# MANSFIELD TOWNSHIP BURLINGTON COUNTY

## **Ordinance 2021-12**

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE TOWNSHIP OF MANSFIELD TO ADDRESS THE REQUIREMENTS OF THE SUPERIOR COURT REGARDING COMPLIANCE WITH THE TOWNSHIP'S AFFORDABLE HOUSING OBLIGATIONS, DELETING AND REPEALING CERTAIN ORDINANCES AND ADOPTING AND REPLACING THEM WITH THE "MANSFIELD TOWNSHIP AFORDABLE HOUSING ORDINANCE".

**NOW, THEREFORE, IT BE ORDAINED,** by the Township of Mansfield, in the County of Burlington that the following Ordinances of the Township of Mansfield are hereby deleted, repealed and replaced as follows:

Repeal and replacement of Ordinance 1989-15, now codified as Chapter 65 Zoning: Article XXIX Low and Moderate-Income Housing (LMH) District §§ 65-126.1 through 153;

Repeal of Ordinance 2006-34, now codified as Chapter 65 Zoning: Article XXIXA Growth Share Affordable Housing §§ 65-154 through 154.6;

Repeal and replacement of Ordinance 1989-16, last amended by Ordinance 2007-12, now codified as Chapter 65 Zoning: Article XXX Low and Moderate-Income Housing Management Program §§ 65-155 through 173.1; and

Repeal of Ordinance 2002-33, now codified as Chapter 65 Zoning: Article XXXII Housing Rehabilitation Program §§ 65-184 through 189.

**NOW, THEREFORE, IT BE FURTHER ORDAINED,** by the Township of Mansfield, in the County of Burlington that the Zoning Ordinance of the Township of Mansfield is hereby amended to include the following revised provisions addressing Mansfield's constitutional obligation to provide for its fair share of low- and moderate-income housing, consistent with the provisions of the Council on Affordable Housing known as the "Substantive Rules of the New Jersey Council on Affordable Housing", N.J.A.C. 5:93, *et seq.*, as may be amended and supplemented, the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, *et seq.*, as may be amended and supplemented, and pursuant to the New Jersey Fair Housing Act of 1985. This Ordinance is intended to provide assurances that low- and moderate-income units ("affordable units") are created with controls on affordability over time and that low- and moderate-income households shall occupy these units. This Ordinance shall apply except where inconsistent with applicable law.

By adoption of Resolution 2020-4-8, on April 15, 2019, the Mansfield Township Planning Board 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 Fair Share Plan was endorsed by the governing body that same evening. The Housing Element and Fair Share Plan has been revised through and dated June 2, 2021, and is in the process of being re-approved by the Mansfield Township Planning Board and

endorsed by the governing body. The June 2, 2021 Housing Element and Fair Share Plan describes the methods by which Mansfield shall address its fair share for low- and moderate-income housing as determined by the Superior Court of New Jersey ("the Court") and documented in the Housing Element. This Ordinance implements and incorporates the Fair Share Plan and addresses the requirements of N.J.A.C. 5:93, *et seq.*, as may be amended and supplemented.

The Township of Mansfield shall file monitoring reports as directed by the Court in accordance with N.J.A.C. 5:93, et seq. regarding the status of the implementation of the Housing Element and Fair Share Plan. On an annual basis beginning with the first anniversary of the execution of the Township's Settlement Agreement and Township Housing Element and Fair Share Plan, approved by Court Order, dated February 18, 2020, Tower Gate Associates IMO Tower Gate Associates v. Township of Mansfield, et al. Docket No.: BUR-L-001739-18, the Township shall report on the status of all affordable housing activity within the municipality, including all activity in connection with the Township's Affordable Housing Trust Fund, through an update of the Council on Affordable Housing ("COAH") CTM system (if available) and posting on the municipal website, with a copy of such posting provided to Fair Share Housing Center ("FSHC") using forms previously developed for this purpose by COAH or any other forms endorsed by the Special Master and FSHC. Any report filed by Mansfield shall also be filed with the Burlington County Superior Court and shall be available to the public at the Mansfield Township Municipal Building, 3135 Route 206 South, Suite 1, Columbus, New Jersey, 08022.

# **Section 1. Municipal Fair Share Obligation**

The Township of Mansfield has a fair share obligation consisting of a prior round obligation of 114 units, a present need of 0 units, and a third round housing obligation of 265 units.

## **Section 2. Definitions**

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

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

- "Adaptable" means constructed in compliance with the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.
- "Administrative agent" means the entity 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 UHAC (N.J.A.C. 5:80-26).
- "Affirmative marketing" means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.15.
- "Affordability average" means the average percentage of median income at which restricted units in an affordable housing development are affordable to low- and moderate-income households.

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

"Affordable development" means a housing development of which all or a portion consists of housing affordable to low- and moderate-income households.

"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 one hundred percent (100%) affordable housing development.

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

"Affordable unit" means a housing unit proposed or created pursuant to the Act, 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 sixty-two (62) years of age or older; or 2) at least eighty percent (80%) of the units are occupied by one person that is fifty-five (55) years of age or older; or 3) the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as "housing for older persons" as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

"Alternative living arrangement" means a structure in which households live in distinct bedrooms, yet share kitchen and plumbing facilities, central heat and common areas. Alternative living 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 that is licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor and that offers units containing, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

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

"COAH" means the Council on Affordable Housing, which is in, but not of, the Department of Community Affairs of the State of New Jersey, as established by the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, et seq.).

"DCA" means the State of New Jersey Department of Community Affairs.

"Deficient housing unit" means a housing unit with health and safety code violations that 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 or proposal, which is in the form that my readily be converted into an ordinance, by which a municipality proposes to satisfy its obligation to create a realistic opportunity to meet the low and moderate income housing need of its region, and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low and moderate income housing, as provided by sections 9 and 14 of the Act, and as further described and defined in N.J.A.C. 5:93.

"Housing Element" means the portion of the Township's Master Plan, consisting of reports, statements, proposals, maps, diagrams and text, designed to meet the municipality's fair share of its region's present and prospective housing needs, particularly with regard to low and moderate income housing, as further described at Section 10 of the Act and by N.J.A.C. 5:93.

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

"Low-income household" means a household with a total gross annual household income equal to 50 percent or less of the median household income for the applicable housing region.

- "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 housing region, 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 fifty percent (50%) but less than eighty percent (80%) of the median household income for the applicable housing region.
- "Moderate-income unit" means a restricted unit that is affordable to a moderate-income household.
- "MONI" means the Agency's Market Oriented Neighborhood Investment Program, as it may be authorized from time to time by the Agency.
- "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.
- "Present need" means an estimate of low- and moderate-income households living in substandard housing as calculated through the use of census surrogates.
- "Prior Round housing obligation" is the 1987-1999 fair share based on N.J.A.C. 5:93-1.
- "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 eighty percent (80%) of the regional median as defined by adopted/approved Regional Income Limits published annually by COAH or a successor entity as approved by the Superior Court.

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

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

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

"Third round housing obligation" means the 1999 - 2025 housing obligation as determined by the Superior Court.

"Township" means the Township of Mansfield.

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

"UHORP" means the Agency's Urban Homeownership Recovery Program.

"Very low-income household" means a household with a total gross annual household income equal to thirty percent (30%) or less of the median household income for the applicable housing region.

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

"Veteran's Preference" means a preference for low- and moderate—income housing that is permitted by law for people that have served in the military.

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

#### Section 3. Rehabilitation

- A. Mansfield's rehabilitation program shall be designed to renovate deficient housing units occupied by low- and moderate-income households such that, after rehabilitation, these units will comply with the New Jersey State Housing Code pursuant to N.J.A.C. 5:28. The Township shall continue to administer a rehabilitation program designed to address its present need.
- B. All rehabilitated units shall remain affordable to low- and moderate-income households for a period of ten (10) years (the control period). For owner occupied units the control period will be enforced with a lien and for renter occupied units the control period will be enforced with a deed restriction.
- C. The Township shall dedicate an average of at least \$10,000 per unit to be rehabilitated through this program, reflecting the minimum hard cost of rehabilitation for each unit.
- D. The Township shall adopt a resolution committing to fund any shortfall in the rehabilitation program.
- E. The Township shall designate, subject to the approval of the Court, one or more Administrative Agents to administer the rehabilitation program in accordance with N.J.A.C. 5:93. The Administrative Agent(s) shall provide a rehabilitation manual to be adopted by resolution of the governing body and subject to approval of the Court. The rehabilitation manual shall be available for public inspection in the Office of the Municipal Clerk and in the office(s) of the Administrative Agent(s).
- F. Units in a rehabilitation program shall be exempt from UHAC, but shall be administered in accordance with the following:
  - 1. If a unit is vacant, upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the deed restriction shall require the unit to be rented to a low- or moderate-income household at an affordable rent and affirmatively marketed pursuant to UHAC.
  - 2. If a unit is renter-occupied, upon completion of the rehabilitation, the maximum rate of rent shall be the lesser of the current rent or the maximum permitted rent pursuant to UHAC.
  - 3. Rents in rehabilitated units may increase annually based on the standards in UHAC.
  - Applicant and/or tenant households shall be certified as income-eligible in accordance with UHAC, except that households in owner occupied units shall be exempt from the regional asset limit.

# **Section 4. Inclusionary Zoning**

A. Mandatory Affordable Housing Set-Aside

- 1. Developers shall set-aside a percentage of housing for low- and moderate-income housing if the proposed development consists of five (5) or more new residential units and:
  - a. The permitted use of the property changes, either through a zoning change, Redevelopment Plan (for an area in need of redevelopment of rehabilitation) or use variance, from non-residential to residential and the residential zoning / approval permits a gross density of at least six (6) units per acre, or
  - b. The gross density of a site, with no affordable housing obligation, changes through a zoning change, Redevelopment Plan (for an area in need of redevelopment or rehabilitation), or "D" variance doubles to six (6) units per acre.
- 2. For inclusionary projects in which the low- and moderate-income units are to be offered for sale, the set-aside percentage is twenty percent (20%); for projects in which the low- and moderate-income units are to be offered for rent, the set-aside percentage is fifteen percent (15%).
- 3. This requirement does not create any entitlement for a property owner or applicant for a zoning amendment, variance, or adoption of a Redevelopment Plan or amended Redevelopment Plan in areas in need of redevelopment or rehabilitation, or for approval of any particular proposed project.
- 4. This requirement does not apply to any sites or specific zones otherwise identified in the Settlement Agreement or Fair Share Plan, for which density and set-aside standards shall be governed by the specific standards set forth therein.
- B. Fractions Fractional obligations shall be rounded up or down using standard mathematical practice. A fractional obligation less than .50 shall be rounded down to the nearest whole number. A fractional obligation of .50 or more shall be rounded up to the nearest whole number.

# **Section 5. New Construction**

The following general guidelines apply to all developments that contain low- and moderate-income housing units, including any currently unanticipated future developments that will provide low- and moderate-income housing units.

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 | Minimum Percentage of Low- and  |
|-----------------------------------|---------------------------------|
| Units Completed                   | Moderate-Income Units Completed |
| 25                                | 0                               |
| 25+1                              | 10                              |
| 50                                | 50                              |

| 75 | 75  |
|----|-----|
| 90 | 100 |

#### B. 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. At least thirteen percent (13%) of all restricted rental units shall be very low income units (affordable to a household earning thirty percent (30%) or less of median income). The very low income units shall be counted as part of the required number of low income units within the development.
- 2. In each affordable development, at least fifty percent (50%) of the restricted units within each bedroom distribution shall be low-income units.
- 3. 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 twenty percent (20%) of the total low- and moderate-income units;
  - b. At least thirty percent (30%) of all low- and moderate-income units shall be two-bedroom units;
  - c. At least twenty percent (20%) of all low- and moderate-income units shall be three-bedroom units; and
  - d. The remaining low- and moderate-income units may be allocated among two- and three-bedroom units at the discretion of the developer.
- 4. Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the inclusionary development. This standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.

## C. Accessibility Requirements:

- 1. The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7 and N.J.A.C. 5:97-3.14.
- 2. All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one (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 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;
- e. An interior accessible route of travel between stories within an individual unit, except that if all of the terms of paragraphs b.1) through b.4) above have been satisfied, an interior accessible route of travel shall not be required between stories within an individual unit; 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 and N.J.A.C. 5:97-3.14, or evidence that the Township has collected funds from the developer sufficient to make ten percent (10%) of the adaptable entrances in the development accessible:
  - i. 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.
  - ii. To this end, each builder of income-restricted units shall deposit funds with the Township's Affordable Housing Trust Fund sufficient to install accessible entrances in ten percent (10%) of the affordable units that have been constructed with adaptable entrances.
  - iii. The funds deposited under paragraph ii above shall be used by the Township for the sole purpose of making the adaptable entrance of an affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.
  - iv. The developer of the restricted units shall submit a design plan and cost estimate for the conversion of adaptable to accessible entrances to the Construction Official of the Township.
  - v. 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 N.J.A.C. 5:97-3.14, and that the cost estimate of such conversion is reasonable, payment shall be made to the Township's Affordable Housing Trust Fund in care of the Township Treasurer who shall ensure that the funds are deposited into the Affordable Housing Trust Fund and appropriately earmarked.

vi. 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.

# D. Design:

- 1. In inclusionary developments, to the extent possible, low- and moderate-income units shall be integrated with the market-rate units.
- 2. In inclusionary developments, low- and moderate-income units shall have access to all of the same common elements and facilities as the market-rate units.

#### E. 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, utilizing the most recently published regional weighted average of the uncapped Section 8 income limits published by HUD and the calculation procedures as approved by the Court and detailed herein.
- 2. The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than sixty percent (60%) of median income, and the average rent for restricted rental units shall be affordable to households earning no more than fifty-two percent (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, provided that at least thirteen percent (13%) of all low- and moderate-income rental units shall be affordable to very low-income households.
- 4. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than seventy percent (70%) of median income, and each affordable development must achieve an affordability average of fifty-five percent (55%) for restricted ownership units. In achieving this affordability average, moderate-income ownership units must be available for at least three different sales prices for each bedroom type, andlow-income ownership units must be available for at least two (2) different sales prices for each bedroom type.
- 5. In determining the initial sales prices and rent levels for compliance with the affordability average requirements for restricted units other than assisted living facilities and agerestricted developments, the following standards shall be used:
  - a. A studio 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. 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 ninety-five percent (95%) of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner associationfees do not exceed twenty-eight percent (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.
- 7. The initial rent for a restricted rental unit shall be calculated so as not to exceed thirty percent (30%) of the eligible monthly income of the appropriate size household, including an allowance for tenant paid utilities, as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- 8. 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 re-sale 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 Township annually within thirty (30) days of the publication of determinations of median income by HUD as follows:
  - a. Regional income limits shall be established for the Region 5 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 (4) 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 (4). The income limit for a moderate-income unit for a household of four (4) shall be eighty percent (80%) of the regional weighted average median income for a family of four (4). The income limit for a low-income unit for a household of four (4) shall be fifty percent (50%) of the HUD determination of the regional weighted average median income for a family of four (4). The income limit for a very low income unit for a household of four (4) shall be thirty percent (30%) of the regional weighted average median income for a family of four (4).

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 Township 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 Township 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.
- 9. The rent of very low, low- and moderate-income units may be increased annually based on the permitted percentage increase in the Housing Consumer Price Index for the United States. This increase shall not exceed nine percent (9%) in any one year. Rents for units constructed pursuant to low-income housing tax credit regulations shall be indexed

## **Section 6. Utilities**

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

#### **Section 7. Occupancy Standards**

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

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

# Section 8. 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, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the requirements of this Ordinance for a period of at least thirty (30) years, until the Township takes action to release the unit from such requirements; prior to such action, a restricted ownership unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented.
- B. Rehabilitated owner-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of ten (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. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the non-restricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.
- E. At the time of the initial sale of the unit, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obligating the purchaser (as well as the purchaser's heirs, successors and assigns) to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.
- F. 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.
- G. A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all Code standards upon the first transfer of title following the removal of the restrictions provided under N.J.A.C. 5:80-26.5(a), as may be amended and supplemented.

# <u>Section 9. Price Restrictions for Restricted Ownership Units, Homeowner Association Fees</u> and Resale Prices

- A. Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, including:
  - 1. The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.
  - 2. The Administrative Agent shall approve all re-sale prices, in writing and in advance of the re-sale, to assure compliance with the foregoing standards.

- 3. The master deeds of inclusionary developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by low- and moderate-income purchasers and those paid by market-rate purchasers.
- 4. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of anticipated capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom. See Section 12.

# **Section 10. 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 percent of median income and moderate-income ownership units shall be reserved for households with a gross household income less than eighty percent (80%) of median income.
- B. A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to a certified household for a period not to exceed one (1) year.
- C. 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 thirty-three percent (33%) of the household's eligible monthly income.

#### Section 11. Limitations on Indebtedness Secured by Ownership Unit; Subordination

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

# Section 12. Capital Improvements To Ownership Units

- A. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements made since the purchase of the unit. Eligible capital improvements shall be those that render the unit suitable for a larger household or that add an additional bathroom. In no event shall the maximum sales price of an improved housing unit exceed the limits of affordability for the larger household.
- B. Upon the re-sale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable re-sale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit, and not included in the base price, may be made a condition of the unit re-sale provided the price, which shall be subject to ten (10)-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit re-sale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of re-sale.

# Section 13. 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, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of this Ordinance for a period of at least thirty (30) years, until the Township takes action to release the unit from such requirements. Prior to such action, a restricted rental unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented.
  - 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 thirty (30)-year compliance period plus a fifteen (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 ten (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 recorded by the developer or seller with the records office of the County of Burlington. A copy of the filed, recorded document shall be provided to the Administrative Agent within thirty (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 on the property containing the unit.

# Section 14. Rent Restrictions for Rental Units; Leases

- A. A written lease shall be required for all restricted rental units and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.
- 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 five percent (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.

# **Section 15. 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 thirty percent (30%) of median income.
  - 2. Low-income rental units shall be reserved for households with a gross household income less than or equal to fifty percent (50%) of median income.
  - 3. Moderate-income rental units shall be reserved for households with a gross household income less than eighty percent (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 household, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed thirty-five percent (35%) (or forty percent (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 thirty-five percent (35%) (or forty percent (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 thirty-five percent (35%) (or forty percent (40%) for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its continuing 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.
- C. The applicant shall file documentation sufficient to establish the existence of the circumstances in subsection 1.a. through 2.e. above with the Administrative Agent, who shall counsel the household on budgeting.

## **Section 16. 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.

# Section 17. Municipal Housing Liaison

- A. State regulations require the Township to appoint a specific municipal employee to serve as a Municipal Housing Liaison responsible for administering the affordable housing program, including affordability controls, the Affirmative Marketing Plan, monitoring and reporting, and, where applicable, supervising any contracted Administrative Agent. Mansfield shall adopt an Ordinance creating the position of Municipal Housing Liaison; and shall adopt a Resolution appointing a Municipal Housing Liaison. The Municipal Housing Liaison shall be appointed by the governing body and may be a full or part time municipal employee. The Municipal Housing Liaison shall be approved by the Superior Court unless such approval is delegated by the Court to COAH and shall be duly qualified before assuming the duties of Municipal Housing Liaison.
- B. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for Mansfield, including the following responsibilities which may not be contracted out to the Administrative Agent:
  - 1. Serving as Mansfield's primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;
  - 2. Monitoring the status of all restricted units in Mansfield's Fair Share Plan;
  - 3. Compiling, verifying and submitting annual monitoring reports as required by the Court;

- 4. Coordinating meetings with affordable housing providers and Administrative Agents, as needed; and
- 5. Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing as offered or approved by the Court.

## **Section 18. Administrative Agent**

Subject to the approval of the Superior Court, the Township shall designate by resolution of the Township one or more Administrative Agent(s) to administer newly constructed affordable units in accordance with N.J.A.C. 5:93 and UHAC. An Operating Manual shall be provided by the Administrative Agent(s) to be adopted by resolution of the Township and subject to approval of the Superior Court or its designee. The Operating Manuals shall be available for public inspection in the Office of the Township Clerk and in the office(s) of the Administrative Agent(s). The Municipal Housing Liaison shall supervise the contracting Administrative Agent(s). The Administrative Agent shall perform the duties and responsibilities of an Administrative Agent as set forth in UHAC, including those set forth in Sections 5:80-26.14, 16 and 18 thereof, which includes:

# A. Affirmative Marketing:

- 1. Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of the Township and the provisions of N.J.A.C. 5:80-26.15; and
- 2. Providing counseling or contracting to provide counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

#### B. Household Certification:

- 1. Soliciting, scheduling, conducting and following up on interviews with interested households;
- 2. 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:
- 3. Providing written notification to each applicant as to the determination of eligibility or non-eligibility;
- 4. Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in Appendices J and K of N.J.A.C. 5:80-26.1 *et seq.*;

- 5. 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
- 6. Employing a random selection process as provided in the Affirmative Marketing Plan of the Township when referring households for certification to affordable units.

## C. Affordability Controls:

- 1. 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;
- 2. 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;
- 3. Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the Burlington County Clerk's office after the termination of the affordability controls for each restricted unit;
- 4. Communicating with lenders regarding foreclosures; and
- 5. Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.10.

#### D. Re-sales and Re-rentals:

- 1. Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or re-rental; and
- 2. Instituting and maintaining an effective means of communicating information to low- and moderate-income households regarding the availability of restricted units for re-sale or re-rental.

## E. Processing Requests from Unit Owners:

- 1. Reviewing and approving requests for determination from owners of restricted units who wish to take out home equity loans or refinance during the term of their ownership that the amount of indebtedness to be incurred will not violate the terms of this Ordinance;
- 2. Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems;
- 3. Notifying the municipality of an owner's intent to sell a restricted unit; and

4. Making determinations on requests by owners of restricted units for hardship waivers.

#### F. Enforcement:

- 1. Securing annually from the municipality a list of all affordable housing units for which tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;
- 2. 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;
- 3. The posting annually in all rental properties, including legal 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 or other charges can be made;
- 4. 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;
- 5. 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; and
- 6. Creating and publishing a written operating manual, as approved by COAH, setting forth procedures for administering the affordability controls.

#### G. Additional Responsibilities:

- 1. The Administrative Agent shall have the authority to take all actions necessary and appropriate to carry out its responsibilities, hereunder.
- 2. The Administrative Agent shall prepare monitoring reports for submission to the Municipal Housing Liaison in time for their submission by the Municipal Housing Liaison to the Court, as required by the Court.
- 3. The Administrative Agent shall attend continuing education sessions on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Court.

## **Section 19. Affirmative Marketing Requirements**

A. The Township shall adopt by resolution an Affirmative Marketing Plan, subject to approval of the Court, that is compliant with N.J.A.C. 5:80-26.15, as may be amended and supplemented.

- 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 intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs marketing activities toward COAH Housing Region 5 and is required to be followed throughout the period of restriction.
  - 1. The Township shall add to the list of community and regional organizations in its Affirmative Marketing Plan, pursuant to N.J.A.C. 5:80-26.15(f)(5): Fair Share Housing Center, Fair Share Housing Development, New Jersey State NAACP Conference, Southern Burlington County NAACP, Willingboro NAACP, Camden County NAACP, Camden County East NAACP, Gloucester County NAACP, Latino Action Network, Burlington County Community Action Program, Burlington County United Way, Interfaith Hospitality Network of Burlington County (IHNBC), Catholic Charities of the Diocese of Trenton, Anti-Poverty Network of NJ, Rancocas Valley Clergy Association, Bridge of Hope in Mount Holly, American Red Cross, Supportive Housing Association, Camden County Council on Economic Opportunity, Burlington Camden Association of Realtors, Gloucester-Salem Association of Realtors, and the Burlington, Camden, and Gloucester counties' departments of Human Services, Rental Assistance, Aging, and Housing. The Township also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.
- C. The Affirmative Marketing Plan shall provide a preference for veterans of military service as permitted by law. It shall also provide regional preference for all households that live and/or work in COAH Housing Region 5, comprising Burlington, Camden and Gloucester Counties.
- D. The municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Program, including initial sales and rentals and re-sales and re-rentals. The Administrative Agent designated by the Township of Mansfield shall implement the Affirmative Marketing Plan to assure the affirmative marketing of all affordable units.
- 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 Plan shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Plan, the Administrative Agent shall consider the use of language translations where appropriate.
- G. The affirmative marketing process for available affordable units shall begin at least four (4) months prior to the expected date of occupancy.

- H. Applications for affordable housing shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; the municipal administration building and the municipal library in the municipality in which the units are located; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.
- I. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner.

# Section 20. Enforcement of Affordable Housing Regulations

- A. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an owner, Developer or tenant, the Township shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, a requirement for household recertification, acceleration of all sums due under a mortgage, recuperation of any funds from a sale in violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- 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(s) against the owner, developer or tenant for any violation that remains uncured for a period of sixty (60) days after service of the written notice:
  - 1. The Township may file a court action in Superior Court pursuant to N.J.S.A. 2A:58-11 alleging a violation or violations of the regulations governing the affordable housing unit. If the owner, Developer or tenant is adjudged by the Court to have violated any provision of the regulations governing affordable housing units the owner, Developer or tenant shall be subject to one or more of the following penalties, at the discretion of the Superior Court:
    - a. A fine of not more than five hundred dollars (\$500.00) per day or imprisonment for a period not to exceed ninety (90) days, or both, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;
    - b. In the case of an owner who has rented a low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Township of Mansfield Affordable Housing Trust Fund of the gross amount of rent illegally collected;
    - c. In the case of an owner who has rented a low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Superior Court.

- 2. The Township may file a court action in the Superior Court seeking a judgment that would result in the termination of the owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any such judgment shall be enforceable as if the same were a judgment of default of the first purchase money mortgage and shall constitute a lien against the low- or moderate-income unit.
  - a. The judgment shall be enforceable, at the option of the Township, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any first purchase money mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating Owner shall have his right to possession terminated as well as his title conveyed pursuant to the Sheriff's sale.
  - b. 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 Township 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 Township in full as aforesaid, the violating owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the Township 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 Township, whether such balance shall be paid to the owner or forfeited to the municipality.
  - c. Foreclosure by the Township 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.
  - d. 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 Township 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 re-sale 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.

- e. 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 re-sale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.
- f. The owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the owner.

# **Section 21. Reporting**

- A. On the first anniversary of the entry of the Final Order of Compliance and Judgment of Repose entered by the Court in Tower Gate Associates IMO Tower Gate Associates v. Township of Mansfield, et al. Docket No.: BUR-L-001739-18, and every anniversary thereafter through the end of the Repose period, the Township shall provide annual reporting of its Affordable Housing Trust Fund activity to the DCA, COAH or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to FSHC and posted on the municipal website, using forms developed for this purpose by DCA, COAH or Local Government Services. The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.
- B. On the first anniversary of the entry of the Final Order of Compliance and Judgment of Repose entered by the Court in Tower Gate Associates IMO Tower Gate Associates v. Township of Mansfield, et al. Docket No.: BUR-L-001739-18, and every anniversary thereafter through the end of the Repose period, the Township shall provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website, with copies provided to FSHC, using forms previously developed for this purpose by COAH or any other forms endorsed by the Court-appointed Special Master and FSHC.
- C. On or before December 31, 2022, for the midpoint realistic opportunity review required pursuant to N.J.S.A. 52:27D-313, the Township shall post on its municipal website, with copies provided to Fair Share Housing Center (FSHC), the Court Master, and the Court, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the Township, with copies provided to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether the

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.

D. For the review of very low-income housing requirements required by N.J.S.A. 52:27D-329.1, within thirty (30) days of the third anniversary of the entry of the Final Order of Compliance and Judgment of Repose entered by the Court in Tower Gate Associates IMO Tower Gate Associates v. Township of Mansfield, et al. Docket No.: BUR-L-001739-18, and every third year thereafter, the Township will post on its municipal website, with copies provided to FSHC, a status report as to its satisfaction of its very low-income requirements, including the family very low-income requirements. Such posting shall invite any interested party to submit comments to the Township, with copies provided to FSHC, on the issue of whether the Township has complied with its very low-income housing obligation.

#### Section 22. Appeals

Appeals from all decisions of an Administrative Agent appointed pursuant to this Ordinance shall be filed in writing with the Superior Court unless the Superior Court delegates this responsibility.

# REPEALER, SEVERABILITY AND EFFECTIVE DATE.

- A. <u>Repealer</u>. Any and all Ordinances inconsistent with the terms of this Ordinance are hereby repealed to the extent of any such inconsistencies.
- B. <u>Severability</u>. In the event that any clause, section, paragraph or sentence of this Ordinance is deemed to be invalid or unenforceable for any reason, then the Township Committee hereby declares its intent that the balance of the Ordinance not affected by said invalidity shall remain in full force and effect to the extent that it allows the Township to meet the goals of the Ordinance
- C. <u>Effective Date</u>: This Ordinance shall take effect upon proper passage in accordance with the law.

#### **CERTIFICATION**

I, LINDA SEMUS, RMC, CMR, Municipal Clerk of the Township of Mansfield, County of Burlington, State of New Jersey, do hereby certify the foregoing to be a true and correct copy of an Ordinance which was introduced by the Mansfield Township Committee, County of Burlington, State of New Jersey at their regular meeting held on June 16, 2021, with a Second Reading, public hearing and final adoption held on July 21, 2021.

| LINDA SEMUS, RMC, CMR |
|-----------------------|
| Municipal Clerk       |

INTRODUCED: June 16, 2021 ADOPTED: \_\_\_\_\_\_, 2021