

**TOWNSHIP OF FRANKLIN**

**NOTICE OF MOUNT LAUREL COMPLIANCE HEARING ON THE  
AMENDED HOUSING ELEMENT AND FAIR SHARE PLAN OF THE  
TOWNSHIP OF FRANKLIN, COUNTY OF GLOUCESTER**

**Docket Number: GLO-68-25**

**PLEASE TAKE NOTICE** that, on July 16, 2026 beginning at 9:00 a.m. the Honorable Robert G. Malestein, J.S.C. will conduct a “Compliance Hearing” in the In the Matter of the Application of the Township of Franklin, bearing Docket No. GLO-L-68-25 (“the Action”) at the Gloucester County Old Courthouse, 1 North Broad Street, Floor 2, Woodbury, New Jersey 08096. This Compliance Hearing will be held exclusively on Zoom, with a simultaneous livestream for the general public via the New Jersey Courts website.

The purpose of the Compliance Hearing is for the Court to determine whether the Township’s Fourth Round Housing Element and Fair Share Plan (hereinafter “Fourth Round Affordable Housing Plan”) of the Township of Franklin satisfies the Township’s obligation to provide a realistic opportunity for satisfaction of its “fair share” of the regional need for housing affordable to low- and moderate-income households, which includes the Township’s Rehabilitation, Prior Round, Third Round, and Fourth Round obligations. If the Court determines that the Township has satisfied its affordable housing obligations, it will enter a Final Fourth Round Judgment of Compliance and Repose, which among other things, will provide Franklin Township legal protection (repose) from all Mount Laurel exclusionary zoning lawsuits through June 30, 2035.

The Township has placed a copy of the Fourth Round Affordable Housing Plan on file. This document is available for public inspection at the Township Municipal Building located at 1571 Delsea Drive, Franklinville, NJ 08322, during normal business hours. Copies of the documents may be requested by contacting the Township Clerk at 865-694-1234 during normal business hours. The Fourth Round Affordable Housing Plan will also be available on the Township’s website.

The Township’s Affordable Housing Plan can be summarized as follows:

- A.** The Township’s Fourth Round Present Need Obligation is 48 and will be addressed through continued participated in Gloucester County’s owner-occupied rehabilitation program.
- B.** The Township has a Prior Round Obligation of 166.
- C.** The Township has a Third Round Obligation of 527.
- D.** The Township has a Fourth Round Obligation of 243.
- E.** The Township has a combined Prior Round, Third Round, and Fourth Round Obligation of 936, and it has been satisfied as follows:

- 36 Prior Cycle Credits
- 1,006 credits from the Inclusionary Housing Overlay Zoning, which includes the following properties:

Block	Lot(s)	Net Acreage	Total Units	Affordable Units
1903	1, 63, 64, 65, 66	36.34	508	102
2001	11, 12, 13, 14, 15, 16	117.97	1,651	330
2401	1	12.26	171	34
5101	2, 2.01, 3, 4, 5, 6, 7, 8, 9	115.16	1,612	322
5501	30	13.89	194	39
5502	8	9.48	132	26
5503	4, 5	16.58	232	46
5504	2, 3, 4, 5, 6	38.14	533	107
<b>Totals</b>		321.73	5,003	1,006

- 250 credits from 1457 Fries Mill Road (Block 1902, Lot 1)
- Mandatory Set-Aside Ordinance
- The Township also proposes to cooperate with any party that proposes to construct a residential development that will include affordable housing, if the party has a reasonable plan to provide appropriate water and sewer infrastructure to support the development on suitable site, and the Township cannot demonstrate that otherwise has a reasonable plan to provide water and sewer service to the sites listed above in the Inclusionary Housing Overlay Zone.

The Affordable Housing Plan, and the supporting documents on file with the Township Clerk provide considerably more detail as to the manner in which the Township is satisfying its affordable housing obligations.

Anyone interested in observing the Hearing may do so via livestream on the NJ Courts website: [NJ Courts Court Sessions | NJ Courts](#). This Notice is intended (a) to inform all interested parties of the existence of an Affordable Housing Plan on file with the Township Clerk, which was adopted on June 17, 2025; and (b) to explain the consequences of court approval of the Affordable Housing Plan; namely, continued immunity from any Mount Laurel lawsuits through June 30, 2035. This Notice does not indicate any view by the Court, the Special Adjudicator, the Township, ALR Franklin Properties, LLC, or Fair Share Housing Center as to whether the Court will approve the manner in which the Township proposes to satisfy its fair share. Moreover, the notice does not provide an opportunity for entities to file objections that did not participate in the Affordable Housing Dispute Resolution Program process.

**TOWNSHIP OF FRANKLIN**  
**GLOUCESTER COUNTY, NEW JERSEY**

Housing Plan Element & Fair Share Plan

Third Round (1999-2025)

March 8, 2023



Prepared by:



**Consulting & Municipal  
ENGINEERS**

**CME Associates**

1 Market Street, Suite 1F  
Camden, NJ 08102  
732-410-2651

A handwritten signature in blue ink, appearing to read 'C. Dochney', written over a red horizontal line.

Christopher N. Dochney, PP, AICP  
NJ Professional Planner License # 6225

*The original document was appropriately signed and sealed in accordance with the Chapter 41 Title 13 of the State Board of Professional Planners.*

## **ACKNOWLEDGMENTS:**

### **Franklin Township Mayor and Committee**

John "Jake" Bruno, Mayor  
Dave Deegan, Deputy Mayor  
Mary Petsch-Wilson, Committeewoman  
Heather Flaim, Committeewoman  
Matthew Finley, Township Administrator  
Barbara Freijomil, Municipal Clerk

### **Franklin Township Planning Board**

Joseph Petsch – Chair  
John Bruno, Mayor  
Heather Flaim, Committeewoman  
Kevin Constantine  
Jim Kelly  
John Melleady  
Jon Stippick  
Joseph Szwed  
Ralph Travaglione  
Steven Ranson – Alternate 1  
Kyle Clark – Alternate 2

Michael Borelli, Esq. – Board Attorney  
Ed D'Armiento, PE, CME, CFM – Board Engineer  
Jennifer Cerino – Board Secretary

### **Project Team**

Chris Dochney, PP, AICP – Project Manager  
Patrick VanBernum – Staff Planner

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## INTRODUCTION

### LOCATION AND CONTEXT

Franklin Township is the largest municipality in Gloucester County, occupying approximately 56 square miles in the southern corner of the County. The Township is approximately midway between Philadelphia to its northwest and Atlantic City to the southeast. The Township is bound by a number of municipalities that span four (4) different counties, including Gloucester, Atlantic, Cumberland, and Salem Counties. These municipalities that share a border with Franklin are as follows (County noted in parentheses): Monroe Township (Gloucester), Clayton Borough (Gloucester), Elk Township (Gloucester), Newfield Borough (Gloucester), Buena Vista Township (Atlantic), Buena Borough (Atlantic), Vineland City (Cumberland), Pittsgrove Township (Salem), and Upper Pittsgrove Township (Salem). The Township can be characterized as a primarily rural community, developed mostly with farmlands, woodlands, and low density single-family homes. More intense development within Franklin is generally clustered in a few villages – Franklinville, Malaga, Iona, and Porchtown.

The primary transportation corridors in the Township are State Route 47, State Route 55, and US Route 40. However, these corridors are generally located in the western and southwestern portion of the Township, and the primary corridors for Township-wide access appear to be a series of Gloucester County Routes.

While there are generally some areas within the Township that are environmentally constrained when considering future development, these areas are generally identifiable to the location of the several streams and water bodies in the Township. According to NJDEP data, the majority of wetlands follow the several streams that run through Franklin, primarily in the western and northwestern portion of the Township. Further environmental conditions that are of note in Franklin include the eastern portion of the Township being located within the Pinelands Management Area. The land that is east of Gloucester County Route 555 within Franklin is considered to be within the Pinelands Management Area, with the specific areas being either an Agricultural Production Area or a Rural Development Area. Despite a large amount otherwise available land for development, construction in Franklin has largely been constrained due to a lack of available water and sewer infrastructure to serve the type of dense residential and commercial development that is seen in some of the Township's more suburban neighbors closer to the urban centers.

The eastern portions of the Township are located within the Pinelands Management Area. The boundary delineating the areas within the jurisdiction of the Pinelands is generally Tuckahoe Road, Main Road, and Route 40 (Harding Highway).

For the portions of the Township that are not located within the Pinelands, the State Plan Policy Map places them in three different Planning Area classifications: Planning Area 2 (Suburban), Planning Area 4 (Rural Environmentally Sensitive), and Planning Area 5 (Environmentally Sensitive). Development is encouraged by the State Plan in Planning Area 2, but not in Areas 4 and 5. The Suburban Planning Area designation generally follows the highway corridors of Route 55, Delsea Drive, and Route 40 in the Franklinville and Malaga areas of the Township

## AFFORDABLE HOUSING

In 1975 the New Jersey Supreme Court determined, in *So. Burlington County. NAACP v. Township of Mount Laurel* (“Mount Laurel I”) that every developing municipality in New Jersey had an affirmative obligation to provide a “realistic opportunity” for its fair share of low-and moderate-income housing. In 1983, frustrated with the lack of voluntary compliance, the Supreme Court sought to create an incentive for voluntary compliance in its “Mount Laurel II” decision. In this decision, the Court exposed municipalities that refused to comply voluntarily to the possibility of builder’s remedy relief. The Court also called for the state legislature to enact legislation that would save municipalities from the inefficiency of having the courts determine their affordable housing needs.

In 1985 the Legislature adopted the Fair Housing Act (N.J.S.A. 52:27D-301 et. seq.) (“FHA”). The FHA created the New Jersey Council on Affordable Housing (COAH) and charged COAH with the responsibility of adopting regulations by which municipalities could determine their fair share responsibilities and the means by which they could satisfy those responsibilities. The Legislature also sought to promote voluntary compliance and empowered municipalities to submit to COAH’s jurisdiction and voluntarily comply under the protections of the COAH process.

Pursuant to the FHA, COAH adopted regulations for the first housing cycle in 1986; which covered the years 1987 through 1993 (“First Round”) and for the second housing cycle in 1994; which covered the years 1993 through 1999 (“Second Round”). Under both the First and Second Rounds, COAH utilized what is commonly referred to as the “fair share” methodology. COAH utilized a different methodology, known as “growth share,” beginning with its efforts to prepare Third Round housing-need numbers.

COAH first adopted the Third-Round rules in 2004; which were to cover the years 1999 through 2014. The “growth share” approach created a nexus between the production of affordable housing and future residential and non-residential development within a municipality, based on the principle that municipalities should provide affordable housing opportunities proportionate to their market rate residential growth, and that along with employment opportunities there should be proportionate opportunities for affordable housing. Each municipality was required to project the amount of residential and nonresidential growth that would occur during the period 2004 through 2014 and prepare a plan to provide proportionate affordable housing opportunities. The regulations were challenged and in January 2007, the New Jersey Appellate Division invalidated key aspects of COAH’s third round rules and ordered COAH to propose and adopt amendments to its rules to address the deficiencies it had identified.

COAH adopted new Third Round rules in May of 2008 and subsequently adopted amendments that became effective on October 20, 2008. Changes to the Fair Housing Act were also adopted in July of 2008 (P.L. 2008 c. 46 on July 17, 2008). The COAH rules and regulations adopted in 2008 were subsequently challenged, and in an October 2010 decision the Appellate Division invalidated the “Growth Share” methodology, and also indicated that COAH should adopt regulations pursuant to the “Fair Share” methodology utilized in the First and Second Rounds. The Supreme Court affirmed this decision in September 2013, invalidating the third iteration of the Third Round regulations and sustaining the invalidation of growth share, and directing COAH to adopt new regulations pursuant to the methodology utilized in the First and Second Rounds. In October of 2014 COAH was deadlocked and failed to adopt their newly revised Third Round regulations. Fair Share Housing Center, who was a party in the earlier

## Franklin Township – Housing Plan Element and Fair Share Plan

cases, responded by filing a motion in aid of litigants’ rights with the New Jersey Supreme Court. On March 20, 2015, the Court ruled that COAH was effectively dysfunctional, and consequently returned jurisdiction of affordable housing issues back to the trial courts as it had been prior to the creation of COAH in 1986.

Since the 2015 Mt. Laurel IV decision, municipalities have turned to the courts to seek a declaratory judgement of their housing plans to determine whether they are meeting their constitutional affordable housing obligations, and to be granted immunity from any “builder’s remedy” lawsuits. With no COAH functioning and providing guidance to municipalities to determine their municipal fair share of statewide and regional obligations, a number of independent groups produced their own reports to determine individual obligations across the state. In several court decisions in 2016 and 2018, judges in Middlesex and Mercer County developed a methodology following closely one proposed by Fair Share Housing Center to determine municipal obligations. In the 2018 decision by Judge Jacobson, it was further determined that the initial period of the Third Round which had not been addressed (1999 – 2015) known as the “gap period” is to be included in each municipality’s fair share calculations.

### FRANKLIN TOWNSHIP’S THIRD ROUND COMPLIANCE HISTORY

Franklin Township adopted its initial Third Round Compliance Plan in October of 2008, in compliance with the Growth Share methodology rules that were in place at the time. The 2008 Housing Element & Fair Share Plan was then endorsed by the Township Committee. As a result of the invalidation of the growth share methodology by the court, the Township’s previously adopted Housing Element and Fair Share Plan is no longer sufficient to address its fair share obligation to provide housing opportunities for low and moderate income households in the region.

The Township petitioned the court for a Declaratory Judgment Complaint on July 2, 2015, through Docket No. GLO-L-901-15, In the Matter of the Township of Franklin, Gloucester County. As a part of this Declaratory Judgment process, the Township entered into negotiations with the Fair Share Housing Center to establish firm numbers as the overall obligations of the Township in regards to their fair share requirements, as well as to identify appropriate mechanisms to provide realistic opportunities for the production of affordable housing to meet these obligations.

In May of 2022, the Township reached a settlement agreement addressing both the “number” for the Township’s Third Round fair share obligation of low-and moderate-income housing, as well the mechanisms the Township will use to satisfy this obligation. The Fair Share Settlement Agreement and this Fair Share Plan are the culmination of those efforts. A Fairness Hearing on the Settlement Agreement was held on August 12, 2022, and following this hearing the Settlement Agreement was approved by the court.

The Township has prepared this Housing Plan Element and Fair Share Plan in accordance with all requirements of the Municipal Land Use Law, the Fair Housing Act, and in conformance with the terms and conditions of the May 26, 2022 Settlement Agreement with Fair Share Housing Center, and in accordance with the methodology determined through the Mount Laurel case law outlined above.

## HOUSING PLAN ELEMENT

According to the Municipal Land Use Law (MLUL) (40:55D-28.b(3)), a municipality is required to adopt a Housing Plan Element of the Master Plan, as well as a Fair Share Plan for addressing its low and moderate income housing obligations in accordance with the Fair Housing Act (FHA). Pursuant to the Fair Housing Act, Section 10 of P.L. 1985, c. 222 (C. 52:27D-310), a municipality's housing plan element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with attention to low- and moderate-income housing. This updated Housing Plan Element for Franklin Township has been prepared in a manner that is consistent with the FHA and MLUL requirements, and contains the following, as spelled out in the FHA:

1. 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, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards;
2. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
3. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
4. An analysis of the existing and probable future employment characteristics of the municipality;
5. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing; and
6. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low-and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing.
7. A map of all sites designated by the municipality for the production of low- and moderate income-housing and a listing of each site that includes its owner, acreage, lot, and block;
8. The location and capacities and proposed water and sewer lines and facilities relevant to the designated sites;
9. Copies of necessary applications for amendments to, or consistency determinations regarding, applicable area-wide water quality management plans (including wastewater management plans).
10. A copy of the most recently adopted master plan and where required, the immediately preceding, adopted master plan;

## Franklin Township – Housing Plan Element and Fair Share Plan

11. For each designated site, a copy of the New Jersey Freshwater Wetlands maps where available. When such maps are not available, municipalities shall provide appropriate copies of the National Wetlands Inventory maps provided by the U.S. Fish and Wildlife Service;
12. A copy of appropriate, United States Geological Survey Topographic Quadrangles for designated sites; and
13. Any other documentation pertaining to the review of the municipal housing element as may be required by the appropriate authority.

This Housing Plan Element and Fair Share Plan will address the Township’s obligations to provide a realistic opportunity for the construction of low- and moderate-income housing in accordance with the Fair Housing Act, the MLUL, the Court, and the terms of the Settlement Agreement with Fair Share Housing Center, for the Third Round period of 1999 – 2025. The preparation and submission of a Housing Element of a municipality’s Master Plan, and a Fair Share Plan, is the first major step in the process for petitioning the Court for Substantive Certification and Judgment of Repose.

## POPULATION ANALYSIS

The 2020 Decennial Census from the US Census Bureau indicates that Franklin Township has a population of 16,380 persons. This represents a slight decrease in the total population of the Township when compared to the 2010 US Decennial Census counts (16,820). This decade-to-decade decrease is also the only time in the past 70 years when the population of Franklin *declined* between US Census counting.

Prior to 2020, Franklin Township’s population had been consistently growing since 1950. The decade that saw the largest rate of growth was the 1950s, where population increased by nearly 50% from 1950 to 1960. The largest decade of growth in terms of population increase, was the 1970’s, where the Township’s population grew by nearly 3,500 people. The population has continued to grow fairly consistently, showing an average increase of 1,961 persons between census counts. Population by decade and the Township’s 2045 projection from the Delaware Valley Regional Planning Commission (DVRPC) are shown in Table 1 below.

<b>Year</b>	<b>Population</b>	<b>Population Change</b>	<b>Percentage Change</b>
1950	5,056	-	-
1960	7,451	2,395	47.4%
1970	8,990	1,539	20.7%
1980	12,396	3,406	37.9%
1990	14,482	2,086	16.8%
2000	15,466	984	6.8%
2010	16,820	1,354	8.8%
2020	16,380	-440	-2.6%
2045 (proj.)	22,110	5,730	35.0%

Source: Delaware Valley Regional Planning Commission (DVRPC), U.S. Decennial Census

According to the projections conducted by DVRPC, the Township is expected to have a population of 22,110 by 2045, which would be an increase of 5,370 persons from the current population as counted by the 2020 Census. This would represent an increase in the population by approximately 229 persons each year for the next 25 years, which should be considered in the Township’s housing policies going forward.

However, as these DVRPC projections appear high, and the population increases that were projected from 2015 to 2020 did not materialize, we will also use an alternative method to project the Township’s population. Basing population growth on housing trends in the past decade, using building permit data from NJDCA it shows that on average there were a net of 7 building permits issued for new residential construction per year between 2011 and 2021. This would equal 70 new housing units over the next 10 years, or 154 new homes by 2045, which is a substantially lower figure than the DVRPC projections. Using the current average owner-occupied household size of 2.87 persons per household, this would mean a total population increase of 442 persons rather than 5,370 if current trends hold.

## DEMOGRAPHICS

The population of Franklin Township, as counted by the 2020 Decennial Census, was 16,380 persons. This comes from the Decennial Census Count of the US Census Bureau which are physical counts of responses to the census survey. For much of the rest of this Housing Plan, figures and estimates have been taken from the running 5-year estimates from the American Community Survey (ACS) from the US Census Bureau. The ACS includes much more detailed information than the Decennial Census, however as it provides only estimates and extrapolations based on smaller data samples, the figures may differ from the Decennial Census counts. This includes an estimation of the total population, where the ACS estimates from 2020 indicate a population in the Township of 16,415 persons, which is a slight overestimate according to the actual counts taken that year.

### AGE/SEX

The Township’s population of 16,415 persons according to ACS estimates is 49.4% male and 50.6% female. Throughout New Jersey and the rest of the United States, there is typically a slight imbalance in male-female population resulting in a higher female population. This is the case in Franklin as well, though the discrepancy is somewhat less in Franklin when compared to the County (48.6% male & 51.4% female) and the State (48.9% male & 51.1% female).

In terms of age distribution, the largest age group within Franklin Township is the population between the ages of 45 to 54 years of age. Residents within this age group represented nearly 15% of the population in the Township. In Gloucester County as a whole, an estimated 14.4% of County Residents fall within this age group, indicating that this age group’s population being larger in Franklin is consistent for general age distribution of the area.

Label	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
SEX AND AGE						
Total population	16,744	100.0%	16,415	100.0%	-329	-2.0%
Male	8,167	48.8%	8,110	49.4%	-57	-0.7%
Female	8,577	51.2%	8,305	50.6%	-272	-3.2%
Under 5 years	677	4.0%	803	4.9%	126	18.6%
5 to 9 years	1,128	6.7%	1,051	6.4%	-77	-6.8%
10 to 14 years	1,276	7.6%	1,025	6.2%	-251	-19.7%
15 to 19 years	1,251	7.5%	841	5.1%	-410	-32.8%
20 to 24 years	1,016	6.1%	905	5.5%	-111	-10.9%
25 to 34 years	1,650	9.9%	2,250	13.7%	600	36.4%
35 to 44 years	2,733	16.3%	2,144	13.1%	-589	-21.6%
45 to 54 years	3,156	18.8%	2,392	14.6%	-764	-24.2%
55 to 59 years	1,200	7.2%	1,545	9.4%	345	28.8%
60 to 64 years	843	5.0%	1,054	6.4%	211	25.0%
65 to 74 years	1,024	6.1%	1,584	9.6%	560	54.7%
75 to 84 years	504	3.0%	686	4.2%	182	36.1%

<b>Label</b>	<b>2010</b>		<b>2020</b>		<b>Change</b>	
85 years and over	285	1.7%	135	0.8%	-150	-52.6%
Median age (years)	40.3	(X)	39.8	(X)	-0.5	-1.2%
Under 18 years	3,973	23.7%	3,432	20.9%	-541	-13.6%
18 years and over	12,771	76.3%	12,983	79.1%	212	1.7%
65 years and over	1,814	10.8%	2,405	14.7%	591	32.6%

Source: 2010 and 2020 ACS 5-year estimates

In addition to the slower pace of growth of the population in the last decade, there has been a small shift in the age of the population in the Township. Compared to 2010, the median age has decreased by 0.5 years, or 1.2%. Furthermore, the population of residents ages 65 and older increased by nearly 600 persons, indicated by a percent change in this age group of +32.6%.

**RACE / ETHNICITY**

In terms of the racial and ethnic makeup of the Township’s population, according to Census estimates, the majority of the Township’s residents identify as white only. As the charts below indicate, the Township has a population that is nearly 88% white, 9% black, 0% American Indian and Alaska Native, 1.0% Asian, 0% Native Hawaiian and Other Pacific Islander, and 2% ‘some other race’. These percentages are taken from those in the Township that identify by only one race. According to Census estimates, 97% of Township residents identify as one race whereas the remaining 3% identify by two or more races.

When compared to Gloucester County as a whole, the percentage of white population within Franklin Township is greater than that of the entire county. In 2020, it was estimated that 80.9% of Gloucester County’s population identified as white. The percentage of Franklin Township residents that identify as Asian is less than the entire county, though. While 1% of Franklin residents identify as Asian, 3.1% of Gloucester County residents, more than triple the percentage of Franklin, identify as Asian.

When comparing the racial make-up of the Township currently to the same dataset from 2010, it shows some substantial changes. Although the general break-down within the Township shows similar percentages of each racial classification overall, some specific racial classifications shifted entirely. For example, while it was a smaller percentage in 2010 already, it’s estimated that the population of American Indian and Alaska Natives has completely relocated *out* of Franklin in the ten-year time span. Furthermore, the Township saw a significant increase in the percentage of Black or African American residents in this time span. Increasing by over 50% when compared to 2010, the Black or African American population is nearing 10% of the Township, which is more in-line with the County’s percentage of African American residents at an estimated 10.4% in 2020.

Label	2010		2020		Change	
	Population	Percent	Population	Percent	Population	Percent
Total population	16,744	100.0%	16,415	100.0%	-329	-2.0%
One race	16,395	97.9%	15,919	97.0%	-476	-2.9%
Two or more races	349	2.1%	496	3.0%	147	42.1%
One Race	16,395	100.0%	15,919	100.0%	-476	-2.9%
White	15,009	91.5%	13,957	87.7%	-1,052	-7.0%
Black or African American	960	5.9%	1,462	9.2%	502	52.3%
American Indian and Alaska Native	18	0.1%	-	0.0%	-18	-100.0%
Asian	141	0.9%	157	1.0%	16	11.3%
Native Hawaiian and Other Pacific Islander	-	0.00%	-	0.0%	0	0
Some other race	267	1.6%	343	2.2%	76	28.5%

Source: 2010 and 2020 Decennial Census

## EDUCATION

Census estimates indicate that the majority of residents in Franklin Township have attained a high school graduate level of education or higher. Nearly 89% of those in the Township are estimated to have graduated from high school, with 20% estimated to have achieved a bachelor's degree or higher. These levels of educational attainment have improved since 2010, but have only improved slightly. In 2010, 87.5% of residents were estimated to have a high school diploma or higher, and that percentage has only increased by 1.3% relative to the 2010 and 2020 populations.

The 88.8% of Franklin residents with at minimum a high school diploma is somewhat lower than the percentage of Gloucester County residents at the same level of educational attainment. In 2020, an estimated 93.5% of County residents had attained at least their high school diploma, nearly 5% more than the relative population in Franklin.

Label	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Population 25 years and over	11,396	(X)	11,790	(X)	394	3.5%
Less than 9th grade	410.26	3.6%	426	3.6%	16	3.8%
9th to 12th grade, no diploma	1,014	8.9%	892	7.6%	-122	-12.1%
High school graduate (includes equivalency)	4,912	43.1%	4,726	40.1%	-186	-3.8%
Some college, no degree	2,188	19.2%	2,372	20.1%	184	8.4%
Associate's degree	889	7.8%	1,014	8.6%	125	14.1%
Bachelor's degree	1,436	12.6%	1,557	13.2%	121	8.4%

	2010		2020		Change	
Graduate or professional degree	547	4.8%	803	6.8%	256	46.8%
High school graduate or higher	9,972	87.5%	10,472	88.8%	501	5.0%
Bachelor's degree or higher	1,983	17.4%	2,360	20.0%	377	19.0%
Source: 2010 and 2020 ACS 5-year estimates						

Compared to 2010, the poverty rate for households as determined by educational attainment has changed significantly. For households in 2010, an educational attainment level of less than high school graduate yielded a poverty rate of 24.3%. In 2020, this number has decreased to 17.8%. Furthermore, the percentage of Franklin residents with at least their high school diploma (or equivalent) in 2020 have yielded a poverty rate of nearly 11%, more than double the percentage of residents with the same level of educational attainment in 2010.

Education Level	Estimate (2010)	Estimate (2020)
Less than high school graduate	24.3%	17.8%
High school graduate (includes equivalency)	4.4%	10.9%
Some college or associate's degree	4.9%	5.3%
Bachelor's degree or higher	5.7%	2.8%
Source: 2010 and 2020 ACS 5-year estimates		

Examining the change in median earnings as they relate to educational attainment level, the ACS Estimates provide mixed results. Of the five (5) educational attainment categories, three (3) of them saw increases in annual median earnings when comparing 2020 to 2010 estimates. The most significant estimated increase was among those with less than a high school diploma. This educational attainment level saw an increase in median earnings of over \$20,000 annually. Conversely, those with either their associate's degree or graduate degree were estimated to have had a *decrease* in median annual income, with both median incomes decreasing by about \$9,000 annually.

Median Earnings	2010 Estimate	2020 Estimate
Population 25 years and over with earnings	\$43,133	\$44,825
Less than high school graduate	\$23,162	\$43,553
High school graduate (includes equivalency)	\$39,079	\$41,542
Some college or associate's degree	\$46,511	\$37,396
Bachelor's degree	\$54,837	\$58,523
Graduate or professional degree	\$77,679	\$69,803
Source: 2010 and 2020 ACS 5-year estimates		

## HOUSING CHARACTERISTICS

As required by the Municipal Land Use Law, this Housing Plan Element provides an inventory of the Township’s housing stock. The inventory details housing characteristics such as age, condition, purchase/rental value, and occupancy. It also details the number of affordable units available to low- and moderate-income households and the number of substandard housing units capable of being rehabilitated.

Unless otherwise noted, all data is taken from either the US Census Bureau’s 2020 Decennial Census count, or the American Community Survey (ACS) 2020 5-year estimates, the most recent date for which such statistical data and estimates are available at this time. Estimates from the 2010 ACS are also included for comparison and in order to establish general trends in housing in the Township.

### DWELLING UNITS

2020 Census estimates indicate that there is a total of 6,080 housing units within Franklin Township. Of those housing units, 5,834 or 95.95% are occupied, leaving the remaining 246 or 4.05% of housing units in the Township vacant.

### TENURE AND OCCUPANCY

The 2020 ACS estimates show that the number of housing units in the Township has increased by only 92 homes since 2010. Of the estimated occupied housing units, over 87% were owner-occupied, with the remaining 13% being renter occupied. When compared to the entirety of Gloucester County, Franklin has a slightly higher rate of owner-occupancy, where the County has an owner-occupancy rate of 80.4%. The estimated percentage of vacant units in Franklin Township versus all of Gloucester County shows that Franklin Township is fairly consistent with the occupancy characteristics of the entire County. In 2020, it was estimated that 93.4% of the housing units in Gloucester County were considered occupied, only about 2.5% less occupied proportionally than Franklin.

In 2010, the average household size of an owner-occupied housing unit in Franklin was 0.16 persons greater than a renter occupied unit. That gap is estimated to have shrunken slightly in 2020, with the average owner-occupied home having 2.87 persons and a renter-occupied home having 2.36 persons per household. It is also of note that the average owner-occupied household size has not changed since 2010 as that estimate is still 2.87 persons per household.

Label	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Total housing units	5,988	100%	6,080	100%	92	1.54%
Occupied housing units	5,817	97.14%	5,834	95.95%	17	0.29%
Owner-occupied	5,130	88.19%	5,078	87.04%	-52	-1.01%
Renter-occupied	687	11.81%	756	12.96%	69	10.04%
Vacant housing units	171	2.86%	246	4.05%	75	43.86%

**Table 7: Housing Tenure and Occupancy**

	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Homeowner vacancy rate	4.0	(X)	0.1	(X)	-3.9	-97.50%
Rental vacancy rate	6.5	(X)	3.4	(X)	-3.1	-47.69%
Average household size of owner-occupied unit	2.87	(X)	2.87	(X)	0.00	0.00%
Average household size of renter-occupied unit	2.71	(X)	2.36	(X)	-0.35	-12.92%

Source: 2010 and 2020 ACS 5-year estimates

Most households in Franklin Township have lived in the Township since prior to 2009. According to 2020 ACS estimates, only 20.4% of householders moved into their housing units in or after 2010. The period that saw the most growth in householders moving to Franklin Township housing units was between the years 2000 and 2009, where over 25% of householders moved to the Township. This time period was also a large growth period for Gloucester County as a whole, where the years 2000-2009 saw 26.1% of County householders move there.

**Table 8: Year Householder Moved into Housing Unit**

Label	Estimate	Percent
Total Occupied housing units	5,834	100%
Moved in 2019 or later	287	4.92%
Moved in 2015 to 2018	902	15.46%
Moved in 2010 to 2014	740	12.68%
Moved in 2000 to 2009	1,490	25.54%
Moved in 1990 to 1999	1,029	17.64%
Moved in 1989 and earlier	1,386	23.76%

Source: 2020 ACS 5-year estimates

**TYPE OF HOUSING – PHYSICAL CHARACTERISTICS**

The Township is estimated to primarily have single-family detached units, which comprise over 92% of the housing stock in the Township. The next most-common type of housing unit in Franklin Township per 2020 ACS estimates is mobile homes, which comprise nearly 5% of the Township’s housing stock. Compared to the housing stock in 2010, the 2020 housing stock had significantly reduced numbers 3 or 4 unit homes, 10 to 19 unit homes, and 20 or more unit homes. All of which saw a decrease in over 90% when compared to 2010. The largest increase based on percentages came in the number of 2 unit homes, where the inventory of these types of units increased by over 64%.

**Table 9: Housing Type – Units in Structure**

Label	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Total housing units	5,988	100.00%	6,080	100.00%	92	1.54%

	2010		2020		Change	
	Units	Percent	Units	Percent	Units	Percent
1-unit, detached	5,384	89.91%	5,599	92.09%	215	3.99%
1-unit, attached	123	2.05%	67	1.10%	-56	-45.53%
2 units	78	1.30%	128	2.11%	50	64.10%
3 or 4 units	83	1.39%	7	0.12%	-76	-91.57%
5 to 9 units	0	0.00%	0	0.00%	0	(X)
10 to 19 units	73	1.22%	0	0.00%	-73	-100.00%
20 or more units	49	0.82%	0	0.00%	-49	-100.00%
Mobile home	198	3.31%	279	4.59%	81	40.91%
Boat, RV, van, etc.	0	0	0	0.00%	0	0.00%

Source: 2010 and 2020 ACS 5-year estimates

### BEDROOMS

The majority of the homes in Franklin Township are either a 2-bedroom, 3-bedroom, or 4-bedroom unit, as over 90% of the housing stock is estimated to have between 2 and 4 bedrooms. In the last decade, the number of 4-bedroom units has decreased. While this size of home has become less common in the Township, the number of studio, 1-bedroom, 2-bedroom, and 5 or more bedroom units all were estimated to have increased. The number of 3-bedroom units has remained fairly the same, comprising of about 55% of the housing stock of the Township.

Label	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
<b>BEDROOMS</b>						
Total housing units	5,988	100%	6,080	100.00%	92	1.54%
No bedroom	41	0.68%	42	0.69%	1	2.44%
1 bedroom	103	1.72%	219	3.60%	116	112.62%
2 bedrooms	958	16.00%	1,161	19.10%	203	21.19%
3 bedrooms	3,326	55.54%	3,315	54.52%	-11	-0.33%
4 bedrooms	1,427	23.83%	1,126	18.52%	-301	-21.09%
5 or more bedrooms	133	2.22%	217	3.57%	84	63.16%

Source: 2010 and 2020 ACS 5-year estimates

### AGE OF HOUSING

Historically, Franklin saw the most growth and construction within the Township take place during the 1970s. During this time, over 22% of the current housing stock in the Township was built. When compared to Gloucester County, it is clear that this decade was an elevated period of growth in general as the 15% of the County's current housing stock was also built during this decade. Also of note, Franklin has only seen an approximate 48 new housing units built after the year 2014, or 0.8% of the Township housing stock. While this 6-year period has generally not seen a substantial amount of growth both at the County and State levels, both the County and State saw a minimum of 2% of their housing stock built from that time. Thus, a clear slowdown of residential development has taken place in Franklin in the recent years.

**Table 11: Housing Type – Age of Structure (2020)**

Label	Franklin Township		Gloucester County	
	Estimate	Percent	Estimate	Percent
Total housing units	6,080	100.0%	113,945	100.0%
Built 2014 or later	48	0.8%	3,031	2.7%
Built 2010 to 2013	171	2.8%	2,827	2.5%
Built 2000 to 2009	764	12.6%	16,466	14.5%
Built 1990 to 1999	659	10.8%	16,018	14.1%
Built 1980 to 1989	1,077	17.7%	15,683	13.8%
Built 1970 to 1979	1,362	22.4%	17,307	15.2%
Built 1960 to 1969	576	9.5%	12,130	10.6%
Built 1950 to 1959	709	11.7%	12,502	11.0%
Built 1940 to 1949	381	6.3%	5,386	4.7%
Built 1939 or earlier	333	5.5%	12,595	11.1%

Source: 2020 ACS 5-year estimates

**DEFICIENT HOUSING UNITS**

The Census Bureau tracks certain characteristics of housing that would indicate that a housing unit is deficient in some way, either by a lack of plumbing facilities, or not having a complete kitchen - essentially a building that is not connected to the grid. This is a type of home that has become extremely rare throughout the state as plumbing, and electricity are both essential and expected in a home. In Franklin, there are currently estimated to be 37 housing units without any plumbing facilities, 37 housing units without complete kitchen facilities, and 51 housing units lacking access to telephone or internet.

Another measure of a deficient housing unit, overcrowding, is generally measured as any home that has more than 1 resident per room in the house. In Franklin Township, this situation has been avoided for the most part, as over 98% of housing units had less than 1 resident per room in 2020. However, when comparing to the 2010 estimates, 2020 is showing a trend that already-overcrowded Township housing units may be becoming more overcrowded. While a slight increase, it was estimated that the number of housing units with 1.51 or more occupants per room increased by nearly 65.91% from 2010 to 2020. This increase also was concurrent with a decrease in the percentage of units with 1.01 to 1.50 occupants per room.

A large amount of the homes in Franklin Township are heated by either Utility Gas or Fuel oil, kerosene, etc. However, from 2010 to 2020 there was also a decrease in the number of homes heated by Fuel oil, kerosene, etc. by 27.26%. this could be an indication that in the coming years, this fuel source may become less common in Franklin.

**Table 12: Deficient Housing Units, Overcrowding, Heating**

SELECTED CHARACTERISTICS	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Occupied housing units	5,817	100%	5,834	100%	17	0.29%

	2010		2020		Change	
Lacking complete plumbing facilities	28	0.48%	37	0.63%	9	32.14%
Lacking complete kitchen facilities	9	0.15%	37	0.63%	28	311.11%
No telephone service available	87	1.50%	51	0.87%	-36	-41.38%
<b>OCCUPANTS PER ROOM</b>						
1.00 or less	5,716	98.26%	5,755	98.65%	39	0.68%
1.01 to 1.50	57	0.98%	6	0.10%	-51	-89.47%
1.51 or more	44	0.76%	73	1.25%	29	65.91%
<b>HOUSE HEATING FUEL</b>						
Utility gas	2,467	42.41%	3,229	55.35%	762	30.89%
Bottled, tank, or LP gas	554	9.52%	302	5.18%	-252	-45.49%
Electricity	520	8.94%	550	9.43%	30	5.77%
Fuel oil, kerosene, etc.	2,062	35.45%	1,500	25.71%	-562	-27.26%
Coal or coke	0	0.00%	0	0.00%	0	(X)
Wood	135	2.32%	114	1.95%	-21	-15.56%
Solar energy	0	0.00%	28	0.48%	28	(X)
Other fuel	44	0.76%	104	1.78%	60	136.36%
No fuel used	35	0.60%	7	0.12%	-28	-80.00%
Source: 2010 and 2020 ACS 5-year estimates						

### HOME VALUES AND COSTS

One of the more important considerations of a housing plan is an analysis of the value of housing in the Township, and its cost. For owner occupied homes, most of the housing units in the Township are valued somewhere between \$150,000 and \$299,000. Approximately 8% of homes are valued at less than \$100,000, while 1.5% of homes are valued over \$500,000. These figures however are estimates from 2020, and home values throughout the state have risen considerably in the past two years. Home values were estimated to have dropped overall from 2010 to 2020, but conceivably the median home value may now be closer to what it was in 2010 than the 2020 estimates.

The value of homes in Franklin Township is somewhat lower when compared with the rest of Gloucester County. The median home value in Gloucester County overall in 2010 was \$236,900, and in 2020 was \$224,300. Compared to Franklin Township, which had median home values of \$234,700 to \$202,800 respectively. It is of note that Franklin Township's median home value decreased by a much larger margin than that of the County, where Franklin saw a decrease of nearly 14% in the median home value whereas the County saw a decrease of 5.32%.

	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Owner-occupied units	5,130	100.0%	5,078	100.0%	-52	-1.01%
Less than \$50,000	150	2.9%	251	4.9%	101	67.33%
\$50,000 to \$99,999	203	4.0%	144	2.8%	-59	-29.06%
\$100,000 to \$149,999	474	9.2%	642	12.6%	168	35.44%
\$150,000 to \$199,999	1,072	20.9%	1,452	28.6%	380	35.45%
\$200,000 to \$299,999	1,607	31.3%	1,648	32.5%	41	2.55%
\$300,000 to \$499,999	1,315	25.6%	866	17.1%	-449	-34.14%
\$500,000 to \$999,999	252	4.9%	69	1.4%	-183	-72.62%
\$1,000,000 or more	57	1.1%	6	0.1%	-51	-89.47%
Median (Franklin Township)	\$234,700	(X)	\$202,800	(X)	-\$31,900	-13.59%
Median (Gloucester County)	\$236,900	(X)	\$224,300	(X)	-\$12,600	-5.32%

Source: 2010 and 2020 ACS 5-year estimates

In addition to estimating the value of housing, the Census Bureau also considers the monthly costs of owning a home. For homes that have a mortgage, the median monthly ownership costs is \$1,935 per month in Franklin. For homes without a mortgage, the ownership costs are \$842 per month. This would indicate that outside of paying for a mortgage, it is estimated that a typical home in Franklin Township would pay nearly \$1,100 a month in taxes, insurance, and utilities.

As the American Community Survey changed the way they calculate this particular statistic in 2017, direct comparisons to 2010 data are difficult.

Label	Estimate	Percent
<b>Housing units with a mortgage:</b>	3,337	100.0%
Less than \$200	0	0.0%
\$200 to \$399	0	0.0%
\$400 to \$599	18	0.5%
\$600 to \$799	8	0.2%
\$800 to \$999	82	2.5%
\$1,000 to \$1,499	633	19.0%
\$1,500 to \$1,999	1,067	32.0%
\$2,000 to \$2,499	990	29.7%
\$2,500 to \$2,999	258	7.7%
\$3,000 or more	281	8.4%
<b>Median (dollars)</b>	\$1,935.00	(X)
<b>Housing units without a mortgage:</b>	1,741	100.0%

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**Table 14: Selected Monthly Owner Costs (2020)**

Label	Estimate	Percent
Less than \$200	0	0.0%
\$200 to \$399	77	4.4%
\$400 to \$599	246	14.1%
\$600 to \$999	919	52.8%
\$1,000 to \$1,299	\$287.00	16.5%
\$1,300 to \$1,499	100	5.7%
\$1,500 or more	112	6.4%
Median (dollars)	\$842.00	(X)

Source: 2020 ACS 5-year estimates

**Table 15: Selected Monthly Owner Costs (2010)**

Label	Estimate	Percent
<b>Housing units with a mortgage:</b>	3,687	100.1%
Less than \$200	0	0.0%
\$200 to \$299	0	0.0%
\$300 to \$399	11	0.3%
\$400 to \$499	18	0.5%
\$500 to \$599	22	0.6%
\$600 to \$699	52	1.4%
\$700 to \$799	15	0.4%
\$800 to \$899	159	4.3%
\$900 to \$999	107	2.9%
\$1,000 to \$1,249	324	8.8%
\$1,250 to \$1,499	398	10.8%
\$1,500 to \$1,999	822	22.3%
\$2,000 or more	1,762	47.8%
Median (dollars)	\$1,954.00	(X)
<b>Housing units without a mortgage:</b>	1,443	100.0%
Less than \$100	33	2.3%
\$100 to \$149	0	0.0%
\$150 to \$199	12	0.8%
\$200 to \$249	0	0.0%
\$250 to \$299	22	1.5%
\$300 to \$349	17	1.2%
\$350 to \$399	17	1.2%
\$400 to \$499	107	7.4%
\$500 to \$599	263	18.2%

Label	Estimate	Percent
<b>\$600 to \$699</b>	323	22.4%
<b>\$700 or more</b>	649	45.0%
<b>Median (dollars)</b>	\$678.00	(X)

Source: 2010 ACS 5-year estimates

Rental housing units in Franklin Township are generally less expensive than owning a home. The median gross monthly rent in the Township is \$1,378, which is \$559 less than the estimated ownership costs for a home with a mortgage. However, as opposed to home values which had been estimated to have gone down between 2010 and 2020, the median cost of rent has increased by 23.5%, the inverse of the home values.

These estimates for median rent are fairly consistent with the estimates for Gloucester County as a whole. The estimated median monthly cost of rent for Gloucester County was \$1,258 in 2020, indicating that rent in Franklin Township was over \$100 more expensive than the entirety of Gloucester County. The County saw an increase in median rent from \$964 to \$1,258 monthly in the time span from 2010 to 2020.

Table 16 below highlights the estimated monthly rent for housing units in the Township both in 2010 and in 2020 according to the Census Bureau. Like other ownership costs above, the income brackets used by the Census Bureau to categorize monthly rents changed from 2010 to 2020, which makes some direct comparison of the changes over time difficult. In 2010, the American Community Survey did not track rents above \$1,500 as separate categories, while the 2020 ACS only included two brackets for monthly rents of less than \$1,000.

GROSS RENT	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Occupied units paying rent	611	100.0%	701	100.0%	90	14.7%
Less than \$500	8	1.3%	-	0.0%	(8)	-100.0%
\$500 to \$999	207	33.9%	85	12.1%	(122)	-58.9%
\$1,000 to \$1,499	258	42.2%	439	62.6%	181	70.2%
\$1,500 to \$1,999	127	20.8%	146	20.8%	19	15.0%
\$2,000 to \$2,499	11	1.8%	10	1.4%	(X)	(X)
\$2,500 to \$2,999	(X)	(X)	-	0.0%	(X)	(X)
\$3,000 or more	(X)	(X)	21	3.0%	(X)	(X)
Median (dollars)	\$1,114.00	(X)	\$1,376.00	(X)	\$262.00	23.5%
No rent paid	76	(X)	55	(X)	-21	-27.6%

Source: 2010 and 2020 ACS 5-year estimates

## HOUSEHOLD INCOME AND AFFORDABILITY

### HOUSEHOLD INCOME

The median household in Franklin Township earned \$82,465 in 2020. This is over \$3,000 less than the statewide median household income of \$85,245 at the same time. The median income for an owner-occupied housing unit is greater than the state-wide median income, being over \$91,000. The estimated median income for renters in the Township was much lower than the owner-occupied income in Franklin as well as the median renter-occupied income in New Jersey as a whole. The state-wide median income for renter-occupied housing units was \$50,532 in 2020, which is over \$18,000 higher than the Township’s median income for renter-occupied housing units at the same time.

Label	Occupied housing units		Owner-occupied housing units		Renter-occupied housing units	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Occupied housing units	5,834	100.00%	5,078	100.00%	756	100.00%
Less than \$5,000	108	1.85%	69	1.36%	39	5.16%
\$5,000 to \$9,999	66	1.13%	57	1.12%	9	1.19%
\$10,000 to \$14,999	148	2.54%	45	0.89%	103	13.62%
\$15,000 to \$19,999	115	1.97%	50	0.98%	65	8.60%
\$20,000 to \$24,999	199	3.41%	154	3.03%	45	5.95%
\$25,000 to \$34,999	510	8.74%	388	7.64%	122	16.14%
\$35,000 to \$49,999	620	10.63%	564	11.11%	56	7.41%
\$50,000 to \$74,999	953	16.34%	795	15.66%	158	20.90%
\$75,000 to \$99,999	825	14.14%	713	14.04%	112	14.81%
\$100,000 to \$149,999	1,301	22.30%	1,261	24.83%	40	5.29%
\$150,000 or more	989	16.95%	982	19.34%	7	0.93%
Median household income (dollars)	\$82,465	(X)	\$91,462	(X)	\$32,109	(X)

Source: 2020 ACS 5-year estimates

Compared to data from 2010 estimates, the median household income in the Township is estimated to have increased by the ACS. As shown below, in the years 2010 to 2020 it was estimated that the median income of residents in Franklin Township increased by nearly \$8,000.

Label	Estimated Percent
Total Households	5,817
Less than \$10,000	4.1%
\$10,000 to \$14,999	4.0%
\$15,000 to \$24,999	6.0%
\$25,000 to \$34,999	6.8%
\$35,000 to \$49,999	11.7%
\$50,000 to \$74,999	17.8%

Label	Estimated Percent
\$75,000 to \$99,999	17.9%
\$100,000 to \$149,999	18.8%
\$150,000 to \$199,999	8.5%
\$200,000 or more	4.4%
Median income (dollars)	\$74,327
Mean income (dollars)	\$91,234
Source: 2010 ACS 5-year estimates	

## HOUSING AFFORDABILITY

As a rule of thumb, a home is only considered to be affordable to a particular household if that household is spending no more than approximately 30% to 35% of their income on housing costs. It is assumed that a household that is forced to spend greater than this on their monthly housing costs likely is making sacrifices elsewhere in their budget, be it on food, transportation costs, healthcare, or general savings, in order to pay for housing costs. A household spending more than 30% is considered to be cost burdened and is likely at risk of having trouble paying all their housing costs on a monthly basis. Households with lower incomes are more likely to be cost burdened, and also feel the impacts more severely than higher income households do given the lower amount of income left over after paying rent and other housing costs.

Census estimates from the ACS indicate the percentage of household income that goes towards housing costs, broken down into separate files for owner occupied homes and renter occupied homes. For owner occupied homes, nearly 33% of housing units with a mortgage spend 30% or more of their monthly income on housing costs, while for households that do not have a mortgage that number is slightly more than 25%. This would be expected, as a household that does not have to pay a mortgage presumably would have significantly lower costs of housing.

	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Housing units with a mortgage	3,687	99.46%	3,337	100.00%	-350	-9.49%
Less than 20.0 percent	1,190	32.28%	1,194	35.78%	4	0.34%
20.0 to 24.9 percent	544	14.75%	539	16.15%	-5	-0.92%
25.0 to 29.9 percent	477	12.94%	499	14.95%	22	4.61%
30.0 to 34.9 percent	404	10.96%	282	8.45%	-122	-30.20%
35.0 percent or more	1,052	28.53%	823	24.66%	-229	-21.77%
Not computed	20	(X)	-	(X)	-20	(X)
Housing units without a mortgage	1,443	99.17%	1,741	100.00%	298	20.65%
Less than 10.0 percent	315	21.83%	448	25.73%	133	42.22%
10.0 to 14.9 percent	244	16.91%	424	24.35%	180	73.77%

	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
15.0 to 19.9 percent	211	14.62%	149	8.56%	-62	-29.38%
20.0 to 24.9 percent	121	8.39%	131	7.52%	10	8.26%
25.0 to 29.9 percent	65	4.50%	149	8.56%	84	129.23%
30.0 to 34.9 percent	67	4.64%	118	6.78%	51	76.12%
35.0 percent or more	408	28.27%	322	18.50%	-86	-21.08%
Not computed	12	(X)	-	(X)	-12	(X)

Source: 2010 and 2020 ACS 5-year estimates

As can be expected given the disparity in income between those who own their home and those who rent, the number of renters who are spend more than 35% of their income on housing is nearly 2/3 of all rental units in Franklin. This estimate shows a large increase when compared to 2010, where just over 1/3 of rental households committed over 35% of their annual income to the cost of rent.

	2010		2020		Change	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Occupied units paying rent	687	100.00%	756	100.00%	69	10.04%
Less than 15.0 percent	21	3.44%	7	1.00%	-14	-66.67%
15.0 to 19.9 percent	114	18.66%	62	8.84%	-52	-45.61%
20.0 to 24.9 percent	90	14.73%	83	11.84%	-7	-7.78%
25.0 to 29.9 percent	81	13.26%	72	10.27%	-9	-11.11%
30.0 to 34.9 percent	91	14.89%	11	1.57%	-80	-87.91%
35.0 percent or more	214	35.02%	466	66.48%	252	117.76%
Not computed	76	(X)	55	(X)	-21	-27.63%

Source: 2010 and 2020 ACS 5-year estimates

The estimates from the Census indicate that for renter occupied households, the percentage paying greater than 30% of their income on housing expenses has generally increased across all income tranches.

	Occupied housing units		Owner-occupied housing units		Renter-occupied housing units	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Total	5,834	100.00%	5,078	100.00%	756	100.00%
Less than \$20,000	424	7.27%	221	4.35%	203	26.85%
Less than 20 percent	9	0.15%	9	0.18%	0	0.00%
20 to 29 percent	0	0.00%	0	0.00%	0	0.00%
30 percent or more	415	7.11%	212	4.17%	203	26.85%
\$20,000 to \$34,999	691	11.84%	542	10.67%	149	19.71%
Less than 20 percent	0	0.00%	0	0.00%	0	0.00%
20 to 29 percent	86	1.47%	80	1.58%	6	0.79%
30 percent or more	605	10.37%	462	9.10%	143	18.92%
\$35,000 to \$49,999	615	10.54%	564	11.11%	51	6.75%

**Table 21: Monthly Housing Costs as a Percentage of Household Income**

	Occupied housing units		Owner-occupied housing units		Renter-occupied housing units	
Less than 20 percent	81	1.39%	81	1.60%	0	0.00%
20 to 29 percent	139	2.38%	119	2.34%	20	2.65%
30 percent or more	395	6.77%	364	7.17%	31	4.10%
\$50,000 to \$74,999	940	16.11%	795	15.66%	145	19.18%
Less than 20 percent	267	4.58%	267	5.26%	0	0.00%
20 to 29 percent	404	6.92%	338	6.66%	66	8.73%
30 percent or more	269	4.61%	190	3.74%	79	10.45%
\$75,000 or more	3,109	53.29%	2,956	58.21%	153	20.24%
Less than 20 percent	1,927	33.03%	1,858	36.59%	69	9.13%
20 to 29 percent	844	14.47%	781	15.38%	63	8.33%
30 percent or more	338	5.79%	317	6.24%	21	2.78%
Zero or negative income	0	0.00%	0	0.00%	0	0.00%
No cash rent	55	0.94%	(X)	(X)	55	7.28%

Source: 2020 ACS 5-year estimates

### PROJECTIONS OF MUNICIPALITY’S HOUSING STOCK

According to population projections from the Delaware Valley Regional Planning Commission (DVRPC), the Township is expected to grow by over 5,700 persons over the next 25 years, to a total population estimated to surpass 22,000. With this projected increase in population, Franklin Township’s percentage of vacant housing units may also decrease. Given the average household size of 2.87 persons for owner occupied housing units, this would equate to an estimated 1,997 new housing units needed to be constructed in order to accommodate and house this population growth. This would be at a rate of approximately 80 units being constructed per year for the next 25 years.

Using data from NJDCA on residential building permits issued for new construction, and demolition permits issued over the past 10 years, provides an alternative method of projecting future housing stock over the next 10 years in the Township. According to the data from DCA, there have been 149 building permits issued for new construction residences in the Township in the 10-year time period between 2012 and 2021. In that same timeframe, there were 80 demolition permits issued for removal of residential dwellings, leaving a net increase in residences in the Township of 69. Based on this average of just under 7 new homes per year, it could be projected that the Township would see 69-70 new residences over the next 10 years

- 149 permits – 80 demolitions = 69 additional residential units (2012-2021)
- 6,080 housing units (2020 estimate) + 70 (projection next 10 years) = 6,150 housing units total.

The projections based on historic data of building permits and demolition permits in recent years shows a much lower anticipated increase in construction compared to the population projections from DVRPC, which is largely based on the amount of land available in the Township.

**EMPLOYMENT AND LABOR FORCE DATA**

There is approximately 13,300 persons over the age of 16 who live in Franklin Township who are actively participating in the labor force. Of those in the labor force, over 8,300 are considered employed, leaving nearly 670 being unemployed, with an estimated unemployment rate of 7.4%. The Township’s population over the age of 16 that does not participate in the labor force is somewhat high, with nearly 1/3 of the working age population not working nor seeking work.

Label	Estimate	Percent
Population 16 years and over	13,347	100%
In labor force	8,993	67.40%
Civilian labor force	8,986	67.30%
Employed	8,319	62.30%
Unemployed	667	5.00%
Armed Forces	7	0.10%
Not in labor force	4,354	32.60%
Civilian labor force	8,986	(X)
Unemployment Rate	(X)	7.40%
Source: 2020 ACS 5-year estimates		

Data from the State Department of Labor and Workforce Development, which more closely tracks employment and unemployment, shows that 2020 was the first year since 2013 where the unemployment rate surpassed 10%. This increase in unemployment can most likely be attributed to affects from the COVID-19 Pandemic. However, recent data from the State Department of Labor and Workforce Development indicates that the unemployment rate in Franklin has since declined to below 10% again, which is a rate much similar to the years following 2013’s highs.

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Labor Force	8,926	8,878	8,826	8,734	8,825	8,599	8,635	8,643	8,839	8,982	9,187
Employment	8,289	7,961	8,433	8,280	8,292	8,020	7,951	7,832	7,813	7,851	8,036
Unemployment	637	917	393	454	533	579	684	811	1,026	1,131	1,152
Unemployment Rate	7.1	10.3	4.5	5.2	6.0	6.7	7.9	9.4	11.6	12.6	12.5
Source: NJ Department of Labor and Workforce											

Of the residents of Franklin Township who are participating in the labor force and are employed, over 76% of them work for a private employer. Over 17% are employed in some sort of government work, and over 6% are self-employed.

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	<b>Estimate</b>	<b>Percent</b>
Civilian employed population 16 years and over	8,319	100%
Private wage and salary workers	6,346	76.28%
Government workers	1,436	17.26%
Self-employed in own not incorporated business workers	518	6.23%
Unpaid family workers	19	0.23%

Source: 2020 ACS 5-year estimates

American Community Survey estimates provide some data on the occupation and industry of employment for residents of the Township as of 2020. The primary occupations of residents fall into the category “Management, business, science and arts occupations” at over 35%. The other occupations that the ACS categorizes are generally even, with each them being between 12% and 19% of the employed civilian population. The industry with the smallest percentage of Franklin Township residents employed therein is “Production, transportation, and material moving occupations” at 12.56%.

<b>Label</b>	<b>Estimate</b>	<b>Percent</b>
Civilian employed population 16 years and over	8,319	100%
Management, business, science, and arts occupations	2,919	35.09%
Service occupations	1,393	16.74%
Sales and office occupations	1,503	18.07%
Natural resources, construction, and maintenance occupations	1,459	17.54%
Production, transportation, and material moving occupations	1,045	12.56%

Source: 2020 ACS 5-year estimates

Further estimates show that of the approximately 5,500 employed residents of the Township, over 25% of them work in the “educational, healthcare, and social assistance” sector. The next highest sector identified by proportion of employed residents is the “Construction” sector over 19%. No other sector individually accounts for more than 10% of employed residents, and the next most common employment sector is “Professional, scientific, and management, and administrative and waste management services” which accounts for 8.6% of those employed in the Township.

<b>Label</b>	<b>Estimate</b>	<b>Percent</b>
Civilian employed population 16 years and over	5,513	100%
Agriculture, forestry, fishing and hunting, and mining	116	2.1%
Construction	1,072	19.4%
Manufacturing	335	6.1%
Wholesale trade	267	4.8%
Retail trade	394	7.1%
Transportation and warehousing, and utilities	403	7.3%
Information	44	0.8%
Finance and insurance, and real estate and rental and leasing	270	4.9%

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<b>Label</b>	<b>Estimate</b>	<b>Percent</b>
Professional, scientific, and management, and administrative and waste management services	475	8.6%
Educational services, and health care and social assistance	1,382	25.1%
Arts, entertainment, and recreation, and accommodation and food services	205	3.7%
Other services, except public administration	157	2.8%
Public administration	393	7.1%
Source: 2020 ACS 5-year estimates		

In addition to collecting data on employment and income, the Census Bureau provides estimates on the number of residents of the Township collecting benefits to supplement or replace income which would otherwise come from employment. According to these estimates from 2020, 33.7% of Franklin Township residents are collecting social security benefits, just over 1% are collecting direct cash benefits, and nearly 8% are also collecting Food Stamps / SNAP benefits. The mean amount of social security collected is \$22,225 per year, and the mean cash public assistance is just over \$1,632 a year. There are also 1,450 or just under 25% of residents who are collecting retirement income, with a mean income of \$25,346 from retirement.

The data do not indicate the degree to which there is overlap of these figures though. It is likely that there is significant overlap amongst residents receiving various benefits, or collecting retirement income.

<b>Income and Benefits</b>	<b>Estimate</b>	<b>Percent</b>
Total households	5,834	(X)
Median household income (dollars)	\$82,465	(X)
Mean household income (dollars)	\$94,852	(X)
With earnings	4,771	81.8%
Mean earnings (dollars)	\$93,150	(X)
With Social Security	1,966	33.7%
Mean Social Security income (dollars)	\$22,225	(X)
With retirement income	1,450	24.9%
Mean retirement income (dollars)	\$25,346	(X)
With Supplemental Security Income	230	3.9%
Mean Supplemental Security Income (dollars)	\$10,283	(X)
With cash public assistance income	82	1.4%
Mean cash public assistance income (dollars)	\$1,632	(X)
With Food Stamp/SNAP benefits in the past 12 months	459	7.9%
Source: 2020 ACS 5-year estimates		

## EMPLOYMENT PROJECTIONS

DVRPC data indicates that in 2015 there was approximately 4,372 people employed in Franklin Township. DVRPC then took this employment data and coupled it with the Planning Commission’s population forecasts until 2045. While these forecasts do not reach a level of specificity in terms of industry employment, they do give some indication of the potential job growth and income the Township may see in the next 25 years. The DVRPC Employment Forecasts from 2015-2045 are as follows:

<b>Year</b>	<b>Projection</b>
2015 (ACS)	4,372
2020 (Forecast)	4,642
2025 (Forecast)	4,944
2030 (Forecast)	5,247
2035 (Forecast)	5,488
2040 (Forecast)	5,676
2045 (Forecast)	5,895

Source: Delaware Valley Regional Planning Commission (DVRPC) Municipal-Level Employment Forecasts, 2015-2045

## FAIR SHARE PLAN

Affordable Housing regulations define a “Fair Share Plan” as follows:

*A "Fair Share Plan" means that plan or proposal, which is in a form that may readily be converted into an ordinance, by which a municipality proposed to satisfy its obligation to create a realistic opportunity to meet its fair share of low and moderate income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low and moderate income housing, as provided in sections 9 and 14 of the Act, addresses the development regulations necessary to implement the housing element, and addresses the requirements of N.J.A.C. 5:93-7 through 11.*

This Housing Element and Fair Share Plan satisfies all of the applicable requirements set forth within the MLUL, the FHA, N.J.A.C. 5:93, and all requirements or stipulations within the Settlement Agreements.

The Township’s Fair Share Plan specifically describes the completed and proposed mechanisms to address the Prior Round obligation, present need (Rehabilitation) obligation, gap present need obligation, and prospective need (Third Round) obligation. Franklin Township’s present and prospective need numbers for the Third Round (1999 to 2025) were arrived at through negotiations between the Township and Fair Share Housing Center, and with assistance from the Court appointed Special Master. As per the Settlement Agreement with Fair Share Housing Center, dated May 26, 2022, the Township’s affordable housing obligation has been determined to be 527 units for the Third Round period running from 1999 through 2025, in addition to the Rehabilitation (present need) obligation of 52 units, and the Prior Rounds obligation of 166 units.

The intent of Franklin Township throughout the settlement process was to ensure that obligations and mechanisms to address those obligations respect the rural character of the community and reflect the current lack of infrastructure, mainly public sewer, that is available to serve new development.

## **FAIR SHARE OBLIGATION**

The Township has the following cumulative affordable housing obligations, as agreed to in the court approved settlement agreement with Fair Share Housing Center:

- Rehabilitation / Present Need = 52 Units
- Prior Round (1987-1999) Prospective Need = 166 Units
- Third Round (1999-2025) Prospective Need = 527 Units

A copy of the Township’s Settlement Agreement with Fair Share Housing Center establishing the obligations and mechanisms identified to satisfy those obligations can be found in Appendix C.

## **Income Levels**

Franklin 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. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. Very-low income households are a subset of “low income” households, and are defined as households earning 30% or less of the regional median income. The Township is required to ensure that 13% of all affordable housing units produced after July 1, 2008 are “very low income” units. Half of the very low-income units must be available to families.

A copy of the 2022 Regional Income Limits as published by the Affordable Housing Professionals of New Jersey can be found in the Settlement Agreement in Appendix D.

### PRESENT NEED (REHABILITATION) OBLIGATION

The Township has a rehabilitation obligation of 52 units to satisfy the Present Need. The Township will claim at least 59 credits to satisfy this obligation.

Home owners in Franklin Township have been eligible for participation in Gloucester County's Owner-Occupied Rehabilitation Program. This program uses Community Development Block Grant (CDBG) and HOME funds from the US Department of Housing and Urban Development (HUD) to rehabilitate substandard homes of low- and moderate-income households.

Since April of 2010, there have been 96 rehabilitation projects in Franklin Township through this program. The Township will claim rehabilitation credit for 59 of these projects. Of the 96 projects, many were potentially duplicate home owners, and others were of so small a project budget that the average rehabilitation cost fell below \$10,000. The Township will not seek credit for multiple projects that may have been completed on the same home, nor for any projects that had insubstantial budgets. This reduced the number of credit-worthy rehabilitation projects to 59, which would satisfy the Township's rehabilitation obligation of 52.

Of the 59 rehabilitation projects through the Gloucester County program, there was a total rehabilitation cost of \$655,232.00.

- **\$655,232.00 / 59 homes = \$11,105.63 per rehabilitation project.**

In addition, Gloucester County continues to rehabilitate homes through this project, with several homes in Franklin in the process of receiving rehabilitation funding. Based on the figure of 59 credit-worthy rehabilitation projects in the Township over an approximately 12-year period from 2010 through 2021, it is anticipated that the County will continue to rehabilitate an average of 5 homes per year in Franklin. This would represent potentially an additional 15 rehabilitation credits between 2023 and 2025.

A copy of the Rehabilitation Program manual for the County can be found in Appendix E.1, and a list of the homes rehabilitated and costs associated with that project can be found in Appendix E.2

As the County's program is only applicable to owner-occupied units, in accordance with the Settlement Agreement, the Township will establish a municipal rehabilitation program for rental units in compliance with N.J.A.C. 5:93-5.2, and will require that all housing units rehabilitated through the program accept a 10-year deed restriction. A minimum average of \$10,000 per unit will be expended on hard costs, and the Township will appoint a qualified agent to administer the program.

A draft Rehabilitation Program Manual can be found in Appendix E.

Other than the creation of a rental rehabilitation program, the Township's present need has been satisfied entirely through homes rehabilitated by Gloucester County.

### PRIOR ROUND OBLIGATION

The Township has a requirement of 166 units in order to satisfy its Prior Round (1987 – 1999) obligation.

In accordance with previous COAH rules found at N.J.A.C. 5:93, the Township must meet the following minimum and maximum requirements in addressing the 166 total unit obligation.

- **Age Restricted Units:** A municipality may receive credits for age-restricted affordable housing at up to 25 percent of the obligation, minus any RCA contributions.
  - $25\% \times (166 - 0 \text{ RCA contributions}) = 41.5$  (round down to 41)
  - A maximum of 41 credits may come from age-restricted senior housing.
- **Rental Units:** a municipality has an obligation to provide a realistic opportunity for the construction of rental housing of at least 25 percent of the total obligation.
  - $25\% \times 166 = 41.5$  (round up to 42)
  - A minimum of 42 credits must come from rental units
- **Income Distribution:** The Township is required to provide half of the total units as affordable to low-income households:
  - $50\% \times 166 = 83$
  - A minimum of 83 credits must be for units deemed affordable to qualified low-income households
- **Rental Bonus Credits:** The maximum number of bonus credits shall be equal to the Township's rental obligation, with 2.0 credits for any family rental, and 1.33 credits for any age-restricted rental unit. However no more than 50 percent of the rental obligation shall receive a bonus for age restricted rental units.
  - A maximum of 41.5 (round up to 42) rental bonus credits may be claimed by the Township.

### THIRD ROUND OBLIGATION

The Township has agreed that it has a Third Round (1999 – 2025) Obligation of 527 affordable units.

The following minimum and maximum requirements must be met when addressing the Third Round Obligation:

- **Age-Restricted Units:** A maximum of 25% of credits claimed by the may be age-restricted, or senior housing units.
  - $25\% \times 527 = 131.75$  (round down to 131)
  - A maximum of 131 units may be age-restricted senior housing units.
- **Family Units:** A minimum of 50% of credits to satisfy the Third Round shall be for units available to families (non-age restricted or non-special needs housing)
  - $50\% \times 527 = 263.5$  (round up to 264)
  - A minimum of 264 units must be family units.
- **Rental Units:** A minimum of 25% of credits claimed by the Township must be rental units.
  - $25\% \times 527 = 131.75$  (round up to 132)
  - A minimum of 132 units must be rental units.
- **Income Distribution:** At least 50 percent of the units addressing the Third Round obligation shall be affordable to very-low-income and low-income households. At least 13% of all units shall be affordable to very-low-income households.
  - $50\% \times 527 = 263.5$  (round up to 264)
  - $13\% \times 527 = 68.5$  (round up to 69)
  - 264 units must be available to low income households, inclusive of 69 units available to very-low income households.
- **Bonus Credits:** The Township may claim bonus credits for rental units, up to two credits for each family rental unit, and 1.33 credits for any age restricted rental unit. The maximum number of rental bonus credits shall be equal to the Borough’s rental obligation.
  - $25\% \times 527 = 131.75$  (round up to 132)
  - The Township may claim up to 132 bonus credits for rental units.

### DURATIONAL ADJUSTMENT

The Township acknowledges that it has a cumulative obligation of 657 affordable units for the Prior Round and Third Round, and that it has sufficient land to potentially accommodate residential development. However, at this time the Township does not have adequate public water or public sewer service within its municipal boundaries that could provide sufficient utility connections to serve any new development. Due to this lack of appropriate infrastructure to support development at a sufficient density, the Township would be permitted to seek a durational adjustment under N.J.S.A. 5:93-4.3, where this obligation would be deferred until such a date that water and sewer could be made available.

Given the timeframe of the Third Round, which will end in July of 2025, it is not realistic that the Township can make public water and sewer infrastructure available in such a short amount of time so that affordable housing could be constructed and occupied by the end of the reporting period. Without a firm plan for provision of such services, the Township will not seek to defer the municipal obligation until a particular later date, as would otherwise be permissible under the prior COAH regulations that govern municipal obligations.

Consistent with the Settlement Agreement with Fair Share Housing Center, the Township will commit to providing assistance as necessary to any entity, either public or private, that would seek to develop the water and sewer infrastructure necessary to serve development that would include affordable housing. This assistance shall come in the form of support for any applications made to the Department of Environmental Protection (NJDEP) or other agencies that may have jurisdiction over the provision of water and sewer services, and any other reasonable steps necessary to facilitate the provision of such utilities to appropriate areas of the Township to serve any affordable housing development.

The Township will also commit to reserve any new public water or sewer system capacity, should it become available, to low and moderate-income housing as a priority user until the Township's fair share obligations have been satisfied.

## COMPLIANCE MECHANISMS

With the total obligation of 657 units, the Township proposes the following mechanisms to comply with this obligation for providing its fair share of low- and moderate-income housing in the Region:

### **Prior Cycle Credits** – 36 Credits

The Township will claim credit for 36 existing homes that were constructed between 1980 and 1986, which are not deed restricted affordable units, but are otherwise eligible for credit as per N.J.A.C. 5:93-3.2 as “credits without controls”. Under previous COAH regulations, credits may be granted for homes constructed between 1980 and 1986, if they meet the following criteria:

1. The unit can be verified to have been constructed between 1980 and 1986;
2. The unit must be in sound condition;
3. The unit is occupied by a low- or moderate-income household;
4. The unit must have a market value that would be affordable to a low- or moderate-income household;
5. If a rental unit, the unit must have a monthly rent that is affordable to a low- or moderate-income household.

The Township initially identified 682 homes that were constructed in this time period, and sent the owners and occupants of each home a survey to verify income of the household. Of the 134 surveys returned, based on their noted household size, 52 households were determined to be either low or moderate-income.

The Township’s building inspector then conducted a visual survey of the homes of each of the 52 households that were deemed to be income eligible, to determine if the structure was in adequate condition. Of this survey, 50 units that are currently occupied by low- or moderate-income households were deemed to be structurally sufficient. Of these 50 units, 36 were also determined to have a market value that is affordable to a low- or moderate-income household if they were to be sold. That is, the estimated sales price for the home would be no greater than what the maximum sales price would be for a deed restricted unit being sold under the UHAC requirements.

As a result of this analysis and survey, 36 units were deemed to be eligible for credits without controls due to being constructed between 1980 and 1986, being in sound condition, being occupied currently by a low- or moderate-income household, and that the sales price would be affordable to another low- or moderate-income household.

A copy of the report prepared by the Court Master on the survey addressing Prior Cycle Credits can be found in Appendix F.

### **Inclusionary Housing Overlay Zoning**

The Township will amend its current zoning map and zoning ordinance to create a new overlay district that would incentivize inclusionary housing by permitting multi-family housing at a density of up to 14 dwelling units per acre with a mandatory inclusionary set aside of 20 percent. At 14 units per acre, this density is far greater than anything else currently permitted in the Township and may be sufficient

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development rights for these properties to make the extension of water and sewer into the Township financially feasible, even with the inclusionary requirements. All of these properties are located primarily in Planning Area 2, and within a designated sewer service area, although some portions of some of the lots are located in environmentally sensitive areas and may contain some wetlands. However, outside of these potential wetlands on the periphery of some of the lots, all of the lots are developable uplands with access to regional highways.

The properties proposed to be included in the Affordable Housing Overlay Zone are listed below:

<b>Affordable Housing Overlay District</b>				
<b>Block</b>	<b>Lot(s)</b>	<b>Net Acreage</b>	<b>Total Units</b>	<b>Affordable Units</b>
<b>1903</b>	1, 63, 64, 65, 66	36.34	508	102
<b>2001</b>	11, 12, 13, 14, 15, 16	117.97	1,651	330
<b>2401</b>	1	12.26	171	34
<b>5101</b>	2, 2.01, 3, 4, 5, 6, 7, 8, 9	115.16	1,612	322
<b>5501</b>	30	13.89	194	39
<b>5502</b>	8	9.48	132	26
<b>5503</b>	4, 5	16.58	232	46
<b>5504</b>	2, 3, 4, 5, 6	38.14	533	107
<b>Totals</b>		321.73	5,003	1,006

Maps of the proposed overlay zoning district areas can be found in Appendix G.

In addition to the 14 unit/acre density as noted above, the Overlay Zoning Ordinance would permit inclusionary housing in townhouses, duplexes, or multi-family units. Inclusionary development would be permitted on any tract of at least 5 acres, with a minimum front yard setback of 150 feet, side and rear yard setbacks of at least 100 feet, and at a maximum building height of 3.5 stories or 48 feet. At such a density, within the properties covered by the overlay district a total of up to 1,006 affordable housing units could be conceivably produced by right under this proposed zoning.

The ordinance will require a 20 percent affordable set aside for all residential developments of five units or greater, and will require the proper income and bedroom distribution compliant with UHAC and the Settlement Agreement, including requiring a 13 percent set aside for very-low-income households. The overlay zone will not permit payments in lieu of construction, or construction of affordable units off-site. Payments in lieu of construction would only be permissible for fractions of a unit that are less than 0.5. For example, if a development is proposed to have 91 total units, and would have an affordable housing obligation of 18.2 units (20 percent), 18 units would have to be constructed on site and the developer would make a payment to the Township’s affordable housing trust fund for the 0.2 units not constructed on site. Any obligation that results in a fraction greater than 0.5 units would be rounded up into an obligation to produce that additional unit on site.

A copy of the draft ordinance to amend the Township’s zoning code can be found in Appendix H.

**Mandatory Set-Aside Ordinance**

In addition to the overlay zoning proposed above, the Township will adopt an amendment to the Zoning Ordinance to include a mandatory inclusionary set aside of 20 percent for any new development across the entire Township that includes 5 or more residential units at a density of 6 units or greater, and involves either a rezoning of the property or a ‘d’ variance, or as a part of any new or amended redevelopment plan.

The Township-wide mandatory set-aside ordinance would also require that all new developments be consistent with UHAC and the Settlement Agreement in terms of the income and bedroom distribution of all affordable units.

The mandatory set-aside language is included within the affordable housing ordinance and can be found in Appendix I.

**Currently Unforeseen Sites Proposed for Inclusionary Development**

The Township also agrees to cooperate with any party that proposes to construct a residential development that will include affordable housing, if this party has a reasonable plan to provide appropriate water and sewer infrastructure to support the development, and the Township cannot demonstrate that otherwise has a reasonable plan to provide water and sewer service to the sites listed above in the Inclusionary Housing Overlay Zone. The agreement to cooperate with an interested party in development applies only to proposals that are otherwise consistent with sound land use planning principles.

## CONSIDERATION OF LANDS SUITABLE FOR AFFORDABLE HOUSING

The Fair Share Plan must demonstrate site suitability for proposed new units that are not yet fully approved, as required by N.J.A.C. 5:93 -5.3. A site is considered to be suitable for development with affordable housing if it is available, developable, suitable, and approvable.

As no specific projects are proposed at this time, the following analysis applies to the lands covered by the proposed Affordable Housing Overlay Zone:

An “**available site**” is a site with clear title, and that is free of encumbrances which preclude development for low- and moderate-income housing.

- Although no title search has been performed for any of the properties within the overlay district, maps indicating the likely areas of wetlands or flood hazard area on all of these properties indicate minimal environmental encumbrances. The acreages noted in the chart are net of any wetlands on site, leaving tracts of at least 9.4 acres of developable lands available. Each of the sites within the overlay district is “available” as there is sufficient land for development.

A “**developable site**” is a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable area-wide water quality management plan and wastewater management plan.

- All sites in the compliance plan are “developable”. All sites are within a designated sewer service area. Although no public water and sewer is currently available, as noted in this Plan, the Township will commit to cooperating with any developer that has a reasonable plan to provide water and sewer infrastructure to serve an inclusionary development, and the Township will commit to reserving any public water and sewer that may become available for inclusionary housing development.

A “**suitable site**” is a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4 (not in wetlands, flood hazard areas, steep slopes).

- All sites in the compliance plan are “suitable”. All properties within the proposed overlay zoning district are primarily located along major highways in the Township, and are mostly located in Planning Area 2 of the State Plan. This is an area where development and redevelopment are encouraged, and where lands are generally free of environmental encumbrances. The surrounding lands of the overlay zones primarily consist of lower density residential development, and some mixed commercial uses along the highway frontages, and would not be incompatible with multi-family residential development.

An “**approvable site**” is a site that may be developed for low- and moderate-income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. A site may be approvable although not currently zoned for low- and moderate-income housing.

- As a part of this plan, the Township will adopt new zoning ordinances to ensure that all proposed affordable housing development on sites identified in this plan will be approvable as permitted principal uses, and at appropriate housing densities in their respective zoning districts.

## HOUSING ADMINISTRATION

### AFFORDABLE HOUSING ORDINANCE

The Township Code at Chapter 138 will be amended to update the affordable housing ordinance with a new code that will require compliance with all provisions of the Uniform Housing Affordability Controls (UHAC), and in compliance with the terms of the Settlement Agreement will require the following:

- All new housing units will have a minimum of 50% of the units be available to low income households, with at least 13% of units being available to very-low-income households. No more than 50% of housing units shall be made available to moderate income households.
- All new construction shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b.
- All affordable units shall fully comply with UHAC.
- All affordable units shall be subject to affordability controls of at least 30 years from the initial date of occupancy.
- In inclusionary developments, the affordable units shall be integrated with the market rate units.
- Construction of affordable units in inclusionary developments shall be phased in compliance with N.J.A.C. 5:93-5.6(d).
- All affordable units shall be affirmatively marketed in accordance with UHAC and applicable laws.

A draft of this ordinance can be found in Appendix I.

### DEVELOPMENT FEE ORDINANCE

The Township will adopt an amendment to their current development fee ordinance, which was last adopted in 2008 along with their previous Housing Plan, to update the development fee ordinance to be consistent with all recent affordable housing requirements and laws and ensure a dedicated revenue source to fund all affordable housing mechanisms outlined in this Plan.

A draft copy of this ordinance can be found in Appendix J.

### AFFORDABLE HOUSING TRUST FUND

The Township has an interest-bearing affordable housing trust fund in place, and consistent with the updated development fee ordinance discussed above, will impose development fees on all applicable residential and non-residential development, and said fees shall be deposited into the affordable housing trust fund.

The Township will adopt by resolution an updated Spending Plan for the affordable housing trust fund. The Spending Plan will provide an outline of how the Township intends to utilize these funds to further the goals and mechanisms established in this Plan, and in accordance with prior COAH regulations found

## Franklin Township – Housing Plan Element and Fair Share Plan

at N.J.A.C. 5:97 et seq, and with the Fair Housing Act. This will include a summary of revenues and expenditures to date from the affordable housing trust fund, identify mechanisms to collect revenues, project anticipated future revenues and interest, as well as outline all proposed spending from the trust fund. Funds will be spent on appropriate housing activity, affordability assistance, and administrative expenses consistent with applicable prior COAH regulations.

A copy of the draft Spending Plan can be found in Appendix K.

### AFFORDABILITY ASSISTANCE PROGRAM

The Township will address the minimum affordability assistance requirements of the Affordable Housing Trust Fund spending in accordance with an Affordability Assistance Program that it will be implemented, consistent with the Settlement Agreement and the Spending Plan outlined above.

A draft Affordability Assistance Program Manual can be found in Appendix L.

### MUNICIPAL HOUSING LIAISON

The Township will appoint a municipal staff member as the designated Municipal Affordable Housing Liaison, who will be responsible for overseeing all affordable housing regulations and corresponding with administrative agent(s), the public, and all other related affordable housing professionals.

A draft resolution to appoint a municipal housing liaison can be found in Appendix M.

### AFFORDABLE HOUSING ADMINISTRATIVE AGENT

The Township will ensure that all future projects are administered by a qualified affordable housing professional and will appoint an Administrative Agent to administer all projects that do not have their own administrative agent.

A draft resolution to designate a municipal Administrative Agent can be found in Appendix N.

Pursuant to N.J.A.C. 5:80-26.15(f), the Township will adopt an updated Affirmative Marketing Plan to ensure that all available affordable units are marketed to the appropriate populations.

A draft Affirmative Marketing Plan for Region 5 can be found in Appendix O.

## APPENDICES

- A. Resolution Adopting Housing Element and Fair Share Plan
- B. Resolution of Governing Body Endorsing Housing Element and Fair Share Plan
- C. Settlement Agreement with FHSC
- D. 2022 Regional Income Limits
- E. Rehabilitation Credits
  - 1. Gloucester County Rehabilitation Program Manual
  - 2. Gloucester County Rehab Project List
  - 3. Draft Franklin Township Rental Rehab Program Manual
- F. Credits without Controls Documentation
- G. Affordable Housing Overlay Zone Maps
- H. Affordable Housing Overlay Zone Ordinance
- I. Affordable Housing Ordinance
- J. Development Fee Ordinance
- K. Affordable Housing Trust Fund Spending Plan
- L. Affordability Assistance Program Manual
- M. Resolution to Appoint Municipal Housing Liaison (MHL)
- N. Resolution to Appoint Administrative Agent
- O. Affirmative Marketing Plan

**APPENDIX A**

Resolution Adopting Housing Element and Fair Share Plan

**FRANKLIN TOWNSHIP PLANNING BOARD**  
**RESOLUTION NO. PB 23-\_\_**

**WHEREAS**, the Planning Board of the Township of Franklin, County of Gloucester, State of New Jersey, adopted its current Master Plan pursuant to N.J.S.A. 40:55D-28 on August 20, 2013; and

**WHEREAS**, the Master Plan includes a Housing Element and Fair Share Plan pursuant to N.J.S.A. 40:55D-28b(3); and

**WHEREAS**, the Township adopted its most recent Round 3 Housing Element and Fair Share Plan on or around *October 2008*; and

**WHEREAS**, due to various circumstances outside the Township's control, the New Jersey Council on Affordable Housing (COAH) is no longer certifying affordable housing fair share plans, and the growth share methodology in place at the time of adoption of the most recent Housing Element and Fair Share Plan has since been invalidated by the courts; and

**WHEREAS**, on or around May 26, 2022, the Township executed a Settlement Agreement with Fair Share Housing Center ("FSHC") to determine fair share housing obligations and identify compliance mechanisms; and

**WHEREAS**, this Settlement Agreement was approved by the Court. pursuant to a duly-noticed Mount Laurel Fairness Hearing on **DATE**, 2022; and

**WHEREAS**, the Township has prepared an amended Round 3 Housing Element and Fair Share Plan that is consistent with the terms of the Settlement Agreement, the New Jersey Fair Housing Act, and relevant regulations of the New Jersey Council on Affordable Housing and the New Jersey Housing and Mortgage Finance Agency; and

**WHEREAS**, in order for the Court to review and approve the Township's amended Round 3 Housing Element and Fair Share Plan (hereinafter "amended Round 3 Fair Share Plan"), N.J.A.C. 5:91-2.2 requires the Planning Board to adopt the Round 3 Fair Share Plan and for the Township Committee to thereafter endorse the adopted Round 3 Fair Share Plan, both by way of resolution; and

**WHEREAS**, implementation of the amended Round 3 Fair Share Plan will satisfy the Township's affordable housing "fair share" for the period between 1987 and 2025; and

**WHEREAS**, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, on **DATE**, 2023, the Planning Board of the Township of Franklin held a public hearing to consider adoption of the amended Round 3 Fair Share Plan; and

**WHEREAS**, the Planning Board has determined that (1) the amended Round 3 Fair Share Plan is consistent with the goals and objectives of the Township of Franklin's current Master Plan, the aforementioned Settlement Agreement, and all applicable laws; and (2) adoption and

implementation of the Township's amended Round 3 Fair Share Plan advances the public interest, protect public health and safety, and promote the general welfare.

**NOW THEREFORE BE IT RESOLVED** by the Planning Board of the Township of Franklin, County of Gloucester, State of New Jersey, that the Planning Board hereby adopts the Township's amended Round 3 Fair Share Plan, and hereby directs the Planning Board Secretary to provide the amended Round 3 Fair Share Plan and a copy of this Resolution to the Township Clerk for further processing.

Franklin Township Planning Board

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Joseph Petsch, Chairman

Attest:

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Jennifer Cerino,  
Franklin Township Planning Board Secretary

**APPENDIX B**

Resolution of Governing Body Endorsing Housing Element and Fair Share Plan

TOWNSHIP OF FRANKLIN

R-\_\_-22

A RESOLUTION ENDORSING THE TOWNSHIP’S THIRD ROUND HOUSING PLAN ELEMENT AND FAIR SHARE PLAN

WHEREAS, the Township entered into a Settlement Agreement with Fair Share Housing Center on May 26, 2022, intended to establish the Township’s affordable housing obligations and identify the mechanisms through which the Township will provide for its regional fair share of housing for low and moderate income households in an action captioned: In the Matter of the Township of Franklin, Gloucester County Docket No. GLO-L-901-15; and

WHEREAS, the Settlement Agreement was approved by the Court on DATE, 2022; and

WHEREAS, on DATE 2023, at its regular public meeting, the Franklin Township Planning Board held a public hearing and then adopted a Third Round Housing Plan Element and Fair Share Plan as an element of the municipal Master Plan pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. and the New Jersey Fair Housing Act of 1985; and

WHEREAS, the Housing Plan Element and Fair Share Plan addresses the Township’s present need (rehabilitation), prior rounds, and third round fair share obligations in accordance with the terms and conditions of the Court approved Settlement Agreement; and

WHEREAS, Franklin Township remains committed to complying with its constitutional Mount Laurel obligations by voluntarily providing its fair share of affordable housing; and

WHEREAS, the Township Committee has reviewed the Housing Plan Element and Fair Share Plan as adopted by the Planning Board; and

NOW, THEREFORE, BE IT RESOLVED, that the Township Committee of the Township of Franklin, the governing body thereof, hereby endorses the Housing Plan Element and Fair Share Plan as adopted by the Planning Board on DATE, 2023; and

BE IT FURTHER RESOLVED, that the Township Committee of the Township of Franklin hereby authorizes its professionals and staff to take any an all reasonable actions necessary to secure approval of the Township’s Housing Plan Element and Fair Share Plan and to maintain the Township’s immunity from any affordable housing builder’s remedy lawsuits.

Adopted: Date, 2022

Table with 7 columns: COMMITTEE MEMBER, MOTION, 2ND, YES, ABSTAIN, NO, ABSENT. The table is currently empty.

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Attest:

Township of Franklin

\_\_\_\_\_  
Barbara Freijomil, Clerk

\_\_\_\_\_  
John Bruno, Mayor

CERTIFICATION

I, Barbara Freijomil, Clerk of the Township of Franklin, do hereby certify that the foregoing Resolution was presented and duly adopted by the Township Committee at a meeting held on DATE, 2022.

\_\_\_\_\_  
Barbara Freijomil, Clerk

DRAFT

APPENDIX C

Settlement Agreement with Fair Share Housing Center



Adam M. Gordon, Esq.  
Laura Smith-Denker, Esq.  
David T. Rammler, Esq.  
Joshua D. Bauers, Esq.  
Rachel N. Lokken, Esq.  
Ashley J. Lee, Esq.  
Zoey Chenitz, Esq.

May 26, 2022

Matthew P. Lyons, Esq.  
Tara St. Angelo, Esq.  
Gebhardt & Kiefer, P.C.  
1318 State Route 31 North  
Annandale, New Jersey 08801

**Re: In the Matter of the Township of Franklin, Gloucester County,  
Docket No. GLO-L-901-15**

Dear Mr. Lyons and Ms. St. Angelo:

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

### **Background**

In Mount Laurel IV, the New Jersey Supreme Court held that the Council on Affordable Housing (COAH) had been rendered "moribund," and, "[d]ue to COAH's inaction," it established "judicial processes" to "provide the means for a town... to demonstrate that its housing plan satisfies Mount Laurel obligations."

The Court directed that, "[i]f a municipality seeks to obtain an affirmative declaration of constitutional compliance, it will have to do so on notice and opportunity to be heard to FSHC" and that trial courts "will be assisted in rendering . . . preliminary determination[s] on need by the fact that all initial and succeeding applications will be on notice to FSHC." Id. at 23, 29.

In accordance with Mount Laurel IV, Franklin filed the above-captioned matter on July 2, 2015, seeking a declaration of its compliance with the Mount Laurel doctrine and the Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq.

Through the declaratory judgment process, the Township and FSHC agreed to settle the litigation and to present this Agreement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it ends delays and the expense of trial and results more quickly in the construction of homes for very-low-, low-, and moderate-income households.

### **Agreement Terms**

The Township of Franklin and FSHC hereby agree to the following terms:

The Township, through the adoption of a Housing Element and Fair Share Plan ("fair share plan" or "HEFSP") conforming with the terms of this Agreement, and through the

expeditious implementation of the fair share plan and this Agreement, will satisfy its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).

2. At this time and at this particular point in the process, resulting from the Supreme Court's Mount Laurel IV decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.
3. Franklin hereby agrees that its fair share obligations are as follows:

Rehabilitation/Present Need Obligation (per Kinsey Report <sup>1</sup> )	52
Prior Round Prospective Need Obligation (pursuant to <u>N.J.A.C. 5:93</u> )	166
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted in this Agreement)	527

4. For purposes of this Agreement, the Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, which was established by the New Jersey Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).
5. **Rehabilitation/Present Need.** Franklin shall meet its 52-unit rehabilitation obligation through the implementation of a municipal rehabilitation program for both rental and for-sale units. The program shall fully comply with N.J.A.C. 5:93-5.2 (except that controls shall be for a minimum of ten (10) years and a minimum 'average' of \$10,000 shall be expended on hard costs per unit), and Franklin shall appoint a qualified, experienced agent to administer its rehabilitation program.
  - a. Franklin may seek modification of its rehabilitation obligation by conducting a survey of the municipal housing stock, as provided for by N.J.A.C. 5:93-5.2(a). Any such application for a modification of the rehabilitation obligation shall be subject to the review and approval of FSHC and Court, and it must be completed during the compliance phase and submitted to the Court and FSHC at least one hundred fifty (150) days prior to the Compliance Hearing.
6. **Prior Round.** As noted above, the Township has a Prior Round Prospective Need Obligation of 166 affordable units. The Township, with the assistance of and review by the Court Master, conducted a study that determined that the Township may claim credit for 36 prior cycle credits pursuant to N.J.A.C. 5:93-3.2. Subtracting these credits, the Township's remaining, unfulfilled Prior Round Prospective Need Obligation is 130 affordable units.
7. **Third Round.** As noted above, the Township has a Third Round Prospective Need Obligation of 527 affordable units.

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<sup>1</sup> David N. Kinsey, PhD, P.P., F.A.I.C.P., "New Jersey Low and Moderate Income Housing Obligations for 1999-2025 Calculated Using the NJ COAH Prior Round (1987-1999) Methodology, dated May 2016.

8. ***Durational Adjustment.*** When combined, the Township's unfulfilled Prior Round and Third Round Prospective Need Obligation is 657 affordable units (130+527). Because the Township currently does not have public water and sewer (as defined below), the Township and FSHC have agreed that the Township is entitled to a durational adjustment pursuant to N.J.A.C. 5:93-4.3(c).

Nevertheless, because the Township cannot demonstrate that it has a realistic plan to provide public water and sewer to any sites that may produce affordable housing within the Third Round, the Township is not entitled to a waiver in accordance with N.J.A.C. 5:93-4.3(c)(4).

To support its fair share of the regional need for affordable housing, the Township has agreed to the following actions:

- a. ***Mandatory Set-Aside Ordinance.*** Franklin shall adopt the proposed mandatory set-aside ordinance, attached hereto as **Exhibit A**, which shall require a twenty percent (20%) set-aside of affordable housing in any residential development, including the residential portion of a mixed-use project, which consists of five (5) or more new residential units at six (6) units per acre or higher, or equivalent, which results, in whole or in part, from: (i) a municipal rezoning or zoning amendment adopted after the effective date of the ordinance; (ii) any variance pursuant to N.J.S.A. 40:55D-70(d), including but not limited to any use variance or a density variance increasing the permissible density; and/or (iii) the adoption of a new or amended redevelopment plan or rehabilitation plan. The Township commits to ensure that the affordable housing set-aside requirement is enforced, including by both its Planning Board and Zoning Board of Adjustment.
- b. ***Overlay Zoning.*** To incentivize developers to pursue inclusionary affordable housing development in Franklin, the Township shall adopt the proposed overlay zoning, attached hereto as **Exhibit B**, which shall be known as the "Affordable Housing Overlay Zone," which is depicted on the aerial map entitled "Affordable Housing Overlay Zones, Franklin Township, March 2022," which is also attached hereto as part of Exhibit B. The overlay zoning shall permit multifamily residential development at fourteen (14) units per acre with a twenty percent (20%) set-aside of affordable housing on the sites the Township has identified that may have potential access to sewer and water infrastructure and are outside any Pinelands protection areas.<sup>2</sup>
- c. ***Currently Unforeseen Sites Proposed for Inclusionary Development.*** Should an appropriate party propose inclusionary development on currently unforeseen sites within the Township with a realistic plan for providing public sewer and/or water and if the Township is unable to demonstrate that there is a realistic plan for public sewer/water to be provided to alternative sites within the round for it to satisfy its fair share obligations, then the Township shall be required to expeditiously cooperate with the party in order to amend its Housing Element and Fair Share Plan and to rezone the sites to permit the requested inclusionary development. Should the party and the Township disagree as to what is proposed

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<sup>2</sup> No transfer of development scheme, noncontiguous cluster zoning, or other condition shall apply to inclusionary residential development, which shall be as of right.

or the Township does not cooperate, the party may submit a motion to the court in the Township's declaratory judgment action (or the appropriate alternative forum) for a summary determination, pursuant to Rule 4:46, as to whether what is proposed is consistent with sound land use planning and, if so, whether the Township must comply. If the Township is unable to demonstrate that there is a realistic opportunity for it to satisfy its fair share obligations on alternative sites before the end of the round and if the proposal is consistent with sound land use planning, there shall be a presumption in favor of granting the party's request.

The Township reserves the right to oppose a proposal for an inclusionary development in the process described above if it believes such proposal does not comply with principles of sound land use and infrastructure planning or if the potential developer fails to provide a feasible and realistic plan for providing public water and sewer service to the property.

- d. ***Municipal Commitment to Assist in the Provision of Public Water and Sewer.*** The Township shall cooperate with appropriate parties, and act in good faith and with continuity of purpose, to assist any proposed inclusionary developments – whether on the sites overlay zoned or on currently unforeseen sites – in the Township in facilitating the provision of public water and sewer to those sites. Such cooperation shall include, but not be limited to, expeditiously supporting and endorsing and if necessary becoming a co-applicant on:
- i. any applications to the DEP or its agent to provide infrastructure for a site;
  - ii. any applications for the inclusion of any parcels in any appropriate sewer service area or wastewater management plan;
  - iii. any applications related to the expansion of water franchise areas;
  - iv. any applications made to any State, county, local, or other body politic or utility authority necessary in order to provide public sewer and water service; and
  - v. any other reasonable steps necessary or required to help facilitate the provision of public water and sewer.

Nothing in the foregoing shall require the Township to expend funds to obtain, or assist in obtaining, the required approvals, except for the costs of municipal employees/consultants, as is ordinary and customary for the conduct of the Township's business, absent an order of the Court upon a determination that such expense is appropriate to create a realistic opportunity of affordable housing. Potential developers shall be presumptively responsible for the design, permitting, and construction of all infrastructure improvements that are necessitated or required for development of an inclusionary development

- e. ***Municipal Commitment to Reserve New Public Water and/or Sewer Capacity.*** Should public water and/or sewer become available in Franklin, it shall be required, pursuant to N.J.A.C. 5:93-4.3(c)(1), to reserve and set aside the water and/or sewer capacity, when it becomes available, for low- and moderate-income housing on a priority basis until it has satisfied its fair share obligations.

For the purposes of this Agreement, “sewer capacity” shall be defined as follows consistent with N.J.A.C. 5:97-1.4:

the ability to treat and dispose of all sewage generated from a site by means of public or private, off-site or on-site facilities that are consistent with the areawide water quality management plan (including the wastewater management plan), or with an amendment to the areawide water quality management plan submitted to and under review by DEP, as applicable.

For the purposes of this Agreement, “water capacity” shall be defined as follows consistent with N.J.A.C. 5:97-1.4:

The ability to provide adequate potable water to a site from a public or private, off-site or on-site source of supply, in a manner consistent with all applicable regulations.

In the event that a developer of a site other than a site presenting a realistic opportunity for affordable housing consistent with this Agreement applies to the Township Planning or Zoning Board for approval and has secured, or is able to secure, public water and / or sewer capacity from outside the Township without financial contribution from the Township, the Township agrees that it will not grant any such approvals until after such time that it has, with notice to and an opportunity to be heard by FSHC, applied for and been granted leave of the Court based upon a showing that the proposed development helps further the provision of a realistic opportunity for affordable housing within the Township (e.g. through paying the costs of extending sewer closer to the sites in the Township’s Fair Share Plan or through being developed in conjunction with affordable housing). The developer of the proposed project shall be permitted to intervene in such action.

A copy of this Agreement shall be provided to any developer applying for Planning Board or Zoning Board approval and application to the Court shall be a requirement of land use application submission pursuant to Township Ordinance Section 253-194.1.

This provision shall not apply to the “Meredith Farms” redevelopment project (Block 6805, Lots 11-15 and 18-19), to the extent that it would create any conflict with any prior court orders or the “Redevelopment Agreement for the Route Forty Food Center” dated June 11, 2013. The parties agree that this exclusion shall have no impact on the ability of neighboring properties to connect to sewer lines at Meredith Farms.

The Franklin Township Planning Board and Zoning Board of Adjustment are signatories to this Agreement only for the purposes of acknowledging their role in the development process and to require all development applications seeking public water and / or sewer to comply with this Section.

9. The Township agrees that it shall meet its Third Round Prospective Need in accordance with the following standards:
  - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).

- b. At least fifty percent (50%) of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
  - c. At least twenty-five percent (25%) of the Third Round Prospective Need shall be met through rental units, including at least half in non-age-restricted rental units available to families.
  - d. At least half of the units (50%) addressing the Third Round Prospective Need must be non-age-restricted affordable units available to families.
  - e. The Township agrees to comply with an age-restricted cap of twenty-five percent (25%) and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed twenty-five percent (25%) of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
  - f. Thirteen percent (13%) of all affordable units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, shall be very-low-income units for households earning thirty percent (30%) or less of the median income pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301, et seq. ("FHA"), with half of the very low income units being available to families. The Township will demonstrate how it will comply with this requirement during the compliance phase of this matter.
  - g. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
10. In all developments that produce affordable housing, the Township agrees that the following terms shall apply:
- a. All of the affordable units shall fully comply with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, et seq. ("UHAC"), including but not limited to the required bedroom and income distribution, with the sole exception that thirteen percent (13%) of the affordable units within each bedroom distribution shall be required to be for very low income households earning thirty percent (30%) or less of median income pursuant to the FHA.
  - b. All of the affordable units shall be subject to affordability controls of at least thirty (30) years from the date of initial occupancy and affordable deed restrictions as provided for by UHAC, with the sole exception that very low income shall be defined as at or below thirty percent (30%) of median income pursuant to the Fair Housing Act, and the affordability controls shall remain unless and until the Township, in its sole discretion, takes action to extend or release the unit from such controls after at least thirty (30) years. If the Township acts to release the unit from such controls, affordability controls shall remain in effect until the date on which a rental unit shall become vacant due the voluntary departure of the occupant household in accordance with N.J.A.C. 5:80-26.11(b).

- c. In inclusionary developments, the affordable units shall be integrated with the market-rate units to the extent possible, and the affordable units shall not be concentrated in separate building(s) or in separate area(s) or floor(s) from the market-rate units. In buildings with multiple dwelling units, this shall mean that the affordable units shall be generally distributed within each building with market units. The residents of the affordable units shall have full and equal access to all of the amenities, common areas, and recreation areas and facilities as the residents of the market-rate units.
  - d. Construction of the affordable units in inclusionary developments shall be phased in compliance with N.J.A.C. 5:93-5.6(d).
  - e. The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law. The affirmative marketing shall include the community and regional organizations identified in this agreement, and it shall also include posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.
11. The Township and/or its Administrative Agent shall add the following entities to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5):
- a. Fair Share Housing Center (510 Park Boulevard, Cherry Hill, NJ 08002), the New Jersey State Conference of the NAACP, the Latino Action Network, Gloucester County and Salem County Branches of the NAACP, Senior Citizens United Community Services (S.C.U.C.S.), and the Supportive Housing Association.
  - b. As part of its regional affirmative marketing strategies during implementation of its fair share plan, the Township and/or its Administrative Agent shall provide direct notice of all available affordable housing units to the above-referenced organizations and shall ensure all affordable units are posted on the New Jersey Housing Resource Center website in accordance with applicable law.
12. Income limits for all affordable units shall be updated by the Township annually within thirty (30) days of the publication of determinations of median income by the United States Department of Housing and Urban Development ("HUD") as follows:
- a. Regional income limits shall be established for the Housing Region in which the Township is located (in this case, Housing Region 5) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated number of households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total number of households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted

average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.

- b. The income limits attached hereto as **Exhibit C** are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2021, and shall be utilized until the Township updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
  - c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
  - d. The parties agree to request the Court prior to or at the Fairness Hearing in this matter to enter an order implementing this paragraph of this Agreement, the terms of which shall also be reflected in the Township's affordable housing ordinance.
13. Upon full execution of this Agreement, Franklin shall notify the Court so that a Fairness Hearing can be scheduled to approve the Agreement. Franklin shall place this Agreement on file in the Township's municipal building, post it on the municipal website, and file a copy with the Court at least forty-five (45) days prior to the Fairness Hearing, at which the Township will seek judicial approval the terms of this Agreement pursuant to the legal standards set forth in Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986), and East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311 (App. Div. 1996). Notice of the Fairness Hearing shall be published at least forty-five (45) days in advance of the hearing. The Township's planner shall appear as a witness at the hearing.
  14. Within one-hundred-and-twenty (120) days of the approval of this Agreement by the Court after a Fairness Hearing, Franklin shall adopt a Housing Element and Fair Share Plan, affordable housing ordinance, development fee ordinance, zoning ordinances, affirmative marketing plan, spending plan, intent to fund shortfall, appoint a municipal housing liaison and an experienced administrative agent, and adopt all other resolutions and ordinances required to be adopted as part of this Agreement, and shall submit same to the Court, the Court Master, and FSHC for review at least forty-five (45) days before the scheduling of a "Compliance Hearing." The HEFSP shall include all documentation to demonstrate the creditworthiness of existing affordable units for which the municipality is seeking credit.
  15. The Township shall prepare a Spending Plan for review and approval by FSHC and the Court during the duly-noticed Compliance Hearing. Upon approval, the Township and FSHC agree that the expenditures of funds contemplated in the Township's Spending Plan shall constitute the "commitment" for expenditure required pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period contemplated therein

commencing in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd, 442 N.J. Super. 563).

16. The Township shall comply with the following annual monitoring and reporting requirements:

- a. The Township shall provide an annual Mount Laurel Trust Fund accounting report to the New Jersey Department of Community Affairs, Council on Affordable Housing, Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to FSHC and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The annual report shall be provided on the anniversary of the Judgment of Compliance and Repose, and it shall detail all expenditures from and deposits into the Township's Affordable Housing Trust Fund.
- b. The Township shall provide an annual report on the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the FSHC. In addition to the foregoing, the Township shall also post such activity on the CTM system and/or file a copy of its report with the Council on Affordable Housing or its successor agency at the State level. The annual report shall be provided on the anniversary of the Judgment of Compliance and Repose, and it shall detail the status of all affordable units in the Township's HEFSP. The Township shall promptly respond to any requests from the Court or FSHC for additional information.

17. The Fair Housing Act includes two provisions regarding actions to be taken by the Township during the ten-year period of protection provided in this agreement. The Township agrees to comply with those provisions as follows:

- a. For the midpoint realistic opportunity review required pursuant to N.J.S.A. 52:270-313, the Township was obligated to post, by July 1, 2020, on its municipal website, a status report as to its implementation of its HEFSP and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms should be revised or supplemented.

Recognizing that July 1, 2020, has passed prior to settlement of this matter, the Township shall, by July 1, 2023, post, on its municipal website, with a copy provided to Fair Share Housing Center, its midpoint realistic opportunity review report. The status report will provide an update of the Township's implementation of its HEFSP and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms should be revised or supplemented.

Such posting shall invite any interested party to submit comments to the Township, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced. Any interested party may by motion request a hearing before the Court regarding these issues.

- b. For the review of very-low-income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of the Judgment of Compliance and Repose, and every third year thereafter, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very-low-income requirements, including the family very-low-income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very-low-income housing obligation under the terms of this settlement.
18. The Township agrees to pay FSHC's attorney's fees and costs in the amount of \$30,000.00 within thirty (30) days of the Court's approval of this Agreement following the Fairness Hearing.
19. This Agreement may be enforced by the Township or FSHC through a motion to enforce litigant's rights or a separate action filed in Superior Court, Gloucester County. If it prevails on a motion to enforce, FSHC shall be entitled to reasonable fees and costs in accordance with Rule 1:10-3.
20. Franklin and FSHC shall have an obligation to fulfill the intent and purpose of this Agreement. If an appeal of the Court's approval or rejection of the Settlement Agreement is filed by a third party, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division, and New Jersey Supreme Court, and to continue to implement the terms of the Settlement Agreement if the Agreement is approved by the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to return to the *status quo ante*. In this regard, the Township and FSHC acknowledge that the parties have entered into this Agreement to settle the litigation and that each is free to take such position as it deems appropriate should the matter return to the *status quo ante*.
21. The parties agree that if a decision of a court of competent jurisdiction in Gloucester County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of a Third Round Prospective Need Obligation of the Township for the period 1999-2025 that would be lower by more than ten percent (10%) than the obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the fair share plan adopted pursuant to this Agreement; taking all steps necessary to support and fund the development of any 100% affordable developments referenced in this Agreement; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to Rule 4:50-1. If the Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.

22. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
23. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
24. This Agreement may not be modified, amended or altered in any way except by a writing signed by both the Township and FSHC.
25. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
26. The Township and FSHC acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each person to sign this Agreement is the proper person and possesses the authority to sign the Agreement, that this Agreement contains the entire understanding of the Township and FSHC and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
27. The Township and FSHC acknowledge that this Agreement was not drafted by the Township or FSHC, but was drafted, negotiated and reviewed by representatives of the Township and FSHC and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. The Township and FSHC expressly represent that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing.
28. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both the Township and FSHC.
29. This Agreement constitutes the entire Agreement between the Township and FSHC hereto and supersedes all prior oral and written agreements between the Township and FSHC with respect to the subject matter hereof except as otherwise provided herein.
30. No member, official or employee of the Township shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
31. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which representatives of the Township and FSHC have executed and delivered this Agreement.
32. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the Township and FSHC by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for

example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days' notice as provided herein:

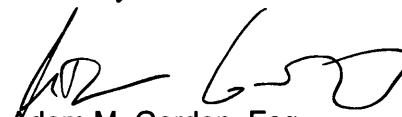
**TO FSHC:** Adam M. Gordon, Esq.  
Fair Share Housing Center  
510 Park Boulevard  
Cherry Hill, New Jersey 08002  
Phone: (856) 665-5444  
Telecopier: (856) 663-8182  
Email: adamgordon@fairsharehousing.org

**TO THE TOWNSHIP:** Matthew P. Lyons, Esq.  
Tara St. Angelo, Esq.  
Gebhardt & Kiefer, P.C.  
1318 State Route 31 North  
Annandale, New Jersey 08801  
Phone: (908) 735-5161  
Telecopier: (908) 735-9351  
Email: mlyons@gklegal.com

**WITH A COPY TO THE MUNICIPAL CLERK:** Barbara Freijomil, Clerk  
1571 Delsea Drive  
Franklinville, New Jersey 08322  
Phone: (856) 694-1243, ext. 7  
Email: clerk@franklintownship.com

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be properly executed, their corporate seals affixed and attested and this Agreement to be effective as of the Effective Date.

Sincerely,



Adam M. Gordon, Esq.  
Executive Director of Fair Share Housing Center

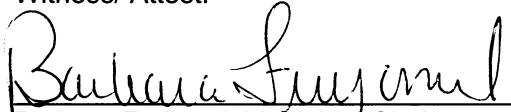
Witness:   
Zoey Chenitz

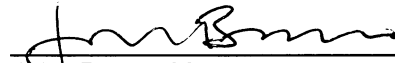
Dated: 5/31/2022

**On behalf of the Township of Franklin, with the authorization of the governing body:**

Witness/ Attest:

TOWNSHIP OF FRANKLIN

  
Barbara Freijomil, Municipal Clerk


  
John Bruno, Mayor

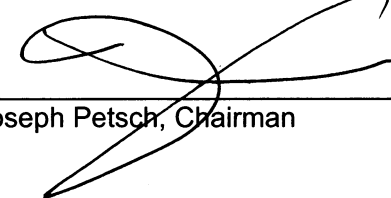
Dated: 6/11/22

**On behalf of the Township of Franklin Planning Board:**

Witness/ Attest:

FRANKLIN TOWNSHIP PLANNING BOARD

  
Stefanie Gardolo, Board Secretary


  
Joseph Petsch, Chairman


Dated: 6/21/22

**On behalf of the Township of Franklin Zoning Board of Adjustment:**

Witness/ Attest:

FRANKLIN TOWNSHIP ZONING BOARD

  
Jennifer Cerino, Board Secretary

  
John Gravelor, Chairman

Dated: 6/18/22

APPENDIX D

2022 Regional Income Limits

## 2022 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Income limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNJ income limits is posted on AHPNJ.org

	1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents**	Regional Asset Limit****
<b>Region 1</b>												
Median	\$80,954	\$86,737	\$92,519	\$104,084	\$115,649	\$120,275	\$124,901	\$134,153	\$143,405	\$152,657		
Moderate	\$64,764	\$69,390	\$74,016	\$83,267	\$92,519	\$96,220	\$99,921	\$107,323	\$114,724	\$122,126	2.9%	\$223,627
Low	\$40,477	\$43,368	\$46,260	\$52,042	\$57,825	\$60,138	\$62,451	\$67,077	\$71,703	\$76,329	11.13%	
Very Low	\$24,286	\$26,021	\$27,756	\$31,225	\$34,695	\$36,083	\$37,470	\$40,246	\$43,022	\$45,797		
<b>Region 2</b>												
Median	\$80,634	\$86,394	\$92,154	\$103,673	\$115,192	\$119,800	\$124,407	\$133,623	\$142,838	\$152,053		
Moderate	\$64,507	\$69,115	\$73,723	\$82,938	\$92,154	\$95,840	\$99,526	\$106,898	\$114,270	\$121,643	2.9%	\$220,995
Low	\$40,317	\$43,197	\$46,077	\$51,836	\$57,596	\$59,900	\$62,204	\$66,811	\$71,419	\$76,027	7.04%	
Very Low	\$24,190	\$25,918	\$27,646	\$31,102	\$34,558	\$35,940	\$37,322	\$40,087	\$42,851	\$45,616		
<b>Region 3</b>												
Median	\$94,920	\$101,700	\$108,480	\$122,040	\$135,600	\$141,024	\$146,448	\$157,296	\$168,144	\$178,992		
Moderate	\$75,936	\$81,360	\$86,784	\$97,632	\$108,480	\$112,819	\$117,158	\$125,837	\$134,515	\$143,194	2.9%	\$258,203
Low	\$47,460	\$50,850	\$54,240	\$61,020	\$67,800	\$70,512	\$73,224	\$78,648	\$84,072	\$89,496	10.06%	
Very Low	\$28,476	\$30,510	\$32,544	\$36,612	\$40,680	\$42,307	\$43,934	\$47,189	\$50,443	\$53,698		
<b>Region 4</b>												
Median	\$85,831	\$91,962	\$98,092	\$110,354	\$122,615	\$127,520	\$132,425	\$142,234	\$152,043	\$161,852		
Moderate	\$68,665	\$73,569	\$78,474	\$88,283	\$98,092	\$102,016	\$105,940	\$113,787	\$121,635	\$129,482	2.9%	\$230,643
Low	\$42,915	\$45,981	\$49,046	\$55,177	\$61,308	\$63,760	\$66,212	\$71,117	\$76,022	\$80,926	12.24%	
Very Low	\$25,749	\$27,588	\$29,428	\$33,106	\$36,785	\$38,256	\$39,727	\$42,670	\$45,613	\$48,556		
<b>Region 5</b>												
Median	\$73,780	\$79,050	\$84,320	\$94,860	\$105,400	\$109,616	\$113,832	\$122,264	\$130,696	\$139,128		
Moderate	\$59,024	\$63,240	\$67,456	\$75,888	\$84,320	\$87,693	\$91,066	\$97,811	\$104,557	\$111,302	2.9%	\$195,337
Low	\$36,890	\$39,525	\$42,160	\$47,430	\$52,700	\$54,808	\$56,916	\$61,132	\$65,348	\$69,564	9.11%	
Very Low	\$22,134	\$23,715	\$25,296	\$28,458	\$31,620	\$32,885	\$34,150	\$36,679	\$39,209	\$41,738		
<b>Region 6</b>												
Median	\$60,768	\$65,108	\$69,449	\$78,130	\$86,811	\$90,283	\$93,756	\$100,701	\$107,646	\$114,591		
Moderate	\$48,614	\$52,087	\$55,559	\$62,504	\$69,449	\$72,227	\$75,005	\$80,561	\$86,117	\$91,672	2.9%	\$162,586
Low	\$30,384	\$32,554	\$34,724	\$39,065	\$43,405	\$45,142	\$46,878	\$50,350	\$53,823	\$57,295	5.76%	
Very Low	\$18,230	\$19,532	\$20,835	\$23,439	\$26,043	\$27,085	\$28,127	\$30,210	\$32,294	\$34,377		

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

\* These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).

\*\*This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3 (Consumer price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents between 2015 through 2021 because of the lack of authority to do so, may increase rent by up to the applicable combined percentage including 2022 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

\*\*\* This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9.3). 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.

Low income tax credit developments may increase based on the low income tax credit regulations.

\*\*\*\* The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.

**APPENDIX E**

Rehabilitation Credit Documentation

1. Gloucester County Rehabilitation Program Manual
2. Gloucester County Rehab Project List
3. Draft Franklin Township Rental Rehab Program Manual



**Department of Economic Development  
Office of Housing and Community Development**

**Owner-Occupied Rehabilitation Program  
Policy and Procedures Manual**

**Gloucester County Board of Commissioners  
Frank J DiMarco, Director  
Heather Simmons, Deputy Director- Liaison**

The County of Gloucester complies with all state and federal rules and regulations and does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex in admission to, access to, or operations of its programs, services, activities or in its employment practices. In addition, Gloucester County encourages the participation of people with disabilities in its programs and activities and offers special services to all County residents 60 years of age or older. Inquiries regarding compliance may be directed to the EEO Office at (856) 384-6903 or through the County's ADA Coordinator at (856) 384-6842/New Jersey Relay Service 711

## **I. PURPOSE**

The basic goals of the Gloucester County Owner-Occupied Rehabilitation Program (“Program”) are:

- to bring the eligible homeowner’s dwelling into compliance with applicable locally adopted housing rehabilitation standards thereby reducing ongoing and future maintenance costs for the homeowner,
- to promote energy efficiency, and preserving affordable owner-occupied housing within the county,
- to provide safe, decent housing for qualified lower income homeowners,
- to stimulate broad interest in neighborhood preservation,
- to partner with other programs for maximum impact to achieve these goals.

The Program will assist in providing decent, safe and sanitary housing for the citizens of the County whose primary residence are in need of repair but lack the resources to make these repairs. With competing requests for the available federal assistance, it continues to be difficult to meet the needs of all citizens requiring help. As a result, the County has established a subsidy limit up to \$25,000.00. This amount may be amended at the discretion of the County based on funding availability and program policy requirements.

## **II. PROGRAM ADMINISTRATION**

The Program is funded by federal grant funds awarded to the County of Gloucester by the U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant (CDBG) and the HOME Investment Partnership Program, and/or the U.S. Department of Agriculture (USDA) through the Housing Preservation Grant (HPG).

The Gloucester County Department of Economic Development through the Office of Housing and Community Development (HCD) will administer the Program, is responsible for executing all program activities in compliance with the adopted policies, procedures, and applicable HUD regulations, and is responsible for general oversight of the program, which include policy oversight and community relations issues associated with the program. All policies contained herein become effective on the date of adoption and as revised by the Gloucester County Board of Commissioners and apply to all current and future applicants.

Program funds are issued to contractors that perform specified repairs to the dwellings of eligible homeowners. The total amount of the repairs to a dwelling is secured to the property in the form of loan that is partially forgivable.

Except for special needs circumstances, in the event the rehabilitation exceeds the threshold amount, the County may deny assistance to that homeowner. Additionally the County can amend the scope of work to be undertaken. Each instance will be evaluated on a case-by-case basis.

## **III. PROGRAM MARKETING AND OUTREACH**

The County of Gloucester will continually apply and implement a program marketing plan consistent with the following objectives:

- publicize the program to interested and potentially qualified clients,
- affirmatively market the program to minorities, persons with disabilities or other protected groups, and
- meet all State of New Jersey Fair Housing Requirements.

To insure that those citizens for whom the rehabilitation program is designed are aware of the assistance that is available the County shall provide a written brochure that summarizes the Program and the qualification criteria, periodic press releases to show the progress of the Program, interface with social service agencies that may be able to refer applicants and conduct periodic meetings with interested groups.

#### **IV. RESPONSIBILITIES OF THE OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**

The County's Department of Economic Development through the Office of Housing and Community Development (HCD) is responsible for administering and implementing the program pursuant to Section 105(a) of the Housing and Community Development Act of 1974 (HCDA) and 24 CFR 570.202 as it pertains to eligible rehabilitation and preservation activities and Section 504 of the Rehabilitation Act of 1973, the Fair Housing Act, and HUD's implementing Regulations (24 CFR Parts 8 and 100, respectively), which prohibit discrimination based on disability. The HCD is responsible for administering the program in a professional manner that ensures maximum effectiveness, and efficiency. The HCD is also responsible for the following with regard to individual rehabilitation projects:

- a) application intake, eligibility review, verification of documentation, and loan approval determination,
- b) communicating with the homeowner and contractor regarding all administrative procedures that affect completion of the work on behalf of the homeowner,
- c) making reasonable accommodation with both parties regarding scheduling of inspections,
- d) documenting project files in compliance with all applicable HUD regulations,
- e) advising the homeowner regarding code requirements and housing rehabilitation standards which may affect the prioritizing and possible exclusion of work items,
- f) clarifying with the homeowner the eligibility of certain repairs,
- g) negotiating with the contractor regarding necessary change orders and providing approval for increased loan amount and/or extension of time,
- h) following up with contractors to ensure that necessary warranty work is completed as required during the warranty period(s),
- i) payment to the contractor upon receipt of required certificate of completion, final inspection, and Lien waiver.

#### **V. ELIGIBILITY REQUIREMENTS**

Qualification of applicants is determined by HCD according to the following guidelines.

- A. Applicants for rehabilitation assistance must reside within the County and must have owned the dwelling for at least three (3) years as indicated on the recorded deed. Applicants must certify that the home is not being offered for sale, and is their primary residence, as indicated per the County/Municipal tax records.
- B. Applicants have gross household annual incomes at or below the applicable low-income limits established by (HUD) for the jurisdiction of Gloucester County, New Jersey. The applicable low-income limits for determining program eligibility are published by HUD in the federal register and updated annually. The low income limit shall mean the cumulative

gross annual income of all the persons who occupy the dwelling unit to be rehabilitated that does not exceed 80 percent of the area median income, adjusted for family size, as established by HUD. The occupant household's gross annual income (for the purpose of determining program eligibility) shall be calculated according to the HUD regulations identified in the Code of Federal Regulations.

The calculation used to determine gross annual household income shall be consistent with HUD regulations and HUD's definition of income including the sources of income that are to be included or excluded from the calculation. Income of all household residents age 18 or over, unless they are a full-time student, will be included in the total annual gross household income determination.

Gross Annual Income, includes but is not limited to child support, Social Security, pensions, income from annuities, interest income on savings, etc. The annual income limits for the County increase based on the number of persons in the household. Family size will be determined by the number of occupants living in the dwelling to be rehabilitated on a regular basis. Household residents under the age of 18 qualify as dependents of the head of household according to the HUD regulations identified in 24 CFR, Part 813.102 and are eligible for a dependent deduction. If an applicant is a full time student, the applicant will be required to provide their parents' income information so that HCD can determine if the applicant has been claimed as a dependent on their parents Federal Income Tax return.

- C. Applicants with physical disabilities who also meet the income eligibility requirements will be eligible for the removal of architectural barriers in their dwelling<sup>1</sup>. Improvements to the dwelling to remove architectural barriers that restrict mobility and accessibility may be authorized for owner occupied households that include elderly or physically disabled persons. The necessity for such improvements shall be supported by appropriate written notification from the applicant's physician, referring social service agency, or a similar outside authority familiar with the applicant's living situation. Receipt of social security disability or supplemental security income can also be used as verification of disability. Architectural barrier removal does not include portable items such as wheelchairs, walking-aids, vehicle lifts or other portable personal assistance items. ADA compliant wheelchair ramps to provide egress in and out of the home may be provided as a subsidy grant with established limits. This activity will not require a lien but is subject to all other eligibility criteria.
- D. For Applicants residing in a Mobile Home, the County has established a subsidy limit at a maximum of \$6,000.00 for conditions where there is no heat<sup>2</sup> and/or running water. This activity will not require a lien but is subject to all other eligibility criteria.
- E. Verification or certification of income and assets will be required to determine program eligibility for all federally funded projects. The applicant and any other family member must execute a release of information form authorizing any depository or private source of

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<sup>1</sup> Mobile Homes are not eligible for general construction or ADA improvements.

<sup>2</sup> Only during the winter season as defined by NJ state regulations governing when heat must be made available to tenants and when utility companies cannot issue shut off notices.

income, or any federal, state or local agency, to furnish or release to HCD such information as determined to be necessary.

Certification of income and assets means the applicant certifies that all information provided is true and correct. HCD shall also require the family to submit documentation determined to be necessary if it is required for purposes of determining or auditing an applicant's eligibility to receive program assistance, for determining the applicant's or applicant's family members gross annual income. The use or disclosure of information obtained from an applicant or applicant's family member or from another source pursuant to this consent to release information form shall be limited to purposes directly connected with administration of the Program.

Assets shall include checking, savings, other bank accounts, stocks, bonds, CDs, trusts, real estate and cash held by any household member. Value of an asset shall be computed by the greater of either the current market income from the asset or the imputed value of the asset using the current passbook rate as determined by HUD.

- F. In order to be considered eligible for participation in the Program the subject property taxes and utility (water/sewer – where applicable) must be current. Property taxes must not be delinquent for any tax year unless the homeowner has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding to the written agreement.
- G. Standard property insurance must be maintained on the property (with coverage adequate to insure the County's lien position). If a property is located in a flood plain, flood insurance must also be maintained (with coverage adequate to insure the County's lien position).
- H. Land record searches will be obtained on all properties. Evidence of ownership of the property will be confirmed through the County Tax Assessor's office online database.
- I. The County will only accept a first or second lien position. In a case where the second lien is due to participation in a down payment assistance program to secure the initial purchase of the property, the County may accept a third lien position.
- J. Households receiving reverse mortgages will be disqualified from receiving assistance through the Program.
- K. Homes whose market value as determined by the Gloucester County Tax Assessor online database exceeds the current annual FHA 203(b) (single family, one-unit residence) limit for this area are deemed ineligible for this program.
- L. To determine the economic feasibility of the rehabilitation activity, the total amount spent on each home will not exceed 50 percent of the after rehabilitation value (ARV) of the home. After rehabilitation value will be determined by adding 25 percent of the rehabilitation loan amount (RG) to the Tax Assessor's market value (MV).  $[MV + (.25 \text{ of } RG)] = ARV * 50\% > RG$ .
- M. The homeowner must be current with his/her mortgage (the payments due and payable to the mortgage company may not be more than 30 days past due) in order to receive assistance under the Program.

## VI. WAITING LIST MANAGEMENT

The County will maintain a list of those applicants requesting homeowner rehabilitation who have completed their application and have provided all supporting documentation. A priority will be placed on an applicant who documents an “Emergency Repair”. At the present time, the County defines an “Emergency repair” as a unit without heat or without running water as defined in footnote 3. Emergency repairs will take precedence over Preferences identified below.

Households will be placed on the list and will be selected in the order their applications are completed. Note, should a household not provide the necessary documentation within 10 days to be placed on the list, they will be allowed to re-apply at a later date. Updated information may be required to re-apply to the program.

Applicants will be selected from the waiting list in chronological order based on the date on their completed application (first in – first out) including any established preferences or priorities for providing assistance. When the application reaches the top of the waiting list, HCD will then process the applicant to verify the information provided and to confirm that the applicant meets all HUD program requirements.

If an applicant meets the eligibility criteria, the dwelling unit will be inspected to determine the scope of work to be performed to bring the dwelling up to applicable code. If insufficient funding or other resources are available to assist the applicant at the time of application, the application will be placed on the Program waiting list.

HCD will schedule the property for a physical inspection to determine the scope of work required to bring the structure into compliance with program guidelines and objectives as outlined below in Section VII “Eligible Improvements”. If the property can be rehabilitated in accordance with the requirements of Section VII and the cost of the rehabilitation does not exceed the economic feasibility, program expenditure limits and other required regulatory requirements, the application will be approved based on available funding. *An applicant’s eligibility for assistance is based on the approved policies and procedures that are in effect at the time the applicant is selected for processing from the waiting list.*

It is the responsibility of the applicant to notify the County of any changes in occupancy, household income, family composition, or any other information on the application. Notice of changed information must be submitted to the County in writing within 30-days of the effective date of the change. Upon receipt of the notice of change, HCD will record and date stamp the changes received and place the notice of changed information in the applicant’s file. An applicant must meet all applicable eligibility requirements, as described in Section V of these policies, at the time their name is selected from the waiting list. If the homeowner cannot meet the requirements for eligibility, the homeowner will be informed of the determination of ineligibility. The homeowner may appeal to HCD determination as outlined in the appeal process - Section XXV of this policy manual.

HCD will select applicants from the waiting list according to the date and time of receipt of application and established preferences. The preferences applicable to the Program are identified below.

- **Preference 1** – Elderly homeowners whose total income does not exceed 80 percent of the area median income, adjusted for family size, as established by HUD.

- **Preference 2** – Disabled homeowners who are applying for housing rehabilitation assistance and the removal of architectural barriers whose total income does not exceed 80 percent of the area median income, adjusted for family size, as established by HUD.

Elderly is defined as 62 years of age or older. Disabled is defined as a person who has a disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423), or is determined to have a physical, mental, or emotional impairment that is expected to be of long continued and indefinite duration. This disability must substantially impede his/her ability to live independently, and be of such a nature that such ability could be improved by more suitable housing conditions. A disabled person is also defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C 6001(5)).

## VII. ELIGIBLE IMPROVEMENTS AND UPGRADES

A project may be determined infeasible if the cost to complete all needed repairs exceed the respective program limits outlined below. The process to calculate the cost will be determined either from estimates determined by the HCD rehabilitation inspector and/or designee and/or from the Contractor's bid received on a project. The Program will provide up to \$25,000 for the repair of the dwelling of low-income owner-occupied households as permitted by program funding availability and policy. The Program will perform the general rehabilitation necessary to bring the structure into compliance with the local applicable written code, rehabilitation standards, and lead-based paint regulations. The Program addresses actual and incipient code violations, as well as necessary removal of architectural barriers, and weatherization, which may also be performed as part of any housing rehabilitation project authorized under this program. Weatherization improvements such as attic insulation, roofing, exterior doors, storm doors, and storm windows may be completed on all projects depending on the availability of repair funds.

Housing rehabilitation assistance may only be provided to cover the cost of rehabilitation necessary to bring the property in compliance with locally adopted, written property standards, and applicable federal, state and local codes. All conditions described in Priorities I thru IV must be addressed before Priority V (allowable, additional improvements) can be considered. Physical improvements to the dwelling will be made based on priority and funding availability and must fall in one of the following priority categories in order to be eligible.

### 1. **Priority I- Housing Systems**

- Electrical wiring, fixtures or systems
- Heating, venting and air-conditioning<sup>3</sup>
- Roofs
- Plumbing
- Removal or Replacement of attached building components (deck, porch) that were specifically cited as a code violation and hazard by the local code official or addresses the removal of architectural
- Health and safety items

### 2. **Priority II- Incipient Code Violations** (*Deficiencies or conditions of deterioration, if left unattended, would continue to deteriorate into or contribute to a code violation.*)

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<sup>3</sup> Air conditioning installation requires a physician's note warranting a medical need.

- Replacement of building components (roofs, water heaters, HVAC systems) that have exceeded their life expectancy or, due to condition, is expected to fail within a two-year period from the date of inspection.
- The current edition of the HUD Residential Rehabilitation Inspection Guide, Appendix C entitled “Life Expectancy of Housing Components” shall be used as the standard to determine the life expectancy of building components for the purpose of eligibility for replacement.
- Unsafe & unused fireplaces with a deteriorated or unsafe chimney should be disassembled to below the roof line and sealed (roof will be patched over area that chimney penetrated the roof). Unsafe & used fireplaces will be repaired or an alternate exhaust system will be installed.

### 3. **Priority III- Energy Efficiency Upgrades**

- weather stripping/caulking
- insulation
- storm doors
- windows and doors
- heating, venting and air-conditioning
- energy efficient water heater

### 4. **Priority IV- Architectural Barrier Removal**

- Widening of doors
- Installation of ramps
- Roll-in showers (as space permits)
- Grab bars and permanently attached physical-assist apparatus
- Air-conditioning (if medically necessary)
- Hearing-impaired smoke detection equipment
- Specialty plumbing fixtures
- Lowering of light switches
- Other permanently attached fixtures determined to be of assistance in removing architectural barriers

### 5. **Priority V- Allowable, Additional Improvements**

Under no circumstance will an allowable, additional improvement take priority over a Priority I, II, III or IV repair. Allowable, additional improvements will be eliminated by a change order to remedy unforeseen code violations, emergency, mechanical, foundation, or weatherization repairs found after the initial inspection or ongoing inspections.

Allowable additional improvements include the following:

- interior and exterior paint
- refinishing or replacement of kitchen or bathroom cabinets
- countertop replacement
- tile flooring (will be used in high-traffic areas if cost-effective)
- wood flooring – if comparable in cost to vinyl or carpet
- refrigerator, stove and dishwasher
- door replacement and trim improvements

## 6. **Luxury Items**

The following (not all inclusive) are considered luxury items and are **NOT** allowed:

- flooring such as tile, hard wood floors, etc. that exceeds the comparable cost of vinyl or carpet
- hot tubs, whirlpool baths, steam showers
- patios or decks
- room additions
- installation of fireplaces
- window treatments other than standard grade mini-blinds
- carports or garages
- items above standard grade or in excess of approved specifications

## **VIII. SELECTION AND CLEARANCE OF CONTRACTORS**

Selection of a contractor in the Program is the responsibility of the homeowner. The County will maintain a list of pre-qualified contractors to provide services and will allow homeowners to bring in contractors to qualify for submission of proposals. The value of the contract amount will be determined by the lowest responsible quote received by the proposals submitted from the eligible contractors. The County will conduct a Request for Quotes from contractors, with offering, awards and contract execution coordinated by HCD. Contractors may not be identified on HUD's or New Jersey's list of debarred or suspended contractors and must be registered, insured (and licensed, if required) with the State of New Jersey. Rehabilitation work will be undertaken only through a written contract **between the contractor and the homeowner receiving the assistance**.

HCD will accept minimum of three (3) quotes on the planned repairs, based on the preliminary work write-up prepared by the County's inspector and/or designee. The quotes are to be returned to the Program Administrator on the specific due date. If less than three bids/quotes are received, a second attempt will be required. If the 2<sup>nd</sup> round receives less than 3 quotes, then the quotes received will be accepted. If all quotes received are 20% higher than the HCD inspector's work estimate, a second offering cycle will also be required. HCD staff will record the total amount of the quote and the date and time the quote was received. HCD staff will evaluate the submitted quotes to determine which quotes are eligible. Quotes are considered eligible when the following conditions are met:

1. The submitting contractor currently meets all program requirements and is not debarred or suspended from participating in the Program.
2. The contractor is not on probation or debarred.
3. The quote is received by HCD prior to the submission deadline date and time stated in the offering documents.
4. The total amount of the quote is within 20% of the total cost estimate listed on the initial work write-up prepared by the HCD Inspector and/or Designee and does not exceed the maximum dollar limits of the program.

If none of the quotes solicited is within 20% of the preliminary work write-up initially or by negotiation, the quote must be rejected and other quotes must be obtained that are within the specified cost limits. Any quotes received outside of the estimated range of housing rehabilitation will be rejected and the homeowner will be notified in writing. Contracts will not be awarded until HCD has completed its contractor certification and the contractor has met the requirements.

Contractors new to the Program will only be able to have one contract in progress at any time until they have successfully completed at least three (3) contracts. Successful completion of three contracts removes this restriction and the contractor may have more than one rehabilitation project at any given time.

When an acceptable, eligible quote has been secured and the general contractor is selected by the homeowner, the contractor is notified that they must furnish HCD with a current Certificate of Insurance, a completed Contractor Information Form, and a statement concerning the non-use of lead-based paint. Information will be verified for accuracy and completeness of the forms submitted by the contractor. If all submitted documents are in order and the contractor is not on the list of parties debarred or suspended from participation in federal procurement or non-procurement programs or if the contractor is not suspended or debarred from participation in the Program, HCD will proceed with the preparation of contract documents.

General contractors are responsible to obtain all permits that are required to perform the authorized scope of work. The contractor must comply with all the regulations governing the issuance and inspections of any work permitted. Furthermore, all general contractors and subcontractors must possess trade or other professional licenses as may be required by the State of New Jersey in order to perform such functions that are subject to licensing.

Contractors proven to provide poor service or quality of workmanship and/or who exhibit behavior that is not professional in the opinion of the County will be debarred or suspended from any future contracts with the Program.

This section sets forth requirements and procedures with respect to contractor qualifications and construction contracts for housing rehabilitation assistance.

- A. **CONTRACTOR** – The term “Contractor” applies to the firm submitting quotes on work or receiving an award. The firm must hold a current registration with the New Jersey Division of Consumer Affairs as a General Contractor and license, as required, for specific classification (plumbing, electrical, lead based paint).
- B. **INSURANCE** – Before commencing work, the contractor shall submit to HCD a current certificate of insurance as evidence of the coverage required.
  1. The contractor shall carry or require that there be carried Workers’ Compensation Insurance for all employees and those of subcontractor engaged in work at the site in accordance with New Jersey State Workers’ Compensation Laws.
  2. The contractor shall carry or require that there be carried General Liability Insurance. The County must be named as an additional insured under the general contractor’s protective coverage. General contractors or agents participating in the Program must furnish the homeowner with a copy to the County, written notice of any change and/or cancellation of the required coverage no less than thirty (30) days before any such change is effective. Coverage must be verified by the HCD staff before contract execution.
- C. **FORM OF CONTRACT** – The contract documents to be executed by the homeowner and the contractor will be prepared by HCD staff after a preconstruction conference is held. At this preconstruction conference, the homeowner and contractor will agree to work condition, use of facilities and other construction related matters. Such documents must be

fully executed prior to beginning the work. These contract documents shall state a specific date for commencement of the work (no earlier than the three (3) day rescission period), a schedule for anticipated completion of work, and a copy of the final work write-up. An executed copy of the contract shall be furnished to the homeowner, contractor, and HCD.

## **IX. CONTRACT DOCUMENTS AND INSPECTIONS**

- a. Contract documents to be executed by the homeowner and the general contractor for the specific rehabilitation work to be performed will be prepared by HCD after a preconstruction conference is held. The homeowner and the County will simultaneously execute a separate loan agreement for payment and additional mortgage documents.
- b. At the preconstruction conference, the homeowner and contractor will agree to work condition, use of facilities, choice materials, and other construction related matters. Such documents must be fully executed prior to beginning the rehabilitation work.
- c. These contract documents shall state a specific date for commencement of the work (a minimum of 3 days after the Right of Rescission period pursuant to the Homeowner's loan agreement with the County), a schedule for anticipated completion of work, and a copy of the contractor's quote of the rehabilitation final work write-up.
- d. An executed copy of the Rehabilitation Contract shall be furnished to the homeowner, contractor, and to be retained by HCD.
- e. Inspections will be made by HCD staff and/or its Designee while the work is in progress. The required plumbing, electrical, structural and mechanical inspections will be conducted by local code officials where permits are required while the work is in progress. The contractor (or relevant sub-contractor) will schedule all required inspections with client during repairs.
- f. Upon completion of the work, a final inspection will be conducted by HCD staff and/or its Designee and the homeowner. The general contractor's presence is recommended, but not required, at such final inspection.
- g. HCD staff and/or its Designee will not process an invoice without an executed *Certificate of Completion and Lien Waiver* until all work has been completed and approved by the homeowner. In a situation where the homeowner refuses to approve the completed work, a written complaint must be filed with HCD by the homeowner within ten (10) business days (see Section XXIII). Failure to file a written complaint within the specified timeframe shall indicate acceptance of the work and the contractor will be paid in full.

***Under no circumstances will any outside agreement exist between the homeowner, contractor, or any other agency during the construction period regarding repair/remodel/modification of the home. Failure to comply with this provision will result in the termination of the contract and require immediate payback of the funds expended by the County of Gloucester. If the contractor performing other repairs/remodels/modifications is the same as selected by the homeowner for the Owner-Occupied Rehabilitation Program, then all funding due that contractor will be forfeited and the forgivable loan will be adjusted or cancelled, as required.***

## **X. TIME FOR COMPLETION**

- a. Upon execution of the contract documents by the homeowner and the contractor, a *Notice to Proceed* (“Notice”) will be issued by the HCD.
- b. If a lien is to be filed, work may begin immediately after the expiration of the three day right of rescission period. Once the notice has been received by the contractor, work authorized by a forgivable loan award must begin within ten (10) calendar days of the specified commencement date and be completed within sixty (60) calendar days of receipt of the Notice, unless otherwise approved by the homeowner and accepted by HCD (including the allotment for time for special ordering of materials).
- c. A copy of the final work write-up will be provided to the homeowner. Prior to beginning work, the contractor must have a copy of the final work write-up signed by the homeowner and approved by HCD.
- d. The contractor must begin work within ten (10) calendar days from the date noted on the Notice. Any contractor who does not begin or complete the work within the time specified in the contract may be assessed liquidated damages of \$100.00 per day for each day they run over the established completion date unless there is an approved change order for extension of time signed by the Homeowner and HCD. This penalty shall be deducted from the final payment.
- e. Contractors must notify both the homeowner and HCD to request an extension of the completion date and state the reasons for such extension.
- f. If approved by HCD, based on an inspection of ongoing work, the newly approved completion date must be approved by the homeowner and documented in HCD’s file.
- g. Contractors will not be granted more than two time extensions, unless extraordinary circumstances (as determined by HCD) justify a further request. The HCD Program Director or his/her designee is not required to approve a time extension change order. Any extension of time will be documented by a change order.

## **XI. NON-USE OF LEAD BASED PAINT**

The use of lead based paint is strictly prohibited in the Program. Notification concerning the dangers of lead-based paint will be distributed to the occupants of all homes to be rehabilitated, and signed documentation of the receipt of such information will be made part of the official case file. Each rehabilitation contract shall contain language prohibiting the use of lead-based paint. All exposed surfaces (walls, ceilings, floors, etc.) in all homes built prior to 1978 to be rehabilitated will be inspected for the presence of defective surfaces with previously applied lead-based paint. All defective surfaces (cracking, peeling, etc.) will be addressed during the rehabilitation process. Should lead-based paint be found, coverage, removal, or other corrective actions taken in accordance with HUD Regulation 24 CFR, Part 35 will be conducted in a manner that avoids further diffusion of lead particles throughout the residence. A further description of relevant procedures is contained in Appendix B of this document.

## **XII. GENERAL SPECIFICATIONS**

Contractors performing work for the Program will adhere to the "General Specifications for Owner-Occupied Rehabilitation Programs in the County of Gloucester," specified by the County. Contractors are also expected to be familiar with, and to comply with, all locally adopted, written property codes, written rehabilitation standards, bid specifications, and ordinances currently adopted. In the event a conflict is determined to exist between the General Specifications for the Owner-Occupied Rehabilitation Program and locally adopted codes, the stricter of the two shall apply.

## **XIII. CHANGE ORDERS**

- A. No modification(s) of the contract shall be made except by written instrument, signed by the contractor, approved by the homeowner, and accepted by HCD Program Director and/or the HCD inspector or designee.
- B. Change orders may be authorized for necessary work items that were initially overlooked or which could not be determined until the course of the rehabilitation work had already begun or to add an approved Priority V item if all required Priority I thru IV items have been repaired and adequate funding is available.
- C. Change orders must be requested and approved prior to commencement of the proposed changed work in order for such costs to be reimbursable. Change orders may be authorized as follows:
  - 1. To add work necessary to correct incipient items (Priority II) that have been found defective after work is in progress, but were not anticipated at the time the contract was executed.
  - 2. To correct Priority I defects that must meet local Code requirements.
  - 3. To make required repairs and additions to the contract that would exceed program limits, an item of lesser priority on the work write-up may be deleted. Deletion of items shall be at the previous line item quote amounts, unless said items have no specific costs, in which case they shall be deleted by negotiation at prevailing rates. HCD is authorized to negotiate contract changes on behalf of the homeowner. With the exception of work required to meet local codes, written rehabilitation standards, health and safety requirements, and weatherization or mechanical deficiencies, the homeowner may determine the priority of the items on the work write-up and may approve all decisions regarding substitution of a higher priority work item for a lower priority work item.
  - 4. To add an approved Priority V item if all required Priority I – IV items have been corrected and there is adequate funding available.

Total change orders on any job may not exceed 20 percent of the total dollar amount of the original contract, unless approved by the Department Director with the recommendation of the HCD Program Director or his/her designee. Such an approval may be granted only on the basis of the essential nature of the additional work to be performed and following verification that substitutions for lower priority work items were insufficient to reduce the overall contract cost to the funding limit.

Additional time for the completion of the scope of work is subject to the approval of all parties. Requests for additional time will be submitted by the contractor with approval from the homeowner and HCD.

#### **XIV. PAYMENT OF CONTRACTORS**

Upon completion of the work, a final inspection, by the homeowner, the contractor, HCD Program Director, HCD inspector and/or designee, and/or a qualified building official or his/her designee, if required, will be conducted. Thereafter the contractor will submit an invoice for final payment accompanied by a *Lien Waiver Affidavit* and *Release of Lien* signed by all subcontractors involved in the project to the County of Gloucester. The County will process the invoice for payment within the next County's audit deadline for the County's monthly bill list approval and will issue a check to the contractor for the full amount of the contract (plus change orders). Should the homeowner fail to approve the final inspection and refuse to sign this final certification, payment may be withheld from the contractor upon review of complaint and in consultation with the County's Inspector/designee. However, should the homeowner fail to file a written complaint within the required ten (10) calendar day time period, specifying the work items and/or the nature of the work in question with an explanation why it was not approved, the County may not unreasonably withhold payment for work performed by contractors, where the work was performed appropriately and according to industry standards with the approval of the HCD inspector and/or designee and/or a qualified building official or his/her designee.

Partial draws, as approved by the Program Director, will be documented and inspected as a final inspection on major systems that have been repaired or projects deemed substantially complete. Local code officials will be required to approve completed work if it includes any "permit required" work prior to payment. Before the contractor submits the invoice for final payment, a lien release will be required for the partial draw previously paid and final payment.

#### **XV. WARRANTY**

Upon completion of the work, the contractor shall furnish a limited one (1) year warranty on labor. In instances where the living environment, lack of maintenance or damage covered by homeowners insurance during the rehabilitation of the home, the warranty coverage will not apply.

The contractor is to also provide a copy of his one-year limited warranty along with copies of all manufacturers' warranties (i.e. appliance warranties, paint warranty and carpet warranty) to the homeowner so they can access warranty assistance after the contractor's one-year limited warranty (which covers labor and materials) has expired. The **homeowner is responsible to notify the contractor** of any warranty claims during the contractor's one-year limited warranty.

#### **XVI. HOMEOWNER OBLIGATION**

Upon acceptance of the proposed construction work and execution of the proper paper work, HCD will place a lien against the property for the full value of the County's contribution to the project, as stated in the contract, executed by all parties. The County exercises its right to enforce an extended period of affordability beyond the HUD five year affordability period. The lien will be in full force permanently as a "forever" lien after the work is completed.

The present restriction on affordability is as follows:

The amount of the loan shall be paid in full during the initial 5 year affordability period, from the date of the recorded lien, should the property no longer remain the homeowner's principal residence, or the homeowner sell, transfer, refinance, obtain a reverse mortgage or utilize any method to obtain cash against the equity of the property. The amount of the loan shall be partially forgiven 20% of the principal annually for each completed year following the initial 5 year affordability period until year 9

when 20% of the principal will remain as a “forever lien” on the property. Should the property no longer be the principal residence, change ownership through sale or transfer or refinance or utilize any vehicle to obtain cash against the equity of the property during that period of time, the applicant will reimburse the County, from the sale's proceeds for that prorated portion of the loan that has not yet been forgiven, at zero percent interest. During the term of the forgivable loan, the homeowner agrees to notify the County, in writing, within ten (10) calendar days of a change in the ownership or foreclosure of the property.

Should the property change ownership through inheritance, the heirs will be responsible for clearing the lien by making reimbursement to the County of the prorated portion, at zero percent interest, over the remainder of the affordability period. Such reimbursement procedures shall be administered at the direction of HCD Director or his/her designee.

## **XVII. PROCEDURES FOR FILING LIENS – PARTIALLY FORGIVABLE LOAN PROGRAM**

Upon approval of the Home Rehabilitation Construction Agreement between the homeowner and contractor, the homeowner shall execute an Owner Occupied Rehabilitation Program Homeowner Loan Agreement, Mortgage and Promissory Note with the County of Gloucester for the amount of the agreed improvements. Any change order modifying the value of the contract will automatically modify loan agreement, mortgage and promissory note. The Mortgage shall be due and payable according to its terms upon conditions set forth in Section XVII of the property secured by such Mortgage during the affordability period following the contract date for the program. The obligation due the County shall not bear interest and will be partially forgiven by the County on an annual basis by 20% of the principal for each completed year following completion of the initial five-year affordability period until 20% of the principal remains at which time there will be no more forgiveness.

In the event the homeowner transfers title to the property secured with a deed during the affordability period following completion of the improvements, the homeowner shall pay to the County the remaining balance of the deed. Otherwise, the County shall have the option to demand full payment of the remaining balance of such deed. Upon failure by the homeowner to pay such remaining balance, the County may proceed to exercise its right of foreclosure under the deed to secure debt.

Transfer of title to a rehabilitated property secured by a deed to secure debt and contract under this program as described in the paragraph above, to the heirs, devisees, or assigns of an homeowner shall at the option of the County be deemed to be a sale to a third party purchaser without the prior written consent of the County and subject to all rights of note acceleration and foreclosure retained in the deed to secure debt securing the lien in the favor of the County. Heirs, devisees, or assignees of the homeowner eligible for low or moderate income housing assistance from the federally funded programs through the County may request a waiver of the County's rights and powers of acceleration and foreclosure under the deed to secure debt, but the County has no obligation to grant any such waiver.

## **XVIII. SUBORDINATION**

Upon verification of program income eligibility standards, the County may consider the postponement of a Mortgage for the refinancing of a first mortgage at a lower interest rate and no additional cash out. An exception may be made for refinancing to cover medical costs or necessary emergency home improvements. Verification such as work estimates and medical documentation will be required.

Prior to subordination, a copy of the new mortgage application will be required to verify that the income level of the homeowner has not increased to such a level that they no longer meet the eligibility requirements of the original loan. All requests will be reviewed by the Program Director and approved by the County Administrator or designee prior to subordination.

## **XIX. MULTIPLE ASSISTANCE**

The County recognizes that there may be instances when a homeowner who has already been assisted through the Program may be requesting additional assistance. It is the policy of the County that repeat beneficiaries residing at the original home, cannot ask for assistance within five (5) years of the completion of the initial rehabilitation and total value of their current lien(s) cannot exceed \$15,000.00. Total lien value held against the property cannot exceed \$25,000.

It is recognized that there may be instances when emergency assistance is needed. If this is the case, the applicant will be allowed to complete an application for emergency repairs which would be limited only to no heat in winter (Sept-Mar) or no running water.

## **XX. VARIANCES FROM POLICY**

Variations from these policies and procedures shall only be granted by the County, under extraordinary and extenuating circumstance and, by recommendation of the Program Director and approval of the County Administrator or designee. The County will consider a variance to the existing policies that document specific hardship on the part of the homeowner or other parties involved in a project, and that granting a variance will further the goals, purposes, and effectiveness of the Program and will conform to all applicable HUD guidelines. Waiver of policy cannot be granted if they conflict with HUD regulatory requirements.

## **XXI. RIGHTS AND RESPONSIBILITIES OF THE HOMEOWNER**

The homeowner is responsible for submitting true and accurate household financial and other information required to document eligibility for the program. The homeowner is also responsible for notifying the County, in writing, of any change in household composition or income within ten (10) calendar days of such change. Failure to provide updated information shall result in exclusion from the program.

The homeowner is also responsible for:

- a) selection of the contractor (in accordance with County and program procurement requirements),
- b) making reasonable accommodation to the schedules of the contractor and the County for the purposes of inspections, completion of work, etc.,
- c) participating in identifying the priority of all work items essential for bringing the structure to local code and within program parameters and policy,
- d) reviewing, executing, and understanding the contract, work write-up, and associated documents,
- e) notifying the contractor and HCD of any concerns **during the construction period**,
- f) participating in the final inspection and executing the final inspection report,
- g) repaying the prorated share of the project cost that may not yet be forgiven under the terms of the lien, if the property is sold or no longer remains the principal residence during the affordability period after completion of work,

- h) providing proper maintenance to all installed items/components to help minimize premature failure or damage, and
- i) maintaining required insurance for the duration of the lien.

## **XXII. RIGHTS AND RESPONSIBILITIES OF CONTRACTORS**

The contractor is responsible for completing the work as identified in the contract and the accepted and approved quote for the work write-up within the agreed-upon timeframe and for the following:

- a) communicating with the homeowner and HCD regarding status of the work during the construction period,
- b) adhering to warranty agreements and performing warranted work within the warranty period(s),
- c) notifying HCD in writing, including justification(s) of the need for any change orders and negotiating with HCD regarding the cost of such change orders and time required to complete them,
- d) completing any items identified at the final inspection prior to execution of the Certificate of Completion,
- e) cleaning the property of work material after conclusion of work,
- f) ensuring quality of workmanship and materials in compliance with the contract,
- g) making reasonable accommodation with HCD and the homeowner regarding scheduling of inspections and completion of the work,
- h) performing all work in an acceptable and professional manner, and
- i) completing all required Priority I items prior to starting any Priority II, III, IV or V items as identified in Section VII. Eligible Improvements and Upgrades.

## **XXIII. GRIEVANCE PROCEDURES**

### **A. Appeal Process**

Should the homeowners or contractors find themselves in a dispute they should communicate their concerns to the HCD. If these concerns cannot be negotiated or resolved successfully between the parties, either side may request an appeal with the Department Director or his/her designee who will serve as the Arbiter.

Such an appeal shall be in writing, identifying the basis for the specific complaint, the section in the contract or policies/procedures, which are perceived to be violated, and the sequence of events affecting the project to date. All relevant supporting documentation (photographs, copies of dated Certificate of Inspection, insurance information, etc.) should be attached.

The Department Director or his/her designee will respond to this complaint in writing within ten (10) business days of receiving the complainant's letter. The Department Director or his/her designee is authorized to make reasonable accommodation, as necessary, to resolve complaints within HUD guidelines and in accordance with the program goals of efficiency and effectiveness.

Upon approval of the homeowner's application for assistance, the applicant shall be given the opportunity to read the above "Rights and Responsibilities" and "Grievance Procedures" sections of this document and shall sign a statement indicating that he/she understands them. This statement shall be maintained in the official case file.

The HCD may at any time terminate or deny assistance for a homeowner for any of the following reasons:

- If any member of the household fails to sign and submit consent forms for obtaining information, such as income verifications and other release of information forms.
- If any member of the household violates any of the policies and procedures under this program.
- If the homeowner or family member commits fraud in connection with this program.
- If the homeowner or family member has engaged in or threatened abusive or violent behavior towards County and/or its Designees' personnel.
- If the house becomes damaged prior to the beginning of or during repairs due to homeowner neglect, weather damage covered by homeowner's insurance, or other similar circumstances.

### **1. Initial Determination to Deny Assistance**

The HCD may receive information regarding grounds for denial of assistance through file review, third parties or other reliable sources. Upon receiving such information, the HCD will send a letter to the homeowner indicating the grounds for denial of program assistance or a request to provide further necessary information. This letter will include the basis for denial of assistance and inform them that they have ten (10) calendar days to contact the HCD to request an informal review or to supply the requested information. If the homeowner provides acceptable information to the HCD, the information will be placed into the homeowner's file with an explanation of the findings and the matter is closed.

If the homeowner does not respond to the letter, or furnish the requested information, then the HCD will send a final letter informing the homeowner of the closeout of the file.

### **2. Informal Reviews**

When a homeowner requests an informal review, the following procedures will be followed:

1. The HCD will schedule and conduct an informal review at the earliest convenient time after receipt of the homeowner's written request. The HCD shall advise the homeowner of the appointed time in writing.
2. The Department Director may conduct the hearing or assign the request for an informal review to a designee serving as the hearing officer. The hearing officer may not be the person who made the decision under review, or a subordinate of this person.
3. The homeowner must be given the opportunity to present written or oral objection to the standing determination.
4. The person conducting the informal review will receive and review the homeowner's objections and will base their decision on:
  - a) Whether or not applicable policy was or would be violated
  - b) The validity of the evidence presented by the homeowner and the HCD
  - c) Unusual or extenuating circumstances that may warrant an exception to program policies

### **3. Notice of Decision**

Upon conclusion of the informal review, the hearing officer shall have ten (10) calendar days in which to issue a Notice of Decision. The Notice of Decision shall be in writing and shall include the following:

- a) Introduction – The introduction will generally include the name of the homeowner, date, time and place of the review; name of the hearing officer; name of the Owner Occupied

Rehabilitation Program Representative; and the name of the homeowner's representative, if any.

- b) Background – The background will provide a statement of the policy violated
- c) Summary of Facts – A brief summary of relevant facts presented by both parties, documents presented and the statements given by other interested parties.
- d) Final Decision – The decision of the HCD. **In no circumstance will the decision of the hearing officer violate any HUD regulatory requirement.**

## **XXVI. FRAUD AND PROGRAM ABUSE POLICY**

The HCD considers the Owner-Occupied Rehabilitation Program as a valuable resource for needy residents. The Owner-Occupied Rehabilitation Program is not an entitlement program to homeowner recipients. The HCD shall ensure that the administration and operation of the program is in compliance with HUD regulations and this policy and that all necessary and appropriate actions are taken to safeguard the public trust.

The following procedures will be followed only after the homeowner has been allowed to exercise their rights as outlined in section XXV.

### **• Investigation**

1. Upon receipt of an allegation, the HCD will determine if the allegation is a program violation and what type of documentation or verification is needed to confirm or deny the allegation.
2. The HCD will gather the necessary documentation and prepare a case file that will include the allegation, policy violated, supporting documentation and any other pertinent information including conducting an interview of the applicant/recipient, as needed.
3. If the evidence does not support the allegation, the report will represent that the investigation is closed with all appropriate documentation and reports placed in the applicant's/recipient's file indicating the outcome of the investigation.

### **• Enforcement**

1. If the applicant cannot present evidence that would clear them from the allegation or, the applicant does not respond to the HCD requests for information within ten (10) calendar days from the date of the request, the HCD will send the applicant a letter stating that their application for assistance has been denied. The letter shall include the reason for denial and the policy violated and a statement that describes their right to appeal. The applicant shall have ten calendar days to respond to the letter. Failure to respond to the letter within ten calendar days will forfeit the applicant's right to appeal.

### **• Appeals**

**In either type of enforcement action, a letter shall be mailed notifying the applicant/recipient of their right to appeal in cases of denial of assistance or repayment of grant funds.**

1. Fraud and/or Program Abuse – Preliminary Application Phase, No Funds Expended
  - a. The applicant will be provided the right of appeal.
  - b. If the applicant is found to be guilty of fraud and/or program abuse and the decision of the hearing officer is to deny the homeowner's request for assistance, the homeowner's application will be voided and the homeowner will be ineligible for any future assistance under the Owner-Occupied Rehabilitation Program.

## 2. Fraud and/or Program Abuse – Construction, Work in Progress Phase – Funds Obligated and/or Expended

- a. Any work that has not been started and is not required to complete work that is already in progress will be halted. The contractor and homeowner will be notified by the HCD, in writing, which items are authorized to be completed and which items will not be authorized for completion.
- b. The HCD will determine the amount of funds expended and will authorize payment to the contractor once the HCD Inspector and/or Designee has inspected the work and determined the work meets rehabilitation standards.
- c. The homeowner's presence shall be requested at the time of final inspection *but is not required*.
- d. If the homeowner refuses to allow access to the property, the contractor shall be required to submit a statement of work completed affidavit indicating the amount of payment requested based on items identified on the accepted proposal that have been completed.
- e. The homeowner will receive a statement indicating amount owed and will be required to pay that amount within 30 days from receipt of notice unless there was an alternative payment schedule established, and agreed upon by the HCD, during the informal review process as outlined in section XXV.
- f. The work completed shall carry no warranty.

## 3. Fraud and/or Program Abuse – Work Completed and Lien Filed

In circumstances where the homeowner has received rehabilitation assistance and a lien has already been filed, the homeowner will be required to repay the amount of the lien in accordance with the following schedule unless an alternative payment schedule was established and agreed upon by the HCD during the informal review process as outlined in section XXV.

### • Repayment Schedule

1. \$1,000 or less – recipient must repay the entire amount within 30 calendar days of notification
2. \$1,001 - \$5,000 – recipient must pay one-third down within 30 calendar days of notification and the balance must be paid in twelve equal monthly payments starting sixty calendar days after notification
3. \$5,001 - \$10,000 – recipient must pay one-third down within 30 calendar days of notification and the balance must be paid in twenty-four equal monthly payments starting sixty calendar days after notification
4. \$10,001 - \$15,000 – recipient must pay one-third down within 30 calendar days of notification and the balance must be paid in thirty-six equal monthly payments starting sixty calendar days after notification
5. \$15,001 - \$25,000 – recipient must pay one-third down within 30 calendar days of notification and the balance must be paid in forty-eight equal monthly payments starting sixty calendar days after notification

If a recipient fails to make two consecutive payments, the County may notify the recipient, in writing, of its intent to exercise its right to foreclose on the property. Notification must be by

United States Postal Service Certified Mail, Return Receipt Requested, and must give the recipient the opportunity to appeal the decision to the HCD or his/her designee. The recipient shall be given ten (10) calendar days to file a written response. Failure of the recipient to respond in writing within ten (10) calendar days will forfeit the recipient's rights of appeal.

- **Referral to HUD**

The County may, at its discretion, refer a case involving fraud and/or program abuse to HUD for review and possible criminal prosecution.

**HOMEOWNER ACKNOWLEDGEMENT**

Date: \_\_\_\_\_

I, \_\_\_\_\_, (full name) owner of the property located

at \_\_\_\_\_, (address), as applicant for house rehabilitation assistance from the County of Gloucester’s Owner-Occupied Rehabilitation Program, have read the County’s Policies and Procedures regarding this program and have reviewed the sections entitled "Rights and Responsibilities" and "Grievance Procedures." I understand and acknowledge these policies and agree to adhere to these procedures in resolving any differences or disputes which may arise during the course of and upon completion of rehabilitation work on the above-listed property.

Signed:

\_\_\_\_\_

\_\_\_\_\_

Homeowner(s)

## **Appendix A**

### **CONTRACTOR INSURANCE REQUIREMENTS FOR OWNER-OCCUPIED REHABILITATION PROGRAM**

Prior to executing contracts in connection with the Gloucester County Owner-Occupied Rehabilitation Program, a contractor must submit to the homeowner and the County's Department of Housing and Community Development (HCD) a certificate(s) of insurance from a satisfactory insurer(s) stating that it carries the following types of coverage in the minimum amounts stated.

- **Commercial General Liability Insurance**

The policy will allow for \$500,000 per occurrence for bodily injury, death, personal injury, and property damage. The policy shall include coverage for premises/operations, products and completed operations, and contractual liability. This policy shall have no standard coverage removed by exclusions.

- **Automobile Liability**

Coverage shall be provided for bodily injury and property damage for owned, hired, and non-owned vehicles with minimum limits in the amount required by State of New Jersey law.

- **Workers' Compensation and Employers' Liability**

Statutory Workers' Compensation coverage with Employers' Liability policy has limits of \$100,000 for each accident, \$500,000 policy limit for disease, when applicable.

- **Other Insurance Provisions**

1. The County of Gloucester shall be named as an additional insured on the general liability policy. These policies shall contain the appropriate additional insured endorsements signed by a person authorized by that insurer to bind coverage on its behalf.
2. Workers' Compensation and Employers' Liability Coverage: The insurer shall agree to waive all rights of subrogation against the County of Gloucester, its officials, employees, and volunteers for losses arising from the activities under this contract.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits, except after 30 days' prior written notice has been provided to the County.
4. Certificates of Insurance shall be completed on the ACCORD form only and shall be forwarded to the HCD.

## **Appendix B**

### **LEAD HAZARD REDUCTION ACTIVITIES FOR HUD FUNDED HOUSING PROGRAMS**

#### **I. Purpose**

The purpose of lead hazard reduction activities in the Gloucester County Owner Occupied Rehabilitation Program is to reduce or eliminate lead hazards in pre-1978 federally assisted housing units. The goals of lead reduction activities are:

- To reduce lead poisoning or the risk of lead poisoning to children and families;
- To educate families about lead poisoning prevention; and
- To provide intervention through the reduction of lead-based paint hazards in pre-1978 units that contain lead-based paint hazards in the City's federally assisted housing programs.

#### **II. General Requirements**

Notification - The County and all sub-recipients must follow the lead notification procedures outlined below when dealing with pre-1978 housing units, regardless of the type of activity funded. Proper documentation that all required notification was given must be maintained in all project files. The notices are as follows:

- Lead Information Pamphlet and Lead Disclosure Form - occupants of the unit will receive the HUD/EPA pamphlet "Protect Your Family from Lead in Your Home" and the Lead Disclosure Form. If the unit is known to be a pre-1978 unit that contains lead-based paint or lead-based paint hazards, owners must notify tenants and prospective buyers if the owner at any time uses the unit for rental property or decides to sell the property.
- Notice of Hazard Evaluation or the Presumption of Lead-Based Paint or Hazards - unit occupants will receive notification of the results of any lead hazard evaluation or the presumption of lead-based paint or hazards within fifteen (15) days after the results has been determined.
- Notice of Reduction Activities - unit occupants will receive notification of the results of hazard reduction activities. The type of reduction activity will vary according to the level of assistance provided.
- Safe Methods of Paint Removal

The HCD will document that contractors have been informed of the permissible methods of paint removal and document safe work practices are followed. Safe work methods are required on interior surfaces larger than two square feet and on exterior surfaces larger than 20 square feet. At the very least, the program will fund the repair of any painted surface that is disturbed during our work. We may stabilize deteriorated paint, which includes the correction of moisture leaks or other obvious causes of paint deterioration. We will have clearance examination conducted following most work activities to ensure that the work has been completed; that dust, paint chips and other debris have been satisfactorily cleaned up; and that dust lead hazards are not left behind.

The program will conduct a risk assessment to identify lead-based paint hazards, and as necessary, perform interim control measures to eliminate any hazards that are identified or, in lieu of a risk assessment, perform standard treatments throughout a unit. The type

and amount of Federal assistance and rehabilitation hard costs for the unit will determine the level of lead hazard reduction we will complete.

To comply with the regulations controlling lead hazards in housing receiving federal assistance, the County will ensure the regulations implementing sections 1012 and 1013 of the Residential Lead-Based Hazard reduction Act of 1992, which is Title X of the Housing and Community Development Act of 1992 applies to all homes constructed prior to 1978 are fully adhered to.

The following requirements apply to federally funded rehabilitation:

A. Rehabilitation where cost is between \$1,000 and \$5,000:

- Provision of the “Protect Your Family From Lead in your Home” Pamphlet
- Paint testing (where disturbed)
- Repair surfaces disturbed during rehabilitation
- Use Safe Work Practices
- Clearance of the Work Site
- Appropriate notices

B. Rehabilitation where cost is between \$5,000 and \$25,000:

- Provision of the “Protect Your Family From Lead in your Home” Pamphlet
- Paint testing and Risk Assessment
- Interim Controls
- Use Safe Work Practices
- Clearance of the Unit
- Appropriate notices

C. Rehabilitation where costs exceed \$25,000:

- Provision of the “Protect Your Family From Lead in your Home” Pamphlet
- Paint testing and Risk Assessment
- Abatement (Interim Controls exterior)
- Use Safe Work Practices
- Clearance of the Unit
- Appropriate notices

The County Lead Contractor will inspect the unit to perform a “Risk Assessment” and lead-based paint testing with an XRF machine. Those elements which require remediation will be incorporated into the work write-up/cost estimate by the HCD Inspector and/or designee. The owner will be provided a copy of the results of this test and the required pamphlet on lead-based paint hazards.

In terms of occupant protection and temporary relocation during lead hazard reduction, if the job requires lead hazard reduction, appropriate actions typically will be taken to protect occupants from lead-based paint hazards if the unit will not be vacant during the

rehabilitation project. In those cases, occupants may not enter the worksite during the lead hazard reduction activities. Re-entry is permitted only after such activities are completed and the unit has passed a clearance examination.

Occupants of the unit do not have to be relocated if:

- rehabilitation work will not disturb lead-based paint or create lead-contaminated dust,
- hazard reduction activities can be completed within one 8-hour daytime period and the worksite is contained to prevent safety, health, or environmental hazards,
- exterior-only work is being performed where the windows, doors, ventilation intakes, and other openings near the worksite are sealed during hazard reduction activities and cleaned afterward, allowing for a lead-free entry to be maintained,
- hazard reduction activities will be completed within 5 calendar days and the work area is sealed, the area within 10 feet of the containment area is cleaned each day, occupants have safe access to sleeping areas, bathroom and kitchen facilities; and occupants are not permitted into the worksites until after clearance has been achieved.

HUD has advised that relocation of elderly occupants is not typically required, so long as complete disclosure of the nature of the work is provided and informed consent of the elderly occupant(s) is obtained before commencement of the work.

If occupied units are to undergo more extensive lead hazard abatement activities, the occupant(s) must be temporarily relocated. Most often, furniture and occupant belongings can be covered and sealed with protective plastic sheeting, although storage of major furniture and removal of all small furnishings during the hazardous materials reduction work may sometimes be necessary. Owners are responsible for carefully packing all breakables; removing all clothing from closets, etc. During the abatement work, only workers trained in lead hazard reduction may enter the work site. This means that neither owners nor occupants are permitted to return to the work site during the day or at night. If an owner requires special needs to re-enter the site, this will be arranged by the Gloucester County staff.

Only when the unit has been cleaned to the federally- mandated standards and passed a clearance examination is it safe and permissible to return. The County's staff will notify the homeowner with an Authorization for Re-Occupancy. Sometimes the jobs are completed in stages, with the lead hazard reduction work occurring first and the normal renovation work following. In these cases interim dust lead clearance must be obtained prior to re-occupancy by the owners or occupants and other non-lead related rehabilitation workers. Final lead dust clearance must be repeated following the rehabilitation work to verify that the residence is free of lead hazards. The County's program staff can provide more information.

## APPENDIX E.2 GLOUCESTER COUNTY REHAB PROJECT LIST

<b>GLOUCESTER COUNTY OWNER OCCUPIED REHABILITATION PROGRAM</b>						
	<b>Project Year</b>	<b>ID</b>	<b>Activity</b>	<b>Status</b>	<b>Source</b>	<b>Funded</b>
1	2010	2253	HOME REHAB/CLARK/FRANKLINVILLE	COMPLETED	CDBG	\$13,500.00
2	2010	2256	HOME REHAB/CAMPBELL/FRANKLIN TWP	COMPLETED	CDBG	\$5,495.00
3	2010	2257	HOME REHAB/FAHRER/FRANKLINVILLE	COMPLETED	CDBG	\$4,324.00
4	2010	2301	HOME REHAB/DICKEL/FRANKLINVILLE	COMPLETED	CDBG	\$4,250.00
5	2010	2305	HOME REHAB/PETWAY/FRANKLIN TWP	COMPLETED	CDBG	\$2,495.00
6	2010	2308	HOME REHAB/LANGSTON/FRANKLINVILLE	COMPLETED	HOME	\$22,025.00
7	2010	2332	HOME REHAB/PEARSON/FRANKLINVILLE	COMPLETED	CDBG	\$2,370.00
8	2010	2358	HOME REHAB/THOMAS/FRANKLIN	COMPLETED	HOME	\$3,600.00
9	2010	2359	HOME REHAB/PEARSON- HUGHES/FRANKLIN	COMPLETED	CDBG	\$17,500.00
10	2011	2415	HOME REHAB/CHAPMAN/FRANKLIN	COMPLETED	CDBG	\$5,495.00
11	2011	2417	HOME REHAB/FENNING/FRANKLINVILLE	COMPLETED	CDBG	\$5,495.00
12	2011	2429	HOME REHAB/SHMUKLER/FRANKLIN TWP	COMPLETED	HOME	\$15,900.00
13	2011	2433	HOME REHAB/LITTLE/FRANKLIN TWP	COMPLETED	HOME	\$6,700.00
14	2012	2483	HOME REHAB/MAY/MALAGA	COMPLETED	HOME	\$2,850.00
15	2012	2519	HOME REHAB/LOPEZ/FRANKLINVILLE	COMPLETED	CDBG	\$3,634.00
16	2012	2532	HOME REHAB/MINTON/FRANKLIN TWP	COMPLETED	HOME	\$7,500.00
17	2012	2547	HOME REHAB/SCHILLER/FRANKLINVILLE	COMPLETED	HOME	\$2,245.00
18	2013	2620	HOME REHAB/BAILEY/FRANKLIN TWP	COMPLETED	CDBG	\$10,100.00
19	2013	2624	HOME REHAB/KELLY/FRANKLINVILLE	COMPLETED	CDBG	\$7,200.00
20	2014	2687	HOME REHAB/BENNETT/MALAGA	COMPLETED	CDBG	\$18,150.00
21	2014	2706	HOME REHAB/HESS/FRANKLIN	COMPLETED	CDBG	\$12,670.00
22	2014	2724	HOME REHAB/NICOSIA/FRANKLIN	COMPLETED	CDBG	\$21,375.00
23	2015	2788	HOME REHAB/THOMAS/FRANKLIN	COMPLETED	HOME	\$5,578.00
24	2015	2803	HOME REHAB/LANGLEY/FRANKLIN	COMPLETED	HOME	\$20,799.00
25	2015	2806	HOME REHAB/VALERIO/FRANKLIN	COMPLETED	CDBG	\$3,000.00
26	2015	2815	HOME REHAB/TIRELLI/FRANKLIN	COMPLETED	CDBG	\$20,100.00
27	2015	2818	HOME REHAB/LINDMEIER/FRANKLIN	COMPLETED	CDBG	\$21,500.00
28	2015	2831	HOME REHAB/NEWELL/FRANKLIN	COMPLETED	HOME	\$12,005.00
29	2016	2855	HOME REHAB/ZANE/FRANKLIN	COMPLETED	CDBG	\$5,714.00
30	2016	2865	HOME REHAB/FOY/FRANKLIN	COMPLETED	HOME	\$11,554.00
31	2017	2905	HOME REHAB/WILGUS/FRANKLIN	COMPLETED	CDBG	\$5,184.00
32	2017	2911	HOME REHAB/SIMMONS/FRANKLIN	COMPLETED	HOME	\$12,330.00
33	2017	2919	HOME REHAB/WILDER/FRANKLIN	COMPLETED	CDBG	\$12,985.00
34	2017	2922	HOME REHAB/THOMAS-WILLIAMS/FRANKLIN	COMPLETED	HOME	\$13,975.00
35	2017	2923	HOME REHAB/GROSSO/FRANKLIN	COMPLETED	HOME	\$16,605.00
36	2017	2927	HOME REHAB/SAMPSON/FRANKLIN	COMPLETED	HOME	\$9,560.00
37	2017	2943	HOME REHAB/JOHNSON-HALL/FRANKLIN	COMPLETED	HOME	\$20,290.00

**GLOUCESTER COUNTY OWNER OCCUPIED REHABILITATION PROGRAM**

	<b>Project Year</b>	<b>ID</b>	<b>Activity</b>	<b>Status</b>	<b>Source</b>	<b>Funded</b>
38	2018	2949	HOME REHAB/VASILIEFF/FRANKLIN	COMPLETED	CDBG	\$14,865.00
39	2018	2977	HOME REHAB/SIMKINS/FRANKLIN	COMPLETED	CDBG	\$2,817.00
40	2018	2980	HOME REHAB/GREEN/FRANKLIN	COMPLETED	CDBG	\$9,489.00
41	2019	3066	HOME REHAB/KAGANZEV/FRANKLIN/ADA RAMP	COMPLETED	CDBG	\$12,375.00
42	2019	3067	HOME REHAB/RICCIARDELLI/FRANKLIN	COMPLETED	CDBG	\$6,828.00
43	2019	3076	HOME REHAB/HOLLAND/FRANKLIN	COMPLETED	CDBG	\$7,575.00
44	2019	3077	HOME REHAB/BOLINSKY/FRANKLIN	COMPLETED	HOME	\$19,878.00
45	2019	3094	HOME REHAB/ADA RAMP/KOSHINSKI/FRANKLIN	COMPLETED	CDBG	\$3,000.00
46	2020	3133	HOME REHAB/SACERDOTE/FRANKLIN	COMPLETED	HOME	\$16,070.00
47	2020	3150	HOME REHAB/REED/FRANKLIN	COMPLETED	HOME	\$16,505.00
48	2020	3160	HOME REHAB/RENZI/FRANKLIN	COMPLETED	HOME	\$19,095.00
49	2020	3164	HOME REHAB/FOX/FRANKLINVILLE	COMPLETED	HOME	\$6,340.00
50	2020	3166	HOME REHAB/WARDER/FRANKLIN	COMPLETED	CDBG	\$19,838.00
51	2020	3202	HOME REHAB/HARRINGTON SMITH/FRANKLIN	COMPLETED	CDBG	\$19,970.00
52	2021	3274	HOME REHAB/STEVENS/FRANKLINVILLE	COMPLETED	HOME	\$14,675.00
53	2021	3282	HOME REHAB/OTTAVIO/FRANKLIN	COMPLETED	CDBG	\$3,478.00
54	2021	3288	HOME REHAB/MORA/FRANKLIN	COMPLETED	HOME	\$24,510.00
55	2021	3307	HOME REHAB/ADA RAMP/HANSEN/FRANKLIN	COMPLETED	CDBG	\$4,000.00
56	2021	3314	HOME REHAB/TUNSTALL/FRANKLIN	COMPLETED	HOME	\$13,425.00
57	2021	3318	HOME REHAB/BRESCIA/FRANKLIN	COMPLETED	CDBG	\$3,163.00
58	2021	3336	HOME REHAB/MOBLEY/FRANKLIN	COMPLETED	HOME	\$23,295.00
59	2021	3338	HOME REHAB/DIPAOLLO/FRANKLIN	COMPLETED	CDBG	\$7,989.00
<b>Total Rehabilitation Costs</b>						<b>\$655,232.00</b>
<b>Average Rehabilitation Cost per unit</b>						<b>\$11,105.63</b>

**TOWNSHIP OF FRANKLIN**  
**GLOUCESTER COUNTY, NEW JERSEY**

**HOUSING REHABILITATION PROGRAM**  
**Operating Manual for the Administration of**  
**Rental Units**

In Accordance with the Uniform Housing Affordability Controls, N.J.A.C. 5:93 and  
N.J.A.C. 5:97

Prepared: March 2023

Prepared by



1 Market Street, Suite 1F  
Camden, NJ 08102  
(732) 410-2651

Adopted \_\_\_\_\_ by: \_\_\_\_\_

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## INTRODUCTION

The Housing Rehabilitation Program provides funds from the Township's Affordable Housing Trust Fund, to rehabilitate sub-standard housing within Franklin Township, which will be occupied by very-low, low-, or moderate-income households. Funding is available for housing units rented to qualified households.

This Rehabilitation Program Operating Manual has been prepared to assist in the administration of Franklin Township's Housing Rehabilitation Program. It will serve as a guide to the program's staff and applicants.

This manual describes the basic content and operation of the program, examines program purposes, and provides the guidelines for implementing the program. It has been prepared with a flexible format allowing for periodic updates of its sections, when required, due to revisions in regulations and/or procedures.

This manual explains the steps in the rehabilitation process. It describes the eligibility requirements for participation in the program, program criteria, funding terms and conditions, cost estimating, contract payments, record keeping and overall program administration. The following represents the procedures developed to offer an applicant the opportunity to apply to the program.

### Fair Housing and Equal Housing Opportunities



It is unlawful to discriminate against any person making application to participate in the rehabilitation program or rent a unit with regard to race, creed, color, national origin, ancestry, age, marital status, affectional or sexual orientation, familial status, disability, nationality, sex, gender identity or expression or source of lawful income used for mortgage or rental payments.

For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1-866-405-3050 or <http://www.state.nj.us/lps/dcr/index.html>.

Fair Housing and Equal Housing Opportunities apply to both owner and tenant applications.

## SECTION I. ELIGIBLE PARTICIPANTS

### CATEGORIES OF PARTICIPANTS

Renter-occupied housing units are eligible to receive funding for rehabilitation provided that the occupants of the units are determined to be very-low, low- or moderate-income households and that the units are determined to be substandard. Owners of rental properties do not have to be low- or moderate-income households. If a structure contains two or more units and an owner, who is not income eligible, occupies one unit, funding may be provided for the rehabilitation of the rest of the units if income-eligible households occupy those units. Contract rents must be affordable to very-low, low- or moderate-income households.

**NOTE:** Pursuant to N.J.A.C. 5:97-6.2(b)6 rental units may not be excluded from a municipal rehabilitation program. If a county administers the municipal rehabilitation program and the county program does not include rehabilitation of rental units, the municipality will need to supplement the county program with its own rehabilitation program for rental units.

For housing units which received past affordable housing credit, the following rules for repeat assistance shall apply.

- An owner of a previously rehabilitated unit may apply for current improvement assistance if the unit was rehabilitated prior to 2010 and the affordability period has expired.
- Housing units for which the municipality received an affordable housing credit in Round 3 in any category are not eligible for additional assistance from the Township's housing rehabilitation program during Round 3.

A municipality cannot obtain double credits on a unit within the same affordable housing Round.

### INCOME LIMITS FOR PARTICIPATION

Household income is defined as the combined annual income of all family members over 18 years of age including wages, Social Security, disability insurance, unemployment insurance, pensions, dividend/interest income, alimony, etc. Each unit's total household income must fall within the State's very low, low, and moderate income limits based on family size in accordance with the most recently adopted regional income limits determined by the Affordable Housing Professionals of New Jersey (AHPNJ), for Region 5 (Burlington, Camden, and Gloucester Counties), or any successive regional income limit determination adopted by an appropriate authority.

The Program Administrator or the Administrative Agent will ensure that the most up to date regional income limits are utilized by the Township.

If at any time, COAH (or a successor administrative agency duly empowered by an amendment to the Fair Housing Act) begins to issue updated annual income limits and rules for increasing sales prices and rent levels each year, said updated income limits and rules for increasing sales prices and rent levels each year may be used instead of the methodology set forth herein.

**PROGRAM AREA**

This is a municipal-wide program. The rehabilitation property must be located in the Township of Franklin, Gloucester County.

**CERTIFICATION OF SUBSTANDARD**

The purpose of the program is to bring substandard rental housing up to compliance with applicable building codes. Substandard units are those units requiring repair or replacement of at least one major system. A major system is any one of the following:

1. Roof
2. Plumbing (including wells)
3. Heating
4. Electrical
5. Sanitary plumbing (including septic systems)
6. Load bearing structural systems
7. Lead paint abatement
8. Weatherization (building insulation for attic, exterior walls and crawl space, siding to improve energy efficiency, replacement storm windows and storm doors and replacement windows and doors)

Code violations will be determined by an inspection conducted by a licensed inspector.

## SECTION II. AVAILABLE BENEFITS

### PROGRAM FINANCING

The average per unit rehabilitation costs shall be \$10,000<sup>1</sup>. If a particular unit requires substantially more than \$10,000, the Township will review and approve on a case by case basis. Rehabilitation funds through this program shall be limited to a maximum of \$25,000 for each dwelling unit.

### OWNER-OCCUPIED UNITS

Eligible property owners may be eligible for an interest free loan which will be due if the property is sold and/or title/occupancy change occurs within ten (10) years of acceptance of funds, except for allowable conditions under loan repayment terms section below.

If the owner decides to sell the property, transfer title, or if the owner should die before the terms of the lien expire, the owner, heirs, executors or legal representatives must repay the loan. Rental of the house is allowable under certain conditions subject to approval by the Program Administrator.

#### **Exceptions to Loan Repayment Terms above during the lien period:**

1. If the loan transfers due to inheritance of very-low, low-, or moderate-income family member beneficiary who will take occupancy upon death of program mortgagee and assume the balance of the lien, or
2. If the house is sold at an affordable price pursuant to N.J.A.C. 5:97-9.3 to someone who can be qualified as income eligible, takes occupancy and agrees to assume the program lien for the remaining duration of the lien period, or
3. If the house is sold at an affordable price pursuant to N.J.A.C. 5:97-9.3 to an investor who assumes the lien and also signs a deed restriction for the remaining duration of the lien period to rent the dwelling at the affordability controls restricted rental rate and according to the affirmative marketing requirements for re-rentals. When this occurs, the Township's Administrative Agent will be responsible for monitoring compliance over that unit.

### RENTER-OCCUPIED UNITS

Eligible landlords of rental properties may be eligible for an interest free loan which will be due when title to the property is transferred. The landlords are required to provide at least 50% of the total construction costs needed for each unit to meet the New Jersey State Housing Code, N.J.A.C. 5:28 and each unit must meet the major system repair or replacement requirement. At the time the application is submitted, owners must submit proof of their share through bank

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<sup>1</sup> As per N.J.A.C. 93 et seq, the regulatory minimum average for rehabilitation program costs is \$10,000.00 per unit. The Township reserves the right to satisfy this standard with any average amount exceeding \$10,000.00.

statements, credit lines, etc. Title searches and property appraisals will be required to determine if there is sufficient equity in the property to cover to cost of the loan. The landlords will be expected to pay for the costs of the title searches and provide up to date property appraisals. In addition to the interest free, deferred payment loan, a ten-year deed restriction, attached to the mortgage and note, will be used to control the contract rent and ongoing tenant eligibility on rental units that receive assistance. The loan will be due upon transfer of title to the property; however, the deed restrictions shall remain in effect for ten years from the date the units are certified as standard. There are no monthly payments. The deed restriction will be recorded in the county deed book.

In situations where the non-income eligible owner(s) of eligible rental units occupies a unit in the structure to be rehabilitated, repairs to shared systems (i.e.: roof, heating, foundations, etc.) will be prorated with the owner(s) receiving no financial assistance for the owner's share.

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 of affordability, the deed restriction shall require the unit to be rented to a low- or moderate- income household at an affordable price and affirmatively marketed pursuant to the N.J.A.C. 5:97-9. Rents in rehabilitated units may increase annually based on the standards in N.J.A.C. 5:97-9.

#### **SUBORDINATION**

Franklin Township may agree to subordination of a loan if the mortgage company supplies an appraisal showing that the new loan plus the balance on the old loan does not exceed 95% of the appraised value of the unit. In addition, the household must be recertified as low- or moderate income.

## SECTION III. ELIGIBLE PROPERTY IMPROVEMENTS

### ELIGIBLE IMPROVEMENTS

Housing rehabilitation funds may be used only for repairs or system replacements necessary to bring a sub-standard unit into compliance with municipal health, safety and building codes, applicable code violations, as well as any other cosmetic work that is reasonable and deemed necessary or is related to the necessary repairs.

At least one major system must be replaced or included in the repairs, which include one of the following:

- Roof
- Plumbing (including wells)
- Heating
- Electrical
- Sanitary plumbing (including septic systems)
- Load bearing structural systems
- Lead paint abatement
- Weatherization (building insulation for attic, exterior walls and crawl space, siding to improve energy efficiency, replacement storm windows and storm doors and replacement windows and doors)

The related work may include, but not be limited to the following:

- Interior trim work,
- Interior and/or exterior doors
- Interior and/or exterior hardware
- Window treatment
- Interior stair repair
- Exterior step repair or replacement
- Porch repair
- Wall surface repair
- Painting
- Exterior rain carrying system repair

### INELIGIBLE IMPROVEMENTS

Work not eligible for program funding includes but is not limited to luxury improvements (improvements which are strictly cosmetic), additions, conversions (basement, garage, porch, attic, etc.), repairs to structures separate from the living units (detached garage, shed, barn, etc.), furnishings, pools, and landscaping. If determined unsafe, stoves may be replaced. The

replacement or repair of other appliances is prohibited. Rehabilitation work performed by property owners shall not be funded under this program.

### **REHABILITATION STANDARDS**

Upon rehabilitation, housing deficiencies shall be corrected and the unit shall comply with the New Jersey State Housing Code, N.J.A.C. 5:28. For construction projects that require the issuance of a construction permit pursuant to the Uniform Construction Code, the unit must also comply with the requirements of the Rehabilitation Sub-code (N.J.A.C. 5:23-6). In these instances, the more restrictive requirements of the New Jersey State Housing Code or the Rehabilitation Sub-code shall apply. For projects that require construction permits, the rehabilitated unit shall be considered complete at the date of final approval pursuant to the Uniform Construction Code.

### **CERTIFICATION OF STANDARD**

All code deficiencies noted in the inspection report must be corrected and rehabilitated units must be in compliance with the standards proscribed in sub-section C above upon issuance of a certificate of completion or occupancy. The licensed inspector must certify any structure repaired in whole or in part with rehabilitation funds to be free of any code violations.

### **EMERGENCY REPAIRS**

A situation relating to a safety and/or health hazard for the occupants would constitute an emergency. A municipal inspector will confirm the need for such work. In emergency cases, the formal solicitation process will not be followed. A minimum of three (3) estimates will be obtained when possible for the “emergency” work. However, eligibility, as stated in Section I, subsection B, must be determined prior to soliciting estimates. Application for additional non-emergency work may be made in accordance with the procedures outlined in this Operating Manual. The funding for the emergency work and any additional rehabilitation may not exceed the program financing provisions in Section II.

## SECTION IV. OVERVIEW OF ADMINISTRATIVE PROCEDURES

### APPLICATION/INTERVIEW

Property owners interested in participating in the housing rehabilitation program may submit preliminary applications to the program staff. Preliminary applications are available at the following locations:

Township of Franklin Municipal Building  
1571 Delsea Drive  
Franklinville, NJ 08322  
[www.franklintownshipnj.org](http://www.franklintownshipnj.org)

Upon request, Township staff, or the Administrative Agent will mail a preliminary application to an interested property owner. If after the program staff reviews a preliminary application an owner-occupant appears to be income eligible, an interview will be arranged with the applicant for a formal application to the program. At the time of the interview, the applicant must present required documentation. Applicants for rental rehabilitation funding must provide a list of tenants and the rents paid by each. The program staff will contact the tenants to provide evidence of income eligibility of the occupants of the units.

**Applications will be processed in the order of receipt.** Only emergency situations shall be handled out of the order of receipt.

### APPLICATION SELECTION

At program start-up, and if and when the number of applications received exceeds the number of annual openings, applications will be prioritized based on the reported income of the household as a percentage of the maximum allowable income for households of that size. This will give priority to the lowest income applicants and assist the municipality in reaching its goal of providing assistance to a minimum of 50% of the properties comprising of low income households. Otherwise, the Program will process new applicants added to the waiting list/applicant pool on a first-come, first served basis, to qualified applicants. If and when there is a waiting list, priority will be given to homeowners with less than \$300,000 in liquid assets. Assets in federally recognized retirement accounts do not apply to the liquid asset limit. The Program Administrator will establish the waiting list from the program marketing efforts identified in Sections VIII and IX of this manual. A homeowner can request that the liquid asset limit be waived due to special circumstances. Such request must be made to the Town Council and be granted by resolution of the Township Council.

### EMERGENCY PROCESSING

Properties with safety and/or health hazards, confirmed/certified as an emergency by the municipal Construction Official or Health Department, can by-pass the first-come, first served process. However, they must meet all the other program requirements, including income eligibility and compliance with applicable building codes.

The Program Administrator, in consultation with the Town's Construction Official, shall determine that an emergency situation exists based on the following:

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- A. The repair problem is an immediate and serious threat to the health and safety of the building's residents
- B. The problem has been inspected and the threat verified by the appropriate local building inspector and/or health official

Depending on the type and extent of the emergency, and with the homeowner's permission, the Program Administrator may by-pass the standard bid process outlined in Section IV to expedite the bid/contractor selection process. The Township Council must approved by-passing the bidding process by resolution authorizing an emergency appropriation pursuant to the Local Public Contract Law (N.J.S.A. 40A:11-6) Instead the Program may have a proven qualified contractor familiar with the Program present at the initial property inspection with the homeowner to count as the contractor's site visit. This will allow for a quick turn-around on emergency scope of work to be contracted on a single quote basis. To be awarded the emergency work, the contractor's quote must be determined to be a reasonable cost based on the Program Inspector's cost estimate and the contractor must commit to a tight timeline to resolve the emergency situation. This emergency process may apply to heavily leaking roofs, inoperable heating systems during the winter months, immediately hazardous electrical systems and/or blocked sewer lines unresolvable to unclog via a simple service call for under \$1,000.

Please note that the loan agreement will state that if the homeowner takes the emergency funds to abate the safety/health hazards and then subsequently decides to voluntarily remove themselves from participation in the Township's Rehabilitation Program to complete the non-emergency substandard code violation components of their project, essentially negating any opportunity for the municipality to gain credit for a fully rehabilitated home for this unit, those public funds used for the emergency shall be immediately due and payable back to the Township.

To address this potential, any homeowner receiving emergency funds will also be required to execute a statement indicating that the Township will place a lien on the property assisted for the Town to recapture the emergency funds, to be repaid with interest, based on the monthly average mortgage loan commitment rates at the time of closing in the event of noncompliance.

### **INCOME ELIGIBILITY AND PROGRAM CERTIFICATION**

For households seeking a determination of income eligibility all wage earners 18 years of age or older in the household must submit appropriate documentation to document the household income, as further described below.

Property owners of both owner-occupied and renter-occupied units must submit the following documentation:

- Copy of the deed to the property.
- Proof that property taxes and water and sewer bills are current.
- Proof of property insurance, including liability, fire and flood insurance where necessary.

If after review of the income documentation submitted by the applicant's tenants, the tenant is determined to be ineligible, the applicant will receive a letter delineating the reasons for the determination of ineligibility. An applicant may be determined ineligible if each tenants' income

exceeds the most recently adopted regional income limits determined by the Affordable Housing Professionals of New Jersey (AHPNJ), for Region 5 (Burlington, Camden, and Gloucester Counties), or any successive regional income limit determination adopted by an appropriate authority

The program staff will arrange for a title search of all properties entering the program. After the initial interview and the program staff has substantiated that the occupant is income-eligible, and the title search is favorable, the Eligible Certification Form will be completed and signed.

Upon confirmation of income eligibility of the applicant or the applicant's tenants, the program staff will send a letter, including the Eligible Certification Form, to the applicant certifying the applicant's and or tenant's eligibility. Eligibility will remain valid for six months. If the applicant has not signed a contract for rehabilitation within six months of the date of the letter of certifying eligibility, the applicant will be required to reapply for certification.

### **HOUSING INSPECTION/SUBSTANDARD CERTIFICATION**

Once determined eligible, the program staff will arrange for a qualified, licensed, housing/building code inspector to inspect the entire residential property. The licensed inspector will inspect the house, take photographs, and certify that at least one major system is substandard. All required repairs would be identified.

### **INELIGIBLE PROPERTIES**

If after review of the property documentation submitted and the inspection report and/or work write-up, an applicant's property is determined to be ineligible, the program staff will send a letter delineating the reasons for the determination of ineligibility. An applicant's property may be determined ineligible for any one of the following reasons:

- Title search is unfavorable.
- Property does not need sufficient repairs to meet eligibility requirements.
- Real estate taxes are in arrears.
- Proof of property insurance not submitted.
- Property is listed for sale.
- Property is in foreclosure.
- Total debt on the property will exceed the value of the property.

The Township of Franklin may disqualify properties requiring excessive repairs to meet municipal housing standards. The estimated or bid cost of repairs must exceed 50 percent of the estimated after-rehabilitation value of the property for the municipality to exclude the property.

If after review the property is determined to be eligible, the inspector will then certify that the dwelling is substandard by completing and signing the Certificate of Sub-Standard Form and submitting this to the program staff.

### **COST ESTIMATE**

The program staff will prepare or cause to be prepared a Work Write-up and Cost Estimate. This estimate will include a breakdown of each major work item by category as well as by location in the house. It will contain information as to the scope and specifics on the materials to be used. A Cost Estimate will be computed and included within the program documentation. The program staff will review the Preliminary Work Write-up with the property owner.

Only required repairs to units occupied by income eligible households will be funded through the Housing Rehabilitation Program. If the property owner desires work not fundable through the program, including work on an owner-occupied unit of a rental rehabilitation project, work on a non-eligible rental unit in a multi-unit building, or improvements not covered by the program, such work may be added to the work write-up if the property owner provides funds to be deposited in the municipality's Housing Trust Fund prior to the commencement of the rehabilitation of the property equivalent to *(110 percent or a higher percentage)* of the estimated cost of the elective work. Such deposited funds not expended at the time of the issuance of a certificate of completion/occupancy will be returned to the property owner with accrued interest.

### **CONTRACTOR BIDDING NEGOTIATIONS**

After the unit and the unit occupant have been certified as eligible, the program staff will provide a list of approved, pre-qualified trade contractors for bidding. The property owner reviews this list and selects a minimum of three and a maximum of five contractors from whom to obtain bids. The program staff and property owner will then review these bids. The lowest responsible trade contractor shall then be selected. If the property owner wishes to use a contractor other than the lowest responsible bidder, the property owner shall pay the difference between the lowest bid price and the bid price of the selected contractor.

Property owners may seek proposals from non-program participating contractors. However, the Township must pre-approve the contractor prior to submitting a bid.

### **CONTRACT SIGNING/PRE-CONSTRUCTION CONFERENCE**

Program staff will meet with the property owner to review all bids by the contractors. This review will include a Final Work Write-up and Cost Estimate. The Contractor Agreement will be prepared by the program staff, as well as a Property Rehabilitation Agreement covering all the required terms and conditions.

The program staff will then call a Pre-Construction Conference. Documents to be executed at the Pre-Construction Conference include: Contractors Agreement(s), Right of Entry Document, a Restricted Covenant, Mortgage and Mortgage Note. The property owner, program staff representative, contractor and bank representative will execute the appropriate documents and copies will be provided as appropriate. A staff member will outline project procedures to which property owner must adhere. A Proceed to Work Order, guaranteeing that the work will commence within fifteen (15) calendar days of the date of the conference and be totally completed within ninety (90) days from the start of work, will be issued to each contractor at this Conference.

### **PROGRESS INSPECTIONS**

The program staff will make periodic inspections to monitor the progress of property improvements. This is necessary to ensure that the ongoing improvements are in accordance with the scope of work outlined in the work write-up. It is the contractor's responsibility to notify the Building Inspector before closing up walls on plumbing and/or electrical improvements.

### **CHANGE ORDERS**

If it becomes apparent during the course of construction that additional repairs are necessary or the described repair needs to be amended, the program staff will have the qualified professional(s) inspect the areas in need of repair and prepare a change order describing the work to be done. The applicant and the contractor will review the change order with the program staff and agree on a price. Once all parties approve of the change order and agree on the price, they will sign documents amending the contract agreement to include the change order. Additionally, if the applicant is not funding the additional cost, new financing documents will be executed reflecting the increase.

### **PAYMENT SCHEDULE**

The contract will permit three progress payments if the project costs less than \$20,000 or up to four progress payments if the project costs more than \$20,000, with the first payment of \$10,000 and the remaining payments to be divided equally. First payment is made when the project is one-quarter completed. Fourth and final payment upon completion.

The contractor will submit a payment request. The applicant will sign a payment approval if both the applicant and housing / building inspector are satisfied with the work performed. The municipality will then release the payment. The Township will issue a voucher to be signed by the contractor. Final payment will be released once all final inspections are made, a Certificate of Occupancy is issued (if applicable) and the program staff receives a Property Owner Sign-off letter. The contractor's performance bond will be released within a minimum of three months after the final payment is made to the contractor.

The Township retains the right to make payments to the contractor without homeowner approval should the homeowner become unavailable to sign the contractor payment form due to illness or absence. In such instance, the Program Administrator shall make reasonable attempts to contact the homeowner. If such efforts are not successful within a two-week period from the final inspection date, the Program Administrator shall advise the Township, provide documentation of efforts to obtain homeowner approval, and may authorize contractor payment without homeowner sign-off, to not hold up payment rightfully due to the contractor.

The Program Administrator is to submit the contractor payment request to the Town Chief Financial Officer and, if acceptable, the payment request will be placed on the upcoming Bill List agenda. The Township will forward to the Program Administrator a copy of the executed payment to the contractor for case file records.

**APPEAL PROCESS**

If an applicant does not approve a payment that the housing/building inspector has approved, the disputed payment will be appealed to the Zoning Board of Adjustment for a hearing. The Zoning Board will decide if the payment shall be released to the contractor or the contractor must complete additional work or correct work completed before the release of the payment. The Zoning Board's decision will be binding on both the applicant and the contractor.

**FINAL INSPECTION**

Upon notification by the contractor that all work is complete and where required a Certificate of Occupancy has been issued, a final inspection shall be conducted and photographs taken. The program staff (or a representative), the property owner, and the necessary contractors shall be present at the final inspection to respond to any final punch list items.

**RECORD RESTRICTED COVENANT AND MORTGAGE DOCUMENTATION**

Program staff will file the executed Restricted Covenant and Mortgage with the Gloucester County Clerk.

**FILE CLOSING**

After the final payment is made, the applicant's file will be closed by the program staff.

## SECTION V. PROCEDURE FOR INCOME-ELIGIBILITY CERTIFICATION

### COMPLETE A HOUSEHOLD ELIGIBILITY DETERMINATION FORM

The program staff shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify their income, pursuant to the Uniform Housing Affordability Controls at N.J.A.C. 5:80-16.1 et seq. (except for the asset test).<sup>2</sup> Income verification documentation should include, but is not limited to the following for each and every member of a household who is 18 years of age or older:

- Four current consecutive pay stubs (including both the check and the stub), including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.
- Copies of Federal and State income tax returns for each of the preceding three tax years - A Form 1040 Tax Summary for the past three tax years can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.
- A letter or appropriate reporting form verifying monthly benefits such as:
  - Social Security or SSI – Current award letter or computer print-out letter
  - Unemployment – verification of Unemployment Benefits
  - Welfare -TANF<sup>3</sup> current award letter
  - Disability - Worker’s compensation letter or
  - Pension income (monthly or annually) – a pension letter
- A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support – copy of court order or recent original letters from the court or education scholarship/stipends – current award letter.
- Current reports of savings and checking accounts (bank statements and passbooks) and income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds (In brokerage accounts – most recent statements and/or in certificate form – photocopy of certificates).
- Evidence or reports of income from directly held assets, such as real estate or businesses.
- Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.

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<sup>2</sup> Asset Test – N.J.A.C. 5:80-26.16(b)3 which provides that if an applicant household owns a primary residence with no mortgage on the property valued at or above the regional asset limit as published annually by the most recently adopted regional income limits determined by the Affordable Housing Professionals of New Jersey (AHPNJ), for Region 5 (Burlington, Camden, and Gloucester Counties), or any successive regional income limit determination adopted by an appropriate authority, a certificate of eligibility shall be denied by the administrative agent, unless the applicant’s existing monthly housing costs ...exceed 38 percent of the household’s eligible monthly income.

<sup>3</sup> TANF – Temporary Assistance for Needy Families

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- Current reports of assets – Market Value Appraisal or Realtor Comparative Market Analysis and Bank/Mortgage Co. Statement indicating Current Mortgage Balance. For rental property attach copies of all leases.

The following is a list of various types of wages, payments, rebates and credits. Those that are considered as part of the household's income are listed under **Income**. Those that are not considered as part of the household's income are listed under **Not Income**.

### ***Income***

1. Wages, salaries, tips, commissions
2. Alimony
3. Regularly scheduled overtime
4. Pensions
5. Social security
6. Unemployment compensation (verify the remaining number of weeks they are eligible to receive)
7. TANF
8. Verified regular child support
9. Disability
10. Net income from business or real estate
11. Interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds
12. Imputed interest (using a current average annual rate of two percent) from non-income producing assets, such as equity in real estate. Rent from real estate is considered income, after deduction of any mortgage payments, real estate taxes, property owner's insurance.
13. Rent from real estate is considered income
14. Any other forms of regular income reported to the Internal Revenue Service

### ***Not Income***

1. Rebates or credits received under low-income energy assistance programs
2. Food stamps
3. Payments received for foster care
4. Relocation assistance benefits
5. Income of live-in attendants
6. Scholarships
7. Student loans
8. Personal property such as automobiles

9. Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements
10. Part-time income of dependents enrolled as full-time students
11. Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income

To calculate income, the current gross income of the applicant is used to project that income over the next 12 months.

### *Student Income*

Only full-time income of full-time students is included in the income calculation. A full-time student is a member of the household reported to the IRS as a dependent who is enrolled in a degree seeking program for 12 or more credit hours per semester; and part-time income is income earned on less than a 35-hour workweek.

### *Income from Real Estate*

If real estate owned by an applicant for affordable housing is a rental property, the rent is considered income. After deduction of any mortgage payments, real estate taxes, property owner insurance and reasonable property management expenses as reported to the Internal Revenue Service, the remaining amount shall be counted as income.

If an applicant owns real estate with mortgage debt, which is not to be used as rental housing, the Administrative Agent should determine the imputed interest from the value of the property. The Administrative Agent should deduct outstanding mortgage debt from the documented market value established by a market value appraisal. Based on current money market rates, interest will be imputed on the determined value of the real estate.

### **RECORDS DOCUMENTING HOUSEHOLD COMPOSITION AND CIRCUMSTANCES**

The following are various records for documenting household information:

- Social Security records or cards. Either individual Social Security card or letter from Social Security Administration
- Adoption papers, or legal documents showing adoption in process
- Income tax return
- Birth Certificate or Passport
- Alien Registration Card

Program staff will certify the income eligibility of low- and moderate-income households by completing the application form. The applicant shall be provided with the original and the Program staff shall keep a copy in the project files.

**APPEALS**

Appeals from all decisions of an Administrative Agent shall be made in writing to the New Jersey Housing and Mortgage Finance Agency (NJHMFA). HMFA shall have 15 days to render a written decision of an appeal, which shall be considered to be final.

Director of Programs  
NJ Housing and Mortgage Finance Agency  
637 S. Clinton Ave  
Trenton, NJ 08611

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## SECTION VI. CONTRACTOR RELATED PROCEDURES

### CONTRACTOR SELECTION

The Program Administrator will coordinate with the Township to advertise the availability of construction work on the Township's website and display a contractor outreach poster and handouts in the municipal building, including the local construction office. Additionally, the Program Administrator will reach out to home improvement contractors registered with Consumer Affairs who are geographically near or in the Township. If determined needed, additional outreach will be conducted in the local newspapers and through the posting of community notices. As necessary, the Program Administrator will advertise the availability of construction work by posting information at local building supply dealers. All interested contractors will have the opportunity to apply for inclusion on the Program Contractor List, which will be made available for the homeowner's use in selecting rehabilitation contractors. The contractor outreach material will also be posted on the Township website.

Contractors must apply to the program staff to be placed on the pre-approved contractors list. Contractors seeking inclusion on the list must submit references from at least three recent general contracting jobs. Contractors also must submit documentation proving financial stability and the ability to obtain performance bonds, as performance bonds will be required on every rehabilitation project. If it is ever necessary for the Township or Administrative Agent to access the performance bond in order to complete a project, the contractor will be removed from the pre-approved contractors list. Contractors must carry workmen's compensation coverage and liability insurance of at least \$100,000/\$300,000 for bodily injury or death and \$50,000 for property damage. Only licensed tradesmen will be permitted to perform specialty work such as plumbing, heating and electrical. Contractors must also possess in good standing the following: (1) State Business Registration Certificate; (2) Current Consumer Affairs Home Improvement Contractor license; and (3) Applicable lead certifications for contractors working on houses built prior to 1978. As identified in the scope of work, the contractor must comply with the EPA Renovation, Repair and Painting (RRP) Rule regarding certification.

### NUMBER OF PROPOSALS REQUIRED

The property owner will select a minimum of three general contractors from a list of pre-approved contractors. Property owners may not select contractors who do not appear on the list.<sup>4</sup> The approved work write-up will be submitted to the selected contractors by the program staff. Contractors must visit the property and submit bids within 14 days. The contract will be awarded to the lowest bidder<sup>5</sup>, provided that the housing/building inspector or the professional who drafted the work write-up certify that the work can be completed at the price bid and that the bid is reasonably close to the cost estimate. Bids must fall within 10 percent of the cost estimate.

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<sup>4</sup> The program may permit a property owner to seek proposals from non-program participating contractors. However, the municipality must pre-approve the contractor prior to submitting a bid.

<sup>5</sup> If the property owner wishes to use a contractor other than the lowest responsible bidder, the property owner shall pay the difference between the lowest bid price and the bid price of the selected contractor.

**CONTRACTOR REQUIREMENTS**

Upon notification of selection, the contractor shall submit all required insurance certification to the program staff. A contract signing conference will be called by the program staff to be attended by the property owner and contractor. At the time of Agreement execution, the contractor shall sign a Certification of Work Schedule prepared by the program staff.

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## SECTION VII. MAINTENANCE OF RECORDS

### FILES TO BE MAINTAINED ON EVERY APPLICANT

The program staff will maintain files on every applicant. All files will contain a preliminary application. If an applicant's preliminary application is approved, and the applicant files a formal application, the file will contain at a minimum:

- Application Form
- Tenant Information Form (Rental Units Only)
- Income Verification
- Letter of Certification of Eligibility or Letter of Determination of Ineligibility

**Files of applicants approved for the program will also contain the following additional documentation:**

- Housing Inspection Report
- Photographs - Before
- Certification of Property Eligibility or Determination of Ineligibility
- Proof of Homeowners Insurance
- Copy of Deed to Property

**For properties determined eligible for the program where the applicants choose to continue in the program, the files shall contain the following:**

- Work Write-Up/Cost Estimate
- Copies of Bids
- Applicant/Contractor Contract Agreement
- Recorded Mortgage/Lien Documents
- Copies of All Required Permits
- Contractor Requests for Progress Payments
- Progress Payment Inspection Reports
- Progress Payment Vouchers
- Change Orders (If needed)
- Final Inspection Report
- Photographs - After
- Certification of Completion
- Certification of Release of Contractor's Bond

Individual files will be maintained throughout the process.

**REHABILITATION LOG**

A rehabilitation log will be maintained by the Program staff that depicts the status of all applications in progress.

**MONITORING**

For each unit the following information, if applicable, must be retained to be reported annually:

- Street Address
- Block/Lot/Unit Number
- Owner/Renter
- Income: Very-low, Low, or Moderate
- Final Inspection Date
- Funds expended on Hard Costs
- Development Fees expended
- Funds Recaptured
- Major Systems Repaired
- Unit Below Code & Raised to Code
- Effective date of affordability controls
- Length of Affordability Controls (years)
- Date Affordability Controls removed
- Reason for removal of Affordability Controls

## SECTION VIII. PROGRAM MARKETING

The Township will conduct a public meeting announcing the implementation of the Housing Rehabilitation Program. For the term of the program, the municipality will include flyers once a year with the tax bills, water bills or other regular municipal mailing to all property owners. Program information will be available at the Township municipal building, library, and other municipal public facilities as well as on the Township website.

Prior to commencement of the program and periodically thereafter, the Township will hold informational meetings on the program to all interested contractors. Each contractor will have the opportunity to apply for inclusion on the Township’s certified contractor list.

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## SECTION IX. RENTAL PROCEDURES

Rental units are subject to the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5-80:26.1 et. seq. once the rental units are rehabilitated.

### FAIR HOUSING AND EQUAL HOUSING OPPORTUNITIES



It is unlawful to discriminate against any person making application to participate in the rehabilitation program or rent a unit with regard to race, creed, color, national origin, ancestry, age, marital status, affectional or sexual orientation, familial status, disability, nationality, sex, gender identity or expression or source of lawful income used for mortgage or rental payments.

For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1-866-405-3050 or

<http://www.state.nj.us/lps/dcr/index.html>.

### OVERVIEW OF THE AFFORDABLE HOUSING ADMINISTRATION PROCESS FOR RENTAL UNITS

- The Municipal Housing Liaison serves as an initial point of contact for unsolicited calls to the Township about affordable housing and to appropriately direct applicants to the Administrative Agent as necessary.
- The Administrative Agent implements the Township's adopted Affirmative Marketing Plan.
- The Administrative Agent serves as the initial point of contact for all inquiries generated by the affirmative marketing efforts and sends out pre-applications to interested callers.
- The Administrative Agent will accept these returned pre-applications for a specific period of time, for example, 30 to 90 days. At the end of this time period these applications will be randomly selected, through a lottery, to create a pool of applicants.
- The Administrative Agent pre-qualifies applicants in the applicant pool for income eligibility and sends either a rejection letter to those over income or a preliminary approval letter to those who appear income-eligible.
- When a unit becomes available, the Administrative Agent will interview the applicant households and proceed with the income qualification process.
- The Administrative Agent must notify applicant households in writing of certification or denial within 20 days of the determination.
- Once certified, households are further screened to match household size to bedroom size.
- Certified households that are approved for a rental affordable housing unit will sign all applicable documents, which shall be held in the applicant file. Applicants then make an appointment with the leasing agent. Applicant households seeking rental units proceed with a credit check, which is generally conducted by the developer, affordable housing

sponsor or landlord. If approved, the applicant will sign the lease, pay the first month's rent and the security deposit and receive the keys.

- The certified household moves in to the affordable rental unit.

## ROLES AND RESPONSIBILITIES

### ***Responsibilities of the Municipal Housing Liaison***

The Municipal Housing Liaison is responsible for coordinating all the activities of the municipal government as it relates to the creation and administration of affordable housing units, in conjunction with the Municipal Attorney, where appropriate (see the section **Responsibilities of the Municipal Attorney**). The primary purpose of the Municipal Housing Liaison is to ensure that all affordable housing projects are established and administered according to the Regulations as outlined in an Operating Manual. The duties of the Municipal Housing Liaison include the following duties, and may include the responsibilities for providing administrative services as described in the next Section under, Responsibilities of an Administrative Agent.

- **Monitor the status of all restricted units in the Municipality's Fair Share Plan.** Regardless of any arrangements the municipality may have with one or more Administrative Agents, it is the Municipal Housing Liaison's responsibility to know the status of all restricted units in their community.
- **Serve as the municipality's primary point of contact for all inquiries from the State, Administrative Agents, developers, affordable housing sponsors, owners, property managers, and interested households.** The Municipal Housing Liaison serves as the municipality's primary point of contact on affordable housing issues. Interested applicants should be provided with information on the types of affordable units within the municipality and, where applicable, the name of the Administrative Agent that manages the units and the contact information for the Administrative Agent.
- **Compile, verify and submit annual reporting.** Administrative Agents are responsible for collecting much of the data that is ultimately included in an annual monitoring report. However, it is the Municipal Housing Liaison's responsibility to collect and verify this data and consolidate it into the annual report. Any requests from the court, or any other agency having jurisdiction over Fair Housing Act compliance, for additional information or corrections will be directed to the Municipal Housing Liaison.
- **Provide Administrative Services, unless those services are contracted out.** The responsibilities for providing administrative services are described in the next Section under, **Responsibilities of an Administrative Agent**.

### ***Responsibilities of an Administrative Agent***

The primary responsibility of an Administrative Agent is to establish and enforce affordability controls and ensure that units in their portfolio are rented to eligible households. Administrative Agents must:

- **Secure written acknowledgement.** All owners must acknowledge in writing that no restricted unit can be offered or in any other way committed to any person other than a household duly certified by the Administrative Agent.

- **Create and adhere to an Operating Manual.** Administrative Agents are required to follow the policies and procedures of an Operating Manual, as applicable to the scope of services they have been contracted to perform.
- **Implement the municipality’s Affirmative Marketing Plan.** The Administrative Agent is responsible for implementing the Affirmative Marketing Plan adopted by the Township. At the first meeting with the Municipal Housing Liaison, Administrative Agent, and the developer, affordable housing sponsor or owner this responsibility should be discussed. Advertising costs may also be delegated to the developer, but this must be established by ordinance and a condition of approval of the Planning Board or Zoning Board.
- **Accept applications from interested households.** In response to marketing initiatives or by referral from the Municipal Housing Liaison, interested households will contact the Administrative Agent. The Administrative Agent will supply applicants with applications, provide additional information on available units and accept completed applications.
- **Conduct random selection of applicants for rental of restricted units.** The Administrative Agent is responsible for conducting the random selection in accordance with the Affirmative Marketing Plan and any related local ordinances, and as described in the Operating Manual.
- **Create and maintain a pool of applicant households.** This includes reaching out to households in the applicant pool to determine continued interest and/or changes in household size and income.
- **Determine eligibility of households.** The task of collecting application materials and documentation from applicant households and analyzing it for eligibility is the responsibility of an Administrative Agent. A written determination on a household’s eligibility must be provided within twenty (20) days of the Agent’s determination of eligibility or non-eligibility. Whether or not the household is determined to be eligible for a unit, it is an Administrative Agent’s responsibility to secure all information provided by the household in individual files and to maintain strict confidentiality of all information regarding that household. An Administrative Agent is required to ensure that all certified applicants execute a certificate acknowledging the rights and requirements of renting an affordable unit, in the form of Appendix K of UHAC.
- **Establish and maintain effective communication with property managers and landlords.** Property managers and landlords of restricted units should be instructed and regularly reminded that the Administrative Agent is their primary point of contact. The Administrative Agent must immediately inform all property managers and landlords of any changes to the Administrative Agent’s contact information or business hours. Property managers and landlords shall immediately contact the Administrative Agent:
  - Upon learning that an affordable rental unit will be vacated.
  - For review and approval of annual rental increases.
- **Provide annual notification of maximum rents.** Each year when low- and moderate-income regional limits are published by the Affordable Housing Professionals of New Jersey (AHPNJ), for Region 5 (Burlington, Camden, and Gloucester Counties), or any successive regional income limit determination adopted by an appropriate authority, rental households must be notified of the new maximum rent that may be charged for their unit. The Administrative Agent’s contact information must be included on such notification in case the tenant is being overcharged.

- **Serve as the custodian of all legal documents.** An Administrative Agent is responsible for maintaining original of all legal instruments for the units in their portfolio. Throughout the duration of a control period, an Administrative Agent must maintain a file containing its affordability control documents. This includes, but is not limited to, the recorded Declarations of Covenants, Conditions and Restrictions, Deed Restrictions, Deeds, Repayment Mortgages, Repayment Mortgage Notes, Leases and Rental Certifications.
- **Serve as point of contact on all matters relating to affordability controls.** It is recommended that the Administrative Agent develop a system to be notified by lenders when a unit is at risk of foreclosure. In the event of a foreclosure, the Administrative Agent should work with the foreclosing institution to ensure that the affordability controls are maintained. The Administrative Agent should seek the counsel of the municipality's attorney on legal matters that threaten the durability of the affordability controls.
- **Provide annual activity reports to Municipal Housing Liaison for use in the annual monitoring report.** An Administrative Agent is responsible for collecting the reporting data on each unit in their portfolio.
- **Maintain and distribute information on HUD-approved Housing Counseling Programs.**

### ***Responsibilities of the Municipal Attorney***

The Municipal Attorney assists the municipality with developing, administering, and enforcing affordability controls, including but not limited to providing all reasonable and necessary assistance in support of the Administrative Agent's efforts to ensure compliance with the housing affordability controls.

### ***Responsibilities of Owners of Rental Units***

Open and direct communication between the Owners of rental units, the Municipal Housing Liaison, and the Administrative Agent is essential to ongoing administration of affordability controls. Although the Administrative Agent is required to serve as the primary point of contact with households, the Owner must provide the Municipal Housing Liaison and Administrative Agent with information on vacancies. Owners of rental units are also responsible for working with the Administrative Agent to ensure that the Municipal Housing Liaison has all necessary information to complete the annual reporting.

### ***Responsibilities of Landlords and Property Managers***

Landlords and property managers must place a notice in all rental properties annually informing residents of the rent increase for the year and the contact information for the Administrative Agent.

## **AFFIRMATIVE MARKETING**

### ***Overview of the Requirements of an Affirmative Marketing Plan***

All affordable units are required to be affirmatively marketed using Franklin Township's Affirmative Marketing Plan. The Township's Affirmative Marketing Plan can be found under separate cover on file at the Township Municipal Building or with the Administrative Agent.

### ***Implementation of the Affirmative Marketing Plan***

The affirmative marketing process for affordable units shall begin at least four months prior to expected occupancy. In implementing the marketing program, the Administrative Agent shall undertake all of the strategies outlined in Franklin Township's Affirmative Marketing Plan. Advertising and outreach shall take place during the first week of the marketing program and each month thereafter until all the units have been sold or rented. Applications for affordable housing shall be available in several locations in accordance with the Affirmative Marketing Plan. The time period when applications will be accepted will be posted with the applications. Applications shall be mailed to prospective applicants upon request. An applicant pool will be maintained by the Administrative Agent for re-rentals. When a re-rental affordable unit becomes available, applicants will be selected from the applicant pool and, if necessary, the unit will be affirmatively marketed as described above.

### ***Initial Randomization***

Applicants are selected at random before income-eligibility is determined, regardless of household size or desired number of bedrooms. The process is as follows:

After advertising is implemented, applications are accepted for up to 30 days. Applicants will be asked where they learned of the housing opportunity. The Administrative Agent will pre-qualify applicants as soon as applications are received, and only place preliminary income-eligible applications in the lottery, provided that applicants are notified in writing of eligibility and non-eligibility in advance of the lottery.

At the end of the period, sealed applications are selected one-by-one through a lottery (unless fewer applications are received than the number of available units, then all eligible households will be placed in a unit).

Households are informed of the date, time and location of the lottery and invited to attend.

An applicant pool is created by listing applicants in the order selected.

Applications are reviewed for income-eligibility. Ineligible households are informed that they are being removed from the applicant pool or given the opportunity to correct and/or update income and household information.

Eligible households are matched to available units based upon the number of bedrooms needed (and any other special requirements, such as the need for an accessible unit).

For future re-rentals or the Administrative Agent will keep the applicant pool open after the initial lottery and add names to the existing list based on time and date of submission. This procedure may only be followed if the Administrative Agent engages in ongoing monthly affirmative marketing efforts according to the approved Affirmative Marketing Plan to ensure outreach to the housing region.

### ***Randomization after Certification***

Random selection is conducted when a unit is available, and only certified households seeking the type and bedroom size of the available unit are placed in the lottery. The process is as follows:

After advertising is implemented, applications are accepted for 60 days.

## Franklin Township – REHABILITATION PROGRAM MANUAL

All applications are reviewed and households are either certified or informed of non-eligibility. (The certification is valid for 180 days, and may be renewed by updating income-verification information.)

Eligible households are placed in applicant pools based upon the number of bedrooms needed (and any other special requirements, such as the need for an accessible unit)

When a unit is available, only the certified households in need of that type of unit are selected for a lottery.

Households are informed of the date, time, and location of the lottery and invited to attend.

After the lottery is conducted, the first household selected is given twenty (20) days to express interest or disinterest in the unit. (If the first household is not interested in the unit, this process continues until a certified household selects the unit.)

Applications are accepted on an ongoing basis, certified households are added to the pool for the appropriate household income and size categories, and advertising and outreach is ongoing, according to the Affirmative Marketing Plan.

### ***Matching Households to Available Units***

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 implement the following policies:

- Provide an occupant for each unit bedroom;
- Provide children of different sex with separate bedrooms;
- Prevent more than two persons from occupying a single bedroom;
- Require that all the bedrooms be used as bedrooms; and
- Require that a couple requesting a two-bedroom unit provide a doctor's note justifying such request.

The Administrative Agent cannot require an applicant household to take an affordable unit with a greater number of bedrooms, as long as overcrowding is not a factor. A household can be eligible for more than one unit category, and should be placed in the applicant pool for all categories for which it is eligible.

### ***Maximum Monthly Payments***

The percentage of funds that a household can contribute toward housing expenses is limited. However, an applicant may qualify for an exception based on the household's current housing cost (see below). The Administrative Agent will strive to place an applicant in a unit with a monthly housing cost equal to or less than the applicant's current housing cost.

UHAC states that a certified household is not permitted to lease a restricted rental unit that would require more than 35 percent of the verified household income (40 percent for age-restricted units) to pay rent and utilities. However, at the discretion of the Administrative Agent, this limit may be exceeded if:

- The household currently pays more than 35 percent (40 percent for households eligible for age-restricted units) of its gross household income for rent and the proposed rent will reduce the household's housing costs;
- The household has consistently paid more than 35 percent (40 percent for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
- The household is currently in substandard or overcrowded living conditions;
- The household documents the existence of assets, with which the household proposes to supplement the rent payments; or
- 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; and
- The household receives budget counseling.

### ***Housing Counseling***

The Administrative Agent is responsible for or providing referrals for counseling, as a part of the Affirmative Marketing Plan and during the application process. Although housing counseling is recommended, a household is only required to attend counseling if their monthly housing expense exceeds UHAC standards. A HUD-approved housing counseling agency, or a counseling agency approved by the NJ Department of Banking and Insurance, meets UHAC's requirements for an experienced Housing Counseling Agency. The Agent will make referrals to one of the HUD-approved housing counseling agencies in New Jersey. This counseling to very low, low- and moderate-income housing applicants will focus on subjects such as budgeting, credit issues, and mortgage qualification, and is free of charge. A list of non-profit counselors approved by HUD and/or the New Jersey Department of Banking and Insurance is included on DCA's website and is available from the Administrative Agent.

### ***The Applicant Interview***

Ideally, the prospective applicant will be available to meet with the Administrative Agent to review the certification and random selection processes in detail and ask any questions they may have about the project or the process. However, scheduling time off from work may prove burdensome to the applicant. Applicants may also have mobility issues or special needs that also pose an obstacle to an interview. Therefore, the Administrative Agent is prepared to complete the certification process via telephone and mail. If an interview is to be conducted, the Administrative Agent will attempt to achieve the following objectives:

- Confirm and update all information provided on the application.
- Explain program requirements, procedures used to verify information, and penalties for providing false information. Ask the head of household, co-head, spouse and household members over age 18 to sign the Authorization for Release of Information forms and other verification requests.
- Review the applicant's identification and financial information and documentation, ask any questions to clarify information on the application, and obtain any additional information needed to verify the household's income.

- Make sure the applicant has reported all sources for earned and benefit income and assets (including assets disposed of for less than fair market value in the past two years). Require the applicant to give a written certification as to whether any household member did or did not dispose of any assets for less than fair market value during the past two years.

**Determining Affordable Rents**

To determine the initial rents the Administrative Agent uses the COAH calculators located at <http://www.hudser.org/portal/datasets/il.html>.

**Pricing by Household Size**

Initial rents are based on targeted “model” household sizes for each size home as determined by the number of bedrooms. Initial rents must adhere to the following rules. These maximum sales prices and rents are based on the Annual Regional Income Limits Chart as published by AHPNJ, or any other agency having such jurisdiction, at the time of occupancy:

- A studio shall be affordable to a one-person household;
- A one-bedroom unit shall be affordable to a one- and one-half person household;
- A two-bedroom unit shall be affordable to a three-person household;
- A three-bedroom unit shall be affordable to a four- and one-half person household; and
- A four-bedroom unit shall be affordable to a six-person household.

Size of Unit	Household Size Used to Determined Max Rent
Studio/Efficiency	1
1 Bedroom	1.5
2 Bedrooms	3
3 Bedrooms	4.5
4 Bedrooms	6

The above rules are only to be used for setting initial rents. They are not guidelines for matching household sizes with unit sizes. The pricing of age-restricted units may not exceed affordability based on a two-person household.

***Split Between Low- and Moderate-income Rental Units***

At least 50 percent (of the affordable units within each bedroom distribution (unit size) must be low-income units and at least 13 percent of the affordable units within each bedroom distribution must be affordable to households earning no more than 30 percent of the regional median income. The remainder of the affordable units must be affordable to moderate-income households.

***Affordability Average***

The average rent for all affordable units cannot exceed 52 percent of the regional median income. At least one rent for each bedroom type must be offered for very low income, low-income and moderate-income units. Calculation of the affordability average is available on DCA's website.

***Maximum Rent***

The maximum rent of restricted rental units within each affordable development shall be affordable to households earning no more than 60 percent of the regional median income.

***Determining Rent Increases***

Annual rent increases are permitted in affordable units. Rent increases are permitted at the anniversary of tenancy according to the most recently adopted regional income limits determined by the Affordable Housing Professionals of New Jersey (AHPNJ), for Region 5 (Burlington, Camden, and Gloucester Counties), or any successive regional income limit determination adopted by an appropriate authority. These increases must be filed & approved by the Administrative Agent. Property managers or landlords who have charged less than the permissible increase may use the maximum allowable rent with the next tenant with permission of the Administrative Agent. The maximum allowable rent would be calculated by starting with the rent schedule approved as part of initial lease-up of the development, and calculating the annual approved increase from the initial lease-up year to the present. Rents may not be increased more than once a year, may not be increased by more than one approved increment at a time, and may not be increased at the time of new occupancy if this occurs less than one year from the last rental. No additional fees may be added to the approved rent without the express written approval of the Administrative Agent.

## Rehabilitation Program Audit Checklist

	<b>UP-TO-DATE OPERATING MANUAL</b>	Comments
<input type="checkbox"/>	Income Limits	
<input type="checkbox"/>	List of Pre-Qualified Contractors	
<input type="checkbox"/>	Sample Forms and Letters	
	<b>MAINTENANCE OF RECORDS</b>	
	<b>Files To Be Maintained on Every Applicant</b>	
<input type="checkbox"/>	Preliminary Application	
<input type="checkbox"/>	Application Form	
<input type="checkbox"/>	Income Verification	
<input type="checkbox"/>	Letter of Certification of Eligibility or	
<input type="checkbox"/>	Letter of Determination of Ineligibility.	
	<b>Files to be Maintained on Every Property</b>	
<input type="checkbox"/>	Housing Inspection Report.	
<input type="checkbox"/>	Photographs – Before Certification of Property	
<input type="checkbox"/>	Homeowner’s Insurance	
<input type="checkbox"/>	Property Deed	
<input type="checkbox"/>	Eligibility or Determination of Ineligibility	
<input type="checkbox"/>	Work Write-Up/Cost Estimate.	
<input type="checkbox"/>	Applicant/Contractor Contract Agreement.	
<input type="checkbox"/>	Mortgage/Lien Documents.	
<input type="checkbox"/>	Copies of All Required Permits.	
<input type="checkbox"/>	Contractor Requests for Progress Payments.	
<input type="checkbox"/>	Progress Payment Inspection Reports.	
<input type="checkbox"/>	Progress Payment Vouchers.	
<input type="checkbox"/>	Change Orders (If Needed).	
<input type="checkbox"/>	Final Inspection Report.	
<input type="checkbox"/>	Photographs - After	
<input type="checkbox"/>	Certification of Completion.	
<input type="checkbox"/>	Certification of Release of Contractor’s Bond.	
<input type="checkbox"/>	<b>Rehabilitation Log</b>	
	<b>MONITORING INFORMATION</b>	
<input type="checkbox"/>	Complete Monitoring Reporting Forms	
	<b>PROGRAM MARKETING</b>	
<input type="checkbox"/>	Annual Public Hearing Notice on Program	
<input type="checkbox"/>	Program Flyer	
<input type="checkbox"/>	Program Brochure	
<input type="checkbox"/>	Flyer mailed Annually to All Property Owners	
<input type="checkbox"/>	Program information available in municipal building, library and senior center.	
<input type="checkbox"/>	Program information posted on municipal website.	
<input type="checkbox"/>	Program posters placed in retail businesses throughout the municipality.	

### Rehabilitation Program Audit Checklist for Rental Units

<input type="checkbox"/>	<b>UP-TO-DATE OPERATING MANUAL</b>	<b>Comments</b>
<input type="checkbox"/>	Income Limits	
<input type="checkbox"/>	Sample Forms and Letters	
<b>AFFIRMATIVE MARKETING</b>		
<input type="checkbox"/>	Copies of Ads	
<input type="checkbox"/>	Copies of PSA Requests	
<input type="checkbox"/>	Copies of Marketing Requests	
<b>RANDOM SELECTION</b>		
<input type="checkbox"/>	Log of Applications Received	
<input type="checkbox"/>	Log of Random Selection Results	
<input type="checkbox"/>	Database of Referrals	
<b>MAINTENANCE OF RECORDS</b>		
<b>Files To Be Maintained on Every Applicant</b>		
<input type="checkbox"/>	Preliminary Application.	
<input type="checkbox"/>	Application Form.	
<input type="checkbox"/>	Tenant Information Form	
<input type="checkbox"/>	Income Verification	
<input type="checkbox"/>	Letter of Certification of Eligibility or	
<input type="checkbox"/>	Letter of Determination of Ineligibility	
<b>Files To Be Maintained on Every Rental Unit</b>		
<input type="checkbox"/>	Base rent	
<input type="checkbox"/>	Identification as low- or moderate-income	
<input type="checkbox"/>	Description of number of bedrooms and physical layout	
<input type="checkbox"/>	Floor plan	
<input type="checkbox"/>	Application materials, verifications and certifications of	
<input type="checkbox"/>	all present tenants, pertinent correspondence	
<input type="checkbox"/>	Copy of lease	
<input type="checkbox"/>	Appendix K	
<b>Files To Be Maintained on Every Property</b>		
<input type="checkbox"/>	Deed	

Township of Franklin  
Rental Rehabilitation Program

**MORTGAGE**

THIS IS A LEGALLY BINDING DOCUMENT WHICH CREATES A LIEN. DURING THIS THREE- DAY PERIOD, YOU MAY CHOOSE TO HIRE AN ATTORNEY TO REVIEW THIS DOCUMENT. IN THIS THREE-DAY PERIOD, IT IS POSSIBLE TO CANCEL THE DOCUMENT WITHOUT ANY PENALTY. THE CANCELLATION, HOWEVER, MUST BE IN WRITING.

**THIS MORTGAGE** made this (day) \_\_\_\_\_ day of (month) \_\_\_\_\_ between: \_\_\_\_\_ residing at \_\_\_\_\_ the BORROWER(S), and the Township of Franklin, 1571 Delsea Drive, Franklinville, NJ 08322 the LENDER.

The words Borrower and Lender include all borrowers and all lenders under this Mortgage. The lender or any other holder of this Mortgage may transfer this Mortgage and the Agreement it secures. The word lender includes (a) the original Lender and (b) anyone who takes this Mortgage by transfer or assignment.

**NOTE:** The Borrower is borrowing the sum of \$ \_\_\_\_\_ (**dollars**) (the Principal) from the Lender. In return for this loan, the Borrower has signed a Mortgage Note dated, ( \_\_\_\_\_ ), (the Agreement).

**MORTGAGE AS SECURITY:** The purpose of this Mortgage is to give the Lender security for the payment of the principal under the terms of the Agreement. The Borrower mortgages, grants, and conveys to the Lender all of the land, buildings and other improvements (now or in the future erected) owned by the Borrower and located in the Township of Franklin, County of Gloucester, State of New Jersey \_\_\_\_\_ being **Block:** \_\_\_\_\_, **Lot:** \_\_\_\_\_ as shown on the current tax map of the Township of Franklin, and as more particularly described in a Deed recorded in the Gloucester County Clerk's office, in Deed **Book No.** \_\_\_\_\_

**MORTGAGE VOID ON FULL PAYMENT:** When the Borrower pays or satisfies all amounts due under the Agreement and this Mortgage, the Lender's rights under the Agreement and secured by this Mortgage shall end.

**The Borrower agrees to these terms:**

1. The Borrower shall comply with all of the terms of the Agreement and this Mortgage.
2. The Borrower owns and has the right to mortgage the Property to the Lender. The Borrower shall defend this ownership against all claims.
3. The Borrower shall pay all real estate taxes, assessments, water and sewer charges and other charges against the Property when due.
4. The Borrower shall pay or satisfy the principal under the terms of the Agreement.
5. The Borrower shall maintain hazard insurance on the Property. This insurance must cover loss or damage caused by fire and other hazards normally included under "extended coverage" insurance. It must also include such other hazard coverage as the Lender may reasonably require. The insurance company, agent or broker, amounts of coverage, and forms of all policies must be acceptable to the Lender.
6. The Borrower shall keep the Property in good repair and shall not damage, destroy, or abandon the Property.
7. This Mortgage is a lien of the Lender against the Property for the payment of the Agreement. Except for the First Mortgage, the Borrower shall not allow any superior lien against the Property.
8. The Borrower shall pay all payments due on all liens on the Property and not violate any term of any other Mortgage.
9. This Mortgage is binding on the Borrower, his or her heirs and personal representatives.
10. All notices under this Mortgage must be in writing by personal delivery, certified mail, return receipt requested.
11. On payment of forgiveness or the principal under the terms of the Agreement, the Lender shall execute a cancellation of this Mortgage.



EXHIBIT A  
 Schedule of Terms and Conditions  
 Township of Franklin  
 Rental Rehabilitation Program

Description	Terms and Conditions
<b>Property Owner:</b>	
Maximum Assistance:	
Interest Rate	0%
Payments	Deferred
Loan Payment as follows:	
Year 1 – 9	Payment of Principal only
Year 10 and beyond upon sale	No Repayment Required

X  
 \_\_\_\_\_  
 (Name)

\_\_\_\_\_  
 Date

X  
 \_\_\_\_\_

\_\_\_\_\_  
 Date

X  
 \_\_\_\_\_  
 (Program Representative Name). Program Representative

\_\_\_\_\_  
 Date

APPENDIX F

Credits without Controls Documentation



MEMORANDUM

Clarke Caton Hintz

Architecture  
Planning  
Landscape Architecture

100 Barrack Street  
Trenton NJ 08608  
clarkecatonhintz.com  
Tel: 609 883 8383  
Fax: 609 883 4044

To: The Honorable Robert Becker, Jr., P.J.Ch.  
Superior Court of New Jersey  
Gloucester County Courthouse  
1 North Broad Street, 2nd Floor  
Woodbury, NJ 08096

From: Mary Beth Lonergan, PP AICP *Mary Beth Lonergan*  
Special Court Master

Re: **Report on Franklin’s Entitlement to Credits Without Controls**  
**IMO Township of Franklin, Gloucester County**  
**Docket No. GLO-901-15**

Date: May 9, 2022

Dear Judge Becker:

This report addresses the request by Franklin Township, Gloucester County, to include prior-cycle credits for low- and moderate-income housing constructed between 1980 and 1986 in its Housing Element and Fair Share Plan (“HEFSP”), pursuant to N.J.A.C. 5:93-3.2 (Credits Without Controls).

The principal documents on which this report relies in determining a housing unit’s eligibility for Credits Without Controls credit are the returned occupant income eligibility surveys, the structural conditions survey report, and the listings of comparable sales.

As detailed below, I find that the Township is eligible for a total of 36 Credits Without Controls and I recommend that the Township include this figure in its upcoming HEFSP.

**Credits Without Controls**

Franklin Township is requesting credits under the Council on Affordable Housing (“COAH”) regulations at N.J.A.C. 5:93-3.2(b), so-called “credits without controls.” Under this regulation, credits for housing units constructed between April 1, 1980 and December 15, 1986 are considered creditworthy as affordable units if they meet the following criteria:

- 1. The date of construction of the unit is within the time period specified and is confirmed by a certificate of occupancy.

John Hatch, FAIA  
George Hibbs, AIA  
Brian Slauch, AICP  
Michael Sullivan, AICP  
Michael Hanrahan, AIA  
Mary Beth Lonergan, AICP



## FRANKLIN TOWNSHIP CREDITS WITHOUT CONTROLS MEMORANDUM

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2. The unit must be certified to be in sound condition as the result of an exterior inspection by a licensed building inspector.
3. The unit is currently occupied by a low- or moderate-income household. Household income is to be certified by the head of household on a form designed and accepted by COAH.
4. If the unit is a for-sale unit, the unit must have a market value that is affordable to a moderate-income household pursuant to the requirements of N.J.A.C. 5:93-7.4(a) and (e). The market value of each such unit must be no greater than a sales price determined by averaging the reported actual sale prices of three comparable housing units from the municipality that can be documented as being arm's-length, closed sales transactions and which occurred within one year of the date of filing of the petition.
5. If the unit is a rental unit, the unit must have a monthly rent that is affordable to a moderate-income household pursuant to the requirements of N.J.A.C. 5:93-7.4(a) and (f) and the rental must be an arm's-length transaction.

### Certificate of Occupancy Date

The period of time for eligibility for Credits Without Controls is from April 1, 1980 through December 15, 1986. Pursuant to N.J.A.C. 5:93-3.2(b)1, "the municipality shall document the date of construction with a certificate of occupancy date." Unfortunately, the Township advised that, due to a flood, it did not have specific certificate of occupancy dates for housing units built and occupied between April 1, 1980 and December 15, 1986. Also, although the County performs tax assessment services for the Township, the County does not keep municipal certificate of occupancy date data. The County assessment data source for newly constructed units does include the year the unit was built. As described below, although this County 'year built' date is not precise, this appeared to be the best data available for this process as agreed to by Fair Share Housing Center ("FSHC") an Intervenor in the Franklin Township Court matter.

The County's Assessment Office provided some general information about how its tax assessment process works. The County's Assessment Office's goal is to get all new construction that has been completed between January 1 and October 1 of each year onto its Added Assessment List by October 1 of the same year. This list prorates the full-year taxes generated by each new structure to cover only the period between the time it receives a certificate of occupancy or is considered "completed for its intended purpose" and October 1. Structures completed after October 1 of each year are added to the next year's list, which means a structure completed October 2, 2019 would be added to the 2020



## FRANKLIN TOWNSHIP CREDITS WITHOUT CONTROLS MEMORANDUM

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Added Assessment List. The County does not record the actual date of issuance of a municipal certificate of occupancy.

Thus, the County's 1980 Added Assessment List may include housing units completed between October 2 and December 31, 1979, plus units completed between January 1 and March 31, 1980, as well as units completed between April 1 and October 1. The 1980 census date, and the first completion date for units potentially eligible for credit under the Credits Without Controls process, is April 1, 1980. At the other end of the Credits Without Controls eligibility period, units completed between October 2 and December 15, 1986, which are eligible for Credits Without Controls consideration, would have been included on the County's 1987 Added Assessment List.

The presumed extra three months from 1979 should reasonably be considered offset by the loss of three months from 1986. Although we ultimately don't know if any of the units from 1980 actually received certificates of occupancy between January and March of that year, it was determined incidental so as not to disallow all of the units constructed in 1980. Thus, while the County's "year built" dates are not precise, they appear to be the best basis available for determining a unit's eligibility to be considered for Credits Without Controls. The Township identified 682 potentially eligible housing units added to the County's Added Assessment List between 1980 and 1986.

### Survey Review

In 2019, our office worked with Franklin Township to update COAH's sample affordability verification survey, the purpose of which was to document the income of the households residing in potentially eligible housing units. The survey asked for information on the number of people in the household, the number of bedrooms in the residence, and the total household income of all household members.

On September 3 and 4, 2019, Franklin Township mailed the income verification surveys to the 682 identified residential addresses. A cover letter from the Franklin Township Mayor and a postage-paid reply envelope addressed to our office, included in order to encourage response, accompanied the survey. Recipients were given a 45-day period within which to respond, ending on October 18 and 19, 2019. A copy of the survey form is attached.

A total of 134 surveys (a 19.6% response rate) were returned to my office. Of the 134 surveys received, 132 were from owner-occupants of single-family homes. One was from a tenant in a rental unit, which was later disqualified as noted below, and one provided income information for the non-occupant owner of a rental unit and so was excluded from further analysis. No other responses were received from tenants in rental units, and no



## FRANKLIN TOWNSHIP CREDITS WITHOUT CONTROLS MEMORANDUM

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responses were received from owners of condominiums or mobile homes; thus, this report will not address issues to do with affordability for renters, for condominium owners who pay a homeowner's association fee, or for owners of mobile homes who rent their pad sites.

### **Income Qualification**

The submitted surveys were then evaluated by this office for income eligibility by household size, using the Region 5 moderate income limits published in the Affordable Housing Professionals of New Jersey's ("AHPNJ") May 2019 Affordable Housing Regional Income Limits by Household Size table. The AHPNJ 2019 table is attached.

Of the surveys received, 80 were from households whose income exceeded moderate-income limits and thus were excluded from further analysis as not income-eligible. As noted above, one was from a non-resident owner of a rental unit, and one survey did not list the household's income. After unsuccessful attempts to contact the resident and secure the information, that survey was excluded from further analysis as incomplete. The remaining 52 surveys were deemed as being from income-eligible households. Each of the 52 surveys was assigned a file number, from 1 to 52. The survey from the tenant in a rental unit was among the 52 deemed income-eligible and was assigned a file number, but the survey was unsigned, and after unsuccessful attempts by this office to secure a signature, the survey was excluded from further analysis as incomplete, leaving 51 income-eligible units.

An anonymized list of all surveys received, with information on the year each unit was added to the County's Added Assessment List, the number of bedrooms in the unit, whether the survey was complete, and whether the responding household was income-eligible (along with additional information discussed below) is attached.

### **Exterior Conditions Survey**

The next step in the process was for the Township's licensed building inspector to conduct an exterior conditions survey of the 51 income-qualified units for which completed surveys were returned. This exterior conditions survey, using a form developed by COAH, requires a licensed building inspector to do a visual inspection of the exterior of each structure and to note the condition, either deficient or not deficient, of each of the following key features:

- Foundation
- Siding and Walls
- Roof and Chimney



## FRANKLIN TOWNSHIP CREDITS WITHOUT CONTROLS MEMORANDUM

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- Windows and Doors
- Eaves/Soffits/Gutters/Leaders
- Rails/Stairs/Steps/Porch
- Fire Escape

One or more deficient items among the first three items on the list (foundations, siding and walls, or roof and chimney), or two or more deficient items from the remainder of the list, would deem the unit deficient and exclude it from further consideration for Credits Without Controls.

On August 6, 2020, our office provided the Township with the list of the 51 eligible income-qualified properties. The Township's building inspector was asked to conduct an exterior conditions survey of each property and return the results by October 18, 2020.

The building inspector conducted the inspections between September 11 and September 16, 2020. The completed survey form returned to our office indicated that 50 of the 51 units had no observed substandard features. One unit was found to have two substandard features and thus was excluded from further consideration as deficient, leaving 50 units that were complete, income-qualified and found to be not deficient. A sample exterior conditions survey form is attached.

### **Comparable Sales Prices**

Following the completion of the exterior conditions survey, the Township was required to document the market value of each of the housing units found to be in sound condition and occupied by income-eligible households. COAH regulations at N.J.A.C. 5:93-3.2(b)4 require that "the market value of each such unit shall be no greater than a sales price determined by averaging the reported actual sale prices of three comparable housing units from the municipality that can be documented as being arm's-length, closed sales transactions and which occurred within one year of ..." September 3, 2019 as discussed below. To be deemed comparable, the housing units should also have a similar number of bedrooms and be of similar building type (i.e., single-family detached unit, single-family attached unit, etc.).

While these transactions typically must occur between one year before and one year after the date a municipality files its housing plan petition or declaratory judgment action, in this case the Township's Tax Collector was instructed to use the date on which the Township first mailed its Credits Without Controls surveys, September 3, 2019. Thus, the Township's Tax Collector was to look for comparable sales that closed between September 3, 2018 and September 3, 2020.



**FRANKLIN TOWNSHIP CREDITS WITHOUT CONTROLS MEMORANDUM**

The Tax Collector was able to find three qualifying comparable sales for 47 of the remaining 50 eligible units. The three units for which the market value could not be determined by the Township were thus excluded from further analysis. The average of the three comparable sales for each of the 47 units for which comparable-sales information was provided, along with the dates of the earliest and most recent of the three sales, is included on the overall chart attached.

**Maximum Sales Prices**

Pursuant to N.J.A.C. 5:93-3.2(b)4 and 5:93-7.4(a) and (e), in order to be eligible for Credits Without Controls, the market value of a unit, as determined via the above process, must be no higher than the maximum sales price by bedroom count that would be considered affordable to a household earning 70% of regional median income. These maximum affordable sales prices are calculated based on spreadsheets provided each year by AHPNJ (previously provided by COAH).

The maximum sales prices allowed by COAH were calculated using the following assumptions (these assumptions are consistent with those utilized by COAH for the sales price determinations):

- A 30-year fixed mortgage rate of 3.94% with zero points
- A 5% down payment
- Tax rate of \$3.33 per \$100 of assessed value
- Equalization ratio of 93.27%
- Monthly Homeowners Insurance of \$50
- PMI of \$7.80 (annual rate per \$1,000 of mortgage amount)

For 2019, the applicable maximum sales prices are listed below, and are included for each of the 47 remaining income-eligible units in the list on the overall chart attached:

<b>Number of Bedrooms</b>	<b>2019 Maximum Sales Price</b>
2	\$165,269
3	\$191,986
4	\$214,886



Clarke Caton Hintz

## FRANKLIN TOWNSHIP CREDITS WITHOUT CONTROLS MEMORANDUM

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Comparing the averaged market values (comparable values) of the 47 remaining eligible units to these maximum sales prices shows that the comparable market value of 11 units exceeds the maximum affordable sales price, and 36 income-eligible units with no exterior deficiencies have comparable market values at or below the maximum sales price for a comparable unit of similar size, and thus are eligible for Credits Without Controls credit. The file numbers and ultimate eligibility determination of these 36 units are highlighted in red on the overall chart attached.

### Conclusion

Based on all documents reviewed by my office, the Township should be permitted to claim 36 credits for 36 units without affordability controls that were constructed between 1980 and 1986. A total of 36 Credits Without Controls should be included in the Township's upcoming Housing Element and Fair Share Plan.

cc: Tara St. Angelo, Esq.  
Matt Lyons, Esq.  
Zoey Chenitz, Esq.

# **AFFORDABLE HOUSING SURVEY**

\_\_\_\_\_

Block                      Lot                      Street Address                      Municipality

**IMPORTANT:** THIS INFORMATION WILL REMAIN STRICTLY CONFIDENTIAL. IT WILL ONLY BE SEEN BY THE COURT-APPOINTED SPECIAL MASTER. IT WILL NOT BE SEEN BY YOUR MUNICIPAL GOVERNMENT OR ANY OTHER GOVERNMENTAL AGENCY.

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**THIS PART TO BE COMPLETED BY YOUR HOUSEHOLD BEFORE MAILING FORM BACK TO THE SPECIAL MASTER IN THE ENCLOSED ENVELOPE**

---

## **FOR HOMEOWNERS ONLY**

If you own the home at the above address fill out 1 through 7 below

1. Name of householder preparing this form \_\_\_\_\_  
(A householder is a person who occupies the home)
2. The number of people in my household is \_\_\_\_\_  
(This is the total number of people who live in the home)
3. Total gross annual household income is (check one box): (gross means before taxes)  
(Household consists of total number of people living in the house)

- |  |  |
|--|--|
| <input type="checkbox"/> \$50,456 and under  | <input type="checkbox"/> \$72,081 – \$77,846 |
| <input type="checkbox"/> \$50,457 – \$57,664 | <input type="checkbox"/> \$77,847 – \$83,613 |
| <input type="checkbox"/> \$57,665 – \$64,872 | <input type="checkbox"/> \$83,614 – \$89,379 |
| <input type="checkbox"/> \$64,873 - \$72,080 | <input type="checkbox"/> \$89,380 – \$95,146 |

**If you need help calculating your income, please use the Voluntary Worksheet on last page.**

4. The number of bedrooms in my home is \_\_\_\_\_
5. Is your home a mobile home?  Yes  No  
If yes, the monthly rental for the pad is: \$\_\_\_\_\_ per month.
6. If you pay a monthly or quarterly condominium fee or homeowner's association fee, please indicate the amount and whether you pay it monthly or quarterly  
\$\_\_\_\_\_  Monthly  Quarterly
7. Do you own real estate other than the property in which you reside?  Yes  No If yes, please provide your exact total income and the net value of the real estate in the box below.

---

**X Total household income does include:**

Annual salary (including scheduled overtime); bonuses & tips; Social Security checks; unemployment checks; welfare, disability & pension benefits; alimony & child support payments; annual interest income from savings accounts, CDs, stocks, bonds, money market & trust funds (show only interest, not principle); annual income from businesses (not stocks & bonds) owned by household members.

**X Total household income does not include:**

Food stamps; payments for care of foster children; personal property such as automobiles and your own home; relocation assistance programs; scholarships; student loans; lump sum additions to family assets (such as inheritances, lottery winnings and insurance settlements); payments or credits received under the home energy assistance programs; income of live-in attendants. IRA or annuity programs are not included as income until payments are actually received by a household member.

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**FILL OUT BELOW ONLY IF YOU ANSWERED YES TO QUESTION 7**

1. My total household income (See Line 22 of Schedule 1040 or the voluntary worksheet on last page) is \_\_\_\_\_.

What is the net value of the other real estate owned (Net value equals market value minus outstanding mortgage debt.  
(If you need more space-please use back of form)

**ALL RESPONDENTS MUST FILL OUT THIS SECTION**

I understand that this information will be used to help Franklin Township meet its affordable housing needs and that the information provided will remain strictly confidential. I certify that the information I have provided is true, accurate and complete, under penalty of **N.J.S.A.** 2C:21-3\*\*

(signature)	(date)
(print name)	(street address)
(telephone number)	(city, state and zip code)

**After completing and signing, please mail survey in the stamped self-addressed envelope provided. Thank you very much. This information will remain strictly confidential. If you have any questions, please do not hesitate to call Court Master Mary Beth Lonergan 609-883-8383 Ext. 309**

This part to be completed by the Court-appointed Master.

- This household is not income qualified
  
- This household is income qualified

\*\***N.J.S.A.** 2C:21-3, which applies to this certification, declares it to be a disorderly person offense to knowingly make a false statement or give false information as part of a public record.

**VOLUNTARY INCOME WORKSHEET, IF YOU NEED IT**

Please fill in the blanks below to calculate your total household income. Be sure to include information for every member of your household over the age of 18 who is not a full-time student. If you have any questions regarding this worksheet, please call

1. Annual salary (including scheduled overtime), bonuses & tips	\$
2. Social security checks, unemployment checks, welfare, disability & pension income	\$
3. Alimony & child support payments received	\$
4. Annual interest income from savings acct., CDS, stocks, bonds, money market & trust funds (show only interest, not principal)	\$
5. Annual income from businesses (not stock & bonds) owned by a household member	\$

**FOR RENTERS ONLY**

**If you are a tenant in a rental unit at \_\_\_\_\_, Franklin Township  
please fill out 1 through 8 below. Street Address**

1. Name of householder preparing this form \_\_\_\_\_  
(A householder is a person who occupies the home)
2. The number of people in my household is \_\_\_\_\_  
(This is the total number of people who live in the home)
3. Total gross annual household income is (check one box): (gross means before taxes)  
(Household means total number of people living in the apartment)

- |  |  |
|--|--|
| <input type="checkbox"/> \$50,456 and under  | <input type="checkbox"/> \$72,081 – \$77,846 |
| <input type="checkbox"/> \$50,457 – \$57,664 | <input type="checkbox"/> \$77,847 – \$83,613 |
| <input type="checkbox"/> \$57,665 – \$64,872 | <input type="checkbox"/> \$83,614 – \$89,379 |
| <input type="checkbox"/> \$64,873 - \$72,080 | <input type="checkbox"/> \$89,380 – \$95,146 |

**If you need help calculating your income, please use the Voluntary Worksheet on last page.**

4. The number of bedrooms in my rental unit is \_\_\_\_\_
5. The monthly rent paid to the landlord is \$ \_\_\_\_\_
6. All utilities are included in my monthly rent? Yes  No
7. Check the box for any utilities which your household pays separately. Indicate approximate monthly cost for each:  
 Gas \$ \_\_\_\_\_  Electric \$ \_\_\_\_\_  Oil Heat \$ \_\_\_\_\_  
 Water \$ \_\_\_\_\_  Sewer \$ \_\_\_\_\_  
 Other utilities (please list the approximate monthly cost) (excluding cable & phone)
8. Do you own real estate other than the property in which you reside?  Yes  No If yes, please provide your exact total household income and the net value of the real estate in the box below.

**X Total household income does include:**

Annual salary (including scheduled overtime); bonuses & tips; Social Security checks; unemployment checks; welfare, disability & pension benefits; alimony & child support payments; annual interest income from savings accounts, CDs, stocks, bonds, money market & trust funds (show only interest, not principle); annual income from businesses (not stocks & bonds) owned by a household member.

**X Total household income does not include:**

Food stamps; payments for care of foster children; personal property such as automobiles and your own home; relocation assistance programs; scholarships; student loans; lump sum additions to family assets (such as inheritances, lottery winnings and insurance settlements); payments or credits received under the home energy assistance programs; income of live-in attendants. IRA or annuity programs are not included as income until payments are actually received by a household member

**FILL OUT BELOW ONLY IF YOU ANSWERED YES TO QUESTION 8**

1. Total household income (See Line 22 of Schedule 1040 or the voluntary worksheet on last page) is \_\_\_\_\_.  
What is the net value of the other real estate owned (Net value equals market value minus outstanding mortgage debt).

(If you need more space-please use back of form)

## FREQUENTLY ASKED QUESTIONS

### 1. Who is Mary Beth Lonergan, PP/AICP?

Mary Beth Lonergan is an expert appointed by the Court to assist the Court (a) in determining whether the Township has a shortfall in the number of affordable units it is providing; (b) in determining whether the ultimate affordable housing plan is fair and consistent with New Jersey's affordable housing regulations; and (c) in addressing such other issues as the Court deems appropriate. She is responsible for providing the Township guidance in the preparation and execution of the survey.

### 2. What is the survey?

The survey is a questionnaire prepared by a state agency known as the New Jersey Council on Affordable Housing ("COAH") and utilized in this matter by the Superior Court that is enclosed in the within packet of material. The survey requests information such as your annual household income, number of bedrooms in your home, monthly rent expense and monthly utility expenses.

### 3. Why was I selected to receive this survey when my neighbors were not?

Every resident in your community whose home or apartment received a certificate of occupancy between April 1, 1980 and December 15, 1986 and whose dwelling may qualify as an affordable unit has been selected to complete this survey.

### 4. How will I benefit if I complete the survey?

Each affordable housing credit that your municipality earns, means one less affordable house that the taxpayers must provide at a minimum potential cost of \$50,000 per unit. Completing the survey may save your future property tax dollars. **PLEASE BE SURE THE INFORMATION COLLECTED FROM THE SURVEY WILL BE STRICTLY CONFIDENTIAL AND COURT MASTER MARY BETH LONERGAN WILL BE THE ONLY ONE REVIEWING THE INFORMATION UNLESS THE COURT REQUIRES THAT OTHER INTERESTED PARTIES BE ALLOWED TO REVIEW THE MATERIAL IN WHICH CASE THE MATERIAL WILL BE REVIEWED AFTER THE COURT ENTERS A PROTECTIVE ORDER TO PROTECT THE CONFIDENTIALITY OF THE MATERIAL. INFORMATION WILL NOT BE AVAILABLE TO THE PUBLIC OR ANY OTHER GOVERNMENTAL AGENCY.**

**5. If I fill out this survey does this mean more affordable units will be built in my municipality?**

No. Your completion of the survey may have the exact opposite effect. All municipalities in New Jersey are obligated to provide their fair share of affordable housing. This survey will simply document the affordable housing that already exists for which your community will receive a one-for-one-credit. Each credit means one less house that your community must provide in the future.

**6. Who can I call if I have other questions about the survey?**

Please call Court Master Mary Beth Lonergan at 609-883-8383 Ext 309

## 2019 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Income limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNJ income limits is posted on AHPNJ.org

	1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents**	Sales***	Regional Asset Limit****
<b>Region 1</b>													
Median	\$66,607	\$71,365	\$76,122	\$85,637	\$95,153	\$98,959	\$102,765	\$110,377	\$117,989	\$125,602			
Moderate	\$53,286	\$57,092	\$60,898	\$68,510	\$76,122	\$79,167	\$82,212	\$88,302	\$94,391	\$100,481	2.6%	4.73%	\$183,994
Low	\$33,303	\$35,682	\$38,061	\$42,819	\$47,576	\$49,479	\$51,382	\$55,189	\$58,995	\$62,801			
Very Low	\$19,982	\$21,409	\$22,837	\$25,691	\$28,546	\$29,688	\$30,829	\$33,113	\$35,397	\$37,680			
<b>Region 2</b>													
Median	\$70,537	\$75,576	\$80,614	\$90,691	\$100,767	\$104,798	\$108,829	\$116,890	\$124,952	\$133,013			
Moderate	\$56,430	\$60,460	\$64,491	\$72,553	\$80,614	\$83,838	\$87,063	\$93,512	\$99,961	\$106,410	2.6%	5.67%	\$193,321
Low	\$35,269	\$37,788	\$40,307	\$45,345	\$50,384	\$52,399	\$54,414	\$58,445	\$62,476	\$66,506			
Very Low	\$21,161	\$22,673	\$24,184	\$27,207	\$30,230	\$31,439	\$32,649	\$35,067	\$37,485	\$39,904			
<b>Region 3</b>													
Median	\$82,810	\$88,725	\$94,640	\$106,470	\$118,300	\$123,032	\$127,764	\$137,228	\$146,692	\$156,156			
Moderate	\$66,248	\$70,980	\$75,712	\$85,176	\$94,640	\$98,426	\$102,211	\$109,782	\$117,354	\$124,925	2.6%	9.64%	\$225,261
Low	\$41,405	\$44,363	\$47,320	\$53,235	\$59,150	\$61,516	\$63,882	\$68,614	\$73,346	\$78,078			
Very Low	\$24,843	\$26,618	\$28,392	\$31,941	\$35,490	\$36,910	\$38,329	\$41,168	\$44,008	\$46,847			
<b>Region 4</b>													
Median	\$72,165	\$77,319	\$82,474	\$92,783	\$103,092	\$107,216	\$111,340	\$119,587	\$127,834	\$136,082			
Moderate	\$57,732	\$61,855	\$65,979	\$74,226	\$82,474	\$85,773	\$89,072	\$95,670	\$102,268	\$108,865	2.6%	3.91%	\$193,919
Low	\$36,082	\$38,660	\$41,237	\$46,392	\$51,546	\$53,608	\$55,670	\$59,794	\$63,917	\$68,041			
Very Low	\$21,649	\$23,196	\$24,742	\$27,835	\$30,928	\$32,165	\$33,402	\$35,876	\$38,350	\$40,825			
<b>Region 5</b>													
Median	\$63,070	\$67,575	\$72,080	\$81,090	\$90,100	\$93,704	\$97,308	\$104,516	\$111,724	\$118,932			
Moderate	\$50,456	\$54,060	\$57,664	\$64,872	\$72,080	\$74,963	\$77,846	\$83,613	\$89,379	\$95,146	2.6%	3.09%	\$166,981
Low	\$31,535	\$33,788	\$36,040	\$40,545	\$45,050	\$46,852	\$48,654	\$52,258	\$55,862	\$59,466			
Very Low	\$18,921	\$20,273	\$21,624	\$24,327	\$27,030	\$28,111	\$29,192	\$31,355	\$33,517	\$35,680			
<b>Region 6</b>													
Median	\$53,714	\$57,550	\$61,387	\$69,061	\$76,734	\$79,803	\$82,873	\$89,011	\$95,150	\$101,289			
Moderate	\$42,971	\$46,040	\$49,110	\$55,248	\$61,387	\$63,843	\$66,298	\$71,209	\$76,120	\$81,031	2.6%	5.15%	\$143,713
Low	\$26,857	\$28,775	\$30,694	\$34,530	\$38,367	\$39,902	\$41,436	\$44,506	\$47,575	\$50,644			
Very Low	\$16,114	\$17,265	\$18,416	\$20,718	\$23,020	\$23,941	\$24,862	\$26,703	\$28,545	\$30,387			

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

\* These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).

\*\*This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The increase for 2015 was 2.3%, the increase for 2016 was 1.1%, the increase for 2017 was 1.7%, and the increase for 2018 was 2.2%. The increase for 2019 is 2.6% (Consumer price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, or 2018 may increase rent by up to the applicable combined percentage including 2019 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

\*\*\* This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9.3). 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.

Low income tax credit developments may increase based on the low income tax credit regulations.

\*\*\*\* The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.



**Franklin Township, Gloucester County  
Credits Without Controls per N.J.A.C. 5:93-3.2**

File #	Year Built	Bedrooms	Rental	Income Eligible (Y/N)	Incomplete/Ineligible	Date Survey Postmarked/Received	Exterior Conditions Survey (Deficient/ Not Deficient)	Assessed Value	Average Comparable Sales Prices	Dates of Comparable Sales	2019 Max Sales Price	Price Qualified (Y/N)
1	1980	3		Y		9/10/2019	ND	\$159,500	\$173,000	9/20/18 - 3/31/20	\$191,986	Y
2	1984	4		Y		9/16/2019	ND	\$173,500	\$221,172	10/19/18 - 5/27/20	\$214,886	N
3	1980	2		Y		9/16/2019	ND	\$125,300	\$158,327	10/19/18 - 3/2/20	\$165,269	Y
4	1984	4		Y		Received 9/23/2019	ND	\$225,300	\$181,633	8/22/19 - 8/28/20	\$214,886	Y
5	1980	3		Y		9/16/2019	ND	\$152,600	\$154,740	10/8/18 - 3/2/20	\$191,986	Y
6	1985	3		Y		9/11/2019	ND	\$129,400	\$154,740	10/8/18 - 3/2/20	\$191,986	Y
7	1984	4		Y		Received 10/04/2019	ND	\$218,200	\$208,300	8/22/19 - 8/28/20	\$214,886	Y
8	1980	3		Y		Received 09/11/2019	ND	\$228,200	\$173,000	9/20/18 - 3/31/20	\$191,986	Y
9	1984	4		Y		9/10/2019	ND	\$238,100	\$289,667	10/30/18 - 5/21/19	\$214,886	N
10	1983	3		Y		9/10/2019	ND	\$148,300	\$162,073	9/20/18 - 3/2/20	\$191,986	Y
11	1983	3		Y		9/21/2019	ND	\$179,500	\$162,073	9/20/18 - 3/2/20	\$191,986	Y
12	1981	2		Y		9/17/2019	ND	\$154,400	\$153,327	10/19/18 - 6/7/19	\$165,269	Y
13	1980	3		Y		9/16/2019	ND	\$197,900	NO COMPS		\$191,986	N
14	1980	3		Y		9/13/2019	ND	\$137,900	\$162,073	9/20/18 - 3/2/20	\$191,986	Y
15	1980	2		Y		9/12/2019	ND	\$135,600	\$151,733	10/8/18 - 1/14/19	\$165,269	Y
16	1980	3		Y		9/14/2019	ND	\$117,400	\$151,407	10/8/18 - 9/27/19	\$191,986	Y
17	1980	3		Y		9/13/2019	ND	\$147,100	\$162,073	9/20/18 - 3/2/20	\$191,986	Y
18	1984	3		Y		9/13/2019	ND	\$154,300	\$162,073	9/20/18 - 3/2/20	\$191,986	Y
19	1980	3		Y		9/24/2019	ND	\$132,000	\$158,667	5/22/19 - 9/19/19	\$191,986	Y
20	1982	3		Y		9/10/2019	ND	\$195,700	\$243,433	9/28/18 - 7/15/20	\$191,986	N
21	1980	4		Y		9/12/2019	ND	\$215,300	\$223,333	10/12/18 - 3/20/20	\$214,886	N
22	1983	3		Y		9/11/2019	ND	\$138,800	NO COMPS		\$191,986	N
23	1985	5		Y		9/26/2019	D					
24	1981	3		Y		9/13/2019	ND	\$125,300	\$154,740	10/8/18 - 3/2/20	\$191,986	Y
25	1985	4		Y		9/18/2019	ND	\$226,900	\$266,300	5/15/19 - 6/26/20	\$214,886	N
26	1980	4		Y		9/19/2019	ND	\$148,800	\$175,040	10/8/18 - 8/28/20	\$214,886	Y
27	1980	3		Y		9/12/2019	ND	\$189,700	\$173,000	9/20/18 - 3/31/20	\$191,986	Y
28	1981	4		Y		9/14/2019	ND	\$197,900	\$218,383	10/19/18 - 5/27/20	\$214,886	N
29	1982	3		Y		10/2/2019	ND	\$143,300	\$191,633	9/28/18 - 8/28/20	\$191,986	Y

**Franklin Township, Gloucester County  
Credits Without Controls per N.J.A.C. 5:93-3.2**

File #	Year Built	Bedrooms	Rental	Income Eligible (Y/N)	Incomplete/Ineligible	Date Survey Postmarked/Received	Exterior Conditions Survey (Deficient/ Not Deficient)	Assessed Value	Average Comparable Sales Prices	Dates of Comparable Sales 9/3/2018 - 9/3/2020	2019 Max Sales Price	Price Qualified (Y/N)
30	1984	3		Y		9/11/2019	ND	\$162,500	NO COMPS		\$191,986	N
31	1985	3		Y		9/13/2019	ND	\$198,500	\$266,300	5/15/19 - 6/26/20	\$191,986	N
32	1983	3		Y		9/13/2019	ND	\$128,600	\$151,333	10/19/18 - 9/27/19	\$191,986	Y
33	1983	3		Y		Received 9/30/2019	ND	\$114,700	\$151,333	10/19/18 - 9/27/19	\$191,986	Y
34	1983	3		Y		9/20/2019	ND	\$165,000	\$173,000	9/20/18 - 3/31/20	\$191,986	Y
35	1982	3		Y		9/21/2019	ND	\$112,900	\$151,407	10/8/18 - 9/27/19	\$191,986	Y
36	1984	3		Y		9/24/2019	ND	\$166,800	\$165,333	9/20/18 - 3/2/20	\$191,986	Y
37	1980	4		Y		Received 9/09/2019	ND	\$149,400	\$178,333	2/22/19 - 3/30/20	\$214,886	Y
38	1981	3		Y		9/9/2019	ND	\$208,200	\$223,333	10/12/18 - 3/20/20	\$191,986	N
39	1980	3		Y		9/9/2019	ND	\$145,600	\$175,000	5/22/19 - 10/18/19	\$191,986	Y
40	1980	3		Y		9/10/2019	ND	\$177,800	\$266,300	5/15/19 - 6/26/20	\$191,986	N
41	1980	3		Y		9/13/2019	ND	\$145,000	\$175,333	12/7/18 - 3/31/20	\$191,986	Y
42	1980	4		Y		9/17/2019	ND	\$259,100	\$230,667	10/30/19 - 5/27/20	\$214,886	N
43	1982	3		Y		9/14/2019	ND	\$181,900	\$181,667	9/9/19 - 7/10/20	\$191,986	Y
44	1985	3		Y		9/21/2019	ND	\$178,800	\$175,333	12/7/18 - 3/31/20	\$191,986	Y
45	1983	3		Y		Received 9/11/2019	ND	\$171,500	\$181,667	9/9/19 - 7/10/20	\$191,986	Y
46	1983	4		Y		9/13/2019	ND	\$175,400	\$224,667	10/30/19 - 5/27/20	\$214,886	N
47	1981	4		Y		Received 9/23/2019	ND	\$147,800	\$180,000	9/9/19 - 5/27/20	\$214,886	Y
48	1980	3		Y		Received 9/23/2019	ND	\$117,600	\$151,407	10/8/18 - 9/27/19	\$191,986	Y
49	1980	3		Y		9/12/2019	ND	\$181,100	\$171,667	5/22/19 - 9/19/19	\$191,986	Y
50	1980	3		Y		9/9/2019	ND	\$161,600	\$173,667	9/19/19 - 5/27/20	\$191,986	Y
51	1980	4		Y		9/7/2019	ND	\$172,600	\$163,073	10/8/18 - 9/27/2019	\$214,886	Y
52	1981	2	Y	Y	I	9/23/2019						
<b>Total Eligible Units:</b>											<b>36</b>	

**Franklin Township, Gloucester County  
Credits Without Controls per N.J.A.C. 5:93-3.2**

File #	Year Built	Bedrooms	Rental	Income Eligible (Y/N)	Incomplete/Ineligible	Date Survey Postmarked/Received	Exterior Conditions Survey (Deficient/ Not Deficient)	Assessed Value	Average Comparable Sales Prices	Dates of Comparable Sales 9/3/2018 - 9/3/2020	2019 Max Sales Price	Price Qualified (Y/N)
	<b>Non-Income Eligible</b>											
	1981	3		N		9/13/2019						
	1985	4		N		9/10/2019						
	1985	3		N		9/18/2019						
	1982	4		N		10/3/2019						
	1983	3		N		9/13/2019						
	1985	3		N		9/10/2019						
	1984	3		N		9/13/2019						
	1983	3		N		9/19/2019						
	1980	3		N		9/17/2019						
	1985	?		N		9/17/2019						
	1980	4		N		9/9/2019						
	1980	3		N		Received 9/13/2019						
	1984	3		N		9/23/2019						
	1983	2		N		9/11/2019						
	1985	4		N		9/16/2019						
	1984	3		N		9/11/2019						
	1980	3		-		9/11/2019						
	1985	3		N		9/25/2019						
	1980	3		N		11/6/2019						
	1980	5		N		9/10/2019						
	1981	3		N		9/19/2019						
	1983	3		N		9/10/2019						
	1983	3		N		9/20/2019						
	1980	3		N		9/10/2019						
	1984	3		N		9/23/2019						
	1981	3		N		9/14/2019						
	1984	3		N		Received 9/23/2019						
	1980	3		N		9/13/2019						

**Franklin Township, Gloucester County  
Credits Without Controls per N.J.A.C. 5:93-3.2**

File #	Year Built	Bedrooms	Rental	Income Eligible (Y/N)	Incomplete/Ineligible	Date Survey Postmarked/Received	Exterior Conditions Survey (Deficient/ Not Deficient)	Assessed Value	Average Comparable Sales Prices	Dates of Comparable Sales 9/3/2018 - 9/3/2020	2019 Max Sales Price	Price Qualified (Y/N)
	1985	4		N		9/16/2019						
	1985	3		N		9/20/2019						
	1985	2		N		9/10/2019						
	1985	3		N		10/1/2019						
	1980	2		N		9/11/2019						
	1982	3		N		9/11/2019						
	1980	4		N		9/20/2019						
	1982	3		N		9/11/2019						
	1985	3		N		9/11/2019						
	1980	2		N		10/15/2019						
	1980	2		N		9/19/2019						
	1984	3		N		Received 9/23/2019						
	1980	3		N		9/24/2019						
	1983	4		N		9/18/2019						
	1985	3		N		9/17/2019						
	1984	3		N		9/14/2019						
	1980	3		N		9/14/2019						
	1980	3		N		9/12/2019						
	1984	3		N		Received 9/18/2019						
	1984	3		N		Received 9/20/2019						
	1984	3		N		Received 9/23/2019						
	1981	3		N		Received 9/23/2019						
	1984	3		N		9/19/2019						
	1982	3		N		9/7/2019						
	1982	3		N		Received 9/12/2019						
	1980	3		N		9/17/2019						
	1980	3		N		9/18/2019						
	1980	3		N		11/15/2019						
	1982	3		N		9/7/2019						

**Franklin Township, Gloucester County  
Credits Without Controls per N.J.A.C. 5:93-3.2**

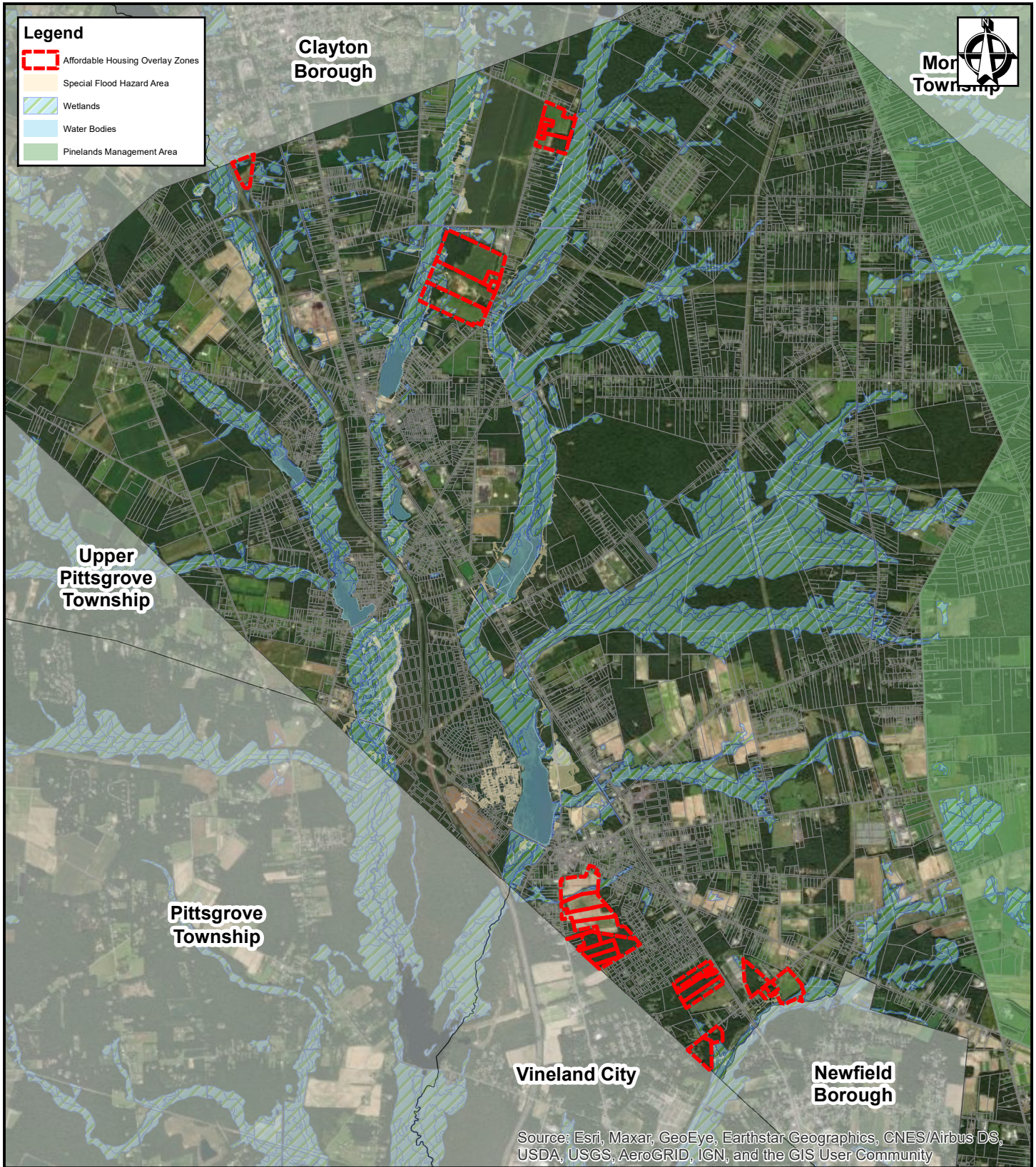
File #	Year Built	Bedrooms	Rental	Income Eligible (Y/N)	Incomplete/Ineligible	Date Survey Postmarked/Received	Exterior Conditions Survey (Deficient/ Not Deficient)	Assessed Value	Average Comparable Sales Prices	Dates of Comparable Sales 9/3/2018 - 9/3/2020	2019 Max Sales Price	Price Qualified (Y/N)
	1980	3		N		9/7/2019						
	1984	3		N		9/11/2019						
	1980	3		N		9/16/2019						
	1985	3		N		9/9/2019						
	1983	2		N		9/11/2019						
	1981	4		N		9/9/2019						
	1984	4		N		9/7/2019						
	1980	3		N		9/11/2019						
	1980	4		N		9/7/2019						
	1984	3		N		9/12/2019						
	1983	3		N		9/11/2019						
	1983	3		N		9/9/2019						
	1983	4		N		9/11/2019						
	1983	3		N		9/12/2019						
	1983	3		N		9/13/2019						
	1983	3		N		9/16/2019						
	1983	4		N		9/9/2019						
	1983	3		N		9/11/2019						
	1983	4		N		9/9/2019						
	1983	3		N		9/16/2019						
	1982	3		N		9/9/2019						
	1981	3		N		9/9/2019						
	1980	3		N		9/18/2019						
	1980	3		N		9/14/2019						
	1980	0		N		9/11/2019						

**APPENDIX G**

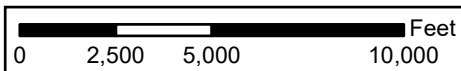
Affordable Housing Overlay Zone Maps

# AFFORDABLE HOUSING OVERLAY

# FRANKLIN, NJ



1 inch = 5,000 feet



Source: NJGIN (NJGIS), NJDEP

CREATED BY: PVB

DATE: December 05, 2022

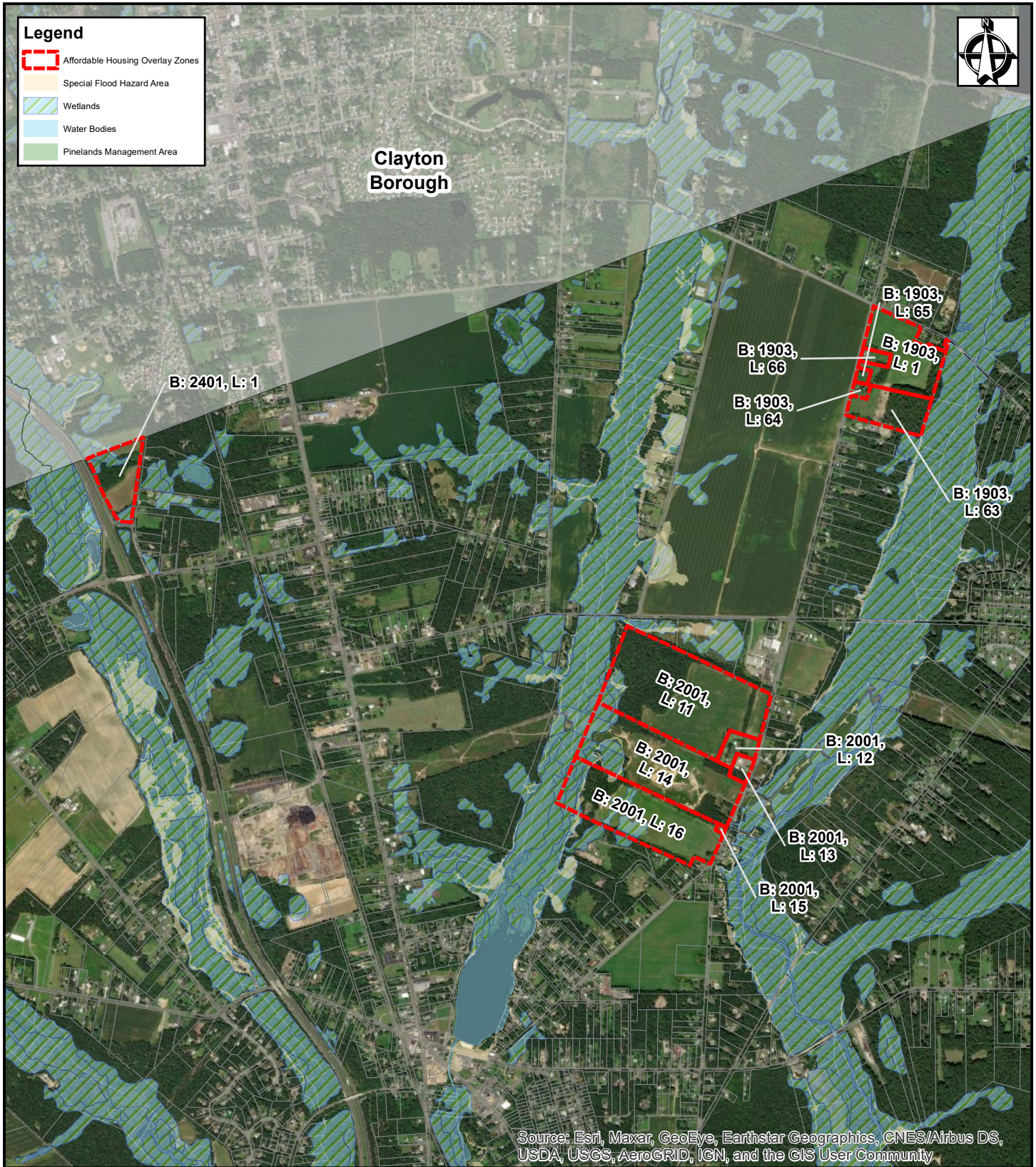
OVERALL AFFORDABLE HOUSING OVERLAY ZONES

FRANKLIN TOWNSHIP  
GLOUCESTER COUNTY  
NEW JERSEY

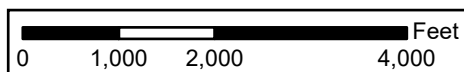


# AFFORDABLE HOUSING OVERLAY

# FRANKLIN, NJ



1 inch = 2,000 feet



Source: NJGIN (NJGIS), NJDEP

CREATED BY: PVB

DATE: December 05, 2022

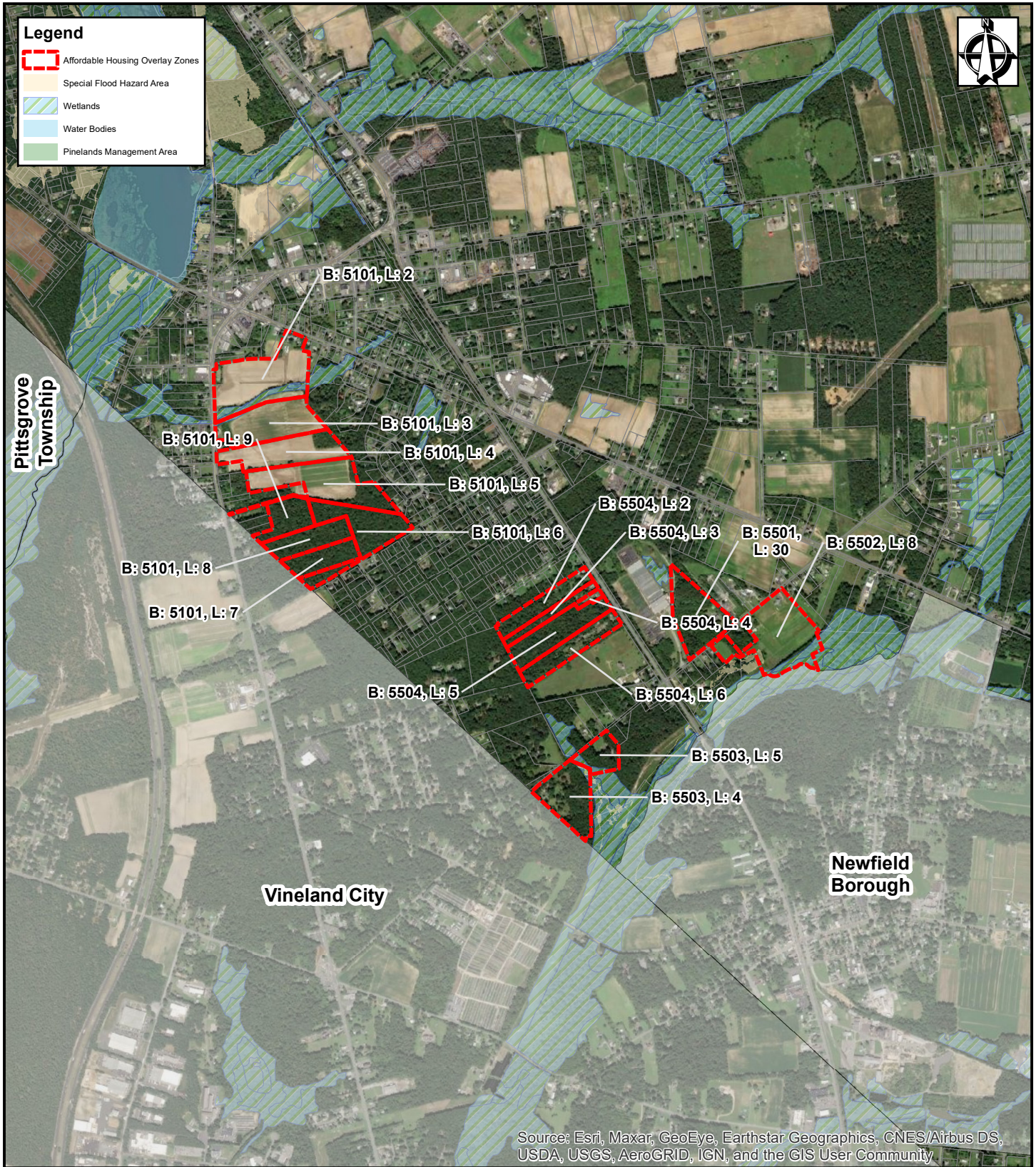
NORTHERN AFFORDABLE HOUSING OVERLAY ZONES

FRANKLIN TOWNSHIP  
GLOUCESTER COUNTY  
NEW JERSEY



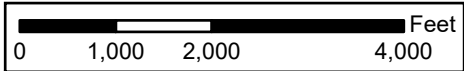
# AFFORDABLE HOUSING OVERLAY

# FRANKLIN, NJ



Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

1 inch = 2,000 feet



Source: NJGIN (NJGIS), NJDEP

CREATED BY: PVB

DATE: December 05, 2022

SOUTHERN AFFORDABLE HOUSING OVERLAY ZONES

FRANKLIN TOWNSHIP  
GLOUCESTER COUNTY  
NEW JERSEY



**APPENDIX H**

Affordable Housing Overlay Zone Ordinance

**TOWNSHIP OF FRANKLIN  
GLOUCESTER COUNTY, NEW JERSEY**

**ORDINANCE # \_\_ - 23**

**AN ORDINANCE AMENDING CHAPTER 253 LAND DEVELOPMENT, TO  
ESTABLISH INCLUSIONARY AFFORDABLE HOUSING OVERLAY ZONES**

**WHEREAS** the Township of Franklin (hereinafter 'the Township) filed a complaint for declaratory and injunctive relief seeking a judgment of compliance and repose on July 2, 2015 under Docket number GLO-L-901-15 (hereinafter the litigation'); and

**WHEREAS**, the Township agreed to settle the said Litigation with all parties through a negotiated Settlement Agreement (hereinafter the 'Agreement') on May 26, 2022; and

**WHEREAS**, as part of the Agreement, the Township agreed to adopt an ordinance to establish affordable housing overlay zoning districts to address its Prior Round and Third Round fair share obligations; and

**WHEREAS**, the Township has identified various parcels of land in the Township that it has determined to be appropriate for development of higher density inclusionary residential development, with potential access to water and sewer infrastructure and outside of any Pinelands protection areas, which together possess sufficient land area to accommodate inclusionary zoning at accepted densities to address the Township’s Prior Round and Third Round affordable housing obligation in accordance with the applicable regulations concerning durational adjustment at N.J.A.C. 5:93-4.3; and

**WHEREAS**, having considered the proposed amendment, the Township Committee concurs that the proposed amendment to Chapter 253, to establish affordable housing overlay zoning districts, does conform to the agreed upon terms of the Agreement, the Master Plan, and the previously adopted Amended Housing Element and Fair Share Plan and will provide realistic opportunity for the construction of affordable housing units in the Township.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Committee of the Township of Franklin, in the County of Gloucester and State of New Jersey, that:

**SECTION 1.** Franklin Township Code §253-86 entitled “Classes of Districts” is hereby amended to include the following one (1) new zoning designation, “Affordable Housing Overlay Zone”.

**SECTION 2.** Franklin Township Code §253-87, entitled “Boundaries, Zoning Map” is hereby amended to place the following properties within the Affordable Housing Overlay Zone:

<b>Block</b>	<b>Lot(s)</b>
1903	1, 63, 64, 65, 66
2001	11, 12, 13, 14, 15, 16
2401	1
5101	2, 2.01, 3, 4, 5, 6, 7, 8, 9
5501	30

5502	8
5503	4, 5
5504	2, 3, 4, 5, 6

**SECTION 3.** Article XVI, entitled “Affordable Housing Overlay Zone,” shall be added as follows:

**§253-118. Affordable Housing Inclusionary Overlay Zone.**

- A. Purpose. The purpose of the Affordable Housing Inclusionary Overlay Zone is to create the opportunity for the development of as of right affordable housing in accordance with the Court-approved Settlement Agreement between Franklin Township and Fair Share Housing Center dated May 26, 2022.
- B. Application of Requirements. The Affordable Housing Inclusionary Overlay Zone permits development of multi-family residential units with an affordable housing component. The requirements of the “underlying” zoning districts shall remain in full effect in the area encompassed by this Overlay Zone unless an application is proposed consistent with the requirements of this Overlay Zone. The requirements of this Overlay Zone shall only be applicable to the lands involved in such a residential inclusionary development application. Lands not included in such an inclusionary development application shall continue to be subject to the requirements of the underlying zoning district.
- C. Permitted Uses.
  - 1. Principal Permitted Uses.
    - a) Affordable housing development through inclusionary residential development in the form of townhouses, duplexes, or multi-family housing, such as apartments, in accordance with the density and set-aside standards identified herein.
  - 2. Permitted Accessory Uses.
    - a) Off-street parking and loading and attached private residential garages.
    - b) Fences and walls in accordance with Township Code.
    - c) Signs in accordance with Township Code.
    - d) Clubhouses or recreational facilities to service the residential developments, which may include swimming pools, soccer/football fields, baseball diamonds, basketball courts, tennis courts, tot lots, and/or playgrounds.
- D. The following development standards shall apply within the Affordable Housing Inclusionary Overlay Zone:
  - 1. Maximum gross density. 14 units per acre or, where on-site water or sewer facilities are proposed, the maximum density permitted by the capacity of the proposed system or the maximum density permitted by applicable state regulations, including the Pinelands Comprehensive Management Plan, N.J.A.C. 7:50-1.1 et seq., whichever is less. As part of site plan approval, a developer seeking to develop a project served by on-site water

and sewer facilities must provide expert reports and testimony to confirm that the proposed system will be capable of serving the project at the proposed density.

2. Affordable Housing Requirements:
  - a) A twenty percent (20%) mandatory affordable housing on-site set-aside requirement shall apply to any residential development, including the residential portion of a mixed-use project, of five (5) units or more.
  - b) All affordable units created shall fully comply with the Uniform Housing Affordability Controls at N.J.A.C. 5:80-26.1, et seq. (UHAC), including but not limited to the required bedroom and income distribution, with the sole exception that thirteen percent (13%) of the affordable units within each bedroom distribution shall be required to be restricted for very-low-income households earning thirty percent (30%) or less of the median income pursuant to the Fair Housing Act, N.J.S.A. 52:27-D-301.
  - c) All very-low-income units shall be proportionately distributed within each bedroom distribution. In a family non-age-restricted development at no time shall the number of efficiency/one-bedroom very low-income units exceed the number of three-bedroom very-low-income units.
  - d) All affordable units created shall fully comply with the Township’s Affordable Housing Ordinance in Chapter 138 of the Township Code.
3. The following tract requirements shall apply:

Min Lot Area (tract)	5 acres (may be met by contiguous lots)
Min Lot Width (tract)	100 feet
Min Lot Depth (tract)	125 feet
Min Front Yard Setback (tract)	150 feet
Min Side Yard Setback (tract)	100 feet
Min Rear Yard Setback (tract)	100 feet
Max Lot Coverage	60%
Max Building Height	48 feet / 3.5 stories
Min Open Space Area	15% of tract area
1. Patios, decks and fences may be located within required building setback areas. 2. open space shall be arranged as a common area situated between and among buildings from a central location within the development. Areas in required setbacks and landscaped buffers shall not be counted toward the minimum open space area.	

4. Public water and wastewater service: The developer shall provide public water and sewer service (or alternative wastewater treatment facilities).
5. No non-residential development shall be permitted.
6. No transfer of development scheme, non-contiguous cluster zoning, or other condition shall apply to inclusionary residential development, which shall be as of right.

**SECTION 4.** This Ordinance shall be in full force and effect from and after its adoption and any publication as required by law.

**SECTION 5.** All Ordinances or parts of Ordinances inconsistent herewith are repealed as to such inconsistencies.

**SECTION 6.** This Ordinance shall be referred to the Township Planning Board for review pursuant to N.J.S.A. 40A:55D-26A.

**SECTION 7.** Upon adoption of this Ordinance after public hearing thereon, the Township Clerk is further directed to publish notice of the passage thereof and to file a copy of this Ordinance with the County Planning Board, the Pinelands Commission and other agencies as required by law.

**SECTION 8.** If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

**SECTION 9.** This Ordinance shall take effect upon final passage and publication according to law.

Attest:

Township of Franklin

\_\_\_\_\_  
Barbara Freijomil, Clerk

\_\_\_\_\_  
John Bruno, Mayor

CERTIFICATION

I, Barbara Freijomil, Clerk of the Township of Franklin, County of Gloucester, do here certify that the foregoing Ordinance was introduced at the Regular Meeting of the Township of Franklin held on DATE, 2023 and thereafter duly advertised in the legal newspaper of the Township at least seven (7) days prior to it being considered for final passage and adoption at a subsequent meeting to be held on DATE, 2023 at which time any person interested therein will be given an opportunity to be heard.

\_\_\_\_\_  
Barbara Freijomil, Municipal Clerk

Introduced DATE

Name	Yes	No	Abstain	Absent

Adopted DATE

Name	Yes	No	Abstain	Absent

APPENDIX I

Affordable Housing Ordinance

**TOWNSHIP OF FRANKLIN  
GLOUCESTER COUNTY, NEW JERSEY**

**ORDINANCE # \_\_ - 23**

**AN ORDINANCE SUPPLEMENTING CHAPTER 138, ENTITLED AFFORDABLE HOUSING, BY ADDING SECTION 138-11 ENTITLED “AFFORDABLE HOUSING REGULATIONS” OF THE CODE OF THE TOWNSHIP OF FRANKLIN TO ADDRESS THE REQUIREMENTS OF THE FAIR HOUSING ACT, THE UNIFORM HOUSING AFFORDABILITY CONTROLS, AND THE TOWNSHIP’S AFFORDABLE HOUSING OBLIGATIONS.**

**WHEREAS**, , in furtherance of the Supreme Court’s March 10, 2015, decision captioned In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (the “Supreme Court Decision”), the Township of Franklin (hereinafter ‘the Township’) filed a complaint for declaratory and injunctive relief seeking a judgment of compliance and repose on July 2, 2015 under Docket number GLO-L-901-15 (hereinafter the “Litigation”); and

**WHEREAS**, the Township agreed to settle the said Litigation with all parties through a negotiated Settlement Agreement (hereinafter the “Settlement Agreement”) on May 26, 2022; and

**WHEREAS**, the Settlement Agreement was approved by the Superior Court of New Jersey, Gloucester County Law Division after a Fairness Hearing and issuance of an Order dated November 2, 2022 (the “Order”); and

**WHEREAS**, the Franklin Township Planning Board has adopted a Housing Element and Fair Share Plan (“HEFSP”) in compliance with the Settlement Agreement and Order, and pursuant to the Municipal Land Use Law, N.J.S.A. 40:55D-1, et seq.; and

**WHEREAS**, as a condition of the Settlement Agreement, Order, and HEFSP the Township agreed to update Chapter 138, entitled “Affordable Housing,” of the Township Code; and

**WHEREAS**, having considered the proposed amendment, the Township Committee concurs that the proposed amendment to Chapter 138, to create Article II, does conform to the agreed upon terms of the Settlement Agreement and Order, the Master Plan, and the previously adopted Amended Housing Element and Fair Share Plan and will provide realistic opportunity for the construction of affordable housing units in the Township.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Committee of the Township of Franklin, in the County of Gloucester and State of New Jersey, that:

**SECTION 1.** Chapter 138, Affordable Housing, Article II, entitled **Affordable Housing Obligations**, of the Code of the Township of Franklin, is hereby established and shall be added as follows:

**§ 138 Affordable Housing  
Article II Affordable Housing Obligations**

§ 138-11 Share of units

The Township of Franklin has a constitutional obligation to provide affordable housing to its regional fair share of very low, low, and moderate income households in accordance with the Fair Housing Act.

§ 138-12 Affordable housing requirements.

A. Affordable housing obligation.

- (1) This section is intended to assure that very-low, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very-low, low- and moderate-income households shall occupy these units. This section shall apply except where inconsistent with applicable law.
- (2) The Township of Franklin Planning Board has adopted a Housing Element and Fair Share Plan pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1 et seq. The Fair Share Plan has been endorsed by the governing body. The Fair Share Plan describes the ways the Township of Franklin shall address its fair share for very-low, low- and moderate,-income housing as determined by the settlement agreement between the Township and Fair Share Housing Center, and approved by the Court and documented in the Housing Element.
- (3) This section implements and incorporates the Fair Share Plan and addresses the requirements of N.J.A.C. 5:97, as may be amended and supplemented.
- (4) The Township of Franklin shall file monitoring reports in accordance with N.J.A.C. 5:96 *et seq.* and Section 138-12(C) of the Township Code, tracking the status of the implementation of the Housing Element and Fair Share Plan. Any plan evaluation report of the Housing Element and Fair Share Plan and monitoring in accordance with N.J.A.C. 5:96 *et seq.* shall be available to the public at the Township of Franklin Municipal Building, Municipal Clerk's Office, located at 1571 Delsea Drive, Franklinville, NJ 08322.

B. Definitions. All definitions contained in N.J.A.C. 5:96-1.1 et seq., as may be amended by the decision in In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) ("Mount Laurel IV") or a court of competent jurisdiction, Procedural Rules of the New Jersey Council on Affordable Housing, and N.J.A.C. 5:97-1.1. et seq., as may be amended by the decision in Mount Laurel IV or a court of competent jurisdiction, Substantive Rules of the New Jersey Council on Affordable Housing, are hereby incorporated and adopted as if set forth in full herein. For convenience, the following definitions are provided for reference purposes. In the event of any conflict or amendment to the New Jersey Administrative Code (N.J.A.C.), the definitions and rules duly promulgated pursuant to the Administrative Procedures Act shall govern this chapter. The following terms when used in this section shall have the meanings given in this subsection:

ACCESSORY APARTMENT

A self-contained residential dwelling unit with a kitchen, sanitary facilities, sleeping quarters and a private entrance, which is created within an existing home, or through the conversion of an existing accessory structure on the same site, or by an addition to an existing home or accessory building, or by the construction of a new accessory structure on the same site.

ACT

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

#### ADAPTABLE

Constructed in compliance with the technical design standards of the Barrier Free Sub-code, N.J.A.C. 5:23-7.

#### ADMINISTRATIVE AGENT

The entity responsible for the administration of affordable units in accordance with this section, N.J.A.C. 5:96, 5:97 and 5:80-26.1 et seq. as designated by the Township of Franklin, or in the absence of such appointment by the Township, as appointed by the developer, sponsor, or owner of affordable housing.

#### AFFIRMATIVE MARKETING

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

#### AFFORDABILITY AVERAGE

The average percentage of median income at which restricted units in an affordable housing development are affordable to low- and moderate-income households.

#### AFFORDABLE

A sales price or rent within the means of a low- or moderate-income household as defined in N.J.A.C. 5:97-9; in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.6, as may be amended and supplemented, and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.12, as may be amended and supplemented.

#### AFFORDABLE DEVELOPMENT

A housing development, all or a portion of which consists of restricted units.

#### AFFORDABLE HOUSING DEVELOPMENT

A development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a one-hundred-percent affordable development.

#### AFFORDABLE HOUSING PROGRAM

Any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality's fair share obligation.

#### AFFORDABLE UNIT

A housing unit proposed or created pursuant to the Act, credited pursuant to N.J.A.C. 5:97-4, and/or funded through an affordable housing trust fund.

#### AGENCY

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

#### AGE-RESTRICTED UNIT

A housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that:

- (1) All the residents of the development where the unit is situated are 62 years or older; or
- (2) At least 80% of the units are occupied by one person that is 55 years or older; or
- (3) The development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as "housing for older persons" as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

#### ALTERNATIVE LIVING ARRANGEMENT

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

#### ASSISTED LIVING RESIDENCE

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

#### CERTIFIED HOUSEHOLD

A household that has been certified by an administrative agent as a low-income household or moderate-income household.

#### COAH

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

#### DCA

The State of New Jersey Department of Community Affairs.

#### DEFICIENT HOUSING UNIT

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

#### DEVELOPER

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

#### DEVELOPMENT

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

#### INCLUSIONARY DEVELOPMENT

A development containing both affordable units and market rate units. This term includes, but is not necessarily limited to, new construction, the conversion of a nonresidential structure to residential and the creation of new affordable units through the reconstruction of a vacant residential structure.

#### LOW-INCOME HOUSEHOLD

A household with a total gross annual household income equal to 50% or less of the median household income.

#### LOW-INCOME UNIT

A restricted unit that is affordable to a low-income household.

#### MAJOR SYSTEM

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

#### MARKET-RATE UNITS

Housing not restricted to low- and moderate-income households that may sell or rent at any price.

#### MEDIAN INCOME

The median income by household size for the applicable county, as adopted annually by the most recently published regional weighted average of the uncapped Section 8 income limits published by HUD and by the Superior Court.

#### MODERATE-INCOME HOUSEHOLD

A household with a total gross annual household income in excess of 50% but less than 80% of the median household income.

#### MODERATE-INCOME UNIT

A restricted unit that is affordable to a moderate-income household.

## NONEXEMPT SALE

Any sale or transfer of ownership other than the transfer of ownership between husband and wife; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor's deed to a Class A beneficiary and the transfer of ownership by court order.

## RANDOM SELECTION PROCESS

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

## REGIONAL ASSET LIMIT

The maximum housing value in each housing region affordable to a four-person household with an income at 80% of the regional median as defined by the most recently published regional weighted average of the uncapped Section 8 income limits published by HUD and by the Superior Court.

## REHABILITATION

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

## RENT

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

## RESTRICTED UNIT

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

## SETTLEMENT AGREEMENT

The settlement agreement between the Township and Fair Share Housing Center ("FSHC") dated May 26, 2022 in the Matter of the Application of the Township of Franklin, County of Gloucester, Docket No. GLO-901-15.

## UHAC

The Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26.1 et seq.

## VERY-LOW-INCOME HOUSEHOLD

A household with a total gross annual household income equal to 30% or less of the median household income.

#### VERY-LOW-INCOME UNIT

A restricted unit that is affordable to a very low-income household.

#### WEATHERIZATION

Building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for rehabilitation.

#### C. Monitoring and Reporting Requirements

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

1. Beginning on November 2, 2023, and on every anniversary of that date through November 2, 2025, the Township agrees to provide annual reporting of its Affordable Housing Trust Fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, Superior Court of New Jersey, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center (FSHC) and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs (NJDCA), Council on Affordable Housing (COAH), or Local Government Services (NJLGS). The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.
2. Beginning on November 2, 2023, and on every anniversary of that date through February 1, 2025, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC and the Superior Court of New Jersey (or other entity designated by the State of New Jersey) using forms previously developed for this purpose by COAH or any other forms endorsed by the Special Master and FSHC.
3. By July 1, 2023, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to FSHC and the Superior Court of New Jersey (or other entity designated by the State of New Jersey), a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the Court regarding these issues.
4. By December 2, 2025, and every third year thereafter, as required by N.J.S.A. 52:27D-329.1, the Township will post on its municipal website, with a copy provided to FSHC and the Superior

Court of New Jersey (or other entity designated by the State of New Jersey), a status report as to its satisfaction of its very low-income requirements, including its family very low-income requirements. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very low-income and family very low-income housing obligations.

D. Applicability

(1) The provisions of this Ordinance shall apply:

(a) To all affordable housing developments and affordable housing units that currently exist;

(b) To all affordable housing development and affordable housing units that are proposed to be created within the Township of Franklin pursuant to the Township's most recently adopted Housing Element and Fair Share Plan

(c) To all unanticipated future developments that will provide affordable housing for low- and moderate-income households; and

(d) To any property in the Township that is currently zoned for nonresidential uses and that is subsequently rezoned for multifamily residential purposes, and to all approvals for multifamily residential development granted by the Township Planning Board or Zoning Board of Adjustment, including approvals of use or density variances, site plans, or subdivisions, and redevelopment projects subject to a redevelopment plan adopted by the Township governing body governing the development and redevelopment of designated areas in need of rehabilitation or areas in need of redevelopment in the township, including substantial revisions to previously approved developments, where such rezoning, approval or revision results in or increases the number of residential units by five (5) or more units.

E. Alternative Living Arrangements.

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

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

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

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

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

F. Affordable housing programs. The Township of Franklin has determined that it will use the following mechanisms to satisfy its affordable housing obligations:

(1) Rehabilitation program.

- (a) The Township of Franklin rehabilitation program shall be designed to renovate deficient housing units occupied by very-low, 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.
  - (b) Both owner-occupied and renter-occupied units shall be eligible for rehabilitation funds. The Township shall participate in Gloucester County's housing rehabilitation program.
  - (c) All rehabilitated units shall remain affordable to very-low, low- and moderate-income households for a period of 10 years (the control period). For owner-occupied units the control period will be enforced with a lien and for renter-occupied units the control period will be enforced with a deed restriction.
  - (d) The Township of Franklin shall dedicate an average of \$10,000 for each unit to be rehabilitated through this program, reflecting the minimum hard cost of rehabilitation for each unit.
  - (e) The Township of Franklin shall designate, subject to the approval of the Superior Court of New Jersey, one or more administrative agents to administer the rehabilitation program in accordance with N.J.A.C. 5:96 and 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 the Superior Court of New Jersey. Both rehabilitation manuals shall be available for public inspection in the office of the Municipal Clerk and in the office(s) of the administrative agent(s).
  - (f) Units in a rehabilitation program shall be exempt from N.J.A.C. 5:97-9 and Uniform Housing Affordability Controls (UHAC), but shall be administered in accordance with the following:
    - [1] If a unit is vacant, upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the deed restriction shall require the unit to be rented to a low- or moderate-income household at an affordable rent and affirmatively marketed pursuant to N.J.A.C. 5:97-9 and UHAC.
    - [2] If a unit is renter-occupied, upon completion of the rehabilitation, the maximum rate of rent shall be the lesser of the current rent or the maximum permitted rent pursuant to N.J.A.C. 5:97-9 and UHAC.
    - [3] Rents in rehabilitated units may increase annually based on the standards in N.J.A.C. 5:97-9.
    - [4] 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.
- (2) Mandatory Set-Aside. A twenty percent (20%) mandatory affordable housing set-aside requirement shall apply to any residential development, including the residential portion of a mixed-use project, which consists of five (5) or more new residential units at a density of six (6) units per acre or higher, or equivalent, which results, in whole or in part, from (i) a municipal rezoning or zoning amendment adopted after the effective date of this ordinance; (ii) any variance pursuant to N.J.S.A. 40:55D-70(d), including but not limited to any use variance or a density

variance increasing the permissible density; and (iii) the adoption of a new or amended redevelopment plan or rehabilitation plan.

(3) Inclusionary zoning.

- (a) Phasing Schedule. In inclusionary developments the following schedule for the issuance of certificates of occupancy for the required affordable housing units relative to the issuance of certificates of occupancy for the permitted market units shall be followed:

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

(b) Design.

[1] In inclusionary developments, very-low-, low- and moderate-income units shall be integrated with the market units, and the affordable units shall not be concentrated in separate building(s) or in separate area(s) from the market-rate units. In buildings with multiple dwelling units, this shall mean that the affordable units shall be generally distributed within each building with market rate units.

[2] The affordable units shall also be of the same type as the market-rate units (e.g., if the market-rate units are non-age-restricted family units, the affordable units shall also be non-age-restricted family units).

[3] The residents of the affordable units shall have full and equal access to all of the amenities, common areas, and recreation areas and facilities as the residents of market-rate units.

(c) Utilities.

[1] Affordable units shall utilize the same type of heating source as market units within the affordable development.

[2] Tenant-paid utilities included in the utility allowance shall be set forth in the lease and shall be consistent with the utility allowance approved by HUD for the Section 8 program.

(3) Payments in lieu.

- (a) The standards for the collection of payments in lieu of constructing affordable units shall be in accordance with COAH's rules at N.J.A.C. 5:97-6.4.

- (b) Payments in lieu of constructing affordable units shall only be permitted to satisfy affordable housing requirements of this Chapter if:

[1] The Township wishes to use payments in lieu to address a fractional affordable housing unit; and

[2] No payment in lieu of construction shall be acceptable unless said payment is directed towards an approved municipally sponsored 100% affordable project, and the developer at the time of application can demonstrate that the payment in lieu will create an equivalent number of affordable units of the same type and meeting the same bedroom distribution and very-low income / low income / moderate income split that would be required on site, which units are otherwise consistent with the terms of the settlement agreement; and the units can be constructed on a schedule consistent with what would be required by N.J.A.C. 5:93-5.6(d) for on-site units.

(c) The amount of the payments in lieu shall be either the actual off-site project construction costs, less the anticipated proceeds from the sale of the off-site unit or the capitalization of rental income, presented to and approved by the Board or Township, or shall be set by order of the court having jurisdiction over the affordable housing obligations of the Township. Where no actual off-site unit or where no such actual off-site project construction costs have been presented to the Board and no court order exists, the presumptive payment in lieu shall be \$200,000.00 per unit.

(d) The affordable housing requirement for any payment in lieu shall not be rounded.

D. New construction. The Township shall require that an appropriate percentage of residential units be set aside for very-low-, low-, and moderate-income households. This requirement does not create any entitlement for a property owner or applicant for a zoning amendment, variance, or adoption of a redevelopment plan or amended redevelopment plan in areas in need of redevelopment or rehabilitation, or for approval of any particular proposed project. This requirement does not apply to any sites or specific zones otherwise identified in the Fair Share Plan, for which density and set-aside standards shall be governed by the specific standards set forth therein, though all other provisions of this section shall be applicable to those sites unless otherwise specified. All subdivision and site plan approvals of qualifying residential developments shall be conditioned upon compliance with the provisions of this section. No subdivision shall be permitted or approved for the purpose of avoiding compliance with any affordable housing requirements. The approving authority may impose any reasonable conditions to ensure such compliance.

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

(1) In the event the number of affordable housing units required to be provided includes a fraction, the number shall be rounded up if the fractional amount is 0.5 or greater and rounded down if the fraction is less than 0.5. The developer shall provide a payment in lieu of constructing affordable units for the fraction of a unit less than 0.5.

(2) Low/moderate split and bedroom distribution of affordable housing units:

(a) The fair share obligation shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low-income unit.

- (b) In each affordable development, at least 50% of the restricted units within each bedroom distribution shall be low-income units. Thirteen percent of all affordable units shall be very-low-income units. The very-low income units shall count as a portion of the share of low income units.
- (c) Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:
  - [1] The combined number of efficiency and one-bedroom units shall be no greater than 20% of the total affordable units;
  - [2] At least 30% of all affordable units shall be two-bedroom units;
  - [3] At least 20% of all affordable units shall be three-bedroom units; and
  - [4] The remaining units may be allocated among two- and three-bedroom units at the discretion of the developer.

(3) Accessibility requirements.

- (a) The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free Sub-code, N.J.A.C. 5:23-7 and 5:97-3.14.
- (b) All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one other dwelling unit shall have the following features:
  - [1] An adaptable toilet and bathing facility on the first floor;
  - [2] An adaptable kitchen on the first floor;
  - [3] An interior accessible route of travel on the first floor;
  - [4] An interior accessible route of travel shall not be required between stories within an individual unit;
  - [5] 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
  - [6] An accessible entranceway as set forth at P.L. 2005, c. 350 (N.J.S.A. 52:27D-311 a et seq.) and the Barrier Free Sub-code, N.J.A.C. 5:23-7 and 5:97-3.14, or evidence that the Township of Franklin has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:
    - [a] Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.
    - [b] To this end, the builder of restricted units shall deposit funds within the Township of Franklin Affordable Housing Trust Fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.

- [c] The funds deposited under Subsection D(2)(b)[6][b] above shall be used by the Township of Franklin for the sole purpose of making the adaptable entrance of any affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.
- [d] The developer of the restricted units shall submit a design plan and cost estimate for the conversion from adaptable to accessible entrances to the Construction Official of the Township of Franklin.
- [e] Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meets the requirements of the Barrier Free Sub-code, N.J.A.C. 5:23-7 and 5:97-3.14, and that the cost estimate of such conversion is reasonable, payment shall be made to the Township of Franklin Affordable Housing Trust Fund in care of the Municipal Treasurer who shall ensure that the funds are deposited into the Affordable Housing Trust Fund and appropriately earmarked.
- [f] Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is site impracticable to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free Subcode, N.J.A.C. 5:23-7 and 5:97-3.14.

(4) Maximum rents and sales prices.

- (a) In establishing rents and sales prices of affordable housing units, the administrative agent shall follow the procedures set forth in UHAC-and utilizing the regional income limits established by the most recently published regional weighted average of the uncapped Section 8 income limits published by HUD and by the Superior Court.
- (b) The maximum rent for restricted-rental units within each affordable development shall be affordable to households earning no more than 60% of median income, and the average rent for restricted very-low, low- and moderate-income units shall be affordable to households earning no more than 52% of median income.
- (c) The developers and/or municipal sponsors of restricted-rental units shall establish at least one rent for each bedroom type for both very-low, low-income and moderate-income units.
  - [1] At least 13% of all low- and moderate-income rental units shall be affordable to households earning no more than 30% of median income.
- (d) The maximum sales price of restricted-ownership units within each affordable development shall be affordable to households earning no more than 70% of median income, and each affordable development must achieve an affordability average of 55% for restricted-ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different prices for each bedroom type, and low-income-ownership units must be available for at least two different prices for each bedroom type.
- (e) In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units other than assisted living facilities, the following standards shall be used:
  - [1] A studio shall be affordable to a one-person household;

- [2] A one-bedroom unit shall be affordable to a one-and-one-half-person household;
  - [3] A two-bedroom unit shall be affordable to a three-person household;
  - [4] A three-bedroom unit shall be affordable to a four-and-one-half-person household; and
  - [5] A four-bedroom unit shall be affordable to a six-person household.
- (f) In determining the initial rents for compliance with the affordability average requirements for restricted units in assisted living facilities, the following standards shall be used:
- [1] A studio shall be affordable to a one-person household;
  - [2] A one-bedroom unit shall be affordable to a one-and-one-half-person household; and
  - [3] A two-bedroom unit shall be affordable to a two-person household or to two one-person households.
- (g) The initial purchase price for all restricted-ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95% of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28% of the eligible monthly income of the appropriate size household as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- (h) The initial rent for a restricted-rental unit shall be calculated so as not to exceed 30% of the eligible monthly income of the appropriate household size as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- (i) The price of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.
- (j) The 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 9% 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.
- (k) 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 HUD for its Section 8 program.
- E. The following general guidelines apply to all developments that contain very-low, low- and moderate-income housing units, including any currently unanticipated future developments that will provide low- and moderate-income housing units:
- (1) Affirmative marketing requirements.

- (a) The Township of Franklin shall adopt by resolution an affirmative marketing plan, subject to approval of the New Jersey Superior Court, compliant with N.J.A.C. 5:80-26.15, as may be amended and supplemented.
  - (b) The affirmative marketing plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children, to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The affirmative marketing plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward ~~COAH~~ Housing Region 1 and covers the period of deed restriction.
  - (c) The affirmative marketing plan shall provide a regional preference for all households that live and/or work in Housing Region 5 comprised of Burlington, Camden, and Gloucester Counties.
  - (d) A qualified administrative agent designated by the Township of Franklin, or as appointed by the developer, sponsor, or owner of affordable housing, shall assure the affirmative marketing of all affordable units is consistent with the affirmative marketing plan for the Township.
  - (e) In implementing the affirmative marketing plan, the administrative agent shall provide a list of counseling services to very-low, low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
  - (f) The affirmative marketing process for available affordable units shall begin at least four months prior to the expected date of occupancy.
  - (g) The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by the Township of Franklin.
  - (h) The affirmative marketing plan shall specifically notify the following community and regional organizations in advertisement for affordable housing:
    - a. Fair Share Housing Center, Cherry Hill.
    - b. NJ State Conference of the NAACP, Trenton.
    - c. Latino Action Network, Freehold.
    - d. Supportive Housing Association, Cranford,
    - e. Central Hersey Housing Resource Center, Raritan,
    - f. Chapters of the NAACP operating within Burlington, Camden and Gloucester Counties
    - g. New Jersey Housing Resource Center
- (2) Occupancy standards.
- (a) In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the administrative agent shall strive to:

- [1] Provide an occupant for each bedroom;
  - [2] Provide children of different sex with separate bedrooms; and
  - [3] Prevent more than two persons from occupying a single bedroom.
- (b) Additional provisions related to occupancy standards (if any) shall be provided in the municipal operating manual.
- (3) Control periods for restricted-ownership units and enforcement mechanisms.
- (a) Control periods for restricted-ownership units shall be in accordance with N.J.A.C. 5:80-26.5, as may be amended and supplemented, and each restricted-ownership unit shall remain subject to the requirements of this section until the Township of Franklin elects to release the unit from such requirements, however, and prior to such an election, a restricted-ownership unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented, for at least 30 years.
  - (b) The affordability control period for a restricted-ownership unit shall commence on the date the initial certified household takes title to the unit.
  - (c) Prior to the issuance of the initial certificate of occupancy for a restricted-ownership unit and upon each successive sale during the period of restricted ownership, the administrative agent shall determine the restricted price for the unit and shall also determine the non-restricted, fair-market value of the unit based on either an appraisal or the unit's equalized assessed value.
  - (d) At the time of the first sale of the unit, the purchaser shall execute and deliver to the administrative agent a recapture note obligating the purchaser (as well as the purchaser's heirs, successors and assigns) to repay, upon the first nonexempt sale after the unit's release from the requirements of this section, an amount equal to the difference between the unit's non-restricted fair-market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.
  - (e) The affordability controls set forth in this section shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted-ownership units.
  - (f) A restricted-ownership unit shall be required to obtain a continuing certificate of occupancy or a certified statement from the Construction Official stating that the unit meets all code standards upon the first transfer of title that follows the expiration of the applicable minimum control period provided under N.J.A.C. 5:80-26.5(a), as may be amended and supplemented.
- (4) Price restrictions for restricted-ownership units, homeowner association fees and resale prices. Price restrictions for restricted-ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, including:
- (a) The initial purchase price for a restricted-ownership unit shall be approved by the administrative agent.
  - (b) The administrative agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.

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

(5) Buyer income eligibility.

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

(6) Limitations on indebtedness secured by ownership unit; subordination.

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

(7) Control periods for restricted-rental units.

- (a) Control periods for restricted-rental units shall be in accordance with N.J.A.C. 5:80-26.11, as may be amended and supplemented, and each restricted-rental unit shall remain subject to the requirements of this section until the Township of Franklin elects to release the unit from such requirements pursuant to action taken in compliance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, and prior to such an election, a restricted-rental unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented, for at least 30 years.
- (b) Deeds of all real property that include restricted-rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Gloucester. A copy of the filed document shall be provided to the administrative agent within 30 days of the receipt of a certificate of occupancy.
- (c) A restricted-rental unit shall remain subject to the affordability controls of this section, 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.

(8) Price restrictions for rental units; leases.

- (a) A written lease shall be required for all restricted-rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted-rental unit shall be provided to the administrative agent.
- (b) No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the administrative agent.
- (c) Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit and shall be payable to the administrative agent to be applied to the costs of administering the controls applicable to the unit as set forth in this section.

(9) 100% Affordable Projects.

All 100% affordable projects, including projects funded through Low Income Housing Tax Credits, shall comply with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, et. seq., except as modified by the terms of the settlement agreement executed between the Borough of Washington and Fair Share Housing Center (FSHC), as such settlement agreement may be further amended and supplemented. All such projects shall be required to have an initial thirty (30) year affordability control period plus a fifteen (15) year extended use period.

(10) Tenant income eligibility.

- (a) Tenant income eligibility shall be in accordance with N.J.A.C. 5:80-26.13, as may be amended and supplemented, and shall be determined as follows:
  - [1] Very-low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of median income.
  - [2] Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of median income.
  - [3] Moderate-income rental units shall be reserved for households with a gross household income less than 80% of median income.
- (b) The administrative agent shall certify a household as eligible for a restricted-rental unit when the household is a very-low-income, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35% (40% for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.16, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
  - [1] The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
  - [2] The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
  - [3] The household is currently in substandard or overcrowded living conditions;
  - [4] The household documents the existence of assets with which the household proposes to supplement the rent payments; or
  - [5] The household documents proposed third-party assistance from an outside source such as a family member in a form acceptable to the administrative agent and the owner of the unit.
- (c) The applicant shall file documentation sufficient to establish the existence of the circumstances in Subsection E(9)(b)[1] through [5] above with the administrative agent, who shall counsel the household on budgeting.

#### F. Administration.

- (1) Municipal Housing Liaison. The position of Municipal Housing Liaison (MHL) for the Township of Franklin is established by this section. The Township Committee shall make the actual appointment of the MHL by means of a resolution.
  - (a) The MHL must be either a full-time or part-time employee of Township of Franklin.
  - (b) The person appointed as the MHL must be reported to the New Jersey Superior Court for approval.
  - (c) The MHL must meet all applicable requirements for qualifications, including initial and periodic training.

- (d) The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for the Township of Franklin, including the following responsibilities which may not be contracted out to the administrative agent:
- [1] Serving as the municipality's primary point of contact for all inquiries from the state, affordable housing providers, administrative agents and interested households;
  - [2] The implementation of the affirmative marketing plan and affordability controls;
  - [3] When applicable, supervising any contracting administrative agent;
  - [4] Monitoring the status of all restricted units in the Township of Franklin Fair Share Plan;
  - [5] Compiling, verifying and submitting annual reports as required by the New Jersey Superior Court;
  - [6] Coordinating meetings with affordable housing providers and administrative agents, as applicable; and
  - [7] Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing as offered or approved by the New Jersey Superior Court.

(2) Administrative Agent. The Township of Franklin shall designate by resolution of the Township Committee, subject to the approval of the New Jersey Superior Court, one or more administrative agents to administer newly constructed affordable units in accordance with N.J.A.C. 5:96, 5:97 and UHAC.

(a) An Administrative Agent may either be an independent entity serving under contract to and reporting to the municipality, or the municipality itself, through a designated municipal employee, department, board, agency or committee, pursuant to N.J.A.C. 5:80-26.14(c). ***The fees of the Administrative Agent shall be paid by the owners of the affordable units for which the services of the Administrative Agent are required.*** The Administrative Agent shall be qualified through a training program sponsored by the Affordable Housing Professionals of New Jersey before assuming the duties. The administrative agent shall perform the duties and responsibilities of an administrative agent as are set forth in UHAC and which are described in full detail in the operating manual, including those set forth in N.J.A.C. 5:80-26.14, 5:80-26.16 and 5:80-26.18 thereof, which includes:

- [1] Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the New Jersey Superior Court;
- [2] Affirmative marketing;
- [3] Household certification;
- [4] Affordability controls;
- [5] Records retention;
- [6] Resale and re-rental;

[7] Processing requests from unit owners; and

[8] Enforcement, though the ultimate responsibility for retaining controls on the units rests with the municipality.

[9] The administrative agent shall have authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.

(3) Operating Manuals. An operating manual shall be provided by the administrative agent(s) to be adopted by resolution of the governing body and subject to approval of the New Jersey Superior Court. The operating manuals shall be available for public inspection in the office of the Municipal Clerk and in the office(s) of the administrative agent(s).

(4)

G. Enforcement of affordable housing regulations.

(1) 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.

(2) After providing written notice of a violation to an owner, developer or tenant of a low- or moderate-income unit and advising the owner, developer or tenant of the penalties for such violations, the municipality may take the following action against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:

(a) The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation, or violations, of the regulations governing the affordable housing unit. If the owner, developer or tenant is 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:

[1] A fine of not more than \$1,000 or imprisonment for a period not to exceed 90 days, or both. Each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not as a continuing offense;

[2] In the case of an owner who has rented his or her very-low, low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Township of Franklin Affordable Housing Trust Fund of the gross amount of rent illegally collected;

[3] In the case of an owner who has rented his or her very-low, low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the court.

(b) The municipality may file a court action in the Superior Court seeking a judgment, 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.

- (3) Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the very-low, 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.
- (4) 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.
- (5) 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.
- (6) 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.
- (7) Failure of the very-low, 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 very-low, low- and moderate-income unit as permitted by the regulations governing affordable housing units.

- (8) 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.

H. Affirmative marketing plan. The affirmative marketing plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of sex, age or number of children, to housing units which are being marketed by a developer/sponsor, municipality and/or designated administrative agency of affordable housing. The plan will address the requirements of N.J.A.C. 5:96 et seq. In addition, the plan prohibits discrimination in the sale, rental, financing or other services related to housing on the basis of race, color, sex, religion, handicap, age, familial status/size or national origin. The Township of Franklin is in the housing region consisting of Burlington, Camden, and Gloucester Counties. The affirmative marketing program is a continuing program and will meet the following requirements:

- (1) All newspaper articles, announcements and requests for applications for low- and moderate-income units will appear in the Courier Post and the Gloucester County Times.
- (2) The primary marketing will take the form of at least one press release each sent to the above publications and a paid display advertisement in the above publications. Additional advertising and publicity will be on an as-needed basis. The advertisement will include the:
  - (a) Street address;
  - (b) Direction to housing units;
  - (c) Number of bedrooms per unit;
  - (d) Range of selling prices/rents;
  - (e) Size of units;
  - (f) Household income limits; and
  - (g) Location of applications including business hours and where/how applications may be obtained.
- (3) All newspaper articles, announcements and requests for applications for low- and moderate-income housing will appear in the Courier Post and The Gloucester County Times, and may appear on the local cable television station.
- (4) The following is the location of applications, brochure(s), sign(s), and/or poster(s) used as part of the affirmative marketing program including specific employment centers within the region:
  - (a) Municipal building.
  - (b) Municipal library.
  - (c) Developer's sales/rental office on site.
  - (d) Senior center.

(e) Libraries in Burlington, Camden, and Gloucester Counties.

- (5) The following is a list of community organization(s) that will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region: County Offices in Burlington, Camden, and Gloucester Counties, Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Gloucester County NAACP, Salem County NAACP, Senior Citizens United Community Services, and Supportive Housing Association.
- (6) The following is a description of the random selection method that will be used to select occupants of low- and moderate-income housing: There will be a period in which to complete and submit applications. The names of households that have completed applications in that time frame and who are income eligible will be randomly selected to see the apartments. Each landlord will select the renter for his/her unit from the eligible list of applicants provided by the housing administrator.
- (7) Franklin Township is ultimately responsible for administering the affirmative marketing program. Franklin Township has delegated this responsibility to an affordable housing consultant to be appointed on an annual basis which will income qualify low- and moderate-income households; place income-eligible households in very-low, low- and moderate-income units upon initial occupancy; provide for the initial occupancy of very-low, low- and moderate-income units with income-qualified households; continue to qualify households for re-occupancy of units as they become vacant during the period of affordability controls; assist with advertising and outreach to low- and moderate-income households if in contract; and enforce the terms of the deed restriction and mortgage loan as per the Uniform Housing Affordability Controls (UHAC).
- (8) The Affordable Housing Administrator will act as liaison to the affordable housing consultant. The affordable housing consultant will provide counseling services to very-low, low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, responsibilities of home ownership, rental lease requirements and landlord/tenant law. Applications will be mailed to prospective applicants upon request. Additionally, applications will be sent to the chief administrative employees of each of the following agencies in the counties of Burlington, Camden, and Gloucester:
  - (a) County Department of Human and Social Services.
  - (b) County Department of Community Development.
- (9) Households who live or work in the housing region may be given preference for rental units constructed within that housing region. Applicants living outside the housing region will have an equal opportunity for units after regional applicants have been initially serviced. Franklin Township intends to comply with UHAC.
- (10) Developers of low- and moderate-income housing units may assist in the marketing of the affordable units in their respective developments if so designated by Franklin Township.
- (11) The marketing program will commence at least 60 days before the issuance of either temporary or permanent certificates of occupancy. The marketing program will continue until all low- and moderate-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.

I. Enforcement of affordable housing regulations.

- (1) By accepting state funds for affordable housing purposes, or by submitting to the jurisdiction of the Superior Court of New Jersey, a municipality shall be deemed to have delegated to its administrative agent the day-to-day responsibility for implementing practices and procedures designed to ensure effective compliance with the controls set forth in this section. The municipality, however, shall retain the ultimate responsibility for ensuring effective compliance with this section.
- (2) Administrative agent practices and procedures shall include, but shall not necessarily be limited to, the following:
  - (a) Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the administrative agent.
  - (b) Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates.
  - (c) The posting annually in all rental properties, including two-family homes, of a notice as to the maximum permitted rent together with the telephone number of the administrative agent where complaints of excess rent can be made.
- (3) If the unit is owner-occupied, the unit may be resold only to a household that has been approved in advance and in writing by the administrative agent.
- (4) No sale of the unit shall be lawful, unless approved in advance and in writing by the administrative agent, and no sale shall be for a consideration greater than regulated maximum permitted resale price, as determined by the administrative agent.
- (5) No refinancing, equity loan, secured letter of credit, or any other mortgage obligation or other debt secured by the unit may be incurred except as approved in advance and in writing by the administrative agent, and at no time will the administrative agent approve any debt, if incurring the debt would make the total of all such debt exceed 95% of the then applicable maximum permitted resale price.
- (6) The owner of the unit shall at all times maintain the unit as his or her principal place of residence, which shall be defined as residing at the unit at least 260 days out of each calendar year.
- (7) Except as set forth in N.J.A.C. 5:80-26.18(c)4vii, at no time shall the owner of the unit lease or rent the unit to any person or persons, except on a short-term hardship basis, as approved in advance and in writing by the administrative agent.
- (8) The maximum permitted rent chargeable to affordable tenants is as stated in the notice required to be posted in accordance with N.J.A.C. 5:80-26.18(d)3 of this section, a copy of which shall be enclosed, and copies of all leases for affordable rental units must be submitted annually to the administrative agent.

(9) Banks and other lending institutions are prohibited from issuing any loan secured by owner-occupied real property subject to the affordability controls set forth in this section, if such loan would be in excess of amounts permitted by the restriction documents recorded in the deed or mortgage book in the county in which the property is located.

J. Appeals. Appeals from all decisions of an administrative agent designated pursuant to this section shall be filed in writing with the New Jersey Housing and Mortgage Finance Agency (NJHMFA). HMFA shall have 15 days to render a written decision of an appeal, which shall be considered to be final.

**SECTION 2.** This Ordinance shall be in full force and effect from and after its adoption and any publication as required by law.

**SECTION 3.** All Ordinances or parts of Ordinances inconsistent herewith are repealed as to such inconsistencies.

**SECTION 4.** This Ordinance shall be referred to the Township Planning Board for review pursuant to N.J.S.A. 40A:55D-26A.

**SECTION 5.** Upon adoption of this Ordinance after public hearing thereon, the Township Clerk is further directed to publish notice of the passage thereof and to file a copy of this Ordinance with the County Planning Board, the Pinelands Commission and other agencies as required by law.

**SECTION 6.** If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

**SECTION 7.** This Ordinance shall take effect upon final passage and publication according to law.

Attest:

Township of Franklin

\_\_\_\_\_  
Barbara Freijomil, Clerk

\_\_\_\_\_  
John Bruno, Mayor

#### CERTIFICATION

I, Barbara Freijomil, Clerk of the Township of Franklin, County of Gloucester, do here certify that the foregoing Ordinance was introduced at the Regular Meeting of the Township of Franklin held on DATE, 2023 and thereafter duly advertised in the legal newspaper of the Township at least seven (7) days prior to it being considered for final passage and adoption at a subsequent meeting to be held on DATE, 2023 at which time any person interested therein will be given an opportunity to be heard.

\_\_\_\_\_  
Barbara Freijomil, Municipal Clerk

Introduced DATE

Name	Yes	No	Abstain	Absent

Adopted DATE

Name	Yes	No	Abstain	Absent

APPENDIX J

Development Fee Ordinance

**TOWNSHIP OF FRANKLIN  
GLOUCESTER COUNTY, NEW JERSEY**

**ORDINANCE # \_\_ - 23**

**AN ORDINANCE REPLACING CHAPTER 138, AFFORDABLE HOUSING,  
ARTICLE I, DEVELOPMENT FEES, OF THE CODE OF THE TOWNSHIP OF  
FRANKLIN**

**WHEREAS** the Township of Franklin (hereinafter 'the Township') filed a complaint for declaratory and injunctive relief seeking a judgment of compliance and repose on July 2, 2015 under Docket number GLO-L-901-15 (hereinafter the litigation'); and

**WHEREAS**, the Township agreed to settle the said Litigation with all parties through a negotiated Settlement Agreement (hereinafter the 'Agreement') on May 26, 2022; and

**WHEREAS**, as part of the Agreement, the Township agreed to update and implement Chapter 138, Article I of the Township Code entitled Development Fees; and

**WHEREAS**, the Township of Franklin Planning Board has reviewed the proposed amendment to Chapter 138 of the Township Code and has determined that the proposed amendment is consistent with the Master Plan, and the previously adopted Amended Housing Plan Element and Fair Share Plan; and

**WHEREAS**, having considered the proposed amendment to, the Township Committee concurs that the proposed amendment to Chapter 138, Article I of the Township Code, does conform to the agreed upon terms of the Agreement, the Master Plan, and the previously adopted Amended Housing Element and Fair Share Plan and will provide realistic opportunity for the construction of affordable housing units in the Township.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Committee of the Township of Franklin, in the County of Gloucester and State of New Jersey, that:

**SECTION 1.** Chapter 138, Affordable Housing, Article I, entitled Development Fees, of the Code of the Township of Franklin, be and is hereby amended and replaced with the new text of the ordinance to read as follows:

§ 138 Affordable Housing  
Article I Development Fees.

138-1. Purpose.

- (A) In *Holmdel Builder's Association v. Holmdel Township*, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), N.J.S.A. 52:27d-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's (COAH's) adoption of rules.
- (B) Pursuant to P.L. 2008, c. 46 section 8 (N.J.S.A. 52:27D-329.2), and the Statewide Nonresidential Development Fee Act (N.J.S.A. 40:55D-8.1 through 40:55D-8.7),[1] COAH is authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding

spending plans. Municipalities that are under the jurisdiction of the Council or court of competent jurisdiction and have a COAH-approved spending plan may retain fees collected from nonresidential development.

- (C) In Re: Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015), also known as the Mount Laurel IV decision, the Supreme Court remanded COAH's duties to the Superior Court. As a result, affordable housing development fee collections and expenditures from the municipal affordable housing trust funds to implement municipal Third Round Fair Share Plans through July 1, 2025 are under the Court's jurisdiction and are subject to approval by the Court.
- (D) This section establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH's regulations and in accordance P.L. 2008, c. 46, §§ 8 and 32 through 38. Fees collected pursuant to this section shall be used for the sole purpose of providing low- and moderate-income housing. This section shall be interpreted within the framework of COAH's rules on development fees, codified at N.J.A.C. 5:97-8, and subject to approval by the Court.

#### 138-2. Basic requirements.

- (A) This section shall not be effective until approved by COAH or the Court pursuant to N.J.A.C. 5:96-5.1.
- (B) The Township of Franklin shall not spend development fees until COAH or the Court has approved a plan for spending such fees in conformance with N.J.A.C. 5:97-8.10 and 5:96-5.3.

#### 138-3. Definitions. The following terms, as used in this section, shall have the following meanings:

##### AFFORDABLE HOUSING DEVELOPMENT

A development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a one-hundred-percent affordable development.

##### COAH or THE COUNCIL

The New Jersey Council on Affordable Housing established under the Act which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the state.

##### DEVELOPER

The legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

##### DEVELOPMENT FEE

Money paid by a developer for the improvement of property as permitted in N.J.A.C. 5:97-8.3, and N.J.A.C. 5:93-8.1.

##### EQUALIZED ASSESSED VALUE

The assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with §§ 1, 5, and 6 of P.L. 1973, c. 123 (N.J.S.A. 54:1-35a through c).

#### GREEN BUILDING STRATEGIES

Those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

#### 138-4. Residential development fees.

##### (A) Imposed fees.

- (1) Within all zoning districts, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5% of the equalized assessed value for residential development provided no increased density is permitted.
- (2) When an increase in residential density pursuant to N.J.S.A. 40:55D-70d(5) (known as a "d" variance) has been permitted, developers shall be required to pay a development fee of 6% of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.
- (3) Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees ~~could~~ shall equal 1% of the equalized assessed value on the first two units; and the ~~specified higher percentage up to~~ fees shall equal 6% of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

##### (B) Eligible exactions, ineligible exactions and exemptions for residential development.

- (1) Affordable housing developments and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.
- (2) Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.
- (3) Development fees shall be imposed and collected when an existing structure is demolished and replaced, except in the case of destruction by fire or natural disaster.
- (4) Developers of inclusionary developments shall be exempt from paying a development fee.

##### (C) Collection procedures for residential development.

- (1) Residential developers shall pay 100% of the calculated development fee amount prior to the issuance of a final certificate of occupancy.

(2) The fee percentage shall be based on the percentage that applies on the date building permits are issued.

(D) Appeal of residential development fees. A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by the Township of Franklin. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, N.J.S.A. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

#### 138-5. Nonresidential development fees.

##### (A) Imposed fees

(1) Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2.5% percent of the equalized assessed value of the land and improvements, for all new nonresidential construction on an unimproved lot or lots.

(2) Nonresidential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing structures to be used for nonresidential purposes.

(3) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the preexisting land and improvement and the equalized assessed value of the newly improved structure, i.e., land and improvement, at the time final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the nonresidential development fee shall be zero.

##### (B) Eligible exactions, ineligible exactions and exemptions for nonresidential development.

(1) The nonresidential portion of a mixed-use inclusionary or market-rate development shall be subject to the two-and-a-half-percent development fee, unless otherwise exempted below.

(2) The two-and-a-half-percent fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.

(3) Nonresidential developments shall be exempt from the payment of nonresidential development fees in accordance with the exemptions required pursuant to P.L. 2008, c. 46, as specified in the Form N-RDF State of New Jersey Nonresidential Development Certification/Exemption Form. Any exemption claimed by a developer shall be substantiated by that developer.

(4) A developer of a nonresidential development exempted from the nonresidential development fee pursuant to P.L. 2008, c. 46, shall be subject to it at such time the basis for the exemption no longer applies, and shall make the payment of the nonresidential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the nonresidential development, whichever is later.

- (5) If a property which was exempted from the collection of a nonresidential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid nonresidential development fees under these circumstances may be enforceable by the Township of Franklin as a lien against the real property of the owner.

(C) Collection procedures for nonresidential development.

- (1) The developer of a nonresidential development shall obtain a Form N-RDF, State of New Jersey Nonresidential Development Certification/Exemption, and complete as per the instructions provided. The construction official shall verify the information submitted by the nonresidential developer as per the instructions provided in the Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- (2) The construction official responsible for the issuance of a building permit shall notify the local tax assessor of the issuance of the first building permit for a development which is subject to a nonresidential development fee.
- (3) Within 90 days of receipt of that notice, the municipal tax assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the nonresidential development.
- (4) The construction official responsible for the issuance of a final certificate of occupancy notifies the local assessor of any and all requests for the scheduling of a final inspection on property which is subject to a nonresidential development fee.
- (5) Within 10 business days of a request for the scheduling of a final inspection, the municipal assessor shall confirm or modify the previously estimated equalized assessed value of the improvements of the nonresidential development; calculate the nonresidential development fee; and thereafter notify the developer of the amount of the fee.
- (6) Should the Township of Franklin fail to determine or notify the developer of the amount of the nonresidential development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in subsection b of § 37 of P.L. 2008, c. 46 (N.J.S.A. 40:55D-8.6).
- (7) The developer shall pay 100% of the calculated development fee amount prior to the municipal issuance of a final certificate of occupancy for the subject property.

- (D) Appeal of nonresidential development fees. A developer may challenge nonresidential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest-bearing escrow account by the Township of Franklin. Appeals from a determination of the Director may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, N.J.S.A. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

138-6. Affordable Housing Trust Fund.

- (A) There is hereby created a separate, interest-bearing housing trust fund to be maintained by the Chief Financial Officer of the Township for the purpose of depositing development fees collected

from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.

- (B) The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
- (1) Payments in lieu of on-site construction of affordable units;
  - (2) Developer-contributed funds to make 10% of the adaptable entrances in a townhouse or other multistory attached development accessible;
  - (3) Rental income from municipally operated units;
  - (4) Repayments from affordable housing program loans;
  - (5) Recapture funds;
  - (6) Proceeds from the sale of affordable units; and
  - (7) Any other funds collected in connection with the Township of Franklin's affordable housing program.
- (C) All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by the Court.

#### 138-7. Use of funds.

- (A) The expenditure of all funds shall conform to a spending plan approved by the Court. Funds deposited in the housing trust fund may be used for any activity approved by the Court to address the Township of Franklin's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to, preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing nonresidential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:97-8.7 through 5:97-8.9 and specified in the approved spending plan.
- (B) Funds shall not be expended to reimburse the Township of Franklin for past housing activities.
- (C) At least 30% of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30% or less of median income by region.
- (1) Affordability assistance programs may include down payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners' association or condominium fees and special assessments, and assistance with emergency repairs.

- (2) Affordability assistance to households earning 30% or less of median income may include buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income. The use of development fees in this manner shall entitle the Township of Franklin to bonus credits pursuant to N.J.A.C. 5:97-3.7.
- (3) Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- (D) The Township of Franklin may contract with a private or public entity to administer any part of its Housing Plan Element and Fair Share Plan, including the requirement for affordability assistance, in accordance with N.J.A.C. 5:96-18.
- (E) No more than 20% of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Plan Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with the Court's monitoring requirements. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the Affordable Housing Trust Fund.

#### 138-8. Monitoring.

On the first anniversary of the Court's approval of the Spending Plan, and on every anniversary of that date thereafter through July 1, 2025, the Township agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

#### 138-9. Ongoing collection of fees.

The ability for the Township of Franklin to impose, collect and expend development fees shall expire with its judgment of compliance unless the Township of Franklin has filed an adopted Housing Plan Element and Fair Share Plan with the Court, has petitioned for substantive certification, and has received the Court's approval of its development fee ordinance. If the Township of Franklin fails to renew its ability to impose and collect development fees prior to the expiration of judgment of compliance, it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the New Jersey Affordable Housing Trust Fund established pursuant to § 20 of P.L. 1985, c. 222 (N.J.S.A. 52:27D-320). The Township of Franklin shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its substantive certification or judgment of compliance, nor shall the Township of Franklin retroactively impose a development fee on such a development. The

Township of Franklin shall not expend development fees after the expiration of its substantive certification or judgment of compliance.

138-10. Reserved

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APPENDIX K

Affordable Housing Trust Fund Spending Plan

**Franklin Township, Gloucester County**  
**Affordable Housing Trust Fund Spending Plan**  
**March 1, 2023**

**INTRODUCTION**

The Township of Franklin, Gloucester County 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), the stipulations within the Township’s Settlement Agreement with Fair Share Housing Center, and in accordance N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:91-1 et seq.

A development fee ordinance creating a dedicated revenue source for affordable housing is in place and will continue to be applied after the adoption and endorsement of the Housing Plan Element and Fair Share Plan by the Planning Board and Committee.

The Township will prepare annual reporting on Affordable Housing Trust Fund activity. This Spending Plan provides an estimate of projected funding and proposals for expenditure of funds in support of the Housing Plan Element and Fair Share Plan, and provides guidance to ensure that funds are spent in accordance with the requirements of N.J.A.C. 5:97- 8.7 through 8.10. In accordance with N.J.S.A. 52:27D-329.2 and -329.3, all funds deposited into the Township’s Affordable Housing Trust Fund are to be spent within 4 years of their receipt.

**Summary of Revenues and Expenditures**

As of December 30, 2022, the Township’s Affordable Housing Trust Fund has a balance of \$105,468.29 held in Newfield Bank. This is inclusive of the following general accounting of deposits and expenditures since April of 2021, when the Township began collecting development fees into the Affordable Housing Trust Fund:

- Revenue – \$153,391.55
  - Fees – \$153,323.64
  - Interest – \$67.91
- Administrative Expenses \$47,923.26
  - Court Master Fees – \$33,073.73
  - Legal Fees – \$14,849.53
- Current Balance – \$105,468.29

## **1. REVENUES FOR CERTIFICATION PERIOD**

As of December 30, 2022, the Township has a balance of \$105,468.29 in their Affordable Housing Trust Fund, which is held in deposit at Newfield Bank. All development fees and interest generated by the fees have been deposited in this separate interest-bearing affordable housing trust fund in for the purposes of providing affordable housing in the Township. As of this time no funds have been collected from payments in lieu of construction or sales of affordable homes with extinguished controls. These funds and all future funds collected in this account shall be spent in accordance with applicable affordable housing regulations as described in the sections that follow.

To calculate a projection of revenue anticipated during the period of third round substantive certification, the 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 Board 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. This estimate was derived from NJDCA annual data on the issuance of building permits for residential construction, and the estimated value of non-residential new construction for 2017 through 2021, and comparison of these figures to actual development fees realized. Development fees were estimated from those calculations, and form the basis of the projections.

### **(b) Other funding sources:**

Funds from other sources, including, but not limited to, the sale of units with extinguished controls, repayment of affordable housing loans, rental income, and proceeds from the sale of affordable units.

Although other funding sources are a potential source of revenue, at this time the Township anticipates that all new monies in the Affordable Housing Trust Fund will come from development fees and interest.

### **(c) Projected interest:**

Interest revenue in the municipal affordable housing trust fund is projected at the current average interest rate. The Township has collected on average approximately \$50 annually in interest in the AHTF. We anticipate that the Township will continue to collect approximately \$50 annually from interest into the account going forward. Table 1 on the following page illustrates the anticipated revenues into the trust fund.

Table 1. Projected Revenues 2023 - 2025				
Starting Balance (12/30/22)	\$105,468.29			
SOURCE OF FUNDS	2023	2024	2025	Total
(a) Development Fees:	\$125,000.00	\$125,000.00	\$125,000.00	\$375,000.00
1. Approved Development	\$0.00	\$0.00	\$0.00	\$0.00
2. Development Pending Approval	\$0.00	\$0.00	\$0.00	-
3. Projected Development	\$125,000.00	\$125,000.00	\$125,000.00	\$375,000.00
(b) Payments in Lieu of Construction	\$0.00	\$0.00	\$0.00	\$0.00
(d) Interest on Total Account Balance	\$50.00	\$50.00	\$50.00	\$150.00
<b>Total</b>	<b>\$125,050.00</b>	<b>\$125,050.00</b>	<b>\$125,050.00</b>	<b>\$375,150.00</b>

The Township projects a total of **\$375,150.00** in revenue and interest to be collected between January 1, 2023 and December 31, 2025. This projected amount, when added to the Township's current trust fund balance of **\$105,468.29**, results in an anticipated total revenue of **\$480,618.29** available to fund and administer its Affordable Housing Plan through 2025. All interest earned on the account shall accrue to the account and be used only for the purposes of providing affordable housing.

**2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS**

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Township:

**(a) Collection of development fee revenues:**

Collection of development fee revenues shall be consistent with the Township’s development fee ordinance for both residential and non-residential developments in accordance with Department of Community of Affairs 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), currently found in Chapter 116 of the Township Code.

**(b) Distribution of development fee revenues:**

Any requisition for affordability assistance, administrative costs (routine expenditures), or affordable housing development (significant expenditures) to the Finance Department recommending the expenditure of development fee revenues in this Spending Plan must be approved by the governing body. The Finance Department shall review the request for consistency with the Spending Plan. Once a request is approved for consistency by the Finance Department, the request is presented to the Township Committee for approval. After receiving Committee approval, the funds may be disbursed.

**3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS**

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

Projected minimum affordability assistance requirement:

Table 2. Minimum Affordability Assistance		
Actual development fees and interest through 12/30/2022		\$153,391.55
Development fees projected 2023-2025	+	\$375,000.00
Interest projected 2023-2025	+	\$150.00
	-	
<b>Total</b>	<b>=</b>	<b>\$528,541.55</b>
30 percent requirement	x 0.30 =	\$158,562.47
Less affordability assistance expenditures through 12/30/22	-	\$ -
<b>Projected Minimum Affordability Assistance Requirement 01/01/2023 through 2025</b>	<b>=</b>	<b>\$158,562.47</b>
<b>Projected Minimum Very Low-Income Affordability Assistance Requirement 01/01/2023 through 2025</b>	<b>x 0.34 =</b>	<b>\$53,911.24</b>

\*Actual affordability assistance minimums are calculated on an ongoing basis, and are predicated upon actual revenues collected through 2025.

Franklin Township will dedicate a minimum of **\$158,562.47** from the Affordable Housing Trust Fund to render units more affordable, including **\$53,911.24** to render units more affordable to households earning 30 percent or less of median income by region, known as very-low-income households. Affordability Assistance programs anticipated to be adopted by the Township are as follows:

- Down Payment Assistance (\$10,000 max)
- Security Deposit Assistance (\$2,500 max)
- Homeowners Association Fee Assistance (\$1,000 max)
- Emergency Rental Assistance (\$2,000 max)
- Very Low-Income Unit Conversions
- Emergency Generator Assistance

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

<b>Table 3. Administrative Expense Calculation</b>		
Actual development fees and interest through 12/30/22		\$153,391.55
Development fees and interest projected 2023-2025	+	\$375,150.00
Less RCA Expenditures		\$0.00
<b>Total</b>	=	<b>\$528,541.55</b>
Calculate 20 percent	x .20 =	\$105,708.31
Less administrative expenditures through 12/30/22	-	\$47,923.26
<b>Projected maximum allowable for administrative expenses 04/22/2022 through 2025</b>	=	<b>\$57,785.05</b>

The Township has expended **\$47,923.26** on administrative fees through December 30, 2022 for this reporting period, leaving a remaining estimated maximum of **\$57,785.05** potentially available through 2025 which can be used for administrative purposes. These figures account for funds already spent, but not for those already encumbered. We note that based on the revenues collected to date, the Township has currently overspent the 20 percent cap on administrative expenses by \$17,244.95, and will agree to postpone any further administrative expenditures from the affordable housing trust fund until such a time in the future when revenues collected will bring spending into compliance.

The administrative expenditures anticipated at this time, subject to the 20 percent cap, are as follows:

- Wait list management and general administration
- Administration of affordability assistance programs

- Preparation and review of affordable housing agreements, deed restrictions
- Preliminary engineering or planning analysis of proposed affordable housing sites
- Preparation and implementation of a Fair Share Plan
- Litigation expenses related to the review and implementation of a Fair Share Plan

**(c) Rehabilitation Program (N.J.A.C. 5:97-8.7)**

Although the Township's rehabilitation obligation of 52 units has been satisfied through participation in Gloucester County's Owner-Occupied Home Improvement Program, in accordance with the Township's Settlement Agreement with Fair Share Housing Center, the Township will establish a rental rehabilitation program and dedicate \$264,270.77 to fund rehabilitation of rental properties.

#### 4. EXPENDITURE SCHEDULE

The Township intends to use affordable housing trust fund revenues as set forth in the Housing Element and Fair Share Plan, summarized as follows:

<b>TABLE 4. Projected Expenditure Schedule 2023-2025</b>				
<b>Programs</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>Total</b>
Rehabilitation Program	\$64,270.77	\$100,000.00	\$100,000.00	<b>\$264,270.77</b>
Affordability Assistance	\$39,640.62	\$39,640.62	\$39,640.62	<b>\$158,562.47</b>
Administration	\$0.00	\$28,892.53	\$28,892.53	<b>\$57,785.05</b>
<b>Total</b>	<b>\$103,911.39</b>	<b>\$168,533.14</b>	<b>\$168,533.14</b>	<b>\$480,618.29</b>

#### 5. SHORTFALL OF FUNDS

If the Township collects insufficient funds to cover all of the expenses noted above, then the Township will commit to issue bonds to cover the necessary expenses related to the Rehabilitation Program as needed.

#### 6. BARRIER FREE ESCROW

Collection and distribution of barrier free funds shall be consistent with the Township's Affordable Housing Ordinance in accordance with N.J.A.C. 5:97-8.5. A process describing the collection and distribution procedures for barrier free escrow funds pursuant to N.J.A.C. 5:97-8.5 is detailed within the Affordable Housing Ordinance.

## **SUMMARY**

Franklin Township intends to spend Affordable Housing Trust Fund revenues pursuant to N.J.A.C. 5:93-8 and consistent with the housing programs outlined in the Housing Element and Fair Share Plan. The Township has a balance of **\$105,468.29** as of December 30, 2022 and anticipates an additional **\$375,150.00** in revenues, including interest, before the expiration of substantive certification in 2025 for a total of **\$480,618.29**. The Township will dedicate a minimum of **\$158,562.47** to affordability assistance, and a maximum of **\$57,785.00** for administrative costs. The remaining anticipated funds of \$264,270.77 will be used to establish and fund a rental rehabilitation program.

Total expenditures are anticipated to be **\$480,618.29**.

<b>Table 5. Spending Plan Summary</b>	
Balance as of December 30, 2022	<b>\$105,468.29</b>
<b>Projected Revenue 2023-2025</b>	
Development Fees	\$375,000.00
Other Funds	\$0.00
Interest	\$150.00
Payment in Lieu	\$0.00
<b>TOTAL REVENUE</b>	<b>\$480,618.29</b>
<b>Expenditures</b>	
Affordability Assistance	\$158,562.47
Housing Rehabilitation	\$264,270.77
Administration	\$57,785.05
<b>TOTAL PROJECTED EXPENDITURES</b>	<b>\$480,618.29</b>
<b>REMAINING BALANCE</b>	<b>\$0.00</b>

APPENDIX L

Affordability Assistance Program Manual

# AFFORDABILITY ASSISTANCE PROGRAM

## POLICIES AND PROCEDURES MANUAL

In Accordance with the Uniform Housing Affordability Controls  
and the New Jersey Fair Housing Act

Franklin Township

Gloucester County

1571 Delsea Drive  
Franklinville, NJ 08322

March 2023

Prepared by:



1 Market Street, Suite 1F  
Camden NJ, 08102

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## **INTRODUCTION**

The purpose of this manual is to describe the policies and procedures of the Affordability Assistance Program for Franklin Township. This manual explains what is needed for residents of the Township to qualify for the program, in addition to outlining the operation of the program.

The Affordability Assistance Program is designed to help low and moderate-income households acquire funding to secure income restricted affordable housing within Franklin Township, by providing a one-time deferred payment loan to offset the initial costs of securing adequate housing. This housing may be either owner occupied dwelling units or rental dwelling units.

This program provides the following options for affordability assistance:

- Security deposit assistance – Funding equal to the required security deposit for a rental dwelling unit may be available to be paid directly to the landlord on behalf of a very-low, low-, or moderate-income tenant. This is a loan to the landlord. At the end of the duration of a lease, the security deposit shall be returned to the Township rather than the tenant.
- Emergency rental assistance – Funding equal to the required contract rent may be available to be paid directly to the landlord on behalf of a low or very-low income tenant household. This is a grant payment and no repayment is required.
  - Emergency rental assistance is limited to a maximum of one payment per term of the lease for a low income households, and a maximum of two payments per year for a very-low income household.
  - The emergency rental assistance program shall not available for moderate income renter households.
- Down payment / Closing cost assistance – Funding of up to \$10,000.00 per applicant may be applied to offset the up-front costs of purchasing a home or condominium unit in Franklin Township. These funds would be a no-interest loan to the prospective buyer, and if the buyer remains in the home for a period of at least 5 years, the loan will be forgivable.
- Housing association fee assistance – Funding of up to \$1,000.00 may be available in the form of a grant, paid to the housing association. This is a one-time payment grant and no repayment is necessary.
- Emergency generator assistance – In the interest of protecting the health and safety of residents, funds may be made available to cover a portion or all of the cost of purchasing and installing an emergency generator for multi-family rental dwellings. The maximum amount of funding available through tis program is \$25,000.00
- Very-Low-Income conversions – In accordance with the provisions of N.J.A.C. 5:97-8.8(2), affordability assistance funds may be utilized to provide subsidies to developers of either inclusionary or 100% affordable rental developments to buy down the cost of converting a low-income unit to make it affordable to a very-low-income household. The subsidy shall be determined on a case by case basis, but shall be consistent with the differences of the rent for

## Franklin Township - Affordability Assistance Program Manual

low-income units compared to the estimated value lost by renting the unit at a price affordable to a very-low-income household.

All dwellings purchased with assistance from the funds from the Affordability Assistance Program shall be subject to a thirty (30) year deed restriction to remain affordable to low-and moderate-income households.

### **ADMINISTRATION**

The Township's appointed Affordable Housing Administrative Agent will be responsible for administering the Affordability Assistance Program. All funds provided for the Affordability Assistance Program shall be distributed from the Township's Affordable Housing Trust Fund, in accordance with the Township's adopted Affordable Housing Trust Fund Spending Plan.

Questions about the Affordability Assistance Program should be directed to the Administrative Agent, or the Township's municipal housing liaison.

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## **ELIGIBLE APPLICANTS**

Applications submitted for the Program will be provided and reviewed on a first-come-first-served basis according to the following criteria. The following criteria must be met in order for an applicant to be deemed eligible for this Program. Eligibility does not guarantee that any funding will be provided to applicants from this Program.

1. There are affordability assistance funds remaining in the budget for the year.
2. The applicant has not received affordability assistance from this program in the past year.
3. The applicant, or the tenants of the applicant's property must qualify as a low- or moderate-income household in accordance with the most current regional income limits established by the Affordable Housing Professionals of New Jersey (AHPNJ) or the applicable State of New Jersey regulatory entity should the State resume promulgation of regional income limits.
4. For the Security Deposit Assistance Program, the applicant must lease a deed restricted affordable dwelling unit within Franklin Township that they will maintain as their primary residence.
5. For the Emergency Rental Assistance Program, the applicant must be a low-, or very low-income household and lease a deed restricted affordable dwelling unit within Franklin Township that they maintain as their primary residence.
6. For the Down Payment or Closing Cost Assistance Program, the applicant must be in the process of purchasing a deed-restricted affordable dwelling in Franklin Township;
7. For the Down Payment or Closing Cost Assistance Program, the applicant must be the owner of the property after purchase, and occupy the dwelling unit as their primary residence;
8. For the Housing Association Fee Assistance Program, the applicant must be the owner of a deed restricted affordable property, and maintain the dwelling unit as their primary residence.
9. For the emergency generator program, the applicant must be the owner or manager of a multi-family rental property that includes deed restricted affordable rental units in the Township of Franklin.
10. For the very-low-income conversion program, the applicant must be the owner of a multi-family rental project in the Township that includes low-income rental units. Subsidies shall only be made available to convert units that would be beyond the minimum requirement for very-low-income units as prescribed in the Township's affordable housing ordinances and other applicable regulations.

## **DOWN PAYMENT & CLOSING COST ASSISTANCE PROGRAM PROCEDURES**

1. An application for funding through the Affordability Assistance Program shall be filed with the Township's Affordable Housing Administrative Agent.
2. The Administrative Agent shall review and process the application.
3. If an applicant is certified and approved, the Administrative Agent shall notify the Township's financial department of the intent to award the loan, and confirm the availability of funds.
4. The Administrative Agent shall prepare a draft resolution authorizing the award of the loan, specifying the amount of funds, the location and type of unit, and the specific affordability controls on the unit.
5. The Township shall release the funds from the Affordable Housing Trust Fund to the escrow account following the approval of the resolution.
6. A Repayment Agreement, Mortgage Note, and Mortgage shall be executed at closing, and recorded by the title company.
7. The Administrative Agent shall notify the applicant of the awarding of funds, and record the assistance, and terms of the assistance, in the file for the affordable unit.

### **LOAN AMOUNT AND PERIOD**

The maximum amount of assistance that may be provided per applicant is \$10,000.00. The loan period shall be five (5) years.

### **LOAN TERMS & REPAYMENT AGREEMENT**

All funds are distributed at closing. The funds are sent via bank wire to either the participant's attorney or closing agent trust account. The attorney or trust account must have a business registration certificate and W-9 Tax Identification Form. The Township must be given notice of the closing five (5) business days ahead of the closing date.

Loans for applicants to the Program shall be secured through a mortgage and mortgage note in favor of the Township and executed by the property owner when required. The mortgage and mortgage note, as well as a deed restriction, will be executed at closing. The terms of the mortgage are in the mortgage note, which is not recorded. The original mortgage note shall be retained by the Program Administrator and kept in the unit file. The administrative agent shall send the mortgage and deed restriction requiring recording to the Township. Upon receipt, the Township will file said documents with the Gloucester County Clerk's office upon the completion of the closing of title.

All loans are deferred payment loans and are due in full at zero percent (0%) interest upon sale, or change in title, if said sale or change in title occurs within five (5) years of the date of closing. All repayment of loans shall be paid to the Township's Affordable Housing Trust Fund. If the applicant remains the owner and occupant of the dwelling at the end of the five (5) year duration period of the loan, the loan shall be forgiven in full.

## **INSURANCE REQUIREMENTS**

For the Down Payment Assistance Program, the applicant must provide proof of homeowner's insurance and proof that the insurance has been paid. The homeowner's insurance must list Franklin Township and the Franklin Township Affordability Assistance Program as additional insureds, loss payees, or additional mortgagees for the entire 5-year period of the mortgage.

All prospective applicants must have Title Insurance naming Franklin Township and Franklin Township Affordability Assistance Program as additional insureds, loss payees, or additional mortgagees.

If the home is associated with a Condominium Association or a substantially similar entity, Franklin Township and the Franklin Township Affordability Assistance Program shall be listed as additional insureds, loss payees, or additional mortgagees on the blanket insurance policy for the Association's property.

In the event that the property is located in a Flood Zone, flood insurance will be required listing Franklin Township and Franklin Township Affordability Assistance Program as additional insureds, loss payees, or additional mortgagees.

## **AFFORDABILITY CONTROLS**

All homes purchased by qualified low- or moderate-income households with assistance from the Township's Affordability Assistance Program shall include a deed restriction which provides affordability controls indicating that the unit must remain affordable to a low or moderate income household for a period of at least thirty (30) years, in accordance with the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-16.1 et seq.

## **HOUSING ASSOCIATION FEE ASSISTANCE PROGRAM PROCEDURES**

1. An application for funding through the Affordability Assistance Program shall be filed with the Township's Affordable Housing Administrative Agent.
2. The Administrative Agent shall review and process the application.
3. If an applicant is certified and approved, the Administrative Agent shall notify the Township's financial department of the intent to award the grant, and confirm the availability of funds.
4. The Administrative Agent shall prepare a draft resolution authorizing the award of the grant, specifying the amount of funds, the location and type of unit, and the specific affordability controls on the unit.
5. The Township shall release the funds from the Affordable Housing Trust Fund, payable to the applicable housing association, following the approval of the resolution.
6. The Administrative Agent shall notify the applicant of the awarding of funds, and record the assistance, and terms of the assistance, in the file for the affordable unit.

### **GRANT AMOUNT AND PERIOD**

The maximum amount of assistance that may be provided per applicant is \$1,000.00. The funds shall be in the form of a one-time grant payment. No repayment of funds by the applicant shall be required.

### **AFFORDABILITY CONTROLS**

All applications for Housing Association Fee Assistance shall be for fees required of a deed restricted affordable unit which provides affordability controls indicating that the unit must remain affordable to a low-or moderate-income household for a period of at least thirty (30) years, in accordance with the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-16.1 et seq.

Provided that funds are available, emergency housing fee assistance grants may be provided to the owner-occupant of a home that is not currently restricted as an affordable unit, provided that the applicant is income qualified as a low-or moderate-income household and agrees to such a deed restriction so that the home remains affordable to low-or moderate-income households for a period of at least 30 years.

## **SECURITY DEPOSIT ASSISTANCE PROGRAM PROCEDURES**

1. An application for funding through the Affordability Assistance Program shall be filed with the Township's Affordable Housing Administrative Agent.
2. The Administrative Agent shall review and process the application.
3. In the event that there are more income-qualified applicants than there are funds available, preference shall be given to very-low income households.
4. If an applicant is certified and approved, the Administrative Agent shall notify the Township's financial department of the intent to award the loan, and confirm the availability of funds.
5. The Administrative Agent shall prepare a draft resolution authorizing the award of the loan, specifying the amount of funds, the location and type of unit, and the specific affordability controls on the unit.
6. The Township shall release the funds from the Affordable Housing Trust Fund to the participating landlord following the approval of the resolution.
7. The Administrative Agent shall notify the applicant of the awarding of funds, and record the assistance, and terms of the assistance, in the file for the affordable unit.

### **LOAN AMOUNT AND PERIOD**

The maximum amount of assistance that may be provided per applicant shall be equal to one and one-half month's contract rent, or \$2,500.00, whichever is lesser. The loan period shall be the duration of the applicant's occupancy of the dwelling unit.

### **LOAN TERMS & REPAYMENT AGREEMENT**

All funds distributed for a security deposit shall be deposited by the landlord in an escrow account in accordance with applicable state laws. Upon the end of the applicant's tenancy in the dwelling unit, the landlord shall repay the security deposit to the Franklin Township Affordable Housing Trust Fund.

In the event that monies are deducted from the security deposit due to damages to the dwelling unit, the tenant shall be responsible for repaying any monies deducted to the Township's Affordable Housing Trust Fund.

## **EMERGENCY RENTAL ASSISTANCE PROGRAM PROCEDURES**

1. An application for funding through the Affordability Assistance Program shall be filed with the Township's Affordable Housing Administrative Agent.
2. The Administrative Agent shall review and process the application.
3. In the event that there are more income-qualified applicants than there are funds available, preference shall be given to very-low income households.
4. If an applicant is certified and approved, the Administrative Agent shall notify the Township's financial department of the intent to award the grant, and confirm the availability of funds.
5. The Administrative Agent shall prepare a draft resolution authorizing the award of the grant, specifying the amount of funds, the location and type of unit, and the specific affordability controls on the unit.
6. The Township shall release the funds from the Affordable Housing Trust Fund to the participating landlord following the approval of the resolution.
7. The Administrative Agent shall notify the applicant of the awarding of funds, and record the assistance, and terms of the assistance, in the file for the affordable unit.

### **FUNDING AMOUNT AND PERIOD**

The maximum amount of assistance that may be provided per applicant shall be equal to the contracted rent for one month. As this is a grant, there is no period of repayment. For low income households, a maximum of one award per term of the lease, or calendar year shall be permitted. For very low-income households, a maximum of two awards per term of the lease, or calendar year, shall be permitted.

The maximum annual amount per household shall be \$2,000.00

### **TERMS & REPAYMENT AGREEMENT**

All funds distributed for emergency rental assistance shall be paid directly to the landlord and serve as payment for one month's contracted rent. No repayment of emergency rental assistance funding shall be required.

## **EMERGENCY GENERATOR ASSISTANCE PROGRAM**

1. An application for funding through the Affordability Assistance Program shall be filed with the Township's Affordable Housing Administrative Agent.
2. The Administrative Agent shall review and process the application.
3. If an applicant is certified and approved, the Administrative Agent shall notify the Township's financial department of the intent to award the grant, and confirm the availability of funds.
4. The Administrative Agent shall prepare a draft resolution authorizing the award of the grant, specifying the amount of funds.
5. The Township shall release the funds from the Affordable Housing Trust Fund to the participating landlord following the approval of the resolution.
6. The Administrative Agent shall notify the applicant of the awarding of funds, and record the assistance, and terms of the assistance, in the file for the affordable unit.
7. The Applicant shall select a contractor and sign a contract with the contractor.
8. All necessary permits are filed with the Township.
9. The Township shall inspect and approve of the work completed.
10. The Township shall issue a check to the contractor for satisfactory work completed.

### **GRANT AMOUNT**

The maximum amount of assistance that may be provided per applicant shall be equal to the estimated cost of purchase and installation of an emergency generator, up to \$25,000.00. This is a grant and no repayment shall be required.

## **VERY-LOW INCOME UNIT CONVERSION PROGRAM**

1. The Township's Administrative Agent shall prepare an estimate of the difference in rent between a low-income unit and a very-low-income units over a 30-year period, and calculate present value of this difference in rental income based on an assumed capitalization rate of 8.5 percent.
2. The Administrative Agent shall prepare a funding agreement and submit to the applicant.
3. The applicant shall sign the agreement and return to the Township for countersignature.
4. The Administrative Agent shall prepare a draft resolution authorizing the award of the grant, specifying the amount and purpose of funds.
5. The Township shall release the funds from the Affordable Housing Trust Fund to the participating landlord following the approval of the resolution.
6. The Administrative Agent shall notify the applicant of the awarding of funds, and record the assistance, and terms of the assistance, in the file for the affordable unit.
7. Funds shall be sent directly to the applicant or property owner as applicable.

### **GRANT AMOUNT**

All monies distributed through the very-low-income conversion program shall be determined on a case-by-case basis depending on funding available in the Affordable Housing Trust Fund, and a demonstrated need for additional very-low-income units within the Township.

## **PROPERTY ELIGIBILITY**

Any property that will serve as the prospective homebuyer's or renter's primary residence, and is located within Franklin Township is an eligible property type, including but not limited to the following:

- A single-family property (one-unit)
- A two- to four-unit property
  - If affordable housing trust funds are used to assist a purchaser to acquire one unit in a two- to four-unit property, and that unit will be the principal residence of the purchaser, the long-term affordability requirements apply to the assisted ownership unit only.
  - If affordable housing trust funds are used to help a purchaser acquire one or more rental units along with the homeownership unit, then rental affordability requirements shall apply to the rental units in addition.
- An apartment within a multi-family property
- A condominium unit
- A cooperative unit or a unit in a mutual housing project
- A manufactured house
  - At the time of completion, the manufactured housing must be connected to permanent utility hook-ups.
  - The manufactured housing unit must be located on land that is owned by the manufactured housing unit owner, or on land for which the manufactured housing unit owner has a lease.

## **INCOME ELIGIBILITY AND CERTIFICATION PROCEDURE**

In order to be eligible for assistance, applicants must be determined to be income eligible. All adult members of the applying household 18 years of age and older must be fully certified as income-eligible before they can receive any assistance from the Program. The Program will income qualify applicants in accordance with the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-16.1 et seq., except for the asset test. The applicant's monthly housing payment shall not exceed 40% of the applicant's adjusted monthly gross income.

### **QUALIFIED INCOME SOURCES**

The following are considered income and shall be included in the determination of the applicant's income eligibility:

- Wages, salaries, tips, commissions
- Regularly scheduled overtime
- Social Security
- Unemployment Compensation (verify # of weeks that are eligible to be received)
- Pensions
- Disability
- Alimony
- Verified regular child support (received)
- Any other forms of regular income reported to the Internal Revenue Service
- Interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds
- Imputed interest (using a current average annual rate of 2%) from non-income producing assets, such as equity in real estate. Rent from real estate is considered income, after deduction of any mortgage payment, real estate taxes, property owner's insurance.
- TANF (Temporary Assistance for Needy Families)
- Net income from business or real estate
- Rent from real estate is considered income

### **UNQUALIFIED INCOME SOURCES**

The following are not considered income and shall not be included in the determination of the applicant's income eligibility:

- Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income
- Food stamps
- Part-time income of dependents enrolled as full time students
- Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements

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- Rebates or credits received under low-income energy assistance programs
- Income of live-in attendants
- Student loans
- Payments received for foster care
- Relocation assistance benefits
- Scholarships
- Personal property such as automobiles

### INCOME VERIFICATION

To calculate income, the current gross income of the applicant is used to project income over the next 12 months. Income verification documentation should include, but is not limited to, the following for each and every member of a household who is 18 years of age or older:

- Four current consecutive pay stubs, including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure, or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.
- A signed copy of regular IRS Form 1040 (Tax computation form), 1040A, or 1040EZ (as applicable) and state income tax returns filed for the last three years prior to the date of interview or notarized tax waiver letter for respective tax year(s).
- A form 1040 Tax Summary for the past three tax years can be requested from the local IRS Center or by calling 800-829-1040
- If applicable, a letter or appropriate reporting form verifying monthly benefits such as:
  - Social Security or SSI – current awards letter or computer printout letter
  - Unemployment – verification of unemployment benefits
  - Welfare – TANF current award letter
  - Disability – Worker’s compensation letter, or
  - Pension income (monthly or annually) – a pension letter
  - A letter or appropriate reporting to verify any other sources of income claimed by the applicant such as alimony or child support – copy of court order or recent original letter from the court (includes separation agreement or divorce papers) or education scholarship/stipends – current award letter.
- Reports from the last two consecutive months that verify income from assets to be submitted by banks or other financial institutions managing savings and checking accounts (bank statements and passbooks), trust funds, money market accounts, certificate of deposit, stocks or bonds (in brokerage accounts – most recent statements and/or in certificate form – photocopy of certificates)

Examples: copies of all interest and dividend statements for savings accounts, interest and non-interest bearing checking accounts, and investments.

## Franklin Township - Affordability Assistance Program Manual

- Evidence or reports of income from directly held assets, such as real estate or businesses owned by any household member 18 years and older.
- Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.
- Current reports of assets – Market Value Appraisal or Realtor Comparative Market Analysis and Bank/Mortgage Co. Statement indicating current mortgage balance. For rental property attach copies of all leases.

### VERIFYING STUDENT INCOME AND INCOME FROM REAL ESTATE

- *Student Income* – Only full-time income of full-time students is included in the income calculation. A full-time student is a member of the household reported to the IRS as a dependent who is enrolled in a degree seeking program for 12 or more credit hours per semester; and part-time income is income earned on less than a 35 hour work week.
- *Income from Real Estate* – If real estate owned by an applicant to the Program is a rental property, the rent is considered income. After deduction of any mortgage interest, real estate taxes, property owner insurance, and reasonable property management expenses as reported to the IRS, the remaining amount shall be counted as income.

### OTHER ELIGIBILITY REQUIREMENTS

Applicants must also submit the following in the application package as applicable:

- Recorded deed to the property to be assisted;
- If you are a widow or widower, copy of Death Certificate should be included;
- Signed release form to verify eligibility determination from third party sources;
- Copy of any and all other liens recorded against property; and
- Personal identification (a copy of any of the following: Driver's license, Passport, Birth Certificate, Social Security Card, Adoption Papers, Alien Registration card, etc.) for each household member.

### ELIGIBILITY CERTIFICATION

After the Administrative Agent determines that the household is income eligible and meets all other eligibility requirements, the Administrative Agent will complete and sign the eligibility certification. This certification is valid for twelve (12) months starting from the date of eligibility certification.

## APPLICATION

**Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Address of Property:** \_\_\_\_\_

Type of Affordability Assistance Requested:

- Security Deposit Assistance
- Emergency Rental Assistance
- Down Payment / Closing Cost Assistance
- Housing Association Fee Assistance
- Emergency Generator Assistance

This application must be fully completed so that it may be accepted and processed. If you require assistance, please call the Township's Administrative Agent \_\_\_\_\_, via email at \_\_\_\_\_, or by phone at \_\_\_\_\_.

Applications for funds from the Franklin Township Affordability Assistance Program will be awarded on a first come first serve basis according to the following criteria:

1. There is funding available in the Township's Affordable Housing Trust Fund;
2. The applicant is the current owner, contract purchase, or renter of a deed restricted affordable dwelling in Franklin Township, and maintains the residence as his or her primary place of residence;
3. The applicant is income certified as a low-or moderate-income household.

For further information on program availability and income qualifications, please see the Township's Affordability Assistance Program Manual on file with the Township Clerk's office.

**Amount of Funding Requested:** \_\_\_\_\_

Please include the following documentation with any application for affordability assistance funds:

1. Copy of lease indicating amount of monthly rent and/or security deposit required (if applicable)
2. Copy of letter or bill from homeowner's association indicating amount owed (if applicable)
3. The following information must be provided in order to income qualify for assistance:
  - a. Proof of current income – provide four (4) current and consecutive pay stubs;
  - b. Proof of other income – pension, social security, unemployment compensation, child support, alimony, disability, etc;
  - c. Most recent federal and state tax returns

**CERTIFICATION**

I hereby certify that the above information contained herein is true and accurate to the best of my knowledge. I further understand that the Township of Franklin and its designated Administrative Agent will rely on this information to determine eligibility for affordability assistance. I further certify that the copies of the documents attached to this application are true and accurate copies of the original documents.

I understand that all documents submitted will become the property of the Township of Franklin and may not be returned.

I further certify that I intend to personally occupy the unit as my primary residence except for reasonable periods of vacation or illness. I know that it would be illegal to rent or sublet the unit. I understand that only the parties listed on the application may reside in the affordable unit.

I authorize \_\_\_\_\_, the Township of Franklin, or their agents to check for accuracy on any and all statements and representations made in this application. This may include calls to employers to verify income, or to contact banks, etc..

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Signature of Co-Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## AFFORDABILITY ASSISTANCE PROGRAM REPAYMENT AGREEMENT

THIS AGREEMENT made on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ is between \_\_\_\_\_ (hereafter "Buyer") whose address is \_\_\_\_\_ and Franklin Township, with offices at 1571 Delsea Drive, Franklinville, NJ 08322 (hereafter "*Township*") :

WHEREAS, Owner is purchasing property located at \_\_\_\_\_, described more specifically as Block No. \_\_\_\_\_ Lot No. \_\_\_\_\_, located in the \_\_\_\_\_ development (hereafter "Property"); and

WHEREAS, the Property is governed by the statutes, ordinances, rules and regulations restricting ownership and use of the Property as an Affordable Housing unit which, among other restrictions, restricts the Owner in financing the Property or otherwise encumbering the Property by way of mortgage, home equity loan, or other forms of financing; and

WHEREAS, the Township is willing to extend a loan to Owner towards the (down payment) on the price of the home in the amount of \_\_\_\_\_ to allow the buyer to procure a First Purchase Money Mortgage; and

WHEREAS, the Owner will sign a mortgage note and record a mortgage on the Property in the principal amount of \$ \_\_\_\_\_; and

WHEREAS, the parties wish to memorialize the agreement between them by way of this Affordable Housing Loan Repayment Agreement (hereinafter "Agreement");

NOW THEREFORE IT IS AGREED on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the parties as follows:

1. Owner acknowledges that s/he is aware, and herein reaffirms her understanding, that the Property is and will continue to be governed by the Affordable Housing rules, regulations and restrictions because it is an Affordable Housing unit under the control of the Township.
2. Owner understands at the time of purchase that the restrictions on the Property, which state that s/he cannot make application for any second money mortgages or refinance any first money mortgages as it may apply to the Affordable Housing unit in excess of the maximum restricted mortgage amount and not until prior written approval has been obtained from the Administrative Agent.
3. Owner acknowledges that the Deed to be signed by the Owner at closing contains the recorded restrictions that govern the Property, which provide that "Upon the

occurrence of a breach of any Covenants by the Grantee, or any successor in interest or other owner of the Property, the Administrative Agent shall have all remedies provided at law or equity including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry on the premises, those provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code and specific performance..”

4. Owner acknowledges that there will be a tertiary loan placed on the unit recorded after this Down Payment Assistance mortgage, which applies the affordability control deed restriction pursuant to the Uniform Housing Affordability Controls (N.J.A.C. 5:80-26.1 *et seq.*).
5. Owner acknowledges that the Township, pursuant to its Affordable Housing regulations, has the right to foreclose on the Property as a result of any violation of the deed restrictions pertaining to the Property by the Owner and, if successful, the Township can retain all equity in the Property.
6. The Township agrees to extend a loan of \$ \_\_\_\_\_ to the Owner for the exclusive use of a down payment on the mortgage.
7. *Enter the terms of the loan, i.e. deferred payments, no-interest, payable at sale, etc.*
8. In the event that Owner fails to make any and all necessary payments required by the within Agreement or otherwise breaches the terms of this Agreement, the Township shall have the right to immediately file a lawsuit, or pursue any other rights that it may have, to remedy the breach and otherwise enforce the Affordable Housing statutes, ordinances, rules and regulations.
9. In the event that Owner fails to make any and all payments when due, the Township shall be entitled to accelerate the repayment obligation to make the full amount immediately due (plus interest, if applicable).
10. This Agreement shall be construed in accordance with the laws of the State of New Jersey.

11. This Agreement constitutes the entire Agreement between the parties. No amendments or modifications to this Agreement shall have any force or effect unless in writing and executed by both parties.
12. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holdings shall not invalidate or render unenforceable any other provision hereof.
13. This Agreement shall be binding upon and inure to the benefit of the parties, their legal representatives, heirs, executors, administrators, successors and assigns.

**IN WITNESS WHEREOF** the parties hereto have signed and executed this agreement as of the date indicated above.

**Municipality**

**Attest:**

\_\_\_\_\_

**Attest:**

\_\_\_\_\_

STATE OF NEW JERSEY:

SS

COUNTY OF \_\_\_\_\_ :

I CERTIFY that on \_\_\_\_\_, 202\_\_\_\_, \_\_\_\_\_ personally came before me and acknowledged under oath, to my satisfaction, that he/she:

- (a) was the maker of the attached instrument; and,
- (b) executed this instrument as his or her own act.

Signed and sworn to before me

On \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_

STATE OF NEW JERSEY:

SS

COUNTY OF \_\_\_\_\_:

I CERTIFY that on \_\_\_\_\_, \_\_\_\_\_ personally came before me and acknowledged under oath, to my satisfaction, that:

- (a) s/he is the Township Clerk of \_\_\_\_\_, the municipal corporation named in this document;
- (b) s/he is the attesting witness to the signing of this document by \_\_\_\_\_, \_\_\_\_\_ (title) \_\_\_\_\_ of \_\_\_\_\_ Franklin Township \_\_\_\_\_;
- (c) this document was signed and delivered by \_\_\_\_\_ Franklin Township \_\_\_\_\_ as its voluntary act duly authorized by a proper resolution of the Township Committee;
- (d) s/he knows the proper seal of the \_\_\_\_\_ which was affixed to this document; and
- (e) s/he signed this proof to attest to the truth of these facts.

Signed and sworn to before me

On \_\_\_\_\_, 202\_\_\_\_

\_\_\_\_\_

FORM OF RECAPTURE MORTGAGE NOTE FOR  
AFFORDABILITY ASSISTANCE PROGRAM

FRANKLIN TOWNSHIP, GLOUCESTER COUNTY, NEW JERSEY

**DEED-RESTRICTED AFFORDABLE HOUSING UNIT WITH  
RESTRICTIONS ON RESALE AND REFINANCING**

THIS NOTE is dated as of \_\_\_\_\_, \_\_\_\_\_. For value received \_\_\_\_\_ (referred to "Owner") promises to pay to Franklin Township which has its principal offices at 1571 Delsea Drive, Franklinville, NJ 08322 (the "Municipality"), the amounts specified in this Note and promises to abide by the terms contained below.

Article 1. REPAYMENT MORTGAGE

As security for the payment of amounts due under this Note and the performance of all promises contained in this Note, the Owner is giving the Municipality a "Mortgage To Secure Payment of Affordability Assistance Program Note" (the "MORTGAGE"), dated \_\_\_\_\_, of the property described below (the "PROPERTY"). The Mortgage covers real estate owned by the Owner. The Mortgage will not be subordinate, and will not be subordinated by the Municipality, to any mortgage, refinancing, equity loan, secured letter of credit, or any other obligation secured by the Property, except with respect to (a) any such obligation which was duly recorded prior to the recording hereof, and (b) any such obligation which, when added to all other such obligations recorded against the Property, shall result in total debt secured by the Property being an amount less than the maximum resale price (MRP) that would be applicable were the Control Period still in effect, as those terms are defined in Article 2 of the Mortgage.

Article 2. OWNERS PROMISE TO PAY AND OTHER TERMS

*Insert amount and terms of mortgage*

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Article 3. PROPERTY DESCRIPTION

All of the land and improvements thereon located in the Township of Franklin, in the County of Gloucester, State of New Jersey, described more specifically as Block No. \_\_\_\_ Lot No. \_\_\_\_, and known by the street address: \_\_\_\_\_.

Article 4. WAIVER OF FORMAL ACTS

The Owner waives its right to require Franklin Township to do any of the following before enforcing its rights under this Note:

- 1. To demand payment of amount due (known as Presentment).
- 2. To give notice that amounts due have not been paid (known as Notice of Dishonor).
- 3. To obtain an official certificate of non-payment (known as Protest).

Article 5. RESPONSIBILITY UNDER NOTE

All Owners signing this Note are jointly and individually obligated to pay the amounts due and to abide by the terms under this Note. Franklin Township may enforce this Note against any one or more of the Owners or against all Owners together.

The Owner agrees to the terms of this Note by signing below.

ACKNOWLEDGEMENT

Owner acknowledges receipt of a true copy of the Mortgage and this Note at no charge.

Dated:

ATTEST:

By:

Signature (Owner)

Signature (Co-Owner)

STATE OF NEW JERSEY     )  
   )  
 COUNTY OF GLOUCESTER )     ss.:

On this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ before me came \_\_\_\_\_, who acknowledges and makes proof to my satisfaction that she is the Owner named within this Note, and that

she has executed said Note for the purposes set forth therein, sworn to and subscribed by her in my presence on this date.

Sworn to and subscribed before me this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

---

A Notary Public/Attorney of the State of New Jersey

**TOWNSHIP OF FRANKLIN**

**R-\_\_-23**

**A RESOLUTION AUTHORIZING EXPENDITURE OF AFFORDABLE HOUSING TRUST FUND MONIES FOR THE TOWNSHIP’S AFFORDABILITY ASSISTANCE PROGRAM**

**WHEREAS**, in accordance with the Fair Housing Act of 1985 at N.J.A.C. 52:27D-301, and obligations under the Mount Laurel doctrine, the Township has an obligation to provide for its regional fair share of housing affordable to low- and moderate-income households; and

**WHEREAS**, the Township Committee previously authorized by resolution an affordability assistance program to provide funding assistance to qualified low-and moderate-income households within the Township; and

**WHEREAS**, the Township has also approved and adopted by resolution a manual for the administration of an affordability assistance program, which set forth the application procedures for said program; and

**WHEREAS**, an application for \_\_\_\_\_ has been submitted for the home located at Block\_\_\_\_, Lot\_\_\_\_, of the Township, and said application has been certified by the Administrative Agent; and

**WHEREAS**, the occupant is hereby entitled to a non-refundable grant of \$ \_\_\_\_\_ paid from the Township’s affordable housing trust fund for affordability assistance; and

**WHEREAS**, the Township Committee wishes to authorize the expenditure of these funds to provide necessary assistance for the low- or moderate-income household located at \_\_\_\_\_; and

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Committee of the Township of Franklin, in the County of Gloucester, and State of New Jersey, that the affordable unit located at \_\_\_\_\_ shall be awarded a non-refundable grant of \$ \_\_\_\_\_ for the purpose of \_\_\_\_\_.

Adopted: \_\_\_\_\_ Date, 2023

COMMITTEE MEMBER	MOTION	2 <sup>ND</sup>	YES	ABSTAIN	NO	ABSENT

Attest:

Township of Franklin

\_\_\_\_\_  
Barbara Freijomil, Clerk

\_\_\_\_\_  
John Bruno, Mayor

CERTIFICATION

I, Barbara Freijomil, Clerk of the Township of Franklin, do hereby certify that the foregoing Resolution was presented and duly adopted by the Township Committee at a meeting held on DATE, 2022.

\_\_\_\_\_  
Barbara Freijomil, Clerk

DRAFT

**APPENDIX M**

Resolution to Appoint Municipal Housing Liaison (MHL)

**TOWNSHIP OF FRANKLIN**

**R-\_\_-23**

**A RESOLUTION TO APPOINT A MUNICIPAL HOUSING LIAISON**

WHEREAS, in accordance with the Fair Housing Act of 1985 at N.J.A.C. 52:27D-301, and obligations under the Mount Laurel doctrine, the Township has an obligation to provide for its regional fair share of housing affordable to low- and moderate-income households; and

WHEREAS, pursuant to N.J.A.C. 5:96-17 et seq. and N.J.A.C. 5:80-26.1 et seq, the Township is required to appoint a Municipal Housing Liaison as a municipal employee responsible for administration of affordable housing records and programs in the Township; and

WHEREAS, \_\_\_\_\_ shall be appointed as the Municipal Housing Liaison; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Committee of the Township of Franklin, in the County of Gloucester, and State of New Jersey, that \_\_\_\_\_ is hereby appointed as the Municipal Housing Liaison for the Township of Franklin, and shall serve in such capacity through the date of the 2024 Township reorganization meeting.

Adopted: \_\_\_\_\_ Date, 2023

COMMITTEE MEMBER	MOTION	2 <sup>ND</sup>	YES	ABSTAIN	NO	ABSENT

Attest:

Township of Franklin

\_\_\_\_\_  
Barbara Freijomil, Clerk

\_\_\_\_\_  
John Bruno, Mayor

**CERTIFICATION**

I, Barbara Freijomil, Clerk of the Township of Franklin, do hereby certify that the foregoing Resolution was presented and duly adopted by the Township Committee at a meeting held on DATE, 2022.

\_\_\_\_\_  
Barbara Freijomil, Clerk

APPENDIX N

Resolution to Appoint Administrative Agent

TOWNSHIP OF FRANKLIN

R-\_\_-23

A RESOLUTION TO APPOINT AN ADMINISTRATIVE AGENT FOR AFFORDABLE HOUSING PROGRAMS

WHEREAS, The Township has adopted an updated Housing Plan Element and Fair Share Plan which recommends that the Township implement certain programs and policies to further the opportunities for low and moderate income housing within Franklin Township; and

WHEREAS, the Township is authorized to designate one or more qualified Administrative Agents to be responsible for the administration of affordable units and affordability assistance programs in accordance with the Affordable Housing ordinance of the Township; and

WHEREAS, the Township seeks to designate and contract directly with a qualified administrative agent; and

WHEREAS, \_\_\_\_\_ shall be designated as the Township’s Affordable Housing Administrative Agent; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Committee of the Township of Franklin, in the County of Gloucester, and State of New Jersey, that \_\_\_\_\_ is hereby designated as the Affordable Housing Administrative Agent for the Township of Franklin, and shall serve in such capacity through the date of the 2024 Township reorganization meeting.

Adopted: \_\_\_\_\_ Date, 2023

COMMITTEE MEMBER	MOTION	2 <sup>ND</sup>	YES	ABSTAIN	NO	ABSENT

Attest:

Township of Franklin

\_\_\_\_\_  
Barbara Freijomil, Clerk

\_\_\_\_\_  
John Bruno, Mayor

CERTIFICATION

I, Barbara Freijomil, Clerk of the Township of Franklin, do hereby certify that the foregoing Resolution was presented and duly adopted by the Township Committee at a meeting held on DATE, 2022.

---

Barbara Freijomil, Clerk

DRAFT

**APPENDIX O**

Affirmative Marketing Plan

# AFFIRMATIVE FAIR HOUSING MARKETING PLAN

For Affordable Housing in Region 5

## I. Applicant and Project Information

(Complete Section I individually for all developments or programs within the municipality.)

<b>1a. Administrative Agent Name, Address, Phone Number</b>  <p style="text-align: center;">TBD</p>		<b>1b. Development or Program Name, Address</b>  	
<b>1c.</b> Number of Affordable Units: N/A Number of Rental Units: N/A Number of For-Sale Units: N/A	<b>1d. Price or Rental Range</b>  	<b>1e. State and Federal Funding Sources (if any)</b>  	
<b>1f.</b> <input type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	<b>1g. Approximate Starting Dates</b>  		
<b>1h. County</b> <p style="text-align: center;">Burlington, Camden, Gloucester</p>	<b>1i. Census Tract(s):</b>  		
<b>1j. Managing/Sales Agent's Name, Address, Phone Number</b>  <p style="text-align: center;">TBD</p>			
<b>1k. Application Fees (if any):</b>  <p style="text-align: center;">There are no application fees.</p>			

(Sections II through IV should be consistent for all affordable housing developments and programs within the municipality. Sections that differ must be described in the approved contract between the municipality and the administrative agent and in the approved Operating Manual.)

## II. Random Selection

<p><b>2. Describe the random selection process that will be used once applications are received.</b></p> <p><u>Initial Randomization</u></p> <p>Applicants are selected at random before income-eligibility is determined, regardless of household or desired number of bedrooms.</p> <p>The process is as follows:</p> <ol style="list-style-type: none"> <li>1. After advertising is implemented, applications are accepted for 60 days.</li> <li>2. At the end of the period, sealed applications are selected one-by-one through a lottery (unless fewer applications are received than the number of available units, then all eligible households will be placed in a unit).</li> <li>3. An applicant pool is created by listing applicants in the order selected.</li> <li>4. Applications are reviewed for income-eligibility. Ineligible households are informed that they are being removed from the applicant pool or given the opportunity to correct and/or update income and household information.</li> </ol>
--

5. If there are sufficient names remaining in the pool to fill future re-rental, the applicant pool shall be maintained as an ordered waiting list with all new pre-qualified applicants added to the list in the order that they were received.
6. When the applicant pool is close to being depleted, the Administrative Agent will re-open the pool and conduct a new random selection process after fulfilling the affirmative marketing requirements. The new applicant pool will be added to the remaining list of applicants.

### III. Marketing

<b>3a. Direction of Marketing Activity: (indicate which group(s) in the housing region are least likely to apply for the housing without special outreach efforts because of its location and other factors)</b>			
<input type="checkbox"/> White (non-Hispanic) <input checked="" type="checkbox"/> Black (non-Hispanic) <input checked="" type="checkbox"/> Hispanic <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Asian or Pacific Islander <input type="checkbox"/> Other group:			
<b>3b. Housing Resource Center</b>			
<a href="http://www.njhousing.gov">www.njhousing.gov</a> A free, online listing of affordable housing			
<b>3c. Commercial Media (required) (Check all that applies)</b>			
	<b>Duration &amp; Frequency of Outreach</b>	<b>Names of Regional Newspaper(s)</b>	<b>Circulation Area</b>
<b>Targets Entire Housing Region 5</b>			
Newspaper			
X	One display ad per week for four consecutive weeks, beginning at the start of the marketing process	Courier Post	Southern NJ
<b>Targets Partial Housing Region 5</b>			
X	One display ad per week for four consecutive weeks, beginning at the start of the marketing process	Gloucester County Times	Gloucester County
	<b>Duration &amp; Frequency of Outreach</b>	<b>Names of Regional Radio Station(s)</b>	<b>Listening Area</b>
<b>Targets Entire Housing Region 5</b>			
AM Radio			
X (at least one Radio Station)		WFIL 560	
		WIP 610	
		WNTP 990	
		WWJZ 640	
<b>3f. Community Contacts (names of community groups/organizations throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing)</b>			
<b>Name of Group/Organization</b>	<b>Duration &amp; Frequency of Outreach</b>	<b>Racial/Ethnic Identification of Readers/Audience</b>	<b>Outreach Area</b>
Fair Share Housing Center	Ongoing as needed	N/A	Statewide
New Jersey State Conference of NAACP	Ongoing as needed	African-American	Statewide
The Latino Action Network	Ongoing as needed	Hispanic	Statewide
Gloucester County Branch NAACP	Ongoing as needed	African-American	Gloucester County
Salem County Branch NAACP	Ongoing as needed	African-American	Salem County

Senior Citizens United Community Services	Ongoing as needed	N/A	Statewide
Supportive Housing Association	Ongoing as needed	N/A	Statewide

#### IV. Applications

<b>Applications for affordable housing for the above units will be available at the following locations:</b>		
<b>4a. County Administration Buildings and/or Libraries for all counties in the housing region (list county building, address, contact person) (Check all that apply)</b>		
	<b>Building</b>	<b>Location</b>
X	Gloucester County Library	2 Center Street, Glassboro, NJ 08028 (856) 881-0001
X	Newfield Public Library	115 Catawba Ave, Newfield, NJ 08344 (856) 697-0415
X	Camden County Library System	301 N. Fifth Street, Camden, NJ 08102 (856) 225-6807
X	Burlington County Library	5 Pioneer Boulevard, Westampton, NJ 08060 (609) 267-9660
X	Gloucester County Administration Building	2 S. Broad Street, Woodbury, NJ 08096'
<b>4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)</b>		
Franklin Township Administration Building 1571 Delsea Drive Franklinville, NJ 08322 <a href="http://www.franklintownshipnj.org">www.franklintownshipnj.org</a>		
<b>4c. Sales/Rental Office for units (if applicable)</b>		

#### V. Certifications and Endorsements

<b>I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the</b> (Select one: Municipality's substantive certification or DCA Balanced Housing Program funding or HMFA UHORP/MONI/CHOICE funding).	
Signature _____	Date _____
Name (Type or Print) _____	Title/Municipality _____

**TOWNSHIP OF FRANKLIN,  
GLOUCESTER COUNTY, NEW JERSEY**

**Housing Plan Element & Fair Share Plan**

**Fourth Round (2025 – 2035)**



**June 3, 2025**

Prepared by:



**Consulting & Municipal  
ENGINEERS**

**CME Associates**

1 Market Street, Suite 1F  
Camden, NJ 08102  
732-410-2651

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Christopher N. Dochney, PP, AICP  
NJ Professional Planner License # 6225

*The original document was appropriately signed and sealed in accordance with the Chapter 41 Title 13 of the State Board of Professional Planners.*

Adopted by the Planning Board on June 17, 2025

Endorsed by the Township Committee on \_\_\_\_\_



ACKNOWLEDGMENTS:

**Franklin Township Mayor and Committee**

John "Jake" Bruno – Mayor  
Tim Doyle – Deputy Mayor  
Mark Fiorella  
Jonathan Keen  
Mike Marsh

**Franklin Township Planning Board**

Joseph Petsch – Board Chair  
Ralph Travaglione – Vice Chair  
Jake Bruno - Mayor  
Timothy Doyle - Deputy Mayor  
Jim Kelly  
Kyle Clark  
John Melleady  
Joseph Szwed  
Jason Brandt  
Stephen Ranson - Alternate #1  
Frank Kohute - Alternate #2

Christina Mulford – Board Secretary  
Jacci Vigilante, Esq. – Board Attorney  
Ed D'Armiento, PE, CME – Board Engineer  
Chris Dochney, PP, AICP – Board Planner

Tara St. Angelo, Esq. – Affordable Housing Attorney

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Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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  - 1. Third Round Settlement Agreement with Fair Share Housing Center
  - 2. Third Round Final Judgement of Compliance
- B. Fourth Round Obligations
  - 1. Resolution 37-25 Determining Fourth Round Obligations
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- C. Administrative Documents
  - 1. DRAFT Resolution Appointing Municipal Housing Liaison
  - 2. DRAFT Resolution Appointing Administrative Agent
  - 3. DRAFT Affordable Housing Trust Fund Spending Plan
  - 4. DRAFT Affirmative Marketing Plan
- D. Affordable Housing Maps
  - 1. Affordable Housing Sites
- E. Crediting Documents
  - 1. DRAFT Ordinance 'B' Business District Amendments

## Franklin Township – Fourth Round Housing Plan Element &amp; Fair Share Plan

## INTRODUCTION

### *Location and Context*

Franklin Township is a large community in southeastern Gloucester County, located approximately 29 miles to the southeast of the City of Philadelphia. At approximately 56 square miles Franklin Township is the largest municipality in Gloucester County. Franklin Township borders Clayton, Elk Township, Monroe Township, and Newfield in Gloucester County; Buena and Buena Vista Township in Atlantic County; Vineland in Cumberland County; and Pittsgrove Township and Upper Pittsgrove Township in Salem County. Franklin Township contains a plethora of neighborhoods such as Blue Bell, Downtown, Forest Grove, Franklinville, Fries Mills, Iona, Janvier, Lake, Malaga, Marsh Lake, Piney Hollow, Plainville, Star Cross, and Porchtown. The township contains primarily single-family housing types and the majority of the Township's developed lands and population are located along State Route 55 (Veterans Memorial Highway), State Route 47 (Delsea Drive), and US Highway 40 (Harding Highway).

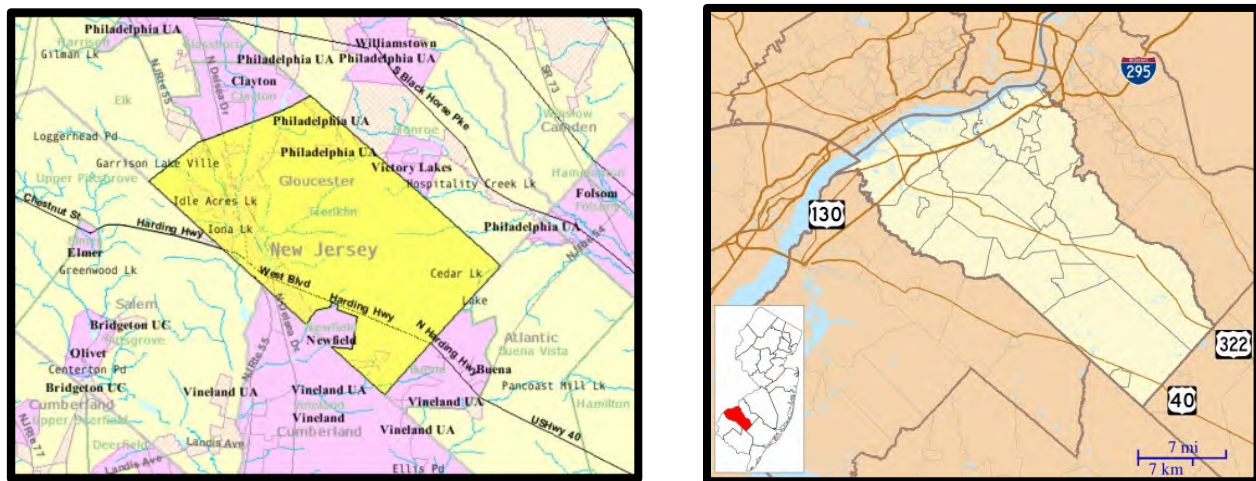


Figure 1 Contextual Maps of Franklin Township. Gloucester County

While there are generally some areas within the Township that are environmentally constrained when considering future development, these areas are generally identifiable to the location of the several streams and water bodies in the Township. According to NJDEP data, the majority of wetlands follow the several streams that run through Franklin, primarily in the western and northwestern portion of the Township. Further environmental conditions that are of note in Franklin include the eastern portion of the Township being located within the Pinelands Management Area. The land that is east of Gloucester County Route 555 within Franklin is considered to be within the Pinelands Management Area, with the specific areas being either an Agricultural Production Area or a Rural Development Area. Despite a large amount otherwise available land for development, construction in Franklin has largely been constrained due to a lack of available water and sewer infrastructure to serve the type of dense residential and commercial development that is seen in some of the Township's more suburban neighbors closer to the urban centers.

The eastern portion of the Township is located within the Agricultural Development Area and Rural Development Area of the Pinelands Management Area, and is sparsely developed, and consists of

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

conservation lands, streams, and wetlands. The boundary delineating the areas within the jurisdiction of the Pinelands is generally Tuckahoe Road, Main Road, and Route 40 (Harding Highway).

For the portions of the Township that are not located within the Pinelands, the State Plan Policy Map places them in three different Planning Area classifications: Planning Area 2 (Suburban), Planning Area 4 (Rural Environmentally Sensitive), and Planning Area 5 (Environmentally Sensitive). Development is encouraged by the State Plan in Planning Area 2. The Suburban Planning Area designation generally follows the highway corridors of Route 55, Delsea Drive, and Route 40 in the Franklinville and Malaga areas of the Township. Agricultural uses are encouraged in Planning Area 4. The Rural Planning Area generally follows Agricultural Development Area and Rural Development Area of the Pinelands Management Area. Environmental conservation and protection are encouraged in Planning Area 5. The Environmentally Sensitive Planning Area generally includes areas that are encumbered by wetlands and have flood hazard concerns, and threatened and endangered species.

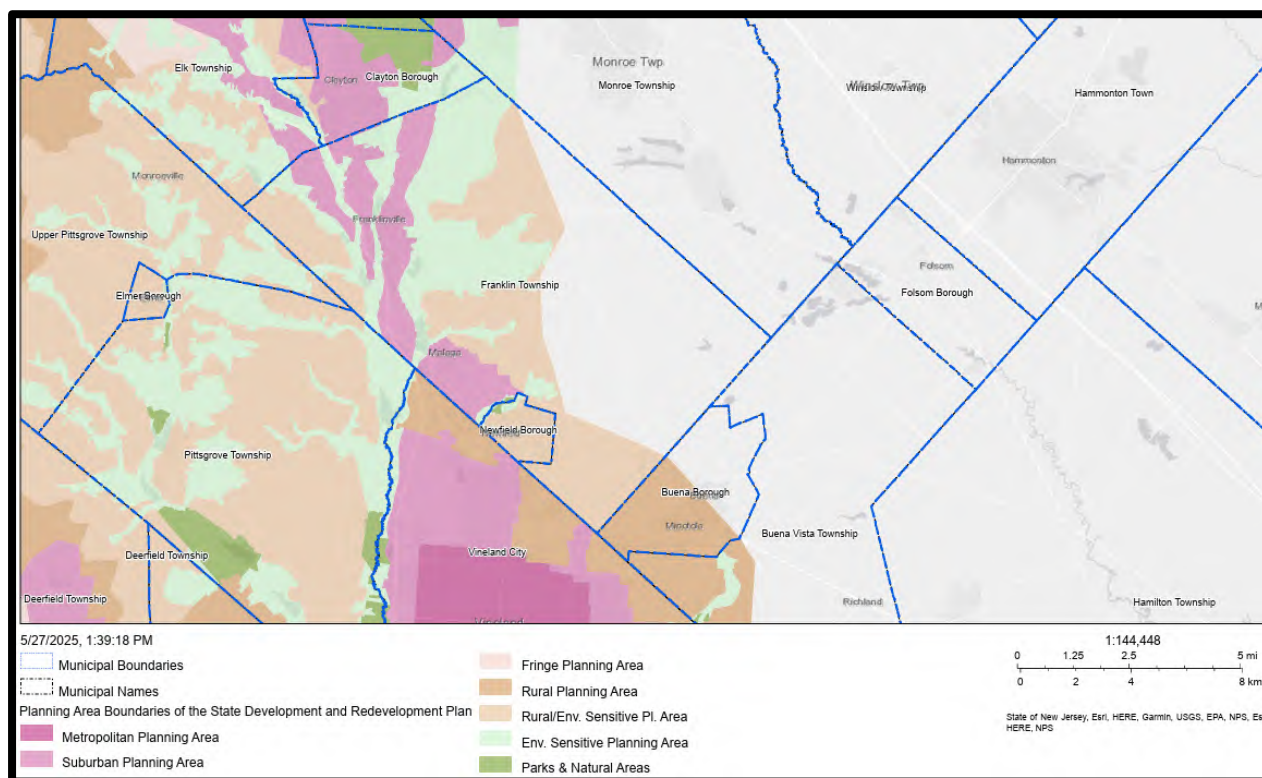


Figure 2 State Plan Areas; Franklin Township, Gloucester County

Approximately 18.48 square miles (33%) of Franklin Township is within the designated Pinelands Management Area. The Pinelands National Reserve was created by Congress in 1978, encompassing 1.1 million acres covering all or parts of 56 municipalities. In 1979 the Pinelands Commission was established and the Pinelands Protection Act was enacted, which set the stage for the adoption of the Pinelands Comprehensive Management Plan (CMP) in 1981. Soon thereafter municipalities within the Pinelands Area were required to adopt Master Plan and land use regulations consistent with the CMP. Since the adoption of the CMP, the development of Franklin, has continued but has been largely channeled to the non-Pinelands areas of the Township. Mainly as a result of the Pinelands regulations and associated infrastructure planning, and the environmental constraints within the Pinelands area, Gloucester County

## Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

Agriculture Development Board has identified these areas as Agricultural Development Areas, the non-pinelands areas have developed with village character in the northern and western portions of the Township, particularly along the State Route 55 (Veterans Memorial Highway), State Route 47 (Delsea Drive), and US Highway 40 (Harding Highway).

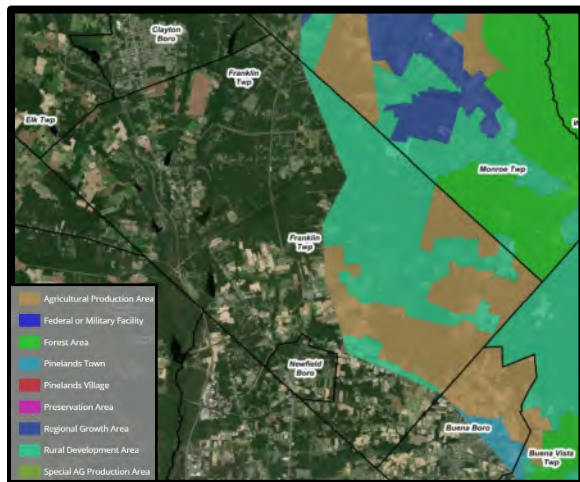


Figure 3 Pinelands Management Areas

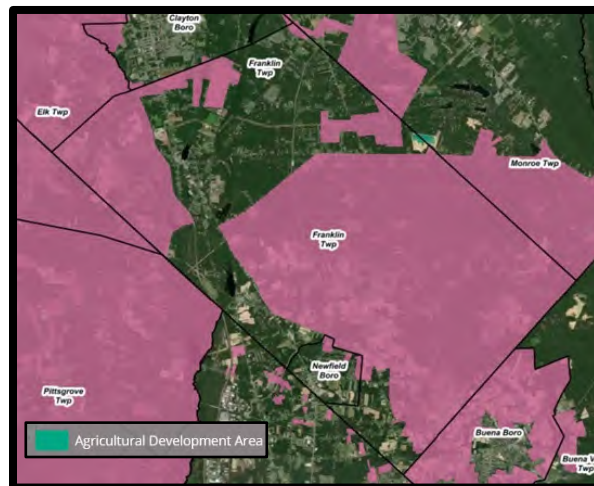


Figure 4 SADC Agricultural Development Areas

2020 Census counts indicate that the Township's population is 16,380 persons, a decrease of 440 people or 2.62 % from the 2010 Census counts. The largest population growth occurred between 1970 to 1980 when the population increased by 37.89 % from 8,990 people to 12,396 people. This drastic increase in population was due to suburbanization reaching the Township and increasing housing growth. Population gradually increased from 1980 to 2010, by 4,424 over the thirty-year time frame, as suburbanization decreased. After a slight estimated decrease in population from 2010 to 2020, the population is expected to slowly increase once again to 17,041 residents by 2050.

### *Affordable Housing*

In 1975 the New Jersey Supreme Court determined, in *Southern Burlington County NAACP v. Township of Mount Laurel* ("Mount Laurel I") that every developing municipality in New Jersey had an affirmative obligation to provide a "realistic opportunity" for its fair share of low and moderate income housing. In 1983, frustrated with the lack of voluntary compliance, the Supreme Court sought to create an incentive for voluntary compliance in its "Mount Laurel II" decision. In this decision, the Court exposed municipalities that refused to comply voluntarily to the possibility of builder's remedy relief. The Court also called for the state legislature to enact legislation that would save municipalities from the inefficiency of having the courts determine their affordable housing needs.

### **First and Second Rounds**

In 1985 the Legislature adopted the Fair Housing Act (N.J.S.A. 52:27D-301 et. seq.) ("FHA"). The FHA created the New Jersey Council on Affordable Housing (COAH) and charged COAH with the responsibility of adopting regulations by which municipalities could determine their fair share responsibilities and the means by which they could satisfy those responsibilities. The Legislature also sought to promote voluntary

## Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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compliance and empowered municipalities to submit to COAH's jurisdiction and voluntarily comply under the protections of the COAH process.

Pursuant to the FHA, COAH adopted regulations for the first housing cycle in 1986; which covered the years 1987 through 1993 ("First Round") and for the second housing cycle in 1994; which covered the years 1993 through 1999 ("Second Round"). Under both the First and Second Rounds, COAH utilized what is commonly referred to as the "fair share" methodology. COAH utilized a different methodology, known as "growth share," beginning with its efforts to prepare Third Round housing-need numbers.

### **Third Round**

COAH first adopted the Third Round rules in 2004; which were to cover the years 1999 through 2014. The "growth share" approach created a nexus between the production of affordable housing and future residential and non-residential development within a municipality, based on the principle that municipalities should provide affordable housing opportunities proportionate to their market rate residential growth, and that along with employment opportunities there should be proportionate opportunities for affordable housing. Each municipality was required to project the amount of residential and nonresidential growth that would occur during the period 2004 through 2014 and prepare a plan to provide proportionate affordable housing opportunities. The regulations were challenged and in January 2007, the New Jersey Appellate Division invalidated key aspects of COAH's third round rules and ordered COAH to propose and adopt amendments to its rules to address the deficiencies it had identified.

COAH adopted new Third Round rules in May of 2008 and subsequently adopted amendments that became effective on October 20, 2008. Changes to the Fair Housing Act were also adopted in July of 2008 (P.L. 2008 c. 46 on July 17, 2008). The COAH rules and regulations adopted in 2008 were subsequently challenged, and in an October 2010 decision the Appellate Division invalidated the "Growth Share" methodology, and also indicated that COAH should adopt regulations pursuant to the "Fair Share" methodology utilized in the First and Second Rounds. The Supreme Court affirmed this decision in September 2013, invalidating the third iteration of the Third Round regulations and sustaining the invalidation of growth share, and directing COAH to adopt new regulations pursuant to the methodology utilized in the First and Second Rounds. In October of 2014 COAH was deadlocked and failed to adopt their newly revised Third Round regulations. Fair Share Housing Center, who was a party in the earlier cases, responded by filing a motion in aid of litigants' rights with the New Jersey Supreme Court. On March 20, 2015, the Court ruled that COAH was effectively dysfunctional, and consequently returned jurisdiction of affordable housing issues back to the trial courts as it had been prior to the creation of COAH in 1986.

Since the 2015 Mt. Laurel IV decision, municipalities turned to the courts to seek a declaratory judgement of their Third Round housing plans to determine whether they met their constitutional affordable housing obligations, and were granted immunity from any "builder's remedy" lawsuits. With no COAH functioning and providing guidance to municipalities to determine their municipal fair share of statewide and regional obligations, a number of independent groups produced their own reports to determine individual obligations across the state. In several court decisions in 2016 and 2018, judges in Middlesex and Mercer County developed a methodology following closely one proposed by Fair Share Housing Center to determine municipal obligations. In the 2018 decision by Judge Jacobson, it was further determined that

## Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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the initial period of the Third Round which had not been addressed (1999 – 2015) known as the “gap period” is to be included in each municipality’s Third Round fair share calculations.

To achieve Third Round Compliance, municipalities addressed the obligations of the period from 1999 – 2015 through the courts, and through private settlement agreements with Fair Share Housing Center, ultimately leading to a judgement of compliance and repose from the courts for municipalities that could demonstrate full compliance with the requirements of the Fair Housing Act. Due to the ongoing litigation throughout the Third Round, many municipalities achieved this substantive certification from the courts well into the period.

### **Fourth Round**

In March of 2024, P.L. 2024, c.2 was signed into law establishing new procedures for determining statewide needs and municipal obligations for low and moderate income housing. This new law formally abolished COAH and established a new “Program” for resolving affordable housing disputes, as well as the authority to review and certify municipal fair share housing plans. The law required municipalities to determine their own fair share obligations by applying the methodology of the Jacobsen decision in Mercer County as it related to the Third Round, and adopt a binding resolution setting those obligation numbers. The law also provided revisions to the crediting structures for affordable units, with changes to the types of affordable units that are permitted to be granted bonus credits. The law established timelines for submission of documents to demonstrate compliance with the Fair Housing Act.

In addition to the revisions to low and moderate income housing crediting, the amended law established a new Affordable Housing Alternative Dispute Resolution Program. The Program is intended to adjudicate any disputes in affordable housing, and function as the administrative body responsible for reviewing and certifying municipal compliance with the Fair Housing Act. Through the Program and the Administrative Office of the Courts, municipalities seeking a judgment of compliance with Affordable Housing regulations must submit a motion for a declaratory judgment from the Program to retain immunity from any potential builder’s remedy lawsuits.

### *Franklin’s Compliance History*

Franklin Township adopted its initial Third Round Compliance Plan in October of 2008, in compliance with the Growth Share methodology rules that were in place at the time. The 2008 Housing Element & Fair Share Plan was then endorsed by the Township Committee. As a result of the invalidation of the growth share methodology by the court, the Township’s previously adopted Housing Element and Fair Share Plan is no longer sufficient to address its fair share obligation to provide housing opportunities for low and moderate income households in the region.

The Township petitioned the court for a Declaratory Judgment Complaint on July 2, 2015, through Docket No. GLO-L-901-15, In the Matter of the Township of Franklin, Gloucester County. As a part of this Declaratory Judgment process, the Township entered into negotiations with the Fair Share Housing Center to establish firm numbers as the overall obligations of the Township in regards to their fair share requirements, as well as to identify appropriate mechanisms to provide realistic opportunities for the production of affordable housing to meet these obligations.

## Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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In May of 2022, the Township reached a settlement agreement with Fair Share Housing Center (FSHC) addressing both the “number” for the Township’s Third Round fair share obligation of low-and moderate-income housing, as well the mechanisms the Township will use to satisfy this obligation. A Fairness Hearing on the Settlement Agreement was held on August 12, 2022, and following this hearing the Settlement Agreement was approved by the court. The Township received a judgment of compliance from the Court on May 21, 2024 for its Third Round Plan.

A copy of the Township’s Settlement Agreement with Fair Share Housing Center can be found in Appendix A-1.

A copy of the Township’s Third Round Judgment of Compliance can be found in Appendix A-2.

In January of 2025, the Township Council adopted Resolution 37-2025 establishing its Fourth Round obligation numbers in accordance with the amended Fair Housing Act adopted by the Legislature and signed by the Governor in March of 2024. The resolution establishing Fourth Round obligation numbers was submitted to the Program through a declaratory judgment action, beginning the process of demonstrating and certifying the Township’s compliance with the Fourth Round of affordable housing obligations.

The Township initially determined that it had a Fourth Round present need of 48 units, and a prospective need of 215 units, as per Resolution 37-2025. This determination was challenged by the New Jersey Builder’s Association. The Township and the NJBA ultimately settled on a prospective need of 243 for Franklin Township.

A copy of Resolution 37-2025 can be found in Appendix B-1.

A copy of the Order Fixing the Municipal Obligation can be found in Appendix B-2.

The Township has prepared this Housing Plan Element and Fair Share Plan in accordance with all requirements of the Municipal Land Use Law, and the Amended Fair Housing Act.

## HOUSING PLAN ELEMENT

According to the Municipal Land Use Law (MLUL) (40:55D-28.b(3)), a municipality is required to adopt a Housing Plan Element of the Master Plan, as well as a Fair Share Plan for addressing its low and moderate income housing obligations in accordance with the Fair Housing Act (FHA).

The Amended Fair Housing Act defines a “Housing Element” as:

*“that portion of a municipality’s master plan consisting of reports, statements, proposals, maps, diagrams, and text designed to meet the municipality’s fair share of its region’s present and prospective housing needs, particularly with regard to low- and moderate-income housing, and which shall contain the municipal present and prospective obligation for affordable housing, determined pursuant to subsection f. of section 3 of P.L.2024, c. 2.”*

[N.J.S.A.52:27D-304.1]

Pursuant to the Fair Housing Act, Section 10 of P.L. 1985, c. 222 (C. 52:27D-310), a municipality’s housing plan element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with attention to low- and moderate-income housing. This updated Housing Plan Element and Fair Share Plan for the Township of Franklin has been prepared in a manner that is consistent with the FHA and MLUL requirements, and contains the following, as spelled out in the FHA:

- a. *An inventory of the municipality’s housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor’s office, including but not limited to the property record cards;*
- b. *A projection of the municipality’s housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;*
- c. *An analysis of the municipality’s demographic characteristics, including but not necessarily limited to, household size, income level and age;*
- d. *An analysis of the existing and probable future employment characteristics of the municipality;*
- e. *A determination of the municipality’s present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c. 2 (C.52:27D-304.1);*
- f. *A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;*

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c. 273 (C.52:27D-329.20);*
- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c. 120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality’s most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and*
- i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.*

[N.J.S.A.52:27D-310]

This Housing Plan Element and Fair Share Plan will address the Township’s obligations to provide a realistic opportunity for the construction of low- and moderate-income housing in accordance with the Fair Housing Act, and the MLUL for the Fourth Round period of 2025 – 2035. The preparation of a Housing Plan Element and Fair Share Plan is the first step in petitioning the court for Substantive Certification and Judgement of Repose.

As required by N.J.S.A. 52:27D-310, all housing elements must contain a discussion of the municipality’s demographic, housing, and economic characteristics. The following subsections fulfill this requirement by providing a profile of the Township’s demographic, housing and employment characteristics based on information from the US Census Bureau, and the New Jersey Department of Labor and Workforce Development.

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

Demographics

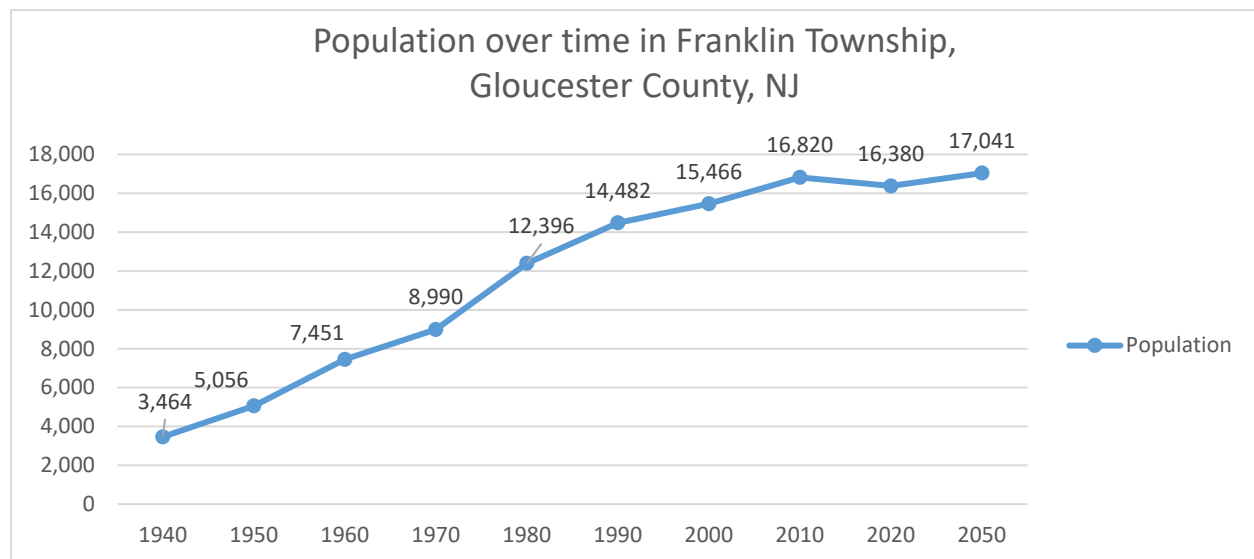
**Population Trends**

The Township of Franklin has experienced an overall increase in population between 2000 and 2020, with total population peaking in 2010, and decreasing between 2010 and 2020. According to the 2020 U.S Census, the Township population stood at 16,380 residents, marking a -2.62 % decrease from the 16,820 residents recorded in 2010, but increased between 2000 and 2010 by 8.75 % from the 15,466 residents recorded by the 2000 Census. In comparison, Gloucester County’s population decreased by 4.86 % between 2010 and 2020 and by 13.2 % between 2000 and 2010. Table 1 below illustrates the population growth trends for both Franklin Township and Gloucester County from 2000 through 2020.

Table 1: Population Trends, 2000 - 2020					
	2000	2010	2020	% Change 2000-2010	% Change 2010-2020
<b>Franklin Township</b>	15,466	16,820	16,380	8.75%	-2.62%
<b>Gloucester County</b>	254,673	288,288	302,294	13.20%	4.86%

Source: US Census Bureau Decennial Census (Table DP-1)

Franklin’s population growth between 1940 – 2050 (actual and estimated) is illustrated in Figure 1 below. 1940 – 2050 (actual and estimated) is illustrated in Figure 1 below. The largest population growth percentage-wise occurred between 1950 (when the Township had 5,056 residents) to 1960 when population increased by 47.37 % to 7,451 residents, while numerically the largest growth occurred between the 1970 and 1980, when the population rose to 12,396, an increase of 3,406 residents. It is projected that the Townships population will increase by 4.4 % between 2020 (16,380 residents) and 2050 (17,041 residents), an overall decrease of 661 residents.



Source: US Census Bureau, Decennial Census, Delaware Valley Regional Planning Commission Population Forecast by County

## Franklin Township – Fourth Round Housing Plan Element &amp; Fair Share Plan

**Population Composition by Age**

The age composition of Franklin has shifted between age cohorts since 2000, as illustrated in Table 2 below. According to the U.S. Census Bureau’s Decennial Census Estimates, significant changes occurred between younger and older age groups. The number of residents 19 years and younger decreased, as well as the 35-44 age cohort. All other age cohorts increased, with the largest increase (percentage wise) occurring in the 60-64-year-old age cohort, which increased by 130.33 %.

**Table 2: Population by Age Cohort, Franklin Township, 2000 - 2020**

	2000		2020		% Change 2000-2020
	Number	Percent	Number	Percent	
<b>Total population</b>	15,466	100%	16,380	100%	5.91%
Under 5 years	956	6.18%	730	4.46%	-23.64%
5 to 9 years	1,108	7.16%	905	5.53%	-18.32%
10 to 14 years	1,378	8.91%	1,085	6.62%	-21.26%
15 to 19 years	1,289	8.33%	1036	6.32%	-19.63%
20 to 24 years	863	5.58%	945	5.77%	9.50%
25 to 34 years	1,768	11.43%	1,873	11.43%	5.94%
35 to 44 years	2,989	19.33%	1,997	12.19%	-33.19%
45 to 54 years	2,290	14.81%	2,316	14.14%	1.14%
55 to 59 years	768	4.97%	1,449	8.85%	88.67%
60 to 64 years	577	3.73%	1,329	8.11%	130.33%
65 to 74 years	868	5.61%	1789	10.92%	106.11%
75 to 84 years	502	3.25%	717	4.38%	42.83%
85 years and over	110	0.71%	209	1.28%	90.00%

Source: US Census Bureau, Decennial Census (Table DP-1)

The age composition of Gloucester County has shifted in different manner that that of the Township, as illustrated in Table 3 below. The number of residents 14 years and younger decreased, as well as the 35-44 age cohort. All other age cohorts increased, with the largest increase (percentage wise) occurring in the 60-64-year-old age cohort, which increased by 130.33 %.

**Table 3: Population by Age Cohort, Gloucester County, 2000 - 2020**

	2000		2020		% Change 2000-2020
	Number	Percent	Number	Percent	
<b>Total population</b>	254,673	100%	302,294	100%	18.70%
Under 5 years	16,689	6.55%	15,339	5.07%	-8.09%
5 to 9 years	19,010	7.46%	17,521	5.80%	-7.83%

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

10 to 14 years	19,976	7.84%	19,916	6.59%	-0.30%
15 to 19 years	18,654	7.32%	22,817	7.55%	22.32%
20 to 24 years	15,512	6.09%	21,345	7.06%	37.60%
25 to 34 years	32,576	12.79%	35,415	11.72%	8.72%
35 to 44 years	44,902	17.63%	36,739	12.15%	-18.18%
45 to 54 years	35,938	14.11%	40,111	13.27%	11.61%
55 to 59 years	12,485	4.90%	22,240	7.36%	78.13%
60 to 64 years	9,253	3.63%	21,051	6.96%	127.50%
65 to 74 years	16,083	6.32%	30,107	9.96%	87.20%
75 to 84 years	10,533	4.14%	14,224	4.71%	35.04%
85 years and over	3,062	1.20%	5,469	1.81%	78.61%

Source: US Census Bureau, Decennial Census (Table DP-1)

The median age of Franklin residents was 43.0 as of the 2020 census, which is an 18.13 % increase from the median age of 36.4, as indicated in Table 4 below. County and statewide median age both rose at a lower rate during this time period, with Gloucester increasing from 36.1 in 2000 to 40.1 in 2020 (an 11.08 % increase) while New Jersey’s median age rose 8.72 % during this same time period, from 36.7 to 39.9. Overall it appears that the broader trend of increasing median age is reflective of the Baby Boomer generation continuing to age and are not being replaced by younger cohorts, which is more pronounced within the Township as compared to County and the State as a whole.

Table 4: Median Age, 2000 – 2020			
	2000	2020	Percent Change
<b>Franklin Township</b>	36.4	43.0	18.13%
<b>Gloucester County</b>	36.1	40.1	11.08%
<b>New Jersey</b>	36.7	39.9	8.72%

Source: US Census Bureau, Decennial Census (Table DP-1)

**Households**

Table 5 provides number of households and household sizes within Franklin Township and Gloucester County. A household is defined as one or more individuals, related or not, living together in a single housing unit. According to the 2023 ACS 5-Year estimates, there were approximately 5,668 households in Franklin. Of these, the largest percentage were households of two people at 35.09 % followed by 4 or more persons households at 32.99%, 3-person households at 16.60%, with 15.31 % households containing one person.

In comparison, the County recorded 31.10 % two-person households, 25.38 % 4 or more person households, 26.42 % households containing one person and 17.10 % being 3-person households.

## Franklin Township – Fourth Round Housing Plan Element &amp; Fair Share Plan

Franklin’s average household size was 2.89 people, which is slightly more than both the County’s average of 2.67 and New Jersey’s average of 2.61, according to the ACS estimates.

<b>Table 5: Household Characteristics in Franklin, Gloucester and New Jersey</b>						
	<b>Franklin Township</b>		<b>Gloucester County</b>		<b>New Jersey</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Total Households</b>	5,668	100%	111,796	100%	3,478,355	100%
1-person	868	15.31%	27,083	24.23%	918,897	26.42%
2-persons	1,989	35.09%	35,930	32.14%	1,081,842	31.10%
3-persons	941	16.60%	19,987	17.88%	594,946	17.10%
4 or more persons	1,870	32.99%	28,796	25.76%	882,670	25.38%
<b>Average Household Size</b>	<b>2.89 people</b>		<b>2.67 people</b>		<b>2.61 people</b>	

*Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Table S2501& B25010)*

Family households are defined as two or more individuals living together in the same residence, related by blood, marriage, or adoption. Of the total 5,668 households within Franklin, a total of 4,338 (76.53 %) are family households, while 1,330 (28.49 %) are non-family households. In contrast, Gloucester County has a total of 78,113 (69.87 %) family and 33,683 (30.13 %) non-family households, which are lower (family) and higher (non-family) ratios as compared to the Township.

Within Franklin, approximately 79.72 % of family households consist of married couple householders. Among the remaining family households, 4.69 % are headed by a single male householder, and 15.59 % are headed by a single female householder. In comparison, Gloucester County consists of 79.18 % married couples, with 6.08 % male householders and 14.74 % female householders. Further, 15.3 % of the households in Franklin are comprised of individuals aged 65 or older, totaling 419 households, whereas in comparison, 17.40 % of Gloucester County households are headed by individuals aged 65 or older.

The average family size in Franklin is 3.20 persons, which is slightly higher than that of Gloucester County as a whole, which is 3.18 people per household.

<b>Table 6: Household by Type, Franklin and Gloucester County</b>				
	<b>Franklin Township</b>		<b>Gloucester County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Total Households</b>	<b>5,668</b>	<b>100.00%</b>	<b>111,796</b>	<b>100.00%</b>
Average Household Size	2.89 people		2.67 people	
<b>Total Families</b>	<b>4,338</b>	<b>76.53%</b>	<b>78,113</b>	<b>69.87%</b>
Average Family Size	3.20 people		3.18 people	

## Franklin Township – Fourth Round Housing Plan Element &amp; Fair Share Plan

Married Couple Family	3,400	79.72%	127,318	79.18%
With own children under 18 years	1,298	35.31%	48,896	38.40%
No children under 18 years	2,102	64.69%	78,422	61.60%
Male householder, no wife present	300	4.69%	9,784	6.08%
With own children under 18 years	182	54.64%	3,965	40.53%
No own children under 18 years	118	45.36%	5,819	59.47%
Female householder, no husband present	638	15.59%	23,697	14.74%
With own children under 18 years	283	17.57%	8,312	35.08%
No own children under 18 years	355	82.43%	15,385	64.92%
<b>Nonfamily Households</b>	<b>1,330</b>	<b>28.49%</b>	<b>33,683</b>	<b>30.13%</b>
65 years and over	419	15.30%	42,025	17.40%

Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Table S1101)

### Housing Conditions

#### Existing Housing Units

Franklin's housing stock is predominantly occupied, as indicated in Table 7. According to 2023 ACS estimates, the Township has a total of 6,039 housing units, of which 5,668 units (93.86 %) are occupied, and 371 (6.14 %) are vacant. Among the occupied units, the majority (4,939 or 87.14 %) are owner-occupied, while 729 (or 12.86 %) are renter-occupied.

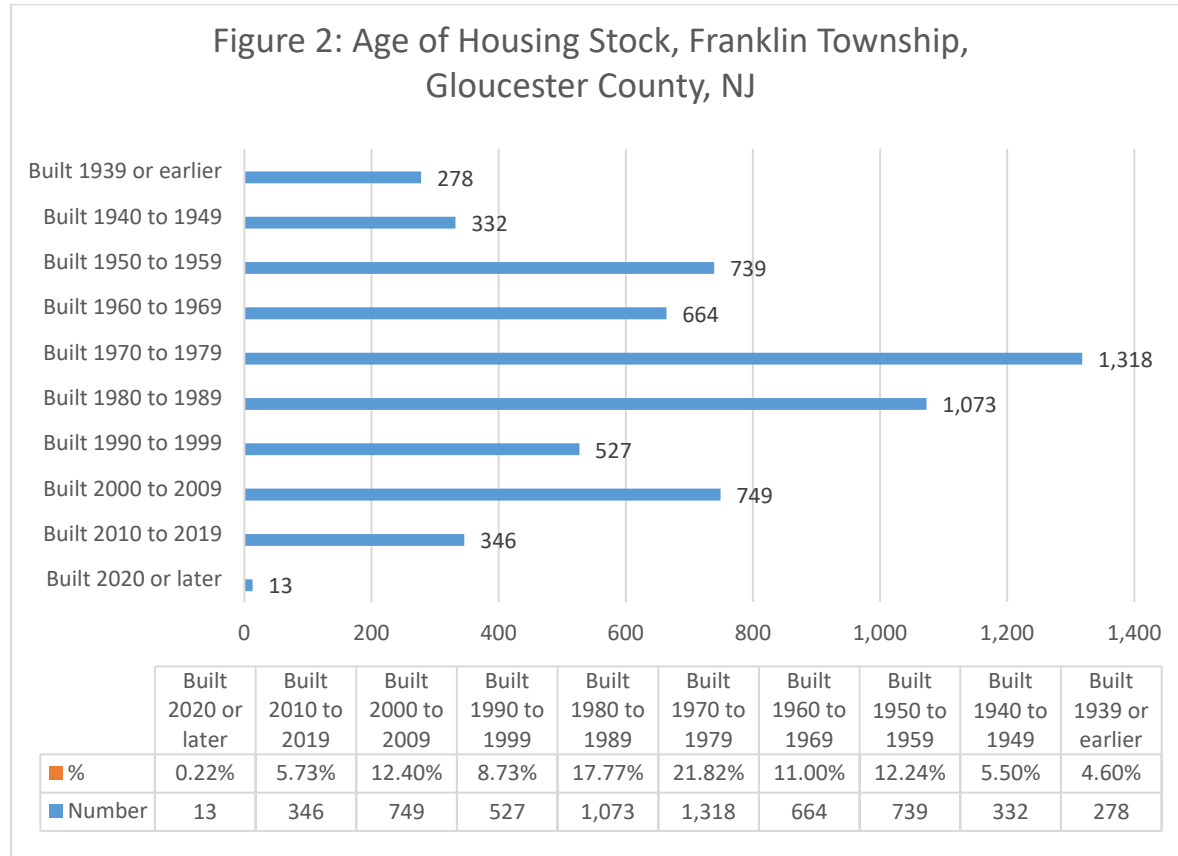
**Table 7: Housing Units in Franklin Township**

	Number	Percent
<b>Total Housing Units</b>	<b>6,039</b>	<b>100.00%</b>
<b>Occupied Housing Units</b>	<b>5,668</b>	<b>93.86%</b>
Owner Occupied	4,939	87.14%
Renter Occupied	729	12.86%
<b>Vacant Housing Units</b>	<b>371</b>	<b>6.14%</b>
For rent	27	7.28%
Rented, not occupied	0	0.00%
For sale only	31	8.36%
Sold, not occupied	0	0.00%
For seasonal, recreational, or occasional use	0	0.00%
For migrant workers	289	77.90%
Other vacant	0	0.00%

Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables DP04 and B25004)

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

As indicated in Figure 2 below, 1,318 housing units (21.82 % of existing housing stock) within Franklin was built between 1970-1979, which represents the largest amount of housing stock within the Township.



Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables DP04)

**Housing Type and Size**

Franklin's housing stock is predominantly comprised of one-unit detached homes, making up an estimated 93.86 % of the Township's total housing units as indicated in Table 8 below. The next highest housing type is those consisting of mobile homes, and 2-unit homes, which make up 3.15 and 1.51 %, respectively, of all housing units within the Township. More than half (56.73 %) of the Township's housing inventory is made up of 3-bedroom homes, followed by 4-bedroom homes at 20.72 %.

Table 8: Housing Units by Type: Franklin Township		
	Number	Percent
<b>Total Housing Units</b>	6,039	100.00%
1-unit detached	5,668	93.86%
1-unit, attached	39	0.65%
2 units	91	1.51%
3 or 4 units	0	0.00%

## Franklin Township – Fourth Round Housing Plan Element &amp; Fair Share Plan

5 to 9 units	0	0.00%
10 to 19 units	51	0.84%
20 or more units	0	0.00%
Mobile home	190	3.15%
Boat, RV, Van etc	0	0.00%
<b>Bedrooms</b>		
No bedroom	0	0.00%
1 bedroom	170	2.82%
2 bedrooms	1,013	16.77%
3 bedrooms	3,426	56.73%
4 bedrooms	1,251	20.72%
5 or more bedrooms	179	2.96%
<i>Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables DP04)</i>		

**Housing Values and Contract Rents**

According to the ACS 5-Year Estimates, housing units valued between \$ 300,000 - \$ 499,999 are a plurality within the Township (40.07 %) and the County (36.68 %). Table 9 provides a breakdown of home values for owner-occupied units in the Township and the County. Approximately 4.62 % and 0.58 % of housing units within Franklin were valued at less than \$ 50,000 and between \$50,000 - \$99,999, respectively, as compared to the Gloucester County's 3.47 % and 3.93 %. The median value of an owner-occupied home in Franklin Township was \$ 270,700, which is less than the County's median, which was \$ 283,500.

<b>Table 9: Value of Owner-Occupied Housing Units, 2019 -2023</b>				
	<b>Franklin Township</b>		<b>Gloucester County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Total</b>	<b>4,939</b>	<b>100.00%</b>	<b>193,630</b>	<b>100.00%</b>
Less than \$50,000	167	4.62%	6,722	3.47%
\$50,000 to \$99,999	104	0.58%	7,606	3.93%
\$100,000 to \$149,999	287	0.80%	6,557	3.39%
\$150,000 to \$199,999	707	4.52%	10,614	5.48%
\$200,000 to \$299,999	1643	21.80%	38,410	19.84%
\$300,000 to \$499,999	1,622	40.07%	71,026	36.68%
\$500,000 to \$999,999	370	26.32%	43,985	22.72%
\$1,000,000 and greater	39	1.29%	8,710	4.50%
<b>Median Value</b>	<b>\$270,700</b>		<b>\$283,500</b>	
<i>Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables DP04)</i>				

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A majority of rental prices in the Township are between \$1,500 to \$ 1,999 (37.01 %) and \$ 1,000 to 1,499 (36.43 %). Table 10 provides a detailed breakdown of gross rent paid within the Township and Gloucester County. According to the ACS 5-Year Estimates, the median gross rent in Franklin was \$ 1,487, which is marginally higher than the County median of \$ 1,480.00. Franklin had no units with rents under \$500 per month, while ACS estimates indicate the 7.17 % of County units had rents below this threshold. Additionally, an estimated 40 Franklin units did not require cash rent payments, compared to 925 such units across the County.

<b>Table 10: Gross Rent Paid, 2019 - 2023</b>				
	<b>Franklin Township</b>		<b>Gloucester County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Total</b>	<b>689</b>	<b>100.00%</b>	<b>22,077</b>	<b>100.00%</b>
Less than \$500	0	0.00%	1,583	7.17%
\$500 to \$999	103	14.95%	2,938	13.31%
\$1,000 to \$1,499	251	36.43%	6,807	30.83%
\$1,500 to \$1,999	255	37.01%	5,923	26.83%
\$2,000 to \$2,499	16	2.32%	3,109	14.08%
\$2,500 to \$2,999	64	9.29%	1,093	4.95%
\$3,000 or more	0	0.00%	624	2.83%
No rent paid	40	5.81%	925	4.19%
<b>Median Contract Rent</b>	<b>\$1,487</b>		<b>\$1,480</b>	
<i>Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables DP04)</i>				

**Units Affordable to Low- and Moderate-Income Households**

A moderate-income household is a household whose gross family income is more than fifty percent (50%) of the median income, but less than eight-percent (80%) of median income for households of the same size within the housing region. A low-income household is a household whose gross family income is equal to or less than fifty-percent (50%) of the regional median gross household income for a household and a very-low income household is classified as earning less than thirty-percent (30%) of the median area income of the same size within the housing region.

Units are considered affordable to low and moderate-income households if the maximum sales price or rent is set within a specified formula as per UHAC regulations, which is determined by the amount that a low- or moderate-income household can likely afford to pay. Franklin Township is located within is Region 6, which encompasses Burlington, Camden, and Gloucester counties. The median household income in Franklin Township in 2023 was \$104,303. The median annual income for a household of 3 persons in Region, 5 overall is \$107,500.

Regional income limits for Region 5 are shown in the Table below.

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

2025 Affordable Housing Regional Income Limits By Household Size (Persons)											
	1	1.5	2	2.5	3	4	4.5	5	6	7	8
<b>Median</b>	\$83,600	\$89,600	\$95,600	\$101,550	\$107,500	\$119,400	\$124,200	\$129,000	\$138,600	\$148,100	\$157,700
<b>Mod</b>	\$66,880	\$71,680	\$76,480	\$81,240	\$86,000	\$95,520	\$99,360	\$103,200	\$110,880	\$118,480	\$126,160
<b>Low</b>	\$41,800	\$44,800	\$47,800	\$50,775	\$53,750	\$59,700	\$62,100	\$64,500	\$69,300	\$74,050	\$78,850
<b>Very Low</b>	\$25,080	\$26,880	\$28,680	\$30,465	\$32,250	\$35,820	\$37,260	\$38,700	\$41,580	\$44,430	\$47,310

*Source: AHPNJ, 2025 Regional Income Limits*

Based on the qualifying formula in N.J.A.C. 5:80-26, the monthly cost of shelter which includes mortgage (principal and interest), taxes, insurance and homeowners or condominium association fees, may not exceed twenty-eight percent (28%) of gross monthly household income based on a five percent (5%) down payment for the sale of an affordable home. In addition, moderate-income sales units must be available for at least three different price points and low-income sales units available for at least two different price points. The maximum sales prices must now be affordable to households earning no more than seventy-percent (70%) of median income. The sales prices for a project of more than 5 affordable units must average fifty-five percent (55%) of regional median income.

Under UHAC regulations, rents including utilities may not exceed thirty-percent (30%) of gross monthly income for the low or moderate income household. The average rent must now be affordable to households earning fifty-two percent (52%) of regional median income. The maximum rents must be affordable to households earning no more than sixty-percent (60%) of regional median income. In averaging fifty-two percent (52%), one rent shall be established for very-low-income units, one rent may be established for low-income units and one rent for moderate-income units, for each bedroom distribution. The utility allowance must be consistent with the utility allowance approved by DCA for its Section 8 program. In addition, at least thirteen percent (13%) of all restricted units must be affordable to households earning no more than thirty-percent (30%) of median income.

Within Franklin Township, with a median contract rent of just under \$1,500 / month, a typical rental unit in the Township would be considered affordable to a moderate income household within Region 5.

**Housing Deficiencies**

Overcrowding is minimal in Franklin, with approximately 0.14 % (7 units) of owner-occupied units and no renter-occupied units exceeding one person per room. As outlined in Table 11 below, 9 units (0.16 % of all units) within the Township lack complete plumbing facilities, and 19 units (0.34 % of total units) lack kitchen facilities. Housing deficiencies are often key factors in assessing overall housing conditions and determining municipal rehabilitation needs.

Table 11: Housing Deficiency Characteristics, Franklin Township 2023		
	Count	Percent
<b>Housing Units with 1.01 or More Persons Per Room</b>		
Owner-Occupied	7	0.14%
Renter-Occupied	0	0.00%

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<b>Plumbing Facilities</b>		
Total Occupied Housing Units	5,668	100.00%
Lacking complete plumbing facilities	9	0.16%
<b>Kitchen Equipment</b>		
Total Occupied Housing Units	5,668	100%
Lacking complete kitchen facilities	19	0.34%
<i>Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables B25014, S2504)</i>		

**Housing Stock**

Franklin issued building permits for 201 new residential units between January 2013 and December 2023 as indicated in Table 12 below, which is based upon data provided by the NJ Department of Consumer Affairs. A total of 86 residential demolition permits were issued during this time period. Subtracting the demolition permits from the construction permits reveals a net increase of 115 residential units over the same timeframe.

All of the building permits were for 1 & 2 family homes. Amount of building permits used was fairly consistent during this time period, averaging 18 permits per year, with a range of 7 issued in 2015 to 35 issued in 2022. In general, this data indicates that Township has seen steady slow growth in housing stock during this time period.

<b>Table 12: Building Permits and Demolition Permits Issued 2013 - 2023</b>						
<b>Year</b>	<b>1&amp;2 Family</b>	<b>Multi Family</b>	<b>Mixed Use</b>	<b>Total New Construction</b>	<b>Total Residential Demolitions</b>	<b>Net Units Added</b>
2013	26	0	0	26	4	22
2014	10	0	0	10	5	5
2015	7	0	0	7	9	-2
2016	13	0	0	13	7	6
2017	9	0	0	9	7	2
2018	11	0	0	11	11	0
2019	14	0	0	14	6	8
2020	14	0	0	14	10	4
2021	28	0	0	28	10	18
2022	35	0	0	35	10	25
2023	34	0	0	34	7	27
<b>Total</b>	<b>201</b>	<b>0</b>	<b>0</b>	<b>201</b>	<b>86</b>	<b>115</b>
<i>Average</i>	<i>18</i>	<i>0</i>	<i>0</i>	<i>18</i>	<i>8</i>	<i>10</i>
<i>Source: NJ DCA, Construction Reporter 2013 to 2023</i>						

## Franklin Township – Fourth Round Housing Plan Element &amp; Fair Share Plan

*Economic Conditions***Employment Status**

ACS estimates provide data on the work activity of residents aged 16 and older. Franklin’s working-age population was 13,358, with approximately 8,799 residents in the labor force as indicated in Table 13 below. Approximately 34.13 % of the Township’s working-age residents were not participating in the labor force at the time of the 5-year ACS estimates, which is marginally higher than the County’s 33.13 % non-participation rate. 65.87 % of Franklin’s labor force (8,799 people) were classified within the civilian labor force cohort, with 8,235 being employed, and 5 residents were reported as being a member of the armed forces. Franklin’s 4.18 % unemployment rate is higher than County rate of 3.44 %.

<b>Table 13: Employment Status, 2023</b>				
	<b>Franklin Township</b>		<b>Gloucester County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Population 16 years and over</b>	<b>13,358</b>	<b>100.00%</b>	<b>247,419</b>	<b>100.00%</b>
In labor force	8,799	65.87%	165,443	66.87%
Civilian Labor Force	8,794	65.83%	165,215	66.78%
Employed	8,235	61.65%	156,704	63.34%
Unemployed	559	4.18%	8,511	3.44%
Armed Forces	5	0.04%	228	0.09%
Not in Labor Force	4,559	34.13%	81,976	33.13%

*Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03)*

**Worker Classification**

Approximately 77.62 % of Franklin’s workers were employed in private wage and salary positions, while 4.95 % were self-employed as indicated in Table 14 below. Government employees made up 17.23 % of the workforce, with unpaid family workers representing 0.19 %.

<b>Table 14: Classification of Workers, Franklin Township, 2023</b>		
	<b>Number</b>	<b>Percent</b>
<b>Civilian employed population 16 years and over</b>	<b>8,235</b>	<b>100.00%</b>
Private Wage and Salary Worker	6,392	77.62%
Government Worker	1,419	17.23%
Self-Employed Worker	408	4.95%
Unpaid Family Worker	16	0.19%

*Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03)*

## Franklin Township – Fourth Round Housing Plan Element &amp; Fair Share Plan

**Workforce by Sector**

An analysis of employed individuals over the age of 16 by economic sector reveals while there is a diverse range of industries in which Franklin's working-age population is engaged, three (3) sectors comprise over half (53.05 %) of the overall total: educational services, healthcare, and social assistance (29.84 %), construction (12.43 %) and retail trade (10.78 %).

<b>Table 15: Workforce by Sector, Franklin Township, 2023</b>		
<b>Industry</b>	<b>Number</b>	<b>Percent</b>
Civilian employed population 16 years and over	8,235	100.00%
Agriculture, forestry, fishing and hunting and mining	48	0.54%
Construction	1,024	9.04%
Manufacturing	477	4.34%
Wholesale trade	529	2.26%
Retail trade	888	13.55%
Transportation and warehousing, and utilities	637	5.81%
Information	75	1.51%
Finance and insurance, and real estate and rental and leasing	405	4.48%
Professional, scientific, and management, and administration and waste management services	534	10.46%
Educational services, health care and social assistance	2,457	29.26%
Arts, entertainment, and recreation, and accommodation and food services	342	5.59%
Other services, except public administration	381	6.25%
Public administration	438	6.92%
<i>Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03)</i>		

**Occupations by Type**

Table 16 presents a breakdown of occupations by type within the Franklin's employed civilian labor force. The largest segment is engaged in management, business, science, and arts occupations (38.54 %), followed by sales and office occupations (17.72 %), service occupations (15.80 %), natural resources, construction, and maintenance occupations (14.60 %) and production, transportation, and material moving occupations (13.35 %).

<b>Table 16: Occupations by Type, Franklin Township, 2023</b>		
	<b>Number</b>	<b>Percent</b>
<b>Employed Civilian population 16 years and over</b>	<b>8,235</b>	<b>100.00%</b>
Management, business, science, and arts occupations	3,174	38.54%

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Service occupations	1,301	15.80%
Sales and office occupations	1,459	17.72%
Natural resources, construction, and maintenance occupations	1,202	14.60%
Production, transportation, and material moving occupations	1,099	13.35%
<i>Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03)</i>		

**Commuting to Work**

As shown in Table 17 below, the vast majority of residents (84.8 %) commute to work alone by private vehicle, which is higher than the County's rate of 76.07 %. Township residents who carpool represent 6.73 % of the workforce, followed by those who walked (1.3 %) and public transportation (excluding taxicabs) at 0.21 %. Those who commute by other means comprise just 0.33 %, The percentage of Franklin’s workforce who walked to work is equal to the County rate of 1.30 %. In addition, 6.58 % of the Township’s workforce worked from home.

<b>Table 17: Means of Commute, Franklin Township, 2023</b>				
	<b>Franklin Township</b>		<b>Gloucester County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Workers 16 years and over</b>	<b>8,068</b>	<b>100.00%</b>	<b>153,146</b>	<b>100.00%</b>
Car, truck, van - Drove Alone	6,845	84.84%	116,503	76.07%
Car, truck, van - Carpooled	543	6.73%	10,003	6.53%
Public transportation (excluding taxicab)	17	0.21%	2,584	1.69%
Walked	105	1.30%	1,992	1.30%
Other means	27	0.33%	2,061	1.35%
Worked from home	531	6.58%	20,003	13.06%
<i>Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03)</i>				

As indicated in Table 18 below, 43.07 % of residents have a commute of more than 30 minutes, which is slightly lower than the County's rate of 44.62 %. In contrast, 32.41 % of Township residents have a commute of less than 20 minutes, which is less than the 35.23 % County-wide percentage.

Mean travel time to work is 30.1 and 28.9 minutes, respectively, for the Township and Countywide workforces.

<b>Table 18: Travel Time to Work, 2023</b>				
	<b>Franklin Township</b>		<b>Gloucester County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Workers 16 years and over</b>	<b>8,068</b>	<b>100%</b>	<b>153,146</b>	<b>100%</b>

## Franklin Township – Fourth Round Housing Plan Element &amp; Fair Share Plan

Less than 10 minutes	755	10.02%	15,408	11.57%
10 to 19 minutes	1,688	22.40%	31,495	23.66%
20 to 29 minutes	1,848	24.52%	26,838	20.16%
30 to 44 minutes	1,434	19.03%	31,725	23.83%
45 to 59 minutes	1,005	13.33%	14,988	11.26%
60 to 89 minutes	620	8.23%	9,149	6.87%
90 or more minutes	187	2.48%	3,540	2.66%
<b>Mean travel time to work (minutes)</b>	<b>30.1</b>		<b>28.9</b>	
<i>Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03, B08303)</i>				

## FAIR SHARE PLAN

A Fair Share Plan has been defined by the Amended Fair Housing Act at N.J.A.C. 52:27D-304 as:

*“Fair Share Plan” means the plan or proposal that is in a form which may readily be adopted, with accompanying ordinances and resolutions, pursuant to subsection f. of section 3 of P.L.2024, c.2 (C.52:27D-304.1), by which a municipality proposes to satisfy its obligation to create a realistic opportunity to meet its fair share of low- and moderate-income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low- and moderate-income housing, as provided in the municipal housing element, and addresses the development regulations necessary to implement the housing element, including, but not limited to, inclusionary requirements and development fees, and the elimination of unnecessary housing cost-generating features from the municipal land use ordinances and regulations.*

The Fair Share Plan for the Franklin Township is broken up into four sections; a Present Need or Rehabilitation Obligation, the Prior Round / First and Second Round (1987-1999) Prospective Need Obligation, the Third Round (1999-2025) Prospective Need Obligation, and the Fourth Round (2025-2035) Prospective Need Obligation.

The Township’s Fair Share Plan specifically describes the completed and proposed mechanisms to address the present need (rehabilitation) obligation, First and Second Round (Prior Round) obligation, Third Round obligation, and Fourth Round obligation.

The Township’s Prior Round obligations were determined by COAH, and the Third Round obligation was a negotiated settlement with Fair Share Housing Center which was approved by the Court. The Township’s Fourth Round obligation numbers were determined using calculations provided by the New Jersey Department of Community Affairs (NJCA) in a report dated October 2024 as a basis, and a settlement with the New Jersey Builder’s Association.

### *Consideration of Lands Suitable for Affordable Housing*

The New Jersey Fair Housing Act (N.J.S.A. 52:27D-310(f)) requires that the Housing Element provide a narrative that includes “a consideration of the lands that are most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing.”

Within Franklin Township, the lands that are most appropriate for development with new affordable housing are generally those areas of the town on the north and west sides of the Township. The southern and eastern portions of the Township are located within the Pinelands Management Area where development is limited to low densities, and sewer service is not permissible. Within the Pinelands, most of Franklin is designated as conservation lands or severely encumbered by freshwater wetlands and the 300-foot transition buffer area around wetlands. Although there are some areas within Franklin that are designated as regional growth areas of the Pinelands, development potential is relatively limited to just a

## Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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few housing units per acre, and any development of a greater density requires the purchase of Pinelands Development Credits (PDC's), which would be a financial burden for any developer required to build affordable housing. Most of the Township within the Pinelands is also located outside of a designated sewer service area, limiting the availability of infrastructure necessary to support dense development.

Consistent with the State Development and Redevelopment Plan, as well as general smart growth planning principles, Franklin has focused its efforts to identify appropriate sites for affordable housing on those areas in the Township outside of the Pinelands, and within the existing developed areas in Franklin Township. These areas primarily consist in the north and western end of the Township and near the villages of Franklinville and Malaga, and with access to highways of New Jersey State Route 55, State Route 47 (Delsea Drive), and US Highway 40 (Harding Highway). These areas are consistent with the State Development and Redevelopment Plan to accommodate growth on lands in closer proximity to existing infrastructure. Although there is currently no sewer service within Franklin, the lands considered for new housing are those in closer proximity to adjacent municipalities in Clayton and Vineland, where it may be more feasible for a developer to extend sewer service into Franklin.

Developers have approached the Township with interest in constructing inclusionary housing on the following sites:

- **Block 1902, Lot 1 – Kiefer Farm, Fries Mill Road**

This parcel is a +/- 250 acre tract that is currently the largest farm in the Township, and located along Fries Mill Road, Grant Avenue, Jackson Avenue, and Washington Avenue. Located near the border with Clayton Borough and within a designated sewer service area per the Gloucester County service area maps, this site would be suitable for development. The current zoning on the site permits mixed uses including cluster residential development.

- **Block 4810, Lot 7 & Block 4811, Lots 2 and 4 – Malaga Lake Boulevard / Oak Avenue**

This tract is altogether approximately 9 acres of undeveloped wooded lands located near the interchange of Harding Highway and Route 55 just west of Malaga. The tract has frontage on Malaga Lake Boulevard and Oak Avenue between an existing single family residential community. The site is within a designated sewer service area, although no sewer infrastructure is currently in place. This site may be suitable for development at a density great enough to include affordable housing. Even without a connection to a public sewer system, it may be feasible for a combined alternative treatment system on site that could accommodate development at 2-3 units per acre, which could yield 18-27 total units on the site.

- **Block 5401, Lot 63 – West Boulevard**

This property of approximately 3 acres is located on West Boulevard near Harding Highway. The property is currently developed with a single family residence and woodlands. The site is surrounded by a mixture of low density single family residences and some light industrial and commercial uses. The site is appropriate for some low intensity residential development, but given its size and lack of current sewer service available, development at a density sufficient to include an affordable housing unit seems unfeasible. Without sewer service this site does not

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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seem suitable for development with 5 or more homes, and therefore not enough density to include affordable housing.

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*Fair Share Obligation*

The Township has the following cumulative affordable housing obligations:

- Rehabilitation / Present Need = 48 Units
- Prior Round / First and Second Round (1987-1999) Prospective Need = 166 Units
- Third Round (1999-2025) Prospective Need = 527 Units
- Fourth Round (2025-2035) Prospective Need = 243 Units

A copy of the Order Fixing Municipal Obligations for the Fourth Round can be found in Appendix B-2.

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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*Present Need (Rehabilitation) Obligation*

The Township has a rehabilitation, or present need obligation of 48 units.

The Township currently participates in Gloucester County's owner-occupied rehabilitation program, and will continue to participate in the program, making all Township residents who are income qualified eligible for home improvements through the County's CDBG funded program.

The Gloucester County rehabilitation program has previously provided home repairs to low and moderate income households in Franklin at an average of 6 homes per year. Over the ten year period of 2025-2035, this would potentially represent 60 homes to be rehabilitated, and satisfy the Township's obligation.

The Township will financially support the Gloucester County program to assist in rehabilitating homes in the Township throughout the Fourth Round period.

Franklin Township reserves the right to conduct a further analysis of its existing housing stock and adjust the obligation if based on field observations it can be demonstrated that there are less than 48 homes in the Township that are deficient and in need of rehabilitation.

*Prospective Need Obligations***PRIOR ROUND (1987-1999) & THIRD ROUND (1999-2025) OBLIGATION**

The Township has a requirement of 166 units in order to satisfy its Prior Round (1987 – 1999) obligation, and an obligation of 527 for the Third Round.

In accordance with previous COAH rules found at N.J.A.C. 5:93 and 5:97, the Township must meet the following minimum and maximum requirements in addressing the cumulative 693 total unit obligation.

- **Age Restricted Units:** A municipality may receive credits for age-restricted affordable housing at up to 25 percent of the obligation.
- **Family Units:** At least half of the total affordable units must be available to families with children.
- **Rental Units:** a municipality has an obligation to provide a realistic opportunity for the construction of rental housing of at least 25 percent of the total obligation.
- **Income Distribution:** The Township is required to provide half of the total units as affordable to low-income households, and at least 13% of units to very low income households.
- **Rental Bonus Credits:** The maximum number of bonus credits shall be equal to the Township’s rental obligation, with 2.0 credits for any family rental, and 1.33 credits for any age-restricted rental unit. However no more than 50 percent of the rental obligation shall receive a bonus for age restricted rental units.

**FOURTH ROUND (2025 – 2035) OBLIGATION**

Franklin Township has a Fourth Round prospective need (new construction) obligation of 243 affordable housing units as a result of a settlement agreement with the NJ Builders Association.

The Township must meet the following minimum and maximum requirements in addressing the 243 unit obligation, in accordance with N.J.A.C.52:27D-311.l.

- **Low/Moderate Income Split:** at least fifty percent (50%) of the actual units shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
- **Very Low Income Units:** Thirteen percent (13%) of all affordable units must be affordable to very low income households, with half of the very-low-income units being available to families.
- **Family Units:** A minimum of fifty percent (50%) of the actual units must be non-age restricted affordable units available to families.

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- **Rental Units:** At least twenty-five percent (25%) of the actual units to be constructed shall be met through rental units, including at least half in non-age-restricted rental units available to families.
- **Age Restricted Units:** A maximum of 30 percent (30%) of the Township’s credits can be from age-restricted senior units.
- **Bonus Credits:** The Township may claim bonus credits for a maximum of 25% of the obligation.

In accordance with N.J.A.C.52:27D-311.k, bonus credits may be claimed for the following types of affordable units:

1. 1.0 bonus credits for special needs housing or permanent supportive housing;
2. 0.5 bonus credits for any affordable housing created in partnership with a non-profit housing developer;
3. 0.5 bonus credits for affordable housing created within ½ mile of a transit station, or within 1 mile of a transit station if the site is located within a garden state growth zone.
4. 0.5 bonus credits for age-restricted housing, provided that no more than 10% of the age restricted housing receives bonus credit.
5. 0.5 bonus credits for each three-bedroom affordable unit beyond the minimum requirement for three-bedroom units.
6. 0.5 bonus credits for each affordable unit constructed on land that was previously developed and utilized for retail, office, or commercial space;
7. 0.5 bonus credits for each affordable rental unit that has its affordability controls extended for a new term of affordability, and the municipality contributes funding towards the costs necessary for this preservation.
8. 1.0 bonus credit for each affordable unit in a 100% affordable development in which the municipality contributes toward the costs of the project, either from financial donations, property donations, provided that the municipality funds at least 3% of the cost of the project.
9. 0.5 bonus credits for each affordable unit for very low income families beyond the 13% minimum requirement.
10. 1.0 bonus credits for each market rate unit that is converted to an affordable unit.

### *Durational Adjustment*

The Township acknowledged that it has a cumulative obligation of 693 affordable units for the Prior Round and Third Round, and a Fourth Round prospective need of 243 units. Franklin also acknowledges that it has sufficient land to potentially accommodate residential development. However, the Township does not have adequate public water or public sewer service within its municipal boundaries that could provide sufficient utility connections to serve any new development. There is currently no public water or public sewer service in Franklin. Due to this lack of appropriate infrastructure to support development at a sufficient density, the Township would be permitted to seek a durational adjustment under N.J.S.A. 5:93-4.3, where this obligation would be deferred until such a date that water and sewer could be made available.

At this time, the Township does not have a specific capital improvements plan in place to indicate a time that public water and sewer service could be anticipated within Franklin. Without a firm plan for provision of such services, the Township will not seek to defer the municipal obligation until a particular later date, as would otherwise be permissible under the prior COAH regulations that govern municipal obligations.

Consistent with the Settlement Agreement with Fair Share Housing Center for the Third Round, the Township will commit to providing assistance as necessary to any entity, either public or private, that would seek to develop the water and sewer infrastructure necessary to serve development that would include affordable housing. This assistance shall come in the form of support for any applications made to the Department of Environmental Protection (NJDEP) or other agencies that may have jurisdiction over the provision of water and sewer services, and any other reasonable steps necessary to facilitate the provision of such utilities to appropriate areas of the Township to serve any affordable housing development.

The Township will also commit to reserve any new public water or sewer system capacity, should it become available, to low and moderate-income housing as a priority user until the Township's fair share obligations have been satisfied.

## Franklin Township – Fourth Round Housing Plan Element &amp; Fair Share Plan

*Compliance Mechanisms*

The Township proposes to satisfy its cumulative affordable housing obligations through the mechanisms listed below.

A copy of the Third Round Judgment of Compliance and Repose, approving of the prior cycle credits and the affordable housing overlay district, can be found in Appendix A-2.

**Prior Cycle Credits** – 36 credits

The Township will claim credit for 36 existing homes that were constructed between 1980 and 1986, which are not deed restricted affordable units, but are otherwise eligible for credit as per N.J.A.C. 5:93-3.2 as “credits without controls”. Under previous COAH regulations, credits may be granted for homes constructed between 1980 and 1986, if they meet the following criteria:

1. The unit can be verified to have been constructed between 1980 and 1986;
2. The unit must be in sound condition;
3. The unit is occupied by a low- or moderate-income household;
4. The unit must have a market value that would be affordable to a low- or moderate-income household;
5. If a rental unit, the unit must have a monthly rent that is affordable to a low- or moderate-income household.

The Township initially identified 682 homes that were constructed in this time period, and sent the owners and occupants of each home a survey to verify income of the household. Of the 134 surveys returned, based on their noted household size, 52 households were determined to be either low or moderate-income.

The Township’s building inspector then conducted a visual survey of the homes of each of the 52 households that were deemed to be income eligible, to determine if the structure was in adequate condition. Of this survey, 50 units that are currently occupied by low- or moderate-income households were deemed to be structurally sufficient. Of these 50 units, 36 were also determined to have a market value that is affordable to a low- or moderate-income household if they were to be sold. That is, the estimated sales price for the home would be no greater than what the maximum sales price would be for a deed restricted unit being sold under the UHAC requirements.

As a result of this analysis and survey, 36 units were deemed to be eligible for credits without controls due to being constructed between 1980 and 1986, being in sound condition, being occupied currently by a low- or moderate-income household, and that the sales price would be affordable to another low- or moderate-income household.

**Inclusionary Housing Overlay Zoning** – 1,006 credits

As a part of the Third Round compliance plan, the Township amended its current zoning map and zoning ordinance to create a new overlay district that would incentivize inclusionary housing by permitting multi-family housing at a density of up to 14 dwelling units per acre with a mandatory

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

inclusionary set aside of 20 percent. At 14 units per acre, this density is far greater than anything else currently permitted in the Township and may be sufficient development rights for these properties to make the extension of water and sewer into the Township financially feasible, even with the inclusionary requirements. All of these properties are located primarily in Planning Area 2, and within a designated sewer service area, although some portions of some of the lots are located in environmentally sensitive areas and may contain some wetlands. However, outside of these potential wetlands on the periphery of some of the lots, all of the lots are developable uplands with access to regional highways.

The following properties are included in the current overlay district:

Third Round Compliance: Affordable Housing Overlay District				
Block	Lot(s)	Net Acreage	Total Units	Affordable Units
1903	1, 63, 64, 65, 66	36.34	508	102
2001	11, 12, 13, 14, 15, 16	117.97	1,651	330
2401	1	12.26	171	34
5101	2, 2.01, 3, 4, 5, 6, 7, 8, 9	115.16	1,612	322
5501	30	13.89	194	39
5502	8	9.48	132	26
5503	4, 5	16.58	232	46
5504	2, 3, 4, 5, 6	38.14	533	107
<b>Totals</b>		321.73	5,003	1,006

In addition to the 14 unit/acre density as noted above, the Overlay Zoning Ordinance permits inclusionary housing in townhouses, duplexes, or multi-family units. Inclusionary developments are permitted on any tract of at least 5 acres, with a minimum front yard setback of 150 feet, side and rear yard setbacks of at least 100 feet, and at a maximum building height of 3.5 stories or 48 feet. At such a density, within the properties covered by the overlay district a total of up to 1,006 affordable housing units could be conceivably produced by right under this proposed zoning.

The ordinance requires a 20 percent affordable set aside for all residential developments of five units or greater, and will require the proper income and bedroom distribution compliant with UHAC and the Settlement Agreement, including requiring a 13 percent set aside for very-low-income households. The overlay zone will not permit payments in lieu of construction, or construction of affordable units off-site. Payments in lieu of construction would only be permissible for fractions of a unit that are less than 0.5.

**Block 1902, Lot 1 – 1457 Fries Mill Road** – 250 credits

This +/- 250 acre site, currently used as a farm, is a suitable location for new development. The site is almost entirely located within the State Plan Suburban Planning Area (PA2) and is generally free of environmental hazards and encumbrances. However, the site is subject to a minimal amount of

## Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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wetlands towards the west side of the property. Overall there is approximately 235 acres of uplands on the site that is available for development.

The site was recently the subject of an application for development with a utility scale solar system that proposed to cover the entire developable area of the site with solar panels. That proposal was granted preliminary approval by the Township’s Planning Board in 2023. At the time of the development of the Township’s Round 3 plan in 2022, that application was pending and that is the primary reason this site was not included in the overlay district at that time. Since then, the developer of the site has withdrawn interest in developing the site as a solar array.

The site is currently zoned in the Township’s ‘B’ Business district, which permits a wide range of uses, including residential cluster development. The current zoning requires that for any development on a tract of 25 units or greater, a mandatory set aside of 50% of that tract must be conserved as open space or preserved farmland. For the remainder of the tract, residential cluster development is permitted at a density of 6 units per acre. With the entire site being one single parcel, and half of it being developable under the current zoning at 6 units per acre, the current capacity of the site is approximately 750 units, which would yield 150 affordable units with a 20% affordable set aside. The Township will amend the current zoning on this tract to increase the permitted density to 10 units per net acre, which would allow for up to 1,250 dwellings on the site. With a mandatory set aside of 20%, this would yield 250 affordable units.

With a potential for up to 250 affordable units, this would satisfy the Township’s 243 unit Fourth Round Prospective Need obligation.

A copy of the Draft ordinance to amend the Business District regulations to permit an increase in density can be found in Appendix E-1.

### **Potential Sites for Future Consideration**

The properties discussed previously in this plan located on Malaga Lake Boulevard and Oak Avenue may be suitable for inclusionary housing.

### **Mandatory Set-Aside Ordinance**

In addition to the mechanisms outlined above, the Township has adopted an amendment to the Zoning Ordinance to include a mandatory inclusionary set aside of 20 percent for any new development across the entire Township that includes 5 or more residential units at a density of 6 units or greater, and involves either a rezoning of the property or a ‘d’ variance, or as a part of any new or amended redevelopment plan.

The Township-wide mandatory set-aside ordinance would also require that all new developments be consistent with UHAC and the Settlement Agreement in terms of the income and bedroom distribution of all affordable units.

### **Currently Unforeseen Sites Proposed for Inclusionary Development**

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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The Township continues to cooperate with any party that proposes to construct a residential development that will include affordable housing, if this party has a reasonable plan to provide appropriate water and sewer infrastructure to support the development, and the Township cannot demonstrate that otherwise has a reasonable plan to provide water and sewer service to the sites listed above in the Inclusionary Housing Overlay Zone. The continued agreement to cooperate with an interested party in development applies only to proposals that are otherwise consistent with sound land use planning principles.

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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*Site Suitability*

As per previous COAH regulations, the Fair Share Plan must demonstrate site suitability for proposed new units that are not yet fully approved, as required by N.J.A.C. 5:93 -5.3.

- A. An “available site” is a site with clear title, and that is free of encumbrances which preclude development for low- and moderate-income housing.
  - All sites in the compliance plan are “available”. Although no formal title searches have been conducted, all of the properties identified in the plan and targeted for inclusionary development were selected specifically due to the minimal encumbrances by wetlands or other environmental constraints, and that they are either vacant or developed with low intensity uses.
- B. A “developable site” is a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable area-wide water quality management plan and wastewater management plan.
  - All sites in the compliance plan are “developable”. All sites are within the sewer service area and could be served if utilities extended to the site. The Township will cooperate with any developer that has a reasonable plan to provide water and sewer infrastructure to a site. The Township will commit to reserving any public water and sewer that may become available for inclusionary housing development.
- C. A “suitable site” is a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4 (not in wetlands, flood hazard areas, steep slopes).
  - All sites in the compliance plan are “suitable”. All properties within the existing and proposed overlay zoning districts are primarily located along major highways in the Township, and are mostly located in Planning Area 2 of the State Plan. This is an area where development and redevelopment are encouraged, and where lands are generally free of environmental encumbrances. The surrounding lands of the overlay zones primarily consist of lower density residential development, and some mixed commercial uses along the highway frontages, and would not be incompatible with multi-family residential development.
- D. An “approvable site” is a site that may be developed for low- and moderate-income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. A site may be approvable although not currently zoned for low and moderate income housing.
  - All sites in the compliance plan are “approvable”. The Township has already adopted overlay zoning that permits multi-family housing at up to 14 units per acre, and will amend the zoning as necessary to permit any future projects.

*Summary of Fair Share Plan***Present Need (Rehabilitation) Obligation**

The Township has a Present Need of 48 units that will be satisfied by the Gloucester County Home Improvement Program, which will be supported by funds from the Township’s Affordable Housing Trust Fund.

**Prospective Need (New Construction) Obligation**

The Township has a cumulative prospective need of 936 affordable units through the Four rounds of affordable housing. That need will be satisfied through the following mechanisms:

- Prior Cycle Credits – 36 credits
- Inclusionary Overlay Zoning – 1006 credits
- Business District Zoning – 250 credits

The Township recognizes that any new development of housing at a density and quantify sufficient to include affordable housing is contingent upon public water and sewer service being brought to the Township. As Franklin Township does not have a plan at this time to develop a municipal sewer service system, the Township will fully cooperate with any developer or entity that has a reasonable and realistic plan to provide adequate water and sewer infrastructure to serve an inclusionary housing development.

The Township will ensure that any new affordable housing development that does get constructed will be fully compliant with the Fair Housing Act and UHAC as applicable, and will include the appropriate income and bedroom distribution of the units:

- A minimum of 50% of the units will be for low income households, inclusive of 13% for very low income households;
- A maximum of 20% of family units will be one bedroom or studio units, and a minimum of 20% of family units will be three bedroom units;
- All affordable housing units will be appropriately affirmatively marketed by a qualified administrative agent, and tenants or owners of affordable units will be selected through a randomized lottery process.

A map of all affordable housing sites in the Township can be found in Appendix D.

## AFFORDABLE HOUSING ADMINISTRATION

### *Affordable Housing Ordinances*

The Township Code at Chapter 138 was amended on 12-26-2023 by Ord. No. O-21-23 to update the affordable housing ordinance in compliance with the terms of the Township’s Third Round Settlement Agreement and Judgment of Compliance. The Township’s current code provides for the following:

- All new housing units will have a minimum of 50% of the units be available to low income households, with at least 13% of units being available to very-low-income households. No more than 50% of housing units shall be made available to moderate income households.
- All new construction shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b.
- All affordable units shall fully comply with UHAC.
- All affordable units shall be subject to affordability controls of at least 30 years from the initial date of occupancy.
- In inclusionary developments, the affordable units shall be integrated with the market rate units.
- Construction of affordable units in inclusionary developments shall be phased in compliance with N.J.A.C. 5:93-5.6(d).
- All affordable units shall be affirmatively marketed in accordance with UHAC and applicable laws.

To the extent deemed necessary, the Township will adopt any amendments to the Code to ensure consistency with the Amended Fair Housing Act and the Uniform Housing Affordability Controls.

### *Affordable Housing Trust Fund*

A mandatory development fee ordinance creating a dedicated revenue source for affordable housing was adopted by the Township in 2008 by Ord. No. O-31-2008. The development fee ordinance was last amended in 2023 as a part of the Third Round compliance plan. Franklin has established an interest bearing account to collect the mandatory development fees from both residential and non-residential development, for the purposes of funding affordable housing projects and programs.

The Township will adopt by resolution an updated Spending Plan for the affordable housing trust fund. The Spending Plan will provide an outline of how the Township intends to utilize these funds to further the goals and mechanisms established in this Plan for the expenditures of the monies collected as of May of 2024 and also for anticipated revenue during the Fourth Round through 2035, and in accordance with prior COAH regulations found at N.J.A.C. 5:97 et seq, and with the Fair Housing Act.

A draft of the Spending Plan for the Fourth Round is provided in Appendix C-3.

## Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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### *Municipal Housing Liaison*

The Township will appoint a municipal staff member as the designated Municipal Affordable Housing Liaison, who will be responsible for overseeing all affordable housing regulations and corresponding with administrative agent(s), the public, and all other related affordable housing professionals.

A draft resolution to appoint a municipal housing liaison can be found in Appendix C-1.

### *Administrative Agent*

The Township will ensure that all future projects are administered by a qualified affordable housing professional and will appoint an Administrative Agent to administer all projects that do not have their own administrative agent.

The Administrative Agent coordinates with the Township’s Municipal Housing Liaison, the designated staff member responsible for affordable housing.

The administrative agent will be responsible for ensuring that all affordable housing units in the Township are affirmatively marketed and either sold or leased to income-qualified households of the appropriate size in accordance with all UHAC and other applicable regulations.

A draft resolution to designate a municipal Administrative Agent can be found in Appendix C-2.

Pursuant to N.J.A.C. 5:80-26.15(f), the Township will adopt an updated Affirmative Marketing Plan to ensure that all available affordable units are marketed to the appropriate populations.

A draft Affirmative Marketing Plan for Region 5 can be found in Appendix C-4.

### *Income Levels*

Franklin 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. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. Very-low income households are a subset of “low income” households, and are defined as households earning 30% or less of the regional median income.

## APPENDICES

- A. Previous Compliance Documents
  - 1. Third Round Settlement Agreement with Fair Share Housing Center
  - 2. Third Round Final Judgement of Compliance
- B. Fourth Round Obligations
  - 1. Resolution 37-25 Determining Fourth Round Obligations
  - 2. Order Fixing Obligations
- C. Administrative Documents
  - 1. DRAFT Resolution Appointing Municipal Housing Liaison
  - 2. DRAFT Resolution Appointing Administrative Agent
  - 3. DRAFT Affordable Housing Trust Fund Spending Plan
  - 4. DRAFT Affirmative Marketing Plan
- D. Affordable Housing Maps
  - 1. Affordable Housing Sites
- E. Crediting Documents
  - 1. DRAFT Ordinance 'B' Business District Amendments

**APPENDIX A-1**

**Third Round Settlement Agreement with FSHC**



Adam M. Gordon, Esq.  
 Laura Smith-Denker, Esq.  
 David T. Rammler, Esq.  
 Joshua D. Bauers, Esq.  
 Rachel N. Lokken, Esq.  
 Ashley J. Lee, Esq.  
 Zoey Chenitz, Esq.

May 26, 2022

Matthew P. Lyons, Esq.  
 Tara St. Angelo, Esq.  
 Gebhardt & Kiefer, P.C.  
 1318 State Route 31 North  
 Annandale, New Jersey 08801

**Re: In the Matter of the Township of Franklin, Gloucester County,  
 Docket No. GLO-L-901-15**

Dear Mr. Lyons and Ms. St. Angelo:

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

### **Background**

In Mount Laurel IV, the New Jersey Supreme Court held that the Council on Affordable Housing (COAH) had been rendered "moribund," and, "[d]ue to COAH's inaction," it established "judicial processes" to "provide the means for a town... to demonstrate that its housing plan satisfies Mount Laurel obligations."

The Court directed that, "[i]f a municipality seeks to obtain an affirmative declaration of constitutional compliance, it will have to do so on notice and opportunity to be heard to FSHC" and that trial courts "will be assisted in rendering . . . preliminary determination[s] on need by the fact that all initial and succeeding applications will be on notice to FSHC." Id. at 23, 29.

In accordance with Mount Laurel IV, Franklin filed the above-captioned matter on July 2, 2015, seeking a declaration of its compliance with the Mount Laurel doctrine and the Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq.

Through the declaratory judgment process, the Township and FSHC agreed to settle the litigation and to present this Agreement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it ends delays and the expense of trial and results more quickly in the construction of homes for very-low-, low-, and moderate-income households.

### **Agreement Terms**

The Township of Franklin and FSHC hereby agree to the following terms:

The Township, through the adoption of a Housing Element and Fair Share Plan ("fair share plan" or "HEFSP") conforming with the terms of this Agreement, and through the

expeditious implementation of the fair share plan and this Agreement, will satisfy its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).

2. At this time and at this particular point in the process, resulting from the Supreme Court's Mount Laurel IV decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.
3. Franklin hereby agrees that its fair share obligations are as follows:

Rehabilitation/Present Need Obligation (per Kinsey Report <sup>1</sup> )	52
Prior Round Prospective Need Obligation (pursuant to <u>N.J.A.C. 5:93</u> )	166
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted in this Agreement)	527

4. For purposes of this Agreement, the Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, which was established by the New Jersey Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).
5. **Rehabilitation/Present Need.** Franklin shall meet its 52-unit rehabilitation obligation through the implementation of a municipal rehabilitation program for both rental and for-sale units. The program shall fully comply with N.J.A.C. 5:93-5.2 (except that controls shall be for a minimum of ten (10) years and a minimum 'average' of \$10,000 shall be expended on hard costs per unit), and Franklin shall appoint a qualified, experienced agent to administer its rehabilitation program.
  - a. Franklin may seek modification of its rehabilitation obligation by conducting a survey of the municipal housing stock, as provided for by N.J.A.C. 5:93-5.2(a). Any such application for a modification of the rehabilitation obligation shall be subject to the review and approval of FSHC and Court, and it must be completed during the compliance phase and submitted to the Court and FSHC at least one hundred fifty (150) days prior to the Compliance Hearing.
6. **Prior Round.** As noted above, the Township has a Prior Round Prospective Need Obligation of 166 affordable units. The Township, with the assistance of and review by the Court Master, conducted a study that determined that the Township may claim credit for 36 prior cycle credits pursuant to N.J.A.C. 5:93-3.2. Subtracting these credits, the Township's remaining, unfulfilled Prior Round Prospective Need Obligation is 130 affordable units.
7. **Third Round.** As noted above, the Township has a Third Round Prospective Need Obligation of 527 affordable units.

<sup>1</sup> David N. Kinsey, PhD, P.P., F.A.I.C.P., "New Jersey Low and Moderate Income Housing Obligations for 1999-2025 Calculated Using the NJ COAH Prior Round (1987-1999) Methodology, dated May 2016.

8. ***Durational Adjustment.*** When combined, the Township's unfulfilled Prior Round and Third Round Prospective Need Obligation is 657 affordable units (130+527). Because the Township currently does not have public water and sewer (as defined below), the Township and FSHC have agreed that the Township is entitled to a durational adjustment pursuant to N.J.A.C. 5:93-4.3(c).

Nevertheless, because the Township cannot demonstrate that it has a realistic plan to provide public water and sewer to any sites that may produce affordable housing within the Third Round, the Township is not entitled to a waiver in accordance with N.J.A.C. 5:93-4.3(c)(4).

To support its fair share of the regional need for affordable housing, the Township has agreed to the following actions:

- a. ***Mandatory Set-Aside Ordinance.*** Franklin shall adopt the proposed mandatory set-aside ordinance, attached hereto as **Exhibit A**, which shall require a twenty percent (20%) set-aside of affordable housing in any residential development, including the residential portion of a mixed-use project, which consists of five (5) or more new residential units at six (6) units per acre or higher, or equivalent, which results, in whole or in part, from: (i) a municipal rezoning or zoning amendment adopted after the effective date of the ordinance; (ii) any variance pursuant to N.J.S.A. 40:55D-70(d), including but not limited to any use variance or a density variance increasing the permissible density; and/or (iii) the adoption of a new or amended redevelopment plan or rehabilitation plan. The Township commits to ensure that the affordable housing set-aside requirement is enforced, including by both its Planning Board and Zoning Board of Adjustment.
- b. ***Overlay Zoning.*** To incentivize developers to pursue inclusionary affordable housing development in Franklin, the Township shall adopt the proposed overlay zoning, attached hereto as **Exhibit B**, which shall be known as the "Affordable Housing Overlay Zone," which is depicted on the aerial map entitled "Affordable Housing Overlay Zones, Franklin Township, March 2022," which is also attached hereto as part of Exhibit B. The overlay zoning shall permit multifamily residential development at fourteen (14) units per acre with a twenty percent (20%) set-aside of affordable housing on the sites the Township has identified that may have potential access to sewer and water infrastructure and are outside any Pinelands protection areas.<sup>2</sup>
- c. ***Currently Unforeseen Sites Proposed for Inclusionary Development.*** Should an appropriate party propose inclusionary development on currently unforeseen sites within the Township with a realistic plan for providing public sewer and/or water and if the Township is unable to demonstrate that there is a realistic plan for public sewer/water to be provided to alternative sites within the round for it to satisfy its fair share obligations, then the Township shall be required to expeditiously cooperate with the party in order to amend its Housing Element and Fair Share Plan and to rezone the sites to permit the requested inclusionary development. Should the party and the Township disagree as to what is proposed

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<sup>2</sup> No transfer of development scheme, noncontiguous cluster zoning, or other condition shall apply to inclusionary residential development, which shall be as of right.

or the Township does not cooperate, the party may submit a motion to the court in the Township's declaratory judgment action (or the appropriate alternative forum) for a summary determination, pursuant to Rule 4:46, as to whether what is proposed is consistent with sound land use planning and, if so, whether the Township must comply. If the Township is unable to demonstrate that there is a realistic opportunity for it to satisfy its fair share obligations on alternative sites before the end of the round and if the proposal is consistent with sound land use planning, there shall be a presumption in favor of granting the party's request.

The Township reserves the right to oppose a proposal for an inclusionary development in the process described above if it believes such proposal does not comply with principles of sound land use and infrastructure planning or if the potential developer fails to provide a feasible and realistic plan for providing public water and sewer service to the property.

- d. ***Municipal Commitment to Assist in the Provision of Public Water and Sewer.*** The Township shall cooperate with appropriate parties, and act in good faith and with continuity of purpose, to assist any proposed inclusionary developments – whether on the sites overlay zoned or on currently unforeseen sites – in the Township in facilitating the provision of public water and sewer to those sites. Such cooperation shall include, but not be limited to, expeditiously supporting and endorsing and if necessary becoming a co-applicant on:
- i. any applications to the DEP or its agent to provide infrastructure for a site;
  - ii. any applications for the inclusion of any parcels in any appropriate sewer service area or wastewater management plan;
  - iii. any applications related to the expansion of water franchise areas;
  - iv. any applications made to any State, county, local, or other body politic or utility authority necessary in order to provide public sewer and water service; and
  - v. any other reasonable steps necessary or required to help facilitate the provision of public water and sewer.

Nothing in the foregoing shall require the Township to expend funds to obtain, or assist in obtaining, the required approvals, except for the costs of municipal employees/consultants, as is ordinary and customary for the conduct of the Township's business, absent an order of the Court upon a determination that such expense is appropriate to create a realistic opportunity of affordable housing. Potential developers shall be presumptively responsible for the design, permitting, and construction of all infrastructure improvements that are necessitated or required for development of an inclusionary development

- e. ***Municipal Commitment to Reserve New Public Water and/or Sewer Capacity.*** Should public water and/or sewer become available in Franklin, it shall be required, pursuant to N.J.A.C. 5:93-4.3(c)(1), to reserve and set aside the water and/or sewer capacity, when it becomes available, for low- and moderate-income housing on a priority basis until it has satisfied its fair share obligations.

For the purposes of this Agreement, “sewer capacity” shall be defined as follows consistent with N.J.A.C. 5:97-1.4:

the ability to treat and dispose of all sewage generated from a site by means of public or private, off-site or on-site facilities that are consistent with the areawide water quality management plan (including the wastewater management plan), or with an amendment to the areawide water quality management plan submitted to and under review by DEP, as applicable.

For the purposes of this Agreement, “water capacity” shall be defined as follows consistent with N.J.A.C. 5:97-1.4:

The ability to provide adequate potable water to a site from a public or private, off-site or on-site source of supply, in a manner consistent with all applicable regulations.

In the event that a developer of a site other than a site presenting a realistic opportunity for affordable housing consistent with this Agreement applies to the Township Planning or Zoning Board for approval and has secured, or is able to secure, public water and / or sewer capacity from outside the Township without financial contribution from the Township, the Township agrees that it will not grant any such approvals until after such time that it has, with notice to and an opportunity to be heard by FSHC, applied for and been granted leave of the Court based upon a showing that the proposed development helps further the provision of a realistic opportunity for affordable housing within the Township (e.g. through paying the costs of extending sewer closer to the sites in the Township’s Fair Share Plan or through being developed in conjunction with affordable housing). The developer of the proposed project shall be permitted to intervene in such action.

A copy of this Agreement shall be provided to any developer applying for Planning Board or Zoning Board approval and application to the Court shall be a requirement of land use application submission pursuant to Township Ordinance Section 253-194.1.

This provision shall not apply to the “Meredith Farms” redevelopment project (Block 6805, Lots 11-15 and 18-19), to the extent that it would create any conflict with any prior court orders or the “Redevelopment Agreement for the Route Forty Food Center” dated June 11, 2013. The parties agree that this exclusion shall have no impact on the ability of neighboring properties to connect to sewer lines at Meredith Farms.

The Franklin Township Planning Board and Zoning Board of Adjustment are signatories to this Agreement only for the purposes of acknowledging their role in the development process and to require all development applications seeking public water and / or sewer to comply with this Section.

9. The Township agrees that it shall meet its Third Round Prospective Need in accordance with the following standards:
  - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).

- b. At least fifty percent (50%) of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
  - c. At least twenty-five percent (25%) of the Third Round Prospective Need shall be met through rental units, including at least half in non-age-restricted rental units available to families.
  - d. At least half of the units (50%) addressing the Third Round Prospective Need must be non-age-restricted affordable units available to families.
  - e. The Township agrees to comply with an age-restricted cap of twenty-five percent (25%) and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed twenty-five percent (25%) of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
  - f. Thirteen percent (13%) of all affordable units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, shall be very-low-income units for households earning thirty percent (30%) or less of the median income pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301, et seq. ("FHA"), with half of the very low income units being available to families. The Township will demonstrate how it will comply with this requirement during the compliance phase of this matter.
  - g. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
10. In all developments that produce affordable housing, the Township agrees that the following terms shall apply:
- a. All of the affordable units shall fully comply with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, et seq. ("UHAC"), including but not limited to the required bedroom and income distribution, with the sole exception that thirteen percent (13%) of the affordable units within each bedroom distribution shall be required to be for very low income households earning thirty percent (30%) or less of median income pursuant to the FHA.
  - b. All of the affordable units shall be subject to affordability controls of at least thirty (30) years from the date of initial occupancy and affordable deed restrictions as provided for by UHAC, with the sole exception that very low income shall be defined as at or below thirty percent (30%) of median income pursuant to the Fair Housing Act, and the affordability controls shall remain unless and until the Township, in its sole discretion, takes action to extend or release the unit from such controls after at least thirty (30) years. If the Township acts to release the unit from such controls, affordability controls shall remain in effect until the date on which a rental unit shall become vacant due the voluntary departure of the occupant household in accordance with N.J.A.C. 5:80-26.11(b).

- c. In inclusionary developments, the affordable units shall be integrated with the market-rate units to the extent possible, and the affordable units shall not be concentrated in separate building(s) or in separate area(s) or floor(s) from the market-rate units. In buildings with multiple dwelling units, this shall mean that the affordable units shall be generally distributed within each building with market units. The residents of the affordable units shall have full and equal access to all of the amenities, common areas, and recreation areas and facilities as the residents of the market-rate units.
  - d. Construction of the affordable units in inclusionary developments shall be phased in compliance with N.J.A.C. 5:93-5.6(d).
  - e. The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law. The affirmative marketing shall include the community and regional organizations identified in this agreement, and it shall also include posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.
11. The Township and/or its Administrative Agent shall add the following entities to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5):
- a. Fair Share Housing Center (510 Park Boulevard, Cherry Hill, NJ 08002), the New Jersey State Conference of the NAACP, the Latino Action Network, Gloucester County and Salem County Branches of the NAACP, Senior Citizens United Community Services (S.C.U.C.S.), and the Supportive Housing Association.
  - b. As part of its regional affirmative marketing strategies during implementation of its fair share plan, the Township and/or its Administrative Agent shall provide direct notice of all available affordable housing units to the above-referenced organizations and shall ensure all affordable units are posted on the New Jersey Housing Resource Center website in accordance with applicable law.
12. Income limits for all affordable units shall be updated by the Township annually within thirty (30) days of the publication of determinations of median income by the United States Department of Housing and Urban Development ("HUD") as follows:
- a. Regional income limits shall be established for the Housing Region in which the Township is located (in this case, Housing Region 5) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated number of households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total number of households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted

average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.

- b. The income limits attached hereto as **Exhibit C** are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2021, and shall be utilized until the Township updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
  - c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
  - d. The parties agree to request the Court prior to or at the Fairness Hearing in this matter to enter an order implementing this paragraph of this Agreement, the terms of which shall also be reflected in the Township's affordable housing ordinance.
13. Upon full execution of this Agreement, Franklin shall notify the Court so that a Fairness Hearing can be scheduled to approve the Agreement. Franklin shall place this Agreement on file in the Township's municipal building, post it on the municipal website, and file a copy with the Court at least forty-five (45) days prior to the Fairness Hearing, at which the Township will seek judicial approval the terms of this Agreement pursuant to the legal standards set forth in Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986), and East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311 (App. Div. 1996). Notice of the Fairness Hearing shall be published at least forty-five (45) days in advance of the hearing. The Township's planner shall appear as a witness at the hearing.
14. Within one-hundred-and-twenty (120) days of the approval of this Agreement by the Court after a Fairness Hearing, Franklin shall adopt a Housing Element and Fair Share Plan, affordable housing ordinance, development fee ordinance, zoning ordinances, affirmative marketing plan, spending plan, intent to fund shortfall, appoint a municipal housing liaison and an experienced administrative agent, and adopt all other resolutions and ordinances required to be adopted as part of this Agreement, and shall submit same to the Court, the Court Master, and FSHC for review at least forty-five (45) days before the scheduling of a "Compliance Hearing." The HEFSP shall include all documentation to demonstrate the creditworthiness of existing affordable units for which the municipality is seeking credit.
15. The Township shall prepare a Spending Plan for review and approval by FSHC and the Court during the duly-noticed Compliance Hearing. Upon approval, the Township and FSHC agree that the expenditures of funds contemplated in the Township's Spending Plan shall constitute the "commitment" for expenditure required pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period contemplated therein

commencing in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd, 442 N.J. Super. 563).

16. The Township shall comply with the following annual monitoring and reporting requirements:

- a. The Township shall provide an annual Mount Laurel Trust Fund accounting report to the New Jersey Department of Community Affairs, Council on Affordable Housing, Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to FSHC and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The annual report shall be provided on the anniversary of the Judgment of Compliance and Repose, and it shall detail all expenditures from and deposits into the Township's Affordable Housing Trust Fund.
- b. The Township shall provide an annual report on the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the FSHC. In addition to the foregoing, the Township shall also post such activity on the CTM system and/or file a copy of its report with the Council on Affordable Housing or its successor agency at the State level. The annual report shall be provided on the anniversary of the Judgment of Compliance and Repose, and it shall detail the status of all affordable units in the Township's HEFSP. The Township shall promptly respond to any requests from the Court or FSHC for additional information.

17. The Fair Housing Act includes two provisions regarding actions to be taken by the Township during the ten-year period of protection provided in this agreement. The Township agrees to comply with those provisions as follows:

- a. For the midpoint realistic opportunity review required pursuant to N.J.S.A. 52:270-313, the Township was obligated to post, by July 1, 2020, on its municipal website, a status report as to its implementation of its HEFSP and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms should be revised or supplemented.

Recognizing that July 1, 2020, has passed prior to settlement of this matter, the Township shall, by July 1, 2023, post, on its municipal website, with a copy provided to Fair Share Housing Center, its midpoint realistic opportunity review report. The status report will provide an update of the Township's implementation of its HEFSP and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms should be revised or supplemented.

Such posting shall invite any interested party to submit comments to the Township, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced. Any interested party may by motion request a hearing before the Court regarding these issues.

- b. For the review of very-low-income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of the Judgment of Compliance and Repose, and every third year thereafter, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very-low-income requirements, including the family very-low-income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very-low-income housing obligation under the terms of this settlement.
18. The Township agrees to pay FSHC's attorney's fees and costs in the amount of \$30,000.00 within thirty (30) days of the Court's approval of this Agreement following the Fairness Hearing.
19. This Agreement may be enforced by the Township or FSHC through a motion to enforce litigant's rights or a separate action filed in Superior Court, Gloucester County. If it prevails on a motion to enforce, FSHC shall be entitled to reasonable fees and costs in accordance with Rule 1:10-3.
20. Franklin and FSHC shall have an obligation to fulfill the intent and purpose of this Agreement. If an appeal of the Court's approval or rejection of the Settlement Agreement is filed by a third party, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division, and New Jersey Supreme Court, and to continue to implement the terms of the Settlement Agreement if the Agreement is approved by the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to return to the *status quo ante*. In this regard, the Township and FSHC acknowledge that the parties have entered into this Agreement to settle the litigation and that each is free to take such position as it deems appropriate should the matter return to the *status quo ante*.
21. The parties agree that if a decision of a court of competent jurisdiction in Gloucester County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of a Third Round Prospective Need Obligation of the Township for the period 1999-2025 that would be lower by more than ten percent (10%) than the obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the fair share plan adopted pursuant to this Agreement; taking all steps necessary to support and fund the development of any 100% affordable developments referenced in this Agreement; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to Rule 4:50-1. If the Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.

22. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
23. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
24. This Agreement may not be modified, amended or altered in any way except by a writing signed by both the Township and FSHC.
25. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
26. The Township and FSHC acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each person to sign this Agreement is the proper person and possesses the authority to sign the Agreement, that this Agreement contains the entire understanding of the Township and FSHC and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
27. The Township and FSHC acknowledge that this Agreement was not drafted by the Township or FSHC, but was drafted, negotiated and reviewed by representatives of the Township and FSHC and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. The Township and FSHC expressly represent that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing.
28. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both the Township and FSHC.
29. This Agreement constitutes the entire Agreement between the Township and FSHC hereto and supersedes all prior oral and written agreements between the Township and FSHC with respect to the subject matter hereof except as otherwise provided herein.
30. No member, official or employee of the Township shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
31. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which representatives of the Township and FSHC have executed and delivered this Agreement.
32. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the Township and FSHC by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for

example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days' notice as provided herein:

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

**TO THE TOWNSHIP:** Matthew P. Lyons, Esq.  
Tara St. Angelo, Esq.  
Gebhardt & Kiefer, P.C.  
1318 State Route 31 North  
Annandale, New Jersey 08801  
Phone: (908) 735-5161  
Telecopier: (908) 735-9351  
Email: mlyons@gklegal.com

**WITH A COPY TO THE MUNICIPAL CLERK:** Barbara Freijomil, Clerk  
1571 Delsea Drive  
Franklinville, New Jersey 08322  
Phone: (856) 694-1243, ext. 7  
Email: clerk@franklintownship.com

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be properly executed, their corporate seals affixed and attested and this Agreement to be effective as of the Effective Date.

Sincerely,



Adam M. Gordon, Esq.  
Executive Director of Fair Share Housing Center

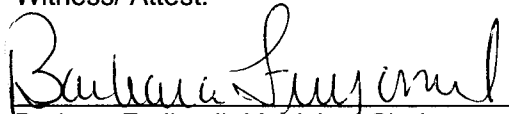
Witness:   
Zoey Chenitz

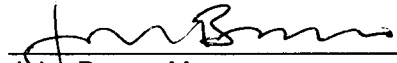
Dated: 5/31/2022

**On behalf of the Township of Franklin, with the authorization of the governing body:**

Witness/ Attest:

TOWNSHIP OF FRANKLIN

  
Barbara Freijomil, Municipal Clerk

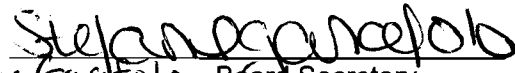
  
John Bruno, Mayor

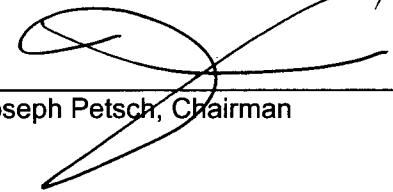
Dated: 6/11/22

**On behalf of the Township of Franklin Planning Board:**

Witness/ Attest:

FRANKLIN TOWNSHIP PLANNING BOARD

  
Stefanie Guardolo, Board Secretary

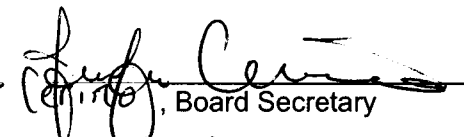
  
Joseph Petsch, Chairman

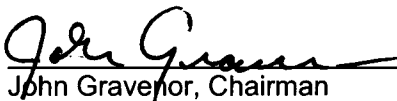
Dated: 6/21/22

**On behalf of the Township of Franklin Zoning Board of Adjustment:**

Witness/ Attest:

FRANKLIN TOWNSHIP ZONING BOARD

  
Jennifer Cerino, Board Secretary

  
John Gravenor, Chairman

Dated: 6/18/22

**APPENDIX A-2**

**Third Round Final Judgment of Compliance**

**APPENDIX B-1**

**Resolution #37-2025 of Governing Body**

FRANKLIN TOWNSHIP  
GLOUCESTER COUNTY, NEW JERSEY  
R-37-25

**RESOLUTION REGARDING FAIR SHARE AFFORDABLE HOUSING  
OBLIGATIONS FOR THE FOURTH ROUND**

**WHEREAS**, the New Jersey Supreme Court, through its rulings in Southern Burlington County NAACP v. Mount Laurel, 67 13 N.J. 151 (1975) and Southern Burlington County NAACP 14 v. Mount Laurel, 92 N.J. 158 (1983), has determined that every municipality in New Jersey has a constitutional obligation to provide through its land use regulations a realistic opportunity for its fair share of its region’s present and prospective needs for housing for low- and moderate-income families; and

**WHEREAS**, on March 20, 2024, Governor Murphy signed P.L.2024, c.2. into law, establishing a new framework for determining and enforcing municipalities’ affordable housing obligations under the New Jersey Supreme Court’s Mount Laurel doctrine and the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et al.); and

**WHEREAS**, pursuant to N.J.S.A. 52:27D-304.1(f)(1)(b), each municipality must adopt a binding resolution no later than January 31, 2025 determining its present and prospective fair share obligation for the Fourth Round; and

**WHEREAS**, pursuant to Administrative Directive #14-24 issued by the Administrative Office of the Courts on December 13, 2024, “[a] municipality seeking a certification of compliance with the [Fair Housing Act] shall file an action in the form of a declaratory judgment complaint and Civil Case Information Statement (Civil CIS) in the county in which the municipality is located” within 48 hours of adopting the municipal resolution of fair share obligations; and

**WHEREAS**, pursuant to N.J.S.A. 52:27D-304.1(d), the New Jersey Department of Community Affairs issued “a report on the calculations of regional need and municipal obligations for each region of the State” on or about October 18, 2024 (the “DCA Report”); and

**WHEREAS**, the DCA Report set the municipal obligation for Franklin Township as follows:

Present Need: 48  
Prospective Need: 253

**WHEREAS**, pursuant to N.J.S.A. 52:27D-304.1(f)(1)(a), a municipality may determine its present and prospective fair share obligation for affordable housing consistent with the established methodologies; and

**WHEREAS**, the data compiled by DCA to calculate the Township’s “land capacity factor” erroneously noted a 232.76 acre portion of Block 1902, Lot 1 (1457 Fries Mill Rd Franklinville NJ 08322) as vacant and developed land; and

**WHEREAS**, the Township Planning Board granted preliminary site plan approval to develop such property as a solar farm pursuant to a resolution adopted on June 18, 2024; and

**WHEREAS**, removing such property from the inventory of vacant land in the Township reduces the total vacant land from 1,258.36 acres to 1,025.6 acres and reduced the “average allocation factor” from 2.78% to 2.36%; and

**WHEREAS**, the reduction in the land capacity factor and the average allocation factor reduced the Township’s prospective affordable housing obligation from 253 to 215; and

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

1. Frankling Township hereby determines, based on the DCA Report, corrections to the data utilized therein, and advice of the Municipal Planner and Attorney, to adopt the following obligations as its binding Fourth Round Affordable Housing Obligations subject to adjustments made to account for decisions of a court of competent jurisdiction, a change in legislation, lack of availability of public water or sewer infrastructure or capacity (i.e. a durational adjustment), lack of vacant land, and / or survey pertaining to present need pursuant to N.J.A.C. 5:93-5.2(a) and N.J.A.C. 5:93-Appendix C). Any such adjustments will be adopted as part of the municipality’s Fourth Round Housing Element and Fair Share Plan.

Present Need: 48  
 Prospective Need: 215

2. The Municipal Clerk and Municipal Attorney are authorized to take all actions required by N.J.S.A. 52:27D-304.1(f)(1)(b), including:
  - a. Filing a declaratory judgement action with the Superior Court and filing a copy of this Resolution with the Department of Community Affairs within forty-eight hours following adoption of this Resolution.
  - b. Publishing this Resolution on the Township’s website.
3. The Municipal Attorney, Municipal Planner, and (if appointed) Affordable Housing Subcommittee are authorized to take all actions to draft documents necessary to comply with all Fourth Round affordable housing obligations, including drafting a Housing Element and Fair Share Plan, an Affordable Housing Trust Spending Plan, and effectuating ordinances and resolutions.
4. This Resolution shall take effect immediately.

Adopted: January 14, 2025

COMMITTEE MEMBER	MOTION	2 <sup>nd</sup>	YES	ABSTAIN	NO	ABSENT
<b>J. Bruno</b>						
<b>T. Doyle</b>						
<b>M. Fiorella</b>						
<b>J. Keen</b>						
<b>M. Marsh</b>						

Attest: Township of Franklin

\_\_\_\_\_  
 Barbara Freijomil, Clerk

\_\_\_\_\_  
 John Bruno, Mayor

**CERTIFICATION**

I, Barbara Freijomil, Clerk of the Township of Franklin, do hereby certify that the foregoing Resolution was presented and duly adopted by the Township Committee at a meeting held on January 14, 2025.

\_\_\_\_\_  
 Barbara Freijomil, Clerk

**APPENDIX B-2**

**Order Fixing Municipal Obligations**

**FILED**

**May 5, 2025**

**Hon. Robert Malestein, P.J.Ch.**

**The Hon. Robert Malestein, P.J.Ch.**

Superior Court of New Jersey  
Law Division – Civil Part  
Vicinage XV  
Gloucester County Courthouse  
1 N. Broad Street, Courtroom 203  
Woodbury, New Jersey 08096

**PREPARED BY THE COURT:**

**IN THE MATTER OF THE  
DECLARATORY JUDGMENT  
ACTION OF THE TOWNSHIP  
OF FRANKLIN IN THE  
COUNTY OF GLOUCESTER,  
PURSUANT TO P.L. 2024,  
CHAPTER 2**

Petitioner.

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION – CIVIL PART  
GLOUCESTER COUNTY  
DOCKET NO. GLO-L-68-25

Civil Action

Mt. Laurel Program

**ORDER FIXING MUNICIPAL  
OBLIGATIONS FOR “PRESENT NEED”  
AND “PROSPECTIVE NEED” FOR THE  
FOURTH ROUND HOUSING CYCLE**

**THIS MATTER**, having come before the Court on its own motion, *sua sponte*, on the Complaint for Declaratory Judgment filed on January 16, 2025, (“DJ Complaint”) by the Petitioner, Township of Franklin, County of Gloucester (“Petitioner” or “Municipality”), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, *et seq.* (collectively, the “FHA”), and in accordance with Section II.A of Administrative

Directive #14-24 (“Directive #14-24”) of the Affordable Housing Dispute Resolution Program (the “Program”), seeking a certification of compliance with the FHA;

**AND IT APPEARING**, that on October 18, 2024, pursuant to the FHA (as amended), the New Jersey Department of Community Affairs (“DCA”) issued its report entitled “*Affordable Housing Obligations for 2025-2035 (Fourth Round)*”,<sup>1</sup> therein setting forth the “present need” and prospective need” obligations of all New Jersey municipalities for the Fourth Round housing cycle (the “DCA’s Fourth Round Report”);

**AND IT**

**APPEARING** that, pursuant to the DCA’s Fourth Round Report, the “**present need**” obligation of the Petitioner has been calculated and reported as 48 affordable units, and its “**prospective need**” obligation of the Petitioner has been calculated and reported as 253 affordable units, and which calculations have been deemed “presumptively valid” for purposes of the FHA;

**AND IT APPEARING** that the Municipality adopted Resolution 37-25 on January 14, 2025 seeking deviation from the “present need” and “prospective need” calculations allocated to it by the New Jersey Department of Community Affairs (“DCA”) in its report dated October 18, 2024 entitled Affordable Housing

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<sup>1</sup> See [https://nj.gov/dca/dlps/pdf/FourthRoundCalculation\\_Methodology.pdf](https://nj.gov/dca/dlps/pdf/FourthRoundCalculation_Methodology.pdf)

Obligations for 2025-2035 (Fourth Round) (the “DCA’s Fourth Round Report”), and based on the Municipality planners’ recommendation for 48 affordable housing units for “present need” and 215 units for a “prospective need” affordable housing obligation for the Fourth Round housing cycle;

**AND IT APPEARING** that a challenge to the Municipality’s calculations was timely filed by the New Jersey Builders Association (“NJBA” or “Challenger”) by and through its counsel, wherein NJBA disputed the Municipality’s proposed obligation for prospective need, and supported DCA’s present and prospective need obligations;

**AND IT APPEARING** that pursuant to the Program, the Administrative Office of the Courts (“AOC”) appointed and assigned the case to Program member, the Hon. Julio Mendez, A.J.S.C. (ret.) (“Program Member”), to manage the proceedings, host settlement conferences, and make recommendations to the Court in accordance with the FHA and the AOC’s Directive #14-24 (“Directive #14-24”), and that the Program Member appointed Mary Beth Lonergan, an independent affordable housing expert, as special adjudicator (“Special Adjudicator”) in this case to work with, make recommendations to, and assist the Program;

**AND IT APPEARING** that the Program Member considered all submissions of counsel for the parties, the various planners’ reports, the DCA report, as well as the expert report of the Special Adjudicator, and conducted a settlement conference

on March 25, 2025 and the Municipality and NJBA having engaged in extensive settlement conferences before, during and after the settlement conference;

**AND IT APPEARING** that, the March 25, 2025 settlement conference was conducted on notice to all parties and the participation including local officials, attorneys, and planners for Fair Share Housing Center and the Municipality, everyone with the goal of reaching a resolution;

**AND IT APPEARING** that, the parties have engaged in extensive settlement negotiations before, during and after the settlement conference, with the guidance and assistance of the program member assigned to the case and the special adjudicator;

**AND IT APPEARING** that, the Municipality and NJBA have reached a resolution, the settlement was place on the record, the parties circulated a settlement agreement that will be uploaded to e-courts and that the municipal governing body is to adopt a resolution to accept the settlement;

**AND IT APPEARING** that, the special adjudicator recommends accepting the settlement to the program, and that the terms of the settlement are as follows: 48 units of affordable housing for a present need obligation (subject to conducting a windshield survey) and 243 units of affordable housing for a prospective need obligation, and that parties will now move on to the compliance phase to address the remaining issues pursuant to FHA and the AOC Directive;

**AND IT FURTHER APPEARING** that the special adjudicator recommends accepting the settlement to the program, and that the terms of the settlement are as follows: 48 units of affordable housing for a present need obligation (subject to conducting a windshield survey) and 243 units of affordable housing for a prospective need;

**AND IT FURTHER APPEARING** that the program member hereby recommends for consideration and review that an ORDER be entered by the County Mount Laurel Judge as follows: Accepting the proposed settlement and establishing that the “present need” obligation of the Municipality, be, and hereby is fixed as 48 affordable units (subject to conducting a windshield survey) for the Fourth Round housing cycle, and that the “prospective need” obligation of the Municipality, be, and hereby is fixed as 243 affordable units for the Fourth Round Housing cycle.

**AND IT APPEARING** the Program also is recommending an order be entered that the Municipality is hereby authorized to proceed with preparation and adoption of its proposed Housing Element and Fair Share Plan for the Fourth Round, incorporating therein the “present need” and “prospective need” allocations aforesaid (and which plan shall include the elements set forth in the “Addendum” attached to Directive #14-24), by or before June 30, 2025, as provided for and in accordance with Section III.A of Directive #14-24, and without further delay. And the Program also is recommending an order that any and all “challenges” to the

Petitioner's housing element and fair share plan as adopted pursuant to Paragraph 3 above must be filed by August 31, 2025, by way of Answer/Objection filed in the eCourts and as provided for and in accordance with Section III.B of Directive #14-24.

**IT IS, THEREFORE, on this 5th day of MAY 2025 ORDERED AND ADJUDGED** as follows:

1. That the "present need" obligation of the Municipality, be, and hereby is fixed as 48 affordable units for the Fourth Round housing cycle.

2. That the "prospective need" obligation of the Municipality, be, and hereby is fixed as 243 affordable units for the Fourth Round Housing cycle; and

3. That the Petitioner is hereby authorized to proceed with preparation and adoption of its proposed Housing Element and Fair Share Plan for the Fourth Round, incorporating therein the "present need" and "prospective need" allocations aforesaid (and which plan shall include the elements set forth in the "Addendum" attached to Directive #14-24), by or before June 30, 2025, as provided for and in accordance with Section III.A of Directive #14-24, and without further delay..

**IT IS FURTHER ORDERED**, that any and all "challenges" to the Petitioner's housing element and fair share plan as adopted pursuant to Paragraph 3 above must be filed by August 31, 2025, by way of Answer/Objection filed in the

eCourts case jacket for this Docket No. #GLO-L-68-25, and as provided for and in accordance with Section III.B of Directive #14-24; and

**IT IS FURTHER ORDERED**, that a copy of this Order shall be deemed served on the Petitioner, Petitioner's counsel and the Program Chair upon its posting by the Court to the eCourts case jacket for this matter pursuant to R. 1:5-1(a) and R. 1:32-

2A.

SO ORDERED:

*Robert J. Malestein, P.J.Ch.*

**HON. ROBERT MALESTEIN, P.J.Ch.**  
*Designated Mt. Laurel Judge – Vicinage XV*

(X) Uncontested.

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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**APPENDIX C-1**

**DRAFT Resolution Appointing Municipal Housing Liaison**

**TOWNSHIP OF FRANKLIN**

**R-\_\_-25**

**A RESOLUTION TO APPOINT A MUNICIPAL HOUSING LIAISON**

WHEREAS, in accordance with the Fair Housing Act of 1985 at N.J.A.C. 52:27D-301, and obligations under the Mount Laurel doctrine, the Township has an obligation to provide for its regional fair share of housing affordable to low- and moderate-income households; and

WHEREAS, pursuant to N.J.A.C. 5:96-17 et seq. and N.J.A.C. 5:80-26.1 et seq, the Township is required to appoint a Municipal Housing Liaison as a municipal employee responsible for administration of affordable housing records and programs in the Township; and

WHEREAS, \_\_\_\_\_ shall be appointed as the Municipal Housing Liaison; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Committee of the Township of Franklin, in the County of Gloucester, and State of New Jersey, that \_\_\_\_\_ is hereby appointed as the Municipal Housing Liaison for the Township of Franklin, and shall serve in such capacity through the date of the 2026 Township reorganization meeting.

Adopted: \_\_\_\_\_ Date, 2025

COMMITTEE MEMBER	MOTION	2 <sup>ND</sup>	YES	ABSTAIN	NO	ABSENT

Attest:

Township of Franklin

\_\_\_\_\_  
Barbara Freijomil, Clerk

\_\_\_\_\_  
John Bruno, Mayor

**CERTIFICATION**

I, Barbara Freijomil, Clerk of the Township of Franklin, do hereby certify that the foregoing Resolution was presented and duly adopted by the Township Committee at a meeting held on DATE, 2025.

\_\_\_\_\_  
Barbara Freijomil, Clerk

**APPENDIX C-2**

**DRAFT Resolution Appointing Administrative Agent**

TOWNSHIP OF FRANKLIN

R-\_\_-25

A RESOLUTION TO APPOINT AN ADMINISTRATIVE AGENT FOR AFFORDABLE HOUSING PROGRAMS

WHEREAS, The Township has adopted an updated Housing Plan Element and Fair Share Plan which recommends that the Township implement certain programs and policies to further the opportunities for low and moderate income housing within Franklin Township; and

WHEREAS, the Township is authorized to designate one or more qualified Administrative Agents to be responsible for the administration of affordable units and affordability assistance programs in accordance with the Affordable Housing ordinance of the Township; and

WHEREAS, the Township seeks to designate and contract directly with a qualified administrative agent; and

WHEREAS, \_\_\_\_\_ shall be designated as the Township’s Affordable Housing Administrative Agent; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Committee of the Township of Franklin, in the County of Gloucester, and State of New Jersey, that \_\_\_\_\_ is hereby designated as the Affordable Housing Administrative Agent for the Township of Franklin, and shall serve in such capacity through the date of the 2026 Township reorganization meeting.

Adopted: \_\_\_\_\_ Date, 2025

COMMITTEE MEMBER	MOTION	2 <sup>ND</sup>	YES	ABSTAIN	NO	ABSENT

Attest:

Township of Franklin

\_\_\_\_\_  
Barbara Freijomil, Clerk

\_\_\_\_\_  
John Bruno, Mayor

CERTIFICATION

I, Barbara Freijomil, Clerk of the Township of Franklin, do hereby certify that the foregoing Resolution was presented and duly adopted by the Township Committee at a meeting held on DATE, 2025.

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Barbara Freijomil, Clerk

DRAFT

**APPENDIX C-3**

**DRAFT Affordable Housing Trust Fund Spending Plan**

**Franklin Township, Gloucester County**  
**DRAFT Affordable Housing Trust Fund Spending Plan**  
**Fourth Round (2025 – 2035)**

**INTRODUCTION AND BACKGROUND**

Franklin Township has prepared a Housing Element and Fair Share Plan in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Amended Fair Housing Act (N.J.S.A. 52:27D-301) and consistent with the affordable housing regulations set forth at N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:97-1 et seq, to address its Fourth Round of affordable housing obligations.

A development fee ordinance creating a dedicated revenue source for affordable housing is in place and will continue to be applied after the adoption and endorsement of the Housing Plan Element and Fair Share Plan by the Planning Board and Committee.

The Township will prepare annual reporting on Affordable Housing Trust Fund activity. This Spending Plan provides an estimate of projected funding and proposals for expenditure of funds in support of the Housing Plan Element and Fair Share Plan, and provides guidance to ensure that funds are spent in accordance with the requirements of N.J.A.C. 5:97- 8.7 through 8.10. In accordance with N.J.S.A. 52:27D-329.2 and -329.3, all funds deposited into the Township’s Affordable Housing Trust Fund are to be spent within 4 years of their receipt. The Township will provide annual monitoring to the AHMS as administered by the NJDCA.

As of June 1, 2025, the Township had a balance of \$216,256.29 in the Affordable Housing Trust Fund. This is inclusive of the following cumulative deposits and payments from the AHMF:

- Deposits: \$361,262.39
  - Fees Collected: \$ \$361,011.09; Interest Collected: \$251.30
- Payments: \$ \$145,006.10 in Administrative Expenses

Franklin Township – Fourth Round Affordable Housing Trust Fund Spending Plan **DRAFT****1. REVENUES FOR CERTIFICATION PERIOD**

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 trust fund monies will be deposited in a separate interest-bearing affordable housing trust fund account for the purposes of supporting and providing affordable housing. These funds have been and shall be spent in accordance with N.J.A.C. 5:97-8.7-8.9, as described in the sections that follow.

To calculate a projection of revenue anticipated through 2035, the following have been considered:

(a) Development fees.

1. Residential and non-residential construction projects that are subject to the development fee requirements, (Affordable Housing Development Fees) and fees for developments that have already received approval by the Township's Planning and Zoning Boards.
2. Applications for residential and non-residential construction projects that are currently pending and will be heard by the Planning Board and are likely to receive building permits and/or certificates of occupancy before 2035; and
3. Residential and non-residential construction projects that are likely to occur before 2035 based on available land, economic conditions, and historical rates of development.
4. For the purposes of this plan, estimated development fees are \$60,000 annually for the remainder of the reporting period. This is based on a conservative estimate of the approximate average of fees collected over the previous 3 years. Actual averages from 2022-2025 were approximately \$70,000.

(b) Payment in lieu (PIL) of on-site construction.

Payments in lieu (PIL) of construction from residential developers that have or are expected to enter into an agreement with the Township to make a specific payment to the Affordable Housing Trust Fund in lieu of providing affordable housing units onsite.

At this time, the Township is not anticipating any payments in lieu of construction.

(c) Other funding sources.

Potential funds from other sources include the sale of units with extinguished controls, repayment of affordable housing program loans (such as rehabilitation or down payment assistance), rental income, and proceeds from the sale of affordable units.

Franklin Township – Fourth Round Affordable Housing Trust Fund Spending Plan **DRAFT**

Any such payments will be accepted, but at this time the Township is not anticipating any alternative sources of revenue, and no projections of revenue derive from such payments.

(d) Projected interest:

Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate. The interest is conservatively estimated to be approximately \$500 per year. All interest earned on the account shall be used only for the purposes of affordable housing.

**Table 1. Projected Revenues 2025 - 2035**

Starting Balance (5/14/2024)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
<b>SOURCE OF FUNDS</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>Total</b>
(a) Development Fees:	\$30,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$600,000
1. Approved Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
2. Development Pending Approval	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
3. Projected Development	\$30,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$600,000
(b) Payments in Lieu of Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(c) Other sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(d) Interest on Total Account Balance	\$250	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$5,000
<b>Total</b>	<b>\$30,250</b>	<b>\$60,500</b>	<b>\$60,500</b>	<b>\$60,500</b>	<b>\$60,500</b>	<b>\$60,500</b>	<b>\$60,500</b>	<b>\$60,500</b>	<b>\$60,500</b>	<b>\$60,500</b>	<b>\$60,250</b>	<b>\$605,000</b>

Franklin Township projects a total revenue of \$605,000 to be collected from June 2025 through July 2035 in development fees and interest payments. When combined with the existing balance of \$216,256, the Township can anticipate to have a total of \$821,256 to spend on funding and administering affordable housing programs through 2035.

Franklin Township – Fourth Round Affordable Housing Trust Fund Spending Plan **DRAFT**

## **2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS**

Franklin Township will follow the following procedures for the collection and distribution of affordable housing trust fund revenues.

### (a) Collection of fees and payments:

1. Development fees shall be collected consistent with the Township's development fee ordinance for both residential and non-residential projects in accordance with the N.J.A.C. 5:97-1 et seq and P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7).
2. Payments-in-lieu shall be collected as set forth in an Agreement between the Township and the Developer. Typically, payments will be made in no more than four (4) installments as the development progresses and the entire payment shall be made prior to the issuance of the final Certificate of Occupancy.

### (b) Distribution of development fee revenues:

1. The Municipal Housing Liaison and Township Staff coordinate compliance and implementation of the Spending Plan as it relates to the Fair Share Plan; and coordinate recommendations for expenditure of funds in support of compliance or implementation of the Spending Plan.
2. The Township Administrator authorizes staff to prepare a Resolution that includes an explanation of how the expenditure advances the Township's affordable housing objectives, implements some aspect of the Fair Share Plan, and is consistent with the Spending Plan.
3. Township Committee reviews the request and authorizes the expenditure by resolution.
4. The Municipal Housing Liaison and the CFO maintain accounting of expenditures.

**3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS**

(a) New construction, extension of controls, and conversion programs and projects (N.J.A.C. 5:97-8.7)

Rehabilitation Program: \$400,000

The Township will provide financial assistance to supplement the Gloucester County rehabilitation program to aid in the rehabilitation of homes in the Township. The County currently rehabilitates an average of 6 homes per year in Franklin through its current CDBG funded program.

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

Municipalities are required to spend a minimum of 30% 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. The table below projects the minimum required affordability assistance:

<b>Table 2. Minimum Affordability Assistance</b>		
Actual development fees through 06/01/2025		\$361,011.09
Actual interest through 06/01/2025		\$251.30
Development fees projected 2025-2035	+	\$600,000.00
Interest projected 2025-2035	+	\$5,000.00
Other funds Received	+	\$0.00
Less projected rehabilitation program expenditures		\$400,000.00
Less housing activity expenditures through 06/01/2025	-	\$0.00
<b>Total</b>	<b>=</b>	<b>\$566,262.39</b>
30 percent requirement	x 0.30 =	\$169,878.72
Less affordability assistance expenditures through 06/01/2025	-	\$0.00
<b>Projected Minimum Affordability Assistance Requirement 6/30/2025 through 06/30/2035</b>	<b>=</b>	<b>\$169,878.72</b>
<b>Projected Minimum Very Low-Income Affordability Assistance Requirement 06/30/2025 through 06/30/2035</b>	<b>x 0.34 =</b>	<b>\$57,758.76</b>

Franklin Township – Fourth Round Affordable Housing Trust Fund Spending Plan **DRAFT**

Franklin Township is required to dedicate a minimum of \$169,878.72 from the affordable housing trust fund to provide affordability assistance, with at least 1/3 of the required affordability assistance spending must be dedicated to providing assistance to very-low income households. This would be a minimum of \$57,758.76 that must be directed towards making housing more affordable specifically to very-low income households.

In accordance with N.J.A.C. 52:27D-329.2, the programs considered to provide affordability assistance to low and moderate income households may include the following:

1. Down Payment Assistance Program;
2. Security Deposit Assistance Program;
3. Low interest loans;
4. Maintenance expenses for condominiums;
5. Rental assistance;
6. Conversion of low or moderate income housing units to very low income housing units;
7. Any other program authorized by the Department of Community Affairs (NJDCA)

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

Administrative expenses are subject to a twenty percent (20%) cap. The table below demonstrates the maximum amount of Affordable Housing Trust Fund revenue that will be available for administrative expenses through 2035.

<b>Table 3. Administrative Expense Calculation</b>			
Actual development fees through 06/01/2025			\$361,011.09
Actual interest through 06/01/2025			\$251.30
Development fees and interest projected 2025-2035	+	\$605,000.00	
Less Payment in Lieu Funds	-	\$0.00	
<b>Total</b>	=	<b>\$966,262.39</b>	
Calculate 20 percent	x .20 =	\$193,252.48	
Less administrative expenditures through 06/01/2025	-	\$137,760.35	
<b>Projected maximum allowable for administrative expenses 06/30/2025 through 06/30/2035</b>	=	<b>\$55,492.13</b>	

Franklin Township – Fourth Round Affordable Housing Trust Fund Spending Plan **DRAFT**

Franklin projects that \$55,492.13 will be available for administrative expenses through 2035. However, since there is no certainty about the timing of revenue deposits, the Township will continue to calculate the maximum amount to be expended on administrative expenses yearly. Projected administrative expenditures, subject to the 20 percent cap, are as follows:

1. Wait list management and general administration.
2. Administration of Down Payment Assistance Program by Administrative Agent
3. Establishment and Administration of Homeowner Association Fee Assistance Program by Administrative Agent
4. Establishment and Administration of the Very Low-Income Assistance program
5. Establishment, Implementation, Administration of Market to Affordable program
6. Fees for the sale of affordable units that are priced such that 3% of sale price is less than the Administrative Agent's minimum fee (Township pays the difference).
7. Preparation and Review of Affordable Housing Agreements, Resolutions, Deed Restrictions for affordable housing developments.
8. Preliminary engineering analysis for affordable housing sites
9. GIS mapping and analysis related to preparation and implementation of the Fair Share Plan.
10. Litigation expenses for the review and implementation of the Fourth Round Housing Element and Fair Share Plan.

(d) Emerging Compliance Mechanisms (N.J.A.C. 5:97-8.11):

As Franklin Township projects to have a surplus of funds beyond the minimum requirements to fully fund the rehabilitation assistance and the affordability assistance program, the Township will give consideration to mechanisms not currently identified in the June 2025 Housing Element and Fair Share Plan as new and unforeseen opportunities to provide additional affordable housing arise in the future. This may include providing funding assistance to a new 100% affordable project that has yet to be proposed by a developer, additional rehabilitation of existing deficient housing units, development of special needs housing, funding market to affordable conversions, or reallocating additional projected revenues towards affordability assistance programs.

The Township projects \$195,885 of flexible funds that may be available through the reporting period to be used for emerging mechanisms.

Franklin Township – Fourth Round Affordable Housing Trust Fund Spending Plan **DRAFT**

**4. EXPENDITURE SCHEDULE**

Franklin Township intends to use affordable housing trust fund revenues for the creation and maintenance of affordable housing units, for affordability assistance, and for administration as set forth above. The Township will commit funds to specific programs as outlined above, or the plan will be amended.

TABLE 4. Projected Expenditure Schedule 2025-2035												
Programs	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Rehabilitation	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$400,000
Affordability Assistance	\$16,988	\$16,988	\$16,988	\$16,988	\$16,988	\$16,988	\$16,988	\$16,988	\$16,988	\$16,988	\$16,988	\$169,879
Emerging Mechanisms		\$19,589	\$19,589	\$19,589	\$19,589	\$19,589	\$19,589	\$19,589	\$19,589	\$19,589	\$19,589	\$195,885
Administration	\$0	\$5,549	\$5,549	\$5,549	\$5,549	\$5,549	\$5,549	\$5,549	\$5,549	\$5,549	\$5,549	\$55,492
<b>Total</b>	<b>\$56,988</b>	<b>\$82,126</b>	<b>\$82,126</b>	<b>\$82,126</b>	<b>\$82,126</b>	<b>\$82,126</b>	<b>\$82,126</b>	<b>\$82,126</b>	<b>\$82,126</b>	<b>\$82,126</b>	<b>\$25,138</b>	<b>\$821,256</b>

Franklin Township – Fourth Round Affordable Housing Trust Fund Spending Plan **DRAFT**

#### **5. EXCESS OR SHORTFALL OF FUNDS**

The Township plans to implement the programs set forth in the Fourth Round Fair Share Plan and the Spending Plan incrementally with the funds that are available; and will ensure that the collected funds are spent consistent with the applicable rules and regulations and in a manner that advances the Township's affordable housing goals. The purpose of the Spending Plan is to plan for expenditure of monies in the Affordable Housing Trust Fund. N.J.A.C. 5:97-8.10(a)(9) requires that the spending plan address the "manner through which the municipality will address any expected or unexpected shortfall if the anticipated revenues are not sufficient to implement the plan". The Township will assess the status of the AHTF and implementation of the Fair Share Plan annually.

In the event more funds than anticipated are collected and the available funds exceed the amount necessary to implement the Fair Share Plan, the excess funds may be used to expand the programs described above.

Franklin Township – Fourth Round Affordable Housing Trust Fund Spending Plan **DRAFT**

**SUMMARY**

The Township of Franklin 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 programs outlined in the Fourth Round Housing Element and Fair Share Plan dated May 2025 and this Spending Plan.

Franklin anticipates collection of \$605,000 in additional revenues through 2035 to supplement the \$216,256.29 current in the Trust Fund. The municipality has provided a plan to spend projected revenues on specific projects and programs. The exact timing of additional revenues is uncertain, but the estimate is realistic based on development trends in the Township. The Spending Plan will be amended if needed to adjust for changed needs or emergent opportunities for affordable housing production or assistance.

<b>Table 5. Spending Plan Summary</b>	
Balance as of June 1, 2025	<b>\$216,256.29</b>
<b>Projected Revenue 2025-2035</b>	<b>\$605,000.00</b>
Development Fees	\$600,000.00
Other Funds	\$0.00
Interest	\$5,000.00
Payment in Lieu	\$0.00
<b>TOTAL REVENUE</b>	<b>\$821,256.29</b>
<b>Expenditures</b>	
Rehabilitation	\$400,000.00
Affordability Assistance	\$169,878.72
Emerging Mechanisms	\$195,885.45
Administration	\$55,492.13
<b>TOTAL PROJECTED EXPENDITURES</b>	<b>\$821,256.30</b>
<b>REMAINING BALANCE</b>	<b>(\$0.00)</b>

Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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**APPENDIX C-4**

**DRAFT Affirmative Marketing Plan**

# AFFIRMATIVE FAIR HOUSING MARKETING PLAN

For Affordable Housing in Region 5

## I. Applicant and Project Information

(Complete Section I individually for all developments or programs within the municipality.)

<b>1a. Administrative Agent Name, Address, Phone Number</b>  Franklin Township does not currently have any deed restricted affordable housing units. Should any such housing units begin construction prior to the end of the Third Round, the Township will contract with a qualified administrative agent to oversee all required affirmative marketing of such units.		<b>1b. Development or Program Name, Address</b>  (This field is currently blank.)	
<b>1c.</b> Number of Affordable Units: N/A Number of Rental Units: N/A Number of For-Sale Units: N/A	<b>1d. Price or Rental Range</b>  (This field is currently blank.)	<b>1e. State and Federal Funding Sources (if any)</b>  (This field is currently blank.)	
<b>1f.</b> <input type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	<b>1g. Approximate Starting Dates</b>  (This field is currently blank.)		
<b>1h. County</b> Burlington, Camden, Gloucester		<b>1i. Census Tract(s):</b>  (This field is currently blank.)	
<b>1j. Managing/Sales Agent's Name, Address, Phone Number</b>  TBD			
<b>1k. Application Fees (if any):</b> There are no application fees.			

(Sections II through IV should be consistent for all affordable housing developments and programs within the municipality. Sections that differ must be described in the approved contract between the municipality and the administrative agent and in the approved Operating Manual.)

## II. Random Selection

<p><b>2. Describe the random selection process that will be used once applications are received.</b></p> <p><u>Initial Randomization</u></p> <p>Applicants are selected at random before income-eligibility is determined, regardless of household or desired number of bedrooms.</p> <p>The process is as follows:</p> <ol style="list-style-type: none"> <li>1. After advertising is implemented, applications are accepted for 60 days.</li> <li>2. At the end of the period, sealed applications are selected one-by-one through a lottery (unless fewer applications are received than the number of available units, then all eligible households will be placed in a unit).</li> <li>3. An applicant pool is created by listing applicants in the order selected.</li> </ol>
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4. Applications are reviewed for income-eligibility. Ineligible households are informed that they are being removed from the applicant pool or given the opportunity to correct and/or update income and household information.
5. If there are sufficient names remaining in the pool to fill future re-rental, the applicant pool shall be maintained as an ordered waiting list with all new pre-qualified applicants added to the list in the order that they were received.
6. When the applicant pool is close to being depleted, the Administrative Agent will re-open the pool and conduct a new random selection process after fulfilling the affirmative marketing requirements. The new applicant pool will be added to the remaining list of applicants.

### III. Marketing

<b>3a. Direction of Marketing Activity: (indicate which group(s) in the housing region are least likely to apply for the housing without special outreach efforts because of its location and other factors)</b>			
<input type="checkbox"/> White (non-Hispanic) <input checked="" type="checkbox"/> Black (non-Hispanic) <input checked="" type="checkbox"/> Hispanic <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Asian or Pacific Islander <input type="checkbox"/> Other group:			
<b>3b. Housing Resource Center</b>			
<a href="http://www.njhousing.gov">www.njhousing.gov</a> A free, online listing of affordable housing			
<b>3c. Commercial Media (required) (Check all that applies)</b>			
	<b>Duration &amp; Frequency of Outreach</b>	<b>Names of Regional Newspaper(s)</b>	<b>Circulation Area</b>
<b>Targets Entire Housing Region 5</b>			
Newspaper			
X	One display ad per week for four consecutive weeks, beginning at the start of the marketing process	Courier Post	Southern NJ
<b>Targets Partial Housing Region 5</b>			
X	One display ad per week for four consecutive weeks, beginning at the start of the marketing process	Gloucester County Times	Gloucester County
	<b>Duration &amp; Frequency of Outreach</b>	<b>Names of Regional Radio Station(s)</b>	<b>Listening Area</b>
<b>Targets Entire Housing Region 5</b>			
AM Radio			
X (at least one Radio Station)		WFIL 560	
		WIP 610	
		WNTP 990	
		WWJZ 640	
<b>3d. Other Publications</b>			
	<b>Duration &amp; Frequency of Outreach</b>	<b>Names of Regional Newspaper(s)</b>	<b>Circulation Area</b>
<b>Targets Entire Housing Region 5</b>			
X	One display ad per week for four consecutive weeks	Nuestra Comunidad	South / Central Jersey
<b>3.e List of Regional Employers</b>			
<b>Burlington County</b>			

X		Burlington County College	601 Pemberton Browns Mills Rd Pemberton
X		Our Lady of Lourdes Medical Center	218 Sunset Rd Willingboro, NJ
X		Masonic Home of NJ	902 Jacksonville Rd Burlington, NJ
X		Medford Leas Continuing Care	1 Medford Leas Medford, NJ
X		Virtua Geriatric Care Management	523 Fellowship Rd Mt Laurel, NJ
X		Virtua West Jersey Hospital	90 Brick rd Marlton, NJ

**Camden County**

X		Campbell Soup Company	Campbell Place Camden, NJ 08103-1701
X		Lockheed Martin	Federal, Camden, NJ 08102
X		Bancroft Neurohealth	1000 Atlantic Ave Camden, NJ 08102
X		Cooper Health System	One Cooper Plaza Camden, NJ 08102
X		L-3 Communications Systems	1 Federal Street, Camden, New Jersey, 08103
X		Towers Perrin	101 Woodcrest Rd, Cherry Hill, NJ
X		Arch Manufacturing & Sales Co.	1213 S 6th St, Camden, NJ
X		Subaru	Subaru Drive, Camden, NJ

**Gloucester County**

X		Underwood Memorial Hospital	509 North Broad Street, Woodbury, NJ 08096
X		Rowan University	201 Mullica Hill road Glassboro, NJ 08028
X		Kennedy Memorial Hospital	435 Hurffville-Cross Keys Road, Turnersville NJ 08012
X		U.S. Food Services	2255 High Hill Rd, Swedesboro, NJ & Swedesboro
X		Direct Group	100 Berkeley Dr, Swedesboro, NJ and 800 Arlington Blvd, Swedesboro, NJ
X		CompuCom Systems Inc.	1225 Forest Pkwy # 500, Paulsboro, NJ
X		Missa Bay LLC	101 Arlington Blvd, Swedesboro, NJ and 2339 Center Square Rd, Swedesboro, NJ and 730 Veterans Dr, Swedesboro, NJ
X		Sony Music	400 N Woodbury Rd, Pitman, NJ
X		Delaware Valley Wholesale Florists	520 N. Mantua Boulevard Sewell, NJ 08080
X		Valero Refining Co	800 Billingsport Rd, Paulsboro, NJ
X		Electric Mobility	591 Mantua Blvd, Sewell, NJ
X		Sunoco-Eagle Point Oil Refinery	US Highway 130 S & Highway 295, Westville, NJ
X		Heritage's Dairy Stores	376 Jessup Road Thorofare, NJ 08086
X		Cornell & Company	224 Cornell Ln, Westville, NJ
X		Exxon Mobil Research & Engineering Co	800 Billingsport Rd, Paulsboro, NJ

**3f. Community Contacts (names of community groups/organizations throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing)**

Name of Group/Organization	Duration & Frequency of Outreach	Racial/Ethnic Identification of Readers/Audience	Outreach Area
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<b>Fair Share Housing Center</b> 510 Park Boulevard Cherry Hill, NJ 08002 856665-5444 <a href="mailto:info@fairsharehousing.org">info@fairsharehousing.org</a>	Ongoing as needed	N/A	Statewide
<b>New Jersey State Conference of NAACP</b> 4326 Harbor Beach Blvd #775 Brigantine, NJ 08203 609-310-0211	Ongoing as needed	African-American	Statewide
<b>The Latino Action Network</b> PO Box 943 Freehold, NJ 07728 <a href="mailto:latinoactionnetwork@gmail.com">latinoactionnetwork@gmail.com</a>	Ongoing as needed	Hispanic	Statewide
<b>Gloucester County Branch NAACP</b> PO Box 545 Williamstown, NJ 08094 856-318-4555	Ongoing as needed	African-American	Gloucester County
<b>Salem County Branch NAACP</b> PO Box 25 Salem, NJ 08079 <a href="mailto:Naacp2105@gmail.com">Naacp2105@gmail.com</a>	Ongoing as needed	African-American	Salem County
<b>Senior Citizens United Community Services</b> 537 Nicholson Road Audubon, NJ 08106 856-456-1121 <a href="mailto:scucs@scucs.org">scucs@scucs.org</a>	Ongoing as needed	N/A	Statewide
<b>Supportive Housing Association</b> 185 Valley Street South Orange, NJ 07079 908-931-1131	Ongoing as needed	N/A	Statewide

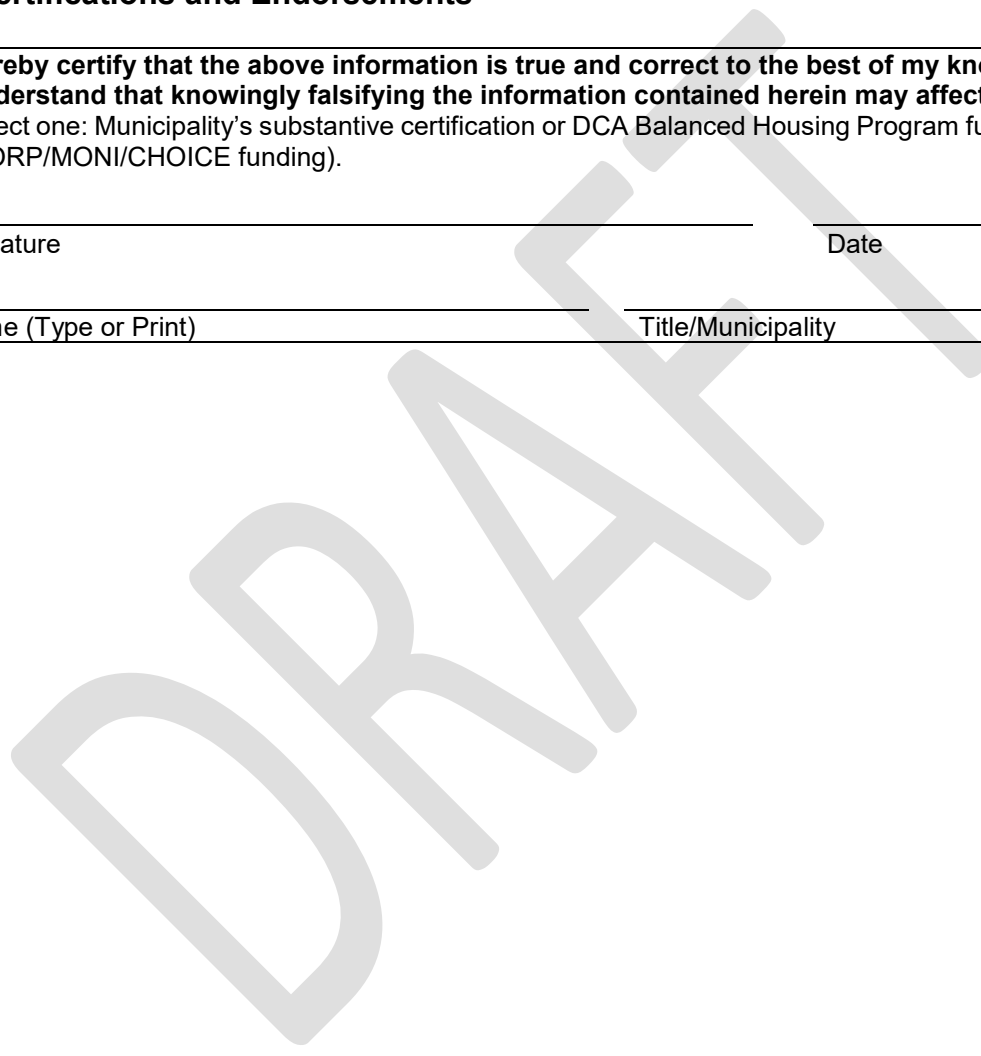
#### IV. Applications

<b>Applications for affordable housing for the above units will be available at the following locations:</b>		
<b>4a. County Administration Buildings and/or Libraries for all counties in the housing region (list county building, address, contact person) (Check all that apply)</b>		
	<b>Building</b>	<b>Location</b>
X	Gloucester County Library	2 Center Street, Glassboro, NJ 08028 (856) 881-0001
X	Newfield Public Library	115 Catawba Ave, Newfield, NJ 08344 (856) 697-0415
X	Camden County Library System	301 N. Fifth Street, Camden, NJ 08102 (856) 225-6807
X	Burlington County Library	5 Pioneer Boulevard, Westampton, NJ 08060 (609) 267-9660
X	Gloucester County Administration Building	2 S. Broad Street, Woodbury, NJ 08096
<b>4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)</b>		

Franklin Township Administration Building 1571 Delsea Drive Franklinville, NJ 08322 <a href="http://www.franklintownshipnj.org">www.franklintownshipnj.org</a>
Franklin Township Library 1584 Coles Mill Road, Franklinville, NJ 08322 <a href="https://www.ftlnj.org/">https://www.ftlnj.org/</a>
<b>4c. Sales/Rental Office for units (if applicable)</b>

**V. Certifications and Endorsements**

<p><b>I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the</b>                  (Select one: Municipality's substantive certification or DCA Balanced Housing Program funding or HMFA UHORP/MONI/CHOICE funding).</p>	
Signature _____	Date _____
Name (Type or Print) _____	Title/Municipality _____



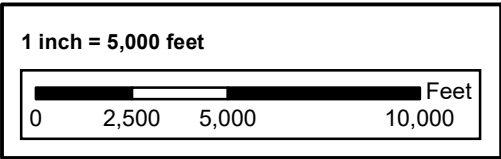
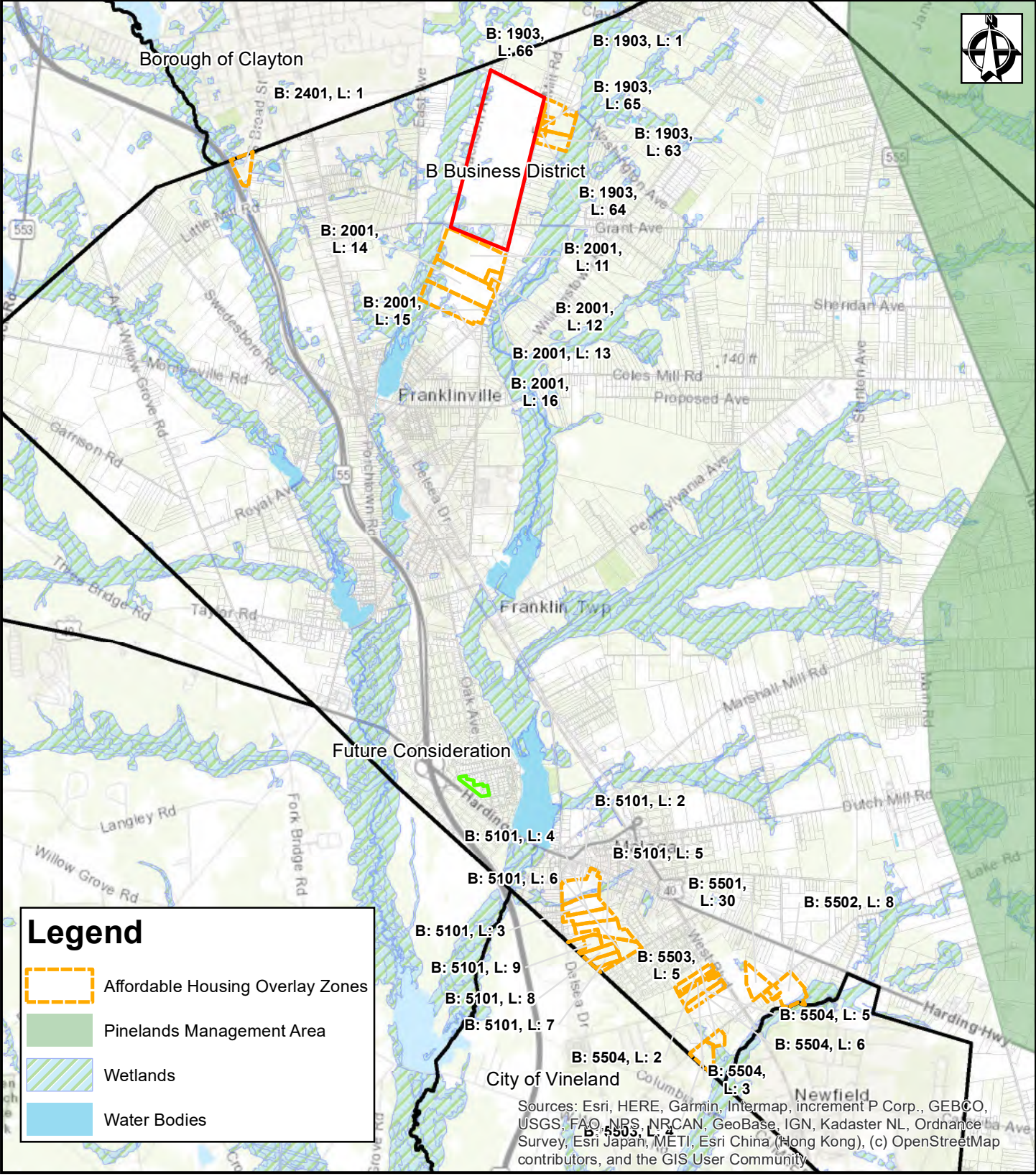
Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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**APPENDIX D-1**

**Affordable Housing Sites Map**

# AFFORDABLE HOUSING PLAN FRANKLIN, NJ



Source: NJGIN (NJGIS), NJDEP  
 CREATED BY: CD  
 DATE: June 05, 2025

ENVIRONMENTAL CONSTRAINTS  
 FRANKLIN TOWNSHIP  
 GLOUCESTER COUNTY  
 NEW JERSEY



Franklin Township – Fourth Round Housing Plan Element & Fair Share Plan

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**APPENDIX E-1**

**DRAFT Ordinance to Amend Business Zone**

**TOWNSHIP OF FRANKLIN, GLOUCESTER COUNTY, NEW JERSEY**

**ORDINANCE # \_\_\_\_\_**

**AN ORDINANCE AMENDING CHAPTER 253 “LAND DEVELOPMENT” TO REVISE THE PERMITTED RESIDENTIAL USES OF THE BUSINESS DISTRICT IN FURTHERANCE OF THE TOWNSHIP’S AFFORDABLE HOUSING OBLIGATIONS FOR THE FOURTH ROUND**

**WHEREAS** As per the Amended Fair Housing Act, the Township has an affordable housing obligation to meet its fair share of the regional need for low and moderate income households; and

**WHEREAS**, the Township’s Planning Board has adopted a Housing Plan Element and Fair Share Plan intended to describe the mechanisms through which the Township will satisfy its fair share housing obligation; and

**WHEREAS**, said Housing Plan Element and Fair Share Plan recommends amendments to the Township Land Development code to provide a realistic opportunity for the construction of low and moderate income housing; and

**WHEREAS**, the Township Committee wishes to enact said amendments as recommended by the Housing Element and Fair Share Plan; and

**NOW, THEREFORE BE IT ORDAINED**, by the Mayor and Committee of the Township of Franklin, Gloucester County, State of New Jersey, that Chapter 253 of the Township Code “Land Development” Article XIV B Business District, is hereby amended as follows:

***New text to be inserted in bold, italic, and underlined font***

~~**Text to be deleted is stricken through**~~

**Article XIB B Business District**

**§253-113 Purpose**

[No changes]

**§253-114. Permitted uses.**

A. [No changes]

B. Uses permitted on tracts of more than 25 acres existing at the time of the effective date of this section. Land may be used and buildings or structures may be erected, altered or used for any of the following purposes and no other:

(1) Planned unit development in accordance with the following guidelines, provided that a community-based (package) water and sewer system is provided and a minimum of 50% of the land is preserved as open space or agriculture:

(a) Planned office and "flex-use" campus, provided that principal structures are provided on individual lots with an area of not less than three acres or more. The following uses may be permitted and no other:

- [1] Business, administrative, professional and governmental offices.
  - [2] Research and development laboratories.
  - [3] Warehousing and distribution facilities, provided that they occur in buildings in which a minimum of 10% of the building in which the warehouse and distribution occurs is devoted to office use.
  - [4] Private recreational uses including, and of the same general character as, golf courses, driving ranges, tennis and racquet clubs, swim clubs, batting practice ranges. Outdoor tracks for motorized vehicles and amusement parks are specifically prohibited.
- (b) The following uses may be provided in conjunction with a planned unit development on lots with an area of not less than two acres or more:
- [1] Banks and other financial institutions.
  - [2] Adult or child-care centers planned to provide care for a minimum of 25 individuals in accordance with all applicable local and state regulations.
- (c) A ~~mixed-use~~ **residential** hamlet, on not less than 50 acres, may contain the following uses:
- [1] Residential uses including single-family detached, semi-attached, townhomes, and multifamily dwellings, subject to the following regulations:
    - [a] The ~~average~~ **net** residential density shall not exceed six **ten** units per acre.
    - ~~[b] Residential densities may be increased to eight units per acre if sewer and water service is extended along a collector or arterial street and connections are made to existing and future uses within 0.25 mile of the boundaries of the planned unit development.~~
    - [c] A maximum of 40 **30%** of the residential units may be restricted to households in which at least one member is age 55 or older and no member is less than age 18.
    - [d] A minimum of 20% of all residential units shall be made affordable to very-low and moderate-income households in accordance with the amended **Fair Housing Act and the Uniform Housing Affordability Controls**, ~~the rules of the Council on Affordable Housing~~. There will be no development fee on COAH **affordable** units.
  - [2] A commercial section containing all nonresidential uses permitted in the Franklinville Village District, and in accordance with the area, bulk and design requirements of that district. Permitted uses include retail stores and services, offices and restaurants. The commercial section shall occupy not more than 15% of the area of the mixed-use hamlet, exclusive of lands preserved for open space and agriculture. It shall be located in general proximity to a collector or arterial street.<sup>2</sup>

**§ 253-115. Area restrictions and regulations.**

[No change]

**§ 253-116 Height restrictions.**

[No change]

**RESOLUTION PB05-2025**

**RESOLUTION ADOPTING THE  
2025 FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN**

**FRANKLIN TOWNSHIP PLANNING BOARD, GLOUCESTER COUNTY, NEW JERSEY**

**WHEREAS**, on March 20, 2024, Governor Murphy signed P.L.2024, c.2. into law, establishing a new framework for determining and enforcing municipalities' affordable housing obligations under the New Jersey Supreme Court's Mount Laurel doctrine and the New Jersey Fair Housing Act (the "FHA") (N.J.S.A. 52:27D-301 et al.); and

**WHEREAS**, pursuant to N.J.S.A. 52:27D-304.1(f)(1)(b), each municipality must adopt a binding resolution no later than January 31, 2025 determining its present and prospective fair share obligation for the Fourth Round; and

**WHEREAS**, pursuant to Administrative Directive #14-24 issued by the Administrative Office of the Courts on December 13, 2024, "[a] municipality seeking a certification of compliance with the [Fair Housing Act] shall file an action in the form of a declaratory judgment complaint and Civil Case Information Statement (Civil CIS) in the county in which the municipality is located" within 48 hours of adopting the municipal resolution of fair share obligations; and

**WHEREAS**, the Franklin Township Mayor and Committee (the "Committee") adopted Resolution No. 37-25 on January 14, 2025 identifying its present and prospective fair share obligation for the Fourth Round: as follows:

Present Need: 48

Prospective Need: 215; and

**WHEREAS**, Franklin Township (the "Township") filed a Complaint for Declaratory Judgement, captioned *IMO Franklin Township*, Docket No. GLO-L-68-25 on January 16, 2025 identifying its present and prospective fair share obligation for the Fourth Round as set forth above and committing to adopting and submitting a fourth round housing element and fair share plan as required by the FHA; and

**WHEREAS**, the New Jersey Builder's Association ("NJBA") filed a challenge to the Declaratory Judgment Action; and

**WHEREAS**, the Affordable Housing Dispute Resolution Program held a settlement conference on March 25, 2025 presided over by the Honorable Robert Malestein, P.J.Ch; and

**WHEREAS**, Mary Beth Lonergan, P.P. served as the Special Adjudicator at the Settlement Conference; and

**WHEREAS**, NJBA and the Township reached a settlement agreement during the Settlement Conference, which was placed on the record and endorsed by Judge Miller and Special Adjudicator Burgis setting the Township's Fourth Round Affordable Housing Obligations as follows:

Present Need: 48  
Prospective Need: 243; and

**WHEREAS**, during the Settlement Conference, counsel for the NJBA represented that it would provide a draft settlement agreement for review and approval by the Township Committee; however, such has not been provided; and

**WHEREAS**, on May 5, 2025, the Hon. Robert Malestein, P.J.Ch. issued an order confirming the Township's identified affordable housing obligations and authorizing the Township to proceed with preparation and adoption of a fourth round housing plan by June 30, 2025; and

**WHEREAS**, the FHA now requires, among other actions, that municipalities submit an adopted housing element in fair share plan on or before June 30, 2025; and

**WHEREAS**, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Franklin Township Planning Board (the "Board") held a public hearing on the 2025 Fourth Round Housing Element and Fair Share Plan ("HEFSP") on June 17, 2025 during which the Fourth Round Affordable Housing Plan was presented to the public and Board, and opportunity for comments and questions were provided; and

**WHEREAS**, upon the conclusion of the public hearing, the Board determined that the proposed 2025 Fourth Round Housing Plan Element and Fair Share Plan is consistent with the goals and objectives of the Master Plan of Franklin Township, will guide the use of lands in the municipality in a manner which protects public health and safety and promotes the general welfare in accordance with N.J.S.A. 40:55D-28, and is designed to access to affordable housing to meet present and prospective housing needs in accordance with N.J.S.A. 52:27D-310;

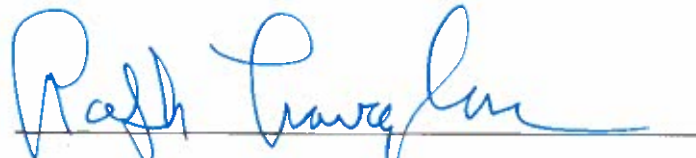
**NOW, THEREFORE, BE IT RESOLVED**, by the Franklin Township Planning Board as follows:

1. The Board hereby approves and adopts the Fourth Round Housing Element and Fair Share Plan ("HEFSP") in substantially the same form as attached hereto.
2. The Township Planner and Township Attorney are authorized to correct any typographical or grammatical errors in the HEFSP.


3. The Board Secretary shall publish notice of the adoption of this resolution and the HEFSP in the official newspaper of the Board.
4. The Board Secretary shall also transmit a copy of this resolution and the adopted plan to the Township Clerk and Committee.
5. The Board Secretary shall provide a copy of this resolution and the adopted plan to the Gloucester County Planning Board and New Jersey Office of Planning Advocacy, in accordance with N.J.S.A. 40:55D-13.
6. The Township Attorney is authorized to take all actions required by the FHA, including filing a copy of this Resolution and adopted HEFSP with the Superior Court.

Adopted at a regular meeting of the Planning Board of the Township of Franklin held on June 17, 2025.

TOWNSHIP OF FRANKLIN PLANNING BOARD

  
\_\_\_\_\_  
RALPH TRAVAGLIONE, VICE-CHAIRMAN

ATTEST:

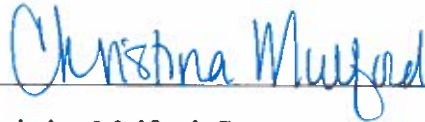
  
\_\_\_\_\_  
Christina Mulford, Secretary

Christina Mulford, Secretary

CERTIFICATION

I hereby certify that this foregoing Resolution is a true memorialization resolution, as adopted by the Planning Board of the Township of Franklin in accordance with its decision at a regular meeting held on June 17, 2025.

DATED: June 17, 2025



Christina Mulford, Secretary

TOWNSHIP OF FRANKLIN PLANNING BOARD

**TARA ST. ANGELO, ESQ.**  
**Attorney ID #020292008**  
**GEBHARDT & KIEFER, P.C.**  
1318 Route 31 ~ P.O. Box 4001  
Clinton, New Jersey 08809-4001  
Tel. (908) 735-5161  
Attorneys for Petitioner, Township of Franklin

IN THE MATTER OF THE  
APPLICATION OF TOWNSHIP OF  
FRANKLIN, A Municipal Corporation of  
the State of New Jersey,

Petitioner.

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION-GLOUCESTER COUNTY

DOCKET NO. GLO-L-901-15

CIVIL ACTION  
(Mount Laurel)

**ORDER GRANTING FINAL THIRD  
ROUND JUDGMENT OF COMPLIANCE  
AND REPOSE**

**THIS MATTER** having been brought before the Court initially upon the Declaratory Judgment Complaint filed by petitioner Township of Franklin (the "Township") to have the Court determine the Township's fair share affordable housing obligations, to permit the Township time to adopt a compliance plan, and for temporary immunity from builder's remedy litigation pending the Declaratory Judgment action, in response to In Re Adoption of NJ.AC. 5:96, 221 NJ. 1 2015 ("Mt. Laurel IV"); and the Court having appointed Mary Beth Lonergan, PP, AICP, now known as the Special Adjudicator (the "Special Adjudicator") per the recent directive of the NJ Supreme Court; and Fair Share Housing Center ("FSHC") having participated in the Declaratory Judgment action as an interested party; and the Township and FSHC having entered into a Settlement Agreement dated May 26, 2022 (the "Settlement Agreement"), which established the Township's three-part fair share affordable housing obligation including a present need obligation of 52 units; the Prior Round (1987 - 1999) obligation of 166 units; and a Third Round (1999-2025) obligation

of 527 units as well as a durational adjustment of the bulk of the Township's Prior Round and Third Round obligations per N.J.A.C. 5:93-4.3(c), the Township's compliance mechanisms to address its adjusted fair share affordable housing obligation; and the Special Adjudicator having issued a report to the Court dated August 4, 2022 (the "2022 Fairness Report") recommending that the Court approve the Settlement Agreement, subject to certain terms and conditions; and on the application of Gebhardt & Kiefer, PC, attorneys for the Township, the Court having conducted a Fairness and Preliminary Compliance Hearing (the "Fairness Hearing") on August 12, 2022 and October 20, 2022, in accordance with the requirements of Morris County Fair Housing Council v. Boonton Township, 197 N.J. Super. 359,364 (Law Div.1984), aff'd o.b., 209 NJ. Super. 108 (App. Div. 1986) and East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328 (App. Div. 1996), to consider approval of the Settlement Agreement, and to determine whether the settlement is fair, reasonable and adequately protects the interest of very low-, low-, and moderate-income households, and the Township having provided proper public and actual notice of the Fairness Hearing; and the Court having entered an Order dated November 2, 2022, identifying its findings and granting approval of the Settlement Agreement and preliminary Judgment of Compliance and Repose with conditions as set forth in the 2022 Fairness Report, subject to a further compliance hearing as stated on the record during the Fairness Hearing; and the Special Adjudicator having issued a report to the Court dated March 6, 2024 (the "2024 Compliance Report"), reviewing the realistic opportunity presented by the Township's Third Round Housing Element and Fair Share Plan adopted July 18, 2023, and endorsed December 26, 2023 (the "HEFSP"), and compliance with the substantive rules of the Council on Affordable Housing ("COAH"), NJ.A.C. 5:93 et seq. (and those Third Round rules upheld by the NJ Supreme Court in Mount Laurel IV), and the court-approved Third Round Settlement Agreement; and the 2024

Compliance Report recommending that the Township be granted a Third Round Judgment of Compliance and Repose; and the Court having conducted a compliance hearing on March 14, 2024 in the presence of Township attorneys, Esmé M. Devenney, Esq., of FSHC and Ms. Lonergan, to review the Township's Third Round HEFSP (the "Compliance Hearing"); and the Township having provided proper public and actual notice of the March 14, 2024 Compliance Hearing; and various documents having been entered into evidence during the compliance hearing including: (P1) Housing Element and Fair Share Plan ("HEFSP"), (P2) Resolution Adopting Spending Plan (w/ Spending Plan attached), (P3) Resolution Adopting Affirmative Marketing Plan (w/ Affirmative Marketing Plan Attached), (P4) Resolution Endorsing HEFSP, (P5) Affordable Housing Ordinance, (P6) Inclusionary Overlay Ordinance (w/ map), (P7) Ordinance Amending Development Application Checklists, (P8) Development Fee Ordinance, (P9) Affidavit of Publication, (P10) Certification regarding service of individual notices (P11) Objection Letters from David Marshall and Christopher Sayers, (P12) Engineering Report regarding water supply system for Meredith Farms Property, dated March 25, 2019, (P13) Meredith Farms Redevelopment Agreement, dated June 11, 2013, (P14) USEDA Grant Agreement, dated March 7, 2012, (P15) Environmental Constraints Map prepared by Chris Dochney, P.P., dated February 20, 2024, and (P16) Special Adjudicator's Compliance Report; and the Township having adopted a Resolution appointing a Municipal Housing Liaison on March 12, 2024 and the Court agreed, after consideration of comments from the Special Adjudicator, to accept such resolution into evidence as Exhibit (P17) and the Court having considered testimony of Christopher Dochney, P.P., Planner for the Township, as well as the Special Adjudicator Ms. Lonergan; and the Court having considered Exhibits P-1 through P-17 entered into evidence; and the Court having considered the comments and objections by objectors, David Marshall and Christopher Sayers, appearing *pro se*;

and the Court having found, upon the conclusion of the compliance hearing, for the reasons set forth by the Court that Plaintiff's Affordable Housing Plan, consisting of the Housing Element and Fair Share Plan adopted by the Planning Board of the Township and endorsed by the Township Committee and implemented through the adoption of various ordinances and resolutions, including the Spending Plan (the "HEFSP"), along with various attachments and supporting documentation, as well as copies of the adopted implementing ordinances and resolutions (all such documents together referred to as the "Affordable Housing Plan") create the realistic opportunity to achieve Plaintiff's affordable housing obligations pursuant to the Fair Housing Act and under the Mount Laurel doctrine that a Third Round Judgment of Compliance and Repose should be entered as hereinafter set forth; and for the reasons set forth on the record, and for good cause shown.

**IT IS** on this 21st day of May 2024,

**ORDERED** as follows:

1. Final Judgment of Compliance and Response. Judgment is hereby declared in favor of the Township of Franklin for a Final Judgment of Compliance and Repose (the "Judgment") pursuant to the Fair Housing Act, COAH's Supreme Court upheld regulations, East/West Venture v. Borough of Fort Lee and the Mount Laurel line of cases including Mount Laurel IV.
2. HEFSP and Implementing Ordinances and Resolutions. The Court hereby declares that because the Township does not have access to public water and sewer (as defined in the Settlement Agreement) the Township is entitled to a durational adjustment pursuant to N.J.A.C. 5:93-4.3(c)(4) and declares the land use regulations and affirmative devices including the municipal commitment to assist in the provision of public water and sewer and to reserve new public water and/or sewer capacity for inclusionary development in the Township of

Franklin's Affordable Housing Plan to be in compliance with the Township's constitutional obligation to create a realistic opportunity for affordable housing under the Mount Laurel doctrine. The Township, through the adoption of the Third Round HEFSP and the implementation of that plan with means to address its durationally-adjusted fair share obligation and the Settlement Agreement and the fulfillment of all of the conditions recommended in the 2022 Fairness Report, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq., for the Prior Round (1987-1999) and Third Round (1999-2025). The Court declares that the Township's Affordable Housing Plan provides and creates a realistic opportunity for the development of housing affordable as part of any future provision of public water and sewer services to very low, low and moderate income households as defined in the Mount Laurel cases and in the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq., as amended.

3. Present Need, Durationally-Adjusted Prior Round, Third Round Obligation. The Township has implemented and will continue to implement the agreed-upon compliance mechanisms to address the balance of its Durationally-adjusted Prior Round and Third Round Obligations as set forth in the Settlement Agreement, and the Affordable Housing Plan.
4. Jurisdiction. The Court shall retain jurisdiction as to the implementation of this Judgment and the Affordable Housing Plan and all of its affordable housing programs.
5. Immunity. The Township is granted repose and immunity from exclusionary zoning litigation by this Judgment through July 1, 2025.
6. Development Fee Ordinance. This Order continues prior authorization for the Township to impose, collect, and commit development fees, and authorizes the Township to expend development fees and maintain those fees in the Township's Affordable Housing Trust Fund

during the period of repose in accordance with this Judgment and its Spending Plan, subject to applicable law.

7. Change in Law. If a court of competent jurisdiction in Gloucester County (i.e., the Law Division of Gloucester County, the Appellate Division of the New Jersey Superior Court, or the New Jersey Supreme Court) or an administrative agency responsible for implementing the Fair Housing Act and COAH regulations makes a decision which, if applied to the Township would reduce its obligation by more than twenty (20%) percent of the total Third Round Obligation as defined and agreed to in the Settlement Agreement, the Township shall be entitled, on motion, to amend the Judgment to reduce its Third Round Obligation, provided all of the mechanisms for satisfying the originally agreed upon Third Round Obligation shall remain in place.
8. Reporting and Monitoring Requirements. The Township shall comply with the reporting and monitoring requirements set forth in the Settlement Agreement except as modified as follows:
  1. With regard to the midpoint realistic opportunity review required pursuant to N.J.S.A. 52:27D- 313, the Compliance Hearing conducted on March 14, 2024 shall suffice to meet such requirement. A copy of this Order shall be posted on the municipal website in furtherance of this requirement.
  2. With regard to the review of very-low-income housing requirements required by N.J.S.A. 52:27D-329.1, the Township may satisfy this requirement by providing a report by July 1, 2025 of any development providing very-low-income units occurring between the date of this Order and June 30, 2025 and posting such report on the municipal website. In the event no such development occurs in that time period, the requirement for such reporting shall be waived.

3. The Township must as part of its annual reporting requirements indicate whether its Affordable Housing Trust Fund balance is approaching or has exceeded \$300,000; and if it has, the Township must contract with an experienced Administrative Agent to establish and run an Affordability Assistance program, and must adopt an operating manual for the program. The Township will provide proof of the appointment of the Administrative Agent and adoption of an operating manual to the Court, Special Adjudicator, and FSHC.
  
9. Service of Order. A copy of the within Order shall be served on counsel for all persons and/or entities on the municipal service list within five (5) days of receipt of this Order by counsel for the Township. A copy of the within Order shall also be served on the Special Adjudicator and objectors appearing at the Compliance Hearing within five (5) days of receipt of this Order by counsel for the Township.



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**HON. ROBERT G. MALESTEIN, J.S.C.**