housing law;
3. Any additional requirements set forth by any other regulatory agency or entity that represent a material change in the services necessary to comply with the Regulations;
4. All legal and real estate related services associated with the rental of an affordable property, including, but not limited to compliance to Federal and State Fair Housing laws; and
5. Legal services required for certain enforcement actions set forth in the Regulations.

TERM

The term of this Agreement shall be one (1) year, commencing on _____. The Agreement is renewable for successive terms and can be terminated at the discretion of the Borough with 30 days written notice without cause and by P&A with 90 days written notice without cause.

COMPENSATION

In return for its compliance efforts (as detailed in the Scope of Services above), P&A will be compensated as follows:

- OPERATING MANUAL: A onetime fee to be paid by the Borough of \$1,000 for the basic Rental Operating Manual (other manuals as priced upon request);

- CONSULTING, LIST MAINTENANCE, AND RESPONDING TO INQUIRIES: \$100 per month to be paid by the Borough;
- FUTURE NEW RENTAL UNITS: \$400 per unit setup & marketing fee*, plus \$450 per unit certification fee that are paid by the developer at a predetermined timetable;
- RENTAL REHAB SUPPORT SERVICES: \$1,000 to create the materials required for the Rental Rehab program, including the advertisement, application form, and forms of correspondence; and \$300 per review of each tenant application;
- ADDITIONAL SERVICES: In the event that the Borough and/or Owner requests services in addition to the Scope of Services above, a mutually agreed upon rate for such services shall be determined prior to implementation.
- In addition to its fee, P&A shall be reimbursed by the Landlord, Owner or Borough as appropriate, for advertising and postage to residents and applicants. However, all management and compliance reports outlined above, all forms, web and e-mail services, telephone calls, travel expenses and meeting time, to a reasonable extent, shall be included in the basic fee above.

* There is a \$3,000 minimum per project / developer fee that applies if the new unit or units require the implementation of an exclusive advertising and affirmative marketing process pursuant to the Regulations. There is no minimum fee for new units created as part of a series of units that are already marketed.

ACCEPTANCE

Please signify your acceptance of this proposal by signing below.

Sincerely,

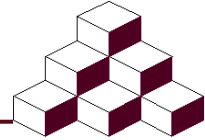
Frank Piazza

Accepted on behalf of the Borough of Ho-Ho-Kus

BY:

Date: _____

Piazza & Associates, Inc.



216 Rockingham Row ♦ Princeton Forrestal Village ♦ Princeton, NJ 08540-5758

Frank Piazza, AHP President, Piazza & Associates, Inc.

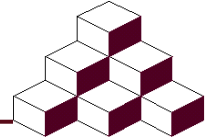
Frank Piazza, the founder and President of Piazza & Associates, has been dedicated to the administration and compliance of affordable housing for municipalities, non-profits and for-profit developers for more than 20 years. Mr. Piazza entered the affordable housing arena in 1991, by directing a successful effort to develop 126 low and moderate income apartments in Plainsboro for a local non-profit corporation. In 1994, he established Piazza & Associates, Inc., which has since become one of the largest and most experienced firms in New Jersey, specializing in the independent monitoring of affordable housing.

Currently, Piazza & Associates serves as the Administrative Agent for a wide variety of new and existing low and moderate income housing programs in more than 40 municipalities throughout the State. In addition to their work in the affordable housing sector, Piazza & Associates manages a select number of condominium and homeowners associations in the Princeton area.

Professional Associations & Committees

- Board of Directors, Past President and Current Co-Chair of the Policy Committee, Affordable Housing Professionals of New Jersey (2006 - Present)
- President / Executive Director, Plainsboro Non-Profit Housing Corp. (1991 - Present)
- Instructor, Rutgers University Center for Government Services (CGS) / COAH “Mod I” Certification Course for Municipal Housing Liaisons and Administrative Agents (2007 - Present); and Records Management Course for MHL’s and AA’s (2010 – Present).
- Co-Creator and Instructor, Rutgers University CGS, for Qualifying Households Course (2012 – Present).
- Instructor, Rutgers University CGS, for the Introductory Course for the Affordable Housing Professionals of New Jersey Certification Program (2013 to present).

Piazza & Associates, Inc.



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- Member, ad hoc advisory committees at the N. J. Council on Affordable Housing to: review the draft Operating Manual for Municipal Liaisons and Administrative Agents (2007); prepare certification / education programs for Municipal Liaisons and Administrative Agents (2006 - 2007); and review the draft handbook, entitled, “Understanding U.H.A.C.” (2005 - 2006)
- Member, Community Advisory Committee, PNC Bank (2004 - Present)
- Participant, Integration Research Initiative, sponsored by the New York University’s Furman Center for Real Estate and Urban Policy (2013).
- Member, Community Financial Services Advisory Board, New Jersey Dept. of Banking and Insurance (1995 - 2006)
- N.J. Housing and Mortgage Finance Agency (HMFA) Low Income Housing Tax Credit Allocation Ad Hoc Task Force (1994 - 1999)
- Township of Plainsboro Housing and Community Development Citizens Advisory Committee (1996 - Present)
- Fannie Mae Foundation Study of Financing for Affordable Multi-family Housing (1993)

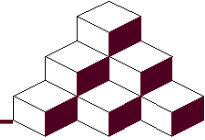
Education

- St. Mary College, Baltimore, MD - BA, 1977
- University of Notre Dame - M.Div., 1980
- Institute for Real Estate Management (IREM) - Management Training for Non-Profit Organizations, 1992

Certification

- C9P Certification for Low Income Housing Tax Credit compliance, Spectrum Seminars, Inc.
- Approved by the Council on Affordable Housing to provide compliance monitoring services.
- Certified Housing Professional by Rutgers Center for Government Services and the Affordable Housing Professionals of New Jersey.

Piazza & Associates, Inc.



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Key Personnel

Neville Walters

Vice President for Operations

Neville Walters has been a key member of the Piazza team since he joined the company at its inception in 1994. With more than 25 years of experience in the community management field, Mr. Walters is responsible for the operation of its offices and other facilities, as well as the coordination of the concierge-level management services that Piazza provides to select homeowner and condominium associations in the Princeton area.

Kathleen Schulte

Vice President for Client Services

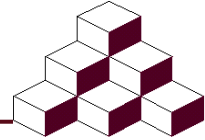
Kathy Schulte began working at Piazza & Associates in 1998. She is a trained compliance specialist and has attended numerous compliance and fair housing courses offered by the NJHMFA. She is experienced in both COAH affordable housing and Low Income Housing Tax Credit applications.

Currently, Ms. Schulte supervises the compliance department and client services at Piazza & Associates. Her duties include extensive communication with our clients /leasing agents regarding availability and initial rent-up of affordable units, and often deals directly with eligibility questions from affordable applicants.

Sonja Walter

Compliance Manager

Ms. Walter, a Compliance Specialist since March, 2006, was advanced to Compliance Manager in 2010. Specializing in Sales and Special Programs, such as Market to Affordable and Accessory Apartments, she is well versed, not only on the review of applications, but also on working with buyers and sellers during the processing of sales units. Ms. Walter is well versed in all aspects of affordable housing compliance and is a member of the Affordable Housing Professionals of New Jersey Policy Committee.



CURRENT AFFORDABLE HOUSING ENGAGEMENTS

Aspen Court, Piscataway, NJ: P&A administers the affordable housing program in this rental property to be constructed on Piscataway. When completed, there will be 82 rental units contained within this development.

Avon-by-the-Sea, NJ: Piazza & Associates is the Administrative Agent for an active Accessory Apartment Program in this seashore community.

Berkeley Heights, NJ: Piazza & Associates was engaged to serve as the Administrative Agent for the municipality.

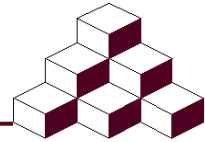
Cedar Manor, Franklin Township (Somerset County), NJ: P&A was chosen to serve as the Administrative Agent for 28 low- and moderate-income apartments in this large inclusionary development under construction in Franklin Township.

Chatham Township, NJ: Piazza & Associates, Inc. was appointed as the Administrative Agent for the municipality in which it will monitor 73 low- and moderate- income sales units.

Clark Township, NJ: Piazza & Associates, Inc. was recently engaged to administer a rental community under construction with 60 age-restricted affordable units.

Cranbury Housing Associates, Inc., Cranbury, NJ: Piazza & Associates currently provides all administrative and compliance services for the affordable housing program in Cranbury, NJ. This program includes 30 sales units and 67 rental units.

Cranford Township, NJ: Piazza & Associates has been selected to administer 19 affordable rental units at Riverfront at Cranford Station.



Page 2

East Brunswick Township, NJ: 430 low- and moderate- income sales units. The Township of East Brunswick engaged Piazza & Associates to administer its stock of sale units, located throughout the municipality.

East Rutherford Township, NJ: 32 low- and moderate- income rental units. The developer of this new rental community has chosen Piazza & Associates to develop and implement the affirmative marketing plan.

Edgewater Park, NJ: Piazza & Associates administers the affordable rental units at The Courtyards and the brand new sales units at Fox Run.

Englewood, NJ: Piazza & Associates was selected by the developer of the Vivian to administer the affordable units in this luxury apartment community.

Ewing Township, NJ: Piazza & Associates serves as the Administrative Agent for the Township of Ewing in Mercer County.

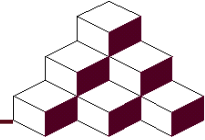
Fairfield Township, NJ: Piazza & Associates is the Administrative Agent for an active Accessory Apartment Program in this suburban community.

Hamilton Township, NJ: Piazza & Associates, Inc. currently serves as the Administrative Agent for the Township of Hamilton in Mercer County.

Heritage at Piscataway, Piscataway, NJ: Piazza & Associates was engaged by American Properties to provide compliance monitoring for 30 age-restricted low and moderate income apartments in Piscataway.

Hillside Apartments, Montgomery Township, NJ: Piazza & Associates will be administering 23 rental units for Sharbell in Montgomery Township.

Jackson Township, NJ: Currently in development, The Gardens at Jackson21 will produce 72 affordable rental units, for which Piazza & Associates has been named Administrative Agent.



Page 3

Kinnelon Ridge, Kinnelon, NJ: Piazza & Associates provides compliance monitoring for 38 new low and moderate income apartments for the Borough of Kinnelon.

Borough of Lincoln Park, NJ: Piazza & Associates is the Administrative Agent for the Borough of Lincoln Park. The program includes more than 125 existing sales units.

Livingston Township, NJ: Piazza & Associates was engaged by the developer of the Hillside Club to administer 16 new affordable rental units in this development.

Lofts and Union Lofts in Robbinsville Township, NJ: Piazza & Associates was engaged by the developer of both the rental and the sales units created in the new Town Center in Robbinsville, Mercer County.

Borough of Metuchen, NJ: Piazza & Associates serves as the Administrative Agent for the affordable housing program in that municipality.

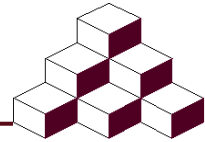
Monroe Township, NJ: Piazza & Associates provides a comprehensive monitoring program for more than 300 rental and sales units for the Township of Monroe in Middlesex County.

Monroe Chase, Monroe Township, NJ: Piazza & Associates will administer an additional 26 affordable sales units in Monroe Township.

Montclair Township, NJ: Piazza & Associates was recently selected to serve at the Administrative Agent for the multi-faceted affordable housing program in the Township.

Montvale Township, NJ: Piazza & Associates has been engaged by the municipality to serve as its Administrative Agent for Affordable Housing.

Morristown Township, NJ: Piazza & Associates administers the affordable rental apartments in both Modera44 and Morristown Gateway.



Page 4

Old Bridge Township, NJ: Piazza & Associates was recently engaged to administer 75 new units of affordable rental housing in Woodhaven.

Borough of Park Ridge, NJ: Piazza & Associates serves as the Administrative Agent for the Borough.

Parsippany – Troy Hills, NJ: Piazza & Associates was recently engaged to administer 16 affordable rental units that were developed as part of the Mill Run at Parsippany rental property.

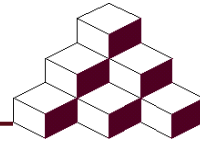
Plainsboro Non-Profit Housing Corporation, Plainsboro, NJ: Piazza & Associates operates the non-profit which maintains a 126-unit rental complex in suburban Plainsboro. In addition, it monitors COAH compliance for another 60 rental units in development and 80 sales units. In addition, PNPFC also coordinates a Market-to-Affordable program as well as Energy Efficiency and Foreclosure Purchase programs for Plainsboro.

Borough of Ramsey, NJ: Piazza & Associates provides the on-going monitoring of the Borough's existing stock of low and moderate income sales units at Timber Valley.

Borough of Raritan, NJ: Piazza & Associates has been serving as the Administrative Agent for the 12 affordable rental units in the River Park at Raritan property since 2006.

Borough of Roseland, NJ: Piazza & Associates provides the on-going monitoring of the Borough's existing stock of low and moderate income sales units in three different communities.

Borough of South Plainfield, NJ: Piazza & Associates serves as Administrative Agent for more than 70 rental units in the Borough.



Page 5

Spring Mill Manor, Springfield, NJ: Piazza & Associates provides the affirmative marketing and compliance services for the low- and moderate-income rental units that compose Spring Mill Manor.

Springfield Gardens, Springfield, NJ: Piazza & Associates serves as the Administrative Agent for the 28 low- and moderate- income rental units that are part of this inclusionary development.

Springside at Robbinsville, NJ: Piazza & Associates was chosen by the developer to administer 38 affordable apartments in this new rental community.

Stone Bridge at Raritan, NJ: 73 Very low- low- and moderate- income rental units under construction in the Borough of Raritan in Somerset County will be administered by Piazza & Associates.

Summerfields at Franklin, NJ: Piazza & Associates administers 60 new, age-restricted rental units in Franklin Township.

Teterboro Boro, NJ: Piazza & Associates was recently named Administrative Agent for the Boro of Teterboro in Bergen County.

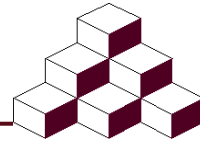
Toms River, NJ: Piazza & Associates has just been named as the Administrative Agent for the Townships' more than 500 affordable units.

Upper Saddle River, NJ: Piazza & Associates was recently selected to serve at the Administrative Agent for the municipality.

West Milford, NJ: Piazza & Associates has been engaged to serve as the Administrative Agent for the Township of West Milford.

West Windsor Township, NJ: Piazza & Associates provides a comprehensive monitoring program for more than 400 rental and about 70 sales units throughout West Windsor Township. Piazza & Associates also coordinates an extensive Energy Efficiency program to increase affordability.

Piazza & Associates, Inc.



216 Rockingham Row ♦ Princeton Forrestal Village ♦ Princeton, NJ 08540-5758

Whitehall Gardens, Franklin Township, NJ: Piazza and Associates was chosen by the owner to assist with the affirmative marketing and compliance services for 100 low- and moderate- income rental units.

Whitney at Allendale, Allendale, NJ: Piazza and Associates was chosen by the owner to act as Administrative Agent for 12 affordable rental units being developed in the Borough of Allendale.

Woodcrest at Fairfield, Fairfield, NJ: Piazza and Associates was chosen by the developer to assist with the affirmative marketing and compliance services for 26 low- and moderate- income rental units.

MAYOR and COUNCIL of the
BOROUGH of HO-HO-KUS
BERGEN COUNTY, NEW JERSEY

Resolution # 17-79

RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF HO-HO-KUS,
BERGEN COUNTY, APPOINTING AN ADMINISTRATIVE AGENT FOR THE
ADMINISTRATION OF THE BOROUGH'S AFFORDABLE HOUSING PROGRAM

WHEREAS, on May 16, 2017 the Superior Court approved the Settlement Agreements ("Agreement") between the Borough of Ho-Ho-Kus ("Borough"), Fair Share Housing Center ("FSHC"), Chamberlain Developers, Inc. ("Chamberlain"), and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings), which included the Borough's preliminary compliance measures; and

WHEREAS, on July 20, 2017 the Planning Board of the Borough of Ho-Ho-Kus ("Planning Board") adopted the Borough's 2017 Third Round Housing Element and Fair Share Plan ("Plan"); and

WHEREAS, the Borough Council endorsed the Plan on July 25, 2017 at a properly-noticed public meeting; and

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

WHEREAS, at Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code, the State has promulgated affordability controls in regulations designed to implement the Act, by assuring that low- and moderate-income units that are created under the Act are occupied by low- and moderate-income households for an appropriate period of time (the "Rules"); and

WHEREAS, Section 5:80-26.14 of the Rules provides that affordability controls shall be administered by an administrative agent acting on behalf of a municipality; and

WHEREAS, the UHAC requirement at N.J.A.C. 5:80-26.3(d) requiring 10% of all low- and moderate-income units to be set-aside for households earning less than 35% of regional median income is superseded by the statutory requirement at N.J.S.A. 52:27D-329.1, and as reflected in paragraphs 9 and 12 of the December 21, 2016 Settlement Agreement between the Borough and Fair Share Housing Center ("FSHC"), which requires the Borough to set aside at least 13% of its affordable units for very-low income households earning less than 30% of regional median income; and

WHEREAS, the Borough has selected Piazza & Associates, Inc. (hereinafter referred to as "Administrative Agent") to be the Administrative Agent for the purposes of providing affordability control services for The Crossings at Ho-Ho-Kus, the Maple Avenue / Frasco Site. The Administrative Agent may also perform certain tasks and responsibilities, as necessary, for the implementation and operation of the Borough's rental-rehabilitation program; and

WHEREAS, the Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in the Rules, 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 insure affirmative marketing of affordable housing units in accordance with the Affirmative Marketing Plan of Ho-Ho-Kus Borough and the provisions of N.J.A.C. 5:80-26.15;
- (b) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by COAH, the Court, or another appropriate jurisdiction; and
- (c) Providing counseling or contracting to provide counseling services to low and moderate income applicants on subjects such as budgeting, credit issues, rental lease requirements, and landlord/tenant law.

- (d) As required by the December 21, 2016 Settlement Agreement between the Borough and Fair Share Housing Center, and as further provided in the Affirmative Marketing Plan adopted by the Planning Board on July 20, 2017, the Administrative Agent shall reach out to Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Bergen County Branch of the NAACP, and the Bergen County United Way as part of its affirmative marketing strategy.

(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 of rental certificates set forth in Appendix 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; and
- (f) Employing a random selection process as provided in the Affirmative Marketing Plan of Ho-Ho-Kus Borough when referring households for certification to affordable units.

(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 appropriate county's register of deeds or 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) Rental
- (a) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for rental; and
 - (b) Instituting and maintaining an effective means of communicating information to low- and moderate-income households regarding the availability of restricted units for re-rental.
- (6) Enforcement
- (a) 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;

- (b) The posting annually in all rental properties, including two-family homes, of a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent can be made;
 - (c) 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;
 - (d) Establishing a program for diverting unlawful rent payments to the municipality's affordable housing trust fund or other appropriate municipal fund approved by the DCA;
 - (f) Creating and publishing a written operating manual, as approved by the Courts, setting forth procedures for administering such affordability controls; and
 - (g) Providing annual reports to the Courts, Fair Share Housing Center, Chamberlain Developers Inc., and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings), and posting the annual report on the Borough's website by December 21st of every year.
- (7) Records received, retained, retrieved, or transmitted under the terms of this contract may constitute public records of Ho-Ho-Kus Borough as defined by N.J.S.A. 47:3-16, and are legal property of Ho-Ho-Kus Borough. The Administrative Agent named in the contract with the Borough must agree to administer and dispose of such records in compliance with the State's public records laws and associated administrative rules.
- (8) The Administrative Agent shall have authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.

NOW THEREFORE BE IT RESOLVED, by the Borough Council of the Borough of Ho-Ho-Kus in the County of Bergen, and the State of New Jersey that Piazza & Associates, Inc. is hereby appointed by the Borough Council of the Borough of Ho-Ho-Kus as the Administrative Agent for the administration of the Borough's affordable housing program.

	Motion	Second	Aye	Nay	Abstain	Absent
Mayor Randall						
Councilmember Troast	✓		✓			
Councilmember Rorty			✓			
Councilmember Shell					✓	
Councilmember Iannelli					✓	
Councilmember Fiato					✓	
Councilmember Crossley		✓				

This is to certify that the above Resolution was adopted by the Mayor and Council on July 25, 2017.

Laura Borchers

Laura Borchers, RMC/CMR
Borough Clerk

MAYOR and COUNCIL of the
BOROUGH of HO-HO-KUS
BERGEN COUNTY, NEW JERSEY

Resolution # 17-81

RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF HO-HO-KUS,
BERGEN COUNTY, AUTHORIZING ENTERING INTO A CONTRACT WITH AN
ADMINISTRATIVE AGENT FOR THE ADMINISTRATION OF AFFORDABLE UNITS

WHEREAS, on May 16, 2017 the Superior Court approved the Settlement Agreements (“Agreement”) between the Borough of Ho-Ho-Kus (“Borough”), Fair Share Housing Center (“FSHC”), Chamberlain Developers, Inc. (“Chamberlain”), and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings), which included the Borough’s preliminary compliance measures; and

WHEREAS, on July 20, 2017 the Planning Board of the Borough of Ho-Ho-Kus (“Planning Board”) adopted the Borough’s 2017 Third Round Housing Element and Fair Share Plan (“Plan”); and

WHEREAS, the Borough Council endorsed the Plan on July 25, 2017 at a properly-noticed public meeting; and

WHEREAS, the Mayor and Council of the Borough of Ho-Ho-Kus wish to enter into a contract with Piazza & Associates, Inc. (“Piazza”) for the purpose of administering and enforcing the affordability controls and the Affirmative Marketing Plan of Borough of Ho-Ho-Kus, adopted by Resolution Number 17-75 on July 25, 2017, in accordance with the regulations of the Council on Affordable Housing pursuant to N.J.A.C. 5:93 et seq., the New Jersey Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26 et seq. and the Borough’s responsibilities as established by the December 21, 2016 Settlement Agreement; and

WHEREAS, the contract designates Piazza as the Administrative Agent for The Crossings at Ho-Ho-Kus, the Maple Avenue / Frasco Site, and, as necessary, the rental rehabilitation program of the Borough of Ho-Ho-Kus’ affordable housing program.

NOW THEREFORE BE IT RESOLVED, that subject to the Court's approval of this contract, the Mayor and Borough Clerk are hereby authorized to sign this contract dated _____; and

BE IT FURTHER RESOLVED, Borough of Ho-Ho-Kus hereby designates the Municipal Housing Liaison as the liaison to Piazza; and

BE IT FURTHER RESOLVED, this contract is hereby attached to the original of this resolution.

Adopted: July 25, 2017

ATTEST: Laura Borchers
Laura Borchers, Municipal Clerk

APPROVED: _____
Thomas W. Randall, Mayor

CONTRACT FOR THE ADMINISTRATION OF AFFORDABLE HOUSING UNITS

THIS CONTRACT, entered into as of this the 25th day of July, 2017,

BETWEEN

Ho-Ho-Kus Borough, a municipality and instrumentality of the State, having offices at 333 Warren Avenue, Ho-Ho-Kus Borough, NJ, 07423 hereinafter called the "Borough"; and

Piazza & Associates, Inc., having offices at 216 Rockingham Row, Princeton Forrestal Village, Princeton, NJ 08540-5758, hereinafter called the "Administrative Agent."

WITNESSETH

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

WHEREAS, at Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code ("Uniform Housing Affordability Controls", or "UHAC"), the State has promulgated affordability controls in regulations designed to implement the Act, by assuring that low- and moderate-income units that are created under the Act are occupied by low- and moderate-income households for an appropriate period of time (the "Rules"); and

WHEREAS, the UHAC requirement at N.J.A.C. 5:80-26.3(d) requiring 10% of all low- and moderate-income units to be set-aside for households earning less than 35% of regional median income is superseded by the statutory requirement at N.J.S.A. 52:27D-329.1, and as reflected in paragraphs 9 and 12 of the December 21, 2016 Settlement Agreement between the Borough and Fair Share Housing Center ("FSHC"), which requires the Borough to set aside at least 13% of its affordable units for very-low income households earning less than 30% of regional median income; and

WHEREAS, Section 5:80-26.14 of the Rules provides that affordability controls may be administered by an administrative agent acting on behalf of a municipality; and

WHEREAS, Piazza & Associates, Inc. has submitted a proposal to provide affordable housing Administrative Agent services to the Borough; and

WHEREAS, the Borough has selected Piazza & Associates, Inc. to be the Administrative Agent for the purposes of providing affordability control services for The Crossings at Ho-Ho-Kus, the Maple Avenue / Frasco Site, as included in this contract. The Administrative Agent may also perform certain tasks and responsibilities, as necessary, for the implementation and operation of the Borough's municipal rental-rehabilitation program.

NOW THEREFORE, subject to Superior Court approval, the Borough and the Administrative Agent hereby agree to the following terms and conditions:

Section 1. Term

This Contract shall become effective as of the 25th day of July, 2017, and shall have a term of 1 years, terminating at the close of business on the 31 day of DECEMBER 2018, subject to the termination and renewal provisions set forth in *Section 4*, below.

Section 2. Applicability and Supersession

This Contract shall define and govern all terms between the parties with respect to affordability controls for affordable housing units provided under the Act, and shall supersede all prior contracts, agreements, or documents related thereto.

Section 3. Agency and Enforcement Delegation

The Borough and the Administrative Agent acknowledge that under the Rules, the Administrative Agent is acting hereunder primarily as an agent of the Borough. Anything herein to the contrary notwithstanding, however, the Borough hereby delegates to the Administrative Agent, and the Administrative Agent hereby accepts, primary responsibility for enforcing substantive provisions of the Act and the Rules. The Borough, however, shall retain the ultimate responsibility for ensuring effective compliance with the Rules and the Administrative Agent will come under the supervision of the Municipal Housing Liaison.

Section 4. Termination and Renewal

- (1) The Contract may be terminated at the discretion of the Borough with 30 days' written notice without cause and by P&A with 90 days' written notice without cause, to the address and in the form as set forth in *Section 8*, below, provided however, that no such termination may take effect unless and until an alternate Administrative Agent has been selected by the Borough and approved by all required governmental authorities.
- (2) Unless terminated, this Contract shall automatically be renewed for 9 successive terms of 1 years each.

Section 5. Assignment of Affordable Housing Units

For the term hereof, and without exception, this Contract shall govern the provision of affordability control services for the following affordable housing units located within the Borough and programs that fall under the jurisdiction of the Act:

- (1) The Crossings at Ho-Ho-Kus
- (2) The Frasco / Maple Avenue Inclusionary Development Site
- (3) Responsibilities necessary for the implementation and operation of the municipal rental-rehabilitation program, as agreed upon between Piazza and the primary Agent administering the rental-rehabilitation program.

Section 6. Responsibilities of the Administrative Agent

The Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in the Rules, 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 insure affirmative marketing of affordable housing units in accordance with the Affirmative Marketing Plan of Ho-Ho-Kus Borough and the provisions of N.J.A.C. 5:80-26.15;
 - (b) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by COAH, the Court, or another appropriate jurisdiction; and
 - (c) Providing counseling or contracting to provide counseling services to low and moderate income applicants on subjects such as budgeting, credit issues, rental lease requirements, and landlord/tenant law.
 - (d) As required by the December 21, 2016 Settlement Agreement between the Borough and Fair Share Housing Center, and as further provided in the Affirmative Marketing Plan adopted by the Planning Board on July 20, 2017, the Administrative Agent shall reach out to Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Bergen County Branch of the NAACP, and the Bergen County United Way as part of its affirmative marketing strategy.
- (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 of rental certificates set forth in Appendix 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; and
- (f) Employing a random selection process as provided in the Affirmative Marketing Plan of Ho-Ho-Kus Borough when referring households for certification to affordable units.

(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 appropriate county's register of deeds or 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) Rental

- (a) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for rental; and
- (b) Instituting and maintaining an effective means of communicating information to low- and moderate-income households regarding the availability of restricted units for re-rental.

(6) Enforcement

- (a) 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;
- (b) The posting annually in all rental properties, including two-family homes, of a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent can be made;

- (c) 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;
 - (d) Establishing a program for diverting unlawful rent payments to the Borough's affordable housing trust fund or other appropriate municipal fund approved by the Court;
 - (f) Creating and publishing a written operating manual, as approved by the Courts, setting forth procedures for administering such affordability controls; and
 - (g) Providing annual reports to the Courts, Fair Share Housing Center, Chamberlain Developers Inc., and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings), and posting the annual report on the Borough's website by December 21st of every year.
- (7) Records received, retained, retrieved, or transmitted under the terms of this contract may constitute public records of Ho-Ho-Kus Borough as defined by N.J.S.A. 47:3-16, and are legal property of Ho-Ho-Kus Borough. The Administrative Agent named in this contract must agree to administer and dispose of such records in compliance with the State's public records laws and associated administrative rules.
- (8) The Administrative Agent shall have authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.

Section 7. Responsibilities of The Borough

The Borough shall:

- (1) Provide to the Administrative Agent the name, title and telephone number of the municipal official designated as the Municipal Housing Liaison to the Administrative Agent on all matters related to this Contract;
- (2) Ensure that applicable local ordinances are not in conflict with, and enable efficient implementation of, the Rules and the provisions of this Contract;
- (3) Monitor the status of all restricted units in the Borough's Fair Share Plan;
- (4) Compile, verify, and submit annual reports as required by the Courts;
- (5) Coordinate meetings with affordable housing providers and Administrative Agents, as applicable;
- (6) Develop an Affirmative Marketing Plan and distribute to the Administrative Agent;
- (7) Ensure that all restricted units are identified as affordable within the tax assessor's office and any Municipal Utility Authority (MUA). The Borough and MUA shall promptly

notify the Administrative Agent of a change in billing address, payment delinquency of two billing cycles, transfer of title, or institution of a writ of foreclosure on all affordable units; and

- (8) Provide all reasonable and necessary assistance to the Administrative Agent in support of efforts to enforce provisions of the Act, the Rules, deed covenants, mortgages, court decisions or other authorities governing the affordability control services to be provided under the Agreement.

Section 8. Notices

All notices and other written communications between the Borough and the Administrative Agent shall be to the addresses and personnel specified below:

if to the Borough:

Ho-Ho-Kus Borough Hall
333 Warren Avenue
Ho-Ho-Kus, NJ 07423

Attn: Laura Borchers, Borough Clerk

if to the Administrative Agent:

Piazza & Associates, Inc.
216 Rockingham Row
Princeton Forrestal Village
Princeton, NJ 08540-5758

Attn: Frank Piazza, President

Section 9. Non-Waiver of Conditions

The failure of either party to insist upon strict performance of any provision of this Contract in any one or more instances shall not constitute a consent to waiver of or excuse for any other different or subsequent breach of the same or other provision, nor as a result shall either party relinquish any rights which it may have under this Contract. No terms or provisions hereof shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the waiving party.

Section 10. Merger and Amendment

This written Contract, together with its Exhibits, constitutes the sole contract between the parties with respect to the matters covered therein, and no other written or oral communication exists which shall bind the parties with respect thereto, provided however that this Contract may be modified by written amendments clearly identified as such and signed by both the Borough and

the Administrative Agent.

Section 11. Partial Invalidation of Contract

Should any provision of this Contract be deemed or held to be invalid, ineffective or unenforceable, under present or future laws, the remainder of the provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the Borough and the Administrative Agent have executed this Contract in triplicate as of the date first above written.

THE BOROUGH OF HO-HO-KUS

BY *Thomas W. Randall*
Thomas W. Randall
Mayor

PIAZZA & ASSOCIATES, INC.

BY *Frank Piazza*
Frank Piazza
President

ACKNOWLEDGEMENTS

On this the 26th day of July, 2017 before me came Thomas W. Randall known and known to me to be the Mayor of the Borough of Ho-Ho-Kus, the Municipality identified as such in the foregoing Contract, who states that (s)he is duly authorized to execute said Contract on behalf of said Municipality, and that (s)he has so executed the foregoing Contract for the purposes stated therein.

Elisa B Caporale
Notary Public
State of New Jersey
Commission Expires 12-29-2019

Elisa B Caporale
NOTARY PUBLIC

On this the 21 day of August 2017 before me came Frank Piazza, known and known to me to be the President of Piazza & Associates, Inc., the Administrative Agent identified as such in the foregoing Contract, who states that (s)he has signed said Contract on behalf of said Administrative Agent for the purposes stated therein.

Denise A. Keenan
NOTARY PUBLIC

DENISE A. KEENAN
ID # 2384728
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 04/16/2019



**MAYOR and COUNCIL of the
BOROUGH of HO-HO-KUS
BERGEN COUNTY, NEW JERSEY
Resolution No. 18-39**

Subject: Agreement- Piazza and Associates

Dated: February 27, 2018

WHEREAS, on July 25, 2017, the Borough Council of the Borough of Ho-Ho-Kus adopted Resolution # 17-81, which authorized the Borough to enter into an agreement (“Agreement”) with Piazza and Associates, Inc. (“Administrative Agent”) (collectively, “the Parties”) for the provision of affordable housing Administrative Agent services to the Borough for affordable housing units proposed or approved at the sites known as The Crossings at Ho-Ho-Kus and the Maple Avenue / Frasco Site, as well as a municipal rental-rehabilitation program; and

WHEREAS, the Parties executed the Agreement on August 21, 2017; and

WHEREAS, the Special Master to the Court In the Matter of the Application of the Borough of Ho-Ho-Kus and Fair Share Housing Center recommended to the Court that it should grant the Borough a waiver from addressing the rental component of its rehabilitation share; and

WHEREAS, the Borough’s mechanisms for addressing the Unmet Need portion of its adjusted fair share obligation include a Downtown Inclusionary Overlay Ordinance and a mandatory Borough-wide inclusionary set-aside requirement for multi-family development contained in §2-3 of the Borough’s Fair Share Affordable Housing Ordinance, which may result in development that generates new affordable housing units; and

WHEREAS, the Special Master to the Court has recommended that the Borough amend its contract with the Administrative Agent to add Administrative Agent services for affordable housing units generated from the ordinances named above; and

WHEREAS, the Borough Council finds it appropriate to further amend its contract with the Administrative Agent to remove from the Administrative Agent’s responsibilities the administration of a municipal rental-rehabilitation program.

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Ho-Ho-Kus, that subject to the Court’s approval of this contract amendment and addendum, the Mayor and Borough Clerk are hereby authorized to sign this contract amendment and addendum dated August 21, 2017; and

BE IT FURTHER RESOLVED, the Borough of Ho-Ho-Kus continues to recognize the Municipal Housing Liaison as the liaison to the Administrative Agent; and

BE IT FURTHER RESOLVED, this contract amendment and addendum is hereby attached to the original of this resolution.

	Motion	Second	Aye	Nay	Abstain	Absent
Mayor Randall						
Councilmember Troast						X
Councilmember Rorty	X		X			
Councilmember Shell		X	X			
Councilmember Iannelli						X
Councilmember Fiato						X
Councilmember Crossley			X			

This is to certify that the above Resolution was adopted by the Mayor and Council on February 27, 2018

Laura Borchers, RMC/CMR
Borough Clerk

**ADDENDUM AND AMENDMENT TO THE HO-HO-KUS BOROUGH CONTRACT
WITH PIAZZA AND ASSOCIATES, INC. FOR THE ADMINISTRATION OF AFFORDA-
BLE UNITS**

For the Contract entered into on July 25, 2017

Amended and Addended, on this the ___ day of _____, 2018

BETWEEN Ho-Ho-Kus Borough, a municipality and instrumentality of the State, having offices at 333 Warren Avenue, Ho-Ho-Kus Borough, NJ 07423 hereinafter called the "Borough"; and

Piazza and Associates, Inc., having offices at 216 Rockingham Row, Princeton Forrestal Village, Princeton, NJ 08540-5758, hereinafter called the "Administrative Agent."

WITNESSETH

WHEREAS, the Borough adopted Resolution # 17-81 on July 25, 2017, which authorized the parties to enter into an agreement ("Agreement") for the provision of affordable housing Administrative Agent services to the Borough for affordable housing units proposed or approved at the sites known as The Crossings at Ho-Ho-Kus and the Maple Avenue / Frasco Site, as well as a municipal rental-rehabilitation program; and

WHEREAS, the Special Master to the Court In the Matter of the Application of the Borough of Ho-Ho-Kus and Fair Share Housing Center recommended to the Court that it should grant the Borough a waiver from addressing the rental component of its rehabilitation share; and

WHEREAS, the Borough's mechanisms for addressing the Unmet Need portion of its adjusted fair share obligation include a Downtown Inclusionary Overlay Ordinance and a mandatory Borough-wide inclusionary set-aside requirement for multi-family development contained in §2-3 of the Borough's Fair Share Affordable Housing Ordinance, which may result in development that generates new affordable housing units; and

WHEREAS, the Special Master to the Court has recommended that the Borough amend its contract with the Administrative Agent to add Administrative Agent services for affordable housing units generated from the ordinances named above.

NOW, THEREFORE, subject to Superior Court approval, the Borough and the Administrative Agent hereby agree to addend and amend the Agreement as follows:

1. The Administrative Agent is no longer responsible for providing Administrative Agent services for a municipal rental-rehabilitation program, except that, in the event that the Borough is required to establish during the period of third round compliance and repose a rental rehabilitation program to meet demand for such a program, the Agreement may be amended at that time to add Administrative Agent responsibilities for administration of the program.

2. The Administrative Agent shall provide administrative agent services for any affordable units generated from new inclusionary development in the Borough.

IN WITNESS WHEREOF, the Borough and the Administrative Agent have executed this Contract Addendum in triplicate as of the date second above written.

THE BOROUGH OF HO-HO-KUS

BY _____

Thomas W. Randall
Mayor

PIAZZA AND ASSOCIATES, INC.

BY _____

Frank Piazza
President

ACKNOWLEDGEMENTS

On this the ____ day of _____, 2018 before me came Thomas W. Randall known and known to me to be the Mayor of the Borough of Ho-Ho-Kus, the Municipality identified as such in the foregoing Contract Addendum, who states that he is duly authorized to execute said Contract on behalf of said Municipality, and that he has so executed the foregoing Contract Addendum for the purposes stated therein.

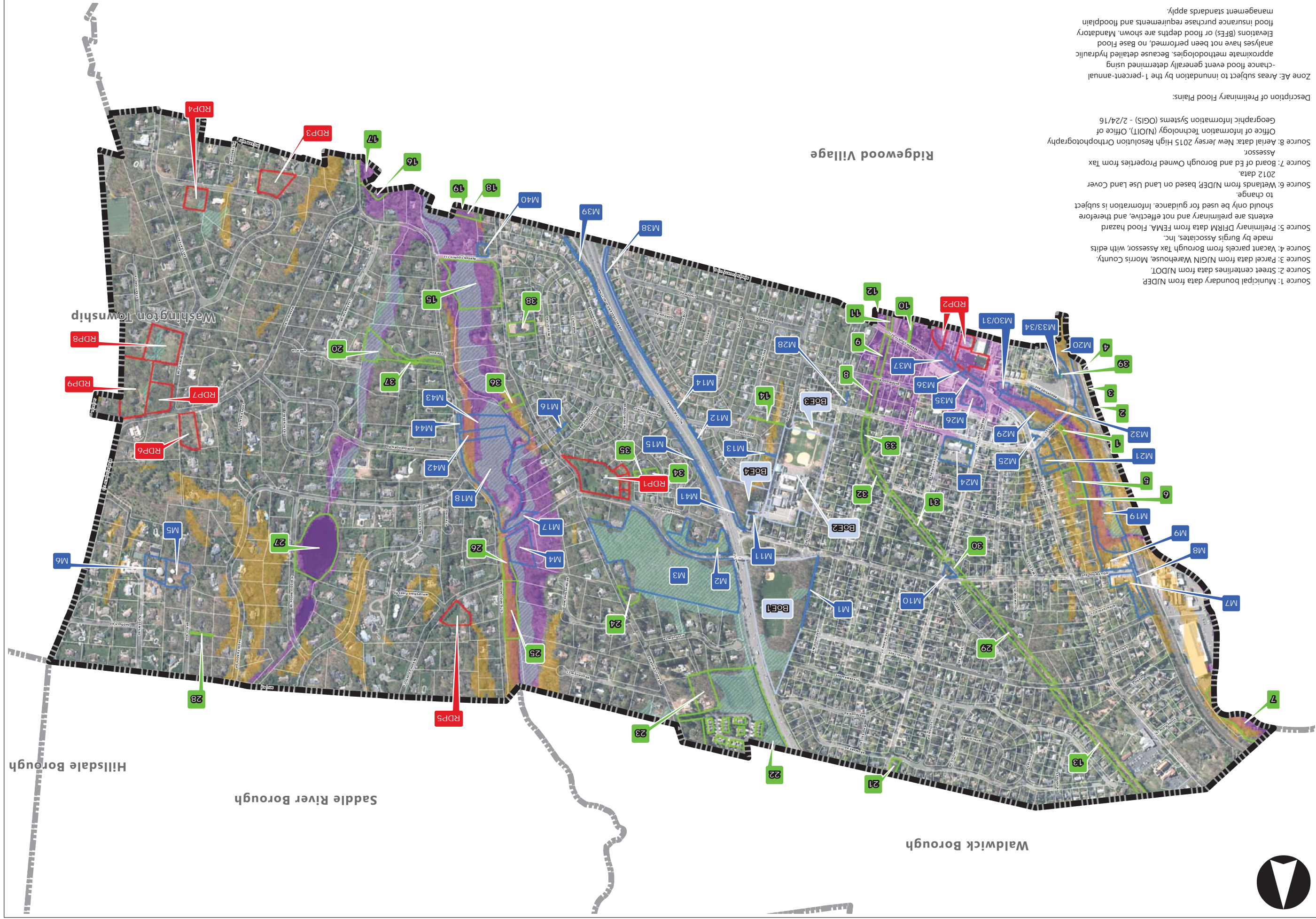
NOTARY PUBLIC

On this the ___ day of __, 2018 before me came Frank Piazza, known and known to me to be the President of Piazza & Associates, Inc., the Administrative Agent identified as such in the foregoing Contract, who states that he has signed said Contract Addendum on behalf of said Administrative Agent for the purposes stated therein.

NOTARY PUBLIC



APPENDIX E
VACANT LAND ADJUSTMENT

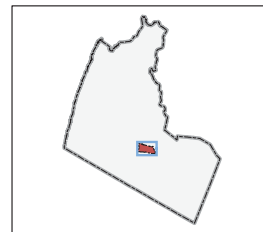


Source 1: Municipal boundary data from NJDEP
 Source 2: Street centerlines data from NJDOT
 Source 3: Parcel data from NJGIN Warehouse, Morris County, made by Burgis Associates, Inc.
 Source 4: Vacant parcels from Borough Tax Assessor, with edits made by Burgis Associates, Inc.
 Source 5: Preliminary DRFM data from FEMA, Flood hazard extents are preliminary and not effective, and therefore should only be used for guidance. Information is subject to change.
 Source 6: Wetlands from NJDEP, based on Land Use Land Cover 2012 data.
 Source 7: Board of Ed and Borough Owned Properties from Tax Assessor.
 Source 8: Aerial data: New Jersey 2015 High Resolution Orthophotography
 Office of Information Technology (NJOTT), Office of Geographic Information Systems (OGIS) - 2/24/16

Description of Preliminary Flood Plains:
 Zone AE: Areas subject to inundation by the 1-percent-annual-chance flood event generally determined using approximate methodologies. Because detailed hydraulic analyses have not been performed, no Base Flood Elevations (BFEs) or flood depths are shown. Mandatory flood insurance purchase requirements and floodplain management standards apply.

Legend

- RDP# RDP Contributing
- # Non-Contributing
- M# Municipally Owned
- BE# Board of Education Owned
- Flood Hazard Area
- Steep Slopes
- Wetlands
- Parcels
- Boundary



Project Title:
 Realistic Development Potential (RDP) Analysis
 BOROUGH OF HO-HO-KUS
 BERGEN COUNTY, NEW JERSEY

CLARKE CATON HINTZ
 ARCHITECTURE
 PLANNING
 LANDSCAPE ARCHITECTURE

burgis ASSOCIATES, INC.
 COMMUNITY PLANNING
 LAND DEVELOPMENT AND DESIGN
 LANDSCAPE ARCHITECTURE
 25 Westwood Avenue
 Westwood, New Jersey 07675 P: 201.666.2599 F: 201.666.1811

Rev	Description	Date	Dwn	CKd
1	Revised per Affordable Housing Consultant	10/27/15	TS	ES
2	Revised per Affordable Housing Consultant	11/23/15	DN	ES
3	Map Formatting / Updated Aerials	11/22/16	CK	MBL
4	Update Map per Settlement Agmt	6/16/17	DLH	CK
				MBL

Dwg Title: _____
 Graphic Scale: _____
 Scale: 1" = 400'
 Drawn: DN
 Date: 11/23/15
 Sheet No.: 1 of 1
 Project No.: 2886.02

JOSEPH H. BURGIS AICP
 PROFESSIONAL PLANNER
 NEW JERSEY LIC. NO. 2450

Project No.: 2886.02
 Sheet No.: 1 of 1
 Date: 11/23/15
 Drawn: DN
 Scale: 1" = 400'
 Dwg. No.: TOTAL VACANT LOTS 24K36
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RDP Contributing Sites										
ID	Block	Lot	Location	Owner	Total Acres	Unconstrained Acres	Density (du/acre)	Total Units	RDP @ 20%	Comments
RDP1	802	1-4, 10	806W. SADDLE RIVER	COSTANZA	3.50	3.34	13	43.42	8.68	Hollows
RDP2	1016	3, 5, 11	619 N. MAPLE AVENUE	VARIOUS	2.00	0.43	NA	NA	8	Crossings @ Ho-Ho-Kus
RDP3	1301	23	11 DEERHILL DR	HEKEMIAN, SAMUEL	1.41	1.41	6	8.43	1.69	
RDP4	1302	8	4 DEERHILL DR	BRUNETTI, JO ANN	0.96	0.78	6	4.67	0.93	Wetlands
RDP5	402	7	47 JACQUELIN AVE	BRIDGES (TRSTES/ETC), KENNETH L	1.03	1.03	6	6.16	1.23	
RDP6	903	9.02	207 WEARIMUS RD	DOWICZ, STEPHEN M & MARY E	1.27	1.27	6	7.61	1.52	
RDP7	905	1	60 DEERHILL DR	BRUNETTI, JOHN J	1.47	1.30	6	7.82	1.56	Wetlands
RDP8	905	3	40 DEERHILL DR	NYE, THOMAS ANDREW & MARYELLEN	2.44	1.81	6	10.89	2.18	Wetlands
RDP9	905	5	262 WEARIMUS RD	DANTE WEARIMUS LLC	3.65	3.35	6	20.10	4.02	Environmental Constraints: Wetlands
							Total	109.09	29.81	

ID	Block	Lot	Location	Owner	Total Acres	Unconstrained Acres	RDP Contributing?	Comments
Private Vacant								
1	1001	4	KNOLLWOOD RD	MEDYNSKI, GEORGE S. & ERICA A.	0.07	0.00	No	Lot size is too small. Steep Slopes.
2	1001	6	RIDGEWD-HOHOKUS BORDER	SICA, THOMAS & CHRISTINE	0.07	0.05	No	Lot size is too small. Steep Slopes.
3	1001	7	RIDGEWD-HOHOKUS BORDER	JESALPURA, JAYESH & ILLA	0.08	0.03	No	Lot size is too small. Steep Slopes.
4	1001	8	RIDGEWD-HOHOKUS BORDER	GOR, PRADIP & RENUKA	0.07	0.01	No	Lot size is too small. Steep Slopes.
5	1002	18	KNOLLWOOD DR	DALY, THOMAS A. & MARGARET B.	0.90	0.43	No	Steep Slopes.
6	1002	19	KNOLLWOOD DR	HOHMAN, GW & KAISER, EM	0.36	0.12	No	Lot size is too small. Steep Slopes.
7	101	2	W OF ERIE RR	UPPER RIDGEWOOD TENNIS CLUB	1.70	0.11	No	100 Year Floodplain, Steep Slopes.
8	1011	6	WARREN AV	PSEG SERVICES CORP-PROP DEPT T6B	0.39	0.06	No	Lot size is too small. 100 Year Floodplain.
9	1012	6	E FRANKLIN TP	PSEG SERVICES CORP-PROP DEPT T6B	0.57	0.00	No	Lot size is too small. 100 Year Floodplain.
10	1016	14	222 E. FRANKLIN TP	SMITH, JOSEPH E & GLORIA A	0.09	0.00	No	Lot size is too small. 100 Year Floodplain.
11	1016	17	E FRANKLIN TP	PSEG SERVICES CORP-PROP DEPT T6B	0.19	0.00	No	Lot size is too small. 100 Year Floodplain.
12	1016	19	246 E FRANKLIN TPK -REAR	QUEEN, RICHARD & LISA	0.00	0.00	No	Lot size is too small. 100 Year Floodplain.
13	104	31	141 BLAUVELT AVE	PSEG SERVICES CORP-PROP DEPT T6B	1.81	1.81	No	Owned by PSEG. Lot configuration not suitable to development.
14	1102	24	23 BEECHWOOD RD	HUGHES, PATRICK E JR & JULIE A	0.05	0.04	No	Lot size is too small. Steep Slopes.
15	1204	4	669 WEST SADDLE RIVER RD	HASTING'S MILL POND LLC	4.89	0.66	No	100 Year Floodplain, Wetlands.
16	1205	13	REAR 705 HOWARD RIDGEW	KIPINIAK, WALERIAN & ANNA	0.31	0.00	No	Lot size is too small. 100 Year Floodplain.
17	1205	14	620 E SADDLE RIVER RD	MOREAU (ETAL), MARCEL	0.68	0.00	No	Lot size is too small. 100 Year Floodplain, Steep Slopes.
18	1205	6	WEST SADDLE RIVER RD-REAR	MISHLER, LEE & ANDREA L	0.50	0.16	No	Lot size is too small. 100 Year Floodplain.
19	1205	7	590 W SADDLE RIV RD-REAR	INFANTINO, PATRICIA	0.07	0.00	No	Lot size is too small. 100 Year Floodplain.
20	1206	1	1 FOX RUN	HOLUBA V INVESTMT LLC	1.87	0.92	No	100 Year Floodplain, Wetlands. Widest portion of undeveloped acreage is approximately .48 acres.
21	201	1	151 ARDMORE RD	FERMIER, CHARLES D. JR. & BENEDETTA J	0.28	0.28	No	Lot size is too small.
22	301	1.25	COMMON AREA	MARRON/NORMANDY C/O WILKIN MGMT GRO	9.77	4.88	No	Common Area for existing multifamily development.
23	301	4	1010 WEST SADDLE RIVER RD	DEGREGORIO, JOSEPH & ELIZABETH	1.71	1.68	No	Developed
24	305	7	906 WEST SADDLE RIVER RD	AVE M REALTY CORP	0.54	0.52	No	Lot size is too small. Wetlands.
25	401	2	E SADDLE RIVER RD	O'NEILL JOHN COLIN & LAUREN CLAIRE	1.67	0.08	No	Lot size is too small. 100 Year Floodplain, Wetlands.

ID	Block	Lot	Location	Owner	Total Acres	Unconstrained Acres	RDP Contributing?	Comments
26	401	3	E SADDLE RIVER RD	O'NEILL, JOHN COLIN & LAUREN CLAIRE	0.75	0.00	No	Lot size is too small. 100 Year Floodplain, Wetlands.
27	404	12	16 N SADDLE BROOK DR	HO-HO-KUS ASSOC, INC. C/O ROSSETTE	4.54	0.00	No	Waterbody.
28	502	8	BRIDLE WAY	MAYLAHN, ERNEST TRUSTEE	0.10	0.10	No	Lot size is too small.
29	601	6	BLAUVELT AVE	PSEG SERVICES CORP-PROP DEPT T6B	1.80	1.80	No	Owned by PSEG. Lot configuration not suitable to development.
30	607	5	SHERIDAN AV	PSEG SERVICES CORP-PROP DEPT T6B	0.30	0.30	No	Lot size is too small.
31	701	12	SHERIDAN AVE	PSEG SERVICES CORP-PROP DEPT T6B	1.14	1.14	No	Owned by PSEG. Lot configuration not suitable to development.
32	703	14	LAKWOOD AVE	PSEG DERVICES CORP-PROP DEPT T6B	0.45	0.45	No	Owned by PSEG. Lot is also too small.
33	704	13	LAKWOOD AVE	PSEG DERVICES CORP-PROP DEPT T6B	0.49	0.49	No	Owned by PSEG. Lot is also too small.
34	801	3	14 CLEVERDON RD	STUHR, DAVID P	0.23	0.23	No	Already developed.
35	801	5	15 VAN DYKE DR	STUHR, DAVID P	0.15	0.15	No	Lot size is too small.
36	809	10	725 WEST SADDLE RIVER RD	DURANTE, R & HMD DURANTE CORP	0.49	0.16	No	Lot size is too small. 100 Year Floodplain. Steep Slopes
37	811	10	E SADDLE RIVER RD	HERRICK, SANFORD S & JANE B	0.04	0.04	No	Lot size is too small.
38	1202	28	680 WEST SADDLE RIVER RD	CACCIABAUDO, JOSEPH T & ERIN E	0.74	0.74	No	Developed
39	1014	10	FIRST ST	UNKNOWN	0.01	0.01	No	Part of Cemetery
Board of Education Properties								
BoE1	302	1	617 Hollywood Ave	Bd of Education	11.88	10.39	No	Athletic Field. Storm water Detention system
BoE2	705	6	70 Lloyd Rd	Bd of Education	8.94	8.94	No	School & Athletic Field
BoE3	705	8	70 Lloyd Rd	Bd of Education	1.05	1.05	No	Athletic Field. Storm water Detention system
BoE4	706	4	750 Hollywood	Bd of Education	2.89	2.82	No	Athletic Field and buffer.
Municipal Properties								
M1	220	7	Lakewood Ave	Boro of Ho-Ho-us	0.13	0.11	No	Water system. Tributary 1 for Saddle River & Water Detention Sys
M2	304	1	845 Hollywood	Boro of Ho-Ho-us	1.85	0.38	No	Recreational Space
M3	305	9	860 WSRR	Boro of Ho-Ho-us	15.85	2.05	No	Nature Conservation & Wild Life Preserve. Wetlands/Buffer.
M4	306	30	2 Valley Steam	Boro of Ho-Ho-us	1.76	0.00	No	Flood Plain. Flood Way. 100 Year Floodplain, Wetlands/Buffer.
M5	502	12	10 Bridle Way	Boro of Ho-Ho-us	1.13	1.13	No	Water system.
M6	502	22	45 Academy	Boro of Ho-Ho-us	1.07	1.07	No	Water system.
M7	602	1	12 Hollywood	Boro of Ho-Ho-us	1.35	0.73	No	DPW Building. and Water System
M8	603	3	Hollywood Ave	Boro of Ho-Ho-us	0.62	0.15	No	Narrow 20 ft wide parcell next to RR tracks
M9	603	4	26 Hollywood Ave	Boro of Ho-Ho-us	1.37	0.29	No	Recycling Center. Flood Plain, Flood Way, Steep Slopes

ID	Block	Lot	Location	Owner	Total Acres	Unconstrained Acres	RDP Contributing?	Comments
M10	607	6	Sheridan & Hollywood	Boro of Ho-Ho-us	0.21	0.21	No	Water system.
M11	706	3	780 Hollywood	Boro of Ho-Ho-us	0.13	0.13	No	Already developed
M12	706	5	Rt 17 N Addison	Boro of Ho-Ho-us	0.30	0.30	No	Sound Barriers for Route 17.
M13	706	16	Addison Place	Boro of Ho-Ho-us	0.03	0.02	No	Footpath. Steep Slopes.
M14	708	6	Rt 17 & Addison	Boro of Ho-Ho-us	0.10	0.10	No	Sound Barriers for Route 17.
M15	709	4	Rt 17	Boro of Ho-Ho-us	0.52	0.52	No	Sound Barriers for Route 17.
M16	805	13	Sleepy Hollow	Boro of Ho-Ho-us	0.03	0.03	No	Narrow Strip. Right of Way.
M17	809	1	980 Hollylwood	Boro of Ho-Ho-us	0.59	0.00	No	Water system. Wetlands/Buffer, 100 Year Floodplain.
M18	809	19	860 ESRR	Boro of Ho-Ho-us	6.62	0.64	No	Wetlands, 100 Year Floodplain, Steep Slopes. Nearly entirety of site is constrained.
M19	1001	3	Knollwood	Boro of Ho-Ho-us	6.20	0.18	No	Flood Way, Steep Slopes.
M20	1001	5	60 First St	Boro of Ho-Ho-us	2.05	0.95	No	RR Station. and Parking
M21	1002	8	91 Warren Ave	Boro of Ho-Ho-us	0.30	0.11	No	Steep Slopes. Library Side Yard
M22	1002	9	91 Warren Ave	Boro of Ho-Ho-us	0.28	0.08	No	Steep Slopes. Library Side Yard
M23	1002	10	91 Warren Ave	Boro of Ho-Ho-us	0.47	0.16	No	Library. Steep slopes.
M24	1005	6	44 Sheridan	Boro of Ho-Ho-us	1.58	1.56	No	Mun. Complex. Police, Fire, Ambulance and Borough Hall. 100 Year Flood Plain.
M25	1006	1	N Franklin Tpk	Boro of Ho-Ho-us	0.04	0.04	No	Park. Street Safety Separater
M26	1009	1	Orvil Ct	Boro of Ho-Ho-us	0.76	0.00	No	Inn Parking. Flood Plain & Flood Way.
M27	1009	1.01	1 E Franklin Tpk	Boro of Ho-Ho-us	0.76	0.00	No	Registered Historic Building. In 100 Year Flood Plain.
M28	1011	10	Warren Ave	Boro of Ho-Ho-us	0.01	0.01	No	Zabriski Brook.
M29	1013	1	E Franklin Tpk	Boro of Ho-Ho-us	1.86	0.55	No	Park, Flood Way.
M30	1013	4	101,217,219 Brookside	Boro of Ho-Ho-us	0.10	0.00	No	100 Year Floodplain.
M31	1013	5	101,217,219 Brookside	Boro of Ho-Ho-us	0.11	0.07	No	100 Year Floodplain.
M32	1013	9	101,217,219 Brookside	Boro of Ho-Ho-us	1.11	0.12	No	100 Year Floodplain, Steep Slopes.
M33	1014	9	75 First St	Boro of Ho-Ho-us	0.07	0.07	No	Historic Cemetery (Not Registered). Lot size is too small.
M34	1014	11	75 First St	Boro of Ho-Ho-us	0.01	0.01	No	Historic Cemetery (Not Registered). Lot size is too small.
M35	1016	1	2 E Franklin Tpk	Boro of Ho-Ho-us	0.27	0.00	No	Memorial Park. Flood Way
M36	1016	6	188 E Franklin tpk	Boro of Ho-Ho-us	0.16	0.00	No	Old Library. Park. Flood Plain & Flood Way
M37	1016	7	198 E Franklin Tpk	Boro of Ho-Ho-us	0.37	0.00	No	Water system. Flood Way
M38	1103	41	Rt 17 S Addison Pl	Boro of Ho-Ho-us	0.86	0.86	No	Sound Barriers for Route 17.
M39	1111	13	Rt 17 N Racetrack	Boro of Ho-Ho-us	0.82	0.82	No	Sound Barriers for Route 17.
M40	1205	2	3 Bogert Rd	Boro of Ho-Ho-us	0.29	0.27	No	Water system. 100 Year Floodplain.
M41	706	2	Bergen County Route 75	Boro of Ho-Ho-us	0.29	0.29	No	Lot is too small for development.
M42	809	18	Bergen County Route 75	Boro of Ho-Ho-us	0.92	0.00	No	Wetlands, 100 Year Floodplain, Steep Slopes.
M43	809	17	Bergen County Route 75	Boro of Ho-Ho-us	2.33	0.00	No	Wetlands, 100 Year Floodplain, Steep Slopes.
M44	809	16	Bergen County Route 75	Boro of Ho-Ho-us	0.10	0.10	No	Lot size is too small.



APPENDIX F
REHABILITATION MANUAL



BERGEN COUNTY HOME IMPROVEMENT PROGRAM



POLICY AND PROCEDURES MANUAL

Administered by the
Bergen County
Division of Community Development
One Bergen County Plaza-4th Floor
Hackensack, NJ 07601
Tel (201) 336-7200 Fax (201) 336-7247

1.0 Introduction

The Bergen County Home Improvement Program (HIP) provides deferred payment loans to homeowners at 60% of the County's median income occupying a single or two-family home, in the Bergen County entitlement, for the purpose of housing rehabilitation.

A 3% interest loan in the amount of assistance required for the rehabilitation work will be made to the homeowner by the Division of Community Development. No payments are required until the home is sold or title to the property changes.

In order to ensure repayment of the loan, the Division will place a lien on the property in the amount of the loan. The lien must be signed by every person listed on the Deed of Conveyance and recorded before any rehabilitation work can begin. Additionally, all persons listed on the Deed of Conveyance must execute a promissory note.

The HIP is funded through the Community Development Block Grant (CDBG) Program of the United States Department of Housing and Urban Development (HUD). The Bergen County Division of Community Development administers these programs for the seventy members of Bergen County's Urban County entitlement.

The purpose of this document is to establish policies, guidelines and procedures, which will govern the Bergen County HIP. The Bergen County Division of Community Development administers the grant and is responsible for using CDBG monies to rehabilitate owner-occupied dwellings. The HIP is subject to all laws, regulations, ordinances, and codes of the US Department of Housing and Urban Development, the State of New Jersey and the County of Bergen.

1.1 Specific Goals of the Program

The goals of the Home Improvement Program are:

- To provide housing assistance to extremely low, very low and low-income households.
- To preserve Bergen County's existing housing stock.
- To strengthen the Bergen County's tax base.
- To abate code violations.
- To prevent the spread of blight in Bergen County.

- To reduce lead based paint hazards

2.0 Program Description

The program is designed to assist homeowners at 60% of the County's median income (as defined by HUD) in the rehabilitation of their single family and two-family homes by providing deferred loans to eligible homeowners.

Housing rehabilitation loans are provided to households to assist in eliminating housing code violations. Other existing violations are also addressed. Assistance is given to homeowners on a first come, first serve basis. However, should emergencies arise, such as loss of heat during the heating season; the homeowner(s) will be reviewed for immediate assistance with their emergency condition.

Eligible improvements include: plumbing, heating, electrical work, insulation, roofs, doors, windows, floors, walls, ceilings, exterior and interior painting, steps, porches, structural repairs, bathroom repairs, kitchen repairs, siding, leaders, gutters, sidewalk repair and driveway repair. Kitchen stoves and refrigerators may be eligible if these appliances are likely to remain with the property upon sale of the home.

Ineligible improvements include but are not limited to: washers, dryers, window air conditioners, furniture, drapes, television sets and swimming pools.

All applicants or beneficiaries of rehabilitation assistance are restricted to the full income guidelines established by the most current "Income Limits for Low-Income and Very Low Income Families" (adjusted for family size) produced by HUD. The latest income limits can be obtained from <http://www.huduser.org/datasets/il.html>.

For purposes of rehabilitation activity, an annual income review requires the examination of source documents, which include:

1. Wages, salaries, overtime pay, commissions, fees, tips, and bonuses and other compensation for personal services (before payroll deductions); Pay stubs may be required to verify;
2. Net income from a business or professions (i.e. self-employment income from own non-farm business; including proprietorships and partnerships). Expenditures for business expansion or amortization of capital indebtedness cannot be used as deductions in determining net income; however, an allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue

Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

3. Interest dividends and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness cannot be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in number 2 (above) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family.
 - Where the Family has Net Family Assets in excess of \$5,000 Annual Income includes the greater of the actual income derived from Net Family Assets or a percentage of the value of such Assets based on the current passbook savings rate as determined by HUD and
 - Personal asset value is the real value of savings accounts, checking accounts, IRAs, Mutual Funds, other stocks, bonds or money market accounts, savings certificates and any other investment accounts, minus reasonable costs that would be incurred in converting assets to cash. Personal asset value may not be greater than \$30,000 for applicants under the age of 62 years and not greater than \$50,000 for applicants 62 years or older.
4. The full amount of periodic payments received from social security, annuities, insurance policies, Retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or a prospective monthly amount for the delay start of a periodic payment.
5. Payments in lieu of earnings, such as unemployment, worker's compensation and severance pay.
6. If the Welfare Assistance payment includes an amount specifically designed for shelter and utilities that is subject to adjustment by the Welfare Assistance agency in accordance with the actual cost of shelter and utilities, the amount of Welfare Assistance income to be included as income shall consist of:
 - The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

- The maximum amounts that the Welfare Assistance agency could in fact allow the Family for shelter and utilities. If the Family's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph is the amount resulting from one application of the percentage;
7. Periodic and determinable allowances such as alimony and child support payments; and regular contribution or gifts received from organizations or persons not residing in the dwelling. Alimony and child support amounts awarded as part of a divorce or separation agreement are included as income unless the applicant (1) certifies that the income is not being provided and (2) takes all reasonable legal actions to collect amounts due; and
 8. All regular pay, special pay, and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the Family, spouse, or other person whose dependents are residing in the unit. Except as provided in number nine (9) of income exclusions (The special pay to a family member serving in the Armed Forces who is exposed to hostile fire).

The following sources of income **will not** be considered part of a household's income when determining eligibility for the HIP.

1. The ^{first} \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission, or the Court of Claims (25 U.S.C. 1407-1408), or from funds the Secretary of Interior holds in trust for an Indian Tribe;
2. Amounts of scholarships funded under Title IV of the Higher Education act of 1965, including awards under the Federal work-study;
3. Income from employment of children (including foster children) under the age of 18 years;
4. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
5. Lump-sum additions of Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlements for personal or property losses;
6. Amounts received by the family, that are specifically for or in

reimbursement of the cost of medical expenses for any family member;

7. Income of a live-in aides as defined in 24 CFR 5.403;
8. The full amount of student financial aid paid directly to the student or to the educational institution and amounts paid by the Government to a veteran for use in meeting the costs of tuition, fees, books, equipment, materials, supplies, transportation, and miscellaneous personal expenses of the student. Any amount of such scholarship or payment to a veteran not used for the above purposes that is available for subsistence is to be included in income;
9. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire; (i) Amounts received under training programs funded by HUD; (ii) Amounts received by a Disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS); or (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses (special equipment, clothing, transportation, child care, etc.) And which are made solely to allow participation in a specific program;
10. Amounts received under training programs funded by HUD;
 - Amounts received by a Disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
 - Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;
 - Amounts received under a resident service stipend (as defined in 24 CFR 5,609(c)(8)(iv));
 - Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded

by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment-training program;

11. Temporary, nonrecurring or sporadic income (including gifts); or
12. Reparation payments paid by a foreign governments pursuant to claims under the laws of that government by persons who were persecuted during the Nazi era;
13. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. A notice will be published in the Federal Register and distributed to owners identifying the benefits that qualify for this exclusion. Updates will be published when necessary.
14. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or spouse).
15. Adoption assistance payments in excess of \$480 per adopted child;
16. For public housing only, the earnings and benefits to any family member resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, section 22 of the 18\937 Act (43 U.S.C. 1437t), or any comparable federal, state, or local law during the exclusion period.
17. Deferred periodic amounts from SSI and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts.
18. Amounts received by the family in the form of refunds or rebated under state or local law for property taxes paid on the dwelling unit.
19. Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep this developmentally disabled family member at home;
20. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or

benefits under a category of assistance programs that includes assistance under any program to which the exclusions of 24 CFR 5.609(c) apply including:

- The value of the allotment made under the Food Stamp Act of 1977;
- Payments received under the Domestic Volunteer Service Act of 1973 (employment through VISTA; Retired Senior Volunteer Program, Foster Grandparents Program, youthful offenders incarceration alternatives, and senior companions);
- Payments received under the Alaskan Native Claims Settlement ACT;
- Income derived from the disposal of funds of the Grand River Band of Ottawa Indians;
- Payments, rebates or credits received under Federal Low Income Home Energy Assistance Program (includes any winter differentials given to the elderly);
- Payments received under the Main Indian Claims Settlement Act of 1980 (25 U.S.C. 1785);
- Amounts of scholarships funded under Title IV of the Higher Education act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs, or veterans benefits;
- Payments received under Title V of the Older Americans Act (Green Thumb, Senior Aides, Older American Community Service Employment Program);
- Payments received after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);
- Earned Income Tax Credit refund payments received on or after January 1, 1991, including advance earned income tax credit payments;
- The value of any child care provided or reimbursed under the Child Care and Development Block Grant Act of 1990;

- Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, State job training programs and career interns programs).
- Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 259e);
- Payments received under programs funded in whole or in part under the Job Training Partnership Act.

3.0 Application Process

3.1 Loan Application Process

Homeowners who have been preliminarily deemed eligible will be given the Rehabilitation Assistance Application. The homeowner is instructed to complete the application and bring it along with the following verifications: Copy of Deed of Conveyance, Proof of Homeowners Insurance and Income Tax Returns to the Division on the interview date.

The submitted application and applicable verification will be reviewed by a Loan Advisor. The Loan Advisor will ensure that the application receives a project number and is entered in the HIP database. As necessary, forms will be issued to verify information such as household contribution, employment, rental income, student status, etc. In addition, program procedures will be explained in sufficient detail to provide the homeowner with a basic understanding of the program and what is expected in the ensuing months. All income must be documented by pay stubs, tax return, award letters, bank statements, tax bills, deeds, employment verification, etc. (See Section 3.3 for Definition of Income and Section 4.4 for definition of Household size.)

Following the income review, the Loan Advisor will order a title search for all loan homeowners, as applicable. The Loan Advisor must ascertain whether a deficiency in title exists. Payment of Municipal taxes and flood zone applicability will also be examined for all homeowners.

Income reviews, which conclude without the receipt of required application documentation, are followed by a mailing to the homeowner, requesting that the missing information be supplied. Except for service emergencies, processing will be delayed until the office receives a complete application.

Homeowners determined to be ineligible will be given a notification of ineligibility explaining the reasons for their ineligibility.

Once determined, the Loan Advisor at the bottom of the Income Determination Worksheet posts household income. The Loan Advisor must also review each eligible case, to determine if the property is located within a flood plain using flood zone maps. If the property is located in a flood plain, the homeowner must provide proof of flood insurance. If proof of flood insurance is not provided, the case must be rejected.

The Loan Advisor must inform homeowners, in writing, of their eligibility or rejection. Any homeowner who has been rejected from the program must be informed immediately in writing of the reason for rejection.

Each homeowner will have thirty (30) days to appeal his or her rejection from the Program.

If for any reason, the rehabilitation project has not been undertaken within six (6) months of eligibility determination, the homeowner must be re-certified as income eligible. Eligibility will begin as of the date of the notice of eligibility letter.

3.2 Required Documentation

The Loan Advisor is responsible for ensuring that all required documents are included in the case file.

Documents required determining eligibility:

- (A) Signed Federal and State Tax Return for each applicable household member who is required to file for the most recent year. If any of the homeowners do not prepare a tax return, they must state the reason in a notarized letter:
- (B) All W-2 Forms (for all household members).
- (C) Request for Transcript of Tax Return Form 4506-T
- (D) Tax Authorization Form 8821.
- (E) Two (2) recent pay stubs (for all household members).
- (F) Proof of Interest Income (for all household members).
- (G) An award letter from Social Security, Veterans Administration, Pension, Public Assistance or Unemployment Compensation (when applicable).
- (H) Documentation of any other income such as taxable child support, alimony, disability, sale or ownership of other real estate, rental income and rental expenses.
- (I) In the event the homeowner is a widow or widower, a copy of the spouse's death certificate is required.
- (J) In the event the homeowner is divorced, a copy of the divorce decree is required.
- (K) Copies of birth certificates for all children under the age of eighteen (18).

- (L) A copy of the deed to the property showing book and page number.
- (M) A copy of the most recent tax receipt and verification that the property taxes are paid to date.
- (N) Copy of homeowners insurance.
- (O) Copy of flood insurance. If applicable the insurance shall be \$70,000 for a single family dwelling unit and \$200,000 for other residential dwelling units or the amount of all mortgages or liens on the property, whichever is less.
- (P) Verification that all mortgages and liens on the property are current. In the event the homeowner has declared bankruptcy a bankruptcy judge may grant permission for the placement of a lien against the property. Failure to receive this document will preclude the homeowner from receiving assistance.
- (Q) Certified statement disclosing any judgments against any of the owners.

Documents required after eligibility is determined

- (R) Signed acknowledgement of receipt of lead based paint hazard notification brochure by all owners and tenants in an assisted structure.
- (S) Proof of contractor's proper training in lead hazard removal.

Documents required after the execution of contracts:

- (Q) Signed acknowledgement of receipt of two (2) Truth in Lending Notices by owner(s) and two (2) Right of Recession Notices.
- (R) Verification by Loan Advisor that 3 day recession period has expired and the County has reasonably satisfied itself that the homeowner has not exercised his or her right of recession.
- (S) Verification that all necessary permits have been submitted to the County prior to commencement of work.
- (T) Notice to Proceed.
- (U) Amended Agreement (if any).
- (V) Contractors Insurance Certificate.

- (W) Contract Package
- (X) Recommendation Sheet
- (Y) Mortgage Lien and Acknowledgement of the Imposition of a Lien
- (Z) Financial Ledger and applicable vouchers and Purchase Requisition

3.3 Definition of Income

For the purpose of determining whether a family or household is extremely low, very low or low-income, Bergen County may select one of three definitions for each activity as outlined in CDBG program regulation 570.3. Bergen County has determined that for eligibility purposes it will use Adjusted Gross Income as defined for purposes of reporting under Internal Revenue Service (IRS) from 1040 for individual Federal annual income tax purposes as defined in CDBG Program regulation 570.3(1)(iii).

In the event the homeowner does not file an Internal Revenue Service (IRS) from 1040, income will be determined by estimating the annual income of a family or household by projecting the prevailing rate of income of each person at the time assistance is provided for the individual, family, or household (as applicable). Estimated annual income shall include income from all family or household members, as applicable. Income or asset enhancement derived from the CDBG-assisted activity shall not be considered in calculating estimated annual income using any and all other means of income determinations defined in CDBG Program regulation 570.3(2).

3.4 Definition of Household Size

Household size is defined as the number of persons physically residing in the household. Household means all the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Should a persons name be contained on the Deed but not reside in the household they will be required to submit a notarized document indicating this.

3.5 Loan Approval

Loans will only be granted to eligible homeowners upon approval of credit and assurance that property taxes are current. In order to receive funds a homeowner must meet all of the following requirements.

- The homeowner must be an owner/occupant of a single or two family home.
- The homeowner household income must not exceed 60% of the of the Newark Metropolitan Area Median income which is consistent with the established HUD income limits.
- The homeowner must reside in one of the municipalities located within the Bergen County entitlement. In a multi dwelling property an application may be deemed ineligible should a tenant not wish to complete a tenant application.
- Taxes, water and sewer charges and mortgage payments must be current. Verification of the status of all payments will be made.
- Homeowner's whose property is determined to be located in a special flood hazard area, must provide proof of purchase of flood insurance protection equal to the terms and amount of the loan prior to provision of rehabilitation.
- The building must be in need of rehabilitation.

3.6 Homeowner Contribution

It is the policy of this program to urge that homeowners monetarily contribute to the total cost of rehabilitation wherever possible. Amounts to be contributed by the homeowner shall be determined by the homeowner and be paid out to contractors.

3.7 Deferred Loan Amounts

All homeowners who are below the extremely low, very low or low-income limit will be eligible for a deferred loan not to exceed \$17,500 for one unit and \$25,000 for two units. The deferred loan is interest free and does not require a monthly debt service.

Homeowners who are disabled, proof supplied by a Physician's certification shall be entitled to additional funding to make barrier free improvements or other physical or health related improvements to their home. The deferred loan limit will be increased not to exceed \$25,000 for one unit and \$40,000 for two units. The additional funds will be used for disability related improvements.

3.8 Loan Amount - Exception

At a minimum, rehabilitation must eliminate all known existing BOCA building code violations or any other regulatory requirement established by the NJ Department of Community Affairs (DCA) and eliminate all other municipal property code violations to the extent they are an allowable expense of CDBG funds and within the Program's funding limits.

Improvement items will be prioritized, with code violations given highest priority. In exceptional cases, if the abatement of code violations exceeds the loan cap of \$17,500 for one unit or \$25,000 for two units the homeowner will not qualify for HIP unless the following:

- a. The homeowner signs an affidavit stating the homeowner will be exclusively responsible for abating the balance of code violations - simultaneously while the contracted work is ongoing. The homeowner will be required to sign-off as to their responsibility and such documents should be placed in the case file.
- b. The homeowner obtains other funding sources to abate the remaining violations. This must be verifiable and documented for the case file.
- c. Should the homeowner not abate the remaining violations, their ability to receive a Certificate of Approval will be in jeopardy. No Certificate of Approval will be issued until all work is completed.

Loan amounts may be exceeded only at the discretion of the Community Development (CD) Director where there are extenuating circumstances involving threats to health and safety. Detailed documentation is required to prove the existence of extenuating circumstances (i.e. insufficient available liquid assets).

3.9 Emergency Assistance

Any homeowner that is considered to have a condition in their home that is posing an immediate health or safety threat to the household will be reviewed for immediate assistance to address their emergency condition. They include but are not limited to:

- Lack of heat
- Lack hot water
- Roof leaks

- Electrical problems that are determined to be dangerous
- Broken pipes
- Problems with sanitary facilities

In the event the Division receives a call advising that an emergency conditions exist the Loan Advisor and Cost Estimator must visit the home within the same day as the emergency notification. The Loan Advisor must take an application for the homeowner to complete and determine eligibility.

The amount of documentation initially required to determine income may be reduced due to time constraints. Homeowners' and a tenant's income may be determined by examining:

- a. The most recent tax return;
- b. Two current pay stubs from all members of the household who are working;
- c. Current bank statements
- d. Proof of current income from pensions, Social Security, unemployment, or any other source of income.
- e. Proof of home ownership which may be obtained by examining:
 - a. Current property tax bills
 - b. Current mortgage statements
 - c. Current homeowner's insurance

The Cost Estimator reviews the necessary repairs and estimates cost. In the case of an emergency the homeowner ~~must~~ select their ~~own~~ contractor. The Cost Estimator will prepare a description of the emergency repairs; obtain approval from the Senior Cost Estimator and the CD Director for amounts up to \$5,000. Any amount in excess of \$5,000 must be processed through normal HIP payment procedures.

After the completion of the emergency repairs the homeowner may chose to participate further in the program. In this case the amount of emergency repairs will be deducted from the maximum deferred loan amount and a more thorough review of income will be completed.

If this second review demonstrates that the homeowners not eligible for assistance the homeowner may appeal this decision to the CD Director. If the appeal is unsuccessful, the homeowner must repay the amount of the rehabilitation loan within ten days of such determination. In order to

ensure repayment of the loan, the homeowner will sign the Acknowledgement of Liability at the time of closing.

3.10 Mortgage Placement

Mortgages for housing rehabilitation funded by the HIP should be either in first or second position, to insure that funds can be recaptured. The determination of mortgage position will be made before the loan is issued.

If at the time of application, a homeowner has two existing mortgages and requests a third via their participation in the HIP, an analysis of equity will be conducted. The value of the property will be estimated by multiplying the County's Tax Assessor's assessed value by the equalization ratio. The resulting figure will be compared with level of principal that has been paid by the homeowner. The sum of the loans/mortgages/liens will not exceed 100% of the estimated value of the property.

Loans which are to be secured by a third position mortgage must be reviewed with the Loan Advisor and approved by the CD Director.

4.0 Lead Based Paint Testing and Abatement Policy

In accordance with HUD regulations 24 CFR Part 35, all program assisted homes constructed prior to 1978 will be tested for lead based paint, and if applicable, be inspected by a licensed risk assessor. Housing rehabilitation exemptions from lead based paint regulations are as follows:

- Residential structures built after January 1, 1978. The homeowner must submit written verification that the home was constructed after 1977. The Loan Advisor will ensure that this is included in the case file.
- Emergency action activities. An emergency action is immediately necessary to safeguard against imminent danger to human life, health, or safety, or to protect property from further structural damage (such as when a property has been damaged by natural disasters, fire or structural collapse). This exemption applies only to repairs necessary to respond to the emergency. The lead based paint requirements apply to any work undertaken after the emergency action. It is the Loan Advisor's responsibility to ensure that information detailing the type of emergency activities is contained in the case file.
- Properties found not to have lead based paint during earlier testing that meets the requirements of prior evaluations.
- Properties where all lead based paint has been identified and removed using approved methods.
- Rehabilitation that does not disturb paint. Rehabilitation that does not disturb painted surfaces is exempt; although distribution of the lead based paint hazard notification brochure is required.

The County will perform visual inspections in all units constructed prior to 1978. If any chipping, flaking, chalking, peeling or damaged paint is observed, the homeowner will be notified. The homeowner will decide if they wish to have lead based paint testing performed. The correction of a defective paint condition will be included as part of the rehabilitation scope of work. A contractor who has the required training shall appropriately treat the condition.

All homeowners, tenants and contractors who participate in the HIP will receive copies of the following:

- Lead Hazard Information Pamphlet

- Property Owner Disclosure (distributed to owners of a unit known to contain lead based paint or lead based paint hazards for disclosure to tenants or prospective purchasers)
- Notice of Lead Hazard Evaluation or Presumption
- Notice of Lead Hazard Reduction Activity including Clearance

The Senior Cost Estimator is responsible for issuing Lead Based Paint Notification to homeowners and tenants prior and during the process of disseminating the pre-construction documents. Tenants shall be notified in writing by certified return receipt mail. Receipts returned shall be placed in the project file as verification that the Lead Based Paint Notice was received. The project file should also include copies of lead hazard evaluation report, lead hazard reduction documentation (such as job specifications), and clearance or abatement reports.

Both Notices of Lead Hazard Evaluation and Lead Hazard Reduction will be provided to the occupants within 15 calendar days of the date when the program receives the evaluation. The type of evaluation and reduction activities required depends on the level of Federal assistance as defined by Federal regulations for HUD programs. The level is determined by taking the lower of the per unit rehabilitation hard costs or the per unit Federal assistance. Once calculated, the cost determines the level of assistance as exhibited in the table below.

HUD Regulations 24 CFR Part 35 Subpart J: Required Housing Rehabilitation Activities

Amount of Program Assistance	< \$5,000	>\$5,000 < \$25,000	>\$25,000
Approach to Lead Hazard Evaluation and Reduction	Do no harm	Identify and control lead hazards	Identify and abate lead hazards
Notification	Yes	Yes	Yes
Lead Hazard Evaluation	Paint Testing of surfaces to be disturbed by rehabilitation	Paint Testing of surfaces to be disturbed by rehabilitation and a Risk Assessment of entire unit	Paint Testing of surfaces to be disturbed by rehabilitation and a Risk Assessment of entire unit
Lead Hazard Reduction	Repair surfaces disturbed during rehabilitation. Safe work practices Clearance of work site	Interim Controls Safe work practices Clearance of unit	Abatement Safe work practices Clearance of unit

A lead hazard evaluation will consist of one or more of the following:

- Visual Assessment performed by a Certified Inspector
- Paint Testing performed by a Certified Inspector
- Risk Assessment (or Lead Hazard Screen) performed by a Certified Risk Assessor

The lead hazard reduction will always include safe work practices and clearance and will also include one or more of the following:

- Paint Stabilization
- Interim Controls (or Standard Treatment)
- Abatement

Any properties not inclusive of the aforementioned exemptions and applying for program assistance will be inspected by the appropriate professional to identify and evaluate lead hazards. If hazards are identified, the program will then determine the following:

- Required level of lead hazard reduction.
- What methods will be used to reduce or abate the hazards.
- Whether or not relocation for occupants is necessary.

The homeowners will be notified of the program's determination. The decision to relocate occupants during work construction will be made by the Certified Inspector/Risk Assessor based on the extent of lead related work. In the event that relocation is necessary, HUD relocation regulations must be followed to ensure the health and safety of the occupants. The Loan Advisor will ensure compliance with the regulations and for placing the required paperwork in the case file. The relocation costs will be included in the maximum amounts of assistance under the HIP.

The Division will encourage the homeowner to temporarily stay with friends or family before and during the hazard reduction activities. However, if this is not possible or acceptable to the homeowner, the Program will provide accommodations in a nearby hotel/motel or other acceptable accommodations. The size of the temporary unit will be determined by the Division and will be appropriate to the family size and gender of children. The Program will reimburse the homeowner for actual

costs incurred for the housing arrangement. The Division will also reimburse the household up to \$20.00 per person, per day for meal expenses. Original receipts for all relocation expenses must be submitted to the Division for reimbursement.

Prior to the rehabilitation and lead based paint hazard work going out to bid, the Program will determine the type of contractor needed to complete the work required. The program staff, landlord and contractor(s) awarded the job will review the key aspects of the lead hazard reduction during the pre-construction conference.

The awarded contractor(s) will perform safe work practices at all times which includes but is not limited to:

- occupant protection
- worksite preparation
- daily cleanup
- safe work practices
- worker protection

Homeowners will be notified of any lead hazard reduction measures that were taken. Subsequent to the Program's final inspection, a certified professional will conduct a clearance examination including dust samples to confirm the unit is safe for occupancy and that lead hazard reduction was performed according to the Program's work specifications.

6.0 Environmental Review

Each project must be reviewed for potential environmental impact, historic value and location in a flood plain. Staff will review available data to determine whether the homeowner's property is of historic significance. If the property has been formally declared historic or is located in one of the County's historic districts, the housing program inspection and work write-up will be prepared in a manner which is historically sensitive.

In the event the project is located in a flood plain, the homeowner must be notified of the need for Flood Hazard Insurance. The completed work write-up along with the requisite photographs will be sent to the State Office of New Jersey Heritage (NJ DEP) for Section 106 Historic Review prior to seeking contractors' proposals. The Cost Estimator should not proceed with the case until a concurrence statement is received from the State. In the event the State does not concur with the proposed repairs the scope of work must be adjusted to reflect the recommended adjustments.

As a property is identified to be rehabilitated, and before a work write-up is finalized a HIP Environmental Factors checklist is prepared and retained in the Environmental Review Record. The HIP Environmental Review Record consists of:

- Flood Hazard Documentation
- Historic Eligibility
- Noise Abatement
- Wetlands

7.0 Cost Estimate Procedures

7.1 Procedures for Cost Estimators

Initially applications are received by the Loan Advisor who then prepares a status report and if eligible provides this information to the Senior Cost Estimator. This status report reflects the homeowner's name, address, telephone number and indicates what might be an emergency or problem that was noted in the application. The Senior Cost Estimator assigns the status report to a specific Cost Estimator.

One principle that the Division follows is that the Cost Estimators do not work in their hometown or where they may have or had a political association. Upon receipt of the status report a Cost Estimator will perform a full inspection of the homeowner's property. During this visit, the Cost Estimator will discuss what renovations are contemplated, make an inspection, take pictures and fill out a Section 8 Inspection Report looking particularly for housing violations. The Cost Estimator must read the NJ State Housing Code or the BOCA Property Maintenance Code or any other regulatory requirement established by the DCA. Generally the guidelines are to look for violations in plumbing, electrical and or structural. At a minimum the Cost Estimator must ensure each unit meets Section 8 Housing Quality Standards at completion of the rehabilitation.

Eligible improvements include: plumbing, heating, electrical work, insulation, roofs, doors, windows, floors, walls, ceilings, exterior and interior painting, steps, porches, structural repairs, bathroom repairs, kitchen repairs, siding, leaders, gutters, sidewalk repair and driveway repair. Kitchen stoves and refrigerators may be eligible if these appliances are likely to remain with the property upon sale of the home.

Ineligible improvements include but are not limited to: washers, dryers, window air conditioners, furniture, drapes, television sets and swimming pools.

The following provides details relating to each aspect of the inspection:

- **Structural Violations:** Observe the exterior soundness of the building which consists of the foundations walls, the columns, the joists and rafters, water drainage, roofing, gutters, leaders and surface water problems.
- **Plumbing Violations:** Each dwelling unit should include a sink, a toilet and a tub/shower, all in working order with privacy. There should be no stains, cracks, leaks in the fixtures and shut off valves are recommended.

- Heating Violations: Heating is a question of capacity. A furnace should be able to heat from minus 10 to 70 degrees in habitable rooms without any fumes, boiler leaks, or radiator leaks. It should include good valves and or vents. Portable heaters are prohibited.
- Electrical Violations: Generally, check the capacity of the existing service to determine if it is adequate which means if it is going to be increased it should have a minimum of 100 Amps. 110/220 Volts and must be a three wire system. BOCA any other regulatory requirement established by the DCA electrical requirements must be met.
- All homes must have a stove and refrigerator

These are the priority items and field notes must reflect them. Cost Estimators have to judge what can be done under the maximum amount of available money in their loan.

The HIP Program must be administered as professionally as possible. During interaction with homeowners and contractors, the Cost Estimators are in the middle, acting with fairness and reasonableness. A Cost Estimator's objectivity should not be clouded by personal prejudices or possible displeasure with the varying lifestyles encountered.

7.2 Contractor Eligibility

1. General solicitation shall be placed in area newspapers at least twice a year recruiting contractors for participation in the program. Program staff must first certify all contractors participating in the rehabilitation program. Certification consists of a review of the contractor's past performance with the Better Business Bureau and references from parties for whom the contractor has worked.
2. Interested contractors must complete a Contractor's Qualifications form. Any eligible contractor must provide his/her IRS identification number prior to being certified or approved for participation in the Program.
3. Contractors receiving certification shall remain probationary until such time that contractor satisfactorily completes three jobs under the Program. During this period, contractors will be eligible to bid and perform work on only two jobs at a time. Should the contractor's performance during the probationary period be unsatisfactory, the contractor shall be removed from the bidder list and shall be ineligible to bid on all future jobs.

4. Satisfactory performance is evaluated by the ^{SENIOR} Cost Estimator on The contractor's ability to:

- a. Perform quality work
- b. Complete work on time
- c. Organize and coordinate construction tradesmen
- d. Communicate well with others
- e. Operate a business satisfactorily
- f. Keep appointments
- g. Make him/herself available
- h. Follow-up on complaints
- i. Negotiate timely resolution of disagreements
- j. Respect property of others
- k. Be honest in business practices
- l. Financially meet his obligations

Failure to comply may result is the contractor being precluded from participating in the program.

7.3 Subcontractors and Suppliers

The contractor shall provide a written listing all of the subcontractors and suppliers who may have a right to file a lien on the property prior to the commencement of work. Clauses to effectuate the above shall be included in the Construction Agreement, which details the responsibilities for the contractor.

7.4 Work Write-up

The Cost Estimators shall utilize the Section 8 Inspection Report to develop a work write-up that addresses all code violations and any eligible items requested by the homeowner. The work write-up will be reviewed with the homeowner prior to requesting contractor's proposals and revised accordingly. Following homeowner review and any

subsequent revisions the work write-up will consist of a detailed listing of all improvements required at the site.

The work write-up should delineate clearly and succinctly the work to be performed and be formulated using guideline specifications. The document includes improvement locations, materials and descriptive explanations. Additionally, when the work-write-up is completed and line item estimate should be prepared adding 20% to 30% for overhead. This amount, (the cost of completing the necessary improvements) will be utilized as an internal control when reviewing contractors' proposals.

Each specification in the construction document shall be written so that it provides a clear understanding of the nature and scope of the work to be performed. Each specification shall show the nature and location of the work and quality and type of material required. References to manufacturer's brand name of two association standards may be used to identify the quality of the material or equipment required, however pre-approved substitutes are acceptable.

If it is anticipated that the work will cost less than \$5,000 per unit and the home was built prior to 1978 the County will presume that paint being disturbed is lead based. The contractor will be notified that they must follow HUD regulations regarding safe work practices. The contractor must produce proof that they have the required training.

If it is anticipated that the bid is between \$5,000 and \$25,000 and the home was built prior to 1978 a Lead Based Paint Risk Assessment based on the preliminary work write-up will be conducted. If it is determined that lead hazards must be controlled, the Division will incorporate this data in the preparation of the final work write-up.

7.5 Bid Procedure / Contractor Selection

The Division utilizes a project log, which lists all available HIP projects. Pre-approved contractors may view this book to determine their interest in bidding on a project. If they are so inclined the contractors may contact the homeowner to schedule a home inspection.

Prospective contractors shall be provided a copy of the work write-up and rehabilitation specifications, supplemental program documents and housing rehabilitation/replacement program policies and procedures guidelines. Contractors are responsible for reading all carefully and are fully responsible for compliance.

Contractors who choose to bid on a project must provide bids in a sealed envelope to the Division not later than the time and date specified in the

bid documents. Bids will be opened, reviewed and tabulated every other Friday.

The contractor must certify his bid for ninety- (90) days and must be willing to perform the job, at the bid price, upon receipt of a Notice to Proceed issued within the ninety- (90) day period. Any contractor who fails to honor his bid will be temporarily denied the right to participate in the HIP for six months on the first occurrence and one year on the second.

In order to successfully receive a bid the contractor should comply with the following:

1. Possess and supply a copy of Workers Compensation and Public Liability Insurance. (\$100,000 minimum bodily injury; \$50,000 minimum property damage) **Failure to supply within ten days of the submission of the proposal shall warrant disqualification.**
2. Possess and supply a copy of a NJ Business Registration Certificate.
3. Possess and supply a copy of a Lead Based Paint Safe Work Practices certification.
4. Not be disqualified from any local, state or governmental agency.

Homeowners are required to select their contractor and submit the estimates from any two contractors doing the same work. The homeowners may select a firm other than the most responsible low-bidder. However, the homeowner is required to pay the difference between the bid costs. If a bid other than the low bid is selected, a statement of the reason for selecting other than the low bid will be maintained in the homeowner's file.

Should there be a deviation from the original final work write-up it is the duty of the Cost Estimator to determine if this deviation is warranted and adjust the work write-up accordingly.

When a bid sheet is filled out and turned in the Cost Estimator will begin their review and determine the accuracy of the bid and whether the contractor's cost is reasonable. They may reject a bid if it is more than 15% over or under the original cost estimate prepared by the Cost Estimator. If there is over a 15% deviation from the Cost Estimators amount, the job must be re-bid. The Cost Estimator will also determine

if there is any deviation from the final work write-up and if any of the selected contractors are on the debarred list.

The Loan Advisor and Cost Estimators will provide a contract award recommendation within the guidelines of the HIP Policies and Procedures to the most responsible low bidder. All pertinent data will be recorded by a member of the clerical staff.

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A contractor having ^{Revised} (4) jobs in progress is not eligible for a bid award. A contractor shall not have more than four jobs to undertake simultaneously.

7.6 Self Help

Homeowners may also do their own work; however, owners will not receive compensation for their labor. This is referred to as "self help". The homeowner must notify the Division of their desire and the Cost Estimator and Senior Cost Estimator will determine if the homeowner has the capacity to undertake self help work. The homeowner must be able to demonstrate the ability to perform the work whether in their home or elsewhere.

In consultation with the homeowner, the Cost Estimator inspects the home and prepares a work write-up and specifications, spelling out the work to be done by the homeowner, subcontractors as well as a timetable and progress payment plan. The self help time frame shall not exceed six (6) months from the start date indicated at the contract closing and a self help timetable must be submitted and approved by the Division before work can commence.

Payment for each phase is dependent upon satisfactory completion of the work as determined by the Cost Estimator and if necessary the Senior Cost Estimator. The maximum amounts for property improvements remain the same for the owner/contractor. If the project involves the installation of any materials they must be installed before payment can be released.

HOMEOWNER:		INSTRUCTIONS TO BIDDERS Attached hereto are made part by reference. BIDDER affirms having received same.	
ADDRESS:			
TOWN:	NJ		
PHONE:	EVE:	Prepared by:	
APPLI:	BLOCK:	LOT:	

1. Contractor will submit a sealed quote in envelope provided by BCHIP that must include an itemized breakdown as detailed in the Work Write-Up Form 3403. Bids shall be submitted to BCHIP by mail or personal delivery. Bids shall be opened on bid due date as stated on page one (1) of this work write-up at 9:00 AM providing that there are two (2) bids per job. If not bids shall be held until the following bid-opening day. Bids shall stand available for acceptance for ninety (90) days.
2. HIP will review all quotes or bids with the OWNER(S).
3. HIP and/or OWNER(S) reserve the right to reject all bids for any reason whatsoever, before any agreement is signed.
4. Contractor will indicate to OWNER(S) the approximate time required for completion of work from the date the "Order to Proceed" is issued.
5. Contractor may withdraw quote or bid by informing HIP & OWNER(S) in writing, prior to the execution of a Construction Agreement between Homeowner and HIP.
6. Contractor will be required to sign a Construction Agreement with OWNER(S) and HIP as Administrator, and file Non-Collusion Affidavit. (samples of these and any other forms required in the administration of this Program are available at HIP office).
7. Contractor must have worker's compensation and public liability insurance, (\$100,000 min. bodily injury; \$50,000 min. property damage) and assure compliance with all applicable federal, state and local laws and regulations. **THE CONTRACTOR'S CERTIFICATE OF INSURANCE MUST BE SUBMITTED WITH THE PROPOSAL. FAILURE TO DO SO SHALL WARRANT DISQUALIFICATION OF YOUR PROPOSAL.**

ALL CERTIFICATES OF INSURANCE SHALL PROVIDE FOR "NOT LESS THAN THIRTY (30) DAY WRITTEN NOTICE" TO THE HOME IMPROVEMENT PROGRAM OF CANCELLATION AND/OR MODIFICATIONS OF SUCH POLICY.

(Revised 7/18/94)

HOMEOWNER:		Attached hereto are made part	
ADDRESS:		by reference. BIDDER affirms	
TOWN:	NJ	having received same.	
PHONE:	EVE:	Prepared by:	
APPLI:	BLOCK:	LOT:	

8. Contractor will be required to apply and pay for all permits, inspections, and/or submit a waiver from the municipal construction official and will take responsibility to see that all applicable codes are compiled with: A) Building & Construction; B) Plumbing and Health; C) Electrical; D) Engineering, as applicable. COPIES OF ALL APPLICABLE PERMITS MUST BE FILED WITH HIP PRIOR TO REQUEST FOR FIRST PROGRESS PAYMENT, AND PERMIT NUMBERS NOTED ON THE CONSTRUCTION OFFICIAL NOTIFICATION FORM IN OWNER(S) FILE.
 9. Special care should be taken to assure a minimum of disruption and inconvenience to the resident(s) during progress of work.
 10. No work beyond that specifically contracted for may be performed under this program WITHOUT PRIOR written authorization by the OWNER(S) and HIP.
 11. A Cost Estimator will make periodic inspections during the progress of work and authorize payment(s) as contracted. Payments will be authorized only if applicable permits have been filed with HIP, and municipal inspections have been made.
 12. Upon completion of the work, all final permits, warranties, and a Release of Liens will be submitted to the OWNER(S) through HIP.
 13. Contractor will provide one (1) year guarantee on all labor and materials unless otherwise specified in the WORK WRITE-UP pertaining to the job. **CONTRACTOR WILL PROVIDE ORIGINAL PRODUCT MANUFACTURER'S WARRANTIES/GUARANTEES.**
 14. **PRIOR TO CONTRACT ACCEPTANCE BY OWNER(S), CONTRACTOR WILL ATTEND A PRE-CONSTRUCTION MEETING UNDER HIP SUPERVISION TO REVIEW WORK TO BE PERFORMED, PAYMENT SCHEDULE APPLICATIONS FOR PAYMENT AND CONDITIONS.**
 15. **ANY CONTRACTOR CURRENTLY UNDERTAKING CONSTRUCTION CONTRACT(S) OF FOUR (4) CASES IS NOT ELIGIBLE FOR AWARD OF ADDITIONAL CONTRACT(S) UNTIL SUCH TIME AS CONTRACT(S) IN PROGRESS ARE COMPLETED; SO THAT NO CONTRACTOR SHALL UNDERTAKE MORE THAN FOUR (4) CONTRACT(S) SIMULTANEOUSLY.**
- (Revised 7/18/94)

8.0 Contracting and Construction Management

8.1 Loan Closing

Prior to commencing with the rehabilitation activities the Cost Estimator must present a signed work write-up and contractor selection sheet so that a resolution can be processed.

Upon receipt of Board of Chosen Freeholder approval and prior to the actual loan closing copies of all pertinent documents should be sent to the homeowner. These documents should include: the Contract, the Non-Collusion Affidavit, the Promissory Note and Disclosure Statement, the Rehabilitation Assistance Agreement, the Financial Privacy Act Notice, the Right of Rescission, the Mortgage and Mortgage Note and the Amendatory Agreement, if needed.

Upon receipt of approval from the homeowner the Cost Estimator will schedule a pre-construction meeting. The meeting will be held at the CD Office. At the pre-construction meeting, the Cost Estimator will explain the purpose of each document prior to the homeowner signing. The Cost Estimator will ensure that all documents have been properly signed and notarized. If the Cost Estimator is satisfied they will be forwarded for the CD Director's signature. This will indicate that the payment for the contractor is authorized.

In addition to the documents pertaining to the securing of the rehabilitation loan, the homeowner must also sign the Rehabilitation Contract, which was previously signed by the contractor, the Contractor Selection Form, the Contractor Proceed Order, and the Escrow Voucher.

After signing by the CD Director the voucher will be delivered to the Division of Audit and Control with attachments as required by the Division. Copies of the signed documents will be provided to the homeowners for their records.

1. The contractor will be issued a Notice to Proceed by the County within ten (10) days after the signing of the contract. No work is to begin prior to receipt of the Notice. Prior to issuance of the Notice, the contractor is required to provide the County with evidence of adequate insurance and apply for and present to the County copies of all building permits as may be necessary and required (electrical, plumbing, heating, construction, etc.) by the County's Building and Zoning Department. Construction must begin within ten (10) days from receipt of Notice. Permits are to include the appropriate project valuation amounts and copies presented to the Community Development Division

within same ten (10) day period. Permits are to be visibly posted at the job site.

2. The contractor shall verify that debris, including lead based paint, from each project is disposed of in accordance with applicable waste and recycling regulations.
3. The contractor is responsible for obtaining inspection(s) from the County's Building and Zoning Department for all items requiring such inspections and providing Certificates of Acceptance inspection(s) from the Division as required by County and State regulations.
4. Failure to comply with program rules may result in termination of the contract at the decision of the County and the homeowner.
5. No rehabilitation work will be initiated without the necessary approvals (i.e., contract documents, permits, Notice to Proceed).
6. All contractors performing work are required to be licensed in accordance with City, County and State regulations.
7. The contractor shall obtain and present evidence of liability insurance, and workman's compensation insurance coverage, if required, in amounts acceptable to the County prior to being issued a Notice to Proceed.

8.2 Construction

Contractor activities are to be monitored on a regular basis, through "check-up" inspections conducted by the Cost Estimator. Discrepancies between items contained in the work write-up and the items being completed by the contractor will be addressed expediently.

During the construction phase there should be no verbal agreements, trade-offs or change orders without the Senior Cost Estimator's knowledge.

In those instances where all concerned parties agree that a change in the work write-up is warranted, staff will prepare a Contract Change Order form. The change order reflects additions and/or deletions in contracted items and the prices for such additions and/or deletions. Valid change orders require approval of the Division, the contractor and the homeowner.

8.3 Change Orders

It is the policy of the Division that change orders are limited to necessary and unforeseeable items. Necessary means required to complete the renovations contemplated in the work write-up or effecting health or safety codes. Unforeseeable means not visually detected or not detectable. Approval of changes to the contract must be submitted in writing and approved by the Senior Cost Estimator, the contractor and the homeowner. This approval must be accomplished prior to the execution of additional work.

If the Cost Estimator is satisfied with the need for the change he will instruct the Loan Advisor to have the necessary documents prepared. Change orders are added to the homeowner's obligation pursuant to the Construction Agreement. An additional lien in the amount of the change order is to be placed on the home at the time the change order is made. Additionally, the Division's Fiscal Officer must be advised prior to the execution of a change order so that he may verify the availability of funds and amend the original purchase order. The Division will not reimburse contractors who perform additional work without a change order.

In the event of an emergency the contract provides for verbal HIP approval. You may also refer to the Amendatory Agreement. This is very important; most problems are derived from two things: a poorly written work write-up, which is lacking detail and the lack of documentation relating to field changes. Field changes that address cosmetics are to be avoided. Change orders that are not pertinent or relative to the work write-up indicate that the initial home inspection was inadequate. Change orders to add items such as storm doors, window or a new electric service will not be approved.

8.4 Payment to Contractor

The Cost Estimator will make regular inspections and upon request for payment make a special inspection. During inspection, the Cost Estimator will:

- a. Walk through the house with the homeowner and observe the improvements that have been completed. The contractor will be present during this walk through whenever possible.
- b. Check to see that the work completed corresponds to the work write-up.
- c. Record the work line items completed that will be used as the basis for determining the appropriate payment based on the line item cost estimate on contractor cost proposal.

- d. Sign the payment request as appropriate.
- e. Provide a written inspection report.
- f. Obtain the necessary warranties if this is the final inspection.

The progress payment procedure will be initiated by staff at the request of the contractor. The Cost Estimator will inspect the completed work to determine if work is satisfactory and if a payment should be made. If the contractor is eligible for a progress payment program staff will prepare a two-party municipal voucher for processing. The Cost Estimator will be responsible for obtaining the homeowner's signature on the voucher at the time of the inspection. The number and dollar amount of the progress payment will follow the payment schedule and should be equivalent to no more than 85% of the estimated value of work completed. Additional progress payments will follow the procedure described above until the contractor has completed 100% of the contracted work.

Payments are not automatic in nature and shall be made only after inspection of the work items reveals that work was performed satisfactorily and is accepted. The contractor shall utilize the form provided by the County in requesting payments. Contractors will be paid for work items satisfactorily completed. Pay requests shall be reviewed against previous payments to assure that duplicate payments are not provided. Contractors will be paid for work items satisfactorily completed. The contractor shall provide a notarized Release of Lien from all subcontractors with each pay request and prior to release of funds to the contractor. A 10% retainer shall be withheld from each payment until all work is satisfactorily completed and all subcontractors, material suppliers or laborers have provided partial and/or final release of liens. Requests for payment will be considered in increments of not less than 1/3 of contract amounts.

Prior to final payment, the County shall have the unit inspected to determine that all items on the work write-up and any change orders have all been completed and are in compliance. If the inspections determine that all work has been finished properly, a Final Inspection Certificate showing the homeowner's acceptance shall be executed.

The financial staff will process the Request for Payment by comparing the request amount to the draw schedule, checking the homeowner's signature, and verifying receipt of all release of liens and progress payment affidavits. The public records will be searched for perfected liens before proceeding to process final payment. The financial officer

will then sign the request if properly executed and finalize pay request for submittal to the Cost Estimator for review and final recommendation.

The Cost Estimator will recommend check request with the following approved supportive documentation:

- a. Partial Waiver of Lien(s)
- b. Final Release of Lien(s)
- c. Evidence of appropriate inspection(s) by the Building and Zoning Department.

Checks will be issued in the name of the contractor and the homeowner, unless special circumstances dictate otherwise. When more than one homeowner's name appears on the loan documents, signatures for all are required to process the payments. Applicable certificates of Code Compliance from Building and Zoning are required prior to release of payments.

Final acceptance of the work by the homeowner will be by executing a certificate of completion for all work. Should retainage have been held it may be released after satisfactory completion of all work and receipt from the contractor of the notarized final release of liens from all subcontractors, material suppliers, men, and laborers.

8.5 Case File Closing Process

Following the contractor's final payment, the home improvement mortgage documents are filed and recorded with the Bergen County Registrar's office. Once recorded, the original documents are returned to the Division of Community Development, where they are filed in a fireproof container monitored by a designated Financial Officer of the HIP.

Copies of all applicable file documents will be sent to the homeowner for their records. If the homeowners have any questions, program staff will be available to provide assistance.

8.6 Contractor Termination

If the contractor fails to honor any of the terms of the contract, causes unreasonable delay, or otherwise does not perform as required the Cost Estimator shall initiate an "Unsatisfactory Report". (See attached)

All Unsatisfactory Reports shall be signed by the homeowner to acknowledge receipt of the complaint. A copy of the report will be forwarded to the homeowner.

A copy of the Unsatisfactory Report is also sent to the contractor, via both regular and certified mail, and requires a written response to the complaint. If the contractor fails to respond within five business days, such failure along with the actual complaint will be cause for contract termination.

Any contractor may be suspended from program participation for a limited period of time pending an investigation to determine if there is cause to debar pursuant to a complaint registered by the homeowner and filed with the County, State, or with HUD. During the period of suspension, the contractor will not be allowed to submit a bid or be awarded any new contracts. The County shall make every effort to conclude the necessary investigation and/or resolve the complaint; findings of sufficient gravity will automatically result in an appropriate disbarment action.

The contractor shall have the right to an administrative hearing to review the action. A contractor who has two terminated construction agreements in a twelve-month period shall be restricted from bidding on HIP projects for a period of one year. Should a contractor, after reinstatement, have another contract terminated they will be permanently restricted from bidding on HIP projects.

The Program shall maintain a Contractor Ineligibility List, which shall contain the names, addresses, and applicable period of ineligibility for contractors debarred from program participation. Contractors may be debarred for reasons including, but not limited to the following:

- a. Willful violation of the condition of the program participation,
- b. Willful violation of contract performance relative to specification and completion date,
- c. An established record of failure to perform or of unsatisfactory performance.
- d. Any other reason of such serious compelling nature affecting the contractor's responsibility of which indicates a lack of business integrity or honesty.

In the event a new contractor is required to complete the rehabilitation they shall be engaged to complete the remaining work from the existing contract. All pending payments to the defaulting contractor shall be

withheld and used as necessary to complete the construction work. Any contractor placed in default may also be barred from further participation in the program. The contractor and all affected parties shall be notified, in writing, of this default and the corrective action to be taken. The County and/or the homeowner may take legal action for specific performance or to recover additional funds expended against the defaulting contractor.

Acceptable proposals must not exceed 20% above or 15% below the Program's cost estimate. If all proposals are beyond the acceptable range, housing staff will reassess the cost estimate. If staff concludes the estimate to be valid, the contractors will be notified by program staff and will be given 5 days to revise and resubmit their bid sheets. If the cost estimate is found to be invalid, it will be revised and the lowest responsible bidder will be awarded the job. If the homeowner prefers a contractor that was not the lowest responsible bidder, then the homeowner must provide the dollar difference between the low bid and the preferred bid. Measurements provided in the bid specifications package are approximate. Bidding contractors are responsible for field verifying all sizes, quantities and are responsible for same.

In the event a new contractor is under construction with their first HIP unit and has submitted a bid for additional jobs, the Program reserves the right to reject the new contractor's bids on additional units until the new contractor has proven its capacity and workmanship.

8.6 Homeowner Project Termination

In the event a mortgage has been recorded, no funds have been expended and the homeowner wishes to terminate the project the following steps must be followed.

1. Contact homeowner for written verification of their intent to cancel the project
2. Notify Cost Estimator in writing for the reason for cancellation.
3. Cost Estimator gives case to Senior Cost Estimator with homeowner verification.
4. Senior Cost Estimator gives the file to the HIP Secretary with memo from Cost Estimator outlining the reason for the cancellation.

8.7 Contract Warranties

Homeowners are encouraged to contact the contractor when a problem arises during the warranty period. If the homeowner does not receive satisfaction from the contractor, the Division reserves the right to intervene on his/her behalf.

1. In general, warranty of work is as follows:

- a. One-year warranty for materials provided and workmanship of contractor and his assignors as indicated in the approved specifications.
- b. Five-year warranty of workmanship for roof covering by contractor in accordance with manufacturer's recommendation for installation of asphalt tab shingle.
- c. Contractor shall provide to homeowner the manufacturer warranties for all appliances, fans, mechanical equipment, water heater, etc., and said items shall be covered by a period of warranty by the individual manufacturer.
- d. Two (2) year warranty for exterior painting.

U.S. DEPARTMENT OF HUD 04/11/2017
 STATE: NEW JERSEY

----- 2017 ADJUSTED HOME INCOME LIMITS -----

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Warren County, NJ HUD Metro FMR Area								
30% LIMITS	18850	21550	24250	26900	29100	31250	33400	35550
VERY LOW INCOME	31400	35900	40400	44850	48450	52050	55650	59250
60% LIMITS	37680	43080	48480	53820	58140	62460	66780	71100
LOW INCOME	47600	54400	61200	68000	73450	78900	84350	89800
Atlantic City-Hammonton, NJ MSA								
30% LIMITS	15100	17250	19400	21550	23300	25000	26750	28450
VERY LOW INCOME	25150	28750	32350	35900	38800	41650	44550	47400
60% LIMITS	30180	34500	38820	43080	46560	49980	53460	56880
LOW INCOME	40250	46000	51750	57450	62050	66650	71250	75850
Bergen-Passaic, NJ HUD Metro FMR Area								
30% LIMITS	20300	23200	26100	28950	31300	33600	35900	38250
VERY LOW INCOME	33800	38600	43450	48250	52150	56000	59850	63700
60% LIMITS	40560	46320	52140	57900	62580	67200	71820	76440
LOW INCOME	47600	54400	61200	68000	73450	78900	84350	89800
Jersey City, NJ HUD Metro FMR Area								
30% LIMITS	18100	20650	23250	25800	27900	29950	32000	34100
VERY LOW INCOME	30100	34400	38700	43000	46450	49900	53350	56800
60% LIMITS	36120	41280	46440	51600	55740	59880	64020	68160
LOW INCOME	48200	55050	61950	68800	74350	79850	85350	90850
Middlesex-Somerset-Hunterdon, NJ HUD Metro								
30% LIMITS	22150	25300	28450	31600	34150	36700	39200	41750
VERY LOW INCOME	36900	42200	47450	52700	56950	61150	65350	69600
60% LIMITS	44280	50640	56940	63240	68340	73380	78420	83520
LOW INCOME	54000	61700	69400	77100	83300	89450	95650	101800
Monmouth-Ocean, NJ HUD Metro FMR Area								
30% LIMITS	19750	22600	25400	28200	30500	32750	35000	37250
VERY LOW INCOME	32900	37600	42300	47000	50800	54550	58300	62050
60% LIMITS	39480	45120	50760	56400	60960	65460	69960	74460
LOW INCOME	48450	55400	62300	69200	74750	80300	85850	91350
Newark, NJ HUD Metro FMR Area								
30% LIMITS	19800	22600	25450	28250	30550	32800	35050	37300
VERY LOW INCOME	33000	37700	42400	47100	50900	54650	58450	62200
60% LIMITS	39600	45240	50880	56520	61080	65580	70140	74640
LOW INCOME	47600	54400	61200	68000	73450	78900	84350	89800

----- 2017 ADJUSTED HOME INCOME LIMITS -----

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Ocean City, NJ MSA								
30% LIMITS	15750	18000	20250	22500	24300	26100	27900	29700
VERY LOW INCOME	26250	30000	33750	37500	40500	43500	46500	49500
60% LIMITS	31500	36000	40500	45000	48600	52200	55800	59400
LOW INCOME	42000	48000	54000	60000	64800	69600	74400	79200
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD								
30% LIMITS	17500	20000	22500	24950	26950	28950	30950	32950
VERY LOW INCOME	29150	33300	37450	41600	44950	48300	51600	54950
60% LIMITS	34980	39960	44940	49920	53940	57960	61920	65940
LOW INCOME	46600	53250	59900	66550	71900	77200	82550	87850
Trenton, NJ MSA								
30% LIMITS	20050	22900	25750	28600	30900	33200	35500	37800
VERY LOW INCOME	33400	38200	42950	47700	51550	55350	59150	63000
60% LIMITS	40080	45840	51540	57240	61860	66420	70980	75600
LOW INCOME	47600	54400	61200	68000	73450	78900	84350	89800
Vineland-Bridgeton, NJ MSA								
30% LIMITS	13850	15800	17800	19750	21350	22950	24500	26100
VERY LOW INCOME	23100	26400	29700	32950	35600	38250	40900	43500
60% LIMITS	27720	31680	35640	39540	42720	45900	49080	52200
LOW INCOME	36900	42200	47450	52700	56950	61150	65350	69600



The Bergen County Home Improvement Program (HIP) provides resources to repair and rehabilitate existing one and two-family homes for qualified Bergen County residents. The mission of HIP is to assist low and moderate income homeowners and increase the supply of safe and affordable housing throughout Bergen County's 70 municipalities.

Who is eligible?

Eligibility is based on income, family size, and the type of improvement required.

What are the financial benefits?

HIP provides loans up to \$17,500 for a one-family home and up to \$25,000 for a two-family home. Based on income, a homeowner may be eligible for a 3% deferred loan for eligible home improvements.

There are no payments on the loan until the home is sold or title transferred.

What property improvements are eligible?

Eligible improvements include: plumbing and heating; electrical; insulation; roofs; storm windows; walls and ceilings; doors and windows; exterior and interior painting; steps and porches; bathrooms and kitchens; siding, leaders and gutters; sidewalks and driveways; wells and septic systems.

For further information and an application, please call (201) 336-7200.

You may also fill out, cut, and mail the form below to:

Bergen County Home Improvement Program, Division of Community Development,
One Bergen County Plaza, 4th Floor, Hackensack, NJ 07601.

Yes, I want more information about the Bergen County Home Improvement Program

Name _____

Address _____

City _____

Zip _____

Home Phone _____

Work Phone _____

Email Address _____



Bergen County Home Improvement Program



COUNTY OF BERGEN

County Executive

James J. Tedesco III

Board Of Chosen Freeholders

Joan M. Voss, Chair

Steven A. Tanelli, Vice-Chair

John A. Felice, Chair Pro-Tempore

David L. Ganz

Maura DeNicola

Tracy Silna Zur

Thomas J. Sullivan

Division of Community Development

Robert G. Esposito, Director

Angela Drakes, Deputy Director

Bergen County Division of Community Development
One Bergen County Plaza, 4th Floor, Hackensack, NJ 07601
(201) 336-7200
www.co.bergen.nj.us/DCD



APPENDIX G
CROSSINGS AT HO-HO-
KUS

ZONING BOARD OF ADJUSTMENT

BOROUGH OF HO-HO-KUS

Resolution with respect to the application of Jonathan L. Mechanic
for Variances from the Zoning Ordinance of the Borough of Ho-Ho-Kus
and for Preliminary and Final Site Plan Approval

WHEREAS, Jonathan L. Mechanic, on behalf of a project to be known as "Ho-Ho-Kus Crossing" (hereinafter "the applicant") has made application to the Zoning Board of Adjustment of the Borough of Ho-Ho-Kus (hereinafter "the Board") for variances (including a use variance and variances from bulk and other requirements) from the provisions of the Zoning Ordinance of the Borough of Ho-Ho-Kus (hereinafter "the Ordinance") and for preliminary and final site plan approval, for the property known as Lots 3, 5 and 11 in Block 1016 on the tax assessment map of the Borough of Ho-Ho-Kus, which properties are located on Maple Ave., First St. and Barnett Pl., Ho-Ho-Kus, New Jersey 07423 (hereinafter "the property"); and

WHEREAS, the application was heard by the Board at public hearings held during duly-constituted meetings of the Board held in compliance with the Open Public Meetings Act on May 5, June 4, November 5, 2015 and January 7, 2016, at which time testimony was offered by John Montoro, the applicant's architect; Michael Dipple, the applicant's professional engineer; Richard Preiss, the applicant's professional planner; Elizabeth Dolan, the applicant's parking and traffic consultant; and oral argument presented by Gail L. Price, Esq., and Kathryn Razin, Esq., the applicant's attorneys; and

WHEREAS, the Board also heard testimony from Edward Snieckus, the Board's professional planner; David Hals, the Board's professional engineer; and Charles Olivo, the Board's parking and traffic consultant; and

WHEREAS, several interested parties participated in the hearing from time to time by questioning witnesses; and

WHEREAS, at the conclusion of the public hearing on January 7, 2016, the Board approved a motion granting the relief requested by the applicant, subject to certain conditions, and directing the Board attorney to prepare a memorializing resolution, pursuant to N.J.S.A. 40:55D-10(g)(2); and

WHEREAS, the Board makes the following findings of fact and conclusions of law:

1. **The Record.** The record in this matter shall consist of:
 - a. the exhibits listed on Exhibit "A" attached; and
 - b. all testimony taken at the various public hearings.
2. **Declaration of Completeness.** On or about May 2015, the application was deemed

complete by the Board for the purpose of scheduling the public hearing.

3. **Consent of Property Owners.** The application was filed with the consent of 619 North Maple Ave., Limited Partnership; 217-221 First Street Limited Partnership; and 239 First Street Limited Partnership, the owners of the lots that form the property.
4. **Payment of Real Property Taxes.** The real property taxes assessed against the property were current at the time of the hearing.
5. **Notice of the Application.** Notice of the application was published in the official newspaper of the Borough of Ho-Ho-Kus as called for in N.J.S.A. 40:55D-12(a), and the other notice requirements found in N.J.S.A. 40:55D-12 were complied with, and an affidavit of service was filed with the Board Secretary.
6. **Description of Property.** Lots 3 and 5 form an "L" shaped lot, with Lot 3 fronting on Maple Ave. and Barnett Pl. and Lot 5 fronting on First St. and Barnett Pl. The lots comprise 1.49 acres and wrap around Lot 4, which is located on the corner of Maple Ave. and First St. Lots 3 and 4 comprise the area of the proposed development. Lot 11 is a non-contiguous parcel located further to the East on First St., which will be used exclusively for parking. The parking spaces on that property are allocated to the Lots 3 and 5, and Lot 4. Lots 3 and 5 are presently improved with buildings housing retail and office uses. The entire property is located within the flood hazard area of the Ho-Ho-Kus Brook, with the floodway crossing diagonally through the Northerly portion of the property. The Brook is a Category C-2 waterway. Surrounding uses are commercial in nature, with the exception of some single-family homes in the Village of Ridgewood, located to the South of First St. The property is located in the GB Zone.
7. **Proposed Development.** The applicant proposes to construct a mixed-use building on Lots 3 and 5, which will contain 9,470 sq. ft. of retail space on the first floor (oriented towards Maple Ave.), with surface and below-building parking at grade on the balance of Lots 3 and 5. The building will also include second and third stories, in an "L" configuration, with 27 residential apartment units on the second floor and 26 such units on the third floor, for a total 53 units. As originally submitted to the Board, the plan included more retail space, 9,307 sq. ft. of office space and only 27 apartment units. Revisions made to the plan prior to the final hearing eliminated the office space, and increased the number of units to 53. There will be a 15% affordable housing set aside, or a total of 8 units, consisting of one one-bedroom apartment, five two-bedroom apartments and 2 three-bedroom apartments. Retail and parking lots uses are permitted in the GB Zone, but the residential use is not, meaning that a use variance from the provisions of Section 85-13(C)(7) of the Ordinance is required. Lot 11 will be used for parking only.

8. **The December 2015 Revisions.** As a result of a meeting between the applicant's Professionals and the Borough's Professionals which took place on November 20, 2015, and in connection with the applicant's decision to eliminate the office space, and increased the number of residential units, the applicant made certain revisions to the plan, which are reflected in the plan as revised through December 14, 2015. The major changes can be summarized as follows:

- A. The driveway leading to N. Maple Ave. was changed to an ingress driveway only, and no egress. This change resolved a major concern of the Board, that is, the ability of motorists to safely exit the site onto N. Maple Ave., which is a narrow and heavily-traveled thoroughfare. The applicant explained, and the Board acknowledges, that the DEP will likely require that this driveway be available for egress purposes in times of emergency, as DEP regulations require that properties located in flood hazard areas have two means of ingress and egress during emergencies, at a required elevation above for the flood elevation. If existing traffic is limited to times of emergencies, the Board finds this arrangement to be acceptable, with one of the conditions of approval being the installation of appropriate signage. Initial indications are that this arrangement will meet with the approval of the County Planning Board and the DEP. The December 2015 revisions accommodate this change, with the entrance driveway from N. Maple Ave. now featuring a mountable curb and a paver area on the North side of the ingress driveway that would accommodate exiting traffic during emergency conditions.
- B. The other major change was the elimination of the proposed office component. The applicant determined that there is little demand for second floor office space.
- C. The third major change was an increase in the number of apartment units to 53.

9. **Traffic and Parking Issues.** The Board had the benefit of reports prepared by Dolan & Dean (authored by Elizabeth Dolan, P.E. and Gary W. Dean, P.E., P.P.) dated October 21, 2015 (on behalf of the applicant) and Stonefield Engineering & Design (authored by Charles D. Olivo, PE, PTOE) dated November 5, 2015, and testimony from Ms. Dolan and Mr. Olivo.

The project requires 137 parking stalls, based upon the Ordinance and Residential Site Improvement Standards as calculated by the applicant's Professional Engineer. 101 spaces are required for the residential use, and 36 spaces are required for the retail use. 123 parking stalls are proposed, 104 of which are located on Lots 3 and 5, and 19 of which are located on Lot 11. (Mr. Hals calculated the parking requirement to be 145 spaces, 44 for the retail and 101 for the residential use). A common benchmark for parking needs for a project of this nature is 1.5 spaces per

unit, which totals 79 spaces, leaving 44 spaces for the retail use. There are 53 spaces designated for the residential use (one space per unit) and 70 undesignated spaces. All of the residential-designated spaces are above the base flood elevation, as required by the DEP. The plan designates spaces as "R" (residential), "C" (commercial) and "F" (above flood elevation). The size of the spaces vary between 8.5 ft. and 9 ft. wide and 18 and 18.5 ft. deep, where 10 ft. and 20 ft. are required.

Ms. Dolan testified, and Mr. Olivo agreed, that the elimination of exiting traffic from the Maple Ave. driveway will not affect the level of service at the intersection of First St. and N. Maple Ave., and that same will still be acceptable.

RSIS states that shared parking shall apply in mixed-use developments, and that other parking ratios can be considered when there is mass transit in close proximity to a development. A combination of these considerations, coupled with a consideration of the hour-by-hour parking demands in the Parking Generation Manual prepared by the Institute of Traffic Engineers, yields an actual parking demand of 112 spaces, significantly less than what is provided. This calculation takes into account the demands of the retail and residential components of the project over a 24 hour basis, and reflects the fact that, to a large extent, the peak demand periods of the retail and the residential do not coincide. For example, during the evening and early morning hours, the residential demand is the highest, but the retail uses are closed. Based upon the foregoing, the Board is satisfied that the 123 spaces proposed will more than meet the parking requirements of the project.

10. **Affordable Housing Issues.** In March 2015, the New Jersey Supreme Court relegated jurisdiction over affordable housing plans to the Superior Court, finding the Council on Affordable Housing ("COAH") to be a moribund agency. Ho-Ho-Kus has a prior round obligation of 83 units, which is unmet, and will be submitting a Third Round Affordable Housing Plan in the Spring of 2015 citing a prospective need of an additional 80 units, for a total of 163 units. This application represents an opportunity for the Borough to demonstrate to the Court that it is committed to complying with its affordable housing obligations. It is also consistent with a proposal in the Borough's November 26, 2015 Preliminary Fair Share Plan to create inclusion overlay zones in the downtown area. Even though the Borough has been granted a vacant land adjustment reducing its new construction obligation to 0 units, and hopes to maintain that adjustment moving forward, the Borough still has the obligation to provide realistic opportunities for creation of affordable units through redevelopment of already developed sites, and designation of overlay inclusionary zones. The inclusion of 8 affordable units in this application serves to meet these needs and represents a step forward for the Borough.

The density proposed by this development is consistent with the Borough's plan to create multi-family inclusionary housing in the downtown area. While a 20% set aside for affordable units is the benchmark under COAH rules, the Special Master

has supported a 15% set aside for this project based upon the cost of developing the property (reflecting its location in a flood hazard area) and the unique opportunity the project presents to provide affordable housing.

11. **Variance Relief Required.** In addition to a use variance to permit the mixed residential-retail use, the following variances are needed:
 - A. A 10 foot front yard setback for all principal buildings is required. The proposed front yard setbacks along Maple Ave. and First St. are 5.33 ft. and 0.91 ft., respectively. In addition, there is no setback proposed for the integrated parking structures from Barnett Pl. The Board notes that the applicant will be demolishing a portion of the building in order to increase the setback on N. Maple Ave. This was a request of the Bergen County Planning Board. While acknowledging the requirements of the Ordinance, the Board notes that these setbacks, as well as the side yard and paved area setbacks are not inconsistent with prevailing conditions in the GB Zone.
 - B. Side yards of 1.66 fr. and 2.70 ft. are proposed, where 10 ft. is required.
 - C. Paved areas are proposed to be 0 ft. from Maple Ave. and Barnett Pl. and 0.91 ft. from First St. where 6 ft. is required.
 - D. Two proposed signs have a dimension in excess of five ft., where only two ft. is permitted. The Board finds that the size of the signage to be appropriate, given the scale of the project, the number of residential units and the size of the retail space. Variances are justified by safety consideration, as it is important, in such a congested area, that motorists be able to quickly identify the project, and the means of accessing it.
 - E. Total proposed signage is 247.50 sq. ft., where only 60 sq. ft. is permitted.
 - F. Backlit signs are proposed, where such lights are not permitted. The Board notes that signage technology has significant advanced over the years, and while the signs may be backlit, it is the type of backlighting where the light is splashed off the background, creating a "halo" effect around the lettering. What is proposed is quite different from the backlit sign which was commonly used when the Ordinance was adopted.
 - G. Maximum driveway slope permitted is 2% for the first 20 ft., and 6% is proposed. The greater slope does not create a dangerous condition, and is a function of the topography of the property, and the need to meet DEP elevation requirements.
 - H. Maximum Parking Area Grade is 4% and 6% is proposed.

- F. 123 parking spaces are proposed, whereas 137 spaces are required, based upon RSIS standards, for a deficiency of 14 spaces. The Board has found elsewhere in this resolution that the actual demand is much less than 137 spaces, given the shared nature of the development. Also, given what the anticipate demand for the residential units (1.5 spaces per unit), parking is more than adequate.
- G. No loading spaces are proposed, where at least one loading space measuring 10 ft. by 45 ft. is required. The type of retail uses that would be appropriate for the site, given its location and the size of the proposed retail units, are such that large truck deliveries are not likely, and that a loading space is not needed. The space taken up by such a space is put to better use by providing additional parking.
- H. The proposed building is located 24 ft. from the identified edge of the Ho-Ho-Kus Brook, where 50 ft. is required. While this Ordinance provision is important, and exists for a good reason, the Board also recognizes that there are a host of regulations which control the development of the property, compliance with which is a condition of this resolution. Those other requirements will ensure that the purpose of the Ordinance provision will be respected and advanced.
- I. Maximum lot coverage is 60% of lot area, where only 50% is permitted. The Board finds that while the project could certainly be smaller, the residential density proposed is appropriate, and that there is a good balance between the retail and residential uses.

12. **Particular Suitability.** The Board finds that the property is particularly-suited for the proposed uses for the following reasons:

- A. Ho-Ho-Kus is a community developed almost exclusively with single-family homes. The property is located in the downtown area of Ho-Ho-Kus, an area that is better equipped to accommodate the mixed use proposed, than the single-family areas of the municipality.
- B. The property is located in close proximity to bus transportation on Route 17, but the Ho-Ho-Kus train station, only several hundred feet away, and easily accessible by pedestrians.
- C. Development of the property as proposed will serve to protect the integrity of the single-family neighborhoods which predominate throughout the balance of the community by not introducing a incongruent use into those areas.

- D. The property is in need of re-development (not in the strict legal sense of the word), and is occupied by low-intensity uses of no particular functional benefit to the community. The proposed retail use is consistent with the downtown area.
- E. The property is of such a size that it meets all of its parking needs "on-site", and does not rely upon on-street or other off-site parking facilities.
- G. The project will attract Millennial professionals and "empty-nesters" seeking vibrant downtown areas close to public transportation. This will serve to revitalize the downtown area, and will increase activity on nights and weekends, which is a real benefit to this portion of Ho-Ho-Kus.
- H. The proposed development will diversify the housing stock in Ho-Ho-Kus, by accommodating older people, and young couples without children, or very young children.

13. **Detrimental Impact and Reconciliation with Master Plan.** The Board finds that approval of the application will not involve any substantial detriment to the purpose and intent of the zone plan and Ordinance, or the public good, and can be reconciled with the provisions of the Master Plan for the following reasons:

- A. Even though a parking variance is required, the proposed parking will more than meet the needs of the development.
- B. The elimination of egress onto N. Maple Ave. from the retail portion of the property resolves the only major concern the Board had with respect to traffic safety. Furthermore, both the applicant's and the Board's traffic professionals have found that the First St./N. Maple Ave. intersection, as well as the intersection of N. Maple Ave./Franklin Turnpike/Sheridan Ave. will still operate at acceptable levels of service, notwithstanding the additional demand placed upon those intersections by the proposed development.
- C. The project will be required to meet all requirements of Bergen County and the New Jersey DEP, which serve to ensure an orderly and safe development, with due regard for the environmental concerns peculiar to the property.
- D. The development of the property with multi-family uses, including an affordable housing component, is absolutely consistent with the Preliminary Fair Share Plan submitted to the Court by the Borough, and will be consistent with the Fair Share Plan to be submitted in the Spring of 2015. Those plans call for multi-family uses through overlay zoning in the downtown area.

14. **Right to Relief.** For the foregoing reasons, the Board finds that the applicant has met

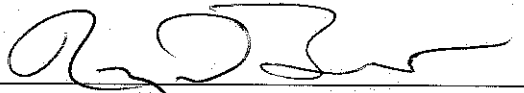
the required "positive" and "negative" showing for the granting of a variance.

NOW, THEREFORE, BE IT RESOLVED that the application of Jonathan Mechanic for use variance relief, with related bulk variances, waivers, exceptions and deviations, and for preliminary and final site plan approval, be and the same is hereby granted, on the following terms and conditions:

1. All other laws and regulations of the Borough of Ho-Ho-Kus and all other governmental authorities having jurisdiction over the project shall be complied with without exception, and the applicant shall be required to obtain any and all other required permits and approvals, including, without limitation, approvals from the Bergen County Planning Board, Bergen County Soil Conservation District, New Jersey Department of Environmental as it relates to the Flood Hazard Area and Sewer Extension, and any and all other approvals relating to utility service, site improvements, construction and building processes and procedures;
2. All necessary construction permits shall be obtained before any work beings;
3. Nothing contained in this resolution shall supersede the provisions of the Uniform Construction Code of the State of New Jersey or any other law or regulation;
4. A copy of this Resolution shall be transmitted to the Zoning Official and Building Department of the Borough of Ho-Ho-Kus within 10 days of the date hereof;
5. A copy of this Resolution shall be mailed to the applicant's attorneys within 10 days of the date hereof;
6. Notice of this decision shall be published in the official newspaper of the Borough of Ho-Ho-Kus as required by law;
7. The applicant shall enter into a Developer's Agreement with the Borough of Ho-Ho-Kus;
8. The plans shall be revised, as needed, to ensure compliance with all ADA requirements;
9. The free-standing sign on First St. shall be re-located, as may directed by the Borough Engineer;
10. The plans shall be revised to show appropriate signage for emergency egress from the property onto N. Maple Ave.;
11. The applicant shall, if requested by the Borough of Ho-Ho-Kus, grant to the Borough Title 39 jurisdiction over the parking areas and drive aisles;

12. The applicant shall certify, in writing, that the plans have been revised to incorporate the comments sent forth in the letter of Price, Meese, Shulman and D'Arminio dated December 14, 2015, which incorporates comments made by Borough Professionals resulting from their review of the plan, the Board's approval of the application being specifically conditioned upon compliance with those comments as set forth in the letter. In addition, the applicant shall make any necessary plan revisions as set forth in Mr. Hals' letter of January 7, 2016;
13. The applicant will address any outstanding plan revisions contained in the reports of Borough Professionals;
14. The property frontage on N. Maple Ave. and First St. shall be improved with Ho-Ho-Kus Downtown Streetscape fixtures;
15. Employees of the retail stores shall use the parking on Lot 11;
16. Lots 3 and 5 shall be consolidated with a Deed of Consolidation prior to the issuance of any building permits; and
17. There shall be a 15% set aside for affordable units, or a total of 8 units, as set forth above, and all COAH And Uniform Housing Affordability Controls, such as low and moderate income split, bedroom distribution, affirmative marketing and experienced administrative agent, pursuant to N.J.A.C. 5:93 and 5:80-26.1, shall be complied with, along with any other affordable housing regulations. The 8 affordable units shall be designated on the architectural drawings.

The foregoing resolution was adopted at a duly constituted meeting of the Board, held in compliance with the provisions of the Open Public Meetings Act on February 4, 2016, by those members who voted in favor of the action taken, and is intended to memorialize and confirm the official action taken by the Board on January 7, 2016.




Raymond Barto
Chairman
Zoning Board of Adjustment



JoAnn Carroll
Secretary
Zoning Board of Adjustment

(for certification, see next page)

I hereby certify that on February 4, 2016, at an official public meeting of the Board, a quorum being present, this Resolution was duly adopted by a majority vote of those members of the Board who voted in favor of the action taken by the Board with respect to this application on January 7, 2016.


JoAnn Carroll
Secretary
Zoning Board of Adjustment

Vote taken on January 7, 2016: In favor: Members Barto, Tarantino, Cox, Metzger, Forst and Deegan; Opposed: Rodger; Not Participating: Member Pappas (Alt. 1)

Members authorized to vote on resolution: Members Barto, Tarantino, Cox, Metzger, Forst and Deegan.

Vote taken on Resolution:

<u>Member:</u>	<u>In Favor</u>	<u>Opposed</u>	<u>Absent</u>
Barto	✓		
Tarantino	✓		
Cox	✓		
Metzger			✓
Forst	✓		
Deegan	✓		



APPENDIX H

**BERGEN COUNTY UNITED WAY /
MADELINE CORPORATION /
BOROUGH-OWNED COMMUTER
PARKING LOT**

ORDINANCE # 2017-11
FINAL PASSAGE 09/26/17

BOROUGH CLERK: Be it resolved that Ordinance # 2017-11 entitled

AN ORDINANCE OF THE BOROUGH OF HO-HO-KUS TO AMEND ARTICLE IV, "DISTRICT REGULATIONS" OF CHAPTER 85, "ZONING ORDINANCE OF THE BOROUGH OF HO-HO-KUS", TO CREATE THE MULTI-FAMILY AFFORDABLE HOUSING (MF-AH) DISTRICT was passed on second reading by title only

Moved: Councilmember Crossley

Second: Councilmember Rorty

ROLL CALL VOTE: All ayes

Abstain: None

Absent: None

Mayor Randall opened the public hearing on Ordinance # 2017-11 and asked all persons who wished to be heard, to please state their name and address before making their statement.

Public Comment: None

BOROUGH CLERK: Ordinance 2017-11 having been brought up for public hearing and all persons interested have been given the opportunity to be heard, pass final reading by title only, and that said Ordinance be adopted; and

Be it Further Resolved that the borough clerk is hereby authorized to publish said Ordinance in an official Newspaper as provided by law.

Moved: Councilmember Rorty

Second: Councilmember Iannelli

ROLL CALL VOTE: All ayes

Abstain: None

Absent: None

BOROUGH OF HO-HO-KUS

ORDINANCE # 2017-11

AN ORDINANCE OF THE BOROUGH OF HO-HO-KUS TO AMEND ARTICLE IV, "DISTRICT REGULATIONS" OF CHAPTER 85, "ZONING ORDINANCE OF THE BOROUGH OF HO-HO-KUS", TO CREATE THE MULTI-FAMILY AFFORDABLE HOUSING (MF-AH) DISTRICT.

BE IT ORDAINED by the Mayor and Council of the Borough of Ho-Ho-Kus as follows.

Section I. Section 85-12.2, entitled "Multi-Family Affordable Housing" District Created. That Section 85-12.2 is hereby added to Chapter 85, Article IV, to read as follows.

- A. Purpose: To address its affordable housing obligation in compliance with Settlement Agreements entered into with Fair Share Housing Center, Chamberlain Developers, Inc., and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings) on December 21, 2016 and January 5, 2017, the Borough shall rezone the property at Block 1014, Lots 1 and 2, also known as the Borough-owned commuter parking lot, to permit a multi-family 100% affordable residential development with at least 13 units affordable to very-low, low-, and moderate-income households. Such development permitted by this ordinance must be compliant with the Settlement Agreements, the rules at N.J.A.C. 5:93-1 et seq. ("COAH's Second Round rules"), the Borough's Affordable Housing Ordinance at Chapter 2 of the Borough Code, the Uniform Housing Affordability Controls ("UHAC") at N.J.A.C. 5:80-1 et seq., and the statutory requirement for the provision of very-low income housing at N.J.S.A. 52:27D-329.1 et seq.
- B. Permitted Uses in the MF-AH Zone District shall be limited to the following:
 - (1) 100% affordable multi-family residential development, provided the following:
 - i. The multi-family affordable development permitted by this District must contain no fewer than 13 dwelling units, all of which must be affordable to very-low, low-, and moderate-income households; and
 - ii. The affordable unit(s) must be created and administered in accordance with the regulating documents identified in Section 85-12.2.A, Purpose, of this District; and
 - iii. Not more than three (3) of the 13 units may be restricted to persons with special needs; and
 - iv. Of the remaining 10 units, not more than three (3) units may be one-bedroom units, at least four (4) units must be two-bedroom units, and at least three (3) units must be three-bedroom units; and
 - v. No units may be age-restricted.
- C. Accessory Uses

- (1) Private residential garage and off-street parking, in accordance with §85-36, Off-street Parking and Loading, of the Zoning chapter, except where it is superseded by the provisions in this District.
- (2) Decks, balconies and porches.
- (3) Sheds for tools and equipment for the maintenance of the grounds.
- (4) Indoor and outdoor recreation and activity uses for residents and their guests.
- (5) Fences and hedges subject to the requirements of §85-37.3, Fences.
- (6) Signs subject to the requirements of §85-37, Signs.
- (7) Satellite antenna less than one meter in diameter.
- (8) Other customary accessory uses and structures which are clearly incidental to the principal structures and uses.

D. Off-Street Parking

- (1) There shall be a minimum of 1.15 spaces per unit.
- (2) At least one (1) barrier free parking space must be provided.
- (3) Private resident parking must be accessed by a driveway separate from commuter parking. There shall be parking spaces reserved for residents.

E. Minimum Lot area and Dimensions

- (1) Minimum Lot Area: 1 acre
- (2) Minimum Frontage: 300 ft.
- (3) Minimum Depth: 100 ft.

F. Minimum Buffers

- (1) Rear Yard: 5 ft.
- (2) Front Yard: 5 ft.
- (3) Side Yard: 3 ft.

G. Minimum Yard Depths

- (1) Front Yard Depth: 10 ft.
- (2) Rear Yard Depth: 15 ft.
- (3) Side Yard Setback to Block 1014, Lot 3: 0 ft.

H. Maximum Building Height: 4 Stories

Section II. Repealer. All ordinances or Code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section III. Severability. If any section, subsection, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

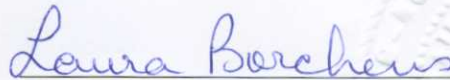
Section IV. Effective Date. This ordinance shall take effect upon its passage and publication, as required by law.

Section V. Zoning Map and Schedule. The Zoning Map of the Borough of Ho-Ho-Kus and the Schedule of Requirements at §85-5 of the Borough Code shall be amended for consistency with this ordinance and the provisions herein.

This ordinance shall take effect upon passage and publication as required by law.

NOTICE

Notice is hereby given that the proposed Ordinance was introduced and passed on first reading at a Regular Meeting of the Mayor and Council of the Borough of Ho-Ho-Kus, Bergen County, New Jersey, August 15, 2017 and that said Ordinance was taken up for final consideration at a meeting of the said Mayor and Council held in the Borough Hall, in the Borough of Ho-Ho-Kus, Bergen County, New Jersey, September 26, 2017 at which time it was adopted.



Laura Borchers, Borough Clerk, RMC



MAYOR and COUNCIL of the
BOROUGH of HO-HO-KUS
BERGEN COUNTY, NEW JERSEY

Resolution # 17-73

Subject: Memo of Understanding

Dated: July 25, 2017

WHEREAS, the Borough of Ho-Ho-Kus (the "Borough") has heretofore entered into certain settlement agreements with Chamberlain Developers, Inc. and Fair Share Housing Center (the "Chamberlain and FSHC Agreements"); and

WHEREAS, the Chamberlain and FSHC Agreements were approved after a Fairness Hearing in the Superior Court of New Jersey pursuant to Order entered on May 16, 2017; and

WHEREAS, pursuant to the Chamberlain and FSHC Agreements, the Borough has determined to provide for 13 affordable rental housing units for individuals and households, as well as for affordable supportive rental housing for persons with disabilities consistent with COAH regulations and the Uniform Housing Affordability Controls; and

WHEREAS, the Borough has selected BCUW/Madeline Housing Partners LLC as the Developer for the aforesaid Project to be located at Brookside and First Street, Block 1015, Lots 1 and 2 on the Tax Assessment Map of the Borough; and

WHEREAS, as a pre-condition of entering into a more formal Development Agreement, it is appropriate for the parties to enter into a Memorandum of Understanding ("MOU") setting forth the general terms of a proposed Development Agreement;

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of the Borough of Ho-Ho-Kus, that it does hereby authorize and approve an MOU between the Borough and BCUW/Madeline Housing Partners LLC, substantially in the form annexed hereto as Exhibit A; and

BE IT FURTHER RESOLVED, that the Mayor and Municipal Clerk are authorized to execute said MOU on behalf of the Borough following legal review.

	Motion	Second	Aye	Nay	Abstain	Absent
Mayor Randall						
Councilmember Troast	✓		✓			
Councilmember Rorty			✓			
Councilmember Shell						✓
Councilmember Iannelli						✓
Councilmember Fiato						✓
Councilmember Crossley		✓	✓			

This is to certify that the above Resolution was adopted by the Mayor and Council on July 25, 2017.

Laura Borchers

Laura Borchers, RMC/CMR

Borough Clerk

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made this 35th day of July, 2017, by and between the Borough of Ho-Ho-Kus ("Borough") and BCUW/Madeline Housing Partners LLC ("Developer").

General Terms

1. The Borough is owner of property located at Brookside and First Street, Block 1015, Lots 1 and 2 on the Tax Assessment Map of the Borough of Ho-Ho-Kus ("the Property").
2. The Borough and the Developer seek to cause to be constructed and operated on the Property an Affordable Housing structure to consist of 13 affordable rental housing units ("the Project"). The Project shall be consistent with all COAH and Uniform Housing Affordability Control regulations.
3. Developer will seek non-municipal public funding and financing for the development, construction and long-term administration of the Project from sources including but not limited to the Federal Home Loan Bank, Bergen County HOME Program, NJ Department of Developmental Disabilities in NJ DHS and Bergen County United Way developer fee rebate within one (1) year from the date of the court approval of the Borough's third round housing element and fair share plan (including the Project) at a future court compliance hearing.
4. Developer will apply for any and all approvals required for construction of the Project and shall diligently pursue the start of construction of the Project no later than two (2) years after court approval of the Borough's third round housing element and fair share plan (including the Project) at a future compliance hearing.
5. Closing shall occur promptly after all financing contingencies have been satisfied or waived by the Borough and a building permit has been issued.
6. The Property shall be conveyed subject to a Deed containing a right of reverter in the event of a default or, in the alternative, a lease arrangement.

7. This MOU is not binding and is subject to a formal development agreement being signed by the parties containing mutually agreeable terms and conditions. Either party has the right to cancel this MOU if the parties cannot agree on a formal development agreement.

8. The Borough and Developer represent to each other that this MOU has been authorized by appropriate resolutions adopted by the parties hereto.

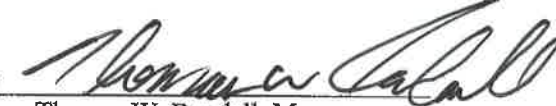
9. This MOU may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same Agreement. The execution of this MOU by any of the parties may be evidenced by way of email or facsimile transmission of such parties' signatures and such signatures shall be deemed to constitute the original signatures of such party hereto.

ATTEST:

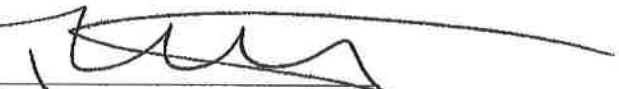

Laura Borchers, Municipal Clerk

John Carroll,
planning Board
secretary

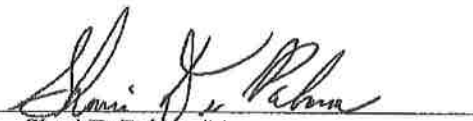
BOROUGH OF HO-HO-KUS

By 
Thomas W. Randall, Mayor

BCUW/MADELINE HOUSING PARTNERS LLC

By 
Thomas Toronto, Manager

BCUW/MADELINE HOUSING PARTNERS LLC

By 
Shari DePalma, Manager

BCUW/Madeline Housing Partners
Borough of Ho-Ho-Kus
 Commuter Parking Site Proposed Project
Preliminary Development Duration Timeline

<u>#</u>	<u>Task Name</u>	<u>*Duration</u>	<u>Resource</u>
1	Court Approves Borough Housing Plan	--	Court, Special Master
2	Borough Authorizes Project	--	Borough
3	Design and Engineering	60 days	Civil Engineer
4	Architectural Floor Plan Development and Building Elevation Drawings for Site Plan Approval	60 days	Architect
5	Project Financing Duration	120 days	Borough, BCUW/Madeline
6	Submission to the County For County Planning Board Approval	45 days	Civil Engineer, BCUW/Madeline
7	Tax Exempt Approval Granted by the Borough	60 days	Borough, BCUW/Madeline
8	Completion of Architectural Plans Mechanical and Structural Drawings for Bidding and Permit Submission	60 days	Architect, Engineer
9	Application and Preparation for Site Plan Meeting	21 days	BCUW/Madeline Attorney
10	Site Plan Township Meeting and Approval	12 days	Borough, BCUW/Madeline
11	Project Bidding and Pricing Phase	45 days	Bergen County United Way
12	Transfer of Property to BCUW/Madeline	60 days	Borough
13	Submission to the Borough's Building Department and Engineering Department for Permits	40 days	Bergen County United Way
14	Site Plan Approval Period	45 days	---
15	Construction Duration	310 days	Bergen County United Way

*Actual working days, does not include weekends and holidays.

Total Estimated Project Duration (Inclusive of weekends and holidays): ± 18 Months.

BCUW/Madeline Corp. Ho-Ho-Kus
Borough Municipally Sponsored
Affordable Housing
Financial Pro-Forma February 2018

Anticipated Development Costs

Acquisition	\$1
Construction Costs	\$3,015,290
Contingencies	\$130,350
Developer's Fee	\$190,457
Professional Fees	\$187,500
Carrying, Financing Costs	\$76,000
Insurance	\$3,575
Total Development Cost	\$3,603,173

Anticipated Sources of Revenue

Federal Home Loan Bank	\$720,000
Bergen County HOME	\$400,000
NJ DDD	\$45,000
Bergen County United Way	\$94,032
Affordable Housing Trust Funds (Bonding as needed)	\$2,344,141
Total Revenues	\$3,603,173

From: Josh Bauers
To: [Mary Beth Lonergan](#)
Subject: Re: HoHoKus Bedroom Question
Date: Tuesday, May 23, 2017 10:24:00 AM
Attachments: [image3774b7.GIF](#)

Mary Beth,

This is correct. We would prefer to have an extra 3Br and are willing to allow an additional 1Br unit in order to achieve that.

Thanks,

Josh

On Sat, May 20, 2017 at 12:38 PM, Mary Beth Lonergan <mblonergan@cchnj.com> wrote:

Josh - It will probably be fine but I will discuss with the client on Tuesday night. I also wanted to be sure that you are purposefully letting us do an extra one-bedroom unit. The UHAC wording is no more than 20% for one's. I know my client would be more amenable to doing an extra three if they got an extra one.

Mary Beth

Sent from my Verizon, Samsung Galaxy smartphone

Mary Beth Lonergan, PP, AICP

Associate Partner
T: [609.883.8383](tel:609.883.8383), Ext.309
D: [609.477.7309](tel:609.477.7309)



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----- Original message -----

From: Josh Bauers <joshbauers@fairsharehousing.org>
Date: 5/20/17 9:50 AM (GMT-05:00)

To: Mary Beth Lonergan <mblonergan@cchnj.com>
Subject: HoHoKus Bedroom Question

Hi Mary Beth,

I am writing to modify my answer slightly. I had a chance to discuss this with Adam on my way home (he was the one who signed the agreement for us). He says that he would rather have the additional 3 bedroom unit and in exchange would be accepting if that was traded for one of the 2 bedroom units. Under this scenario there should be three 1s, three 3s, and four 2s.

Please let me know if this is acceptable.

Thanks,

Josh

--

Joshua D. Bauers
Fair Share Housing Center
510 Park Boulevard
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F: [856-663-8182](tel:856-663-8182)
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APPENDIX I

DOWNTOWN OVERLAY ORDINANCE

BOROUGH OF HO-HO-KUS
BERGEN COUNTY, NEW JERSEY
ORDINANCE # 2018-03

AN ORDINANCE OF THE BOROUGH OF HO-HO-KUS TO AMEND SECTION 85-13.1, ENTITLED “DOWNTOWN INCLUSIONARY OVERLAY RESIDENTIAL / MIXED-USE ZONES 1 THROUGH 4,” IN ARTICLE IV, “DISTRICT REGULATIONS” OF CHAPTER 85, “ZONING ORDINANCE OF THE BOROUGH OF HO-HO-KUS” FOR COMPLIANCE WITH THE REQUIREMENTS OF THE SUPREME COURT.

WHEREAS, the Borough Council of the Borough of Ho-Ho-Kus, Bergen County, State of New Jersey (“Council”) adopted an Ordinance on July 25, 2017 adding Chapter 85-13.1, entitled “Downtown Overlay Ordinance”, to the Borough Code, as required by a Court approved Settlement Agreement between the Borough, Fair Share Housing Center, Chamberlain Developers, Inc. (“Chamberlain”), and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings) (Collectively, “Intervenors”); and

WHEREAS, on December 13, 2017, the Special Master to the Court In the Matter of the Application of the Borough of Ho-Ho-Kus submitted a letter to the Court recommending approval of the Borough’s Adopted Housing Element and Fair Share Plan, subject to the Borough satisfying several conditions.

WHEREAS, the Superior Court held a Compliance Hearing on December 18, 2017 at which time the Court conditionally approved the Borough’s Adopted Housing Element and Fair Share Plan, subject to the conditions recommended in the Master’s December 13, 2017 letter; and

WHEREAS, pursuant to the Court order entered by the Honorable Christine Farrington, J.S.C. on December 18, 2017, the Borough received a Judgment of Repose through July 1, 2025 provided the Borough complies with the Master’s conditions by April 17, 2018, at which time the Borough shall submit a certification to the Master that all conditions for a Final Judgment of Compliance and Repose have been met; and

WHEREAS, by email dated February 5, 2018, the Master requested as an additional condition of approval that the Borough amend the Downtown Overlay Ordinance to remove a section that permitted developers of inclusionary residential development to pay a special development fee to the Borough’s Affordable Housing Trust Fund where the required affordable housing set-aside does not equal a whole integer, as an alternative to rounding upward and constructing one unit in excess of the set-aside requirement; and

WHEREAS, the Borough’s and Planning Board’s affordable housing planning consultants Mary Beth Lonergan, PP, AICP, and Daniel Hauben, PP, AICP, of Clarke Caton Hintz, PC, have amended the Downtown Overlay Ordinance so as to replace the development fee with a payment in-lieu in accordance with §2-3.C of the Borough Code.

THEREFORE, BE IT ORDAINED by the Borough Council of the Borough of Ho-Ho-Kus, County of Bergen and State of New Jersey, that §85-13.1, entitled "Downtown Overlay", of the "Code of the Borough of Ho-Ho-Kus" ("Code") is hereby amended pursuant to the sections below.

Section I. Section 85-13.1.C, "Special Rules", of Article IV, "District Regulations" Of Chapter 85, "Zoning Ordinance of the Borough of Ho-Ho-Kus", Created. That Section 85-13.1.C is hereby amended to read as follows:

- C. Special Rules: Inclusionary multi-family development is permitted in each OL Overlay zone, conditioned on compliance with this ordinance and the following limitations:
- (4) In any multi-family inclusionary development permitted by this ordinance, at least 20% of the residential units must be affordable to low- and moderate-income households. In the event that 20% of the total number of residential units does not result in a full integer, the developer / property owner shall refer to §2-3.C with regard to addressing the fractional unit.

Section II. Repealer. All ordinances or Code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section III. Severability. If any section, subsection, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

Section IV. Effective Date. This ordinance shall take effect upon its passage and publication, as required by law.

The ordinance published herewith was introduced and passed upon first reading at a meeting of the Borough Council of the Borough of Ho-Ho-Kus, in the County of Bergen, State of New Jersey, held on February 27, 2018. It will be further considered for final passage, after public hearing thereon, at a meeting of the Borough Council to be held in the meeting room of Borough Hall, 333 Warren Avenue, in the Borough of Ho-Ho-Kus on March 27, 2018 at 7:30 p.m., and during the week prior and up to and including the date of such meeting, copies of said ordinance will be made available at the Clerk's Office to the members of the general public who shall request the same.

Laura Borchers, RMC/CMR
Borough Clerk

AN ORDINANCE OF THE BOROUGH OF HO-HO-KUS TO AMEND ARTICLE IV, "DISTRICT REGULATIONS" OF CHAPTER 85, "ZONING ORDINANCE OF THE BOROUGH OF HO-HO-KUS", TO CREATE DOWNTOWN INCLUSIONARY OVERLAY RESIDENTIAL / MIXED-USE ZONES 1 THROUGH 4, ALSO KNOWN AS OL-1, OL-2, OL-3, AND OL-4

BE IT ORDAINED by the Mayor and Council of the Borough of Ho-Ho-Kus as follows:

Section 1. Section 85-13.1, entitled "Downtown Inclusionary Overlay Residential / Mixed-Use Zones 1 through 4," Created. That Section 85-13.1 is hereby added to Chapter 85, Article IV, to read as follows:

- A. Purpose: To address its affordable housing unmet need obligation, the Borough shall implement an Inclusionary Overlay Zone Ordinance that creates a realistic opportunity for housing in the Borough's Downtown that is affordable to low- and moderate-income households. This Ordinance establishes the Downtown Inclusionary Overlay Zone, and permits the creation of multi-family housing within the Downtown area (as outlined in the appended maps) provided that such housing complies with a required 20% inclusionary set-aside requirement and with the requirements of this ordinance.
- B. Area Affected: The Downtown Inclusionary Overlay Zone is comprised of four (4) subzones shown on the maps in the appendix to this code. Overlays 1 and 2 (OL-1 and OL-2) comprise the blocks and lots surrounding North Maple Avenue and Sheridan Avenue. Overlay 3 (OL-3) includes commercial lots fronting on Franklin Turnpike, Sycamore Avenue, and Warren Avenue, and Overlay 4 (OL-4) includes the first three lots north of Warren Avenue, between Sycamore Avenue and Sheridan Avenue.
- C. Special Rules: Inclusionary multi-family development is permitted in each OL Overlay zone, conditioned on compliance with this ordinance and the following limitations:
 - (1) Where a property in the OL-1, OL-2, or OL-3 zones is to be developed with a multi-family inclusionary residential use and the underlying zone is GB General Business, residential uses are restricted to the upper stories of a building and the ground-story use shall be a non-residential use.
 - (2) Where multi-family inclusionary development is to occur on a property in the OL-1 or OL-3 zones, and the underlying zone is an R-2 or R-4 Residential zone, non-residential uses are prohibited from occurring on the same property.
 - (3) Where multi-family inclusionary development is to occur on a property in the OL-4 zone, such property may be developed for and contain a mix of multi-family

residential use and public use.

- (4) In any multi-family inclusionary development permitted by this ordinance, at least 20% of the residential units must be affordable to low- and moderate-income households. In the event that 20% of the total number of residential units does not result in a full integer, the developer / property owner shall refer to §2-3.C with regard to addressing the fractional unit.
 - (a) In any multi-family development having five (5) or more residential units, at least one (1) unit must be established as affordable to low- and moderate-income households
 - (5) All affordable units produced in an Overlay District must comply with the Borough's Affordable Housing Ordinance at Chapter 2 of the Borough Code.
 - (6) The effects and requirements of this Ordinance shall supersede the requirements of the Borough-wide Mandatory Set-Aside at §2-3.
- D. Permitted Principal Uses in the Downtown Overlay District shall be limited to the following:
- (1) All uses permitted by the underlying zoning, except that:
 - (a) Where the GB district is the underlying zoning, only those uses permitted in the GB District by §85-13.A(2) through (10), (15) and (16) are permitted as the ground story uses in any mixed use, multi-family inclusionary development.
 - (b) Where the GB district is the underlying zoning, uses permitted by §85-13.A(11) through (14) are permitted as stand-alone uses and are not subject to any other conditions of the overlay zone ordinance. However, if a use permitted by §85-13.A(11) qualifies as an eligible affordable housing credit, then such use may be permitted as an upper story use.
 - (2) A multi-family inclusionary residential use is permitted, conditioned on compliance with §85-13.1.C, Special Rules, in this ordinance.
 - (3) In the OL-4 Overlay Zone, the following uses are permitted individually or as mixed-use, provided compliance with the density and building height requirements for the OL-4 zone are observed and each use has separate building entrances and parking areas:
 - (a) Municipal government or public uses, and
 - (b) Inclusionary, multi-family residential uses
- E. Accessory buildings, structures and uses shall be permitted when used in conjunction with a principal permitted use, and in compliance with §85-15.1, Accessory Buildings and Structures.

- (1) Private residential garage and off-street parking, in accordance with §85-36, Off-street Parking and Loading, of the Zoning chapter, except where it is superseded by the rules in §85-13.1.H, Parking, below.
- (2) Decks, balconies and porches.
- (3) Sheds for tools and equipment for the maintenance of the grounds.
- (4) Outdoor recreational uses for residents and their guests.
- (5) Fences and hedges subject to the requirements of §85-37.3, Fences, except where superseded by this ordinance.
- (6) Signs subject to the requirements of §85-37, Signs, except where superseded by this ordinance.
- (7) Satellite antenna less than one meter in diameter.
- (8) Outdoor seating for residents, employees, and customers (§85-15.1.C of the Accessory Buildings and Structures section shall not prohibit these structures from being located in the front yard).
- (9) Outdoor dining/café, as regulated by §85-13.1.I(10), Outdoor Dining/Cafes, in this ordinance.
- (10) Other customary accessory uses and structures which are clearly incidental to the principal structures and uses.

F. Prohibited Uses:

- (1) Where inclusionary multi-family uses are permitted by this ordinance, non-residential uses are prohibited on a second or third story. However, where a mixed-use development is permitted by this ordinance with a ground-floor non-residential use, an office, utility room, or storage room associated with a ground-story non-residential use in a three-story building may occupy not more than one-fifth (20%) of the gross floor area of the second story, provided that it is not accessed by any hall or stairway shared with residential uses in the same building.
- (2) Where the underlying zoning is GB, residential uses are prohibited from occupying the ground-story.
- (3) Except in the OL-4 zone, where the underlying zoning is R-2 or R-4, non-residential uses are prohibited.

G. Bulk Standards.

- (1) The bulk standards of the R-2 and R-4 zones shall be superseded by the following standards for any new multi-family development, provided that it conforms to the inclusionary set-aside standards of this ordinance, as follows:

- (a) Maximum Improved Lot Coverage: 60%
 - (b) Maximum Lot Coverage: 40%
 - (c) Minimum open space requirements of the R-2 and R-4 zones do not apply.
 - (d) Front Yard Setback: 15 feet
- (2) The bulk standards of the GB zone shall apply to any property for which the underlying zoning is the GB zone, except that:
- (a) The required front yard setback for any building complying with this ordinance shall be reduced to 3 feet from the public right of way line, or the existing average setback of neighboring buildings. Under no circumstances may there be fewer than six (6) feet between a building and the sidewalk curb.
 - (b) Where two adjacent properties provide contiguous side yards, the minimum side yard requirement for each property is reduced from 10 feet to five (5) feet, so that the total space between the principal buildings is at least 10 feet, provided that access to the combined 10-foot side yard is shared between both properties. Otherwise, the existing side yard standards for the GB zone apply.
- (3) Density: The underlying zoning requirements shall be superseded by this ordinance to permit the following maximum net densities for each Overlay Subzone, in dwelling units per acre:
- (a) OL-1: 15 du/ac
 - (b) OL-2: 12 du/ac
 - (c) OL-3: 12 du/ac
 - (d) OL-4: 6 du/ac
- (4) Number of Stories: The underlying zoning requirements shall be superseded by this ordinance to permit the following maximum number of stories for new or enlarged buildings in each Overlay Subzone:
- (a) OL-1: 3 stories
 - (b) OL-2: 3 stories
 - (c) OL-3: 2 stories
 - (d) OL-4: 2 stories.
- (5) There shall be a planted buffer of at least five (5) feet between any parking area and the boundary of a contiguous residential zone outside of the Downtown Overlay area.

- (6) There shall be a planted buffer of at least 10 feet between any principal building and the boundary of a contiguous residential zone outside of the Downtown Overlay area.
- (7) Walls may be constructed in any planted buffer area, subject to Board review, provided that they are not less than one (1) foot from the common property line.
- (8) All other properties and developments are subject to the side yard setbacks of the underlying zoning, except where otherwise provided in this section.

H. Parking:

- (1) Off-street parking shall be restricted to the rear yard or the side yard.
- (2) The minimum amount of parking required for a site shall be based on the rates required by §85-36, Off-Street Parking and Loading, except that:
 - (a) Parking for residential units shall be calculated as:
 - (i) Studio/Efficiency and 1 Bedrooms: 0.8 spaces
 - (ii) 2-Bedroom: 1.3 spaces
 - (iii) 3-Bedroom: 1.9 spaces
 - (b) The minimum parking requirement for mixed-use sites shall be calculated based on the table below, as follows:
 - (i) Determine the minimum parking requirements for each use on the site pursuant to §85-36, Off-Street Parking and Loading, except that the following shall supersede those parking requirements in any mixed-use structure:
 - A. Sit down restaurants and bars: 1 parking space for every four (4) seats.
 - B. Take-out restaurant: 1 parking space for every 30 square feet of gross floor area of customer/patron space.
 - C. Office: 1 parking space for every 300 square feet of gross floor area.
 - D. Retail: 1 parking space for every 200 feet of gross floor area.
 - (ii) Multiply each minimum parking requirement by the corresponding percentages for each of the time periods set forth in columns b through g of the table below.
 - (iii) Calculate the total for each time period
 - (iv) The minimum parking requirement shall be the largest sum of the five columns

A	B	C	D	E	F	G
Land Use	Weekdays			Weekends		
	1 am to 7 am	7 am to 6 pm	6 pm to 1 am	1 am to 7 am	7 am to 6 pm	6 pm to 1 am
Office	5%	100%	5%	0%	15%	0%
Retail	0%	100%	80%	0%	100%	60%
Restaurant (not 24 hours)	20%	70%	100%	30%	75%	100%
Residential	100%	60%	100%	100%	75%	95%

Example. A ground floor restaurant with 36 seats (requiring 9 parking spaces), with a 7-space residential parking requirement and a 3-space office requirement:

A	B	C	D	E	F	G
Land Use	Weekdays			Weekends		
	1 am to 7 am	7 am to 6 pm	6 pm to 1 am	1 am to 7 am	7 am to 6 pm	6 pm to 1 am
Office	5% x 3	100% x 3	5% x 3	0% x 3	15% x 3	0% x 3
Retail	0% x 0	100% x 0	80% x 0	0% x 0	100% x 0	60% x 0
Restaurant (not 24 hours)	20% x 9	70% x 9	100% x 9	30% x 9	75% x 9	100% x 9
Residential	100% x 7	60% x 7	100% x 7	100% x 7	75% x 7	95% x 7

A	B	C	D	E	F	G
Land Use	Weekdays			Weekends		
	1 am to 7 am	7 am to 6 pm	6 pm to 1 am	1 am to 7 am	7 am to 6 pm	6 pm to 1 am
Office	0.15 → 1	3	0.15 → 1	0	0.45 → 1	0
Retail	0	0	0	0	0	0
Restaurant	1.8 → 2	6.3 → 7	9	3	6.75 → 7	9

A	B	C	D	E	F	G
Land Use	Weekdays			Weekends		
	1 am to 7 am	7 am to 6 pm	6 pm to 1 am	1 am to 7 am	7 am to 6 pm	6 pm to 1 am
(not 24 hours)						
Residential	7	4.2 → 5	7	7	5.25 → 6	6.65 → 7
Total	10	15	17	10	14	16

Example Parking Requirement = 17

(v) The parking requirement calculated by this method will be subject to Board review.

A. At the time of Board review of the parking calculation for a mixed-use development, the Board may require the property owner to regulate the hours during which parking is permitted for one or more uses on the site. For example, the Board may require an owner to limit the number of parking spaces available for commercial uses during hours when residential parking demand peaks.

(3) Alternative Parking Options:

(a) If the parking requirement calculated in §85-13.1.H(1) above exceeds the number of parking stalls that a site can realistically accommodate, an applicant may address its parking balance as follows:

(i) Shared Parking: An applicant may participate in a shared parking agreement, provided the following:

A. A shared parking site for residents and employees shall not be further than 300 feet from the building, as measured by distance walked along public rights-of-way and pedestrian walkway areas.

B. A shared parking site for customers shall not be further than 500 feet from the building, as measured by distance walked along public rights-of-way and pedestrian walkway areas.

C. All required barrier-free parking must be located on-site, and may not be displaced to a shared parking site.

(ii) An applicant requesting use of an off-site shared parking arrangement must submit a study demonstrating:

- A. That the required parking cannot feasibly be provided on site without compromising the economic value of the proposed development,
 - B. That the distance between the site and the shared parking meets the requirements above,
 - C. That the proposed shared parking location can reasonably accommodate peak parking and traffic for all uses that will be sharing the parking.
- (b) An applicant requesting to use shared parking must enter into an agreement with the owner of the shared parking site.
- (i) Shared Parking Agreement: A shared parking plan will be enforced through written agreement among all owners of record. The owner of the shared parking area shall enter into a written developer's agreement with the Borough with enforcement running to the Borough providing that the land comprising the parking area shall never be disposed of except in conjunction with the sale of the building which the parking area serves so long as the facilities are required; and that the owner agrees to bear the expense of recording the agreement and such agreement shall bind his or her heirs, successors, and assigns. An attested copy of the agreement between the owners of record shall be submitted to the administrative officer for recordation in a form established by the Borough attorney. Recordation of the agreement must take place before issuance of a building permit or certificate of occupancy for any use to be served by the shared parking area. A shared parking agreement may be revoked only if all required off-street parking spaces will be provided on-site in accordance with the off-street parking schedules in this section. The written agreement shall be voided by the Borough if other off-street facilities are provided in accord with these zoning regulations.
- (c) Parking Fund Contribution: For an applicant that obtains variance or waiver relief for fewer parking spaces than required by §85-13.1.H(1) and (2) above, a payment shall be made to the Borough in the amount to be determined for each parking space in which said relief has been granted.
- (i) The fee required under this §85-13.1.H(3)c shall only apply to new deficiencies in parking spaces resulting from a change in use.
 - (ii) An applicant is permitted to pay the fee in lieu of parking for not more than half of its required parking.

- (iii) An applicant requesting to pay the fee in lieu of more than half of its required parking must receive permission from the Borough, based on a determination that the applicant cannot provide adequate parking on- or off-site without compromising the economic viability of the proposed residential and non-residential use, and that there are no available shared parking opportunities meeting the requirements of this chapter.
 - (iv) The said payment shall be deposited by the Borough into a dedicated account designated as “The Borough of Ho-Ho-Kus Parking Fund.” The payment shall be due prior to issuance of a building permit. Any funds deposited into said account shall be utilized by the Borough for the express purpose of installing, replacing or repairing parking spaces or parking lots on sites to be determined by the Borough Engineer, upon proper authorization from the Governing Board.
- (4) An applicant may request of the Governing Body a waiver or modification of the payment upon showing of good cause.
- (5) Per New Jersey Department of Transportation Bicycle Compatible Roadways and Bikeways design guidelines, all facilities that provide parking to the public shall provide parking for bicycles at the rate of one bicycle parking space per 10 automobile parking spaces for the first 100 parking stalls and one bicycle space for every 20 automobile parking spaces beyond that.
- (6) Circulation
 - (a) On-site parking shall be designed to avoid the backing out of vehicles onto public rights-of-way, except for townhouses where an individual townhouse unit’s garage and associated parking apron is designed to allow one to back out directly onto a public right of way.
 - (b) For any new buildings with frontage on Maple Avenue, the Borough encourages developers or property owners to attempt to connect driveways to Brookside Avenue or First Street before resorting to connecting the driveway to Maple Avenue.
- (7) Landscaping in Parking Areas
 - (a) At least 15% of the ground area of parking lots (including driveways) shall be devoted to landscaping along the street right-of-way.
 - (b) Parking areas shall be provided with landscaping along adjoining streets and properties with plant material, fencing or a wall. Interior parking lot landscaping shall also be required. Landscaped areas should be located in protected areas such as along walkways, in center islands, or at the end

of parking bays and shall be distributed throughout the parking area to mitigate the view of the parked vehicles without interfering with adequate sight distance for vehicles or pedestrians. The landscaping shall consist of hardy, low-maintenance varieties of trees, and shrub plantings no higher than three feet unless otherwise directed by the Board.

- (c) One shade tree, with a minimum caliper size of two and a half (2.5) to three (3) inches at time of planting, measured three feet above the ground, shall be provided for every 10 parking spaces. Trees shall be staggered and/or spaced so as not to interfere with driver vision and shall have branches no lower than six feet.
- (d) Loading areas shall be screened with landscaping, fencing, berms, walls or any combination thereof and shall not be less than six feet in height. The screening shall be sufficient to at least partially obscure the view of parked vehicles, loading platforms and loading activities.
- (e) Parking located in a side yard must be screened from the public right-of-way by a fence designed and composed of materials that complement or enhance the architecture of the neighborhood.

(8) Flood Plain:

- (a) Within the Flood Fringe area, parking must be compliant with N.J.A.C. 7:13-11.6.
- (b) Parking located outside of the flood hazard area may be below-grade.

I. Design Standards: The following are design standards; deviations from these standards require waiver relief.

- (1) Context: Development in overlay zones shall be sensitive to the established and historic context of its surrounding developed character, in recognition of the fact that a cohesive built environment is an essential component of the Borough's character. In an effort to ensure a visually attractive environment, new buildings and reconstructions are encouraged to incorporate such building elements as recessed or extended entrances, enhanced corner treatments, graphic panels, display windows, and vertical and horizontal articulations, as detailed below. The following design and related streetscape standards are to be addressed as part of all development applications in the Overlay Zones.
- (2) Goals of Design Standards:
 - (a) To provide designs that complement the historic developed character of the Downtown and its surrounding neighborhoods, through appropriate massing, scale, use of building materials and original architectural details, and fenestration.

- (b) To provide multi-story buildings to be designed with horizontal and vertical articulation to facilitate an enhanced visual interest in the neighborhood's architecture, and discourage buildings that are characterized by non-descript blank walls.
- (c) To provide the use of such building materials as brick, wood, native stone and clapboard to ensure complementary visual interest such as is found in the neighborhood, and discourage use of vinyl, cement block and aluminum.
- (d) Provide at-grade retail storefronts to be developed with facades that are characterized by substantial window areas as a total proportion of the first-story elevation to maximize visibility of store interiors, and thereby enhance visual interest for pedestrian experiences.

(3) Building Design Elements:

- (a) Façade design



- (i) Horizontal articulation between floors. Each facade should be designed to have a delineated floor line between street level and upper floors. This delineation can be in the form of a masonry belt course, a concrete lintel or a cornice line delineated by wood detailing.



belt course, a concrete lintel or a cornice line delineated by wood detailing.

- (ii) Vertical articulation. Each building facade facing a public right-of-way must have elements of vertical articulation comprised of columns, piers, recessed windows or entry designs, overhangs, ornamental projection of the molding, different exterior materials or wall colors, or recessed portions of the main surface

- (iii) of the wall itself. The vertical articulations shall be designed in accordance with the following:

- A Each vertical articulation shall be no greater than thirty (30) feet apart.
 - B Each vertical articulation shall be a minimum of one (1) foot deep.
 - C Each vertical projection noted above may extend into the required front yard a maximum of eighteen (18) inches in depth.
- (iv) Buildings with expansive blank walls are prohibited.

(4) Fenestration:

- (a) At least sixty percent (60%) of the first floor of retail building frontage shall be clear window glass. This percentage shall be calculated within the area of the building facade that is located between three (3) feet and ten (10) feet above sidewalk level.
- (b) A minimum of forty percent (40%) of the front entrance of retail development shall consist of glass in order to maximize the visibility of store interiors.

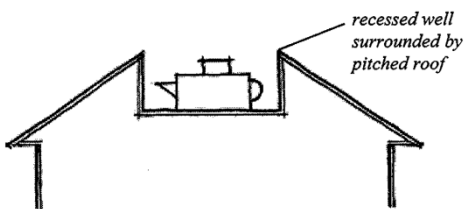
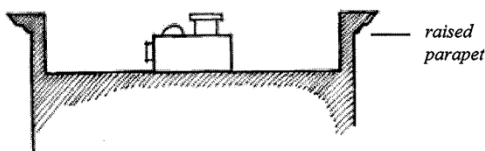
- (c) Recessed windows and entries are encouraged to create additional design articulation and amenity, improved pedestrian element, and provide shelter for sidewalk patrons.



Example of storefront fenestration

- (d) Materials. Exterior building materials shall be classified as either primary, secondary or accent materials. The facade shall be designed in accordance with the following:
 - (i) The primary material shall cover at least sixty percent (60%) of the facade of the building.
 - (ii) Secondary materials shall cover not more than forty percent (40%) of the facade.

(5) Roof lines/building height:



Example of rooftop mechanical concealment

- (a) The top of all buildings must be capped by a cornice or sloping roof element.
- (b) An additional five (5) feet in height for ornamentation such as parapets and cornices is permitted.
- (c) All roof-mounted equipment, such as HVAC units, shall be screened from public view by use of parapet walls, as regulated elsewhere in this ordinance, provided that, the maximum height for screening roof-mounted elevator equipment shall be eight feet, with such screening set back minimally ten feet from

the edge of the roof.

(6) Awnings and canopies: See §85-37.2, Awnings, Canopies and Marquees.

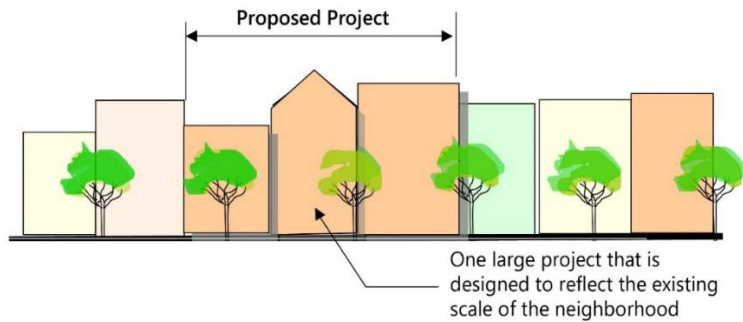
(7) Multi-Family Design:

(a) The placement of multi-family buildings, including mixed use buildings, within overlay zones shall be harmonious in architectural style with the other buildings in the immediate area.



Example of harmonious multi-family architecture

(b) Angled walls, enlarged foyer or atrium areas, and building articulation are encouraged.



(8) Townhouse Design:

(a) For townhouses, a maximum of six dwelling units in a single row with a minimum offset of two feet between every two dwelling units is encouraged.

(b) The rooflines of at least 30% of the number of units attached in a structure are to be staggered in height by not less than 2.5 feet of the height of the rooflines of the other units in such structures, and/or by other features which will provide relief or articulation to the roofline.

(9) Streetscape design:

(a) All properties shall comply with the following requirements:

(b) Where buildings are setback from the street ten (10) feet or more a landscaped area with a minimum width of five (5) feet shall be provided.



Example of a landscaped streetscape.
Photo: Google Streetview

(c) All sidewalks installed in along the property frontage in portions of the GB or R-2 zones within the Downtown Overlay shall be decorative paver sidewalks or decoratively scored concrete, consistent with the existing streetscape.

(d) Streetscape amenities such as benches, decorative artwork, bike racks, trash receptacles, etc. shall be incorporated as part of the streetscape, as deemed appropriate.

(e) Street trees shall be provided along all public rights-of-way in accordance

with the following standards:

(i) Street trees should be located at a minimum distance of forty (40) feet on center. The exact spacing and planting location shall be evaluated on a site-specific basis and adjusted to reflect the neighborhood and exiting or proposed buildings to minimize potential obstruction and visibility impacts on wall business signage.

(ii) Trees shall have a minimum caliper size of two and a half (2.5) to three (3) inches at time of planting.

(f) Garbage and recycling containers shall be located in the rear yard where that yard is accessible by collection vehicles. If the rear yard is not accessible by collection vehicles, the containers may be located in the side yard or inside the building. If the containers are stored outdoors, they must be screened by a fence or other enclosure. Landscaping is encouraged around the enclosure.

(10) Outdoor dining / cafes:

(a) Outdoor dining / cafes, where proposed, may be located on sidewalks, plazas, and courtyards immediately adjacent to any eating and food establishment. Such facilities shall be provided in a manner that pedestrian circulation or access to store entrances is not impaired.

(b) The operation of an outdoor cafe shall be located such that there is at least four (4) feet of clear and unobstructed passageway between the tables, chairs, and barriers and street trees, bike racks, lampposts, sign posts, and any other fixtures or obstructions. The approving authority may require more than four (4) feet to protect public safety if they deem necessary because of site-specific conditions.

(c) The area occupied by the outdoor cafe must be located at least ten (10) feet from any driveway.

(d) A screen visually separating adjacent at-grade residential units from the proposed outdoor cafe area must be provided. The screening may include landscaping, screen walls, and/or fencing materials or any combination thereof.



Example of an outdoor café area

(e) Umbrellas, awnings, canopies, and heating units are permitted in outdoor cafe areas.

(f) All outdoor café areas shall be designed in compliance with the Americans with Disabilities Act (ADA) guidelines.

(11) Landscape Standards:

(a) A landscape plan prepared by a licensed Landscape Architect, licensed by the New Jersey State Board of Architects, or other qualified individual, shall be submitted with any plan for development.

(b) All portions of the property not utilized by buildings or paved surfaces shall be landscaped utilizing combinations such as landscaped fencing, shrubbery, lawn area, ground cover, existing vegetation, and the planting of coniferous and/or deciduous trees native to the area in order to maintain or reestablish the vegetation in the area and lessen the visual impact of the structures and paved areas.

(c) Landscaping shall be designed to achieve a thorough integration of the various elements of site design, including building and parking placement and natural features.

(d) The use of passive systems such as raingardens to offset offsite stormwater discharge shall be utilized to the extent feasible.

- (e) Water conservation measures such as drip irrigation and soil moisture-sensing irrigation systems shall be used where practicable.



Example of a parking area rain garden

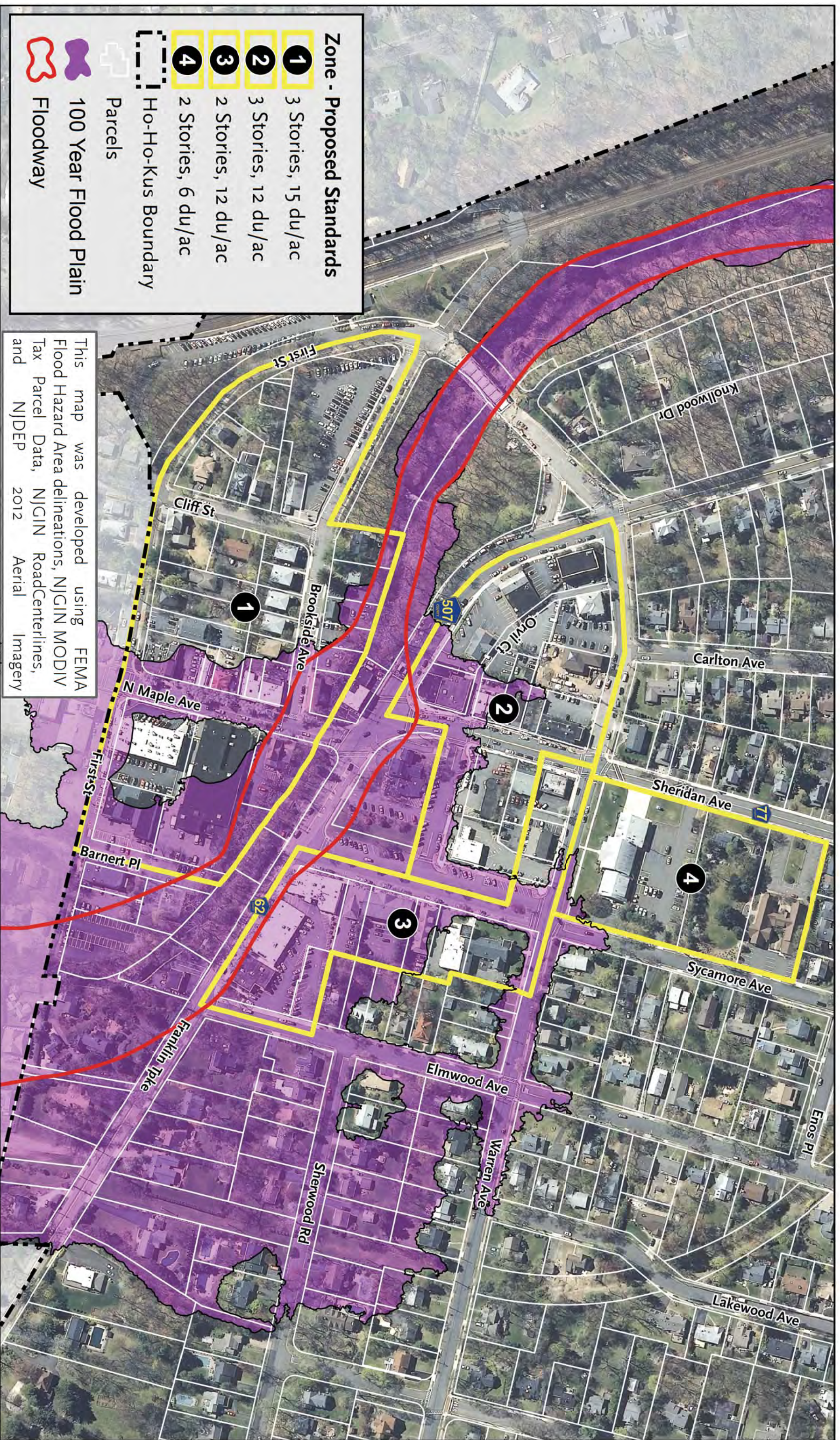
Section II. Repealer. All ordinances or Code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section III. Severability. If any section, subsection, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

Section IV. Effective Date. This ordinance shall take effect upon its passage and publication, as required by law.





The ordinance published herewith was introduced and passed upon first reading at a meeting of the Borough Council of the Borough of Ho-Ho-Kus, in the County of Bergen, State of New Jersey, held on February 27, 2018. It will be further considered for final passage, after public hearing thereon, at a meeting of the Borough Council to be held in the meeting room of Borough Hall, 333 Warren Avenue, in the Borough of Ho-Ho-Kus on _____, 2018 at 7:30 p.m., and during the week prior and up to and including the date of such meeting, copies of said ordinance will be made available at the Clerk's Office to the members of the general public who shall request the same.

Laura Borchers, R.M.C., C.M.R., Clerk



Zone - Proposed Standards

- 1** 3 Stories, 15 du/ac
- 2** 3 Stories, 12 du/ac
- 3** 2 Stories, 12 du/ac
- 4** 2 Stories, 6 du/ac

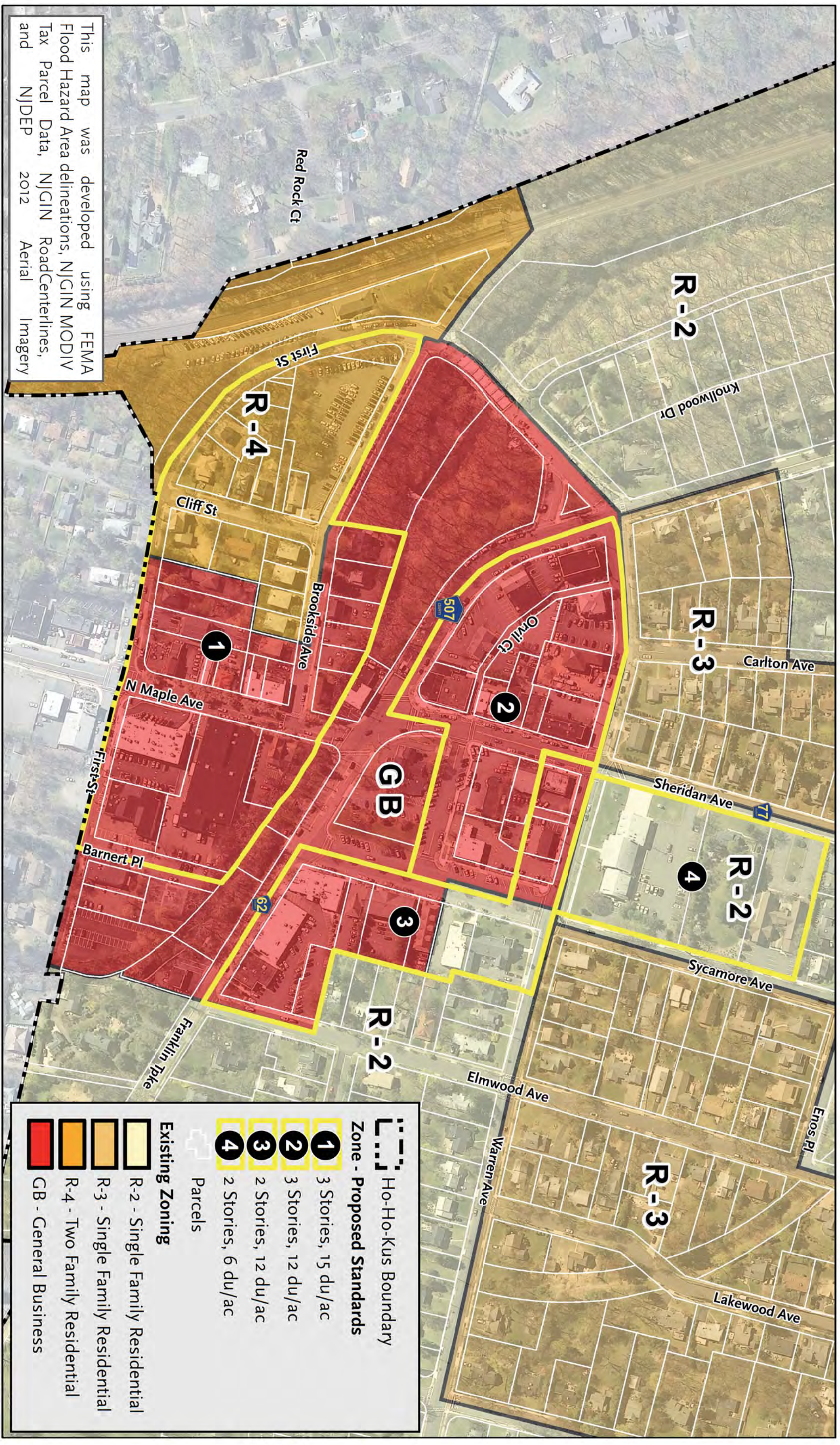
 Ho-Ho-Kus Boundary
 Parcels
 100 Year Flood Plain
 Floodway

This map was developed using FEMA Flood Hazard Area delineations, NJGIN MODIV Tax Parcel Data, NJGIN RoadCenterlines, and NJDEP 2012 Aerial Imagery

Proposed Downtown Overlay Inclusionary Zones

Addressing Umnet Need





This map was developed using FEMA Flood Hazard Area delineations, NJGIN MODIV Tax Parcel Data, NJGIN RoadCenterlines, and NJDEP 2012 Aerial Imagery

Proposed Downtown Overlay Inclusionary Zones & Existing Zoning



	Ho-Ho-Kus Boundary
Zone - Proposed Standards	
1	3 Stories, 15 du/ac
2	3 Stories, 12 du/ac
3	2 Stories, 12 du/ac
4	2 Stories, 6 du/ac
	Parcels
Existing Zoning	
	R-2 - Single Family Residential
	R-3 - Single Family Residential
	R-4 - Two Family Residential
	GB - General Business



APPENDIX J

**FAIR SHARE ORDINANCE, INCLUDING
BOROUGH WIDE MANDATORY SET-
ASIDE ORDINANCE**

**BOROUGH OF HO-HO-KUS
COUNTY OF BERGEN**

ORDINANCE # 2018-04

AN ORDINANCE OF THE BOROUGH OF HO-HO-KUS, COUNTY OF BERGEN AND STATE OF NEW JERSEY AMENDING CHAPTER 2 "AFFORDABLE HOUSING" OF THE CODE OF THE BOROUGH OF HO-HO-KUS TO ADDRESS THE REQUIREMENTS OF THE NJ SUPERIOR COURT

WHEREAS, the Borough Council of the Borough of Ho-Ho-Kus, Bergen County, State of New Jersey ("Council") adopted an Ordinance on July 25, 2017 adding Chapter 2, entitled "Affordable Housing", to the Borough Code, as required by a Court approved Settlement Agreement between the Borough, Fair Share Housing Center, Chamberlain Developers, Inc. ("Chamberlain"), and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings) (Collectively, "Intervenors"); and

WHEREAS, on December 13, 2017, the Special Master to the Court In the Matter of the Application of the Borough of Ho-Ho-Kus submitted a letter to the Court recommending approval of the Borough's Adopted Housing Element and Fair Share Plan, subject to the Borough satisfying several conditions including making certain amendments to the Affordable Housing Ordinance.

WHEREAS, the Superior Court held a Compliance Hearing on December 18, 2017 at which time the Court conditionally approved the Borough's Adopted Housing Element and Fair Share Plan, subject to the conditions recommended in the Master's December 13, 2017 letter; and

WHEREAS, pursuant to the Court order entered by the Honorable Christine Farrington, J.S.C. on December 18, 2017, the Borough received a Judgment of Repose through July 1, 2025 provided the Borough complies with the Master's conditions by April 17, 2018, at which time the Borough shall submit a certification to the Master that all conditions for a Final Judgment of Compliance and Repose have been met; and

WHEREAS the Borough's and Planning Board's affordable housing planning consultants Mary Beth Lonergan, PP, AICP, and Daniel Hauben, PP, AICP, of Clarke Caton Hintz, PC, have amended the Affordable Housing Ordinance in accordance with the conditions of the Court Master's December 13, 2017 letter to the Court.

THEREFORE, BE IT ORDAINED by the Borough Council of the Borough of Ho-Ho-Kus, County of Bergen and State of New Jersey, that Chapter 2, entitled "Affordable Housing Ordinance", of the "Code of the Borough of Ho-Ho-Kus" ("Code") is hereby amended and shall read as follows.

Section I. § 2-1, entitled "Affordable Housing Obligation", revised. §2-1.A and B shall read as follows:

- A. This section of the Borough Code sets forth regulations regarding the low and moderate income housing units in the Borough consistent with the provisions known as the "Substantive Rules of the New Jersey Council on Affordable Housing", *N.J.A.C.* 5:93 et seq., the Uniform Housing Affordability Controls ("UHAC"), *N.J.A.C.* 5:80-26.1 et seq., except where modified by the terms of a Settlement Agreement between the Borough and Fair Share Housing Center ("FSHC") such that the statutory requirement to provide very-low income units equal to 13% of affordable units approved and constructed after July 1, 2008, to be

affordable to households at 30% of the regional median income, overrides the UHAC requirement that 10% of all low- and moderate-income units must be affordable at 35% of the regional median income, and the Borough's constitutional obligation to provide a fair share of affordable housing for low and moderate income households. In addition, this section applies requirements for very low income housing as established in P.L. 2008, c.46 (the "Roberts Bill", codified at N.J.S.A. 52:27D-329.1).

- B. This Ordinance is intended to assure that very-low, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very-low, low- and moderate-income households shall occupy these units. This Ordinance shall apply to all inclusionary developments and 100% affordable developments (including those funded with low-income housing tax credit financing) except where inconsistent with applicable law.

Additionally, the following is hereby added after §2-1.E:

- F. On or about January 12 of each year through the end of the period of Third Round Judgment of Repose, the Borough will 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 all parties to the Borough's Court-approved Settlement Agreements, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and Fair Share Housing Center ("FSHC").
- G. The Fair Housing Act includes two provisions regarding action to be taken by the Borough during the ten-year period of protection provided in the Borough's agreement with FSHC. The Borough agrees to comply with those provisions as follows:
 - 1. By July 1, 2020, the Borough must prepare a midpoint realistic opportunity review, as required pursuant to N.J.S.A. 52:27D-313, which the Borough will post on its municipal website, with a copy provided to FSHC and the Intervenors, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC and the Intervenors, 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. In the event the Court determines that a site or mechanism no longer presents a realistic opportunity and should be replaced or supplemented, then the municipality shall have the opportunity to supplement or revise its plan to correct any deficiency.
 - 2. Within 30 days of January 12, 2020 and January 12, 2023 the Borough shall prepare a review of compliance with the very low income housing requirements required by N.J.S.A. 52:27D-329.1 and its Settlement Agreement with Fair Share Housing Center. The Borough will post on its municipal website, with a copy provided to FSHC and the Intervenors, a status report as to its satisfaction of its very low income requirements,

including the family very low income requirements referenced herein and in the Borough's Settlement Agreement with FSHC. Such posting shall invite any interested party to submit comments to the municipality and FSHC and the Intervenors on the issue of whether the municipality has complied with its very low income housing obligation.

Section II. §2-3, Entitled, "Borough-wide Mandatory Set-Aside". §2.3.C is hereby added, and shall read as follows:

- C. In the event that the inclusionary set-aside percentage (15% or 20%) of the total number of residential units does not result in a full integer, the developer may choose one of two options of addressing the fractional unit:
1. The developer shall round the set-aside upward to construct a whole additional affordable unit; or
 2. If the set-aside includes a fractional unit equal to 0.49 or less, the developer may round the set-aside downward and construct the lesser whole number of affordable units, but must also make a payment in-lieu of constructing the fractional additional unit ("fractional payment in-lieu").
 - a. The fractional payment in-lieu amount shall be calculated as the fractional unit multiplied by the base payment in-lieu dollar amount established in §2-4.C.1 of the Borough Code.
 3. For Example: If seven (7) total units are developed at an inclusionary site, a 20% set-aside would require 1.4 affordable units. Per the requirements above:
 - a. The developer shall round up the 0.4 unit to one (1) whole affordable unit so as to construct a total of two (2) affordable housing units, in accordance with §2-3.C.1; or
 - b. In accordance with §2-3.C.2, the developer shall round the set-aside downward so as to construct only (1) affordable unit AND shall pay into the Borough's affordable housing trust fund a fractional in-lieu payment equal to the dollar amount established in §2-4.C.1 multiplied by 0.4 units.

Section III. § 2-4 Entitled "New Construction". §2-4.C is amended and §2-4.C.1 is hereby added.

- C. Payments-in-lieu and off-site construction. The standards for the collection of payments-in-lieu of constructing affordable units or standards for constructing affordable units off-site, shall be in accordance with the requirements below:
1. The base dollar amount of the payment in-lieu of constructing an affordable unit at the time of adoption of this Ordinance shall be \$180,267¹. This amount shall be adjusted periodically by the Borough to reflect the most current and accurate market conditions or better cover the cost to the

¹ As set forth in N.J.A.C. 5:97-6.4(c)3

Borough to subsidize affordable housing construction. The payment shall be imposed as a condition of development approval by the Planning Board.

- a. During the development approval process, a developer may demonstrate to the Governing Body that the actual construction cost of an affordable unit less estimated capitalized revenue at the development in question is lower than the imposed payment in-lieu in §2-4.C.1. At its discretion, the Governing Body may impose a lower payment in-lieu amount equal or proximate to the amount estimated by the developer.

Additionally, §2-4.G.9 and 10, shall read as follows:

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

- a. Regional income limits shall be established for the Region 1 based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in Region 1. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
- b. The income limits calculated each year shall be the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for the relevant fiscal year, and shall be utilized until the Borough updates the income limits after HUD has published revised determinations of median income for the next fiscal year.

- c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Borough annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
10. The rent levels of very-low-, low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed nine percent in any one year. Rents for units constructed pursuant to low income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.

Section III. §2-12 “Occupancy Standards”. §2-12.A shall be amended to read as follows:

- A. In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to:
 - 1. Provide an occupant for each bedroom;
 - 2. Provide separate bedrooms for parents and children;
 - 3. Provide children of different sexes with separate bedrooms; and
 - 4. Prevent more than two persons from occupying a single bedroom.

Section IV. § 2-14, Entitled “Control Periods for Restricted Ownership Units and Enforcement Mechanisms”. §2-14.A and B shall be amended to read as follows:

- A. Control periods for restricted ownership units shall be in accordance with *N.J.A.C.* 5:80-26.5, and each restricted ownership unit shall remain subject to the controls on affordability for a period of at least 30 years, until the municipality takes action to release the controls on affordability.
- B. Rehabilitated owner-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.

Section V. § 2-18, “Control Periods for Restricted Rental Units”. §2-18. A shall be amended to read as follows:

- A. Control periods for restricted rental units shall be in accordance with *N.J.A.C.* 5:80-26.11, and each restricted rental unit shall remain subject to the controls on affordability for a period of at least 30 years, until the municipality takes action to release the controls on affordability.

Section VI. Repealer. All ordinances or Code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section VII. Severability. If any section, subsection, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

Section VIII. Effective Date. This ordinance shall take effect upon its passage and publication, as required by law.

The ordinance published herewith was introduced and passed upon first reading at a meeting of the Borough Council of the Borough of Ho-Ho-Kus, in the County of Bergen, State of New Jersey, held on February 27, 2018. It will be further considered for final passage, after public hearing thereon, at a meeting of the Borough Council to be held in the meeting room of Borough Hall, 333 Warren Avenue, in the Borough of Ho-Ho-Kus on March 27, 2018 at 7:30 p.m., and during the week prior and up to and including the date of such meeting, copies of said ordinance will be made available at the Clerk's Office to the members of the general public who shall request the same.

Laura Borchers, RMC/CMR
Borough Clerk

March 1, 2018

**BOROUGH OF HO-HO-KUS
COUNTY OF BERGEN**

ORDINANCE NO. _____

AN ORDINANCE OF THE BOROUGH OF HO-HO-KUS, COUNTY OF BERGEN AND STATE OF NEW JERSEY ADDING CHAPTER 2 "AFFORDABLE HOUSING" TO THE CODE OF THE BOROUGH OF HO-HO-KUS TO ADDRESS THE REQUIREMENTS OF THE NJ SUPERIOR COURT

BE IT ORDAINED by the Borough Council of the Borough of Ho-Ho-Kus, County of Bergen and State of New Jersey, that the "Code of the Borough of Ho-Ho-Kus" ("Code") is hereby amended as follows:

Section I. Chapter 10, Article XII, "Municipal Housing Liaison", Repealed. That Article XII, "Municipal Housing Liaison" of Chapter 10 of the Code is hereby repealed.

Section II. Chapter 2, entitled "Affordable Housing Ordinance," Created. That Chapter 2, "Affordable Housing" is hereby added to the Code to read as follows:

**Chapter 2
AFFORDABLE HOUSING**

**ARTICLE I
General Program Purposes, Procedures**

§ 2-1. Affordable Housing Obligation.

- A. This section of the Borough Code sets forth regulations regarding the low and moderate income housing units in the Borough consistent with the provisions known as the "Substantive Rules of the New Jersey Council on Affordable Housing", *N.J.A.C. 5:93 et seq.*, the Uniform Housing Affordability Controls ("UHAC"), *N.J.A.C. 5:80-26.1 et seq.*, except where modified by the terms of a Settlement Agreement between the Borough and Fair Share Housing Center ("FSHC") such that the statutory requirement to provide very-low income units equal to 13% of affordable units approved and constructed after July 1, 2008, to be affordable to households at 30% of the regional median income, overrides the UHAC requirement that 10% of all low- and moderate-income units must be affordable at 35% of the regional median income, and the Borough's constitutional obligation to provide a fair share of affordable housing for low and moderate income households. In addition, this section applies requirements for very low income housing as established in P.L. 2008, c.46 (the "Roberts Bill", codified at *N.J.S.A. 52:27D-329.1*).
- B. This Ordinance is intended to assure that very-low, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very-low, low- and moderate-income households shall occupy these units. This Ordinance shall apply to all inclusionary developments and 100% affordable

developments (including those funded with low-income housing tax credit financing) except where inconsistent with applicable law.

- C. The Ho-Ho-Kus Borough Planning Board has adopted a Housing Element and Fair Share Plan pursuant to the Municipal Land Use Law at *N.J.S.A. 40:55D-1, et seq.* The Plan has also been endorsed by the Borough Council of the Borough of Ho-Ho-Kus. The Fair Share Plan describes the ways the Borough shall address its fair share for low- and moderate-income housing as determined by the Superior Court and documented in the Housing Element.
- D. This Ordinance implements and incorporates the Fair Share Plan and addresses the requirements of *N.J.A.C. 5:93*, as may be amended and supplemented.
- E. The Borough shall file monitoring and status reports with the Superior Court and place the reports on its municipal website. Any plan evaluation report of the Housing Element and Fair Share Plan and monitoring evaluation report prepared by the Special Master in accordance with *N.J.A.C. 5:91* shall be available to the public at the Ho-Ho-Kus Borough Municipal Building, 333 Warren Avenue, Ho-Ho-Kus, New Jersey 07423.
- F. On or about January 12 of each year through the end of the period of Third Round Judgment of Repose, the Borough will 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 all parties to the Borough's Court-approved Settlement Agreements, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and Fair Share Housing Center ("FSHC").
- G. The Fair Housing Act includes two provisions regarding action to be taken by the Borough during the ten-year period of protection provided in the Borough's agreement with FSHC. The Borough agrees to comply with those provisions as follows:
 - 1. By July 1, 2020, the Borough must prepare a midpoint realistic opportunity review, as required pursuant to *N.J.S.A. 52:27D-313*, which the Borough will post on its municipal website, with a copy provided to FSHC and the Intervenors, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC and the Intervenors, 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. In the event the Court determines that a site or mechanism no longer presents a realistic opportunity and should be replaced or supplemented, then the

municipality shall have the opportunity to supplement or revise its plan to correct any deficiency.

2. Within 30 days of January 12, 2020 and January 12, 2023 the Borough shall prepare a review of compliance with the very low income housing requirements required by N.J.S.A. 52:27D-329.1 and its Settlement Agreement with Fair Share Housing Center. The Borough will post on its municipal website, with a copy provided to FSHC and the Intervenors, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein and in the Borough's Settlement Agreement with FSHC. Such posting shall invite any interested party to submit comments to the municipality and FSHC and the Intervenors on the issue of whether the municipality has complied with its very low income housing obligation.

§ 2-2. Definitions. As used herein the following terms shall have the following meanings:

“Accessory apartment” means a self-contained residential dwelling unit with a kitchen, sanitary facilities, sleeping quarters and a private entrance, which is created within an existing home, or through the conversion of an existing accessory structure on the same site, or by an addition to an existing home or accessory building, or by the construction of a new accessory structure on the same site.

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

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

“Administrative agent” means the entity responsible for the administration of affordable units in accordance with this ordinance, *N.J.A.C. 5:91*, *N.J.A.C. 5:93* and *N.J.A.C. 5:80-26.1 et seq.*

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

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

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

“Affordable development” means a housing development all or a portion of which consists of restricted units.

“Affordable housing development” means a development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100% affordable development.

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

“Affordable unit” means a housing unit proposed or created pursuant to the Act, credited pursuant to *N.J.A.C. 5:93*, and/or funded through an affordable housing trust fund.

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

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

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

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

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

“COAH” means the Council on Affordable Housing, which is in, but not of, the Department of Community Affairs of the State of New Jersey, that was established under the New Jersey Fair Housing Act (*N.J.S.A. 52:27D-301 et seq.*).

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

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

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

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

"Fair Share Plan" means the plan that describes the mechanisms, strategies and the funding sources, if any, by which the Borough proposes to address its affordable housing obligation as established in the Housing Element, including the draft ordinances necessary to implement that plan, and addresses the requirements of *N.J.A.C. 5:93-5*.

"Housing Element" means the portion of the Borough's Master Plan, required by the Municipal Land Use Law ("MLUL"), *N.J.S.A. 40:55D-28b(3)* and the Act, that includes the information required by *N.J.A.C. 5:93-5.1* and establishes the Borough's fair share obligation.

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

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

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

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

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

“Median income” means the median income by household size for the applicable county, as adopted annually by COAH or approved by the NJ Superior Court.

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

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

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

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

“Regional asset limit” means the maximum housing value in each housing region affordable to a four-person household with an income at 80% of the regional median as defined by adopted/approved Regional Income Limits.

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

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

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

“Special master” means an expert appointed by a judge to make sure that judicial orders are followed. A master's function is essentially investigative, compiling evidence or documents to inform some future action by the court.

“UHAC” means the Uniform Housing Affordability Controls set forth in *N.J.A.C. 5:80-26.1 et seq.*

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

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

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

§ 2-3. Borough-wide Mandatory Set-Aside

- A. A multi-family or single-family attached development providing a minimum of five (5) new housing units created through any municipal rezoning or Zoning Board action, use or density variance, redevelopment plan, or rehabilitation plan that provide for densities at or above six (6) units per acre is required to include an affordable housing set-aside of 20% if the affordable units will be for sale and 15% if the affordable units will be for rent. ***This requirement does not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of Ho-Ho-Kus to grant such rezoning, variance or other relief. No subdivision shall be permitted or approved for the purpose of avoiding compliance with this requirement.***
- B. This Borough-wide mandatory set-aside requirement does not supersede the effects or requirements of the Downtown Inclusionary Overlay Zoning (§85-13.1) for any inclusionary multi-family residential development that occurs within the boundaries of the Overlay area.
- C. In the event that the inclusionary set-aside percentage (15% or 20%) of the total number of residential units does not result in a full integer, the developer may choose one of two options of addressing the fractional unit:
 1. The developer shall round the set-aside upward to construct a whole additional affordable unit; or
 2. If the set-aside includes a fractional unit equal to 0.49 or less, the developer may round the set-aside downward and construct the lesser whole number of affordable units, but must also make a payment in-lieu of constructing the fractional additional unit (“fractional payment in-lieu”).
 - (a) The fractional payment in-lieu amount shall be calculated as the fractional unit multiplied by the base payment in-lieu dollar amount established in §2-4.C.1 of the Borough Code.
 3. For Example: If seven (7) total units are developed at an inclusionary site, a 20% set-aside would require 1.4 affordable units. Per the requirements above:
 - (a) The developer shall round up the 0.4 unit to one (1) whole affordable unit so as to construct a total of two (2) affordable housing units, in accordance with §2-3.C.1; or

(b) In accordance with §2-3.C.2, the developer shall round the set-aside downward so as to construct only (1) affordable unit AND shall pay into the Borough’s affordable housing trust fund a fractional in-lieu payment equal to the dollar amount established in §2-4.C.1 multiplied by 0.4 units.

§ 2-4. New Construction. The following requirements shall apply to all new or planned developments that contain low- and moderate- income housing units.

A. Phasing. Final site plan or subdivision approval shall be contingent upon the affordable housing development meeting the following phasing schedule for low and moderate income units whether developed in a single phase development, or in a multi-phase development:

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

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

C. Payments-in-lieu and off-site construction. The standards for the collection of payments-in-lieu of constructing affordable units or standards for constructing affordable units off-site, shall be in accordance with the requirements below:

1. The base dollar amount of the payment in-lieu of constructing an affordable unit at the time of adoption of this Ordinance shall be \$180,267¹. This amount shall be adjusted periodically by the Borough to reflect the most current and accurate market conditions or better cover the cost to the Borough to subsidize affordable housing construction. The payment shall be imposed as a condition of development approval by the Planning Board.

(a) During the development approval process, a developer may demonstrate to the Governing Body that the actual construction cost of an affordable unit less estimated capitalized revenue at the development in question is lower than the imposed payment in-lieu in §2-4.C.1. At its discretion, the Governing Body may impose a lower payment in-lieu amount equal or proximate to the amount estimated by the developer.

¹ As set forth in N.J.A.C. 5:97-6.4(c)3

- D. Utilities. Affordable units shall utilize the same type of heating source as market units within the affordable development.
- E. Low/Moderate Split and Bedroom Distribution of Affordable Housing Units:
1. The fair share obligation shall be divided equally between low- and moderate- income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low income unit.
 2. In each affordable development, at least 50% of the restricted units within each bedroom distribution shall be low-income units.
 3. Within rental developments, of the total number of affordable rental units, at least 13% shall be affordable to very low income households.
 4. Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:
 - (a) The combined number of efficiency and one-bedroom units shall be no greater than 20% of the total low- and moderate-income units;
 - (b) At least 30% of all low- and moderate-income units shall be two bedroom units;
 - (c) At least 20% of all low- and moderate-income units shall be three bedroom units; and
 - (d) The remaining units may be allocated among two and three bedroom units at the discretion of the developer.
 5. Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the inclusionary development. The standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.
- F. Accessibility Requirements:
1. The first floor of all new restricted townhouse dwelling units and all restricted multistory dwelling units attached to at least one (1) other dwelling unit shall be subject to the technical design standards of the Barrier Free Subcode, *N.J.A.C. 5:23-7*.
 2. All restricted townhouse dwelling units and all restricted multistory dwelling units attached to at least one (1) other dwelling unit shall have the following features:

- (a) An adaptable toilet and bathing facility on the first floor;
- (b) An adaptable kitchen on the first floor;
- (c) An interior accessible route of travel on the first floor;
- (d) An interior accessible route of travel shall not be required between stories within an individual unit;
- (e) An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and
- (f) An accessible entranceway as set forth at P.L. 2005, c. 350 (*N.J.S.A. 52:27D-311a et seq.*) and the Barrier Free Subcode, *N.J.A.C. 5:23-7*, or evidence that the Borough has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:
 - (1) Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.
 - (2) To this end, the builder of restricted units shall deposit funds within the Borough of Ho-Ho-Kus' affordable housing trust fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.
 - (3) The funds deposited under paragraph (2) herein, shall be used by the Borough for the sole purpose of making the adaptable entrance of any affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.
 - (4) The developer of the restricted units shall submit a design plan and cost estimate for the conversion from adaptable to accessible entrances to the Construction Official of the Borough of Ho-Ho-Kus.
 - (5) Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free Subcode, *N.J.A.C. 5:23-7*, and that the cost estimate of such conversion is reasonable, payment shall be made to the Borough of Ho-Ho-Kus' affordable housing trust fund in care of the Municipal Treasurer who shall ensure that

the funds are deposited into the affordable housing trust fund and appropriately earmarked.

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

G. Maximum Rents and Sales Prices.

1. In establishing rents and sales prices of affordable housing units, the administrative agent shall follow the procedures set forth in UHAC and by the Superior Court, utilizing the regional income limits established.
2. The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60% of median income, and the average rent for restricted low- and moderate-income units shall be affordable to households earning no more than 52% of median income.
3. 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.
 - (a) At least 13% of all low- and moderate-income rental units shall be affordable to households earning no more than 30% of median income.
4. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70% of median income, and each affordable development must achieve an affordability average of 55% for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different prices for each bedroom type, and low-income ownership units must be available for at least two different prices for each bedroom type.
5. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units other than assisted living facilities, the following standards shall be met:
 - (a) A studio or efficiency unit shall be affordable to a one-person household;
 - (b) A one-bedroom unit shall be affordable to a one and one-half person household;

- (c) A two-bedroom unit shall be affordable to a three-person household;
 - (d) A three-bedroom unit shall be affordable to a four and one-half person household; and
 - (e) A four-bedroom unit shall be affordable to a six-person household.
6. In determining the initial rents for compliance with the affordability average requirements for restricted units in assisted living facilities, the following standards shall be met:
- (a) A studio or efficiency unit shall be affordable to a one-person household;
 - (b) A one-bedroom unit shall be affordable to a one and one-half person household; and
 - (c) A two-bedroom unit shall be affordable to a two-person household or to two one-person households.
7. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95% of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28% of the eligible monthly income of the appropriate size household as determined under *N.J.A.C. 5:80-26.4*, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of *N.J.A.C. 5:80-26.3*, as may be amended and supplemented.
8. The initial rent for a restricted rental unit shall be calculated so as not to exceed 30% of the eligible monthly income of the appropriate household size as determined under *N.J.A.C. 5:80-26.4*, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of *N.J.A.C. 5:80-26.3*, as may be amended and supplemented.
9. 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. Income limits for all units for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to

N.J.A.C. 5:80-26.1 shall be updated by the Borough annually within 30 days of the publication of determinations of median income by HUD as follows:

- (a) Regional income limits shall be established for the Region 1 based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in Region 1. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
 - (b) The income limits calculated each year shall be the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for the relevant fiscal year, and shall be utilized until the Borough updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
 - (c) The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Borough annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
10. The rent levels of very-low-, low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed nine percent in any one year. Rents for units constructed pursuant to low income

housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.

11. Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by DCA for its Section 8 program.

§ 2-5. Condominium and Homeowners Association Fees.

For any affordable housing unit that is part of a condominium association and/or homeowner's association, the Master Deed shall reflect that the association fee assessed for each affordable housing unit shall be established at 100% of the market rate fee.

§ 2-6. Reserved.

§ 2-7. Reserved.

§ 2-8. Reserved.

§ 2-9. Reserved.

ARTICLE II

Affordable Unit Controls and Requirements

§ 2-10. Purpose.

The requirements of this section apply to all developments that contain affordable housing units, including any currently unanticipated future developments that will provide low- and moderate- income housing units.

§ 2-11. Affirmative Marketing.

- A. The Borough shall adopt by resolution an Affirmative Marketing Plan, subject to approval of the Superior Court, compliant with *N.J.A.C. 5:80-26.15*, as may be amended and supplemented.
- B. The affirmative marketing plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The affirmative marketing plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward COAH Housing Region 1 and covers the period of deed restriction.

- C. The affirmative marketing plan shall provide a regional preference for all households that live and/or work in COAH Housing Region 1, comprised of Hudson, Bergen, Sussex, and Passaic Counties.
- D. The Administrative Agent designated by the Borough shall assure the affirmative marketing of all affordable units is consistent with the Affirmative Marketing Plan for the municipality.
- E. In implementing the affirmative marketing plan, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
- F. The affirmative marketing process for available affordable units shall begin at least four months prior to the expected date of occupancy.
- G. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by the Borough of Ho-Ho-Kus.

§ 2-12. Occupancy Standards.

- A. In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to:
 - 1. Provide an occupant for each bedroom;
 - 2. Provide separate bedrooms for parents and children;
 - 3. Provide children of different sexes with separate bedrooms; and
 - 4. Prevent more than two persons from occupying a single bedroom.
- B. Additional provisions related to occupancy standards (if any) shall be provided in the municipal Operating Manual.

§ 2-13. Selection of Occupants of Affordable Housing Units.

- A. The administrative agent shall use a random selection process to select occupants of low- and moderate- income housing.
- B. A waiting list of all eligible candidates will be maintained in accordance with the provisions of *N.J.A.C. 5:80-26 et seq.*

§ 2-14. Control Periods for Restricted Ownership Units and Enforcement Mechanisms.

- A. Control periods for restricted ownership units shall be in accordance with *N.J.A.C. 5:80-26.5*, and each restricted ownership unit shall remain subject to the controls on affordability for a period of at least 30 years, until the municipality takes action to release the controls on affordability.
- B. Rehabilitated owner-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.
- C. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.
- D. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.
- E. A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all code standards upon the first transfer of title that follows the expiration of the applicable minimum control period provided under *N.J.A.C. 5:80-26.5(a)*, as may be amended and supplemented.

§ 2-15. Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices.

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

- A. The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.
- B. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.
- C. The method used to determine the condominium association fee amounts and special assessments shall be indistinguishable between the low- and moderate-income unit owners and the market unit owners.
- D. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom.

§ 2-16. Buyer Income Eligibility.

- A. Buyer income eligibility for restricted ownership units shall be in accordance with *N.J.A.C. 5:80-26.1*, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50% of median income and moderate-income ownership

units shall be reserved for households with a gross household income less than 80% of median income.

- B. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 33% of the household's certified monthly income.

§ 2-17. Limitations on indebtedness secured by ownership unit; subordination.

- A. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the administrative agent shall determine in writing that the proposed indebtedness complies with the provisions of this section.
- B. With the exception of original purchase money mortgages, during a control period neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95% of the maximum allowable resale price of that unit, as such price is determined by the administrative agent in accordance with *N.J.A.C.5:80-26.6(b)*.

§ 2-18. Control Periods for Restricted Rental Units.

- A. Control periods for restricted rental units shall be in accordance with *N.J.A.C. 5:80-26.11*, and each restricted rental unit shall remain subject to the controls on affordability for a period of at least 30 years, until the municipality takes action to release the controls on affordability.
 - 1. Restricted rental units created as part of developments receiving nine percent (9%) Low Income Housing Tax Credits must comply with a control period of not less than a 30-year compliance period plus a 15-year extended use period.
- B. Rehabilitated renter-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.
- C. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Bergen. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a Certificate of Occupancy.
- D. A restricted rental unit shall remain subject to the affordability controls of this Ordinance, despite the occurrence of any of the following events:
 - 1. Sublease or assignment of the lease of the unit;

2. Sale or other voluntary transfer of the ownership of the unit; or
3. The entry and enforcement of any judgment of foreclosure.

§ 2-19. Price Restrictions for Rental Units; Leases.

- A. A written lease shall be required for all restricted rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.
- B. No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
- C. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.

§ 2-20. Tenant Income Eligibility.

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

2. The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
 3. The household is currently in substandard or overcrowded living conditions;
 4. The household documents the existence of assets with which the household proposes to supplement the rent payments; or
 5. The household documents proposed third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.
- B. The applicant shall file documentation sufficient to establish the existence of the circumstances in (b)1 through 5 above with the Administrative Agent, who shall counsel the household on budgeting.

§ 2-21. Conversions.

Each housing unit created through the conversion of a non-residential structure shall be considered a new housing unit and shall be subject to the affordability controls for a new housing unit.

§ 2-22. Reserved.

§ 2-23. Reserved.

§ 2-24. Reserved.

ARTICLE III
Administration

§ 2-25. Municipal Housing Liaison.

- A. The position of Municipal Housing Liaison for the Borough of Ho-Ho-Kus is hereby established. The Municipal Housing Liaison shall be appointed by duly adopted resolution of the Borough Council and be subject to the approval by the Superior Court.
- B. The Municipal Housing Liaison must be either a full-time or part-time employee of the Borough of Ho-Ho-Kus.

- C. The Municipal Housing Liaison must meet the requirements for qualifications, including initial and periodic training found in *N.J.A.C. 5:93*.
- D. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for the Borough of Ho-Ho-Kus, including the following responsibilities which may not be contracted out to the Administrative Agent:
 - 1. Serving as the municipality's primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;
 - 2. The implementation of the Affirmative Marketing Plan and affordability controls.
 - 3. When applicable, supervising any contracting Administrative Agent.
 - 4. Monitoring the status of all restricted units in the Borough of Ho-Ho-Kus' Fair Share Plan;
 - 5. Compiling, verifying and submitting annual reports as required by the Superior Court;
 - 6. Coordinating meetings with affordable housing providers and Administrative Agents, as applicable; and
 - 7. Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing as offered or approved by the Superior Court.

§ 2-26. Administrative Agent.

- A. The Borough shall designate by resolution of the Borough Council, subject to the approval of the Superior Court, one or more Administrative Agents to administer newly constructed affordable units in accordance with *N.J.A.C. 5:93* and UHAC.
- B. An Operating Manual shall be provided by the Administrative Agent(s) to be adopted by resolution of the governing body and subject to approval of the Superior Court. The Operating Manuals shall be available for public inspection in the Office of the Municipal Clerk and in the office(s) of the Administrative Agent(s).
- C. The Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in UHAC and which are described in full detail in the Operating Manual, including those set forth in *N.J.A.C. 5:80-26.14, 16 and 18* thereof, which includes:

1. Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Superior Court;
2. Affirmative Marketing;
3. Household Certification;
4. Affordability Controls;
5. Records retention;
6. Resale and re-rental;
7. Processing requests from unit owners; and
8. Enforcement, although the ultimate responsibility for retaining controls on the units rests with the municipality.
9. The Administrative Agent shall, as delegated by the Borough Committee, have the authority to take all actions necessary and appropriate to carry out its responsibilities, hereunder.

§ 2-27. Enforcement of Affordable Housing Regulations.

- A. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an Owner, Developer or Tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- B. After providing written notice of a violation to an Owner, Developer or Tenant of a low- or moderate-income unit and advising the Owner, Developer or Tenant of the penalties for such violations, the municipality may take the following action against the Owner, Developer or Tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
 1. The municipality may file a court action pursuant to *N.J.S.A. 2A:58-11* alleging a violation, or violations, of the regulations governing the affordable housing unit. If the Owner, Developer or Tenant is found by the court to have violated any provision of the regulations governing affordable housing units the Owner, Developer or Tenant shall be subject to one or more of the following penalties, at the discretion of the court:
 - (a) A fine of not more than \$500.00 or imprisonment for a period not to exceed 90 days, or both. Each and every day that the violation

continues or exists shall be considered a separate and specific violation of these provisions and not as a continuing offense;

(b) In the case of an Owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Borough of Ho-Ho-Kus Affordable Housing Trust Fund of the gross amount of rent illegally collected;

(c) In the case of an Owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the court.

2. The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the Owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low- and moderate-income unit.

C. Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating Owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating Owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.

D. The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating Owner shall be personally responsible for and to the extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the Owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the Owner shall make a claim with the municipality for such. Failure of the Owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the Owner or forfeited to the municipality.

- E. Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The Owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
- F. If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the low- and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low- and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.
- G. Failure of the low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the Owner to accept an offer to purchase from any qualified purchaser which may be referred to the Owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.
- H. The Owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the Owner.

§ 2-28. Appeals. Appeals from all decisions of an Administrative Agent designated pursuant to this Ordinance shall be filed in writing with the Borough.

Section III. Repealer. All ordinances or Code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section IV. Severability. If any section, subsection, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

Section V. Effective Date. This ordinance shall take effect upon its passage and publication, as required by law.

The ordinance published herewith was introduced and passed upon first reading at a meeting of the Borough Council of the Borough of Ho-Ho-Kus, in the County of Bergen, State of New Jersey, held on February 27, 2018. It will be further considered for final

passage, after public hearing thereon, at a meeting of the Borough Council to be held in the meeting room of Borough Hall, 333 Warren Avenue, in the Borough of Ho-Ho-Kus on _____, 2018 at 7:30 p.m., and during the week prior and up to and including the date of such meeting, copies of said ordinance will be made available at the Clerk's Office to the members of the general public who shall request the same.

Laura Borchers, R.M.C., C.M.R., Clerk



APPENDIX K

**SPENDING PLAN, RESOLUTION OF
INTENT TO FUND, AND RESOLUTION
ADOPTING SPENDING PLAN**

**MAYOR and COUNCIL of the
BOROUGH of HO-HO-KUS
BERGEN COUNTY, NEW JERSEY
Resolution No. 18-40**

Subject: Approve Spending Plan

Dated: February 27, 2018

WHEREAS, the Planning Board of the Borough of Ho-Ho-Kus, Bergen County, State of New Jersey (“Planning Board”) adopted a Third Round Housing Element and Fair Share Plan on July 20, 2017 pursuant to N.J.S.A. 40:55D- 28, and N.J.A.C. 5:93, and the Court approved Settlement Agreement between the Borough, Fair Share Housing Center, Chamberlain Developers, Inc. (“Chamberlain”), and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings) that established the Borough’s fair share obligation, granted a vacant land adjustment of the Borough’s Third Round obligation, and outlined the Borough’s compliance mechanisms; and

WHEREAS, the Borough Council endorsed the Plan on July 25, 2017 at a properly-noticed public meeting; and

WHEREAS, the adopted and endorsed Plan included a Spending Plan component, as required by the Council on Affordable Housing’s (“COAH”) rules at N.J.A.C. 5:93-5.1(c), which projects anticipated revenues to the Borough’s Affordable Housing Trust Fund, and describes anticipated expenditures of funds to address its fair share obligation as set forth in the Fair Share Plan; and

WHEREAS, the Borough Council adopted the Spending Plan component of the Housing Element and Fair Share Plan on July 25, 2017; and

WHEREAS, on December 13, 2017, the Special Master to the Court In the Matter of the Application of the Borough of Ho-Ho-Kus submitted a letter to the Court recommending approval of the Borough’s Adopted Housing Element and Fair Share Plan, subject to the Borough satisfying several conditions including making certain amendments to the adopted Spending Plan; and

WHEREAS, the Superior Court held a Compliance Hearing on December 18, 2017 at which time the Court conditionally approved the Borough’s Adopted Housing Element and Fair Share Plan, subject to the conditions recommended in the Master’s December 13, 2017 letter; and

WHEREAS, pursuant to the Court order entered by the Honorable Christine Farrington, J.S.C. on December 18, 2017, the Borough received a Judgment of Repose through July 1, 2025 provided the Borough complies with the Master’s conditions by April 17, 2018, at which time the Borough shall submit a certification to the Master that all conditions for a Final Judgment of Compliance and Repose have been met; and

WHEREAS, the Borough’s and Planning Board’s affordable housing planning consultants Mary Beth Lonergan, PP, AICP, and Daniel Hauben, PP, AICP, of Clarke Caton Hintz, PC, have amended the adopted Spending Plan in accordance with the conditions of the Court Master’s December 13, 2017 letter to the Court and consistent with Court-approved changes to the Borough’s Amended Housing Element and Fair Share Plan.

NOW, THEREFORE, BE IT RESOLVED, that the Borough Council of the Borough of Ho-Ho-Kus hereby approves the amended Spending Plan of its Adopted Third Round Housing Element and Fair Share Plan amended by resolution as shown in the Spending Plan attached to this resolution.

	Motion	Second	Aye	Nay	Abstain	Absent
Mayor Randall						
Councilmember Troast						X
Councilmember Rorty	X		X			
Councilmember Shell		X	X			
Councilmember Iannelli						X
Councilmember Fiato						X
Councilmember Crossley			X			

This is to certify that the above Resolution was adopted by the Mayor and Council on February 27, 2018

Laura Borchers, RMC/CMR
Borough Clerk



Introduction

Ho-Ho-Kus Borough received substantive certification from the Council on Affordable Housing (“COAH”) in accordance with *N.J.S.A. 40:55D-28b(3)*, the Fair Housing Act and the regulations of COAH, for its First and Second Round Housing Element and Fair Share Plans on February 6, 1991 and October 7, 1998, respectively. The Borough submitted a Third Round Plan to COAH on December 23, 2008 to comply with the second iteration of COAH’s Third Round rules (*N.J.A.C. 5:97*).

The Borough adopted a development fee ordinance on July 22, 1997 (approved by COAH on June 4, 1997) creating a dedicated revenue source for affordable housing (See attached current development fee ordinance). The ordinance established Ho-Ho-Kus Borough’s affordable housing trust fund, for which this Spending Plan is prepared.

As of the end of 2016, Ho-Ho-Kus Borough collected a total of \$369,746.66 in development fees, interest, and other income. It has spent a total of \$56,563.61 on administrative costs, leaving a balance of \$313,183.05. All development fees, “other” income, and interest generated by the fees are deposited in separate interest-bearing affordable housing trust fund accounts in Bank of America and Oritani Bank for the purposes of affordable housing. These funds shall be spent in accordance with *N.J.A.C. 5:93-8.16*, as described in the sections that follow.

This revised 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, to finance construction of the 13-unit 100% affordable family-rental development, known as the Commuter Parking Municipally-Sponsored Site, including the creation of two (2) very-low income units (serving households earning 30% or less of the regional median income). As discussed in the Housing Element and Fair Share Plan, the Commuter Parking Municipally-Sponsored Site will be developed and administered by the Bergen County United Way / Madeline Corporation Partnership (“BCUW/Madeline”, or “Partnership”). In addition, the Borough anticipates expending trust funds on administration purposes up to the permitted 20% maximum. The Borough requests approval for these expenditures in order to implement its 2017 Third Round Housing Element and Fair Share Plan.

Revenues for Certification Period

To calculate a projection of revenue anticipated during the period of Third Round Judgment of Repose (“JoR”), Ho-Ho-Kus Borough considered the following:



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Clarke Caton Hintz

- (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): \$0

Actual and committed payments in lieu (PIL) of construction from developers. The Borough has not previously received any PILs.

Pursuant to the Borough's Fair Share Affordable Housing Ordinance at §2-3.C, a developer of an inclusionary development anywhere in the Borough having a non-integer affordable housing unit set-aside requirement that includes a fraction less than or equal to 0.49 units may opt to round downward and make a fractional PIL contribution to the Borough's affordable housing trust fund, rather than round upward and construct more than the set-aside requires. The Borough will utilize any fractional PILs as described below in this Spending Plan.

The Borough does not anticipate substantial revenues from PILs during the JoR period. As detailed in the Third Round Housing Element and Fair Share Plan, the Borough will see the construction of 85 new units, including 73 units in the Downtown area (56 units at the Crossings, four (4) units at the Maple Avenue/Frasco Site, and 13 units at the municipally sponsored development) and 12 new units from the Hollows site, whereas it had experienced an average of just under 3 new units per year (based on building permit issuance, as shown in Table 23 of the demographics section in Appendix A of the Borough's Housing Element and Fair Share Plan) between 2000 and 2016, mostly comprised of single-family teardowns. Of the 85 new units being constructed, 63 will be market rate households and 22 will be affordable units. The remaining market demand for new development in the Borough through July 2025 may allow for little, if any, multi-family development. Notwithstanding, the Borough will commit to expending any PILs as described in this Spending Plan.



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(c) Other funding sources: \$0

Ho-Ho-Kus Borough had previously collected \$633 from other sources, but does not anticipate future funds from this category at this time. Funds from other sources, include, but are not limited to the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, and proceeds from the sale of affordable units. All monies in the Affordable Housing Trust fund are anticipated to come from development fees and interest.

(d) Projected interest:

Based on the current average interest rate, interest earned in recent years, and projected rates of development fee revenue, Ho-Ho-Kus Borough anticipates collecting \$5,459 in interest through 2025.



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Source of Funds – Housing Trust Fund 2017 through 2025

Year Source of Funds		2017	2018	2019	2020	2021	2022	2023	2024	2025	2017-2025 Total
Projected Residential Development	\$313,184 STARTING BALANCE (January 2017)										
<i>Residential Development</i>		\$101.3k	\$30k	\$25k	\$30k	\$30k	\$25k	\$30k	\$30k	\$30k	\$331.3k
<i>Hollows</i>		\$0	\$90k	\$0k	\$0k	\$0k	\$0k	\$0k	\$0k	\$0k	\$90k
Projected Non-Residential Development		\$0k	\$25k	\$25k	\$0k	\$0k	\$0k	\$5k	\$0k	\$0k	\$55k
Interest		\$1.5k	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$5.5k
Total			\$102.7k	\$145.5k	\$50.5k	\$30.5k	\$30.5k	\$25.5k	\$35.5k	\$30.5k	\$30.5k



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Architecture

Planning

Landscape Architecture

Ho-Ho-Kus Borough projects a total of \$481,735 in revenue to be collected between 2017 and 2025, from residential and non-residential development fees and accrued interest. Limited fractional PIL revenues may be received from inclusionary development. However, at the present time, the Borough does not anticipate any PIL revenues over the remaining Third Round time period. Projected residential development fees are based on a combination of past development fee receipts and the Housing Projections contained in Table 23 in the Housing, Demographic, and Employment Analysis at Appendix A of the 2017 Housing Element and Fair Share Plan. Residential development fees also include \$90,000 anticipated to be generated by the construction of 12 market-rate units at the Hollows site, at a rate of \$7,500 per unit as agreed to by Chamberlain Developers, Inc. and approved by the Superior Court. Nearly all development fees received over the life of the trust fund have come from residential developments, additions, and other improvements to residences. Although the trust fund has not received non-residential development fees in over a decade, the Spending Plan projects \$55,000 in non-residential development fees to be generated from the commercial portions of the proposed inclusionary, mixed-use Crossings at Ho-Ho-Kus (“Crossings”) development and possible non-residential development that may be stimulated by the implementation of the proposed Downtown Overlay Zone. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing.

Administrative Mechanism to Collect and Distribute Funds

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by Ho-Ho-Kus Borough:

(a) Collection of development fee revenues:

All collection of development fee revenues will be consistent with local regulations which follow COAH administrative models for both residential and non-residential developments and in accordance with N.J.S.A. 40:55D-8.1 through 8.7.

(b) Distribution of development fee revenues:

The Planning Board adopts and forwards a resolution to the governing body recommending the expenditure of development fee revenues as set forth in this spending plan. The governing body reviews the request for consistency with the spending plan and adopts the recommendation by resolution.



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The release of funds requires the adoption of the governing body resolution. Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the governing body's resolution.

Description of Anticipated Use of Affordable Housing Funds

(a) Affordability Assistance (*N.J.A.C. 5:93-8.16(c)*)

Ho-Ho-Kus Borough is required to spend a minimum of 30 percent of development fee revenue to render existing affordable units more affordable and at least one-third of that amount must be dedicated to very-low income households or to create very-low income units (i.e. households earning less than 30 percent of the regional median income). The actual affordability assistance minimums are calculated on an ongoing basis based on actual revenues.

Projected minimum affordability assistance requirement

Development fees/interest collected to date		\$369,114
Development fees projected 2017-2025	+	\$476,276
Interest projected 2017-2025	+	\$5,459
Total	=	\$850,849
30 percent requirement	x 0.30 =	\$255,255
Less Affordability assistance expenditures to date	-	\$0
PROJECTED MINIMUM Affordability Assistance Requirement	=	\$255,255
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement	÷ 3 =	\$85,085

Based on fees and interest collected from inception through the end of 2016, and projected revenues, Ho-Ho-Kus Borough must dedicate at least \$255,255 from the affordable housing trust fund to render units more affordable, including \$85,085 to render units more affordable to households earning 30 percent or less of



median income by region. It may use a variety of vehicles to do this, including but not limited to the following:

- Down-payment assistance;
- Rental assistance;
- Security deposit assistance;
- Low interest loans;
- Assistance with homeowners' association or condominium fees and special assessments; and/or
- Converting low-income units to very-low-income units or creating new very-low income units, etc.

The Borough will address its affordability assistance requirement through assistance and subsidy of units, specifically including two (2) very-low income rental units, at the BCUW/Madeline 100% affordable housing site, also known as the Borough-owned Commuter Parking Municipally-Sponsored Site.

BCUW/Madeline 100% Affordable Housing:

To comply with the Court-approved Settlement Agreements, described in detail in the Borough's Housing Plan, the Borough will partner with the Bergen County United Way and the Madeline Corporation Partnership to create 13 affordable family-rentals and special needs units at the Commuter Parking Municipally-Sponsored Site. In addition to providing funds to help finance construction of the site, the Borough will also expend its trust funds to create very-low income units.

(b) Administrative Expenses (*N.J.A.C. 5:93-8.16(e)*)

Ho-Ho-Kus Borough may use affordable housing trust fund revenue for related administrative costs up to a 20 percent limitation pending funding availability after programmatic and affordability assistance expenditures. The actual administrative expense maximum is calculated on an ongoing basis based on actual revenues.



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Projected Administrative Expenses

Development fees/interest collected to date		\$369,114
Payment-in-lieu of construction through July 17, 2008		\$0
Development fees projected 2017-2025		\$476,276
Interest projected 2017-2025	+	\$5,459
Total	=	\$850,849
20 percent maximum permitted administrative expenses	x 0.20 =	\$170,170
Less administrative expenditures through 12/31/16	-	\$56,564
Projected allowed administrative expenditures	=	\$113,606

Ho-Ho-Kus Borough projects that \$113,606 may be available from the affordable housing trust fund to be used for administrative purposes. Projected administrative expenditures, subject to the 20 percent cap, are as follows:

- Borough Attorney, Engineer, and Planner fees related to plan preparation and implementation;
- The Chamberlain Agreement requires half of the administrative agent costs for the Maple Avenue affordable rental unit to be paid by the Borough.

(c) PILs toward Unmet Need

PIL revenues collected from new inclusionary development in the Borough in accordance with §2-3.C will be used exclusively to address the Borough's unmet need by subsidizing the creation of additional affordable housing units at inclusionary developments anywhere in the Borough. When selecting where to apply these funds, the Borough will prioritize inclusionary developments in the Downtown Overlay District over inclusionary developments elsewhere in the Borough.

Expenditure Schedule

Ho-Ho-Kus Borough intends to use affordable housing trust funds for the creation of affordable family rental units through the 100% affordable Commuter Parking Municipally Sponsored Site. The balance of the trust fund after the expenditure and/or set aside of funds for administration will be dedicated to financing the development of the Commuter Parking Municipally-Sponsored Site, including the required affordability assistance for the creation of very-low income units at the site. Where applicable, the



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funding schedule below will parallel the implementation schedule to be set forth in the Housing Element and Fair Share Plan and is summarized as follows.

Projected Expenditure Schedule 2017 Through 2025

Program	Units	2017	2018-2019	2020-2021	2022-2023	2024-2025	Total
New Construction & Affordability Assistance @ Muni Sponsored Site	13	\$0	\$426k	\$0k	\$0k	\$0k	\$426k
Very Low Income at Muni Sponsored Site (2 of 13 units, above)		\$0	\$153.2k	\$34k	\$34k	\$34k	\$255.3k
<i>Subtotal of Muni Sponsored Site</i>		\$0	\$579.2k	\$34k	\$34k	\$34k	\$681.3k
Administration		\$5.8k	\$27k	\$27k	\$27k	\$27k	\$113.6k
TOTAL		\$5.8k	\$606.2k	\$61k	\$61k	\$61k	\$794.9k

Excess or Shortfall of Funds

The Borough intends to expend all previous and future revenues toward the new construction mechanisms described in the Housing Element and Fair Share Plan. The Borough will adopt a resolution of its intent to fund any shortfall in funding the Borough’s 13-unit municipally sponsored new construction program or in the funding for the County housing rehabilitation program (See attached resolution).

Summary

The Borough of Ho-Ho-Kus intends to spend affordable housing trust fund revenues pursuant to the regulations governing such funds and consistent with the amended Third Round Housing Element and Fair Share Plan. Ho-Ho-Kus had a balance of \$313,183.05 at the end of 2016 and anticipates an additional \$481,735 in revenues before the expiration of a Third Round Judgment of Repose for a total of \$794,919. The Borough will meet or exceed its affordability assistance expenditure requirement by providing a minimum of \$255,269 to the 100% affordable BCUW/Madeline Commuter Parking Municipally Sponsored site, including making units affordable for very-low income households. The



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Borough may also expend up to \$113,606 of trust funds on administrative costs during the period of repose. The \$426,043 balance of all current and future projected trust funds will be dedicated to finance the Commuter Parking Municipally-Sponsored construction and/or toward additional rental assistance at the site, for a minimum of \$681,312 to be spent toward the project.

Spending Plan Summary

Revenues	
Balance as of end of 2016	\$313,184
Projected Revenue from 2017 through 2025	
1. Development fees	+ \$476,276
2. Payments in lieu of construction	+ \$0
3. Other funds	+ \$0
Interest	+ \$5,459
Total Projected Revenue	= \$794,919
Expenditures	
Municipally Sponsored Commuter Parking Site (\$681,312.74)	
New Construction & Affordability Assistance @Commuter Parking Muni. Sponsored Site	- \$426,043
Very-Low Income Affordability Assistance @ Muni. Sponsored Site	- \$255,269
Administration	- \$113,606
Total Projected Expenditures	= \$794,919
POTENTIAL SURPLUS	= \$0

**MAYOR and COUNCIL of the
BOROUGH of HO-HO-KUS
BERGEN COUNTY, NEW JERSEY
Resolution No. 18-37**

Subject: Intent to Bond

Dated: February 27, 2018

WHEREAS, the Planning Board of the Borough of Ho-Ho-Kus, Bergen County, State of New Jersey (“Planning Board”) adopted a Third Round Housing Element and Fair Share Plan on July 20, 2017 pursuant to N.J.S.A. 40:55D- 28, and N.J.A.C. 5:93, and the Court approved Settlement Agreement between the Borough, Fair Share Housing Center, Chamberlain Developers, Inc. (“Chamberlain”), and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings) that established the Borough’s fair share obligation, granted a vacant land adjustment of the Borough’s Third Round obligation, and outlined the Borough’s compliance mechanisms; and

WHEREAS, the Borough Council endorsed the Plan on July 25, 2017 at a properly-noticed public meeting; and

WHEREAS, the adopted and endorsed Plan included a Spending Plan component, as required by the Council on Affordable Housing’s (“COAH”) rules at N.J.A.C. 5:93-5.1(c), which projects anticipated revenues to the Borough’s Affordable Housing Trust Fund, and describes anticipated expenditures of funds to address its fair share obligation as set forth in the Fair Share Plan; and

WHEREAS, the Borough Council adopted the Spending Plan component of the Housing Element and Fair Share Plan on July 25, 2017; and

WHEREAS, on December 13, 2017, the Special Master to the Court In the Matter of the Application of the Borough of Ho-Ho-Kus submitted a letter to the Court recommending approval of the Borough’s Adopted Housing Element and Fair Share Plan, subject to the Borough satisfying several conditions including making certain amendments to the adopted Spending Plan; and

WHEREAS, the Superior Court held a Compliance Hearing on December 18, 2017 at which time the Court conditionally approved the Borough’s Adopted Housing Element and Fair Share Plan, subject to the conditions recommended in the Master’s December 13, 2017 letter; and

WHEREAS, pursuant to the Court order entered by the Honorable Christine Farrington, J.S.C. on December 18, 2017, the Borough received a Judgment of Repose through July 1, 2025 provided the Borough complies with the Master’s conditions by April 17, 2018, at which time the Borough shall submit a certification to the Master that all conditions for a Final Judgment of Compliance and Repose have been met; and

WHEREAS, the Borough’s and Planning Board’s affordable housing planning consultants Mary Beth Lonergan, PP, AICP, and Daniel Hauben, PP, AICP, of Clarke Caton Hintz, PC, have amended the adopted Spending Plan in accordance with the conditions of the Court Master’s December 13, 2017 letter to the Court and consistent with Court-approved changes to the Borough’s Amended Housing Element and Fair Share Plan.

NOW, THEREFORE, BE IT RESOLVED, that the Borough Council of the Borough of Ho-Ho-Kus hereby approves the amended Spending Plan of its Adopted Third Round Housing Element and Fair Share Plan amended by resolution as shown in the Spending Plan attached to this resolution.

	Motion	Second	Aye	Nay	Abstain	Absent
Mayor Randall						
Councilmember Troast						X
Councilmember Rorty	X		X			
Councilmember Shell		X	X			
Councilmember Iannelli						X
Councilmember Fiato						X
Councilmember Crossley			X			

This is to certify that the above Resolution was adopted by the Mayor and Council on February 27, 2018

*Laura Borchers, RMC/CMR
Borough Clerk*

BOROUGH OF HO-HO-KUS
BERGEN COUNTY, NEW JERSEY
ORDINANCE # 2018-02

ORDINANCE OF THE BOROUGH OF HO-HO-KUS, BERGEN COUNTY TO AMEND CHAPTER 17, ENTITLED “DEVELOPMENT FEES” OF THE BOROUGH CODE IN ACCORDANCE WITH THE CONDITIONS AND REQUIREMENTS OF THE SUPERIOR COURT.

BE IT ORDAINED that the Council of the Borough of Ho-Ho-Kus hereby amends Chapter 17, entitled “Development Fees”, of the Borough Code. The following sections of this Chapter shall read as follows:

Section I. §17-1, “Purpose”. §17-1.B shall be amended, §17-1.C shall be added, and new §17-1.D shall be amended:

- B. COAH was authorized by P.L. 2008, c. 46, Section 8 (N.J.S.A. 52:27D-329.2), and the Statewide Nonresidential Development Fee Act (N.J.S.A. 40:55D-8.1 through 40:55D-8.7) to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of COAH or a court of competent jurisdiction and have a COAH or court-approved spending plan may retain fees collected from nonresidential development.
- C. In Re: Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015), also known as the Mount Laurel IV decision, the Supreme Court remanded COAH’s duties to the Superior Court. As a result, affordable housing development fee collections and expenditures from the municipal affordable housing trust funds to implement municipal Third Round Fair Share Plans through July 1, 2025 are under the Court’s jurisdiction and are subject to approval by the Court.
- D. This chapter establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH’s regulations and in accordance with P.L. 2008, c. 46, Sections 8 and 32 through 38.¹ Fees collected pursuant to this chapter shall be used for the sole purpose of providing low- and moderate-income housing. This chapter shall be interpreted within the framework of COAH’s rules on development fees, codified at N.J.A.C. 5:93-8.

Section II. §17-2, “Basic requirements”, Amended.

- A. This chapter became effective when COAH approved the Borough’s development fee ordinance, and remains effective pursuant to the Superior Court’s jurisdiction_in accordance with N.J.A.C. 5:93.8.
- B. COAH approved the Borough’s initial Spending Plan on July 7, 1998. Subsequently, in an Order of December 18, 2017, the Superior Court conditionally approved the Borough’s Amended Third Round Spending Plan. Consequently, upon the entry of an Order granting an unconditional Final Judgment of

¹ Editor’s Note: See N.J.S.A. 52:27D-329.2 and N.J.S.A. 40:55D-8.1 through 40:55D-8.7, respectively.

Compliance and Repose to Ho-Ho-Kus, Ho-Ho-Kus may spend development fees in conformance with N.J.A.C. 5:93-8.

Section III. §17-3, “Definitions”, Amended. The definitions of the following terms as found in §17-3 shall read as follows:

COAH or THE COUNCIL — The New Jersey Council on Affordable Housing established under the Fair Housing Act

DEVELOPMENT FEE — Money paid by a developer for the improvement of property as permitted in N.J.A.C. 5:93-8.

Section IV. §17-7, “Affordable housing trust fund”, Amended. §17.7.C and D shall read as follows:

- C. Within seven days from the opening of the trust fund account, Ho- Ho-Kus previously provided COAH with written authorization, in the form of a three-party escrow agreement between the municipality, Bank of America and COAH, to permit COAH to direct the disbursement of the funds as provided for in N.J.A.C. 5:93-8. The Superior Court shall now have such jurisdiction to direct the disbursement of the Borough’s trust funds per N.J.A.C. 5:93-8.
- D. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by the Court.

Section V. §17-8, “Use of funds”. §17.8.A, D and E shall read as follows:

- A. The expenditure of all funds shall conform to a spending plan approved by the Court. Funds deposited in the housing trust fund may be used for any activity approved by the Court to address the Borough's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to, preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing nonresidential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:93-8.16 and specified in the approved spending plan.
- D. Ho-Ho-Kus may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including the requirement for affordability assistance, in accordance with N.J.A.C. 5:93-8.16.
- E. No more than 20% of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing

Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with the monitoring requirements set forth in the Court-approved January 12, 2017 executed Settlement Agreement with Fair Share Housing Center. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

Section VI. §17-9, “Monitoring”. §17.9 shall read as follows:

On or about January 12 of each year through 2025, Ho-Ho-Kus shall provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs (“DCA”), COAH, or Local Government Services (“LGS”), or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and Intervenors and posted on the municipal website, using forms developed for this purpose by the DCA, COAH, or LGS. This reporting shall include an accounting of all housing trust fund activity, including the collection of development fees from residential and nonresidential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with Ho-Ho-Kus' housing program, as well as to the expenditure of revenues and implementation of the plan approved by the Court.

Section VII. §17-10, “Ongoing collection of fees”. §17.10 shall read as follows:

The ability for Ho-Ho-Kus to impose, collect and expend development fees shall expire with its court-issued Judgment of Compliance and Repose unless Ho-Ho-Kus has filed an adopted Housing Element and Fair Share Plan with the court or other appropriate jurisdiction, has filed a Declaratory Judgment Action, and has received the court's approval of its development fee ordinance. If Ho-Ho-Kus fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance and Repose, it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to Section 20 of P.L. 1985, c. 222 (N.J.S.A. 52:27D-320). Ho-Ho-Kus 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 and Repose, nor shall Ho-Ho-Kus retroactively impose a development fee on such a development. Ho-Ho-Kus shall not expend development fees after the expiration of its or Judgment of Compliance and Repose.

Section VIII. Repealer. All ordinances or Code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section IX. Severability. If any section, subsection, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

Section X. Effective Date. This ordinance shall take effect upon its passage and publication, as required by law.

The ordinance published herewith was introduced and passed upon first reading at a meeting of the Borough Council of the Borough of Ho-Ho-Kus, in the County of Bergen, State of New Jersey, held on February 27, 2018. It will be further considered for final passage, after public hearing thereon, at a meeting of the Borough Council to be held in the meeting room of Borough Hall, 333 Warren Avenue, in the Borough of Ho-Ho-Kus on March 27, 2018 at 7:30 p.m., and during the week prior and up to and including the date of such meeting, copies of said ordinance will be made available at the Clerk's Office to the members of the general public who shall request the same.

Laura Borchers, RMC/CMR
Borough Clerk

ORDINANCE OF THE BOROUGH OF HO-HO-KUS, BERGEN COUNTY TO AMEND CHAPTER 17, ENTITLED "DEVELOPMENT FEES" OF THE BOROUGH CODE IN ACCORDANCE WITH THE CONDITIONS AND REQUIREMENTS OF THE SUPERIOR COURT.

§ 17-1. Purpose.

- A. In *Holmdel Builder's Association v. Holmdel Township*, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), N.J.S.A. 52:27d-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's (COAH's) adoption of rules.
- B. COAH was authorized by P.L. 2008, c. 46, Section 8 (N.J.S.A. 52:27D-329.2), and the Statewide Nonresidential Development Fee Act (N.J.S.A. 40:55D-8.1 through 40:55D-8.7) to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of COAH or a court of competent jurisdiction and have a COAH- or court-approved spending plan may retain fees collected from nonresidential development.
- C. In *Re: Adoption of N.J.A.C. 5:96 and 5:97* by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015), also known as the Mount Laurel IV decision, the Supreme Court remanded COAH's duties to the Superior Court. As a result, affordable housing development fee collections and expenditures from the municipal affordable housing trust funds to implement municipal Third Round Fair Share Plans through July 1, 2025 are under the Court's jurisdiction and are subject to approval by the Court.
- D. This chapter establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH's regulations and in accordance with P.L. 2008, c. 46, Sections 8 and 32 through 38.¹ Fees collected pursuant to this chapter shall be used for the sole purpose of providing low- and moderate-income housing. This chapter shall be interpreted within the framework of COAH's rules on development fees, codified at N.J.A.C. 5:93-8.

§ 17-2. Basic requirements.

- A. This chapter became effective when COAH approved the Borough's development fee ordinance, and remains effective pursuant to the Superior Court's jurisdiction in accordance with N.J.A.C. 5:93.8.
- B. COAH approved the Borough's initial Spending Plan on July 7, 1998. Subsequently, in an Order of December 18, 2017, the Superior Court conditionally approved the Borough's Amended Third Round Spending Plan. Consequently, upon the entry of an Order granting an unconditional Final Judgment of Compliance and Repose to Ho-Ho-Kus, Ho-Ho-Kus may spend development fees in conformance with N.J.A.C. 5: 93-8.

¹ Editor's Note: See N.J.S.A. 52:27D-329.2 and N.J.S.A. 40:55D-8.1 through 40:55D-8.7, respectively.

§ 17-3. Definitions.

The following terms, as used in this chapter, shall have the following meanings:

AFFORDABLE HOUSING DEVELOPMENT — A development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a one-hundred-percent affordable development.

COAH or THE COUNCIL — The New Jersey Council on Affordable Housing established under the Fair Housing Act.

DEVELOPER — The legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

DEVELOPMENT FEE — Money paid by a developer for the improvement of property as permitted in N.J.A.C. 5:93-8.

EQUALIZED ASSESSED VALUE — The assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with Sections 1, 5, and 6 of P.L. 1973, c. 123 (N.J.S.A. 54:1-35a through 54:1-35c).

GREEN BUILDING STRATEGIES — Those strategies that minimize the impact of development on the environment and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

§ 17-4. Residential development fees.

A. Imposed fees.

1. Within the R-1, R-2, R-3, R-4 and R-5 Zoning Districts, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5% of the equalized assessed value for residential development, provided no increased density is permitted.
2. When an increase in residential density pursuant to N.J.S.A. 40:55D-70d(5) (known as a "d" variance) has been permitted, developers may be required to pay a development fee of 6% of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application. Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal 1.5% of the equalized assessed value on the first two units; and the specified higher percentage up to six percent of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

B. Eligible exactions, ineligible exactions and exemptions for residential development.

1. Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the municipality, and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.
2. Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.
3. Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
4. Developers of one or two owner-occupied dwelling units, residential structures demolished and replaced as a result of a natural disaster, green buildings, etc., shall be exempt from paying a development fee.

§ 17-5. Nonresidential development fees.

A. Imposed fees.

1. Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2.5% of the equalized assessed value of the land and improvements for all new nonresidential construction on an unimproved lot or lots.
2. Nonresidential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing structures to be used for nonresidential purposes.
3. Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the preexisting land and improvement and the equalized assessed value of the newly improved structure, i.e., land and improvement, at the time final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the nonresidential development fee shall be zero.

B. Eligible exactions, ineligible exactions and exemptions for nonresidential development.

1. The nonresidential portion of a mixed-use inclusionary or market rate development shall be subject to the two-and-one-half-percent development fee, unless otherwise exempted below.
2. The two-and-one-half-percent fee shall not apply to an increase in equalized

assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.

3. Nonresidential developments shall be exempt from the payment of nonresidential development fees in accordance with the exemptions required pursuant to P.L. 2008, c. 46, as specified in the Form N-RDF, "State of New Jersey Nonresidential Development Certification/Exemption" form. Any exemption claimed by a developer shall be substantiated by that developer.
4. A developer of a nonresidential development exempted from the nonresidential development fee pursuant to P.L. 2008, c. 46, shall be subject to it at such time the basis for the exemption no longer applies and shall make the payment of the nonresidential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the nonresidential development, whichever is later.
5. If a property which was exempted from the collection of a nonresidential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid nonresidential development fees under these circumstances may be enforceable by Ho-Ho-Kus as a lien against the real property of the owner.

§ 17-6. Collection procedures.

- A. Upon the granting of a preliminary, final or other applicable approval for a development, the applicable approving authority shall direct its staff to notify the Construction Official responsible for the issuance of a building permit.
- B. For nonresidential developments only, the developer shall also be provided with a copy of Form N-RDF, "State of New Jersey Nonresidential Development Certification/Exemption," to be completed as per the instructions provided. The developer of a nonresidential development shall complete Form N-RDF as per the instructions provided. The Construction Official shall verify the information submitted by the nonresidential developer as per the instructions provided in the Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- C. The Construction Official responsible for the issuance of a building permit shall notify the local Tax Assessor of the issuance of the first building permit for a development which is subject to a development fee.
- D. Within 90 days of receipt of that notice, the Municipal Tax Assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development.
- E. The Construction Official responsible for the issuance of a final certificate of occupancy notifies the local Assessor of any and all requests for the scheduling of a final inspection on property which is subject to a development fee.
- F. Within 10 business days of a request for the scheduling of a final inspection, the Municipal Assessor shall confirm or modify the previously estimated equalized assessed value of the improvements of the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.

- G. Should Ho-Ho-Kus fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b of Section 37 of P.L. 2008, c. 46 (N.J.S.A. 40:55D-8.6).
- H. Fifty percent of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at issuance of certificate of occupancy.
- I. Appeal of development fees.
 - 1. A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by Ho-Ho-Kus. Appeals from a determination of the Board may be made to the Tax Court in accordance with the provisions of the State Uniform Tax Procedure Law, N.J.S.A. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.
 - 2. A developer may challenge nonresidential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest-bearing escrow account by Ho-Ho-Kus. Appeals from a determination of the Director may be made to the Tax Court in accordance with the provisions of the State Uniform Tax Procedure Law, N.J.S.A. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

§ 17-7. Affordable housing trust fund.

- A. There is hereby created a separate, interest-bearing housing trust fund to be maintained by the Chief Financial Officer for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.
- B. The following additional funds shall be deposited in the affordable housing trust fund and shall at all times be identifiable by source and amount:
 - 1. Payments in lieu of on-site construction of affordable units;
 - 2. Developer-contributed funds to make 10% of the adaptable entrances in a townhouse or other multistory attached development accessible;
 - 3. Rental income from municipally operated units;
 - 4. Repayments from affordable housing program loans;
 - 5. Recapture funds;
 - 6. Proceeds from the sale of affordable units; and

7. Any other funds collected in connection with Ho-Ho-Kus's affordable housing program.
- C. Within seven days from the opening of the trust fund account, Ho- Ho-Kus previously provided COAH with written authorization, in the form of a three-party escrow agreement between the municipality, Bank of America and COAH, to permit COAH to direct the disbursement of the funds as provided for in N.J.A.C. 5:93-8. The Superior Court shall now have such jurisdiction to direct the disbursement of the Borough's trust funds per N.J.A.C. 5:93-8.
- D. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by the Court.

§ 17-8. Use of funds.

- A. The expenditure of all funds shall conform to a spending plan approved by the Court. Funds deposited in the housing trust fund may be used for any activity approved by the Court to address the Borough's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to, preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing nonresidential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:93-8.16 and specified in the approved spending plan.
- B. Funds shall not be expended to reimburse Ho-Ho-Kus for past housing activities.
- C. At least 30% of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30% or less of median income by region.
 1. Affordability assistance programs may include down payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners' association or condominium fees and special assessments, and assistance with emergency repairs.
 2. Affordability assistance to households earning 30% or less of median income may include buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income.
 3. Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.

- D. Ho-Ho-Kus may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including the requirement for affordability assistance, in accordance with N.J.A.C. 5:93-8.16.
- E. No more than 20% of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with the monitoring requirements set forth in the Court-approved January 12, 2017 executed Settlement Agreement with Fair Share Housing Center. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

§ 17-9. Monitoring.

- A. On or about January 12 of each year through 2025, Ho-Ho-Kus shall provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs (“DCA”), COAH, or Local Government Services (“LGS”)), or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and Intervenors and posted on the municipal website, using forms developed for this purpose by the DCA, COAH, or LGS. This reporting shall include an accounting of all housing trust fund activity, including the collection of development fees from residential and nonresidential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with Ho-Ho-Kus' housing program, as well as to the expenditure of revenues and implementation of the plan approved by the Court.

§ 17-10. Ongoing collection of fees.

- A. The ability for Ho-Ho-Kus to impose, collect and expend development fees shall expire with its Court-issued Judgment of Compliance and Repose unless Ho-Ho-Kus has filed an adopted Housing Element and Fair Share Plan with the Court or other appropriate jurisdiction, has filed a Declaratory Judgment Action, and has received the Court's approval of its development fee ordinance. If Ho-Ho-Kus fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance and Repose, it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to Section 20 of P.L. 1985, c. 222 (N.J.S.A. 52:27D-320). Ho-Ho-Kus 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 and Repose, nor shall Ho-Ho-Kus retroactively impose a development fee on such a development. Ho-Ho-Kus shall not expend development fees after the expiration of its Judgment Of Compliance and Repose.



APPENDIX L

AFFIRMATIVE MARKETING PLAN

**MAYOR and COUNCIL of the
BOROUGH of HO-HO-KUS
BERGEN COUNTY, NEW JERSEY
Resolution No. 18-38**

Subject: Affirmative Marketing Plan

Dated: February 27, 2018

WHEREAS, on May 16, 2017, the Honorable William C. Meehan, J.S.C., issued a Court Order approving a Settlement Agreement (“Agreement”) between the Borough, Fair Share Housing Center, Chamberlain Developers, Inc. (“Chamberlain”), and Jonathan L. Mechanic (d.b.a. Ho-Ho-Kus Crossings) that established the Borough’s fair share obligation, granted a vacant land adjustment of the Borough’s Third Round obligation, and preliminarily approved the Borough’s compliance mechanisms; and

WHEREAS, on July 20, 2017 the Planning Board of the Borough of Ho-Ho-Kus (“Planning Board”) adopted the Borough’s 2017 Third Round Housing Element and Fair Share Plan (“Plan”), addressing the Borough’s prior round obligation, third round obligation, and rehabilitation share as established in the Agreement; and

WHEREAS, the Borough Council endorsed the Plan on July 25, 2017 at a properly-noticed public meeting; and

WHEREAS, the adopted and endorsed Plan included an Affirmative Marketing Plan component, as required by the Council on Affordable Housing’s (“COAH”) rules at N.J.A.C. 5:93-11, which is designed to attract renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Borough; and

WHEREAS, the Affirmative Marketing Plan was prepared in accordance with COAH’s rules, the Uniform Housing Affordability Controls at N.J.A.C. 5:80-26, and the Court-approved Settlement Agreements; and

WHEREAS, pursuant to the Settlement Agreement with Fair Share Housing Center, the Borough listed Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Bergen County Branch of the NAACP, and Bergen County United Way among community and regional organizations that shall be contacted to distribute notice of available affordable housing units in the Borough; and

WHEREAS, the Borough Council adopted on July 25, 2017 a resolution approving the Affirmative Marketing Plan; and

WHEREAS, on December 13, 2017, the Special Master to the Court In the Matter of the Application of the Borough of Ho-Ho-Kus submitted a letter to the Court recommending approval of the Borough’s Adopted Housing Element and Fair Share Plan, subject to the Borough satisfying several conditions including amending the Affirmative Marketing Plan to indicate in more specific language the Borough’s intent to directly notice the above listed community and regional organizations regarding available units and to provide them with application forms to distribute to interested/qualified households; and

WHEREAS, the Superior Court held a Compliance Hearing on December 18, 2017 at which time the Court conditionally approved the Borough’s Adopted Housing Element and Fair Share Plan, subject to the conditions recommended in the Master’s December 13, 2017 letter; and

WHEREAS, pursuant to the Court order entered by the Honorable Christine Farrington, J.S.C. on December 18, 2017, the Borough received a Judgment of Repose through July 1, 2025 provided the Borough complies with the Master’s conditions by April 17, 2018, at which time the Borough shall submit a certification to the Master that all conditions for a Final Judgment of Compliance and Repose have been met; and

WHEREAS the Borough’s and Planning Board’s affordable housing planning consultants Mary Beth Lonergan, PP, AICP, and Daniel Hauben, PP, AICP, of Clarke Caton Hintz, PC, have prepared an amended Affirmative Marketing Plan in accordance with the conditions of the Court Master’s December 13, 2017 letter to the Court and the December 18, 2017 Court Order.

NOW THEREFORE, BE IT RESOLVED the Borough Council of the Borough of Ho-Ho-Kus, Bergen County, State of New Jersey, hereby amends the Affirmative Marketing Plan component of the Housing Element and Fair Share Plan, as shown on pages 2, 7, and 13 of the Affirmative Marketing Plan attached to this resolution.

	Motion	Second	Aye	Nay	Abstain	Absent
Mayor Randall						
Councilmember Troast						X
Councilmember Rorty	X		X			
Councilmember Shell		X	X			
Councilmember Iannelli						X
Councilmember Fiato						X
Councilmember Crossley			X			

This is to certify that the above Resolution was adopted by the Mayor and Council on February 27, 2018

Laura Borchers, RMC/CMR
Borough Clerk

II. RANDOM SELECTION

- 2a. All programs listed herein shall give preference to households from Region 1.
- 2b. Describe the random selection process that will be used once applications are received.
- a) An initial deadline date, no less than 60 days after the start of the marketing process, will be established. All of the preliminary applications received by Piazza & Associates, on or before the initial deadline date, shall be deemed received on that date.
 - b) Households that apply for very-low, low- and moderate- income housing will be prescreened by Piazza & Associates for preliminary income eligibility by comparing their total income and household size to the very-low-, low- and moderate- income limits adopted by COAH or their successors, and other program restrictions that may apply. All households will be notified as to their preliminary status.
 - c) A drawing will be held under the direction of Piazza & Associates to determine the priority order of the prequalified applications received on or before the initial deadline date. All preliminary applications received after the initial deadline, will be processed on a "first come, first served" basis.
 - d) In order to ensure an adequate supply of qualified applicants, the advertising phase will continue until there are at least ten (10) pre-qualified applicants for each low and moderate income unit available, or until applicants have been approved for all of the low and moderate income units within the development.
 - e) Final applications will be mailed by Piazza & Associates to an adequate number of pre-qualified applicants, in priority order, for each available low and moderate income unit. The final application will require the applicants to supply documents to verify their identity and household composition as well as their income and assets.
 - f) Completed final applications will be forwarded to Piazza & Associates. Piazza & Associates will make a determination as to their eligibility for a low or moderate income unit. Applicants will receive a letter from Piazza & Associates with respect to the status of their application each time a review is performed.
 - g) At the same time, applicants will also be subject to any criteria set forth by Piazza & Associates, such as credit worthiness, etc. The criteria shall comply with all fair housing standards and be set forth in a policy statement made available to all applicants in the leasing office. The Piazza & Associates will be responsible for the assessment of all criteria beyond the income and household size criteria set forth by the Uniform Housing Affordability Controls and COAH rules.
 - h) 8. Subsequent to the initial rent-up period, a list of pre-qualified applicants will be maintained by Piazza & Associates for each type of low and moderate income unit.

III. MARKETING

3a. Direction of Marketing Activity: Based on demographic data from the 2010 census, this table provides a comparison of race and ethnic origin between COAH Housing Region 1 and the Borough of Ho-Ho-Kus. The most significant negative differences point to the greatest need for affirmative marketing. In this case, African Americans (11.3%); Asians (5.63%); and especially Hispanic (-26.7%) represent the clearest differences between the municipality and the region.

Subject	RACE							HISPANIC OR LATINO		
	Total population	Race alone or in combination with one or more other races: [4]						Total population		
		White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Hispanic or Latino (of any race)	Not Hispanic or Latino	
Bergen	9 05,116	668,395	35	59,2	5,016	140,413	1,259	55,012	145,281	759,835
Sussex	5 01,226	328,081	70,517	6,124	29,024	977	86,234	185,677	31,554	5,549
Hudson	63 4,266	362,592	48	93,2	7,828	91,810	1,614	106,846	267,853	36,641
Passaic	5 01,226	328,081	70,517	6,124	29,024	977	86,234	185,677	31,554	5,549
Region 1	2,5 41,834	1,687,149	17	293,5	25,092	290,271	4,827	334,326	784,488	1,757,346
% Region 1	100%	66.4%	11.5%	1.0%	11.4%	0.2%	13.2%	30.9%	69.1%	
Ho-Ho-Kus	4,078	3,753	9	3	236	2	-	16	816	3,910
% Ho-Ho-Kus	100%	92.0%	0.2%	0.1%	5.8%	0.0%	0.4%	4.1%	95.9%	

Difference	25.7%	-11.3%	-0.9%	-5.6%	-0.2%	-12.8%	-26.7%	26.7%
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- White (non-Hispanic)
 Black (non-Hispanic)
 Hispanic
 American Indian or Alaskan Native
 Asian or Pacific Islander
 Other group:

3b. Commercial Media (required) (check all that apply)

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL NEWSPAPER(S)	CIRCULATION AREA
TARGETS ENTIRE COAH REGION 1			
Web Listings			
X	On-going	njHousing.gov	Entire State
X	On-going	Housingquest.com	Entire State
TARGETS ENTIRE COAH REGION 1			

Daily Newspaper			
X	Once at the start of the marketing phase. Additional as needed.	Star-Ledger	Northern and Central N J
TARGETS PARTIAL COAH REGION 1			
Daily Newspaper			
X	Once at the start of the marketing phase. Additional as needed.	Record, The	Bergen
X	Once at the start of the marketing phase. Additional as needed.	Ridgewood News	
X	Once at the start of the marketing phase. Additional as needed.	Jersey Journal	Hudson
X	Once at the start of the marketing phase. Additional as needed.	Herald News	Passaic
X	Once at the start of the marketing phase. Additional as needed.	New Jersey Herald	Sussex
TARGETS COAH REGION 1			
	DURATION & FREQUENCY OF OUTREACH	NAMES OF TV STATIONS	BROADCAST AREA
TARGETS COAH REGION 1			
TV			
<input type="checkbox"/>		2 WCBS-TV CBS Broadcasting	Entire COAH Region 1
<input type="checkbox"/>		4 WNBC NBC Telemundo License Co.	Entire COAH Region 1
<input type="checkbox"/>		5 WNYW Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		11 WPIX WPIX Inc.	
<input type="checkbox"/>		12 News 12	Statewide
<input type="checkbox"/>		13 WNET Educational Broadcasting Corporation	
<input type="checkbox"/>		25 WNYE-TV	
<input type="checkbox"/>		31 WPXN TV	
<input type="checkbox"/>		7 WABC TV	
<input type="checkbox"/>		40WXTV	Spanish
<input type="checkbox"/>		WFUT 30	Spanish

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL RADIO STATION(S)	BROADCAST AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS COAH REGION 1			
AM			
<input type="checkbox"/>		WOR 710	
<input type="checkbox"/>		WABC 770	
<input type="checkbox"/>		WCBS 880	
<input type="checkbox"/>		WBBR 1130	
<input type="checkbox"/>		WNYC 820	
<input type="checkbox"/>		WWDJ 970	Christian
<input type="checkbox"/>		WINS 1010	
<input type="checkbox"/>		WADO 1280	Spanish
<input type="checkbox"/>		WFAN 60	
FM			
<input type="checkbox"/>		WAWZ 99.1	Christian
<input checked="" type="checkbox"/>		WXKW101.5	Region
<input type="checkbox"/>		WCBS-FM 101.1	
<input type="checkbox"/>		WFDU 89.1	
<input type="checkbox"/>		WHTZ 100.3	
<input type="checkbox"/>		WHUD 100.7	
<input type="checkbox"/>		WKTU 103.5	
<input type="checkbox"/>		WNEW 102.7	
<input type="checkbox"/>		WNJP 91.5	
<input type="checkbox"/>		WPAT 93.1	Spanish
<input type="checkbox"/>		WFAN 101.9	
<input type="checkbox"/>		WQHT 97.1	
<input type="checkbox"/>		WSKQ-FM 97.9	Spanish

3c. Other Publications (such as neighborhood newspapers, religious publications, and organizational newsletters) (Check all that applies)			
	NAME OF PUBLICATIONS	OUTREACH AREA	RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE

TARGETS ENTIRE COAH REGION 1				
Bi-Monthly				
<input checked="" type="checkbox"/>	Once at the start of the affirmative marketing process.	Al Manassah		Arab-American
Monthly				
<input checked="" type="checkbox"/>	Once at the start of the affirmative marketing process.	Sino Monthly	North Jersey/NYC area	Chinese-American
TARGETS PARTIAL COAH REGION 1				
Daily				
<input type="checkbox"/>		24 Horas	Bergen, Essex, Hudson, Middlesex, Passaic, Union Counties	Portuguese-Language
Weekly				
<input type="checkbox"/>		Arab Voice Newspaper	North Jersey/NYC area	Arab-American
<input checked="" type="checkbox"/>	Once at the start of the affirmative marketing process.	Desi Talk	Regional	Indian American
<input type="checkbox"/>		La Voz	Hudson, Union, Middlesex Counties	Cuban community
<input type="checkbox"/>		Italian Tribune	North Jersey/NYC area	Italian community
<input type="checkbox"/>		Jewish Standard	Bergen, Passaic, Hudson Counties	Jewish community
<input type="checkbox"/>		El Especialito	Union City	Spanish-Language
<input type="checkbox"/>		El Nuevo	Hudson County	Spanish-Language
<input checked="" type="checkbox"/>	Once at the start of the affirmative marketing process.	Reporte Hispano	Regional	Spanish-Language
<input type="checkbox"/>		Su Guia	Bergen and Passaic	Spanish-Language
<input type="checkbox"/>		Banda Oriental Latinoamérica	North Jersey/NYC area	South American community
<input type="checkbox"/>		Ukranian Weekly	New Jersey	Ukranian community

3d. Community Contacts (names of community groups/organizations throughout the housing region that will be directly notified of the availability of affordable units and will be contacted to post advertisements and distribute flyers regarding available affordable housing)				
	Name of Group/Organization	Outreach Area	Racial/Ethnic Identification of Readers/Audience	Duration & Frequency of Outreach
<input checked="" type="checkbox"/>	Bergen County Board of Social Services 216 Route 17 N. Rochelle Park, NJ 07662-3300 Tel 201-368-4200			

X	Bergen County Housing Authority 25 Rockwood Pl Ste 110 Englewood, NJ 07631			
X	Hudson County Office on Aging 595 Newark Avenue Jersey City, NJ 07306			
X	Sussex County Office on Aging 1 Cochran Plaza 2nd Floor Newton, NJ 07860			
X	Passaic County Office on Aging 209 Totowa Rd. Wayne, NJ 07470			
X	Urban League of Bergen County 106 West Palisade Avenue Englewood, NJ 07631 Tel: (201) 568-4988			
X	Urban League of Hudson County (Jersey City) 253 Martin Luther King Dr. Jersey City, NJ 07305			
X	SERV Behavioral Health 20 Scotch Rd. West Trenton, NJ 08628			
X	Bergen County Department of Senior Services / Aging & Disability Resource Connection One Bergen County Plaza 2nd Floor Hackensack, NJ 07601 Ph: 201-336-7400 Fx: 201-336-7424			
X	Bergen County Housing, Health, and Human Services Center 120 South River St. Hackensack, NJ 07601 Ph: 201-336-6475 Fx: 201-488-9298			
X	Fair Share Housing Center 510 Park Boulevard Cherry Hill, NJ 08002			
X	NJ State Conference of the NAACP 13 West Front Street Trenton, New Jersey 08608			
X	Latino Action Network PO Box 943 Freehold, NJ 07728		Hispanic/Latino	
X	Bergen County Branch of NAACP PO Box 1136 Teaneck, NJ 07666 201-814-4270			

X	Bergen County United Way Bergen County's United Way 6 Forest Avenue, Paramus, NJ 07652			
X	Bergen County Department of Veterans Services One Bergen County Plaza (2nd Floor) Hackensack, NJ 07601 Phone: 201-336-6325 Fax: 201-336-6327 E-Mail: veterans@co.bergen.nj.us			
X	V.F.W. Department of New Jersey 171 Jersey Street Bldg. #5, 2nd Floor Trenton, NJ 08611 Phone: (609) 393-1929 Email: depthq@njvfw.com			
X	American Legion Department of New Jersey 171 Jersey Street Bldg. #5, 2nd Floor Trenton, NJ 08611 Phone: 609-695-5418 Fax: 609-394-1532 E-mail: adjutant@njamericalegion.org			
X	New Jersey Community Development Corporation 32 Spruce Street Paterson, New Jersey 07501			
X	Northwest New Jersey Community Action Program, Inc. (Phillipsburg) 350 Marshall St Phillipsburg, NJ 08865-3273			
X	Catholic Charities (Diocese of Newark) 321 Central Ave Newark, NJ 07103 (973) 268-2403			
X	Catholic Family & Community Services (Diocese of Paterson) 24 DeGrasse Street Paterson, NJ 07505-2001			
X	Lutheran Ministries of New Jersey (Trenton) 1056 Stuyvesant Ave Trenton, NJ 08618 (609) 392-0156			
X	Habitat for Humanity 10 Banta Place Hackensack, NJ 07601			
X	Interreligious Fellowship for the Homeless of Bergen County 479 Maitland Avenue Teaneck, NJ 07666			
X	SonRise Development Corp. 351 Englewood Ave. Englewood, NJ 07631			

X	Episcopal Community Development, Inc. 31 Mulberry St. Newark, NJ 07102			
X	Fairmont Housing Corp. 270 Fairmont Ave. Jersey City, NJ 07306			
X	Jersey City Episcopal CDC 514 Newark Ave. Jersey City, NJ 07306			
X	Monticello Community Development Corp. 99 Monticello Ave. Jersey City, NJ 07304			
X	St. Joseph House 81 York Street Jersey City, NJ 07302			
X	SEED Corp. 333 Dodd Street Suite 3 East Orange, NJ 07017			
X	Paterson Habitat for Humanity 146 North 1st Street PO BOX 2585 Paterson, NJ 07509			
X	St. Paul's Community Development Corp. 451 Van Houten St. Paterson, NJ 07501			
X	New Jersey Tenant Organization 389 Main Street Hackensack, NJ 07601			
X	New Jersey Citizen Action 744 Broad Street #2060 Newark, NJ 07102			
X	Johnson Free Public Library 274 Main Street Hackensack, NJ 07601			
X	Hudson County Library 25 Journal Sq Jersey City, NJ 07306			
X	Passaic NAACP President: Calvin Merritt PO Box 1600 Passaic 07055			
X	Paterson NAACP President: Rev. Kenneth Clayton PO Box AQ Paterson 07509			
X	Warren/Sussex County NAACP President: Charles Boddy PO Box 229 Washington 07882			

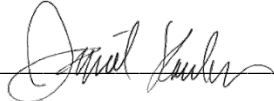
X	Bayonne NAACP President: Al Strickland PO Box 1764 1195 East 21st Street Bayonne 07002			
X	Hoboken NAACP President: Eugene Drayton MPO 1219 Hoboken 07030 201-420-1906 Fax: Email: gedrayton@aol.com			
X	Jersey City NAACP President: William Braker 153 Martin Luther King Drive Jersey City 07305			
3e. Employer Outreach (names of employers throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing) (Check all that applies)				
	DURATION & FREQUENCY OF OUTREACH	NAME OF EMPLOYER/COMPANY	LOCATION	
Hudson County				
X		United Parcel Service Inc. NY Corp	492 County Ave, Secaucus	
X		USPS	80 County Road, Jersey City	
X		Ritter Sysco Food Service	20 Theodore Conrad Dr. Jersey City	
X		Jersey City Medical Center Inc.	50 Grand St, Secaucus	
X		Marsh USA Inc.	121 River St, Hoboken	
X		Port Authority of NY and NJ	241 Erie St. Jersey City and 120 Academy St. Jersey City	
X		Bayonne Hospital	29th Street and Ave E, Bayonne	
X		National Financial Service	1000 Plaza, Jersey City	
Bergen County				
X		Hackensack University Medical Center	30 Prospect Ave, Hackensack, NJ 07601	
X		County of Bergen, NJ	1 Bergen County Plaza Hackensack, NJ 07601	
X		Society of the Valley Hospital	223 N Van Dien Ave Ridgewood	
X		NJ Sports & Expo Authority	50 State Highway 120 East Rutherford	

X		Aramark Svcs Management of NJ Inc.	50 Route 120 East Rutherford
X		Holy Name Hospital	718 Teaneck Road Teaneck
X		Bergen Regional Medical Center	230 East Ridgewood Ave Paramus
X		Howmedica Osteonics Corp / Stryker	59 Route 17 Allendale
X		Becton Dickinson & Company Corp	1 Becton Dr. Franklin Lakes
X		Pearson Education, Inc.	221 River St, Hoboken, NJ 07030
X		Sharp Electronics	100 Paragon Dr., Montvale
Passaic County			
X		St. Mary's Hospital	350 Boulevard Passaic, NJ 07055
X		St. Joseph's Hospital	703 Main St. Paterson, NJ 07503
X		Valley National Bank Headquarters	1455 Valley Road Wayne, New Jersey 07470
Sussex County			
X		Selective Insurance	40 Wantage Ave, Branchville, NJ
X		Andover Subacute and Rehab Center	99 Mulford Rd Bldg. 2, Andover, NJ
X		Mountain Creek Resorts	200 State Rte. 94, Vernon, NJ
X		County of Sussex	One Spring Street, Newton, NJ 07860
X		Newton Memorial Hospital Inc.	175 High St, Newton, NJ
X		Vernon Township Board of Education	539 State Rt 515, Vernon, NJ
X		Hopatcong Board of Education	2 Windsor Ave, Hopatcong, NJ
X		Saint Clare's Hospital	20 Walnut St, Sussex, NJ
X		Ames Rubber Corp	19 Ames Blvd, Hamburg, NJ

IV. APPLICATIONS

Applications for affordable housing for the above units will be available at the following locations:	
4a. County Administration Buildings and/or Libraries for all counties in the housing region (list county building, address, contact person) (check all that apply)	
BUILDING	LOCATION
Bergen County Administration Building	One Bergen County Plaza, Hackensack, NJ 07601 201.336.6000
Hudson County Administration Building	695 Newark Avenue, Jersey City, NJ 07306
Sussex County Main Library	125 Morris Turnpike, Newton, NJ 07860
Passaic County Administration Building	401 Grand Street, Paterson, NJ 07505
4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)	
Ho-Ho-Kus Borough Hall	333 Warren Avenue, Ho-Ho-Kus, NJ 07423 201.652.4400
Worth-Pinkham Memorial Library	91 Warren Avenue, Ho-Ho-Kus, NJ 07423 201.445.8078
Ho-Ho-Kus Public School	70 Lloyd Road, Ho-Ho-Kus 07423 201.652.4555
4c. Non-Governmental offices	
The Board of Realtors of Eastern Bergen	411 Route 17 South, 5th Floor, Hasbrouck Heights, NJ
The Liberty Board of Realtors – (Secaucus)	110A Meadowlands Parkway Suite 103 Secaucus, NJ 07094 Phone: (201) 867-4415 cs@libertybor.com
The Passaic County Board of Realtors	204 Berdan Ave, Wayne, NJ 07470 (973) 305-1100
The Sussex County Association of Realtors	1 Wilson Dr. # 4, Sparta, NJ 07871 (973) 383-3949
Realsource Association of Realtors (Waldwick)	5 Franklin Tpke, Waldwick, NJ 07463 Phone: (201) 444-3100
Fair Share Housing Center	510 Park Boulevard, Cherry Hill, NJ 08002
NJ State Conference of the NAACP	13 West Front Street, Trenton, New Jersey 08608
Latino Action Network	PO Box 943, Freehold, NJ 07728
Bergen County Branch of NAACP	PO Box 1136, Teaneck, NJ 07666
Bergen County United Way	6 Forest Avenue, Paramus, NJ 07652

V. CERTIFICATIONS AND ENDORSEMENTS

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the municipality's Judgment of Compliance.	
<u>Daniel Hauben, PP, AICP</u> Name (Type or Print)	
<u>Affordable Housing Planner, Ho-Ho-Kus Borough, Bergen County, New Jersey</u> Title/Municipality	
	January 15, 2018
Signature	Date

Attachment 2

Executed Addendum to the Agreement Between the Township and Piazza and Associates for Administrative Agent Services

**ADDENDUM AND AMENDMENT TO THE HO-HO-KUS BOROUGH CONTRACT
WITH PIAZZA AND ASSOCIATES, INC. FOR THE ADMINISTRATION OF AFFORDA-
BLE UNITS**

For the Contract entered into on July 25, 2017

Amended and Addended, on this the 11th day of April, 2018

BETWEEN Ho-Ho-Kus Borough, a municipality and instrumentality of the State, having offices at 333 Warren Avenue, Ho-Ho-Kus Borough, NJ 07423 hereinafter called the "Borough"; and

Piazza and Associates, Inc., having offices at 216 Rockingham Row, Princeton Forrestal Village, Princeton, NJ 08540-5758, hereinafter called the "Administrative Agent."

WITNESSETH

WHEREAS, the Borough adopted Resolution # 17-81 on July 25, 2017, which authorized the parties to enter into an agreement ("Agreement") for the provision of affordable housing Administrative Agent services to the Borough for affordable housing units proposed or approved at the sites known as The Crossings at Ho-Ho-Kus and the Maple Avenue / Frasco Site, as well as a municipal rental-rehabilitation program; and

WHEREAS, the Special Master to the Court In the Matter of the Application of the Borough of Ho-Ho-Kus and Fair Share Housing Center recommended to the Court that it should grant the Borough a waiver from addressing the rental component of its rehabilitation share; and

WHEREAS, the Borough's mechanisms for addressing the Unmet Need portion of its adjusted fair share obligation include a Downtown Inclusionary Overlay Ordinance and a mandatory Borough-wide inclusionary set-aside requirement for multi-family development contained in §2-3 of the Borough's Fair Share Affordable Housing Ordinance, which may result in development that generates new affordable housing units; and

WHEREAS, the Special Master to the Court has recommended that the Borough amend its contract with the Administrative Agent to add Administrative Agent services for affordable housing units generated from the ordinances named above.

NOW, THEREFORE, subject to Superior Court approval, the Borough and the Administrative Agent hereby agree to addend and amend the Agreement as follows:

1. The Administrative Agent is no longer responsible for providing Administrative Agent services for a municipal rental-rehabilitation program, except that, in the event that the Borough is required to establish during the period of third round compliance and repose a rental rehabilitation program to meet demand for such a program, the Agreement may be amended at that time to add Administrative Agent responsibilities for administration of the program.

2. The Administrative Agent shall provide administrative agent services for any affordable units generated from new inclusionary development in the Borough.

IN WITNESS WHEREOF, the Borough and the Administrative Agent have executed this Contract Addendum in triplicate as of the date second above written.

THE BOROUGH OF HO-HO-KUS

BY _____

Thomas W. Randall
Mayor

PIAZZA AND ASSOCIATES, INC.

BY _____

Frank Piazza
President

ACKNOWLEDGEMENTS

On this the ____ day of _____, 2018 before me came Thomas W. Randall known and known to me to be the Mayor of the Borough of Ho-Ho-Kus, the Municipality identified as such in the foregoing Contract Addendum, who states that he is duly authorized to execute said Contract on behalf of said Municipality, and that he has so executed the foregoing Contract Addendum for the purposes stated therein.

NOTARY PUBLIC

On this the 11th day of April, 2018 before me came Frank Piazza, known and known to me to be the President of Piazza & Associates, Inc., the Administrative Agent identified as such in the foregoing Contract, who states that he has signed said Contract Addendum on behalf of said Administrative Agent for the purposes stated therein.

Denise A. Keenan

NOTARY PUBLIC

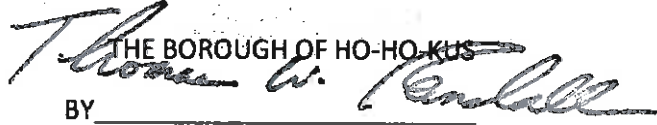
DENISE A. KEENAN
NOTARY PUBLIC
STATE OF NEW JERSEY
ID #2384728

MY COMMISSION EXPIRES APRIL 16, 2019




2. The Administrative Agent shall provide administrative agent services for any affordable units generated from new inclusionary development in the Borough.

IN WITNESS WHEREOF, the Borough and the Administrative Agent have executed this Contract Addendum in triplicate as of the date second above written.

THE BOROUGH OF HO-HO-KUS

BY _____


Thomas W. Randall
Mayor

PIAZZA AND ASSOCIATES, INC.

BY _____

Frank Piazza
President

ACKNOWLEDGEMENTS

On this the 12th day of April, 2018 before me came Thomas W. Randall known and known to me to be the Mayor of the Borough of Ho-Ho-Kus, the Municipality identified as such in the foregoing Contract Addendum, who states that he is duly authorized to execute said Contract on behalf of said Municipality, and that he has so executed the foregoing Contract Addendum for the purposes stated therein.



NOTARY PUBLIC

Elisa B Caporale
Notary Public
State of New Jersey
My Commission Expires 12-29-2019

On this the 11th day of April, 2018 before me came Frank Piazza, known and known to me to be the President of Piazza & Associates, Inc., the Administrative Agent identified as such in the foregoing Contract, who states that he has signed said Contract Addendum on behalf of said Administrative Agent for the purposes stated therein.



NOTARY PUBLIC

DENISE A. KEENAN
NOTARY PUBLIC
STATE OF NEW JERSEY
ID #2384728
MY COMMISSION EXPIRES APRIL 16, 2019

Attachment 3

Form 10, Sheets A through F, and Cash
Flow Statement for the Bergen County
United Way / Madeline Corporation 100%
Affordable Development

SCHEDULE 10-B: EST. DEVELOPMENT COSTS AND CAPITAL REQUIREMENTS

_____ Inducement _____ Commitment _____ Re-Commitment _____ Bond Sale _____ Closing	HMFA# _____ Prepared by: _____ Reviewed by: _____ (Director of Technical Services) _____ (Director of MF Programs & Lending) _____ Chief Financial Officer: Senior Director of Programs	_____ Date _____ Date
---	---	--------------------------

1. SOURCES OF FUNDS DURING CONSTRUCTION:

Enter total Amt. of Grant/Loan Here	Y, or N, or G	(If Source is a grant, enter "G".)
a) Ho-Ho-Kus	2,344,141	\$ 2,344,141
b) Federal Home Loan Bank	720,000	\$ 720,000
c) Bergen County HOME	400,000	\$ 400,000
d) NJ DDD	45,000	\$ 45,000
e) Bergen County United Way	94,032	\$ 94,032
f) _____		\$ _____
g) _____		\$ _____
h) Deferred Developer's Fee		\$ _____
TOTAL SOURCES OF CONSTRUCTIONS FUNDS:		\$ 3,603,173

2. USES OF FUNDS DURING CONSTRUCTION:

A. ACQUISITION COSTS:

	@ (\$ _____ per Acre)	\$	% of Const Cost OR Cost/Unit
a) Land		1	
b) Building Acquisition	Should be between \$15,000 & \$25,000 per units		
c) Relocation			
d) Other: _____			
Total Acquisition as a percent of Total Project Costs:		0.00%	1

B. CONSTRUCTION COSTS

a) Demolition	NOTE: Payment and Performance bonds are required through the constr and for a two-year period after the Certificate of Occupancy.	\$ 30,000	
b) Off-site Improvements		2,578,395	
c) Residential Structures (including all on-site improvement)			
d) Community Building			
e) Environmental Clearances			
f) Surety & Bonding	should be between .75% and 2% of Construction Costs	48,000	1.59%
g) Building Permits	To be waived		
h) Garage Parking	garage should be approx \$15,000/space; parking lot around \$700/space		
i) General Requirements	should be about 6% of construction costs	153,245	5.77%
j) Contractor Overhead & Profit	should not exceed 8% of cons't costs total - usually 2% for Overhead and 6% for Profit	205,650	7.74%
k) Green Features			
l) Other _____			
m) Other _____			
Total Const't Costs as a percent of Total Project Costs:		87.01%	

C. DEVELOPERS FEE - CONSTR/REHAB 5.59% HMFA Policy is that the Developer fee is earned as a percentage of construction completion. 190,457

DEVELOPERS FEE - BUILDING 190,457

D. CONTINGENCY Non-Deferred Amt.: \$190,457 5.59% 190,457

a) Hard Costs 5% for New Construction & 10% for Rehabilitation 120,000

b) Soft Costs should be a Maximum of 5% 10,350

E. PROFESSIONAL SERVICES

a) Appraisal & Market Study		\$ _____
b) Architect	HMFA CONST' & PERM. BLENDED RATE	110,500
c) Site Engineer	Construction Interest Rate Calculation	40,000
d) Attorney	Note I Weighted:	16,500
e) Cost Certification/Audit - should not exceed \$35,000	Note II Weighted:	5,500
f) Environmental Consultant	TOTAL:	6,500
g) Historical Consultant	Const. Int. Rate:	8,500
h) Geotechnical Consultant		
i) Surveyor		
j) Professional Planner:		
k) Other		
Total Professional fees as a % of Total Project Costs:		5.20%

F. PRE-OPERATIONAL EXPENSES * * Non-eligible costs in TC basis

a) Operator fees (pre-construction completion) * Should Not Exceed \$250.00 \$ _____

b) Advertising and Promotion (pre-construction completion)* _____

c) Staffing and Start-up Supplies (pre-construction completion)* _____

d) Other: * _____

e) Other: * _____

Total Pre Opt Costs as a % of Total Project Costs: _____

G. CARRYING AND FINANCING COSTS DURING CONSTRUCTION (percentage of total development costs) 2.11%

a) Interest @ _____ % for (_____ mos.) on \$ 1,532,071		
b) R.E. Tax \$ _____ (per annum) x _____ Yrs.	none	
c) Insurance \$ 14,000 (per annum) x 1.50 Yrs.	21,000	
d) Title Insurance and Recording Expenses		
e) Points To Reduce HMFA Servicing Fee[Const't. & Perm. Only]	_____ on \$ _____	
f) HMFA Second Note Financing Fee[Const't & Perm Only]	_____ on 720,000	
g) HMFA Constr.Loan Serv.Fee _____ % for (_____ mos.) on _____	N/A	
h) Other Lender Construction Financing Fee		
i) Tax Credit Fees		
j) Negative Arbitrage (if Bonds are sold during Construction)	If the HMFA will be selling Bonds for the project either before or during the time the Development is under construction, these costs should be accounted for during the construction period. (ESTIMATE)	
k) Cost of Issuance (If Bonds are sold during Construction)	(ESTIMATE)	
l) Furniture, Fixtures & Equipment (F,F&E)		
m) Utility Connection Fees		
Total Carrying/Fin. Costs as % of Total Project Costs:		2.11%

H. Working Capital Escrow

a) Debt Service & Operating Expenses	
b) Rental Agent Rent-up Fee (during Rent-up)	
c) Advertising and Promotion (during Rent-up)	

I. Other Escrows

a) Insurance (1/2 YR.)	\$ 3,575	
b) Taxes (1 Qtr.)	\$ _____	
c) Debt Service Payment & Servicing Fee for 1 Month	\$ _____	
d) Mortgage Insurance Premium (MIP) 1 year plus 3 months	\$ _____	
e) Repair & Replacement Reserves	\$ _____	
f) HMFA Operating Deficit Reserve	\$ _____	
g) Other: _____	\$ _____	
h) Other: _____	\$ _____	
i) Other: _____	\$ _____	
Total Escrows as a % of Total Project Costs:		0.10%

3. USES OF FUNDS DURING CONSTRUCTION: \$ 3,603,173

4. BALANCE OF FUNDS NEEDED FOR CONSTRUCTION (coverage / shortage): \$ _____

5. SOURCES OF FUNDS FOR PERMANENT CLOSE-OUT:

	Y, or N, or G	
a) _____	_____	\$ _____
b) _____	_____	\$ _____
c) _____	_____	\$ _____
d) _____	_____	\$ _____
e) _____	_____	\$ _____
f) _____	_____	\$ _____
TOTAL SOURCES FOR PERMANENT CLOSE-OUT:		\$ _____

6. USES OF FUNDS FOR PERMANENT Close-out:

A. DEVELOPER'S FEE:		\$ _____
B. CONSTRUCTION LOAN PAYOFF		\$ _____
C. Negative Arbitrage (ESTIMATE)		\$ _____
D. Cost of Issuance (ESTIMATE)	Non-eligible costs in IC basis	\$ _____
E. Tax Credit Fees		\$ _____
F. Other:		\$ _____
7. TOTAL of NUMBER 6 A-F ABOVE:	Total Costs at Perm. Closeout as % of Total Project Costs:	\$ _____
8. BALANCE NEEDED TO CLOSE (overage / shortage):		\$ _____
9. TOTAL PROJECT COSTS		\$ 3,603,173
10. MAXIMUM MORTGAGE LOAN	_____ % of Item 10	\$ _____

11. 55% of Basis Test:

Aggregate Basis:	\$ 3,599,598	Check each line item for Eligibility
55% of Basis (estimated):	1,979,779	
Less 1st Mtg., 1st Note:		
Equals 1st. Mtg., 2nd Note Needed:	1,979,779	

12. REPAYMENT OF SECOND NOTE (IF APPLICABLE)

				List Source	
Interest @ _____	(_____) mos.	Principal	\$ _____		
			\$ _____		
		Total	\$ _____	Total	\$ _____
			\$ _____		

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

By: _____
(Developer or Authorized Signatory)

By: _____
NJHMFA Executive Director or Designee

SCHEDULE 10-C: OPERATING EXPENSES

Borrowing Entity: _____
 Dev. Name: Ho-Ho-Kus Commons

HMFA# _____
 Prepared by: _____
 Reviewed by: _____
 Director of Property Management

07/11/17

 Date

I. ADMINISTRATIVE EXPENSE

Stationery & Suppl.	300
Telephone	2,900
Dues & Sub.	
Postage	100
Insp. & Other Fees	500
Advertising	
Legal Services	2,000
Auditing (Year End)	5,000
Soc. Serv. Suppl.	
Misc. Adm. Expenses	
Bookkeeping/Accounting and/or Computer Charges	1,030
Other:	
TOTAL \$	11,830

II. SALARIES & RELATED CHARGES

	# of Employees	Total Wages inc benefits
Superintendent		
Janitorial		
Grounds & Landscaping		
Security		
Social Services		8,400
Site Office & Admin		
Maintenance		
Other Salaries:		
Empl. Benefits		
Empl. Payroll Taxes		
Worker's Comp.		
Other:		
TOTAL \$		8,400

III. MAINTENANCE AND REPAIRS

Masonry	
Carpentry	800
Plumbing	950
Electrical	650
Kitchen Equipment	750
Elevator	1,200
Windows & Glass	800
Vehicles & Equip.	
Snow Removal	6,500
Grounds & Landscaping	
Paint & Dec. Supl.	1,000
Small Equip. & Tools	500
Janit. Sup. & Tools	750
HVAC Supplies	800
Misc. Maint. Suppl.	
Other:	
TOTAL \$	14,700

IV. MAINTENANCE CONTRACTS

Security	2,000
Elevator	3,200
Rubbish Removal	8,000
Heating & AC Maint.	1,200
Grounds, Parking & Landscaping	5,000
Exterminating	2,400
Cyclical Apt. Painting	1,517
Other:	
TOTAL \$	23,317

V. UTILITY EXPENSE

Water Charges	4,770
Sewer Charges	3,000
Electricity	12,580
Gas	2,570
Fuel	
Less Solar Energy Savings	
TOTAL \$	22,920

VI. REAL ESTATE TAX CALCULATION FOR TAX ABATEMENT

Gross Rents	\$	128,400
Less Vacancy	(-)	6,420
Less Utilities (if applicable)	(-)	22,920
Gross Sheltered Rents	\$	99,060
x Rate	x	_____ %
Real Estate Taxes	\$	_____

OR ACTUAL TAXES IF NO P.I.L.O.T.

SCHEDULE 10-E : SUMMARY OF ANTICIPATED ANNUAL INCOME AND EXPENSES

Borrowing Entity: _____	HMFA# _____	
Dev. Name: <u>Ho-Ho-Kus Commons</u>	Prepared by: _____	<u>07/11/17</u>
	Reviewed by: _____	Date
	(Director of Property Management - Expenses Only)	
RENTAL INCOME		
Apartment Rents	\$ 128,400	
Vacancy Loss (5.00 %) -	6,420	
NET APT. RENTS	<u>121,980</u>	
Commercial Income _____ per Sq. Ft.	\$ _____	
Garage & Parking _____ per Sq. Ft.	_____	
Commercial Vacancy _____ %	_____	
NET COMMERCIAL RENTALS	_____	
TOTAL RENTAL INCOME	<u>\$ 121,980</u>	
OTHER INCOME		
Laundry Machines	\$ _____	
Other: _____	15,000	
TOTAL OTHER INCOME	<u>\$ 15,000</u>	
TOTAL REVENUE		<u>\$ 136,980</u>
EXPENSES		
Administrative (Schedule I)	\$ 11,830	
Salaries (Schedule II)	8,400	
Maint. & Repairs (Schedule III)	14,700	
Maint. Contracts (Schedule IV)	23,317	
Utilities (Schedule V)	22,920	
Management Fee 66.00 per unit	858	* Should be between \$51 & \$66 per unit
P.I.L.O.T. on Commercial Income(_____ %)	_____	
Real Estate Taxes (Schedule VI)	_____	
Insurance \$550 per Unit	7,150	2-Story & below - \$500; 3-Story & above - \$550
Reserve for Repair and Replacement 925.00 per unit	12,025	
TOTAL EXPENSES		<u>\$ 101,199</u>
NET OPERATING INCOME		<u>\$ 35,781</u>
DEBT SERVICE		
1. Principal and Interest	\$ _____	
2. Mortg & Bond Serv Fee _____ %	_____	
3. MIP _____ %	_____	
4. Debt Service on Other Mortgage Loans \$ _____	\$ _____	
AGENCY DEBT SERVICE	\$ _____	
DEBT SERVICE NOT TO BE CONSIDERED IN DSR	\$ _____	
TOTAL DEBT SERVICE		<u>\$ _____</u>
NET INCOME		<u>\$ 35,781</u>
Less Return on Equity (_____ % on \$ _____) - \$ _____		_____
Project Profit/(Loss)		<u>\$ 35,781</u>

DEBT SERVICE RATIO CALCULATION :

$$DSR = \frac{NET\ OPERATING\ INCOME}{AGENCY\ DEBT\ SERVICE} = \underline{\hspace{2cm}}$$

New Mortgage Amount

