

## ARTICLE X AFFORDABLE HOUSING PROCEDURAL & ELIGIBILITY REQUIREMENTS

### SECTION 1001. INTENT.

The affordable housing ordinance of Cherry Hill Township sets forth regulations regarding the low- and moderate-income housing units in the Township consistent with the provisions known as the "*Substantive Rules of the New Jersey Council on Affordable Housing*," as may be amended and supplemented, for the period beginning June 2, 2008 with amendments through April 6, 2009, N.J.A.C. 5:97 *et seq.*, the *Uniform Housing Affordability Controls ("UHAC")*, N.J.A.C. 5:80-26.1 *et seq.* and the Township's constitutional obligation to provide a fair share of affordable housing for low- and moderate-income households. In addition, this Ordinance applies requirements for very low-income housing as established in *P.L. 2008, c.46* (the "*Roberts bill*"). These regulations are also intended to provide assurances that low- and moderate-income units (the "affordable units") are created with controls on affordability over time and that low- and moderate-income people occupy these units. These regulations shall apply, except where inconsistent with applicable law.

### SECTION 1002. OBLIGATION.

- A. The Cherry Hill Planning Board has adopted a Housing Plan and Fair Share Plan pursuant to the Municipal Land Use Law at *N.J.S.A. 40:55D-1, et seq.* The Fair Share Plan has been endorsed by the governing body, Township Council. The Fair Share Plan describes how Cherry Hill Township shall address its fair share for low- and moderate-income housing, as determined by the Council on Affordable Housing (COAH) and documented in the Housing Plan.
- B. The Township of Cherry Hill shall file monitoring reports with COAH in accordance with *N.J.A.C. 5:96*, tracking the status of the implementation of the Housing Plan and Fair Share Plan. Any plan evaluation report of the Housing and Fair Share Plan and monitoring prepared by COAH in accordance with *N.J.A.C. 5:96* shall be available to the public at the Township of Cherry Hill Municipal Building, Municipal Clerk's Office, 820 Mercer Street, New Jersey; on-line at [www.cherryhill-nj.com](http://www.cherryhill-nj.com); from COAH at 101 South Broad Street, Trenton, New Jersey; or COAH's website, [www.nj.gov/dca/affiliates/coah](http://www.nj.gov/dca/affiliates/coah).

### SECTION 1003. DEFINITIONS.

All word uses of §201 and definitions of §202 in the Cherry Hill Zoning Ordinance shall apply.

### SECTION 1004. PROGRAMS.

The Township of Cherry Hill will employ the following programs to satisfy its affordable housing obligations:

#### A. Rehabilitation Program.

1. Intent. The Township of Cherry Hill's rehabilitation program shall be designed to renovate deficient housing units occupied by low- and moderate-income households such that, after rehabilitation, these units will comply with the *New Jersey State Housing Code* pursuant to *N.J.A.C. 5:28*.
2. Requirements.
  - a. Both owner occupied and renter occupied units shall be eligible for rehabilitation funds.
  - b. All rehabilitated units shall remain affordable to low- and moderate-income households for a control period of a minimum of ten (10) years. For owner occupied units, the control period will be enforced with a lien and for renter occupied units the control period will be enforced with a deed restriction.
  - c. The Township of Cherry Hill shall dedicate a minimum of ten thousand (\$10,000) dollars for

each unit to be rehabilitated through this program, reflecting the minimum hard cost of rehabilitation for each unit.

- d. The Township shall adopt a resolution committing to fund any shortfall in the Cherry Hill 'Single-Family Rehabilitation Program' if necessary.
- e. Cherry Hill shall designate, subject to the approval of COAH, one or more Administrative Agents to administer the rehabilitation program in accordance with *N.J.A.C. 5:96* and *N.J.A.C. 5:97*. The Administrative Agent(s) shall provide a rehabilitation manual for the owner occupancy rehabilitation program and a rehabilitation manual for the rental occupancy rehabilitation program to be adopted by resolution of the governing body and subject to approval of COAH. Both rehabilitation manuals shall be available for public inspection on-line, in the Office of the Municipal Clerk and in the office(s) of the Administrative Agent(s).

3. **Exemptions.** Units in a rehabilitation program shall be exempt from *N.J.A.C. 5:97-9* and *Uniform Housing Affordability Controls (UHAC)*, but shall be administered in accordance with the following:

- a. If a unit is vacant, upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the deed restriction shall require the unit to be rented to a low- or moderate-income household at an affordable rent and affirmatively marketed pursuant to *N.J.A.C. 5:97-9* and UHAC.
- b. If a unit is renter-occupied, upon completion of the rehabilitation, the maximum rate of rent shall be the lesser of the current rent or the maximum permitted rent pursuant to *N.J.A.C. 5:97-9* and UHAC.
- c. Rents in rehabilitated units may increase annually based on the standards in *N.J.A.C. 5:97-9*.
- d. Applicant and/or tenant households shall be certified as income-eligible in accordance with *N.J.A.C. 5:97-9* and UHAC, except that households in owner occupied units shall be exempt from the regional asset limit.

B. **Market to Affordable Program.**

1. **Intent.** The Cherry Hill 'Market to Affordable Program' is an affordable housing program established to permit the purchase or subsidization of units through a written agreement with the property owner and sold or rented to low- and moderate-income households. Subject to the provisions of §1004.B.2.c (below), the 'Market to Affordable Program' may produce both low- and moderate-income units
2. **Requirements.** The following provisions shall apply to market to affordable programs:
  - a. At the time they are offered for sale or rental, eligible units may be new, pre-owned or vacant.
  - b. The units shall be certified to be in sound condition as a result of an inspection performed by a licensed building inspector.
  - c. Cherry Hill will provide a minimum of \$10,000 per unit to subsidize each moderate-income unit and/or \$30,000 per unit to subsidize the each low-income unit, with additional subsidy depending on the market prices or rents in a municipality.

**SECTION 1005. INCLUSIONARY ZONING.**

- A. **Intent.** To ensure the efficient use of land through compact forms of development and to create realistic opportunities for the construction of affordable housing, inclusionary zoning allows minimum presumptive densities and presumptive maximum affordable housing set-asides as follows.

1. For Sale Developments.

a. For every multi-family development in the Township, including but not limited to development in the R7, R10, and R20 zones, the Affordable Housing Overlay Zone, and any use (D) variance application for multi-family residential development, a minimum of twenty (20%) percent of the total number of units shall be set aside as Affordable Housing Units. Where this requirement results in a fraction of a unit, the fraction shall be rounded to the nearest whole unit. Fractions of less than one half (1/2) shall be rounded off to the lower whole unit and fractions of greater than one half (1/2) shall be rounded off to the higher whole unit.

2. Rental Developments.

a. For every multi-family development in the Township, including but not limited to development in the R7, R10, and R20 zones, the Affordable Housing Overlay Zone, and any use (D) variance application for multi-family residential development, a minimum of fifteen (15%) percent of the total number of units shall be set aside as Affordable Housing Units. Where this requirement results in a fraction of a unit, the fraction shall be rounded to the nearest whole unit. Fractions of less than one half (1/2) shall be rounded off to the lower whole unit and fractions of greater than one half (1/2) shall be rounded off to the higher whole unit.

B. Phasing. In inclusionary developments, the schedule shall be in conformance with the following:

| Minimum Percentage of<br>LOW & MODERATE INCOME UNITS COMPLETED | Maximum Percentage of<br>MARKET HOUSING UNITS COMPLETED |
|--|---|
| 0%   | 25%   |
| 10   | 25 + 1 unit   |
| 50   | 50  |
| 75   | 75  |
| 100  | 90  |

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

D. Payments-In-Lieu & Off-Site Construction. The standards for the collection of Payments-in-Lieu of constructing affordable units or standards for constructing affordable units off-site, shall be in accordance with N.J.A.C. 5:97-6.4.

E. Utilities. Affordable units shall utilize the same type of heating source as market units within the affordable development.

**SECTION 1006. NEW CONSTRUCTION.**

With the exception for affordable housing developments constructed pursuant to low income tax credit regulations, the following shall apply to all newly constructed developments that contain low-and moderate-income housing units, including any currently unanticipated future developments that will provide low- and moderate-income housing units:

A. Proportion.

1. At least half of the "for sale" affordable units within each affordable housing development shall be affordable to low-income households.
2. At least half of the "rental" affordable units within each affordable housing development shall be affordable to low income households. Of the total number of affordable rental units, thirteen (13%) percent shall be affordable to very low-income households.
3. At least half of the affordable units in each bedroom distribution within each affordable housing development shall be affordable to low-income households.

4. The fair share obligation shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low income unit.
- B. Bedroom Distribution. Affordable housing developments that are not limited to age-restricted households shall be structured in conjunction with realistic market demands so that:
1. The combination of efficiency and one-bedroom units is no greater than twenty (20%) percent of the total number of affordable units;
  2. At least thirty (30%) percent of all affordable units shall be two-bedroom units.
  3. At least twenty (20%) percent of all affordable units shall be three-bedroom units.
  4. The remaining units may be allocated among two and three-bedroom units at the discretion of the developer.
- C. Age-Restricted. Affordable housing developments that are limited to age-restricted households shall at a minimum have a total number of bedrooms equal to the number of age-restricted affordable units within the affordable housing development. The standard may be met by creating all one-bedroom units or by creating a two-bedroom unit for each efficiency unit.
- D. Accessibility.
1. The first floor of all townhouse dwelling units and of all other multi-story dwelling units that are affordable to low- or moderate-households shall be subject to the technical design standards of the *Barrier Free Subcode (N.J.A.C. 5:23-7)*.
  2. Each affordable townhouse unit, or other affordable multi-story dwelling unit, that is attached to at least one other dwelling unit shall have the following features:
    - a. An adaptable toilet and bathing facility on the first floor;
    - b. An adaptable kitchen on the first floor;
    - c. An accessible route of travel. An interior accessible route of travel shall not be required between stories.
    - d. An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and
    - e. Accessible entranceways.
      - i. The developer shall provide an accessible entranceway, as set forth at *N.J.A.C. 5:97-3.14*, for each affordable townhouse unit or other affordable multistory dwelling unit and is attached to at least one other dwelling unit; or
      - ii. The developer shall provide funds sufficient to make ten (10%) percent of the adaptable entrances in the development accessible, as set forth at *N.J.A.C. 5:97-3.14*.
  3. The developer of the project shall submit a conversion plan indicating the steps necessary to convert the unit from being adaptable to accessible. Said plan shall be submitted at the time of issuance of a building permit.
  4. Where the developer will provide funds sufficient to make ten (10%) percent of the adaptable entrances in the development accessible, the developer of the project shall submit the following to the Township, at the time of issuance of a building permit, in order to determine the required funds:
    - a. Funds sufficient to make ten (10%) percent of the adaptable entrances in the development accessible; and
    - b. A cost estimate for conversion of ten (10%) percent of the adaptable entrances in the

development to accessible.

5. In the case of an affordable unit or units that are constructed with an adaptable entrance, upon the request of a physically challenged person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed by the Township.

E. Maximum Rent & Sale Prices.

1. Establishment. In establishing rents and sales prices of affordable housing units, the administrative agent shall follow the procedures set forth in UHAC and in COAH, utilizing the regional income limits established by COAH.
  - a. In conjunction with realistic market information, the following shall be used to determine maximum rents and sales prices of the affordable units:
    - i. Efficiency units shall be affordable to one-person households.
    - ii. A one-bedroom unit shall be affordable to a one- and one-half person household.
    - iii. A two-bedroom unit shall be affordable to a three-person household.
    - iv. A three-bedroom unit shall be affordable to a four- and one-half person household.
    - v. A four-bedroom unit shall be affordable to a six-person household.
  - b. For assisted-living facilities, the following standards shall be used:
    - i. A studio shall be affordable to a one-person household.
    - ii. A one-bedroom unit shall be affordable to a one- and one-half person household.
    - iii. A two-bedroom unit shall be affordable to a two-person household or to two, one-person households.
3. The price of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the Administrative Agent be lower than the last recorded purchase price.
4. The rent of low- and moderate-income units may be increased annually based on the percentage increase in the *Housing Consumer Price Index for the United States*. This increase shall not exceed nine (9%) percent in any one year. Rents for units constructed pursuant to low- income housing tax credit regulations shall be indexed pursuant to the regulations governing low- income housing tax credits.

F. Median Income By Household Size. Median income by household size shall be established using a regional weighted average of the uncapped *Section 8* income limits published by HUD computed as set forth in *N.J.A.C. 5:97-9-2*.

G. Average Rents.

1. The maximum rent of affordable units within each affordable housing development shall be affordable to households earning no more than sixty (60%) percent of median income. The average rent for low- and moderate-income units shall be affordable to households earning no more than fifty-two (52%) percent of median income. Restricted rental units shall establish at least one rent for each bedroom type for all low- and moderate-income units provided at least thirteen (13%) percent of all low- and moderate-income units are affordable to households earning no more that thirty (30%) percent of median income. For low-income rental units established in a 'Market to Affordable Rental Program' only – the maximum rent for a low-income unit shall be affordable to households earning no more than forty-four (44%) percent of median income.
2. Low- and moderate-income units shall utilize the same heating source as market units within an inclusionary development.
3. Gross rents including an allowance for utilities shall be established for the various size affordable

units at a rate not to exceed thirty (30%) percent of the gross monthly income of the appropriate household size as set forth in subsection §1006.C. above. The allowance for utilities shall be consistent with the utility allowance approved by NJDCA for use in its *Section 8* program.

4. No affordable rental units included in the COAH requirement shall be subject to a rent control ordinance which may be adopted or in place in the Township of Cherry Hill during the time period in which affordable housing COAH controls are effective.

H. Average Sale Prices.

1. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than seventy (70%) percent of median income. Each affordable development must achieve an affordability average of fifty-five (55%) percent for restricted ownership units. Moderate-income ownership units must be available for at least three different prices for each bedroom type and low-income ownership units must be available for at least two different prices for each bedroom type. For low-income sale units established in a 'Market to Affordable Sales Program' only – the maximum sales for a low-income unit shall be affordable to households earning no more than forty (40%) percent of median income.
  2. Low- and moderate-income units shall utilize the same heating source as market units within an inclusionary development.
  3. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying costs of the unit, including principal and interest (based on a mortgage loan equal to ninety-five (95%) percent of the purchase price and the *Federal Reserve H.15* rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed twenty eight (28%) percent of the eligible monthly income of an appropriate household size, as determined under *N.J.A.C. 5:80-26.4*; provided, however, that the price shall be subject to the affordability average requirement of *N.J.A.C. 5:80-26.3*.
- I. Utilities. Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by DCA for its *Section 8* program.

**SECTION 1007. OCCUPANCY STANDARDS.**

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

- A. provide an occupant for each unit bedroom;
- B. provide children of different sex with separate bedrooms; and
- C. prevent more than two persons from occupying a single bedroom.

**SECTION 1008. RESERVATION OF UNITS.**

- A. Low-income housing units shall be reserved for households with a gross household income equal to or less than fifty (50%) percent of the median income approved by COAH.
- B. Pending release of COAH's rules implementing- *PL. 2008, c.46*. Very low-income housing units shall be reserved for households with a gross household income equal to or less than thirty (30%) percent of the median income approved by COAH.
- C. Moderate-income housing units shall be reserved for households with a gross household income in excess of fifty (50%) percent, but less than eighty (80%) percent of the median income approved by COAH.

**SECTION 1009. CONDO & H.O.A. FEES; RESALE PRICES**

- A. If an affordable housing unit is part of a condominium association or homeowner's association, the Master Deed shall reflect that the assessed affordable homeowner's fee be established at one hundred (100%) percent of the market rate fee. This percentage assessment shall be recorded in the Master Deed.
- B. Upon resale of an affordable unit, a certificate of reoccupancy shall be required, in accordance with *N.J.A.C. 5:80-26.10*.

**SECTION 1010. BUYER INCOME ELIGIBILITY.**

- A. Buyer income eligibility for restricted ownership units shall be in accordance with *N.J.A.C. 5:80-26.1*, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to fifty (50%) percent of median income and moderate-income ownership units shall be reserved for households with a gross household income less than eighty (80%) percent of median income.
- B. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed thirty-three (33%) percent of the household's certified monthly income.

**SECTION 1011. INDEBTEDNESS.**

- A. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the administrative agent shall determine in writing that the proposed indebtedness complies with the provisions of this section.
- B. With the exception of original purchase money mortgages, during a control period neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed ninety-five (95%) percent of the maximum allowable resale price of that unit, as such price is determined by the administrative agent in accordance with *N.J.A.C.5:80-26.6(b)*.

**SECTION 1012. CONTROL PERIODS.**

- A. Any conveyance of a newly constructed low- or moderate-income sales unit shall contain the restrictive covenants and liens that are set forth in *N.J.A.C. 5:80-26 et seq.*
- B. Time Period for Controls.
  - 1. Newly constructed low- and moderate-income "rental" units shall remain affordable to low- and moderate-income households for a period of thirty (30) years.
  - 2. Newly constructed low- and moderate-income "for sale" units shall remain affordable to low- and moderate-income households for a period of thirty (30) years.
  - 3. Rehabilitated owner-occupied single family housing units that are improved to code standard shall be subject to affordability controls for ten (10) years.
  - 4. Rehabilitated renter-occupied housing units that are improved to code standard shall be subject to affordability controls for at least ten (10) years.
  - 5. Housing units created through conversion of a non-residential structure shall be considered a new housing unit and shall be subject to affordability controls for new housing units, as designated in items §1014.A and B.
  - 6. Affordability controls on accessory apartments shall be for a period of ten (10) years.

7. Affordability controls for units in alternative living arrangements shall be for a period of thirty (30) years.
  8. Affordability controls on market to affordable units shall be for a period of thirty (30) years.
- C. Restricted Rental Units. A restricted rental unit shall remain subject to the affordability controls of this Ordinance, despite the occurrence of any of the following events:
1. Sublease or assignment of the lease of the unit;
  2. Sale or other voluntary transfer of the ownership of the unit; or
  3. The entry and enforcement of any judgment of foreclosure.

**SECTION 1013. PRICE RESTRICTIONS FOR RENTAL UNITS; LEASES.**

- A. A written lease shall be required for all restricted rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.
- B. No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
- C. Application fees (including the charge for any credit check) shall not exceed five percent of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.

**SECTION 1014. AFFIRMATIVE MARKETING PLAN.**

- A. In accordance with the regulations of COAH pursuant to *N.J.A.C. 5:96 and 5:97 et seq.* and the *New Jersey Uniform Housing Affordability Controls (UHAC)* pursuant to *N.J.A.C. 5:80-26 et seq.*, Cherry Hill Township adopted an Affirmative Marketing Plan.
- B. All affordable housing units shall be marketed in accordance with the provisions therein.
- C. The Township of Cherry Hill has a *Third Round Growth Share* obligation. This subsection shall apply to all developments that contain proposed low- and moderate-income units and any future developments that may occur.
- D. In implementing the Affirmative Marketing Program, the Administrative Agent shall undertake all of the following strategies:
  1. Publication of one advertisement in a newspaper of general circulation within the housing region.
  2. Broadcast of one advertisement by a radio or television station broadcasting throughout the housing region.
  3. At least one additional regional marketing strategy using one of the other sources listed below.
- E. The Affirmative Marketing Program is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. The Affirmative Marketing Program is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the COAH Housing Region in which the municipality is located and covers the period of deed restriction. The Township of Cherry Hill is in the housing region consisting of Burlington, Camden and Gloucester Counties. The Affirmative



Marketing Program is a continuing program and shall meet the following requirements:

1. All newspaper articles, announcements and requests for applications for low- and moderate-income units shall appear in the following daily regional newspaper/publication:
  - a. New Jersey Courier-Post newspaper
  - b. New Jersey Housing & Mortgage Finance Agency (HMFA) Housing Resource Center website.
2. The primary marketing shall take the form of at least one press release sent to the above publication and a paid display advertisement in the above newspaper. Additional advertising and publicity shall be on an "as needed" basis. The advertisement shall include a description of:
  - a. Location of the units;
  - b. Direction to the units;
  - c. Range of prices for the units;
  - d. Size, as measured in bedrooms, of units;
  - e. Maximum income permitted to qualify for the units;
  - f. Location of applications;
  - g. Business hours when interested households may obtain an application; and
  - h. Application fees, if any.
3. All newspaper articles, announcements and requests for applications for low- and moderate-income housing shall appear in neighborhood oriented weekly newspapers within the region.
4. The regional cable television station of Comcast of Burlington County, Garden State, Gloucester County, South Jersey, Wildwood (Maple Shade System) shall be used.
5. The following is the location of applications, brochure(s), sign(s) and/or poster(s) used as part of the Affirmative Marketing Program:
  - a. Cherry Hill Township Calendar
  - b. Cherry Hill Township Website
  - c. Cherry Hill Township Municipal Building
6. The following is a listing of community contact person(s) and/or organizations(s) in Camden County that will aid in the Affirmative Marketing Program, with particular emphasis on contracts that will reach out to groups that are least likely to apply for housing within the region:

| COMMUNITY CONTACT                  | ADDRESS   |
|------------------------------------|---|
| Burlington County College          | 601 Pemberton-Browns Mills Road, Pemberton, NJ 08068-1536 |
| Our Lady of Lourdes Medical Center | 218 Sunset Road, Willingboro, NJ 08046-1110               |
| Masonic Home of New Jersey         | 902 Jacksonville Road, Burlington, NJ 08016-3814          |
| Medford Leas Continuing Care       | 1 Medford Leas, Medford, NJ 08055                         |
| Virtua Geriatric Care Management   | 523 Fellowship Road, Mount Laurel, NJ 08054               |
| Virtua West Jersey Hospital        | 90 Brick Road Marlton, NJ 08053-2177                      |
| Campbell Soup Company              | Campbell Place, Camden, NJ 08103-1701                     |
| Lockheed Martin                    | 1 Federal Street, Camden, NJ 08102                        |
| Bancroft Neurohealth               | 1000 Atlantic Avenue, Camden, NJ 08102                    |
| Cooper Health System               | One Cooper Plaza, Camden, NJ 08102                        |
| L-3 Communications Systems         | 1 Federal Street, Camden, NJ, 08103                       |
| Towers Perrin                      | 101 Woodcrest Road, Cherry Hill, NJ 08003                 |
| Arch Manufacturing & Sales Co.     | 1213 S 6th Street, Camden, NJ 08104                       |
| Cherry Hill Board of Education     | 45 Ranaldo Terrace, Cherry Hill, NJ 08034                 |
| TD Bank                            | 1713 Route 70 East, Cherry Hill, NJ 08003                 |

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| Melitta Coffee                         | 1401 Berlin Road, Cherry Hill, NJ 08003  |
| Kennedy Memorial Health Center         | 2201 Chapel Avenue West, Cherry Hill, NJ 08002   |
| Camden County College                  | 1889 Route 70 East, Cherry Hill, NJ 08003  |
| Underwood Memorial Hospital            | 509 North Broad Street, Woodbury, NJ 08096   |
| Rowan University                       | 201 Mullica Hill Road, Glassboro, NJ 08028   |
| Kennedy Memorial Hospital              | 435 Hurffville-Cross Keys Road, Turnersville, NJ 08012   |
| U.S. Food Services                     | 2255 High Hill Road, Swedesboro, NJ 08085  |
| Direct Group                           | 100 Berkeley Dr., Swedesboro, NJ & 800 Arlington Blvd., Swedesboro, NJ   |
| CompuCom Systems, Inc.                 | 1225 Forest Parkway #500, Paulsboro, NJ 08066  |
| Missa Bay, LLC                         | 101 Arlington Boulevard, Swedesboro, NJ; 2339 Center Square Road, Swedesboro, NJ; and 730 Veterans Drive, Swedesboro, NJ |
| Sony Music                             | 400 North Woodbury Road, Pitman, NJ 08071  |
| Delaware Valley Wholesale Florists     | 520 North Mantua Boulevard, Sewell, NJ 08080   |
| Valero Refining Co.                    | 800 Billingsport Road, Paulsboro, NJ 08066   |
| Electric Mobility                      | 591 Mantua Boulevard, Sewell, NJ 08080   |
| Sunoco-Eagle Point Oil Refinery        | US Highway 130 S & Highway 295, Westville, NJ 08093  |
| Heritage's Dairy Stores                | 376 Jessup Road, Thorofare, NJ 08086   |
| Cornell & Company                      | 224 Cornell Lane, Westville, NJ 08093  |
| Exxon Mobil Research & Engineering Co. | 800 Billingsport Road, Paulsboro, NJ 08066   |

7. Quarterly flyers and applications shall be sent to each of the following agencies for publication in their journals and for circulation among their members:
  - a. Cherry Hill quarterly newsletter (pink)
  - b. Applications shall be mailed to prospective applicants upon request
  - c. Additionally, quarterly informational circulars and applications shall be sent to the chief administrative employees of each of the following agencies in Camden County:
    - i. Welfare or Social Service Board, including but not limited to the Camden County Board of Social Services; Burlington County Board of Social Services, and Gloucester County Board of Social Services.
    - i. Rental Assistance Office (local office of DCA)
    - ii. Office on Aging, including but not limited to the Camden County Division of Senior & Disabled Services; Burlington County Area Agency on Aging; and the Gloucester County Division of Senior Services.
    - iii. Housing Agency or Authority
    - iv. Library, including but not limited to the Cherry Hill Public Library; Camden County Library; Burlington County Library; and Gloucester County Library.
    - v. Area Community Action Agencies
8. A random selection method to select occupants of low- and moderate-income housing will be used by the experienced Affordable Housing Administrator, in conformance with *N.J.A.C.5:80-26.16 (1)*.
  - a. An experienced Affordable Housing Administrator will be selected to administer the program. The experienced Affordable Housing Administrator has the responsibility to income qualify low- and moderate-income households; to place income eligible households in low- and moderate-income units upon initial occupancy; to provide for the initial occupancy of low- and moderate-income units which income qualified households; to continue to qualify households,

for re-occupancy of units as they become vacant during the period of affordability controls; to assist with outreach to low- and moderate-income households; and to enforce the terms of the deed restriction and mortgage loan as per *N.J.A.C 5:80-26*. The Township Administrator within the Township of Cherry Hill is the designated municipal housing liaison to act as liaison to the experienced Affordable Housing Administrator. The experienced Affordable Housing Administrator shall provide counseling services to low- and moderate-income applicants on subject such as budgeting, credit issues, mortgage qualifications, rental lease requirements and landlord/tenant law.

- b. All developers of low- and moderate-income housing units shall be required to assist in the marketing of the affordable units in their respective developments.
- c. The marketing program shall commence at least one hundred and twenty (120) days before the issuance of either temporary or permanent certificates of occupancy. The marketing program shall continue until all low-income housing units are initially occupied and for as long as affordable units are deed restricted and occupancy or re-occupancy of units continues to be necessary.
- d. The experienced Affordable Housing Administrator will comply with monitoring and reporting requirements, as per *N.J.A.C.5:80-26*.

**SECTION 1015. TENANT INCOME ELIGIBILITY.**

The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed thirty-five (35%) percent, which is forty (40%) percent for age-restricted units, of the household's eligible monthly income as determined pursuant to *N.J.A.C. 5:80-26.16*, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:

- A. The household currently pays more than thirty-five (35%) percent, which is forty (40%) percent for age-restricted units, of its gross household income for rent, and the proposed rent will reduce its housing costs;
- B. The household has consistently paid more than thirty-five (35%) percent, which is forty (40%) percent for age-restricted units, of eligible monthly income for rent in the past and has proven its ability to pay;
- C. The household is currently in substandard or overcrowded living conditions;
- D. The household documents the existence of assets with which the household proposes to supplement the rent payments; or
- E. The household documents proposed third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.

**SECTION 1016. SELECTION OF OCCUPANTS OF AFFORDABLE UNITS.**

- A. The Administrative Agent shall use a random selection process to select occupants of low- and moderate-income housing.
- B. A waiting list of all eligible candidates will be maintained, in accordance with the provisions contained in *N.J.A.C. 5:80-26 et seq.*

**SECTION 1017. ADMINISTRATION.**

- A. Cherry Hill Township is ultimately responsible for administering the Affordable Housing Program, including affordability controls and the Affirmative Marketing Plan in accordance with the regulations

of COAH pursuant to *N.J.A.C. 5:97 et seq.* and the Uniform Housing Affordable Controls (UHAC) pursuant to *N.J.A.C. 5:80-26 et seq.*

- B. Cherry Hill Township has delegated to the Municipal Housing Liaison this responsibility for administering the Affordable Housing Program, including administering and enforcing the affordability controls and the Affirmative Marketing Plan of Cherry Hill Township in accordance with the provisions of this sub-chapter, the regulations of COAH pursuant to *N.J.A.C. 5:96* and *5:97 et seq.* and the Uniform Housing Affordable Controls (UHAC) pursuant to *N.J.A.C. 5:80-26 et seq.* Cherry Hill Township shall by resolution appoint the Township Administrator as the Municipal Housing Liaison.
- C. Subject to COAH approval, Cherry Hill Township may contract with one or more administrative agents to administer some or all of the affordability controls and/or the Affirmative Marketing Plan in accordance with this Article, the regulations of COAH pursuant to *N.J.A.C. 5:97* and *5:96 et seq.* and the Uniform Housing Affordable Controls (UHAC) pursuant to *N.J.A.C. 5:80-26 et seq.* If Cherry Hill Township enters into such a contract, the Municipal Housing Liaison shall supervise the contracting Administrative Agent(s) and shall serve as liaison to the contracting Administrative Agent(s).
- D. The Township of Cherry Hill intends to contract with an experienced Affordable Housing Administrator to be the administrator of the sale and rental of all new affordable housing. The experienced Affordable Housing Administrator will also oversee and administer income qualification of low- and moderate-income households; place income eligible households in low- and moderate-income units upon initial occupancy; place income eligible households in low- and moderate-income units as they become available during the period of affordability controls and enforce the terms of the required deed restrictions and mortgage loans. The experienced Affordable Housing Administrator will specifically administer and implement:
1. An Administrative Plan and Program, and related monitoring and reporting requirements, as outlined in *N.J.A.C. 5:80-26.15 et seq.* and Article X of the Zoning Ordinances of the Township of Cherry Hill.
  2. A plan for certifying and verifying the income of low- and moderate-income households as per *N.J.A.C. 5:80-26.16*
  3. Procedures to assure that low- and moderate-income units are initially sold or rented to eligible households and are thereafter similarly re-sold and re-rented during the period while there are affordability controls, as per *N.J.A.C. 5:80-26 et seq.*
  4. The requirement that all newly constructed low- and moderate-income sales or rental units contain deed restrictions with appropriate mortgage liens, as set forth in Appendices in *N.J.A.C. 5:80-26 et seq.*
  5. The several sales/purchase options authorized under *N.J.A.C. 5:80-26 et seq.*, except that the Township retains the right to determine by resolution whether or not to prohibit, as authorized under *N.J.A.C. 5:80-26 et seq.*, the exercise of the repayment option.
  6. The regulations determining 1) whether installed capital improvements will authorize an increase in the maximum sales price; and 2) which items of property may be included in the sales price as per *N.J.A.C. 5:80-26.9*.
- E. The developers/owners of any inclusionary site shall be responsible for the experienced Affordable Housing Administrator's administrative fee, affirmative marketing and advertising and such shall be a condition of Planning or Zoning Board approval. Subsequent to the initial sale of an affordable sale unit, the seller of an affordable sale unit shall be responsible for the experienced Affordable Housing Administrator's administrative fee, affirmative marketing and advertising and such shall be a

condition of any affordable housing deed restriction governing the affordable unit.

- F. Cherry Hill Township reserves the right to replace the experienced Affordable Housing Administrator with another municipal authority, or other agency authorized by COAH or the Superior Court, to carry out the administrative processes outlined in this Ordinance.

**SECTION 1018. ENFORCEMENT.**

- A. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an Owner, Developer or Tenant the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- B. After providing written notice of a violation to an Owner, Developer or Tenant of a low- or moderate-income unit and advising the Owner, Developer or Tenant of the penalties for such violations, the municipality may take the following action against the Owner, Developer or Tenant for any violation that remains uncured for a period of sixty (60) days after service of the written notice:
1. The municipality may file a court action pursuant to *N.J.S.A. 2A:58-11* alleging a violation, or violations, of the regulations governing the affordable housing unit. If the Owner, Developer or Tenant is found by the court to have violated any provision of the regulations governing affordable housing units the Owner, Developer or Tenant shall be subject to one or more of the following penalties, at the discretion of the court:
    - a. A fine of not more than \$1,000.00 or imprisonment for a period not to exceed ninety (90) days, or both. Each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not as a continuing offense;
    - b. In the case of an Owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Cherry Hill Township Affordable Housing Trust Fund of the gross amount of rent illegally collected;
    - c. In the case of an Owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the court.
  2. The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the Owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low- and moderate-income unit.
- C. Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating Owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating Owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.
- D. The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating

Owner shall be personally responsible for and to the extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the Owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the Owner shall make a claim with the municipality for such. Failure of the Owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the Owner or forfeited to the municipality.

- E. Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The Owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
- F. If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the low- and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low- and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.
- G. Failure of the low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the Owner to accept an offer to purchase from any qualified purchaser which may be referred to the Owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.
- H. The Owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the Owner.

**SECTION 1019. APPEALS**

Appeals from all decisions of an Administrative Agent designated pursuant to this Ordinance shall be filed in writing with the Executive Director of COAH.