

Amended Third Round Housing Element And Fair Share Plan

Florence Township, Burlington County, New Jersey

Adopted December 2, 2008



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Prepared for the Township of Florence by:



Mary Beth Lonergan, PP, AICP

Clarke Caton Hintz

PP License # 4288



FLORENCE TOWNSHIP PLANNING BOARD

RESOLUTION NO. P.B.-2008-37

**RESOLUTION OF MEMORIALIZATION ADOPTING
AN AMENDMENT TO THE HOUSING ELEMENT
OF THE TOWNSHIP MASTER PLAN
AND FAIR SHARE PLAN**

Decided: December 2, 2008
Resolution Memorialized: December 2, 2008

WHEREAS, the Planning Board of the Township of Florence, County of Burlington State New Jersey, adopted its current Housing Element and Fair Share Plan pursuant to N.J.S.A. 40:55D-28 on November 21, 2005;

WHEREAS, the Governing Body endorsed the Housing Element and Fair Share Plan on December 7, 2005;

WHEREAS, the Governing Body petitioned the Council on Affordable Housing for substantive certification on December 16, 2005;

WHEREAS, the Township of Florence has not yet received substantive certification from the Council on Affordable Housing;

WHEREAS, the Planning Board has determined to amend the Housing Element and Fair Share Plan;

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board held a public hearing(s) on the amended Housing Element and Fair Share Plan on December 2, 2008; and

WHEREAS, the Planning Board has determined that the amendment to the Housing Element and Fair Share Plan is consistent with the goals and objective of the Township of Florence Master Plan and that adoption and implementation of the amendment to the Housing Element and Fair Share Plan are in the public interest and protect public health and safety and promote the general welfare.

NOW THEREFORE BE IT RESOLVED by the Planning Board of the Township of Florence, County of Burlington, State New Jersey, that the Planning Board hereby adopts the amended Housing Element and Fair Share Plan entitled "Amended Third Round Housing Element and Fair Share Plan, Florence Township, Burlington County, New Jersey" dated November 19, 2008 and prepared by Mary Beth Lonergan, PP, AICP, of Clarke, Caton & Hintz.

MOTION TO ADOPT PLAN AMENDMENT:

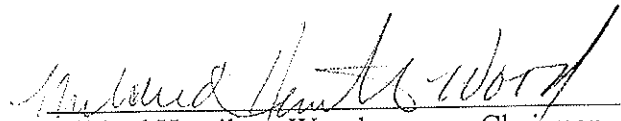
Moved by : Berry
Seconded by : Ryan
In Favor : Berry, DeAngelis, Morris, Smith, Ryan, Woolston
Hamilton-Wood
Opposed : None
Abstained : None
ABSENT : Wilkie

MOTION TO ADOPT RESOLUTION:

Moved by: : Berry
Seconded by: : Ryan
In Favor : Berry DeAngelis, Morris, Smith, Ryan, Woolston,
Hamilton-Wood
Opposed : None
Abstained : None
ABSENT : Wilkie

FLORENCE TOWNSHIP PLANNING BOARD

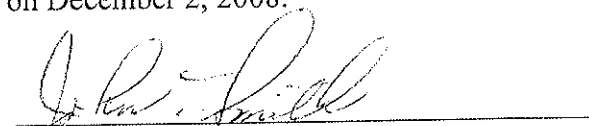
Dated: Dec 2, 2008


Mildred Hamilton-Wood, Chairman

CERTIFICATION

BE IT REMEMBERED that the within written Resolution was duly adopted at a regular meeting of the Florence Township Planning Board held on December 2, 2008 and memorializes a decision taken by the Board on December 2, 2008.

Dated: Dec. 2, 2008


John Smith Secretary

RESOLUTION NO. 2008-221

ADOPT FAIR SHARE HOUSING PLAN – COAH REPORT

WHEREAS, the Planning Board of the Township of Florence, County of Burlington, State of New Jersey, adopted an amended Housing Element and Fair Share Plan on December 2, 2008; and

WHEREAS, a true copy of the resolution of the Planning Board adopting the amended Housing Element and Fair Share Plan is attached pursuant to N.J.A.C. 5:96-2.2(a)2.


NOW THEREFORE BE IT RESOLVED that the Governing Body of the Township of Florence, County of Burlington, State of New Jersey, hereby endorses the amended Housing Element and Fair Share Plan as adopted by the Township of Florence Planning Board; and

BE IT FURTHER RESOLVED that the Governing Body of the Township of Florence, pursuant to the provisions of N.J.S.A. 52:27D-301 et seq. and N.J.A.C. 5:96-3.4, submits this re-petition for substantive certification of the amended Housing Element and Fair Share Plan to the Council on Affordable Housing for review and certification; and

BE IT FURTHER RESOLVED that all objectors and owners of sites in the Housing Element and Fair Share Plan have received notice of the re-petition; and

BE IT FURTHER RESOLVED that notice of this re-petition for substantive certification shall be published in a newspaper of countywide circulation pursuant to N.J.A.C. 5:96-3.5 within seven days of issuance of the notification letter from the Executive Director of the Council on Affordable Housing indicating that the submission is complete and that a copy of this resolution, the adopted amended Housing Element and Fair Share Plan and all supporting documentation shall be made available for public inspection at the Township of Florence municipal clerk's office located at 711 Broad Street, Florence, NJ, 08518, during the hours of 9:00 am to 4:30 pm on Monday through Friday for a period of 45 days following the date of publication of the legal notice pursuant to N.J.A.C. 5:96-3.5.

I, JOY M. WEILER, Township Clerk of the Township of Florence, Burlington County, New Jersey, do hereby certify that the foregoing is a true copy of a Resolution approved by the Township Council at a meeting held on December 17, 2008.



JOY M. WEILER, RMC/MMC
Township Clerk

RESOLUTION NO. 2008-238

APPROVE – INTENT TO BOND: COAH

WHEREAS, the Township of Florence, County of Burlington, State of New Jersey, has petitioned the Council on Affordable Housing (COAH) for substantive certification of its adopted Housing Element and Fair Share Plan; and

WHEREAS, the plan submitted to COAH allocates funds for:

1. Rehabilitation program
2. RCA debt service payments
3. Market to affordable program; and special needs housing; and

WHEREAS, the Township of Florence anticipates that funding will come from the following sources to satisfy these obligations:

1. Development fees and payments in lieu of construction
2. Low income tax credits
3. DCA balanced housing; and other sources that may be available; and

WHEREAS, in the event that the above funding sources prove inadequate to complete the affordable housing programs included in the Township of Florence’s COAH-certified Housing Element and Fair Share Plan, the Township of Florence shall provide sufficient funding to address any shortfalls.

NOW THEREFORE BE IT RESOLVED by the Governing Body of the Township of Florence, County of Burlington, State of New Jersey, that the Governing Body does hereby agree to appropriate funds or authorize the issuance of debt to fund any shortfall in its affordable housing program that may arise whether due to inadequate funding from other sources or for any other reason; and

BE IT FURTHER RESOLVED that, upon written notification by COAH after a finding that inadequate funding exists to complete the affordable housing programs included in the Township of Florence’s COAH-certified Housing Element and Fair Share Plan, the Township of Florence agrees to appropriate funds or authorize the issuance of debt within 90 days of written notification by COAH; and

BE IT FURTHER RESOLVED that the Township of Florence may repay debt through future collections of development fees, as such funds become available.

I, JOY M. WEILER, Township Clerk of the Township of Florence, Burlington County, New Jersey, do hereby certify that the foregoing is a true copy of a Resolution approved by the Township Council at a meeting held on December 17, 2008.



JOY M. WEILER, RMC/MMC
Township Clerk

**Florence Township
Mayor & Township Council**

Hon. William Berry, Mayor

Frank K. Baldorossi, Jr., Council President

Bruce D. Garganio

Jerry Sandusky

Dennis O'Hara

Sean Ryan

Richard A. Brook, Township Administrator

Joy M. Weiler, Township Clerk

Thomas A. Sahol, Asst. Township Administrator

William J. Kearns, Esq., Township Attorney

Florence Township Planning Board

Mildred J. Hamilton-Wood, Chair

Craig Wilkie, Vice Chair

William Berry

John T. Smith

Gene DeAngelis

Sean P. Ryan

Wayne Morris

David Woolston

James Molimock

Nancy Erlston, Planning Board Clerk

David Frank, Esq. Planning Board Attorney

**AMENDED HOUSING ELEMENT AND FAIR SHARE PLAN
TOWNSHIP OF FLORENCE
BURLINGTON COUNTY, NEW JERSEY**

EXECUTIVE SUMMARY

This amended third round housing element and fair share plan has been prepared for Florence Township, Burlington County in accordance with the revised rules of the New Jersey Council on Affordable Housing (hereinafter “COAH”) at *NJAC* 5:96 et seq. and *NJAC* 5:97 et seq. This plan is an amendment to the prior third round plan adopted by the Planning Board and endorsed by the Township Council in November 2005. This Plan will serve as the foundation for the Township’s re-petition to COAH for substantive certification pursuant to *NJAC* 5:96 et seq. by December 31, 2008.

There are three components to a municipality’s affordable housing obligation: the rehabilitation share, the prior round obligation and the third round obligation.

As assigned by COAH, the Township’s affordable housing obligations are as follows:

- Rehabilitation Share: 36 units
- Prior Round Obligation: 114 units
- Third Round Obligation: 158 units

The Township addressed the prior round obligation through a COAH-approved and Township-funded regional contribution agreement with the Township of Pemberton, affordable rental units at the 100% affordable housing development known as Roebing Arms, affordable senior rental units at the 100% affordable housing development known as Roebing Inn, and prior round rental bonuses. The Township fully satisfied the prior round affordable housing obligation and also generated surplus credits towards the third round growth share obligation.

The Township's third round affordable housing obligation will be satisfied with surplus credits from the prior round, senior rental housing units in a 100% affordable housing development at the Duffy School, supportive and special needs housing, completed and approved inclusionary developments, a market to affordable rentals and sales program, and third round rental bonuses and compliance bonuses.

INTRODUCTION

The Township of Florence is located in northern Burlington County along the Delaware River. The Township has excellent access to the regional roadway network and was recently connected to the regional transit system via two rail stops along the River Line Transit Line connecting Camden to Trenton and points throughout the Northeast Corridor. NJ State Highway Route 130 generally bisects Florence Township in a north/south direction and the Township is also traversed in an east/west direction by the Pennsylvania Extension of the New Jersey State Highway where an interchange at Route 130 was recently constructed. Florence Township is a developing suburban municipality with a number of existing residential communities. The Historic Village of Roebling, which recently celebrated its 100th Anniversary, is a focal point of the Township along with the old Roebling Steel Plant, closed since the 1970's, but in the beginning stages of an important planned redevelopment.

Commercial development in the Township is highlighted by manufacturing and warehouse buildings and other commercial establishments in the northwestern part of the Township generally located between the New Jersey Turnpike Extension and Route 130 and along Route 130. This commercial concentration is ideally suited to take advantage of easy access to the Turnpike Extension and also access to Route 130. Commercial service establishments such as banks, gas stations, motels, restaurants and auto dealers dot the length of Route 130. Additionally, commercial cores exist throughout the Township serving existing residential neighborhoods.

This document is an amendment to the Third Round Housing Element and Fair Share Plan that was submitted to the New Jersey Council on Affordable Housing ("COAH") in December 2005 for substantive certification. Florence Township previously received both First and Second Round substantive certification from COAH. This amendment is intended to address the COAH revised Third Round regulations that were adopted, effective on June 2, 2008 and subsequently revised, effective October 20, 2008, in response to the New Jersey Appellate Court decision of January 25, 2007. The Court ruling invalidated key aspects of COAH's Third Round growth share methodology that was part of the original Third Round

regulations. This amended Third Round Housing Element and Fair Share Plan has to be submitted to COAH by December 31, 2008 to enable Florence Township to receive Third Round substantive certification which covers the period January 1, 2004 through December 31, 2018.

Much of the demographic data and descriptions of proposed projects to address the Township's Third Round affordable housing obligation in the 2005 Plan remain valid.

The following is an introduction to the housing element of a master plan, the fair share plan requirements of COAH and the constitutional requirement for the provision of affordable housing.

The Housing Plan Element is a master plan element required by the Municipal Land Use Law ("MLUL") per *NJSA 40:55D-1 et seq.* This amended Housing Element/Fair Share Plan has been prepared in accordance with the MLUL, as well as with the revised Third Round substantive regulations (*NJAC 5:97 et seq.*) and procedural regulations (*NJAC 5:96 et seq.*) of COAH. COAH adopted its initial Third Round methodology and regulations in November 2004, which became effective on December 20, 2004. These initial regulations created a "growth share" procedure which marked a significant departure from COAH's prior two rounds of affordable housing methodology. The Third Round methodology implemented a growth share approach that linked the production of affordable housing with residential and non-residential development that occurred in a municipality between January 1, 2004 and January 1, 2014. Each municipality was required to project the amount of residential and non-residential growth that would occur during the third round. For the initial Third Round growth share component, COAH adopted ratios that required one affordable unit for every 8 market rate housing units constructed and one affordable unit for every 25 jobs developed as expressed in square footage of new non-residential development. This was a significant change from the methodology COAH used in the first and second rounds which had previously assigned an affordable housing obligation as an absolute number to each municipality in the two rounds.

However, in a unanimous decision in January 2007, the New Jersey Appellate Court invalidated key aspects of COAH's Third Round rules. The Court ordered COAH to propose and adopt amendments to its rules to address the deficiencies identified by the Court. COAH's revised rules, effective on June 2, 2008 as well as a further rule revision, adopted September 22, 2008 and effective on October 20, 2008, provide residential development and job projections for the Third Round (which was expanded to encompass the years 2004 through 2018). Additionally, COAH revised its ratios to require one affordable housing unit for every four market rate housing units developed and one affordable housing unit for every 16 jobs created, still expressed as non-residential building square footage. Municipalities must set forth in the Housing Element and Fair Share Plan how they intend to accommodate the affordable housing obligation generated by COAH's revised Third Round growth projections. However, COAH's substantive rules also require that a municipality provide a realistic opportunity for affordable housing in proportion to its actual growth during the third round as expressed in permanent certificates of occupancy issued for residential and nonresidential development.

In addition, on July 17, 2008 Governor Corzine signed P.L. 2008, c.46 (also known as the "Roberts Bill" after NJ Assembly Speaker Joseph Roberts), which amended the Fair Housing Act in a number of ways. Key provisions of the bill include the following:

- Establishing a statewide 2.5% nonresidential development fee instead of a nonresidential growth share delivery for affordable housing;
- Elimination of regional contribution agreements (RCAs); and
- Requirement for 13% of affordable housing units and 13% of all units funded by the Balanced Housing Program and the Statewide Affordable Housing Trust Fund be restricted to very low income households (30% or less of median income).

COAH has not yet promulgated rules to effectuate the "Roberts Bill". It is anticipated that COAH will propose revised regulations, consistent with P.L. 2008, c.46, in early 2009.

A municipality's Third Round fair share plan must address (1) its rehabilitation share,

(2) the prior round obligation and (3) the COAH-projected Third Round obligation. The rehabilitation share is the estimated number of existing substandard housing units in a municipality that are occupied by low or moderate income households, as determined by COAH (Appendix B. to *NJAC* 5:97). The prior round obligation is a municipality’s adjusted second round new construction component brought forward to the Third Round (Appendix C. to *NJAC* 5:97). Third Round housing plans must document how existing or proposed affordable housing units satisfy this prior round obligation.

As stated above, the Third Round obligation is based on household and job projections developed by COAH (Appendix F. to *NJAC* 5:97). To determine the Third Round obligation, the following ratios must be applied to the projections:

- For residential development, the affordable housing ratio is now 1 affordable unit for every 4 market rate residential units. Thus COAH initially requires a municipality to divide its total housing projection by 5;
- For non-residential development, the affordable housing ratio is now 1 affordable unit for every 16 new jobs created as expressed in new square footage of non-residential space for which a permanent certificate of occupancy is issued from January 1, 2004 through December 31, 2018. See Table 1, Non-Residential Growth Share Calculation, for additional detail.

Table 1. Non-Residential Growth Share Calculation

| Use Group | Description | Square Feet Generating One Affordable Unit | Jobs Per 1,000 Square Feet |
|-----------|--|--|----------------------------|
| B | Office buildings | 5,714 | 2.8 |
| M | Mercantile uses | 9,412 | 1.7 |
| F | Factories where people make, process, or assemble products | 13,333 | 1.2 |
| S | Storage uses, excluding parking garages | 16,000 | 1.0 |

| Use Group | Description | Square Feet Generating One Affordable Unit | Jobs Per 1,000 Square Feet |
|-----------|--|--|----------------------------|
| H | High hazard manufacturing, processing, generation and storage uses | 10,000 | 1.6 |
| A1 | Assembly uses, including concert halls and TV studios | 10,000 | 1.6 |
| A2 | Assembly uses, including casinos, night clubs, restaurants and taverns | 5,000 | 3.2 |
| A3 | Assembly uses, including libraries, lecture halls, arcades, galleries, bowling alleys, funeral parlors, gymnasiums and museums but excluding houses of worship | 10,000 | 1.6 |
| A4 | Assembly uses, including arenas, skating rinks and pools | 4,706 | 3.4 |
| A5 | Assembly uses, including bleachers, grandstands, amusement park structures and stadiums | 6,154 | 2.6 |
| E | Schools K – 12 | Exclude | Exclude |
| I | Institutional uses such as hospitals, nursing homes, assisted living facilities and jails. I group includes I1, I2, I3 and I4. | 6,154 | 2.6 |
| R1 | Hotels and motels; continuing care facilities classified as R2 | 9,412 | 1.7 |
| U | Miscellaneous uses, including fences tanks, barns, agricultural buildings, sheds, greenhouses, etc. | Exclude | Exclude |

Pursuant to *NJAC* 5:96-10, the actual growth of housing units and jobs (measured by the issuance of residential and nonresidential permanent certificates of occupancy) will be monitored every two years and will be compared to the actual provision of affordable housing. If upon any biennial review the difference between the number of affordable units constructed or provided in a municipality and the number of units required pursuant to *N.J.A.C* 5:97-2.4 results in a pro-rated production shortage of 10 percent or greater, COAH may require the municipality to amend its plan to address the higher affordable housing obligation. For this reason, it is important that the Township track the growth that occurs between January 1, 2004 and December 31, 2018.

- In its Comment and Response document published as part of the October 20, 2008 COAH rule adoption, COAH states that it will allow municipalities to present actual job count information for non-residential use groups if there is at least a 10% difference between actual jobs and the number of jobs determined through Appendix D of *NJAC* 5:97. COAH will be providing more guidance on this concept prior to the Township's first required plan evaluation whereby actual job growth is tallied and compared to actual affordable housing production.

In its landmark 1975 decision referred to now 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.¹ In its 1983 “*Mount Laurel II*” decision, the Supreme Court extended the obligation to all municipalities, designated the State Development Guide Plan or any successor State Plan as a critical touchstone to guide the implementation of this obligation and created an incentive for private developers to enforce the “*Mount Laurel doctrine*” by suing municipalities which are not in compliance.²

In 1985, the Fair Housing Act (“FHA”), at *NJSA* 52:27D-301 et seq., was enacted as the legislative response to the Supreme Court rulings. The FHA created COAH as the administrative alternative to the Courts. The FHA also made the Housing Plan Element a required part of a municipality’s Master Plan. Municipalities that opt to adopt a Housing Element and Fair Share Plan and petition to participate in the COAH certification process are granted a presumption of validity against allegations of exclusionary zoning, also known as builder remedy lawsuits. Petitioning COAH allows a municipality to maintain control of its planning and zoning options in addressing its affordable housing obligation. Florence Township’s continued participation in the COAH process enables the Township to address its affordable housing obligation as best serves the community. Florence Township is currently under COAH’s jurisdiction and must petition with its amended third round plan by December 31, 2008 to remain so.

¹ Southern Burlington NAACP v. Township of Mt. Laurel, 67 NJ 151 (1975)

² Southern Burlington NAACP v. Township of Mt. Laurel, 92 NJ 158 (1983)

COAH's revised Third Round methodology continues to include a *rehabilitation share*, the remaining obligation from COAH's two *prior rounds* and *growth share*. COAH has published the municipal affordable housing allocations *NJAC 5:97*, Appendices B, C and F which describe the Township's three-part 1987 -2018 affordable housing obligation as follows:

- Third Round rehabilitation share: 36 units
- Prior Round obligation: 114 units
- Growth Share obligation: 158 units

COAH's Third Round certification period was extended to December 31, 2018. Annual monitoring reports must be submitted to COAH based on projects contained in the Fair Share Plan. In addition, COAH will conduct monitoring every two years to assure that municipalities are making proportional progress in creating the required number of affordable units during the plan period. If COAH determines that a municipality is not performing based on a pro-rated shortfall of 10% or more of the total actual Growth Share obligation, or if there is no longer a realistic opportunity for such housing to be developed in a given project, COAH may require the municipality to prepare a revised plan to address the deficiency or may rescind substantive certification. As such, it is important that the Township track the growth that occurs between January 1, 2004 and December 31, 2018 and implement the corresponding affordable housing compliance mechanisms.

AFFORDABLE HOUSING

Affordable housing is defined as a dwelling, either for sale or rent that is within the means of individuals or households of low or moderate income in their housing region. Florence Township is in COAH's Region 5 which includes Burlington, Camden and Gloucester counties. Moderate-income households are those earning between 50% and 80% of the regional median income, or up to \$59,440 a year in 2008 for a four-person household. Low-income households are those with annual incomes that are between 50% and 30% of the regional median income, or up to \$37,150 a year in 2008 for a four-person household. In the Third Round regulations and as required by the Roberts Bill, there is also a very low-income category, which is defined to include those earning 30% or less of median household income within the housing region. Very low-income households are those earning an amount equal to \$22,290 or less per year in 2008 for a household of four.

COAH requires that the maximum rent be affordable to households that earn no more than 60% of the median income for the region. The average rent must be affordable to households earning no more than 52% of median income. The maximum sales price for affordable units must be affordable to households that earn no more than 70% of the median income. The average sale unit must be affordable to a household that earns no more than 55% of the median income.

As discussed in detail below, Florence Township proposes to address a portion of its Third Round affordable housing obligation with affordable sale units. Approximate affordable sale prices³ are shown below:

| Household Income Level | One-Bedroom Unit Price | Two-Bedroom Unit Price | Three-Bedroom Unit Price |
|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|
| Moderate Income @ 60% | \$87,200 | \$109,000 | \$130,080 |
| Low Income @ 45% | \$59,950 | \$78,480 | \$92,650 |

Source: COAH 2008 Regional Income Limits; *NJAC* 5:97 et seq. and *NJAC* 5:80-26 et seq.

The Township will also provide affordable rental housing. Although potential rents have yet to be set, typical gross affordable rents in 2008 for moderate income, low income and very low income households are listed below by the number of bedrooms in an apartment:

| Household Income Level | One-Bedroom Unit Rent | Two-Bedroom Unit Rent | Three-Bedroom Unit Rent |
|-----------------------------------|----------------------------------|----------------------------------|------------------------------------|
| Moderate Income @ 60% | \$803 | \$962 | \$1,109 |
| Low Income @ 45% | \$594 | \$711 | \$819 |
| Very Low Income @ 30% | \$385 | \$461 | \$530 |

Source: COAH 2008 Regional Income Limits; *NJAC* 5:97 et seq. and *NJAC* 5:80-26 et seq.

³ Actual affordable sale prices are calculated based on a number of varying assumptions that include mortgage interest rates, property taxes, homeowner insurance and private mortgage insurance, and condominium or homeowner association dues.

HOUSING ELEMENT/FAIR SHARE PLAN REQUIREMENTS

In accordance with the MLUL, a municipal Master Plan must include a Housing Element as a prerequisite for the adoption of zoning ordinance provisions within the municipality. The MLUL requires that a municipality's housing element be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low and moderate income housing.

The Housing Element/Fair Share Plan must be adopted by the municipal Planning Board at a public hearing. To initiate COAH's protective jurisdiction, the Housing Element/Fair Share Plan must also be endorsed by the municipal governing body and formally submitted along with a resolution petitioning for substantive certification from COAH.

The housing element must contain at least the following, as per the Fair Housing Act at *NJSA 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;
- 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;
- 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;
- 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.

In addition, pursuant to COAH regulations (*NJAC* 5:97-2.3), the housing element and fair share plan must address the entire Third Round cumulative (1987-2018) affordable housing obligation consisting of the rehabilitation share, any remaining balance of the prior round obligation and the COAH-projected Third Round obligation. COAH's regulations require the following documentation to be submitted with the housing element and fair share plan:

- The minimum requirements of the Fair Housing Act, *NJSA* 52:27D-310 (listed above);
- Household and employment projections created by COAH;
- Municipal rehabilitation, prior round and third round obligation;
- Descriptions of any credits intended to address any portion of the fair share obligation, including all information required by *NJAC* 5:97-4;
- Descriptions of any adjustments to any portion of the fair share obligation, including all information required by *NJAC* 5:97-5;
- Descriptions of any mechanisms intended to address the prior round obligation, the rehabilitation share and the third round obligation;
- An implementation schedule with a detailed timetable that demonstrates a “realistic opportunity” for the construction of affordable housing, as defined by *NJAC* 5:97-1.4.
- Draft and/or adopted ordinances necessary for the implementation of the mechanisms designed to satisfy the fair share obligation;
- A demonstration that existing zoning or planned changes in zoning provide adequate capacity to accommodate any proposed inclusionary developments, pursuant to *NJAC* 5:97-6.4;
- A demonstration of existing or planned water and sewer capacity sufficient to accommodate all proposed mechanisms;
- A spending plan, pursuant to *NJAC* 5:97-8.10;
- A map of all sites designated by the municipality for the production of low and moderate income housing;
- A copy of the most recently adopted Master Plan and, where required, the immediately preceding adopted Master Plan;

- A copy of the most recently adopted zoning ordinance;
- A copy of the most up-to-date tax maps; and
- Any other information required by *NJAC* 5:97 or requested by COAH.

HOUSING STOCK AND DEMOGRAPHIC ANALYSIS

Housing Stock Inventory

In 2000, there were 4,391 housing units in Florence Township, of which 242 or 5.51% were vacant. Of the 4,149 occupied units, 77.25% were owner occupied and 22.73% were rented.

About 45% of the total housing stock consists of single-family detached and two-family units (twins and duplexes). Single-family attached (townhouses) and units with 3 or more units make up 54.38% of the total housing stock, of which the majority, 35.16%, are single-family attached units. Housing units in buildings containing 5 or more units comprised 13.46% of all the housing units in 2000. Of the owner occupied units, 54.83% were single-family detached units and 37.93% were single-family attached. See Table 2, Housing Units by Number of Units in Structure for a detailed explanation of the housing units in 2000.

Table 2. Housing Units by Number of Units in Structure, 2000.

| <u>Number of Units</u> | <u>Owner Occupied</u> | <u>Rental</u> | <u>Vacant</u> | <u>Total</u> |
|------------------------|-----------------------|---------------|---------------|--------------|
| 1, Detached | 1,758 | 83 | 29 | 1,870 |
| 1, Attached | 1,216 | 219 | 109 | 1,544 |
| 2 | 34 | 92 | 7 | 133 |
| 3 or 4 | 74 | 135 | 44 | 253 |
| 5 to 9 | 119 | 113 | 53 | 285 |
| 10 to 19 | 0 | 79 | 0 | 79 |
| 20 to 49 | 0 | 145 | 0 | 145 |
| 50 or more | 5 | 77 | 0 | 82 |
| Mobile Home | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 |
| Total | 3,206 | 943 | 242 | 4,391 |

Source: 2000 US Census

Table 3, Housing Units by Age, illustrates the age of the Township’s housing stock. The largest building boom occurred prior to 1940, where 34.0% of the Township’s housing stock was constructed. The decades between 1950 and 1990 produced approximately 10% of the housing stock each. However, from 1990 through 2000, housing construction increased and produced 16% of the Township’s total housing stock.

Table 3. Housing Units by Age, 2000.

| <u>Year Built</u> | <u>Total Units</u> | <u>Percent</u> | <u>Owner Occupied</u> | <u>Rental Occupied</u> | <u>Vacant</u> |
|-------------------|--------------------|----------------|-----------------------|------------------------|---------------|
| 1990-March 2000 | 706 | 16.1% | 623 | 46 | 37 |
| 1980-1989 | 477 | 10.9% | 331 | 119 | 27 |
| 1970-1979 | 524 | 11.9% | 362 | 136 | 26 |
| 1960-1969 | 428 | 9.8% | 244 | 171 | 13 |
| 1950-1959 | 553 | 12.6% | 433 | 120 | 0 |
| 1940-1949 | 210 | 4.8% | 157 | 34 | 19 |
| Before 1940 | <u>1,493</u> | 34.0% | <u>1,056</u> | <u>317</u> | <u>120</u> |
| Totals | 4,391 | | 3,206 | 943 | 242 |

Source: 2000 US Census

Table 4, Housing Units by Number of Rooms, shows 11.5% have between one (1) and three (3) rooms; 51.7% of the housing stock has between four (4) and six (6) rooms; and 36.93% has seven (7) or more rooms. The data from this and other tables indicate that the housing stock in Florence is, on average, moderate in size.

Table 4. Housing Units by Number of Rooms, 2000.

| <u>Rooms</u> | <u>Number of Units</u> | <u>Percentage of Total</u> |
|--------------|------------------------|----------------------------|
| 1 | 29 | 0.7% |
| 2 | 113 | 2.6% |
| 3 | 359 | 8.2% |
| 4 | 570 | 13.0% |
| 5 | 739 | 16.8% |
| 6 | 960 | 21.9% |
| 7 | 825 | 18.8% |
| 8 | 410 | 9.3% |
| 9+ | <u>386</u> | <u>8.8%</u> |
| Total | 4,391 | 100.00% |

Source: 2000 US Census

Tables 5 and 6, Housing Values, show that the median housing values in Florence increased 8.07% between 1990 and 2000. During this time, the median value in Burlington County increased by 9.39%. In 1990, Florence's median value of \$105,300 was 14.04% lower than Burlington County's median value of \$122,500; and in 2000, Florence's median housing value of \$113,800 was 15.07% below the median value of \$134,000 for Burlington County.

Table 5. Housing Values, Florence Township, Owner Occupied 1990.

| <u>Housing Units</u> | <u>1990 Number</u> | <u>Percent</u> |
|--------------------------|--------------------|----------------|
| Less than \$50,000 | 73 | 2.85% |
| \$50,000 to \$59,999 | 81 | 3.16% |
| \$60,000 to \$74,999 | 288 | 11.24% |
| \$75,000 to \$99,999 | 733 | 28.60% |
| \$100,000 to \$124,999 | 498 | 19.43% |
| \$125,000 to \$149,999 | 338 | 13.19% |
| \$150,000 to \$174,999 | 265 | 10.34% |
| \$175,000 to \$199,999 | 147 | 5.74% |
| \$200,000 to \$249,999 | 105 | 4.10% |
| \$250,000 to \$299,999 | 21 | 0.82% |
| \$300,000 or more | 14 | 0.55% |
| 1990 Median Value | \$105,300 | |

Source: 1990 US Census

Table 6. Housing Values, Florence Township, Owner Occupied 2000.

| <u>Housing Units</u> | <u>2000 Number</u> | <u>Percent</u> |
|--------------------------|--------------------|----------------|
| Less than \$50,000 | 176 | 5.5% |
| \$50,000-\$59,999 | 85 | 2.7% |
| \$60,000-\$69,999 | 152 | 4.7% |
| \$70,000-\$79,999 | 186 | 5.8% |
| \$80,000-\$89,999 | 344 | 10.7% |
| \$90,000-\$99,999 | 273 | 8.5% |
| \$100,000-\$124,999 | 699 | 21.8% |
| \$125,000-\$149,999 | 515 | 16.1% |
| \$150,000-\$174,999 | 336 | 10.5% |
| \$175,000-\$199,999 | 196 | 6.1% |
| \$200,000-\$249,000 | 170 | 5.3% |
| \$250,000-\$299,000 | 62 | 1.9% |
| \$300,000 or more | 12 | 0.4% |
| Total | 3,206 | 100.00% |
| 2000 Median Value | \$113,800 | |

Source: 2000 US Census

In 2000, Florence Township's median gross rental cost was lower than that of the County (\$680 v. \$758). See Table 7, Comparison of Florence Township and Burlington County Monthly Rental Cost.

Table 7. Comparison of Florence Township and Burlington County Monthly Rental Cost*, 2000

| <u>Monthly Rent</u> | <u>Number in Florence</u> | <u>Percent</u> | <u>Number in Burlington</u> | <u>Percent</u> |
|---------------------|---------------------------|----------------|-----------------------------|----------------|
| \$0-\$99 | 25 | 2.9% | 128 | 0.4% |
| \$100-149 | 0 | 0.0% | 105 | 0.3% |
| \$150-\$199 | 24 | 2.8% | 237 | 0.8% |
| \$200-\$249 | 0 | 0.0% | 220 | 0.7% |
| \$250-\$299 | 16 | 1.8% | 282 | 0.9% |
| \$300-\$349 | 0 | 0.0% | 275 | 0.9% |
| \$350-\$399 | 7 | 0.8% | 361 | 1.1% |
| \$400-\$449 | 37 | 4.2% | 588 | 1.9% |
| \$450-\$499 | 56 | 6.4% | 742 | 2.3% |
| \$500-\$549 | 6 | 0.7% | 1,488 | 4.7% |
| \$550-\$599 | 50 | 5.7% | 2,395 | 7.5% |
| \$600-\$649 | 148 | 17.0% | 2,664 | 8.4% |
| \$650-\$699 | 113 | 13.0% | 2,716 | 8.6% |
| \$700-\$749 | 59 | 6.8% | 3,282 | 10.3% |
| \$750-\$799 | 58 | 6.7% | 2,473 | 7.8% |
| \$800-\$899 | 153 | 17.6% | 4,425 | 13.9% |
| \$900-\$999 | 40 | 4.6% | 3,324 | 10.5% |
| \$1,000 to \$1,249 | 66 | 7.6% | 3,824 | 12.0% |
| \$1,250 to \$1,499 | 14 | 1.6% | 1,159 | 3.7% |
| \$1,500 to \$1,999 | 0 | 0.0% | 811 | 2.6% |
| \$2000 + | 0 | 0.0% | 265 | 0.8% |
| Total | 872 | 100% | 31,764 | 100% |
| Median Rent | 680 | | 758 | |

*Includes only those units with cash rents. Source: 2000 US Census

According to the 2000 US Census, Florence has thirteen (13) housing units that lack complete plumbing facilities and 110 units that are overcrowded (defined as having 1.01 or more persons per room); however, none of these units exhibited both characteristics.

General Population Characteristics

Since 1970, the largest population growth in the Township occurred between 1980 and 1990 where there was a population increase of 13.0%. Most recently, from 1990 to 2000, there was a 4.7% population increase. During this same time period, the County grew the most from 1970 through 1980 with a population increase of 12.2% and most recently, from 1990 through 2000, there was a population increase of 7.2%. See Table 8, Population Growth.

Table 8. Population Growth 1980-2000.

| | <u>1980</u> | <u>Percent Change</u> | <u>1990</u> | <u>Percent Change</u> | <u>2000</u> | <u>Percent Change</u> |
|-------------------|-------------|---------------------------|-------------|---------------------------|-------------|---------------------------|
| Florence Township | 9,084 | | 10,266 | 13.0% | 10,746 | 4.7% |
| Burlington County | 362,542 | | 395,066 | 9.0% | 423,394 | 7.2% |

Source: 1980, 1990, 2000 US Census

The largest shifts in age distribution occurred in the twenty-five (25) through thirty-four (34) age group, which dropped from 18.2% (1,869 person) of the population in 1990 to 13.2% (1,420 persons) in 2000, and the forty-five (45) through fifty-four (54) age group, which increased from 9.9% (1,017 persons) of the population to 14.7% (1,576) percent of the population. All other age groups experienced only moderate shifts. See Table 9, Age Distribution.

Table 9. Age Distribution, 1990 – 2000.

| <u>Age Group</u> | <u>1990</u> | <u>Percent</u> | <u>2000</u> | <u>Percent</u> | <u>Percent Change</u> |
|--------------------|---------------|----------------|---------------|----------------|-----------------------|
| Under 5 | 812 | 7.9% | 631 | 5.9% | -2.00% |
| 5-14 | 1,468 | 14.3% | 1,546 | 14.4% | 0.10% |
| 15-24 | 1,292 | 12.6% | 1,359 | 12.7% | 0.10% |
| 25-34 | 1,869 | 18.2% | 1,420 | 13.2% | -5.00% |
| 35-44 | 1,627 | 15.9% | 1,980 | 18.4% | 2.50% |
| 45-54 | 1,017 | 9.9% | 1,576 | 14.7% | 4.80% |
| 55-64 | 903 | 8.8% | 955 | 8.9% | 0.10% |
| 65-74 | 837 | 8.2% | 643 | 6.0% | -2.20% |
| 75+ | 441 | 4.3% | 636 | 5.9% | 1.60% |
| Totals: | 10,266 | | 10,746 | | |
| Median Age: | | | 36.9 | | |

Source: 1990 and 2000 US Census

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 2000 there were 4,149 households in the Township, with an average of 2.58 persons per household and an average of 3.10 persons per family. Approximately 52% of the households are comprised of married couples with or without children. Over 30% of the Township's households are non-family households which include individuals.

Income Characteristics

Persons residing in Florence Township have on average similar incomes than those in Burlington County as a whole. Median income in 2000 in Florence Township was \$56,843 for households and \$67,412 for families. Comparable figures for the County were \$58,608 for households and \$67,481 for families. Table 10, Household Income by Income Brackets, further illustrates these findings by noting the number of households in each of the income categories.

**Table 10. Household Income by Income Brackets
 Florence Township, 2000.**

| | <u>Households</u> | <u>Percent</u> |
|----------------------|-------------------|----------------|
| Less than \$10,000 | 267 | 6.4% |
| \$10,000-\$14,999 | 136 | 3.3% |
| \$15,000-\$24,999 | 349 | 8.4% |
| \$25,000-\$34,999 | 459 | 11.0% |
| \$35,000-\$49,999 | 562 | 13.5% |
| \$50,000-\$74,999 | 1035 | 24.9% |
| \$75,000-\$99,999 | 765 | 18.4% |
| \$100,000-\$149,999 | 445 | 10.7% |
| \$150,000-\$199,999 | 112 | 2.7% |
| \$200,000+ | 25 | 0.6% |
| Total | 4,155 | |
| Median Income | \$56,843 | |

Source: 2000 US Census

Within the Township, 32.4% of all households had incomes of \$75,000 or more in 2000. Although the Census data does not provide a breakdown of household income by household size, based on COAH's Year 2000 median household income for the Burlington/Camden/Gloucester County region of \$40,460 for the smallest-sized household

of one person, the moderate-income threshold for this household size was \$32,368 (80% of \$40,460). In attempting to approximate the number of low and moderate income households in the Township, using the household size of one person is a conservative approach that represents just a minimum threshold. Based on the high end of moderate income in 2000, anywhere from 18% to 29% of the Township's households fell within COAH's definition of low⁴ and moderate income. If there was a true correlation between household size and household income figures, it appears that the percentage of low and moderate income households in the Township may be close to 29%. Keep in mind, however, that in the Third Round, COAH would exclude low and moderate income households that owned a primary residence with no mortgage that was valued at or above COAH's annual regional asset limit⁵. In 2008, the regional asset limit was \$137,699 for Florence Township's region.

The percentage of persons and households below the poverty level, as defined by the 2000 U.S. Census, equates to 6.14% of all Florence Township residents and 4.79% of persons in families. This is higher than the County as a whole, who had 4.71% of County residents living below the poverty level in 2000.

⁴ Low income is defined as households earning 50 percent or less than median income.

⁵ The exception to this exclusion is if the household's existing monthly housing costs exceed 38 percent of the household's eligible monthly income.

Employment Characteristics

Table 11, Distribution of Employment by Industry, shows the distribution of employment by industry for employed Florence residents. The education, health and social services industry captured the largest segment of the employed population with 18.9%. Other industries that captured large segments of the population include the transportation, warehousing and utilities industry with 13.7%, the manufacturing industry with 12.8%, and the public administration industry with 10.6%.

Table 11. Distribution of Employment by Industry, Florence Township Residents, 2000.

| <u>Sector Jobs</u> | <u>Number</u> | <u>Percent</u> |
|---|---------------|----------------|
| Agriculture, Forestry, Fishing and Hunting, and Mining | 38 | 0.7% |
| Construction | 203 | 3.8% |
| Manufacturing | 691 | 12.8% |
| Wholesale Trade | 187 | 3.5% |
| Retail Trade | 738 | 13.7% |
| Transportation and Warehousing, and Utilities | 359 | 6.7% |
| Information | 198 | 3.7% |
| Finance, Insurance, Real Estate, and Renting and Leasing | 407 | 7.6% |
| Professional, Scientific, Management, Administrative, and Waste Management Services | 432 | 8.0% |
| Education, Health and Social Services | 1015 | 18.9% |
| Arts, Entertainment, Recreation, Accommodation and Food Services | 338 | 6.3% |
| Public Administration | 573 | 10.6% |
| Other | <u>202</u> | <u>3.8%</u> |
| Total | 5,381 | 100.00% |

Source: 2000 US Census

Table 12, Employment by Occupation, identifies the occupations of employed persons. While Florence residents work in a variety of industries, the data in Table 11 indicates that 32.9% of employed residents are work in management, professional and

related occupations; 28.7% are employed in sales and office occupations; 16.6% are in production, transportation and material moving occupations; and 12.7% are employed in service occupations.

Table 12. Employment by Occupation, Florence Township Residents, 2000.

| <u>Sector Jobs</u> | <u>Number</u> | <u>Percent</u> |
|---|---------------|----------------|
| Management, Professional, and Related Occupations | 1770 | 32.9% |
| Service Occupations | 684 | 12.7% |
| Sales and Office Occupations | 1544 | 28.7% |
| Farming, Fishing, and Forestry Occupations | 6 | 0.1% |
| Construction, Extraction, and Maintenance Occupations | 482 | 9.0% |
| Production, Transportation, and Material Moving Occupations | 895 | 16.6% |
| Total | 5,381 | 100.00% |

Source: 2000 US Census

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 public employees (federal, state, county and municipal), nor the self-employed, unpaid family workers, most part-time or temporary employees, and certain agricultural and in-home domestic workers. See Table 13, Covered Employment Estimates, for additional detail.

Table 13. Covered Employment Estimates, December 2006

| Year | Florence | Burlington |
|------|----------|------------|
| 2006 | 2,297 | 198,052 |

Source: New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, NJ Covered Employment Trends. Data is as of December 2006, which is the most current data available at the municipal level.

Retail was the largest sector of in-town employment with 588 jobs. Florence Township also hosts a sizable manufacturing industry with 386 jobs. Table 14, Covered Employment by Sector, provides additional detail on jobs in the Township.

Table 14. Covered Employment by Sector, 2003

| Industry | Employment | | | | | Wages | |
|--|------------|-------|-------|-------|---------|--------|----------|
| | Mar. | Jun. | Sep. | Dec. | Average | Weekly | Annual |
| Construction | 108 | 127 | 130 | 126 | 119 | \$666 | \$34,640 |
| Manufacturing | 394 | 378 | 387 | 402 | 386 | \$950 | \$49,393 |
| Wholesale trade | . | . | . | . | . | . | . |
| Retail trade | 501 | 555 | 664 | 708 | 588 | \$629 | \$32,719 |
| Transportation and warehousing | . | . | . | . | . | . | . |
| Information | . | . | . | . | . | . | . |
| Finance and insurance | 60 | 66 | 64 | 67 | 64 | \$541 | \$28,142 |
| Real estate and rental and leasing | 30 | 25 | 31 | 31 | 29 | \$613 | \$31,850 |
| Professional and technical services | 13 | 14 | 9 | 11 | 12 | \$586 | \$30,490 |
| Administrative and waste services | 37 | 41 | 45 | 41 | 43 | \$422 | \$21,959 |
| Health care and social assistance | 48 | 48 | 42 | 44 | 45 | \$590 | \$30,663 |
| Accommodation and food services | 59 | 62 | 61 | 60 | 56 | \$191 | \$9,942 |
| Other services, except public administration | 40 | 58 | 39 | 37 | 42 | \$257 | \$13,360 |
| Unclassified entities | . | . | . | . | . | . | . |
| Private Sector Total | 1,588 | 1,684 | 1,783 | 1,831 | 1,687 | \$736 | \$38,292 |
| Federal Government Total | 18 | 17 | 17 | 18 | 18 | \$883 | \$45,928 |
| Local Government Total | 415 | 416 | 384 | 410 | 377 | \$814 | \$42,339 |

Source: New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, NJ Covered Employment Trends. Data is as of 2003, which is the most current data available at the municipal level.

GROWTH TRENDS AND COAH PROJECTIONS

The Township expects to meet or exceed COAH's projections for household and job growth during the Third Round (2004 through 2018). A review of the residential historic trends in Florence Township reveals that there was a net average of approximately 50 units per year. The Township anticipates an increased rate of residential construction throughout the Township in COAH's Third Round period, based on the residential developments presently under construction and the approved and potential residential development that is anticipated to be built and occupied by December 31, 2018.

Florence Township has experienced a relatively small amount of nonresidential growth in the last decade, focused in the construction of factories and warehouses. In 2004, the Township experienced a significant amount of demolition of non-residential buildings with over 200,000 square feet demolished. The main demolition in 2004 occurred at the Roebbling Steel Plant and Griffin Pipe. The demolition at the Roebbling Steel Plant is confirmed by the U.S. Environmental Protection Agency ("EPA") which handles the issuance of demolition permits at this site.

The Township anticipates increased non-residential development during the Third Round with significant warehouse development (Whitesell). On a smaller-scale, school construction is ongoing and a small amount of retail construction is anticipated to be built and occupied by December 31, 2018. It is not apparent that the long-awaited redevelopment of the Roebbling Steel site will occur in the Third Round.

However, the Township expects to meet COAH's combined projections for household and job growth and the resulting affordable housing obligations during the Third Round (2004 through 2018). The Township's existing zoning can accommodate the affordable housing compliance methods chosen by the Township.

Florence Township's zoning supports residential development throughout the

majority of the Township at low and moderate densities. The Route 130 corridor is able to accommodate a moderate amount of new commercial development and redevelopment. In addition, the Roebling Steel Plant is poised for major redevelopment over the next few decades.

Availability of existing and planned necessary infrastructure

Development in the Township will be accommodated through the municipality's existing infrastructure (both public systems and individual on-site methods – septic fields and private wells). Customary or ordinary improvements to the existing infrastructure, including but not limited to roads, public wastewater and public water, will be completed as necessary.

Public water is provided by the Township through existing wells, existing treatment facilities and infrastructure to much of the community. Portions of the Township are served by individual on-site wells. Between the existing capacity of the Township's water system as well as the use of on-site individual wells, there is sufficient water capacity to serve COAH's projected Third Round growth.

Florence Township also owns and operates a sewage collection system, pumping stations and wastewater treatment facility. As with the water system, portions of the Township are served by on-site individual septic systems. Specifically, public sewerage is not available in the traditionally agricultural southern portion of the Township. It is anticipated that the development projected by COAH will be adequately served through either public sewer capacity or on-site septic systems.

Anticipated demand for permitted uses based on anticipated future demographic characteristics of the Township

The Township has paid close attention to anticipated demand for permitted uses as set forth in the Township's adopted Master Plan goals and objectives and as witnessed in the pending approvals for both residential and non-residential uses. It is fully anticipated that

COAH's projected growth will be absorbed by the market. However, given the weak warehouse market and the slowing economy, Florence Township expects a delay in the amount of non-residential development anticipated to be constructed during COAH's Third Round period.

Anticipated land use patterns

Florence Township's Master Plan portrays a community that has developed with a wide range of land uses, creating both residential communities as well as nearby employment opportunities. However, the Master Plan notes, "In recent years, housing development has greatly outstripped commercial development further extending an imbalance that resulted from the closing of the Roebling Steel Mill, increasing pressure on an already strained tax base." Thus, a goal of the master plan was to restore the balance in land uses by promoting commercial development in the Township.

Another factor influencing anticipated land use patterns is the recent opening of the regional transit system via two rail stops – one in the historic village of Roebling adjacent to the proposed Roebling Redevelopment site and one in the midst of the existing and planned Whitesell warehouse development (12 warehouses with over 4 million square feet) – with connections to Camden and Trenton and points throughout the Northeast.

Although a focus has recently been on commercial land uses, a goal of the Master Plan is to promote the character of the existing residential neighborhoods and to reserve higher density housing development to the older portion of the Township closer to the Delaware River which has existing infrastructure. As reported in the 2000 census, the Township has a diverse housing stock with almost 58% of all housing units consisting of attached single-family or multi-family units. Anticipated land use patterns include residential uses ranging from rural residential in the Agricultural district to dense residential communities and villages and from neighborhood commercial to highway commercial along Route 130 to light industrial and manufacturing uses. The Township's existing land use pattern will support the growth projected by COAH.

Municipal economic development policies

As noted above, Florence Township’s economic development policies include that “Commercial development should be promoted in appropriate areas of the Township through zoning and the upgrading of municipal services.” Florence Township’s economic development efforts are focused on the Township’s excellent access to the regional roadway network including NJ State Highway Routes 130 and 295, as well as the NJ Turnpike gained by the recent opening of an interchange on Route 130 to the Pennsylvania Extension of the NJ Turnpike. The Township has encouraged economic development policies which comport with sound planning principles by providing a number of zoning districts that permit a variety of non-residential uses including neighborhood commercial uses, highway commercial uses, general manufacturing and light industry.

The Township’s economic development policies acknowledge the importance of highway commercial uses along Route 130 that are geared to the public and present a well planned and attractive image. In addition, the Township’s policies also acknowledge that although Highway commercial and special manufacturing uses are not always inherently harmonious uses in the same district, “they are still central to the character and economic well being of the township and region.” The Township also notes “SM Special Manufacturing and GM General Manufacturing are land use designations for categories of land uses that have long played an important part in the Township’s history. The relative importance of these land uses has declined in recent decades ... However, they are still central to the character and economic well being of the township and region.”

Constraints on development and planned measures to address those constraints.

Generally, existing local, county, state and federal regulations or other types of constraints on development have been factored into the Township’s growth analysis. One constraint that has been addressed and continues to be addressed is the Superfund designation of parts of the former Roebing Steel Mill. The Township has been in

negotiations with redevelopers for the site and any development constraints will be addressed through redeveloper agreements and the eventual municipal approval process.

State and Federal regulations. The Township is not located within the jurisdiction of the Meadowlands, Highlands, Pinelands or CAFRA. Except for the Federal Environmental Protection Agency (“EPA”) handling of the cleanup and demolition of the Roebling site, there are no known federal regulations that would hinder Third Round development.

Land ownership patterns. There are no known land ownership patterns in the Township that would preclude the anticipated residential and non-residential growth.

Presence of incompatible land uses or sites needing remediation. Florence Township’s Master Plan acknowledges that there are incompatible land uses in the Township such as some manufacturing uses; thus, the master plan and zoning regulations have looked to create the appropriate district buffers from less intense commercial uses and from any residential uses. These types of incompatible land uses were taken into consideration when analyzing the Township’s Third Round residential and non-residential growth. Again, although there are sites in need of remediation in the Township – including the Roebling site - none are expected to hinder Third Round residential and non-residential growth.

Environmental constraints. The Township took environmental constraints (such as wetlands and stream corridors) into account in analyzing both residential and non-residential growth. To ensure that development does not adversely impact environmentally sensitive features, the Township will rely on local, county and state review of applications for development.

Existing or planned measures to address the constraints. The Township’s Master Plan, Land Use Ordinances and existing land review procedures provide the measures to address any of the development constraints noted above and as set forth at *NJAC 5:94-2.2(b)3*.

Municipal economic development policies, which include expanding opportunities for tax revenue and improving the viability of the villages, support the household and job

projections. These policies support the new development in appropriate areas and redevelopment of underutilized property.

Consideration of Lands Appropriate for Affordable Housing

Consistent with smart growth planning principles, the Township has chosen to intersperse affordable housing throughout the existing residential neighborhoods in the Township and in proximity to transportation corridors, Route 130 and the Turnpike. These areas of the Township provide the greatest number of employment opportunities, services and access to mass transit, including the New Jersey River line.

The Township has analyzed whether additional inclusionary zoning sites would serve the Township in the Third Round and has decided that such sites are not needed to satisfy the Township's obligation at this time. The Township may consider properties in the future for inclusionary housing or a 100% affordable housing project. Additional analyses will take place in the future as affordable housing is triggered by future growth.

THIRD ROUND AFFORDABLE HOUSING PLAN

As background, Florence Township prepared a First Round (1987-1993) Housing Element/Fair Share Plan addressing a 210-unit affordable housing obligation (144 new construction/ 66 rehabilitation) and received First Round substantive certification from COAH on July 1, 1992. Subsequently, the Township prepared a Second Round Plan to address its cumulative (1987-1999) affordable housing obligation of 171 units (114 new construction/ 57 rehabilitation) and received Second Round Certification from COAH on April 7, 1999. As the Township's Second Round Certification was valid for six years and COAH had just adopted its Third Round (1987-2014) regulations, the Township filed a motion for an extension of their Second Round substantive certification pursuant to *NJAC* 5:95-15.2 and received an extension of its Second Round substantive certification from COAH on July 27, 2005.

On November 21, 2005, the Township adopted its initial Third Round Housing Element/Fair Share Plan to address the Third Round Affordable Housing Obligation. The Township initially petitioned COAH on December 16, 2005. This amendment to the 2005 Florence Township Housing Element and Fair Share Plan is being prepared to address the revised 2008 COAH regulations. These new regulations assign a Growth Share number to all municipalities in the state based on providing one affordable unit among every five market units to be built between 2014 and 2018. The regulations also required that one affordable unit be developed for every 16 jobs that would be created during that time frame based on an estimate of jobs per 1,000 square feet by non-residential use group (see Appendix D – *NJAC* 5:97 et seq.)

The Township’s revised Third Round Cumulative Affordable Housing Obligation (1987-2018) consists of three parts: a Rehabilitation Share (see Appendix B - *NJAC* 5:97), a Prior Round Obligation (see Appendix C - *NJAC* 5:97) and, revised Third Round Growth Share allocation, (see Appendix F - *NJAC* 5:97). Florence Township’s revised Third Round Affordable Housing Obligation is as follows:

1. Third Round Rehabilitation Share = **36**
2. Prior Round Obligation = **114**
3. Third Round COAH-projected Growth Share = **158**

Rehabilitation Obligation

The rehabilitation obligation is defined as the number of deficient housing units occupied by low and moderate income households within a municipality (*NJAC* 5:97-1.4). COAH calculates this figure using indices such as overcrowding of units constructed prior to 1950, incomplete kitchen facilities, incomplete plumbing facilities and the estimated share of low and moderate income households in the municipality. COAH has calculated Florence Township’s rehabilitation obligation to be 36 units. Please see Table 15, Calculation of the Rehabilitation Obligation, for additional information.

Table 15. Calculation of the Rehabilitation Obligation

| | |
|---|-----------------|
| Overcrowding of units constructed prior to 1950 | 30 |
| Incomplete plumbing facilities | + 13 |
| Incomplete kitchen facilities | + 6 |
| Low and moderate income share | *0.737 |
| Rehabilitation share credit | - 0 |
| Rehabilitation Obligation | 36 units |

Source: Appendix B to *NJAC* 5:97

Prior Round Obligation

The prior round obligation is defined as the cumulative 1987 through 1999 affordable housing obligation. This time period corresponds to the first and second rounds of affordable housing. COAH has calculated Florence Township’s prior round obligation to be 114 units.

Third Round Obligation

COAH has taken a very different approach to calculating Third Round affordable housing obligations. The obligation is initially based solely on COAH’s household and job projections for each municipality during the Third Round. For every five housing units projected during the Third Round, one must be affordable. For every 16 jobs projected, the Township must provide one affordable housing unit. COAH’s substantive rules require that a municipality plan for the affordable housing obligation generated by the projections; however, a municipality must provide affordable housing in proportion to its actual growth (*NJAC* 5:97-2.2(e)). COAH has projected the creation of 644 housing units and 464 jobs in Florence Township during the Third Round (*NJAC* 5:97 Appendix F, Allocating Growth to Municipalities). Accordingly, the Township has a 158-unit third round COAH-projected growth share obligation as shown below:

- 644 housing units ÷ 5 = 128.8 affordable units
 - 464 jobs ÷ 16 = 29.0 affordable units
- 158 affordable units**, rounded up

Florence Township proposes to address the 36-unit Rehabilitation Share through existing rehabilitations completed after April 1, 2000 and through a rehabilitation program to be administered by Burlington County. The Township previously addressed the revised Prior Round Obligation (1987-1999) of 114 units with 136 credits and bonuses, resulting in a

22-unit Prior Round surplus as well as 31 excess RCAs that will be used to address the Third Round Growth Share. In addition, Florence Township will address the revised Third Round Growth Share with affordable senior rentals from a proposed 100% affordable senior rental complex, existing and proposed special needs and supportive housing, a proposed Market to Affordable rental and sales program, approved inclusionary developments, and rental and compliance bonuses.

The Township's existing development fee ordinance will be amended pursuant to COAH's regulations (1.5% for residential development) and the Roberts Bill (2.5% non-residential development.)

Rehabilitation Share

The rehabilitation share is defined as the number of deficient housing units occupied by low and moderate income households within a municipality (*NJAC* 5:97-1.4). COAH calculates this figure using indices such as overcrowding of units constructed prior to 1950, incomplete kitchen facilities, incomplete plumbing facilities and the estimated number of low and moderate income households in the municipality. COAH has calculated Florence Township's rehabilitation obligation to be 36 units. The Township proposes to address the 36-unit Rehabilitation Share through credit for five (5) rehabilitations completed by Burlington County after April 1, 2000 and through a 31-unit rehabilitation program to be completed in the Third Round or no later than December 2018.

Rehabilitation Credits - The Burlington County Home Improvement Loan Program in the Burlington County Department of Economic Development and Regional Planning completed five rehabilitations in accordance with COAH's regulations at *NJAC* 5:97-6.2. The five units rehabilitated by the County in Florence Township were all brought up to code, an average of \$19,996 was expended on each unit, four were occupied by low income households and all have minimum 10-year deferred payment loan liens or life-liens (loan amount repaid at time property is transferred). See Burlington County rehabilitation documentation for five (5) completed rehabilitations, provided to COAH as part of the

Township's 2005 Plan.

Rehabilitation Program – Florence Township will address the 31-unit balance of the Rehabilitation Share through continued Burlington County rehabilitation work or through the rehabilitation efforts of the Florence Housing Authority (Maplewood Complex) which administers existing affordable housing units in the Township. Although the Township will seek COAH credit for future completed rehabilitations from either rehabilitation program, Florence Township will enter into an agreement with Burlington County (see proposed Memorandum of Understanding “MOU” between the County and Township, attached) to administer a Third Round rehabilitation program for up to 31 units, as required under COAH's regulations at *NJAC 5:97-6.2*. Burlington County's program addresses all of COAH's requirements under this regulation.

Regarding funding of the rehabilitation program, Florence Township will rely on County funding, if available. Through the MOU, the County has committed to the rehabilitation of up to 31 units in the Third Round (through December 2018). In the event that County funding is not available or needs to be supplemented, Florence Township will commit to fully funding the 31-unit rehabilitation program through collected developments fees, in-lieu payments or, if necessary, through general Township revenue. The Township will adopt a resolution of intent to bond for any shortfall in funding the rehabilitation program for up to 31 units.

In accordance with *NJAC 5:97-6.2(b)2*, the rehabilitation program will be funded with a minimum average hard costs of \$10,000 per unit and the Township will fund no less than \$160,000 by December 2013, for up to 16 units, if needed. In addition, Florence Township will cover the costs to market the availability of the County's rehabilitation program through means such as, but not limited to, distribution of Township-wide mailings to all residents, notice in the local newspaper or in newsletters of community organizations. Lastly, the Township will oversee the completion of COAH's rehabilitation program monitoring reports and will submit them to COAH in a timely manner in accordance with *NJAC 5:96-11.1*.

Prior Round Obligation

The Prior Round Obligation is a municipality's Second Round new construction component brought forward to the Third Round. COAH determined that the Township's revised Prior Round Obligation is 114 affordable units. COAH permits new construction credits and bonuses addressing a First or Second Round affordable housing obligation to be used to address the Prior Round Obligation.

In addition, COAH requires that the formulas for determining the maximum number of RCA units, the maximum number of age-restricted affordable units, and the minimum number of affordable rental units be recalculated using Third Round numbers as shown below in accordance with *NJAC* 5:97-3.10:

- Maximum Prior Round RCAs:
 0.5 [prior round + rehabilitation share – prior cycle credits – rehabilitation credits] =
 $0.5 (114 + 36 - 0 - 5) = \mathbf{72 \text{ units}}$, rounded down

- Maximum Prior Round Age-restricted Cap:
 0.25 [prior round + rehabilitation share – prior cycle credits – rehabilitation credits – prior round RCAs] =
 $0.25 (114 + 36 - 0 - 5 - 72 \text{ capped}) = \mathbf{18 \text{ units}}$, rounded down

- Minimum Prior Round Rental Component :
 0.25 [prior round – prior cycle credits] =
 $0.25 (114 - 0) = \mathbf{29 \text{ units}}$, rounded up
 - ✓ A prior round rental unit available to the general public receives one rental bonus;
 - ✓ A prior round age-restricted rental unit receives a 0.33 rental bonus, but no more than 50 percent of the prior round rental component shall receive a bonus for age-restricted units; and
 - ✓ No rental bonus is granted in excess of the prior round rental component.

As summarized in Table 16, Existing Credits/Bonuses Addressing Prior Round Obligation below, the Township has addressed the 114-unit Prior Round obligation with

regional contribution agreement (RCA) units, existing affordable rental units, existing affordable age-restricted (senior) rental units and eligible Prior Round rental bonuses.

Table 16. Existing Credits/Bonuses Addressing Prior Round Obligation

| Compliance Mechanisms | Prior Round = 114 |
|---|-------------------|
| RCAs (103 transferred, now capped) | 72 |
| Family affordable rentals (Roebing Arms – Multiple Sclerosis Assoc.) | 24 |
| 1.0 rental bonus each | 24 |
| Senior affordable rentals (Roebing Inn) | 14 |
| 0.33 rental bonus for 5 | 2 |
| TOTAL | 136 |
| surplus credits/bonuses | 22 |
| excess RCA units | 31 |

In accordance with *NJAC* 5:97-4.1, COAH’s rules permit a municipality to receive credit for prior housing activity that is documented with certificates of occupancy (new construction), with evidence of transferred funding (RCAs) and eligible bonuses that comply with COAH’s Second Round rules at *NJAC* 5:93.

RCAs – Florence Township previously transferred funds for a total of 103 RCA units for a First Round RCA to the Township of Pemberton. All funds for the 103 RCAs have been transferred; see certification of the Township’s CFO attached. As COAH’s maximum Prior Round RCA is now capped at 72 units, Florence Township is eligible to receive credit for 72 Prior Round RCAs and will utilize the 31 surplus RCA units to address the Third Round Growth Share in accordance with *NJAC* 5:97-4.4. In addition, *NJAC* 5:97-4.1(c) states that COAH “shall honor the number of age-restricted credits, the credits addressing the rental requirement and RCA credits included in the previously certified plan.”

Family affordable rentals – Roebing Arms is an existing 24-unit family affordable rental complex serving the physically disabled. For the Roebing Arms development, the Township transferred ownership of municipally-owned property for \$1.00 to the Multiple

Sclerosis Association of America on March 25, 1997 and the Township issued a c.o. for the Roebling Arms (previously called Hodson Arms) on November 2, 1998. The Multiple Sclerosis Association of America developed the 24 handicapped-accessible rental units with funding from the HUD 811 program.

Senior affordable rentals - Roebling Inn is an existing 100% affordable senior rental complex (14 units) funded through federal low income housing tax credits and federal historic preservation tax credits. Roebling Inn was completed in December 1997 and is owned and administered by the Burlington County Community Action Program (BCCAP).

Eligible rental bonuses – Of the total 24 family rentals and 14 senior rentals that were previously constructed or established, *NJAC* 5:97-3.5 permits a full 1.0 rental bonus for non age-restricted rentals and a 0.33 rental bonus for senior rentals up to the 29-unit Prior Round rental component. Thus, Florence Township is eligible for a total of 26 rental bonuses (24 family units x 1.00 plus 5 senior rentals x 0.33 = 25.65 rounded up to 26 bonuses.)

Prior Round rental component – As noted above, Florence Township addressed the 29-unit Prior Round rental component through 24 affordable family rentals and 14 affordable senior rentals.

Third Round COAH-Projected Growth Share Obligation

Florence Township must address the 158-unit COAH-projected Growth Share using COAH's Third Round regulations at *NJAC* 5:97 et seq. The revised Third Round Growth Share formulas introduced a requirement that half of the units in the Third Round Growth Share obligation (*NJAC* 5:97-3.9) must be addressed with family units. The revised 2008 regulations also reduced the maximum percentage of age-restricted units that could be used to address a municipality's growth share obligation from 50% to 25%. The Roberts Bill further required that municipalities set aside 13% of the total units in the Third Round for occupancy by very low income households (i.e., households receiving no more than 30% of median income).

The following is a summary of COAH's requirements for addressing the various components of the Township's Third Round Growth Share obligation as per *NJAC* 5:97 and Assembly bill A-500:

- Minimum Third Round Family Obligation (*NJAC* 5:97-3.9)
.50 Third Round affordable units [growth share obligation - Prior Round surplus credits/bonuses - proposed third round bonuses]
.50 (158 - 53 - 15) = **45 units**

- Maximum Third Round Senior Cap(*NJAC* 5:97-3.10)
.25 (growth share obligation - excess Prior Round RCAs) =
.25 (158 - 31) = **31 units**, must round down

- Minimum Third Round Rental Component
.25 (growth share obligation) =
.25 (158) = **40 units**, must round up
 - ✓ Rental bonuses only apply to rental units that exceed the Third Round rental component.
 - ✓ Age-restricted rental units are not eligible for rental bonuses to address the Third Round Growth Share.
 - ✓ Not more than 50 percent of the Third Round rental obligation may be met with age-restricted units.

- Minimum Very Low Income Component
.13 Third Round affordable units [Growth share obligation - Prior Round surplus credits/bonuses - Third Round bonuses]
.13 [158 - 53 - 15] = **12 units**, rounded up

At least 50% of the very low income units must be available for families based on a recent guidance letter from COAH's Executive Director.

- Maximum Third Round Bonuses
.25 (growth share obligation) =
.25 (158) = **39 units**, must round down

It should be noted that these minimum and maximum numbers are, to some extent, moving targets. The Township must submit plan evaluations (tally of actual growth versus affordable housing production) every two years following substantive certification.

THIRD ROUND GROWTH SHARE PLAN

In summary, the Township will address the 158-unit COAH-projected Growth Share Obligation with a minimum of 162 affordable units. The Township's Plan includes surplus credits from the Prior Round (31 excess prior round RCAs and 22 surplus credits/bonuses), a proposed Municipally Sponsored and 100% affordable senior rental complex at the Duffy School site, existing and proposed special needs and supportive housing administered by Transitional Housing Services, Inc. and Family Service of Burlington County, affordable units in inclusionary developments, a Market to Affordable rental and sales program, as well as rental and compliance bonuses.

COAH further requires that Individual Mechanism/Project Checklist forms be submitted for each project that is intended to address a municipality's Third Round Growth Share obligation.

The Township's existing Development Fee ordinance will help fund the Township's affordable housing programs. The Township will adopt a resolution of its intent to bond for any shortfall in the funding of its Third Round affordable housing plan.

Prior Round Surplus

Florence Township addressed its revised 114-unit Prior Round Obligation with 136 COAH-eligible Prior Round RCAs, new construction credits and rental bonuses. In addition, as the Township had previously transferred a total of 103 first round RCA units and as COAH's maximum Prior Round RCA has now been capped at 72 units, Florence Township is eligible to receive credit for 31 excess RCA units to address the Third Round Growth Share in accordance with *NJAC* 5:97-4.1. Thus, the Township has a total of 53 surplus/excess credits from the Prior Round (22-unit Prior Round surplus and 31 excess RCAs) to address its 158-unit Third Round Growth Share.

Municipally Sponsored and 100% Affordable Senior Development

Florence Township will address a portion of the Third Round Growth Share Obligation through the Municipally Sponsored and 100% affordable development of 45+/- affordable senior rental units within the Marcella L. Duffy School (“Duffy School”) in the Township. The Duffy School was transferred from the Florence Township Board of Education to the Township of Florence for one (\$1) dollar. The Township previously issued a Request for Proposals (RFP) for an experienced affordable housing provider to convert the Duffy School into approximately 45 units (one unit for an on-site manager and the balance senior affordable rental units) and to own and administer the senior rental housing on the site. The Township selected Community Investment Strategies (“CIS”), an experienced affordable housing provider, and approved a developer’s agreement on November 12, 2008. The Township will donate the site to CIS.

The Duffy School (Block 45/ Lots 8, 13, 14 and 15) is located at 208 West Second Street and consists of approximately one (1) acre of land. The site is bounded by West Second Street, Summer Street, Spring Street and an alley behind commercial properties fronting on Front Street. The site is surrounded by land uses including single-family residences to the east, south and west, as well as commercial establishments to the north. See map of site.

Through a developer’s agreement, the Township expects CIS to develop, own and manage the approximately 45 affordable senior rental units at the Duffy School. Sufficient off-street parking and outdoor walkways and sitting areas will be provided. With the Duffy School site, the senior affordable housing will be centrally located within an existing residential neighborhood of Florence Township.



Residential Zone "RA"

Front St

Neighborhood Commercial Zone

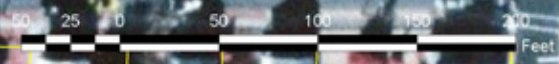
Summer St

Block 45 Lot 8

Spring St

West Second St

Residential Zone "RA"



Duffy School Site

Florence Township, Burlington County, NJ October 2005

Clarke Caton Hintz ● ● ●
Architects
Planners
Landscape Architects

Based on the Township's current 31-unit Third Round senior cap, initially only 31 of the approximately 45 proposed senior affordable units will be eligible for Third Round credit. However, it is anticipated that all of the proposed senior affordable units will be eligible for credit at some point in time. In addition, 20 of the approximately 45 affordable senior rental units proposed for the site will address up to half of the Township's 40-unit minimum Third Round rental component, per *NJAC 5:97-3.10* (b).

COAH's Third Round rules at *NJAC 5:97-6.7* for "Municipally Sponsored and 100 Percent Affordable Programs" are addressed as follows:

✓ Site Control – The Township owns the property and will donate the Duffy School site to CIS, the selected developer, in accordance with the developer's agreement between the parties (see attached).

✓ Site Suitability – The site is suitable as defined in COAH's regulations at *NJAC 5:97-3.13*. "Suitable Site". There are no encumbrances which preclude the development of affordable housing on the site. The existing school site is generally separated from residentially and commercially zoned land and land uses by three public streets (one adjacent property fronts Spring Street) and one public alley. The Duffy School site has access to an appropriate street – West Second Street. The site has existing water and sewer infrastructure to serve the school and there is sufficient sewer and water capacity for the residential conversion into senior affordable units according to the Township (see attached.) The site can be developed consistent with the Residential Site Improvement Standards and all other state regulations such as those of the Department of Environmental Protection ("DEP"). As the site is completely developed with an existing school and from a review of DEP's wetland mappings, there appear to be no wetlands on the site. CIS will apply for all necessary development permits. The Duffy School is located in Planning Area 2 ("PA2") of the State Development and Redevelopment Plan Policy Map ("State Plan").

✓ Administrative Entity – The Township has entered into an agreement with CIS to own

and operate the affordable units pursuant to COAH's regulations. For the proposed Third Round affordable units, CIS will affirmatively market the units, income qualify applicants, place 45-year affordability control deed restrictions on the units and provide long-term administration of the units in accordance with COAH's rules at *NJAC* 5:97 et seq. and the Uniform Housing Affordability Controls ("UHAC") per *NJAC* 5:80-26.

✓ Low/Moderate Income Split – At least half of all the affordable units developed at the Duffy School site will be affordable to low income households (13% will be very low income) and an odd number of affordable units will always be split in favor of the low income unit the UHAC at *NJAC* 5:80-26.

✓ Affirmative Marketing – CIS will affirmatively market the units in accordance with the UHAC per *NJAC* 5:80-26.

✓ Controls on Affordability – The Township's agreement will require a minimum 45-year affordability control deed restrictions on the units in accordance with *NJAC* 5:97 et seq. and *NJAC* 5:80-26.

✓ Bedroom Distribution – The units will be required to be developed in accordance with the UHAC requirements regarding bedroom breakdown in accordance with *NJAC* 5:80-26.

✓ Funding – A pro forma statement for the affordable senior rental complex is attached. CIS anticipates applying for potential funding from sources including but not limited to Federal Low-income Housing Tax Credits, Balanced Housing funds, Burlington County HOME funds, Federal Home Loan Bank funds, and/or HMFA bond financing. The Township will adopt a resolution of intent to bond for any shortfall in funding the Municipally Sponsored Construction Program.

✓ Construction Schedule – CIS has developed a schedule (see attached) for developing the affordable senior rental complex and anticipates that construction will begin in 2010.

The schedule notes each step in the development process including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, and beginning construction. CIS will be responsible for monitoring the construction and overall development activity.

Special Needs and Supportive Housing

Transitional Housing Services, Inc.

Transitional Housing Services, Inc. (“Transitional Housing”) is an experienced provider of special needs and supportive housing across the state. Transitional Housing currently has a number of existing alternative living arrangements in Florence Township (no prior COAH credit in the Township’s Plan) and also recently received Zoning Board approval to rebuild a structure into special needs and supportive housing. The nine (9) existing and proposed units address COAH’s regulations at *NJAC* 5:97-6.10. In addition, Transitional Housing is in discussion with the Township to potentially provide additional special needs and supportive housing in Florence Township during the Third Round period.

There are five (5) existing units administered by Transitional Housing at 717 West Second Street, 140 Alden Street and 340 Alden Street (certificates of occupancy were issued, submitted as part of the 2005 Plan). In addition, Transitional Housing will provide four (4) new units at 340 Alden Street, as recently approved by the Township. The four (4) new units will be in a newly built structure that had been previously demolished due to a fire. The Zoning Board Resolution granted approval for the rebuilding of the structure conditioned on the applicant (Transitional Housing) providing a 30-year deed restriction for affordable housing pursuant to COAH’s regulations on the four (4) units in the new building at 340 Alden Street, the two (2) units in the existing, rear building at 340 Alden Street and two units in an existing building at 140 Alden Street. In addition, Transitional Housing has agreed to provide a 30-year deed restriction on another property it manages (owned by the Affordable Homes Group, Inc.) at 717 West Second Street. In total, there will be nine (9) existing and

proposed units.

All of the units are or will be funded as special needs and supportive housing through the NJ Department of Community Affairs (“DCA”) Shelter Support Program Funds. As this DCA funding program only requires 10-year restrictions, Transitional Housing will provide 30-year affordability deed restrictions on the nine (9) units as discussed above. These nine (9) housing units are eligible for nine (9) credits. The special needs and supportive housing units are not age-restricted.

More specifically, the nine (9) housing units include the following:

➤ 717 W. Second Street – Block 16/Lot 10 - one (1) four-bedroom unit initially leased by Transitional Housing in 1996 and then purchased by the organization in May 1999 for permanent transitional housing.

➤ 140 Alden Street – Block 118/Lot 8 - two (2) one-bedroom units purchased in 1999 for permanent transitional housing.

➤ 340 Alden Street – Block 116/Lot 5 - six total units in two structures; the rear structure consists of two (2) one-bedroom units acquired by Transitional Housing in 2003 for permanent transitional housing; the front structure was approved for two (2) one-bedroom units and two (2) three-bedroom units for permanent transitional housing. Transitional Housing received a \$225,000 Shelter Support Grant, as well as Burlington County HOME funds, for the new structure.

Family Service of Burlington County

Family Service of Burlington County (“Family Service”) is an experienced provider of special needs and supportive housing in the Burlington County region. Family Service currently has four existing special needs and supportive housing units/bedrooms in Florence Township (no prior COAH credit in the Township’s Plan) and the Township plans to work with Family Service for 5 additional special needs and supportive housing units/bedrooms. The nine (9) existing and proposed units address COAH’s regulations at *NJAC* 5:97-6.10.

The four (4) existing units/bedrooms administered by Family Service are located at 10-2 Florence Tollgate and 31-1 Florence Tollgate (both one-bedroom permanent supportive housing) and at 37-1 Florence Tollgate (a two-bedroom permanent supportive shared living housing unit). In addition, Family Service will provide five (5) new units in the Township during the third round. Family Service has agreed to provide minimum 30-year affordable housing deed restrictions on each property it manages in the Township for COAH purposes. In total, there will be nine (9) existing and proposed units.

All of the units are or will be funded as special needs and supportive housing through the NJ Housing and Mortgage Finance Agency Special Needs Funds or other outside funding sources. In addition, the Township will provide Family Service with \$35,000 affordable housing subsidy per COAH-eligible special needs and supportive housing bedroom/unit. The special needs and supportive housing units are not age-restricted. These nine (9) housing units/bedrooms are eligible for nine (9) credits.

Inclusionary Developments

Florence Township has approved four inclusionary developments for a total of 23 affordable units. The Atlantic Companies was approved for a total of 112 units of which 17 will be affordable. Orleans, Inc. was approved a total of 21 units of which three (3) will be affordable. Sassman was approved for commercial on the first floor and residential on the second floor including 2 affordable housing units. Albax was approved for a total of seven units of which one (1) will be affordable. As discussed below, the Township entered into a contract with HAS, an experienced affordable housing administrator, to fully administer the affordable units approved on these sites as well as on any other inclusionary sites in the Township in the future.

Atlantic Companies/Legacy – Block 147.01/Lots 1 and 16.01 (see map of site). The applicant (Atlantic Equity Olive Street) was approved (resolution previously submitted to COAH) to develop a total of 112 residential units of which 17 will be affordable age-restricted

for-sale units. The Atlantic Companies' site is designated as PA2 on the State Development and Redevelopment Plan ("State Plan") – see map of Affordable Housing Development Sites. The development is under construction.

Based on the Township's initial 31-unit Third Round senior cap (addressed by 31 of the approximately 45 proposed senior affordable units at the proposed Duffy School municipally-sponsored construction), none of the 17 affordable senior for-sale units will initially be eligible for Third Round credit. However, it is assumed that all 17 proposed senior affordable units will be eligible for credit at some point in time in the future. The affordable housing units at the Legacy development will also be eligible for 17 compliance bonuses once the units are eligible for third round credit per *NJAC 5:97-3.17*.

Orleans - Block 170/Lot 1.01 (see map of site). The developer (Orleans Homebuilders, Inc.) was approved for a total of 21 residential units of which three (3) would be affordable sale units. The Orleans' site is eligible for 3 compliance bonuses per *NJAC 5:97-3.17*.

Sassman - Block 126.02/Lot 1 (see map of site). The developer (Sassman) was approved for 2 affordable units out of a total of 7 residential units and commercial space (see attached approvals). The Sassman site is eligible for 2 compliance bonuses per *NJAC 5:97-3.17* as the units are required to be built on-site.

Albax - Block 100/Lot 8.03 (see map of site). The developer (Albax, LLC) was approved for 1 affordable unit (low income) out of a total of 7 residential units (see attached approvals – resolutions PB-2007-25 and PB-2007-43). The Albax site is eligible for 1 compliance bonus per *NJAC 5:97-3.17* as the affordable unit is required to be built on-site.



Atlantic Companies Inclusionary Site

Florence Township, Burlington County, NJ | October 2005

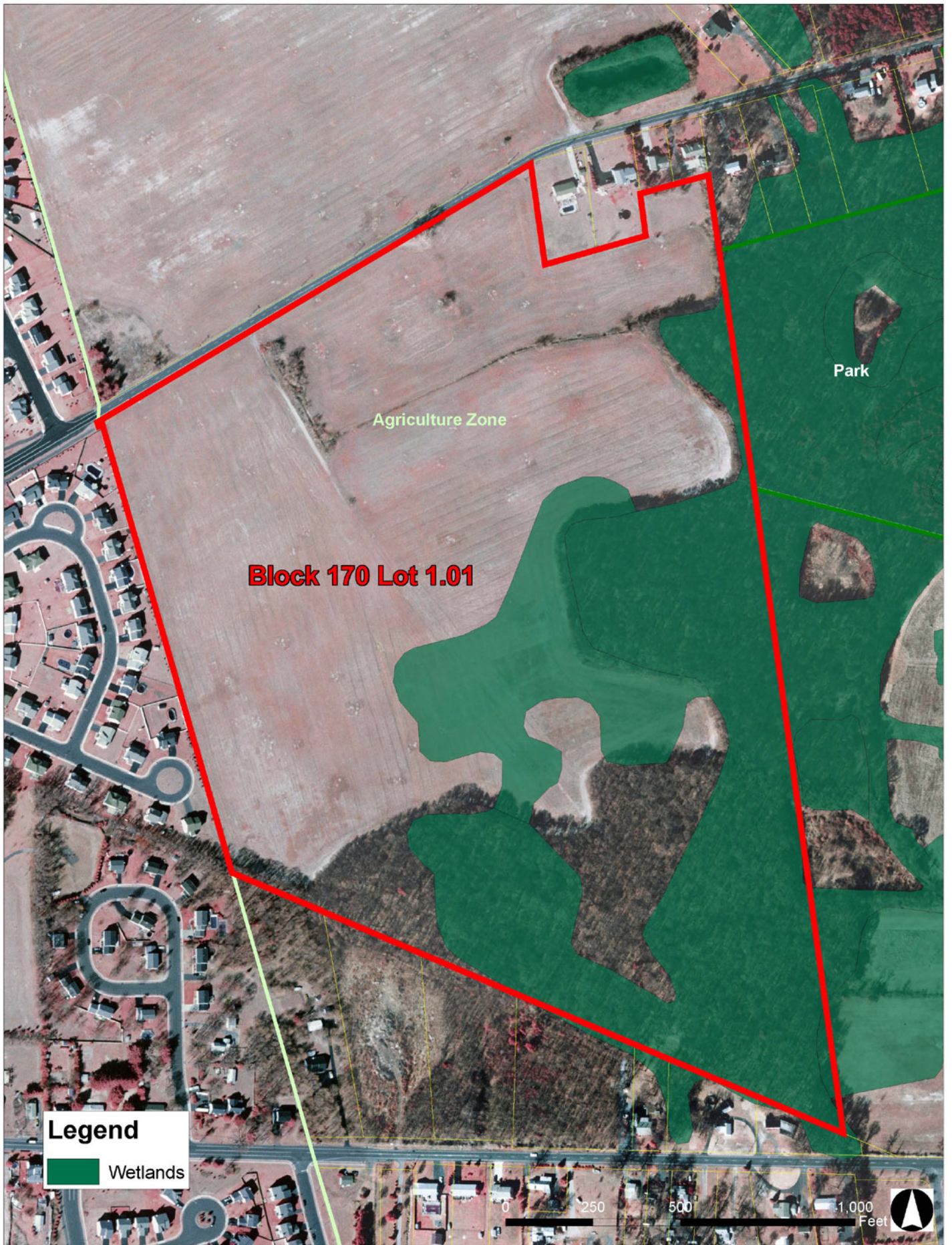
Clarke Caton Hintz

Architects

Planners

Landscape Architects





Orleans Inclusionary Site

Florence Township, Burlington County, NJ | October 2005

Clarke Caton Hintz 
Architects
Planners
Landscape Architects



Sassman Site - Block 126.02 / Lot 1

Albax Site - Block 100 / Lot 8.03



FLORENCE TOWNSHIP

Affordable Housing Sites - Albax, LLC & Sassman

Florence Township, Burlington County, NJ December 2008

Clarke Caton Hintz
 Architecture
 Planning
 Landscape Architecture

Market to Affordable Program (Rentals and Sales)

Florence Township proposes a 40-unit Market to Affordable program (both rentals and sale units) where the units would be administered by either an experienced affordable housing administrator to be selected by the Township or by a non-profit agency created by the Township as authorized by *NJAC* 5:97-6.9. The selected administrator will fully implement the program in accordance with COAH's regulations. Florence Township will purchase 40 existing housing units in the Township, 20 of which will be sold to income-eligible purchasers at moderate income prices and 20 of which will be rented to income-eligible tenants at low income rents. The market to affordable program units will not be age-restricted. In addition, the 20 rental units will address the Township's Third Round minimum rental and very low income components.

Florence Township will address COAH's market to affordable program requirements per *NJAC* 5:97-6.9 as follows:

1. Each unit will be certified to be in sound condition by the Township's licensed building inspector prior to occupancy as an affordable unit.

2. The Township through the chosen affordable housing administrator will purchase housing units utilizing a variety of funding sources and will provide a minimum subsidy of \$25,000 per moderate-income unit and \$30,000 per low-income unit. Based on current market-rate sale prices, the Township anticipates that the per-unit cost of the rental program to be approximately \$120,000, for a total program cost of \$2.4 million (see market to affordable rental program pro forma statement, attached.) Also, based on current market-rate sale prices, the Township anticipates an average subsidy of approximately \$100,000 per sales unit for a total sales program cost of \$2 million (see market to affordable sales program pro forma, attached). The Township will seek funding for the market to affordable program from sources including, but not limited to, the Burlington County HOME program and the

State's Balanced Housing Program. In addition, the Township will provide collected development fee and payments in-lieu of construction to fund the program and will adopt a resolution of intent to bond for any shortfall.

3. The Township proposes a 40-unit market to affordable program which requires a waiver from COAH's limitation that initially the program may only be for 20 total units (see waiver discussion below). It is important to note that COAH's initial program limit is just to ensure that a municipality has a successful program because a municipality may eventually address its entire fair share obligation with market to affordable program units as noted in *NJAC* 5:97-1.4 'market to affordable program'. As is discussed below in detail, Florence Township has already demonstrated success at working with non-profit affordable housing providers to purchase existing housing units in town and transform them into affordable housing.

4. Affordable rents and sale prices will be established in accordance with *NJAC* 5:97-9 and *NJAC* 5:80-26 et seq. In addition, pursuant to *NJAC* 5:97-6.9(c)3, the maximum sales price for a moderate-income unit shall be affordable to households earning no more than 70 percent of median income and the maximum rent for a low income unit shall be set at no more than 44% of the region's median income. Lastly, as per the amended FHA, at least 13% of the rental units will have restricted rents affordable to very low income households earning 30% of the region's median income. In addition, in an October 30, 2008 guidance letter, COAH's executive director stated that a municipality must provide half of very low income units as family units, thus, six units in the rental program will be restricted to very low income households.

5. Units will be affirmatively marketed by the chosen affordable housing administrator in accordance with the Township's affirmative marketing plan as attached.

6. The 20 household rental units will be owned by an affordable housing provider. Both the rental and sales units will be restricted by minimum 30-year affordability controls.

7. The units will be exempt from the bedroom distribution requirements of COAH's rules, however, the program will not restrict the number of bedrooms per unit.

8. The affordable rental units will be reserved for low income households including at least 13% very low income households, to off-set the proposed sales program that will be reserved for moderate income households.

9. There are sufficient housing units in the Township to make the 40-unit market to affordable housing program viable. The Township has hundreds of existing for-sale market-rate units that have modest market-rate values (between approximately \$165,000 and \$250,000.) There is an average of 100 sales per year in this price range, demonstrating a sufficient stock for the Township to acquire approximately four (4) units per year for both of these programs. The sufficiency of units in the Township for this program is documented by both the local multiple listing service and the Township tax assessor lists of recent sales that includes high rates of sales a few years ago with a drop off more recently due to the downturn in the economy. The Township continues to anticipate sufficient units for this program.

Waiver Request - Market to Affordable Program

As noted above, the Township requests a waiver from COAH's initial 20-unit market to affordable program limit for a 40-unit program (although COAH has no ultimate limit on the number and specifically states that a municipality may address its entire fair share through this program) per *NJAC* 5:96-15.1. COAH's rules state that "the Council (COAH) may grant waivers from specific provisions of its rules if the person demonstrates that the strict application of the rule would create an unnecessary financial, environmental or other hardship; or granting the waiver fosters the production of affordable housing, granting the waiver fosters the intent of, if not the letter of, the Council's rules; and the Housing Element and Fair Share Plan provide a mix of housing options."

Florence Township received substantive certification from COAH in the first and second rounds and the Township worked with two different experienced affordable housing

providers (Burlington County Community Action Program and the Multiple Sclerosis Association) to produce affordable housing opportunities in the Township. The municipality helped BCCAP with funding applications and donated land to the Multiple Sclerosis Association for affordable housing purposes. Now, in the third round, the Township has entered into contracts or has draft contracts with three new affordable housing providers (Family Service, Transitional Housing, Inc., and CIS) to develop affordable housing units in the Township. These include two providers (Family Service and Transitional Housing, Inc.) that have already purchased over ten existing housing units in the Township for transformation into affordable housing units. This current level of affordable housing production from the Township's existing housing stock shows the success of such efforts in the Township and is a great indicator of the Township's future success with a 40-unit market to affordable program.

As seen through its past affordable housing compliance history, Florence Township will contract with an experienced affordable housing provider to administer the 40-unit market to affordable program. The Township's proposal to create 40 new affordable rental and sale units and would most assuredly foster the production of affordable housing. The Township currently has approximately \$2.1 million in its affordable housing trust account that will enable the immediate establishment of these affordable units.

COAH's rule places an initial 20-unit limitation "unless the municipality has demonstrated a successful history of a market to affordable program." Florence Township is able to clearly document the viability of the Township's existing affordable housing production with experienced affordable housing providers producing dozens of affordable units, thereby meeting the intent of, if not the letter of COAH's rule. Florence Township was certified by COAH in the second round on April 7, 1999 with existing affordable housing credits. COAH added the market to affordable program (initially just for sale units) in its 2004 third round regulations and the Township included such a program in its initial third round plan from December 2005. If COAH had not been forbidden to continue to review and approve third round plans by the 2007 Appellate Division decision, then the Township would have already been able to show success with this program. Without Third Round

substantive certification, the Township was unable to expend funds on this specific program although other affordable housing providers have been able to purchase existing housing units and the Township has brought them into its third round affordable housing compliance efforts. As soon as COAH gives the green light by approving the program and granting substantive certification, Florence Township will implement the market to affordable program thereby fostering the production of affordable housing and meeting the intent of, if not the letter of, COAH's rules.

The Township's existing affordable housing stock and proposed amended Third Round Plan contains a mix of housing options that serves the needs of the region's very low, low and moderate income households. From both the Prior Round and Third Round Plans, Florence Township will have a total of 163 actual affordable units broken down into the following categories: 46 affordable rental units, 59 affordable senior rentals and 40 affordable sale units and 18 supportive and special needs rentals. Almost 75% of the 163 affordable units are rentals, far in excess of COAH's 25% rental requirement, thus, overwhelmingly addressing an underserved housing need in the region.

For all the reasons stated above, Florence Township respectfully requests that COAH grant a waiver, pursuant to *NJAC* 5:96-15, to exceed the initial 20-unit program limitation for the proposed Township market to affordable rental and sales program.

Third Round Family Housing Component

As noted below, Florence Township has addressed its minimum 45-unit Third Round Growth Share family requirement through the implementation of the following:

| | |
|--|----|
| ✓ Orleans – family affordable sales | 3 |
| ✓ Market to affordable sales and rental program: | 40 |
| ✓ Albax inclusionary development – family unit | 1 |
| ✓ Sassman development – family unit | 2 |
| | 46 |

Third Round Very Low Income Housing Component

As noted below, Florence Township has addressed its minimum 12-unit Third Round very low income housing requirement through the implementation of the following:

- ✓ Special Needs and Supportive Housing and/or the Duffy School 6
 - ✓ Market to affordable rental program: 6
- 12

Third Round Rental Component and Rental Bonuses

Florence Township has addressed its minimum 40-unit Third Round rental component through the proposal for 40 affordable rental units to be established in the Township in the Third Round. Specifically, the 40-unit minimum Third Round rental component will be addressed by 20 of the approximately 45 affordable senior units proposed for the Duffy School and twenty (20) affordable rental units to be created via the proposed Market to Affordable rental program. Therefore, any additional non-senior affordable rental units provided in the Township, above and beyond the minimum 40 units noted above, will be eligible for Third Round rental bonuses.

Third Round Bonuses (Rental and Compliance) Maximum

As noted below, Florence Township has not exceeded its maximum 39-unit Third Round bonus allowance with proposed third round rental bonuses or compliance bonuses:

- ✓ Special Needs and Supportive Housing rental bonuses: 12 min.
 - Transitional Housing Inc.: 8 of 9 units x 1.0 = 8
 - Family Service (existing): 2 units x 1.0 = 2.0
 - Family Service (existing): 2 bedrooms x 0.25 = 0.5
 - Family Service (future): min. 5 bedrooms x 0.25 = 1.25 **or**
max. 5 units x 1.0 = 5.0
- ✓ Orleans, Sassman and Albax compliance bonuses: 6
minimum total 18

Third Round Growth Share Plan Summary

As summarized in Table 17, Amended Third Round Growth Share Plan below, Florence Township addresses the 158-unit COAH-projected Third Round Growth Share Obligation as follows:

Table 17. Amended Third Round Growth Share Plan

| Compliance Mechanisms | COAH Projected 158-unit obligation |
|---|---|
| <i>Prior Round Surplus</i> | |
| Prior Round surplus credits/ bonuses | 22 |
| Prior Round surplus RCAs | 31 |
| <i>Municipally Sponsored 100% Affordable</i> | |
| Duffy School Senior Complex 45+/- senior affordable rentals, initially exceeds senior cap | 31 |
| <i>Market to Affordable Program</i> | |
| family affordable rentals | 20 |
| family affordable sales | 20 |
| <i>Inclusionary Developments</i> | |
| Atlantic/Legacy – 17 senior sales | credit in the future |
| Orleans – 3 affordable family sales | 3 |
| Sassman – 2 on-site family units | 2 |
| Albax – 1 on-site family unit | 1 |
| <i>Supportive and Special Needs Housing</i> | |
| Transitional Housing, Inc. - units | 9 |
| Family Service – units/bedrooms | 9 |
| <i>Bonuses (rental bonuses and compliance bonuses)</i> | |
| Orleans – 3 new compliance bonuses | 3 |
| Sassman – 2 new compliance bonus | 2 |
| Albax – 1 new compliance bonus | 1 |
| Atlantic/Legacy – 17 new compliance bonuses | compliance bonuses in the future |
| Transitional Housing, Inc. (post 1999) 1.0 x 8 | 8 |
| Family Service (units/bedrooms) min. 2 units and 7 bedrooms or max. 7 units and 2 bedrooms | 4 min. |
| TOTAL | 166 |
| <i>Surplus</i> | 8 |

Summary and Implementation Schedule

The rehabilitation credits and rehabilitations program, to be administered by Burlington County, will satisfy the Township's 36-unit rehabilitation obligation. The Township addressed its 114-unit prior round obligation with transferred RCAs, existing affordable rental units, existing affordable age-restricted rental units, and previously granted second round rental bonuses. Florence Township will meet its 158-unit third round growth share obligation with the prior round surplus, a 100% affordable senior rental site, a market to affordable program, existing and approved inclusionary developments, existing and proposed special needs and supportive housing and eligible bonuses.

The Township will participate in Burlington County's rehabilitation program, beginning in the year which COAH grants substantive certification to the Township (at the earliest in 2009) to satisfy the 31-unit balance of the rehabilitation obligation. As discussed, and pursuant to *NJAC 5:97-6.2(b)3.*, Florence Township will provide sufficient dollars to fund no less than half (16) of the balance of the municipal rehabilitation component by the middle of the substantive certification period, 2014.

All of the affordable units satisfying the prior round have been built and the funds for the RCA have been transferred. Florence Township will utilize the prior round surplus (53 credits) to meet its third round obligation. Much of the special needs and supportive housing are completed. Additionally, the Township has entered into a contract with CIS, and in accordance with the implementation schedule, reconstruction should begin on the Duffy School in 2011. Additionally, Florence Township will implement the market to affordable program in the first year after COAH grants substantive certification, the earliest being 2009.

Florence Township anticipates, based on actual and projected growth, that approximately 100 affordable units/bonuses will be needed at the time of the first plan

evaluation, pursuant to *NJAC* 5:96-10.1. Table 18, Implementation Schedule, outlines the Township’s timeline for meeting its third round fair share obligation. As shown on Table 24, the Township anticipates that it will provide over 100 affordable credits/units/bonuses by 2011 (earliest initial growth share evaluation) through the prior round surplus, existing supportive shared living arrangement, market to affordable program, Duffy School senior housing and compliance bonuses.

Table 18. Implementation Schedule

| Program | Existing Credits | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Total Units |
|---|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------------|
| <i>Prior Round Surplus</i> | 53 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 53 |
| <i>Transitional Hsg Inc. – Supportive Housing</i> | 9 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9 |
| <i>Market to Affordable</i> | 0 | 10 | 10 | 10 | 10 | 0 | 0 | 0 | 0 | 0 | 0 | 40 |
| <i>Duffy School, capped</i> | 0 | 0 | 0 | 31 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 31 |
| <i>Family Service</i> | 4 | 0 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9 |
| <i>Orleans inclusionary</i> | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| <i>Sassman</i> | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| <i>Albax</i> | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| <i>Future Bonuses</i> | 0 | 0 | 6 | 0 | 11 | 1 | 0 | 0 | 0 | 0 | 0 | 18 |
| Total Units/Bonuses | 66 | 10 | 23 | 41 | 24 | 2 | 0 | 0 | 0 | 0 | 0 | 166 |

COST GENERATION

Florence Township'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 (*NJAC* 5:21-1 et seq.) and the mandate of the Fair Housing Act regarding unnecessary cost generating features. Florence Township shall comply with COAH's requirements for unnecessary cost generating requirements, *NJAC* 5:97-10.2, procedures for development applications containing affordable housing, *NJAC* 5:97-10.3, and requirements for special studies and escrow accounts where an application contains affordable housing, *NJAC* 5:97-10.4.

MONITORING

In accordance with *NJAC* 5:96-11, Florence Township shall complete the annual monitoring reports of the Affordable Housing Trust Fund and of the affordable housing units and programs. Furthermore, the Township will assist COAH with the biennial plan evaluation, pursuant to *NJAC* 5:96-10, where the actual growth of housing units and jobs is compared to the provision of affordable housing beginning two years from substantive certification and then every two years after. If upon any biennial review the difference between the number of affordable units constructed or provided in the Township and the number of units required pursuant to *NJAC* 5:97-2.4 results in a pro-rated production shortage of 10 percent or greater, the Township is not adhering to its implementation schedule pursuant to *NJAC* 5:97- 3.2(a)4, or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, the Township may be required by COAH to amend its plan in conformance with *NJAC* 5:96-14 to address the affordable housing obligation set forth in *NJAC* 5:97-2.5.

FAIR SHARE ORDINANCES AND AFFIRMATIVE MARKETING

The Township of Florence has prepared an Affirmative Marketing and Fair Share Ordinance in accordance with COAH's substantive rules, *NJAC* 5:97-9, and UHAC at *NJAC* 5:80-26. The Township's Fair Share Ordinance will govern the establishment of affordable units in the Township as well as regulating the occupancy of such units. The Fair Share 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.

To conduct affirmative marketing and monitoring of affordable units, the Township has contracted with NJ Housing Affordability Service (HAS) for the administration of existing affordable units in the Township and proposed units, with the exception of the Duffy School (CIS) and the supportive and special needs housing units, which will be administered by either Transitional Housing Inc. or Family Service. The Township anticipates entering into a similar contract with an experienced housing provider and administrator for future affordable housing units.

The affirmative marketing plan 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 Township. 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 Housing Region #5, consisting of Burlington, Camden and Gloucester counties.

The affirmative marketing plan includes regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance to *NJAC* 5:80-26. All newly created affordable units will comply with the thirty-year affordability control required by UHAC, *NJAC* 5:80-26-5 and

5:80-26-II. 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. The costs of implementing the affirmative marketing plan (i.e., the costs of advertising the affordable units, etc.) are the responsibilities of the developers of the affordable units. This requirement is included in the Township's fair share ordinance and shall be a condition of any municipal development approval.

DEVELOPMENT FEE ORDINANCE AND SPENDING PLAN

Florence Township previously adopted a development fee ordinance which COAH approved on February 3, 1993 and later amended and approved by COAH on April 10, 2000. On January 26, 2005, the Township adopted an amendment to its development fee regulations that increased the fees permitted to be imposed on residential (1% fee) and non-residential (2% fee) development in accordance with COAH's rules at *NJAC* 5:94-6.14(c) which allow the increased fees as the Township committed to petitioning with a Third Round Plan no later than December 20, 2005.

However, as of July 17, 2008, with the passage of amendments to the Fair Housing Act (P.L.2008, c.46), the Township may only collect nonresidential development fees equal to 2.50% of the equalized assessed value of new nonresidential construction and in accordance with particular conditions and exemptions of the Act. In order to comply with these amendments to the Fair Housing Act, the Township is requesting approval of an amended development fee ordinance that will increase the nonresidential development fee to 2.5%. Additionally, the revised development fee ordinance will increase the residential development fee to 1.5% pursuant to *NJAC* 5:97-8.3.

The Township's spending plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, was prepared in accordance to *NJAC* 5:97-8.10. All collected revenues will be placed in the Township's Affordable Housing Trust fund and will be dispensed for the use of affordable housing activities. Pursuant to the Township's plan,

Florence Township may use the funds in the trust fund for any of the below listed items, pursuant to *NJAC* 5:97-8.7(a):

- 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 existing market rate or affordable housing for the purpose of maintaining or implementing affordability controls, such as in the event of foreclosure;
- Green building strategies designed to be cost-saving for low- and moderate income households, either for new construction that is not funded by other sources, or as part of necessary maintenance or repair of existing units;
- 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.
- Affordability assistance.

At least 30% of collected development fees, excluding expenditures made from the inception of the fund to June 2, 2008 on all new construction, previously funded RCAs and rehabilitation activities, shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan. 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 develop or implement a rehabilitation program, a new construction program, a housing element and fair share plan, and/or an

affirmative marketing program.

Florence Township intends to spend development fee revenues pursuant to *NJAC* 5:97-8.7 and in conjunction with the housing programs outlined in this document. Florence Township currently has approximately \$1.6 million in the housing trust fund and anticipates an additional \$3.4 million in revenues before the expiration of substantive certification, for a total of \$5 million. The municipality will dedicate all of the collected revenue towards the Township's rehabilitation and affordable housing programs. Any shortfall of funds will be offset by revenue or bonding.

APPENDIX

Duffy School – CIS Agreement, Pro Forma and Construction Schedule

Florence - Duffy School Municipally Sponsored

Affordable Senior Apartments - with PILOT 9% Tax Credits

17-Nov-08

Project Summary

| | |
|----|-------------------------------|
| 45 | Total Rental Units |
| 45 | One Bedroom Senior Apartments |
| 0 | Two Bedroom Senior Apartments |

Development Costs

| | |
|-------------------------------|---------------------|
| Land | \$1 |
| Construction Contract | \$9,255,327 |
| Other Construction Costs/Fees | 2,026,931 |
| Soft Costs | 777,232 |
| Financing / Working Capital | 2,063,641 |
| Marketing / Miscellaneous | 55,000 |
| Total Project Cost | \$14,178,133 |

Sources

| | |
|------------------------------|-------------------|
| Equity 9% Tax Credits | 6,326,916 |
| DCA Balanced Housing Subsidy | 4,165,000 |
| County HOME | 1,100,000 |
| FHLB | 765,000 |
| HMFA SNHTF | 600,000 |
| Pledged Developer Fee | 234,742 |
| Permanent Mortgage | 986,475 |
| | 14,178,133 |

Income / Expense Analysis Income

| | | | |
|---------------------------------|----|-----|------------------|
| 8 One Bedroom Apts @ | \$ | 366 | \$35,136 |
| 14 One Bedroom Apts @ | \$ | 610 | \$102,480 |
| 22 One Bedroom Apts @ | \$ | 749 | \$197,736 |
| Two Bedroom Apts @ | | | \$0 |
| Two Bedroom Apts @ | | | \$0 |
| Two Bedroom Apts @ | | | \$0 |
| 1 Resident Super Unit@ | \$ | - | \$0 |
| Fees/Laundry | | | 0 |
| Anticipated Gross Rental Income | | | \$335,352 |

Expenses

| | |
|-----------------------------------|------------------|
| Administrative | \$23,151 |
| Salaries | 92,800 |
| Maintenance | 30,650 |
| Utilities | 48,000 |
| Management Fees | 24,300 |
| PILOT | 10,823 |
| Insurance | 27,000 |
| Replacement Reserve | 19,125 |
| Vacancy / Uncollected | 16,768 |
| Subtotal | \$292,617 |
| Net Income Before Debt Service | \$42,735 |
| Mortgage Payment and Debt Service | 37,161 |
| Net Income | 5,574 |

FLORENCE - DUFFY SCHOOL, NJ - POTENTIAL SCHEDULE

Last updated 11/13/08

9% Funding round April 2009

| Task | Duration | Start / Target Date | Finish |
|---|--|--------------------------|------------------|
| Solicit and Select Engineering and Environmental Professional Proposals | 1 month | 16-Oct-08 | 15-Nov-08 |
| Review Title Report - issues with assuming ownership? | | | |
| Prepare Market Study (typically RES Advisors) | 2 months | 1-Dec-08 | 30-Jan-09 |
| Prepare Environmental Assessments (Phase 1, Hazardous Materials Survey, Phase 2) | 2.5 months | 15-Nov-08 | 29-Jan-09 |
| Prepare Base Mapping and Complete Site Assessment & Architectural Schematics | 1.5 months | 15-Nov-08 | 30-Dec-08 |
| Draft New MF/Age-Restricted Zone Ordinance | 2 months | 15-Nov-08 | 14-Jan-09 |
| Complete Site & Architectural Schematics | 1 months | 30-Dec-08 | 29-Jan-09 |
| Includes complete surveying for site, easements, locate utilities, topography, complete site plan, utility and drainage design, determination of other agency approvals (e.g. sewer/water local regional and state, DEP land use?, waterfront development?, County site plan approval? Also need to study existing building, mechanicals, feasibility for reuse. How to do Green Future program? Meet with architect & HMFA green homes office. | | | |
| Complete Feasibility, Contracts and Agreements | 1 months | 30-Dec-08 | 29-Jan-09 |
| Prepare Preliminary Engineering | 1 months | 29-Jan-09 | 28-Feb-09 |
| Need to check Zoning status - need variances or waivers? | | | |
| First Reading of New Zone at Council (first reg meeting after draft is done) | | 21-Jan-08 | |
| Approval of Zone at Planning Board (PB meets every 3rd Monday) | | 16-Feb-08 | |
| Second Reading and Adoption of Zone (council meets 1st & 3rd Weds) | | 19-Feb-08 | |
| Submit Preliminary & Final Site Plan & All Permits | | 28-Feb-09 | |
| Obtain Planning Board Preliminary Approval | 1.5 months | 28-Feb-09 | 14-Apr-09 |
| Submit for Funding Commitments (construction loan, equity commitment) | | 28-Feb-09 | |
| Obtain Funding Commitments | 1 months | 28-Feb-09 | 30-Mar-09 |
| PILOT/Abatement & Resolution of Need | 2 months | 15-Nov-08 | 14-Jan-09 |
| Prepare tax credit application | 2.5 months | 29-Jan-09 | 14-Apr-09 |
| Submit 9% tax credit final cycle | | 14-Apr-09 | |
| Finalize Architectural Plans and Construction Drawings | 4 months | 28-Feb-09 | 28-Jun-09 |
| Obtain Final Planning Board Approval & All Permits | 3 months from prelim | 13-Jul-09 | |
| Submit for Building Permit | | 13-Jul-09 | |
| Building Permit | 3 months from final | 13-Jul-09 | 11-Oct-09 |
| Obtain Tax Credit Award | | 8-Jun-09 | |
| Obtain Building Permit | | 11-Oct-09 | |
| Close on Real Estate and Loans | 1.5 months from BP | 25-Nov-09 | |
| Construction | 18 months | 25-Nov-09 | 19-May-11 |
| Obtain Certificates of Occupancy (C.O.s)/Place in Service | | 19-May-11 | |
| Need to Place in Service | 28 months from tax credit award | 26-Sep-11 | |
| Total Project Schedule | 904 days | 30.1333333 months | |

AFFORDABLE HOUSING AGREEMENT

THIS AGREEMENT (the “**Agreement**”) is made on this 12th day of November, 2008 by and between the **TOWNSHIP OF FLORENCE**, a municipal corporation of the State of New Jersey, with offices at 711 Broad Street, Florence, New Jersey 08518 (“**Florence**” and/or “**Township**”) and **COMMUNITY INVESTMENT STRATEGIES, INC.**, a corporation of the State of New Jersey, with offices at 201 Crosswicks Street, Bordentown, New Jersey 08505 (“**CIS**”).

RECITALS

1. Southern Burlington County NAACP vs. Mount Laurel, 92 N.J. 158 (1983) (“**Mount Laurel II**”) and the New Jersey Fair Housing Act, N.J.S.A. 52: 27D-301, et seq. (“**FHA**”) require Florence, as well as most other municipalities in New Jersey, to create a realistic opportunity for the provision of low and moderate income housing (“**Affordable Housing**”) during the cumulative first, second and third housing cycles spanning from December 15, 1986 to December 31, 2018.
2. The FHA authorized the creation of the New Jersey Council on Affordable Housing (“**COAH**”) as the State administrative agency with primary jurisdiction over the administration of municipal affordable housing obligations and authorized COAH to adopt rules and regulations to guide affordable housing compliance in the first, second and third housing cycles in accordance with sound regional planning considerations.
3. COAH heretofore determined that Florence has a third cycle affordable housing obligation, which the Township is endeavoring to accommodate.
4. COAH’s third cycle rules permit municipalities to satisfy up to 25% of their housing obligation by way of age-restricted housing.
5. COAH’s third cycle rules likewise provide a number of options to municipalities to satisfy their affordable housing obligations including, but not limited to, municipally-sponsored and 100% affordable rental programs [see, N.J.A.C. 5:97-6.7] if the community makes a suitable property available to an experienced housing sponsor that is willing to construct, own, operate and maintain affordable rental units which will enable the community to satisfy its 25% rental obligation.
6. CIS is an experienced developer of affordable housing which owns, operates and manages affordable housing projects throughout the State of New Jersey, and which has expressed an interest in constructing, owning, operating and maintaining affordable age-restricted rental units in Florence to assist the Township, in whole or in part, in addressing its third cycle affordable housing obligations. The Township owns a suitable property and intends to make the same available for a municipally sponsored 100% affordable age-restricted rental project (the “**Project**”). Age restricted is defined in N.J.A.C. 5:97-1.4.

7. Section 311a.(5) of the FHA permits a municipality, in adopting its fair housing element, to consider the donation or use of municipally owned land or land to be acquired by the municipality for the purpose of providing low and moderate income housing. N.J.S.A. 40A:12A-22j, also authorizes a municipality to exercise various powers, in addition to other powers granted by the Local Redevelopment and Housing Law or by other law, including the power to sell, exchange, assign, convey or otherwise dispose of any real or personal property upon such terms and at such prices as it determines to be reasonable. The laws cited in this paragraph are hereinafter referred to as the “**Conveyance Laws.**”

8. CIS indicates that it has, or will, form a limited liability company to own, operate and manage the Project in order to facilitate a private sale of municipally owned property upon nominal consideration for the purpose of constructing affordable age-restricted rental housing. The form of the entity and the relationship of the entity between it and Florence Township and CIS shall be subject to approval by the Township. The Township acknowledges that CIS will assign this Agreement to that entity prior to closing.

9. The Township accepts CIS’s conceptual proposal submitted to the Township on July 9, 2008 with respect to the Project and the purpose of this Agreement is to memorialize the parties’ understandings and commitments with respect to the foregoing, subject to final approval by the Township Council and the Planning Board and such other approvals as may be required by law to effectuate the purposes of the Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. **RECITALS.**

The Recitals set forth above are incorporated by reference herein as set forth herein at length.

2. **PURPOSE OF AGREEMENT**

The express purpose of this Agreement is to facilitate the construction, ownership, operation, and management of an affordable age-restricted rental project, of not less than forty-three (43) affordable units unless a lesser number of units is otherwise approved by the Township Council and by CIS (which along with any entity created to facilitate the same shall be referred to collectively herein as “CIS”) to assist Florence in satisfying its third cycle affordable housing mandates on a suitable parcel of property that the Township owns and makes available for this purpose to be conveyed to CIS for nominal consideration at private sale when its development approvals and financing are in place and it is ready to commence construction.

3. **ACQUISITION OF PROPERTIES BY THE TOWNSHIP TO FACILITATE THE PROJECT.**

The parties acknowledge that the Township has acquired the former Marcella Duffy Elementary School located at 208 West Second Street, Florence, NJ, 08518 and located in Planning Area 2 in the State Development and Redevelopment Plan with public sewer and public water availability to be conveyed to CIS for nominal consideration to facilitate construction of the Project.

The property is depicted on and the tax parcel is identified on the Township's Tax Map as the Lot 8 and Block 45 of which are all as more particularly described on, Exhibit "A" hereto (the "Property").

4. **DUE DILIGENCE PERIOD.**

Not later than five (5) business days after the execution of this Agreement, the Township shall give CIS copies of all of the existing deeds, affidavits, environmental reports, title reports, ALTA surveys and any other conveyance documents relating to the Property (collectively, the "Documents") in the Township's possession or reasonable control. CIS shall advise the Township in writing within thirty (30) days of receipt of the Documents of all title or outbound impediments that it is demanding be corrected or addressed such that the Township can transfer title to the Consolidated Property by bargain and sale deed with covenants against grantors insurable at regular rates to CIS after development approvals and financing are in place. At all times prior to CIS Closing (as hereinafter defined), including times following the "**Review Period Expiration Date**" (which is defined as the date that is 90 days after the execution of this Agreement, CIS shall be entitled to conduct a "**Due Diligence Inspection,**" which includes the right to: (i) enter upon the Property, to perform inspections and tests, including, but not limited to, inspections, and evaluations; (ii) make investigations with regard to zoning, environmental, building, code and other legal requirements applicable to the Property, including, but not limited to, conducting environmental audits, investigations and studies of the Property; (iii) make or obtain market studies and real estate tax analyses; and (iv) review any and all notices, filings, reports and other correspondence pertaining to the Property. CIS hereby releases and agrees to defend and hold the Township harmless from any death, personal injury, or property damage arising from its access to and inspections of the property and agrees to provide the Township with insurance coverage in such amounts and varieties as may be reasonably specified by the Township.

If, at any time prior to the Review Period Expiration Date, CIS, in its sole and absolute discretion, determines that the results of (i) any Due Diligence Inspection or (ii) any other review inspection or examination of (a) all or any portion of the Property, does not meet CIS's criteria for the purchase, financing or operation in the manner contemplated by CIS, CIS may (in its sole and absolute discretion) terminate this Agreement by written notice to Township given at any time not later than 4:00 P.M. Eastern Standard Time on the Review Period Expiration Date.

5. **THE DEVELOPMENT APPROVAL PROCESS.**

Upon execution of this Agreement, CIS agrees to work with the Township to develop conceptual development plans for the affordable age-restricted rental project, including, but not limited to alleyway improvements, on-site parking, landscaping and other amenities. Thereafter, CIS agrees to submit the concept plans that have been preliminarily endorsed by the Township Council to the full Planning Board for its review, input and recommendations. CIS agrees to make a timely and accurate submission(s) to the Planning Board or Zoning Board (if necessary) so that it can meet the anticipated allocation of tax credits in the spring of 2009. Florence Township acknowledges that Planning Board will meet its statutory time line obligations for reviewing development plans and that the Planning Board will not unreasonably delay their approvals in order for CIS to meet its obligations. If the Florence Township Planning Board or Zoning Board unreasonably withholds or unnecessarily delays taking land use action, then the township will reimburse CIS for its documented predevelopment costs.

No application fees shall be charged to accomplish the foregoing and the Planning Board shall be requested by the Township to give the concept plan review its full and prompt attention.

The Township shall thereafter amend its zoning and land development ordinances to implement the concept plan and allow CIS to move forward with the preparation and submission of preliminary and final site plans, absent the need for use variances, once the Planning Board has given its endorsement to the concept plan. CIS shall then proceed to secure preliminary and final approvals in accordance with the Municipal Land Use Law, N.J.S.A. 40:55D-1, et seq. (“**MLUL**”) with the Township and the Planning Board affording CIS the cost reduction and reasonable variance entitlements in Subchapter 10 of COAH’s third cycle rules [N.J.A.C. 5:97, et seq.]. The Township shall waive the following required Township fees; administrative application fees, inspection fees, building permit fees, recreation fees, tree removal or tree clearing permit fees, street lighting and fire hydrant fees. Additionally, the Township shall waive water and sewer connection fees. As indicated in Paragraph 2 of this Agreement, CIS shall not be required to purchase the Property unless all necessary (unappealable) approvals for the development of the Project have been obtained. In addition, neither the Township shall be required to convey nor CIS shall be required to purchase the Property if the Township has not petitioned for a Substantive Certification for the third round cycle from COAH, the Township understands that in order for CIS to make application to HMFA and NJDCA for government subsidies and LIHTCs, the Township, upon execution of this Agreement, shall have filed its petition for Substantive Certification for COAH’s third round cycle and included the Property in that plan.

6. **QUALITY AND TRANSFER OF TITLE.**

After CIS has obtained all necessary unappealable approvals, including financing, Fee Simple Title shall be transferred by the Township free of hazardous substances to CIS by bargain and sale deed with covenants against grantors acts within thirty (30) days after written notice of its intent to take title and commence construction (the “**CIS Closing**”). CIS or the Township shall be permitted to terminate this Agreement if the Township is either unwilling or unable to cure and/or satisfy title and survey impediments if said defects will render title uninsurable at regular rates by a title company authorized to conduct business in New Jersey. At the CIS Closing the Township, at its own cost and expense, shall deliver an ALTA survey on the Property which shall include certifications required by lending and investing entities.

7. **MUNICIPAL RESOLUTION OF NEED AND PAYMENT IN LIEU OF TAXES.**

The Township agrees to adopt a Resolution of Need in accordance with the regulations adopted by the New Jersey Housing Mortgage Finance Agency (“**HMFA**”) and to extend a Payment in Lieu of Taxes (“**PILOT**”) for the Project based upon a rate of not more than 6.28% of the gross shelter rents less utilities, phased in at a rate of 4% for the first year, 4.5% for the second year, 5% for the third year and 6.28% for the fourth year and thereafter. The Resolution shall be adopted within thirty (30) days of CIS’s written request and the PILOT shall take effect in accordance with HMFA’s regulations.

8. **GOVERNMENT SUBSIDIES AND FINANCING.**

The Township acknowledges that CIS intends to apply to the HMFA in the Spring (2009) Cycle (the "**Spring Cycle**") for Low Income Housing Tax Credits ("**LIHTCs**") and to apply for government subsidies from NJDCA's and HMFA's various affordable housing production funding programs to finance the construction of the affordable housing project. The Township agrees to extend its full and prompt cooperation in these endeavors and to execute such Endorsement Resolutions, Resolutions of Need, and/or DCA or HMFA applications as may be necessary or required within thirty (30) days of written request by CIS.

CIS further agrees to prepare and submit all documentation and information specified for 100% affordable programs in COAH's third cycle rules and complete construction of the Project within the time-frames provided therein subject to any necessary extensions. If the Project does not receive an allocation of 9% LIHTCs in the Spring Cycle, CIS shall make an additional application to the HMFA for 9% LIHTCs in the Fall (2009) Cycle.

The Township and CIS shall consult on the selection of qualified professionals by CIS to prepare a Phase 1 and Phase 2 Environmental Assessment reports and Hazardous Materials Survey for the Property. All reports shall be provided to CIS and the Township. The reports shall include language which allows both CIS and the Township and their respective successors, assigns, lenders and CIS investors to rely upon it. The qualified professionals chosen for the environmental assessment must carry at least \$1 million of professional liability insurance and must name CIS and the Township as additional insured. **Phase I** shall be prepared in accordance with the requirements of ASTM E1527-05 for Phase I Environmental Assessments including the United States Environmental Protection Agency "All Appropriate Inquiry" (AAI) Rule, and meet the minimum research requirements of the New Jersey Department of Environmental Protection's (NJDEP) 7:26E-3.1 Preliminary Assessment Report (PA). The Phase I Assessment Report shall be completed within 45 days upon execution of this Agreement.

Phase II, if necessary, shall be prepared in accordance with requirements of ASTM E1903-97 and with NJDEP's 7:26E-3.3 Environmental Report (ER). Should a Phase II be required, the report shall be completed within 45 days upon submission of Phase I report to CIS.

The Hazardous Materials Survey shall include assessment of hazardous materials such as lead, asbestos, mold, synthetic mineral fibre (SMF), Polychlorinated Biphenyls (PCBs), volatile organic compounds (VOCs), and other ozone depleting substances (e.g. refrigerants). The Hazardous Materials Survey shall be completed within 45 days upon execution of this Agreement.

The Township shall pay CIS up to \$60,000 towards the costs incurred for the Phase 1 and Phase 2 Environmental Assessment reports and Hazardous Materials Survey. Any costs above \$60,000 shall be borne by CIS.

Florence Township acknowledges that as part of its commitment to implement an affordable housing plan consistent with the state's requirements, the Township's third party professionals shall review land use plans and inspect site improvements associated with this project and the municipal land use approval. Florence Township agrees to pay said third party professional costs up to a cap not to exceed \$40,000. Expenditures above the cap of \$40,000 shall be borne by CIS.

9. **COMPLIANCE WITH COAH'S AND HMFA'S RULES AND MAINTENANCE OF PROJECT.**

CIS agrees that all affordable age-restricted rental units shall be constructed, marketed, rented and managed in accordance with COAH's and HMFA's rules including, but not limited to: (a) controls on affordability, (b) affirmative marketing, etc. Further, CIS shall assume responsibility for income qualification and providing completed COAH and/or HMFA's monitoring and reporting forms as the Administrative Agent to the Municipal Housing Liaison for filing with COAH. The controls on affordability shall remain in effect for a term of forty-five (45) years.

10. **CONVEYANCE LAWS.**

CIS warrants, covenants and agrees that the entity that will receive title to the property will satisfy any requirements of the Conveyance Laws such that the Township can lawfully convey title to the entity for nominal consideration absent the need for public bidding. CIS's noncompliance with this covenant shall constitute a material breach of this Agreement.

11. **DEFAULT.**

In the event that any party to this Agreement shall fail to perform any undertaking required to be performed by it pursuant to the terms of this Agreement, unless such obligation is waived in writing by the party or parties for whose benefit such obligation was intended, such failure to perform shall constitute an event of default under this Agreement. In the event of default, the non-defaulting party shall have available any and all rights and remedies that may be provided in law or in equity, including, but not limited to the right of specific performance and/or the right to bring a motion in aid of litigant's rights. Prior to such proceedings, there shall be an opportunity to cure said alleged default as follows: (i) the benefited party shall notify the defaulting party of such alleged default specifying the nature of the default, (ii) the defaulting party shall thereafter have ten (10) business days to effect a cure; (iii) the benefited party shall promptly notify the defaulting party of its acceptance of the proposed cure, or its alternative election to seek judicial remedies.

12. **NOTICES.**

All notices required under this Agreement shall be in writing and shall be given by certified mail, return receipt requested, or by recognized overnight personal carriers with certified proof of receipt, and by duplicate facsimile transmission if under 25 pages. All notices shall be deemed received upon the date of delivery which is set forth in the mailing certifications by the mail or delivery services used, and all times for performance based upon such notices, shall be from the date set forth in such proof of delivery. Any changes in the list of persons and entities entitled to receive notice shall be provided to the other parties in writing. The persons and entities to receive notice shall be as follows:

To CIS:

COMMUNITY INVESTMENT STRATEGIES, INC.
201 Crosswicks Street
Bordentown, New Jersey 08505
Attention: Christiana Foglio, President
Telecopier No. (609-298-7708)

With a copy to: GluckWalrath LLP
21 East Front Street, Suite 400
Red Bank, New Jersey 07701
Attention: Christopher M. Walrath, Esq.
Telecopier No. (732-530-6770)

To the Township: Township Administrator
Township of Florence
711 Broad Street
Florence, New Jersey 08518
Telecopier No. 609-499-1186

With Copies to: Township Clerk
Township of Florence
711 Broad Street
Florence, New Jersey 08518
Telecopier No. 609-499-1186

William John Kearns, Jr.
Kearns, Vassallo & Kearns
630 Beverly-Rancocas Road
Willingboro, New Jersey 08046
Telecopier No. 609-835-4646

13. **MISCELLANEOUS.**

- (a) **Captions.** Captions and titles to this Agreement are inserted for the purposes of convenience and reference only, and are in no way to be construed as limiting or modifying the scope and intent of the various purposes and provisions of this Agreement.
- (b) **Cooperation.** The parties expressly agree to cooperate with each other in order to effectuate and carry out the purposes of this Agreement in addition to the Mount Laurel II doctrine, the FHA, and COAH's and HMFA's Rules. CIS further agrees to participate in any proceedings before, COAH, or the HMFA that may be necessary to accomplish the purpose of this Agreement.
- (c) **Waiver.** Each of the parties waives all rights to challenge the validity and enforceability of this Agreement. Failure to enforce provisions or obligations in this Agreement by any party shall not be construed as a waiver of these provisions and obligations.
- (d) **Entire Agreement.** This Agreement and its prefatory statements and recitals constitute the entire agreement between the parties. No representative, agent or employee of any party has been authorized to make any representation and/or promises that are not contained herein or to otherwise modify, amend, vary or alter the terms hereof except as stated herein. No modifications, amendments, variations or alternations shall be binding unless reduced to writing and signed by the parties.

- (e) **Validity.** In the event that one or more of the provisions of this Agreement shall be held to be invalid, unenforceable or void, the parties shall within thirty (30) days of such determination, attempt to restructure this Agreement consistent with its underlying intent. If the parties fail to resolve such a restructuring, any party may seek Court review and a ruling to restructure the Agreement in a legally acceptable manner reflecting the underlying intent of the parties as expressed herein.
- (f) **Preparation.** The parties acknowledge that this Agreement has been jointly prepared by the parties' attorneys. Therefore, this Agreement shall be construed on a parity among the parties and any presumption for resolving ambiguities against the drafter shall not apply.
- (g) **Counterpart Signature.** This Agreement may be executed simultaneously or in one or more counterparts, each of which, when so executed and delivered, shall constitute an original, fully enforceable counterpart for all purposes. Facsimile counterparts shall be accepted and enforceable. Immediately upon the delivery of a facsimile counterpart, the sending party shall deliver a counterpart with the original execution page.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year appearing below their names.

Attest:

TOWNSHIP OF FLORENCE
A Municipal Corporation of the
State of New Jersey



Joy Weiler, RMC/MMC
Township Clerk

By: 

William E. Berry, Mayor

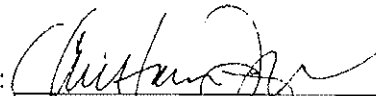
Date: 11-12-08

[SEAL]

Attest:

COMMUNITY INVESTMENT
STRATEGIES, INC.
A New Jersey Corporation

Print Name: _____

By: 

Christiana Foglio, President

Date: 11-17-08

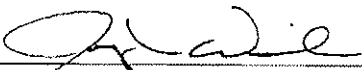
[SEAL]

ACKNOWLEDGMENT

STATE OF NEW JERSEY)
) SS.:
COUNTY OF BURLINGTON)

I certify that on Nov. 12, 2008, WILLIAM E. BERRY, personally came before me and stated to my satisfaction that this person:

- (a) signed, sealed and delivered the attached document as MAYOR of the Township of Florence, County of Burlington, New Jersey, a body corporate and politic of the State of New Jersey, the entity named in this instrument;
- (b) was authorized to and did execute this instrument as the MAYOR of the Township of Florence, County of Burlington, New Jersey, the entity named in this instrument; and
- (c) executed this instrument as the act of the entity named in this instrument.



 NOTARY PUBLIC
 JOY M. WEILER
 No. 2020585
 NOTARY PUBLIC OF NEW JERSEY
 My Commission Expires Oct.10, 2011

ACKNOWLEDGMENT

STATE OF NEW JERSEY)
 BURLINGAME) SS.:
COUNTY OF MERCER)

I certify that on NOV. 17th, 2008, Christiana Foglio, personally came before me and stated to my satisfaction that this person:

- (d) signed, sealed and delivered the attached document as President of Community Investment Strategies, Inc., a New Jersey corporation, the entity named in this instrument;
- (e) was authorized to and did execute this instrument as the President of Community Investment Strategies, Inc., the entity named in this instrument; and
- (f) executed this instrument as the act of the entity named in this instrument.

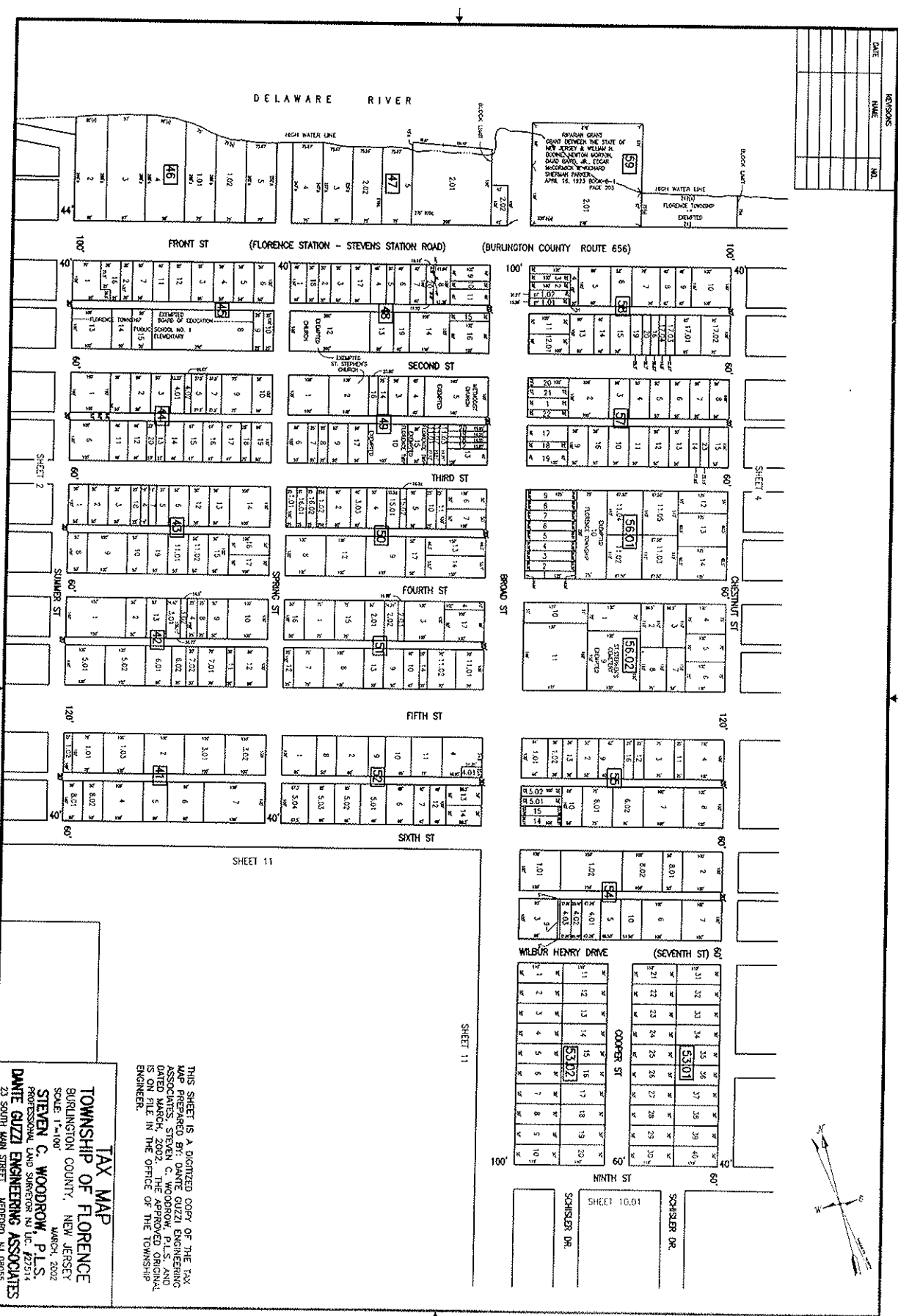


NOTARY PUBLIC

EXHIBIT "A"

[attach Tax Map of the Property's Lots and Blocks]

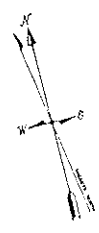
| RESPONSE | NO. | DATE | NAME |
|----------|-----|------|------|
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| | | | |
| | | | |



02/23/2007

TAX MAP
TOWNSHIP OF FLORENCE
 BURLINGTON COUNTY, NEW JERSEY
 SCALE: 1"=100'
 MARCH, 2002
STEVEN C. WOODROW, P.L.S.
DANTE GUZZI ENGINEERING ASSOCIATES
 23 SOUTH MAIN STREET
 REDFORD, NJ 08055

THIS SHEET IS A DIGITIZED COPY OF THE TAX MAP PREPARED BY: DANTE GUZZI ENGINEERING ASSOCIATES, STEVEN C. WOODROW, P.L.S. AND ADDED FROM: 2002. THE APPROVED ORIGINAL ENGINEER.
 SHEET 11



Sassman approvals

MBC

RECEIVED
JUL 16 2008
CLARKE CATON HINTZ

FLORENCE TOWNSHIP ZONING BOARD OF ADJUSTMENT

RESOLUTION NO. ZB-2007-13

Application ZB#2006-25

RESOLUTION MEMORIALIZING THE GRANT OF PRELIMINARY MAJOR SITE PLAN APPROVAL WITH VARIANCES AND WAIVERS TO MICHAEL SASSMAN FOR BLOCK 126.02, LOT 1, LOCATED IN NC NEIGHBORHOOD COMMERCIAL AND RA LOW DENSITY RESIDENTIAL DISTRICTS

Decided: March 27, 2007
Resolution Memorialized: May 22, 2007

WHEREAS, Michael Sassman made application to the Florence Township Zoning Board of Adjustment for preliminary and final major site plan approval with variances for Block 126.02, Lot 1; and

WHEREAS, the Florence Township Zoning Board of Adjustment met at a public hearing on March 27, 2007 to review the application pursuant to the applicable rules of the Board and the applicable ordinances of Florence Township; and

WHEREAS, notice of the application was given as required by law and the Board has jurisdiction to hear and decide the application; and

WHEREAS, for good cause shown, waivers from the application submission requirements were granted by the Board and the application was deemed complete on March 27, 2007; and

WHEREAS, the Board received the report of its engineer, Dante Guzzi, PE, revised to March 23, 2007, and the report has been reviewed and discussed as part of the public hearing upon this application; and

WHEREAS, the Board received report of its planner, Michael F. Sullivan, PP, of Clarke, Caton, Hintz, revised to March 23, 2007, and the report has been reviewed and discussed as part of the public hearing upon this application; and

WHEREAS, the Board received report of the Township Director of Water and Sewer, dated February 23, 2007, and the report has been reviewed and discussed as part of the public hearing upon this application; and

and were found to be complete and in conformity with all applicable laws and regulations; and

WHEREAS, the Board, having considered the documents submitted and the evidence presented by and on behalf of the applicant makes the following findings of fact and conclusions of law with respect to this application:

1. The applicant is the contract purchaser of the subject property, owned by the Roebing Overseas Veterans Home Association. The property is located at 100 Main Street (Hornberger Avenue) between Tenth Street and Eleventh Street, in the Roebing section of the township. The property is located partly in an NC Neighborhood Commercial District and partly in an RA Low Density Residential District and is presently occupied by a one-story building, VFW Post #8838.
2. The applicant obtained a use variance and minor subdivision approval from the Board on February 27, 2007, memorialized by Resolutions #ZB-2007-09 and #ZB-2007-10.
3. The applicant proposes to construct a 35 foot high three story building having 7,000 square feet of commercial space on the first floor and seven (7) two-story, two-bedroom residential apartments on the second and third floors.
4. John Menshing, Esq., represented that the project involves two (2) easements. One is a perpetual sanitary sewer easement, approximately 20 feet wide, that will run across Lot 1.01 (the VFW lot) from Main Street to Lot 1.02 to provide municipal public sanitary sewer service to Lot 1.02. The other is a landscape buffer and maintenance easement, approximately 15 feet wide, which will run the length of the subdivision line dividing Lots 1.01 and 1.02. The addendums to the Contract for Sale were submitted as Exhibits A-1 and A-2.
5. Daniel Doran, PE, described the proposed development. There will be access to the site from both Hornberger and Tenth Avenues. Driveways from both of these streets will access a parking lot to the rear of the building. The parking area will be asphalt and will be curbed. Fifty parking spaces are proposed, 14 of which will be designated as "residents parking only". A walkway is proposed around the entire building because of the pedestrian access to all four (4) sides of the building, said walkway to be connected to the two (2) existing walkways located on Tenth and Hornberger Avenues. The building will be serviced by existing municipal water and sewer. The applicant has received approval for both the water and sewer. A 30 foot long by 10

has provided testimony at the time of the public hearing on this application and the Board has relied upon the same in making its determination. Should the applicants deviate from this Resolution or the conditions contained herein or from the submitted documents, plans, drawings and statements made, which are part of this application, the Board may proceed to rescind this approval.

NOW, THEREFORE, BE IT RESOLVED by the Florence Township Zoning Board of Adjustment in the County of Burlington and State of New Jersey that the application of Michael Sassman for preliminary major site plan approval for Block 126.02, Lot 1, is hereby **GRANTED** for the reasons set forth herein, subject to the following conditions:

1. The applicant shall contact the Zoning Board office to settle any outstanding review escrow accounts prior to the signing of the final plats and the issuance of building permits. The applicant must pay any and all required fees that are due or may become due to the Township within twenty-one (21) days notice thereof, including but not limited to settlement of any outstanding review escrow accounts.

2. The applicant shall provide proof of current tax payment to the Zoning Board clerk prior to the issuance of a building permit.

3. The applicant shall obtain any and all approvals required by other agencies having jurisdiction over this matter and compliance with all conditions of such approvals.

4. If another governmental agency grants a waiver or variance of a regulation, affecting this approval or the conditions attached to it then this Board shall have the right to review that issue as it relates to this approval and these conditions and modify or amend the same.

5. The applicant shall comply with all items set forth in the February 22, 2007 report of the Board engineer, which is incorporated by reference herein.

6. The applicant shall comply with all items set forth in the March 23, 2007 report of the Board planner including, but not limited to, the following:

¶ 5-3 (4): The applicant shall work with the Board planner in the design of the streetline landscaping, which shall be approved by the Board planner.

¶ 5-3 (5): Deliveries to the site shall be limited to vehicles no larger than a single unit thirty foot (30') box truck.

of COAH's key third round rules which govern the size of each municipality's fair share obligation and the manner in which the obligation can be satisfied. Given the uncertainty about COAH's rules which the Appellate Court decision and the subsequent appeals and cross-appeals create, the applicant shall comply with whatever ultimately is approved by COAH. However, at this time, the Township's Growth Share Ordinance shall continue in full force and effect.

The level of affordable housing obligation required may be subject to further revision; thus, any in-lieu contributions approved by the Township Council and submitted by an applicant shall be placed in a separate affordable housing trust account and shall not be expended until COAH approves the Township's third round spending plan.

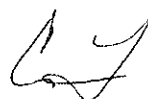
Under no circumstances shall the affordable housing obligation be less than that required by virtue of an affordable housing development fee imposition governed by *NJAC 5:94-6 et seq.*

16. The Florence Township adopted Growth Share Ordinance found in Section 87:35-40 of the Florence Township Code, requires a developer to arrange at its sole expense for HAS, Housing Affordability Services, the Township's approved affordable housing administering agency, to ensure full COAH compliance and to timely file such certifications, reports, and/ or monitoring forms as may be required by COAH to verify COAH compliance for each affordable unit.

17. The factual findings contained herein are incorporated by reference herein as a condition to the granting of this application as if set forth at length.

MOTION TO GRANT PRELIMINARY MAJOR SITE PLAN APPROVAL:

| | | |
|-------------|---|---|
| Moved by | : | Zekas |
| Seconded by | : | Taylor |
| In Favor | : | Groze, Angelini, Zekas, Marian, Crowell, Taylor, Glebocki |
| Opposed | : | None |
| Abstained | : | None |



FLORENCE TOWNSHIP ZONING BOARD OF ADJUSTMENT

RESOLUTION NO. ZB-2007-24

Application ZB#2006-25

**RESOLUTION MEMORIALIZING THE GRANT OF FINAL MAJOR
SITE PLAN APPROVAL TO MICHAEL SASSMAN FOR
BLOCK 126.02, LOT 1, LOCATED IN NC NEIGHBORHOOD
COMMERCIAL AND RA LOW DENSITY RESIDENTIAL DISTRICTS**

Decided: June 26, 2007
Resolution Memorialized: July 24, 2007

WHEREAS, Michael Sassman made application to the Florence Township Zoning Board of Adjustment for preliminary and final major site plan approval with variances and waivers for Block 126.02, Lot 1; and

WHEREAS, preliminary major site plan approval with variances and waivers was granted on March 27, 2007, memorialized by Resolution No. ZB-2007-13 adopted on May 22, 2007; and

WHEREAS, the Florence Township Zoning Board of Adjustment met at a public hearing on June 26, 2007 to review the application for final major site plan approval pursuant to the applicable rules of the Board and the applicable ordinances of Florence Township; and

WHEREAS, the Board received the report of its engineer, Dante Guzzi, PE, dated June 11, 2007, and the report has been reviewed and discussed as part of the public hearing upon this application; and

WHEREAS, the Board received report of its planner, Michael F. Sullivan, PP, of Clarke, Caton, Hintz, dated June 11, 2007, and the report has been reviewed and discussed as part of the public hearing upon this application; and

WHEREAS, the applicant was represented by John J. Mensching, Esquire, and sworn testimony was given by William M. Doran, PE, PP, who was qualified as an expert by the Board, and Ralph Finelli, architect; and

WHEREAS, it appears that the applicant has followed all procedures in making its application, and that the application, plans and all documents and material submitted therewith

were reviewed by the Board Engineer, the Board Planner, the Board solicitor and Board members, and were found to be complete and in conformity with all applicable laws and regulations; and

WHEREAS, the Board, having considered the documents submitted and the evidence presented by and on behalf of the applicant makes the following findings of fact and conclusions of law with respect to this application:

1. The applicant is the contract purchaser of the subject property, owned by the Roebbling Overseas Veterans Home Association. The property is located at 100 Main Street (Hornberger Avenue) between Tenth Street and Eleventh Street, in the Roebbling section of the township. The property is located partly in an NC Neighborhood Commercial District and partly in an RA Low Density Residential District and is presently occupied by a one-story building, VFW Post #8838.

2. The applicant obtained use variances and minor subdivision approval from the Board on February 27, 2007, memorialized by Resolutions #ZB-2007-09 and #ZB-2007-10.

3. The applicant proposes to construct a 35 foot high three story building having 7,000 square feet of commercial space on the first floor and seven (7) two-story, two-bedroom residential apartments on the second and third floors.

4. Ralph Finelli gave the following testimony:

a. ~~One (1) internal~~ elevator will be installed at the ground floor level of the building to provide access to the second floor of the building, in the event same is required by the construction code to afford second floor ADA access, said installation not affecting the footprint of the building.

b. Each point of entry to the building will be through a pair of doors, the left hand side of which will include a two foot (2') by four foot (4') area to be used for signage. No other signage is proposed.

5. Kent R. Pipes testified as follows:

a. He is affiliated with the Affordable Homes Group, Inc. which provides affordable housing for low and moderate income families.

b. He proposes to assist the applicant in satisfying his COAH obligation by providing an off-site affordable housing unit as well as administering such unit.

6. The June 11, 2007 report of the Board engineer was discussed at the hearing. The applicant will comply with all items set forth in said report.

7. The June 11, 2007 report of the Board planner was discussed at the hearing. The applicant will comply with all items set forth in said report.

8. The Board finds and concludes that the applicant has complied with the ordinance requirements for final major site plan approval.

9. The applicant has submitted certain documents, plans, and/or drawings and has provided testimony at the time of the public hearing on this application and the Board has relied upon the same in making its determination. Should the applicants deviate from this Resolution or the conditions contained herein or from the submitted documents, plans, drawings and statements made, which are part of this application, the Board may proceed to rescind this approval.

NOW, THEREFORE, BE IT RESOLVED by the Florence Township Zoning Board of Adjustment in the County of Burlington and State of New Jersey that the application of Michael Sassman for final major site plan approval for Block 126.02, Lot 1, is hereby **GRANTED** for the reasons set forth herein, subject to the following conditions:

1. The applicant shall contact the Zoning Board office to settle any outstanding review escrow accounts prior to the signing of the final plats and the issuance of building permits. The applicant must pay any and all required fees that are due or may become due to the Township within twenty-one (21) days notice thereof, including but not limited to settlement of any outstanding review escrow accounts.

2. The applicant shall provide proof of current tax payment to the Zoning Board clerk prior to the issuance of a building permit.

3. The applicant shall obtain any and all approvals required by other agencies having jurisdiction over this matter and compliance with all conditions of such approvals.

4. If another governmental agency grants a waiver or variance of a regulation, affecting this approval or the conditions attached to it then this Board shall have the right to review that issue as it relates to this approval and these conditions and modify or amend the same.

5. The applicant shall comply with all conditions of preliminary major site plan approval, as set forth in Resolution No. ZB-2007-13, which are incorporated by reference herein.

6. The applicant shall comply with all items set forth in the June 11, 2007 report of the Board engineer, which is incorporated by reference herein.

7. The applicant shall comply with all items set forth in the June 11, 2007 report of the Board planner, which is incorporated by reference herein.

8. The applicant shall provide a fair share of the affordable housing obligation of Florence Township, calculated in accordance with the Growth Share methodology adopted by the Council on Affordable Housing (COAH), as set forth in the Township of Florence Ordinances 2005-01 and 2005-02, and any amendments thereto including Ordinance 2006-25.

In a decision dated January 25, 2007, the Appellate Court invalidated some of COAH's key third round rules which govern the size of each municipality's fair share obligation and the manner in which the obligation can be satisfied. Given the uncertainty about COAH's rules which the Appellate Court decision and the subsequent appeals and cross-appeals create, the applicant shall comply with whatever ultimately is approved by COAH. However, at this time, the Township's Growth Share Ordinance shall continue in full force and effect.

The level of affordable housing obligation required may be subject to further revision; thus, any in-lieu contributions approved by the Township Council and submitted by an applicant shall be placed in a separate affordable housing trust account and shall not be expended until COAH approves the Township's third round spending plan.

Under no circumstances shall the affordable housing obligation be less than that required by virtue of an affordable housing development fee imposition governed by *NJAC* 5:94-6 *et seq.*

9. The Florence Township adopted Growth Share Ordinance found in Section 87:35-40 of the Florence Township Code, requires a developer to arrange at its sole expense for HAS, Housing Affordability Services, the Township's approved affordable housing administering agency, to ensure full COAH compliance and to timely file such certifications, reports, and/ or

monitoring forms as may be required by COAH to verify COAH compliance for each affordable unit.

10. The factual findings contained herein are incorporated by reference herein as a condition to the granting of this application as if set forth at length.

MOTION TO GRANT FINAL MAJOR SITE PLAN APPROVAL:

Moved by : Taylor
Seconded by : Groze
In Favor : Groze, Emerick, Crowell, Taylor, Glebocki
Opposed : None
Abstained : None

MOTION TO ADOPT RESOLUTION:

Moved by : Emerick
Seconded by : Groze
In Favor : Emerick, Glebocki, Groze, Taylor
Opposed : None
Abstained : None
Absent : Crowell

**FLORENCE TOWNSHIP
ZONING BOARD OF ADJUSTMENT**

Dated: 7-24-07


ALEXANDER GLEBOCKI Chairman

CERTIFICATION

BE IT REMEMBERED that the within Resolution was duly adopted at a regular meeting of the Florence Township Zoning Board of Adjustment held on July 24, 2007.

Dated: 7-24-07


CANDIDA TAYLOR Secretary

Albax approvals

FLORENCE TOWNSHIP PLANNING BOARD**RESOLUTION NO. PB-2007-25***Application PB#2006-22***RESOLUTION OF MEMORIALIZATION GRANTING PRELIMINARY
MAJOR SUBDIVISION APPROVAL WITH VARIANCES TO
ALBAX, LLC FOR BLOCK 100, LOT 8.03, LOCATED IN AN
RA LOW DENSITY RESIDENTIAL ZONING DISTRICT**

Decided: May 21, 2007
Resolution Memorialized: June 18, 2007

WHEREAS, Albax, LLC made application to the Florence Township Planning Board for preliminary and final major subdivision approval with variances for Block 100, Lot 8.03; and

WHEREAS, notice of the application was given as required by law and the Board has jurisdiction to hear and decide the application; and

WHEREAS, in addition to the application and the appropriate checklists, the applicant has submitted the following plans and other documents:

1. Site Plan and Major Subdivision, prepared by Robert J. Seeberger, PE, dated July 19, 2006, revised to March 14, 2007, consisting of nine (9) sheets;
2. Boundary and Topographic Survey, prepared by Daniel D. Volosin, dated April 3, 2006;
3. Environmental Impact Statement, prepared by Robert J. Seeberger, PE, dated February 2, 2007;
4. Community Impact Statement, prepared by Robert J. Seeberger, PE, dated January 29, 2007;
5. Stormwater Analysis, prepared by Robert J. Seeberger, PE, dated February 9, 2007;
6. Tree Locator Plan, prepared by Daniel D. Volosin, dated January 25, 2007;
7. Proposed Housing Development for Albax, Inc., prepared by Benedetto Catarinichia, dated February 2, 2007, consisting of six sheets;

- 8. Proposed elevations and floor plans for duplex COAH unit, prepared by Benedetto Catarinicchia, dated March 2, 2007, revised to April 24, 2007, consisting of four sheets;
- 9. Open Space Concept Plan, prepared by Robert J. Seeberger, PE, dated March 7, 2007; and

WHEREAS, the Board received the report of its engineer, Dante Guzzi, PE, dated April 17, 2007 and the report has been reviewed and discussed as part of the public hearing upon this application; and

WHEREAS, the Board received the report of its planner, Carl E. Hintz, PP, of Clarke, Caton, Hintz, dated May 15, 2007 and the report has been reviewed and discussed as part of the public hearing upon this application; and

WHEREAS, the proposed development requires the following variances from the requirements of the zoning ordinance:

| | <u>Permitted/Required</u> | <u>Existing/Proposed</u> |
|---------------------------|---------------------------|---|
| §91-188 open space | 25% | 12.5% |
| §91-189(A)(2) lot width | 100 ft. | 44.8 ft. & 59.8 ft. (Lots 6/7) 64.8 ft. (Lot 8) |
| §91-189(A)(9) lot area | 10,000 sq. ft. | 4,905 sq. ft. (Lot 6) 6,192 sq. ft. (Lot 7) 7,473 sq. ft. (Lot 8) |
| §91-189 side yard setback | 15 ft. | 0 ft. (Lots 6/7) |

WHEREAS, the Florence Township Planning Board met at public hearings on February 26, 2007, March 19, 2007 and May 21, 2007 to review the application pursuant to the applicable rules of the Planning Board and the applicable ordinances of Florence Township; and

WHEREAS, the applicant was represented by Clifford Halper, Esquire, and sworn testimony was given by: Robert Seeberger, PE; Paul Szymanski, PP; and Benedetto Catarinicchia, AIA; and those persons giving expert testimony were so qualified by the Board; and

WHEREAS, it appears that the applicant has followed all procedures in making its

application, and that the application, plans and all documents and material submitted therewith were reviewed by the Board Engineer, the Board Planner, the Board solicitor and Board members, and were found to be complete and in conformity with all applicable laws and regulations; and

WHEREAS, the Board, having considered the documents submitted and the evidence presented by and on behalf of the applicant makes the following findings of fact and conclusions of law with respect to this application:

1. The applicant proposes to subdivide an approximately 2.41 acre parcel into eight (8) lots in order to construct seven (7) dwelling units and one (1) stormwater basin. One of the dwelling units will be a duplex in which one of the units will be deed restricted for low income residents. Conservation easements will be included on each residential lot as a means of providing the passive portion of the open space requirement on site. The property, located on Hamilton Avenue, was previously zoned SM Special Manufacturing and a use variance was granted by the Zoning Board of Adjustment to permit the residential development; however, the zoning of the site was subsequently amended to RA Low Density Residential.
2. Benedetto Catarinicchia testified that the square footage of the proposed single family houses range from 2,400 square feet to 3,000 square feet. The finish of the houses will be standard siding with a mixture of stone. The applicant is not certain whether or not basements will be installed.
3. Robert Seeberger, PE, testified as follows:
 - a. The applicant will set aside 12.5% of the site as open space and will make a contribution to the Township recreation fund in lieu of providing the additional 12.5% open space.
 - b. The COAH unit was originally planned to face Hamilton Avenue; however, in consideration of the concerns of the adjacent property owners, that unit has been relocated to the cul-de-sac adjacent to the stormwater basin.
 - c. The stormwater basin will be maintained by the Homeowners' Association. The open space will be maintained by the owner of each lot on which the open space is located. No construction will be permitted in the open space area.
 - d. The applicant will meet all construction requirements for the COAH unit.
 - e. The stormwater basin is a retention basin, regulated with a small orifice

located approximately six inches (6") up from the bottom of the basin.

f. The large willow oak tree by the basin at the rear of Lot 9 will be preserved and the basin has been designed at a distance from that tree.

4. The Board finds and concludes, based on the testimony of Robert Seeberger, PE, that the applicant has satisfied the legal criteria required for the grant of the requested variances, pursuant to *N.J.S.A. 40-55D-70(c)(2)*. The Board finds and concludes that the grant of the variances will promote a purpose of the Municipal Land Use Law in that the proposed development will promote the general welfare and provide low income housing. The Board also finds and concludes that the benefits of the variances will outweigh the detriments. The Board further finds and concludes that the grant of the variances will not be substantially detrimental to the public welfare and will not substantially impair the intent and purpose of the zone plan.

5. The Board finds and concludes that the proposed subdivision plan complies with the ordinance requirements for preliminary major site plan approval, subject to the variances granted herein. The Board finds and concludes that preliminary approval can be granted.

6. The applicant has submitted certain documents, plans, and/or drawings and has provided testimony at the time of the public hearing on this application and the Board has relied upon the same in making its determination. Should the applicant deviate from this Resolution or the conditions contained herein or from the submitted documents, plans, drawings and statements made, which are part of this application, the Board may proceed to rescind this approval.

NOW, THEREFORE, BE IT RESOLVED by the Florence Township Planning Board in the County of Burlington and State of New Jersey that the application of Albax, LLC for preliminary major subdivision approval with variances is hereby **GRANTED**, subject to the following conditions:

1. All taxes and escrow fees for professional review must be paid current and in full.
2. Compliance with all federal, state, county and local laws, rules, regulations and obtain all other required governmental approvals in implementation of this development, including but not limited to: New Jersey Department of Environmental Protection; New Jersey Department of Transportation; Burlington County Planning Board; Burlington County Soil Conservation District; Florence Township Sewer Department. Copies of all applications, permits and certifications related to such approvals shall be filed with this Board.

3. If another governmental agency grants a waiver or variance of a regulation, affecting this approval or the conditions attached to it, then this Board shall have the right to review that issue as it relates to this approval and these conditions and modify or amend the same.
4. The applicant shall pursue with good faith and due diligence any and all additional approvals as may be required and shall provide the Board with copies of all reports and approvals for same, including copies of any and all applications filed.
5. Any permits, deeds, easements, vacations, dedications or other documents related to this proposed development, including Homeowners' Association documents and conservation easements, shall be approved by the Board attorney and Board engineer and filed with the appropriate authority. Proof of recording with the county clerk shall be filed with this Board.
6. The applicant shall post a performance guarantee in an amount accepted by the Township Council after recommendation by the Board and the Township engineer and in a form approved by the Township engineer and Board attorney.
7. The applicant shall comply with all items set forth in the report of the Board Engineer dated April 17, 2007, which is incorporated by reference herein, with the exception of those items for which variances have been granted.
8. The applicant shall comply with all items set forth in the report of the Board Planner dated May 15, 2007, which is incorporated by reference herein, with the exception of those items for which variances have been granted.
9. The proposed development shall be approved by the Township Water and Sewer Department.
10. The applicant shall provide a fair share of the affordable housing obligation of Florence Township, calculated in accordance with the Growth Share methodology adopted by the Council on Affordable Housing (COAH), as set forth in the Township of Florence Ordinances 2005-01 and 2005-02, and any amendments thereto including Ordinance 2006-25.

In a decision dated January 25, 2007, the Appellate Court invalidated some of COAH's key third round rules which govern the size of each municipality's fair share obligation and the manner in which the obligation can be satisfied. Given the uncertainty about COAH's rules which the Appellate Court decision and the subsequent appeals and cross-appeals create, the applicant shall

comply with whatever ultimately is approved by COAH. However, at this time, the Township's Growth Share Ordinance shall continue in full force and effect.

The level of affordable housing obligation required may be subject to further revision; thus, any in-lieu contributions approved by the Township Council and submitted by an applicant shall be placed in a separate affordable housing trust account and shall not be expended until COAH approves the Township's third round spending plan.

Under no circumstances shall the affordable housing obligation be less than that required by virtue of an affordable housing development fee imposition governed by *NJAC 5:94-6 et seq.*

11. The applicant is satisfying its COAH obligation by providing an on-site low income housing unit. The applicant shall comply with all COAH requirements for the interior and exterior design of said unit, pursuant to Section 87-35 through 40 of the Florence Township Code. In no event shall the size of the completed unit be smaller than that proposed during the hearings on the application.

12. The Homeowners' Association shall be responsible for the maintenance of the stormwater basin. Each individual property owner shall be responsible for the maintenance of the conservation easement on the owner's property.

13. The fence around the stormwater basin shall be approved by the Board planner.

14. The driveway to the duplex unit shall be modified to include an additional area for a turnaround for vehicles backing out of the garage.

15. All conditions of preliminary approval set forth herein shall be satisfied prior to the grant of final approval by the Board.

16. Pursuant to §91-150(B)(5)(c) of the Township ordinance, the variances granted by the Board in conjunction with the grant of the preliminary major subdivision shall expire upon expiration of the rights conferred by the decision granting subdivision approval, or upon expiration of final approval pursuant to *N.J.S.A. 40-55D-54*.

17. The factual findings contained in this Resolution are incorporated by reference herein as a condition to the granting of this application as if set forth at length.

MOTION TO GRANT PRELIMINARY MAJOR SUBDIVISION APPROVAL WITH VARIANCES:

Moved by : O'Hara
 Seconded by : DeAngelis
 In Favor : Fratinardo, Ryan, DeAngelis, O'Hara, Smith, Muchowski, Hamilton-Wood
 Opposed : None
 Abstained : None

MOTION TO ADOPT RESOLUTION:

Moved by : DeAngelis
 Seconded by : Morris
 In Favor : Fratinardo, Ryan, DeAngelis, O'HARA, Muchowski
 Opposed : None
 Abstained : None
 Absent :: Hamilton-Wood, Smith

FLORENCE TOWNSHIP PLANNING BOARD

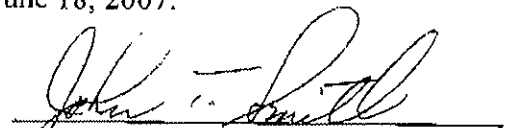
Dated: 6/19/07


 MILDRED HAMILTON-WOOD Chairman

CERTIFICATION

BE IT REMEMBERED that the within Resolution was duly adopted at a regular meeting of the Florence Township Planning Board held on June 18, 2007.

Dated: 6/21/07


 JOHN T. SMITH Secretary

FLORENCE TOWNSHIP PLANNING BOARD**RESOLUTION NO. PB-2007-43***Application PB#2006-22***RESOLUTION OF MEMORIALIZATION GRANTING FINAL MAJOR
SUBDIVISION APPROVAL TO ALBAX, LLC, FOR BLOCK 100, LOT 8.03,
LOCATED IN AN RA LOW DENSITY RESIDENTIAL ZONING DISTRICT**

Decided: November 19, 2007
Resolution Memorialized: December 17, 2007

WHEREAS, Albax, LLC made application to the Florence Township Planning Board for preliminary and final major subdivision approval with variances for Block 100, Lot 8.03; and

WHEREAS, preliminary major subdivision approval with variances was granted on May 21, 2007, memorialized by Resolution No. PB-2007-25 adopted on June 18, 2007; and

WHEREAS, in addition to the application and the appropriate checklists, the applicant has submitted the following plans and other documents:

1. Final Site Plan and Major Subdivision, prepared by Robert J. Seeberger, PE, dated July 19, 2006, revised to September 17, 2007, consisting of nine (9) sheets;
2. Final Plat for Block 100, Lot 8.03, prepared by Daniel D. Volosin, dated July 10, 2007, revised to September 7, 2007;
3. Stormwater Analysis, prepared by Robert J. Seeberger, PE, dated February 9, 2007, revised August 21, 2007; and

WHEREAS, the Board received the report of its engineer, Dante Guzzi, PE, dated November 12, 2007 and the report has been reviewed and discussed as part of the public hearing upon this application; and

WHEREAS, the Board received the report of its planner, Carl E. Hintz, PP, of Clarke, Caton, Hintz, dated November 8, 2007 and the report has been reviewed and discussed as part of the public hearing upon this application; and

WHEREAS, the Florence Township Planning Board met at a public hearing on November 19, 2007 to review the application pursuant to the applicable rules of the Planning Board and the applicable ordinances of Florence Township; and

WHEREAS, the applicant was represented by Clifford Halper, Esquire, and sworn testimony was given by Robert Seeberger, PE; and

WHEREAS, it appears that the applicant has followed all procedures in making its application, and that the application, plans and all documents and material submitted therewith were reviewed by the Board Engineer, the Board Planner, the Board solicitor and Board members, and were found to be complete and in conformity with all applicable laws and regulations; and

WHEREAS, the Board, having considered the documents submitted and the evidence presented by and on behalf of the applicant makes the following findings of fact and conclusions of law with respect to this application:

1. The applicant proposes to subdivide an approximately 2.41 acre parcel into eight (8) lots in order to construct seven (7) dwelling units and one (1) stormwater basin. One of the dwelling units will be a duplex in which one of the units will be deed restricted for low income residents. Conservation easements will be included on each residential lot as a means of providing the passive portion of the open space requirement on site. The property, located on Hamilton Avenue, was previously zoned SM Special Manufacturing and a use variance was granted by the Zoning Board of Adjustment to permit the residential development; however, the zoning of the site was subsequently amended to RA Low Density Residential.

2. The November 12, 2007 report of the Board engineer and the November 8, 2007 report of Board planner were reviewed and discussed at the hearing. The applicant agreed to comply with all items set forth in said reports.

3. The Board finds and concludes that the proposed subdivision plan complies with the ordinance requirements for final major subdivision approval and that final major subdivision approval can be granted.

4. The applicant has submitted certain documents, plans, and/or drawings and has provided testimony at the time of the public hearing on this application and the Board has relied upon the same in making its determination. Should the applicant deviate from this Resolution or the

conditions contained herein or from the submitted documents, plans, drawings and statements made, which are part of this application, the Board may proceed to rescind this approval.

NOW, THEREFORE, BE IT RESOLVED by the Florence Township Planning Board in the County of Burlington and State of New Jersey that the application of Albax, LLC for final major subdivision approval is hereby **GRANTED**, subject to the following conditions:

1. All taxes and escrow fees for professional review must be paid current and in full.
2. Compliance with all federal, state, county and local laws, rules, regulations and obtain all other required governmental approvals in implementation of this development, including but not limited to: New Jersey Department of Environmental Protection; New Jersey Department of Transportation; Burlington County Planning Board; Burlington County Soil Conservation District; Florence Township Sewer Department. Copies of all applications, permits and certifications related to such approvals shall be filed with this Board.
3. If another governmental agency grants a waiver or variance of a regulation, affecting this approval or the conditions attached to it, then this Board shall have the right to review that issue as it relates to this approval and these conditions and modify or amend the same.
4. The applicant shall pursue with good faith and due diligence any and all additional approvals as may be required and shall provide the Board with copies of all reports and approvals for same, including copies of any and all applications filed.
5. Any permits, deeds, easements, vacations, dedications or other documents related to this proposed development, including Homeowners' Association documents and conservation easements, shall be approved by the Board attorney and Board engineer and filed with the appropriate authority. Proof of recording with the county clerk shall be filed with this Board.
6. The applicant shall post a performance guarantee in an amount accepted by the Township Council after recommendation by the Board and the Township engineer and in a form approved by the Township engineer and Board attorney.
7. The applicant shall comply with all items set forth in the report of the Board Engineer dated November 12, 2007, which is incorporated by reference herein.
8. The applicant shall comply with all items set forth in the report of the Board Planner dated November 8, 2007, which is incorporated by reference herein.

9. The applicant shall comply with all conditions of preliminary major subdivision approval, as set forth in Resolution No. PB-2007-25, which is incorporated by reference herein.

10. The fence surrounding the drainage basin shall be constructed of black vinyl-coated chain link.

11. The applicant shall provide a fair share of the affordable housing obligation of Florence Township, calculated in accordance with the Growth Share methodology adopted by the Council on Affordable Housing (COAH), as set forth in the Township of Florence Ordinances 2005-01 and 2005-02, and any amendments thereto including Ordinance 2006-25.

In a decision dated January 25, 2007, the Appellate Court invalidated some of COAH's key third round rules which govern the size of each municipality's fair share obligation and the manner in which the obligation can be satisfied. Given the uncertainty about COAH's rules which the Appellate Court decision and the subsequent appeals and cross-appeals create, the applicant shall comply with whatever ultimately is approved by COAH. However, at this time, the Township's Growth Share Ordinance shall continue in full force and effect.

The level of affordable housing obligation required may be subject to further revision; thus, any in-lieu contributions approved by the Township Council and submitted by an applicant shall be placed in a separate affordable housing trust account and shall not be expended until COAH approves the Township's third round spending plan.

Under no circumstances shall the affordable housing obligation be less than that required by virtue of an affordable housing development fee imposition governed by *NJAC 5:94-6 et seq.*

12. The applicant is satisfying its COAH obligation by providing an on-site low income housing unit. The applicant shall comply with all COAH requirements for the interior and exterior design of said unit, pursuant to Section 87-35 through 40 of the Florence Township Code. In no event shall the size of the completed unit be smaller than that proposed during the hearings on the application.

MOTION TO GRANT FINAL MAJOR SUBDIVISION APPROVAL:

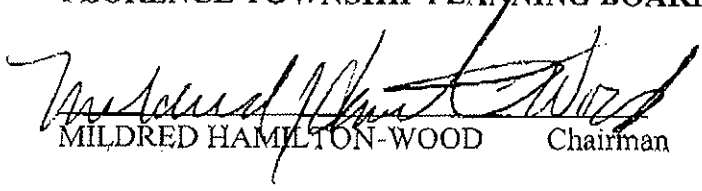
Moved by : DeAngelis
 Seconded by : Ryan
 In Favor : Fratinardo, Ryan, DeAngelis, O'Hara, Muchowski, Hamilton-Wood
 Opposed : None
 Abstained : None

MOTION TO ADOPT RESOLUTION:

Moved by : Ryan
 Seconded by : DeAngelis
 In Favor : DeAngelis, Fratinardo, Muchowski, Ryan, Hamilton-Wood
 Opposed : None
 Abstained : None
 Absent : O'Hara

FLORENCE TOWNSHIP PLANNING BOARD

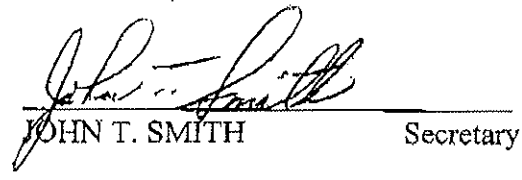
Dated: 12/17/07


 MILDRED HAMILTON-WOOD Chairman

CERTIFICATION

BE IT REMEMBERED that the within Resolution was duly adopted at a regular meeting of the Florence Township Planning Board held on December 17, 2007.

Dated: 12/17/07


 JOHN T. SMITH Secretary

Spending Plan



Introduction

Florence Township has prepared a Housing Element and Fair Share plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Fair Housing Act (N.J.S.A. 52:27D-301) and the regulations of the Council on Affordable Housing (COAH) (N.J.A.C. 5:97-1 et seq. and N.J.A.C. 5:96-1 et seq.). A development fee ordinance creating a dedicated revenue source for affordable housing was approved by COAH on February 3, 1993 and most recently amended by the municipality on January 26, 2005. The ordinance establishes Florence Township's affordable housing trust fund for which this spending plan is prepared.

As of July 17, 2008, Florence Township has collected \$ 3,597,876 and expended \$1,988,817 resulting in a balance of \$ 1,609,059. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited in a separate interest-bearing affordable housing trust fund in Commerce Bank for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:97-8.7-8.9 as described in the sections that follow.

Florence Township first received substantive certification from COAH on July 1, 1992 and received prior approval to maintain an affordable housing trust fund on February 3, 1993. As of December 31, 2004, the prior round balance remaining in the affordable housing trust fund was \$0. From January 1, 2005 through July 17, 2008, Florence Township collected an additional \$1,873,780 in development fees, payments in lieu of construction, other funds, and/or interest. From January 1, 2005 through July 17, 2008, Florence Township has expended no funds as detailed in the chart on page 8 of this spending plan.

Revenues for Certification Period

To calculate a projection of revenue anticipated during the period of third round substantive certification, Florence Township considered the following:



- (a) Development fees:
 - 1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
 - 2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
 - 3. Future development that is likely to occur based on historical rates of development.

- (b) Payment in lieu (PIL):

Actual and committed payments in lieu (PIL) of construction from developers as follows:

As of November 15, 2008, Florence Township has received a total \$826,798 in payments-in-lieu of construction. The Township does not currently anticipate any future payments-in-lieu of construction.

- (c) Other funding sources: \$0

Florence Township is not anticipating collecting money from other funding sources 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, payments in lieu of construction and interest.

- (d) Projected interest:

Based on the current average interest rate, Florence Township anticipates collecting \$89,000 in interest through 2018.



FLORENCE TOWNSHIP | SPENDING PLAN

Clarke Caton Hintz

Source of Funds – Housing Trust Fund 2008 through 2018 (Thousands)

| Source of Funds | 7/18/08 through 12/31/08 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Total |
|--|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Development fees: Approved/Pending/Projected Development | \$0 | \$400 | \$400 | \$400 | \$600 | \$700 | \$300 | \$300 | \$100 | \$100 | \$100 | \$3,400 |
| Payments in Lieu of Construction | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Funds (Specify source(s)) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Interest | \$11.6 | \$30 | \$10.5 | \$6 | \$7 | \$10.5 | \$4.5 | \$4.5 | \$1.5 | \$1.5 | \$1.5 | \$89 |
| Total | \$11.6 | \$430 | \$410.5 | \$406 | \$607 | \$710.5 | \$304.5 | \$304.5 | \$101.5 | \$101.5 | \$101.5 | \$3,489 |



FLORENCE TOWNSHIP | SPENDING PLAN

Clarke Caton Hintz

Florence Township projects a total of \$3,489,085 in revenue to be collected between July 18, 2008 and December 31, 2018. 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 Florence Township:

- (a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with Florence Township's development fee ordinance for both residential and non-residential developments in accordance with COAH's rules and P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 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. The release of funds requires the adoption of the governing body resolution in accordance with the COAH-approved spending plan. Funding allocations for projects listed in the Fair Share Plan will be reviewed by the Township Administrator and presented to Township Council for approval. 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) Rehabilitation and new construction programs and projects (N.J.A.C. 5:97-8.7)

Florence Township will dedicate up to \$5,062,063 to rehabilitation and new construction programs (see detailed descriptions in Housing Element and Fair Share Plan) as follows:

Rehabilitation program: 31 units at \$10,000 = \$310,000

New construction project(s): \$37,063

1. Final payment on bond fund to RCA: \$37,063



Market to Affordable Programs: \$4,400,000

1. Market to Affordable Sales (20 units): \$2,400,000
2. Market to Affordable Rentals (20 units): \$2,000,000

Special Needs Housing: Family Services 9 units/bedrooms = \$315,000

(b) Affordability Assistance (N.J.A.C. 5:97-8.8)

Florence Township is required to spend a minimum of 30 percent of development fee revenue to render existing affordable units more affordable and one-third of that amount must be dedicated to very low-income households (i.e. households earning less than 30 percent of the regional median income). The actual affordability assistance minimums are calculated on an ongoing basis in the CTM system based on actual revenues.

Projected minimum affordability assistance requirement

| | | |
|---|----------|-------------|
| Actual development fees through 7/17/2008 | | \$3,459,677 |
| Actual interest earned through 7/17/2008 | + | \$138,198 |
| Development fees projected* 2008-2018 | + | \$3,400,000 |
| Interest projected* 2008-2018 | + | \$ 89,085 |
| Less housing activity expenditures through 6/2/2008 | - | \$1,924,835 |
| <i>Total</i> | = | 5,162,125 |
| 30 percent requirement | x 0.30 = | \$1,548,638 |
| Less Affordability assistance expenditures through 12/31/2004 | - | \$0 |
| <i>PROJECTED MINIMUM Affordability Assistance Requirement 1/1/2005 through 12/31/2018</i> | = | \$1,548,638 |
| <i>PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 1/1/2005 through 12/31/2018</i> | ÷ 3 = | \$516,213 |

* Note: The 2008 portion of this projection reflects 2008 subsequent to July 17 as the remainder of 2008 is included in the actual figure reported above.



Florence Township may dedicate up to \$1,548,638 from the affordable housing trust fund to render units more affordable, including \$516,213 to render units more affordable to households earning 30 percent or less of median income by region, as follows:

- Provide supplemental funding to low and moderate homeowners to complete rehabilitation projects for costs not covered by Burlington County HIP grants
- Provide down payment assistance to moderate income buyers for the Market To Affordable Sales Program
- Provide down payment assistance to low and moderate income buyers who complete a pre-purchase counseling program at a COAH-designated agency and who purchase a home in Florence Township

Florence Township will address the requirement of using one third of the Affordability Assistance allocation to assist Very Low Income (VLI) households by providing construction subsidies, if required, and rental assistance for VLI households in the Market to Affordable Rental Program.

(c) Administrative Expenses (N.J.A.C. 5:97-8.9)

Florence Township 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 in the CTM system based on actual revenues.



Projected Administrative Expenses

| | | |
|--|----------|-------------|
| Actual development fees through 7/17/2008 | | \$3,459,677 |
| Actual interest earned through 7/17/2008 | + | \$138,198 |
| Development fees/P.-I.-L. projected* 2008-2018 | + | \$3,400,000 |
| Interest projected* 2008-2018 | + | \$ 89,085 |
| Less housing activity expenditures through 6/2/2008 | - | \$1,924,835 |
| Total | = | \$5,162,125 |
| 20 percent maximum permitted administrative expenses | x 0.20 = | \$1,025,225 |
| Less administrative expenditures through 12/31/2004 | - | \$***** |
| Projected allowed administrative expenditures | = | \$***** |

* - Note: The 2008 portion of this projection reflects 2008 after July 17 as the first portion of 2008 is included in the actual figure reported above.

Florence Township projects that \$***** will 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:

- Township Attorney, Engineer, and Planner fees related to obtaining substantive certification;
- Rehabilitation administration fees
- Administration fees related to the municipally sponsored new construction, special needs and supportive housing and market to affordable program.

Expenditure Schedule

Florence Township intends to use affordable housing trust fund revenues for the creation and/or rehabilitation of housing units. Where applicable, the creation/rehabilitation funding schedule below parallels the implementation schedule set forth in the Housing Element and Fair Share Plan and is summarized as follows.



FLORENCE TOWNSHIP | SPENDING PLAN

Clarke Caton Hintz

Projected Expenditure Schedule 2009 Through 2018

| Program | Number of Units Projected | Funds Expended and/or Dedicated (thousands) | | | | | | | | | | | | |
|---|---------------------------|---|--------------------------|----------------|----------------|----------------|----------------|-------------|-------------|-------------|-------------|-------------|------------|----------------|
| | | 2005 through 7/18/08 | 7/18/08 through 12/31/08 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Total |
| Final Payment on RCA | | \$0 | \$0 | \$37 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$37 |
| Rehabilitation Program | 31 | \$0 | \$0 | \$30 | \$30 | \$30 | \$30 | \$40 | \$30 | \$30 | \$30 | \$30 | \$20 | \$310 |
| Market to Affordable Sales/Rentals Programs | 40 | \$0 | \$0 | \$1,100 | \$1,100 | \$1,100 | \$1,100 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$4,400 |
| Duffy School | 45 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Special Needs Housing | 9 | \$0 | \$0 | \$140 | \$175 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$315 |
| <i>Total Programs</i> | <i>125</i> | <i>\$0</i> | <i>\$0</i> | <i>\$1,307</i> | <i>\$1,305</i> | <i>\$1,130</i> | <i>\$1,130</i> | <i>\$40</i> | <i>\$30</i> | <i>\$30</i> | <i>\$30</i> | <i>\$30</i> | <i>\$0</i> | <i>\$5,062</i> |
| Affordability Assistance | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administration | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <i>Total</i> | <i>125</i> | <i>\$0</i> | <i>\$0</i> | <i>\$1,307</i> | <i>\$1,305</i> | <i>\$1,130</i> | <i>\$1,130</i> | <i>\$40</i> | <i>\$30</i> | <i>\$30</i> | <i>\$30</i> | <i>\$30</i> | <i>\$0</i> | <i>\$5,062</i> |



Excess or Shortfall of Funds

Pursuant to the Housing Element and Fair Share Plan, the governing body of Florence Township has adopted a resolution agreeing to fund any shortfall of funds required for implementing the rehabilitation or municipally sponsored new construction programs. In the event that a shortfall of anticipated revenues occurs, Florence Township may bond to satisfy the gap in funding. A copy of the adopted resolution is attached.

Barrier Free Escrow

Collection and distribution of barrier free funds shall be consistent with Florence Township's Affordable Housing Ordinance in accordance with N.J.A.C. 5:97-8.5.

Summary

Florence Township intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:97-8.7 through 8.9 and consistent with the housing programs outlined in the housing element and fair share plan dated November 21, 2008.

Florence Township has a balance of \$1,609,059 as of July 17, 2008 and anticipates an additional \$3,489,085 in revenues before the expiration of substantive certification for a total of \$5,098,144. If there are any shortfalls in the funding from outside sources as described in the Township's housing element and fair share plan, the municipality will dedicate up to \$5,062,063 towards the final payment of an RCA, the Rehabilitation Program, the Market to Affordable Sales and Rental Program, and special needs/supportive housing. If required by COAH, the Township will utilize the much needed development fees for new construction and actual affordable unit production for affordability assistance. In addition, the Township may expend funds on administrative purposes. Any shortfall of funds will be addressed through the use of outside funding sources or through bonding and/or appropriations as may be allowed by law. Any excess funds will be dedicated toward affordability assistance.



Spending Plan Summary

| Revenues | |
|---|---------------|
| Balance as of July 17, 2008 | \$1,609,059 |
| Projected Revenue from July 18, 2008 through 2018 | |
| 1. Development fees | + \$3,400,000 |
| 2. Payments in lieu of construction | + \$0 |
| 3. Other funds | + \$0 |
| Interest | + \$89,085 |
| <i>Total Projected Revenue</i> | = \$5,098,144 |
| Expenditures | |
| Funds used for Rehabilitation | - \$310,000 |
| Funds used for New Construction | |
| 1. Market to Affordable Sales | - \$2,000,000 |
| 2. Market to Affordable Rentals | - \$2,400,000 |
| 3. Final payment on RCA | - \$37,063 |
| 5. Special Needs/Supportive Housing | - \$315,000 |
| Affordability Assistance | - \$0 |
| Administration | - \$0 |
| Excess Funds for Additional Housing Activity | = \$0 |
| <i>Total Projected Expenditures</i> | = \$5,062,063 |
| <i>Balance</i> | = 36,081 |