

**RESOLUTION TC 19-061  
TOWNSHIP COMMITTEE - TOWNSHIP OF HARDING  
MORRIS COUNTY, NEW JERSEY  
JANUARY 28, 2019**

**RESOLUTION APPOINTING MODERATE INCOME MANAGEMENT AS THE DESIGNATED  
ADMINISTRATIVE AGENT FOR THE TOWNSHIP OF HARDING**

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

**WHEREAS**, the Township has prepared an amendment to its Affordable Housing Ordinance in conformance with the requirements of N.J.A.C. 5:93-1, et seq., as amended and supplemented, N.J.A.C. 5:80-26.1, et seq., as amended and supplemented, and the New Jersey Fair Housing Act; and

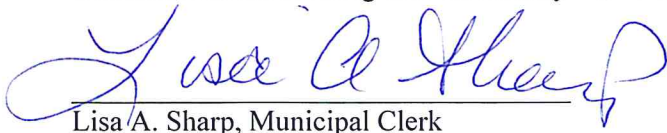
**WHEREAS**, the amended Affordable Housing Ordinance sets forth the duties of the administrative agent pursuant to N.J.A.C. 5:80-26.14 et. seq. that requires the affordability controls of affordable housing units be administered by an administrative agent acting on behalf of a municipality; and

**WHEREAS**, the Township of Harding has selected Moderate Income Management to be the Administrative Agent for the purposes of providing affordability control services for all affordable housing within the Township.

**BE IT RESOLVED**, by the Township Committee of the Township of Harding, County of Morris, State of New Jersey, that the Township of Harding hereby appoints Moderate Income Management as its designated Administrative Agent.

**DATED:** January 28, 2019

I, Lisa A. Sharp, Municipal Clerk of the Township of Harding, County of Morris, State of New Jersey, do hereby certify the foregoing resolution to be a true and correct copy of a resolution adopted by the Township Committee at the meeting held on January 28, 2019.

  
Lisa A. Sharp, Municipal Clerk

**Vote on Resolution:**

	MOTION	FOR APPROVAL	AGAINST APPROVAL	ABSTAIN
Ms. DiTosto	1 <sup>st</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Jones	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Modi	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Platt	2 <sup>nd</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Yates	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**RESOLUTION TC 19-062**  
**TOWNSHIP COMMITTEE - TOWNSHIP OF HARDING**  
**MORRIS COUNTY, NEW JERSEY**  
**JANUARY 28, 2019**

**RESOLUTION APPOINTING LORENE WRIGHT AS THE DESIGNATED MUNICIPAL  
HOUSING LIAISON FOR THE TOWNSHIP OF HARDING**

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**WHEREAS**, the Township of Harding has petitioned the Superior Court of New Jersey for a Declaratory Judgment that its adopted Housing Element and Fair Share Plan is compliant with its constitutional obligation to provide for the realistic opportunity for the development of its fair share of the regional need for very low-, low-, and moderate-income housing; and

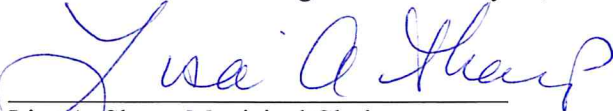
**WHEREAS**, the Township's adopted Housing Element and Fair Share Plan will create the realistic opportunity for the development of housing units affordable to and intended for occupancy solely by qualified very low-, low-, and moderate-income households; and

**WHEREAS**, the Township Committee of the Township of Harding has determined to appoint and designate Lorie Wright as its Municipal Housing Liaison, to fulfill the duties set forth in the Township's General Code;

**BE IT RESOLVED**, by Township Committee of the Township of Harding, County of Morris, State of New Jersey, that the Township of Harding hereby appoints Lorene Wright as its designated Municipal Housing Liaison.

**DATED:** January 28, 2019

I, Lisa A. Sharp, Municipal Clerk of the Township of Harding, County of Morris, State of New Jersey, do hereby certify the foregoing resolution to be a true and correct copy of a resolution adopted by the Township Committee at the meeting held on January 28, 2019.



Lisa A. Sharp, Municipal Clerk

**Vote on Resolution:**

	MOTION	FOR APPROVAL	AGAINST APPROVAL	ABSTAIN
Ms. DiTosto	1 <sup>st</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Jones	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Modi	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Platt	2 <sup>nd</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Yates	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**RESOLUTION TC 19-063  
TOWNSHIP COMMITTEE - TOWNSHIP OF HARDING  
MORRIS COUNTY, NEW JERSEY  
JANUARY 28, 2019**

**RESOLUTION ENDORSING THE AMENDED HOUSING ELEMENT AND FAIR SHARE PLAN  
ADOPTED BY THE PLANNING BOARD**

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**WHEREAS**, on July 7, 2015, the Township of Harding (hereinafter “Harding” or the “Township”) filed a declaratory action with the Superior Court of New Jersey pursuant to In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) (Mount Laurel IV), entitled In the Matter of the Application of the Township of Harding, County of Morris, Docket No. MRS-L-1672-15, seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan, to be amended as necessary, satisfies its obligation to create the realistic opportunity to meet its “fair share” of the regional need for low- and moderate-income housing pursuant to the “Mount Laurel doctrine;” and

**WHEREAS**, in connection with this lawsuit, the Township simultaneously sought, and ultimately secured, a protective order providing Harding and its Planning Board immunity from all exclusionary zoning lawsuits while the Township pursued approval of its Amended Housing Element and Fair Share Plan, which is still in full force and effect; and

**WHEREAS**, prior to the Court ruling on the Township’s motion, the Township engaged in negotiations with the Fair Share Housing Center (hereinafter “FSHC”) and S/K Mt. Kemble Associates, L.L.C. (hereinafter “Mt. Kemble Associates”); and

**WHEREAS**, as a result of those negotiations, the Township entered into an agreement with FSHC and a separate agreement with Mt. Kemble Associates, which was incorporated in the agreement with FSHC; and

**WHEREAS**, a Fairness Hearing was held on November 2, 2018, at which the settlement agreements were approved, and said approval was later memorialized by an Order entered by the County on November 14, 2018; and

**WHEREAS**, in accordance with the terms of the settlement agreements and the Court’s November 14, 2018 Order, the Township’s planner prepared an Amended Housing Element and Fair Share Plan; and

**WHEREAS**, upon notice duly provided pursuant to N.J.S.A. 40:44D-13, the Planning Board held a public hearing on the Amended Housing Element and Fair Share Plan on December 17, 2018 and adopted the Amended Housing Element and Fair Share Plan on the same day; and

**WHEREAS**, a true copy of the resolution of the Planning Board adopting the Amended Housing Element and Fair Share Plan is attached hereto as Exhibit A; and

**WHEREAS**, the Township Committee of the Township of Harding wishes to endorse the Amended Housing Element and Fair Share Plan and seeks approval of the Amended Housing Element and Fair Share Plan from the Court.

**BE IT RESOLVED**, by the Township Committee of the Township of Harding in the County of Morris, and the State of New Jersey:

1. That it hereby endorses the Amended Housing Element and Fair Share Plan, as adopted by the Harding Township Planning Board on December 17, 2018 via the Planning Board resolution, attached hereto as Exhibit A.
2. That it authorizes and directs its professionals to file with the Court (i) the Amended Housing Element and Fair Share Plan, (ii) the resolutions of the Planning Board adopting and the Township

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**MORRIS COUNTY, NEW JERSEY**  
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**ADOPTED BY THE PLANNING BOARD**

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Committee endorsing the Amended Housing Element and Fair Share Plan, and (iii) any additional documents the professionals deem necessary or desirable.

3. That it authorizes its professionals to seek Court approval of the Amended Housing Element and Fair Share Plan at a properly noticed Compliance Hearing.
4. That it reserves the right to amend the Amended Housing Element and Fair Share Plan, should that be necessary.

**DATED:** January 28, 2019

I, Lisa A. Sharp, Municipal Clerk of the Township of Harding, County of Morris, State of New Jersey, do hereby certify the foregoing resolution to be a true and correct copy of a resolution adopted by the Township Committee at the meeting held on January 28, 2019.

  
Lisa A. Sharp, Municipal Clerk

**Vote on Resolution:**

	MOTION	FOR APPROVAL	AGAINST APPROVAL	ABSTAIN
Ms. DiTosto	1 <sup>st</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Jones	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Modi	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Platt	2 <sup>nd</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Yates	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**RESOLUTION TC 19-064  
TOWNSHIP COMMITTEE - TOWNSHIP OF HARDING  
MORRIS COUNTY, NEW JERSEY  
JANUARY 28, 2019**

**RESOLUTION ADOPTING THE “AFFIRMATIVE MARKETING PLAN” FOR THE TOWNSHIP  
OF HARDING**

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**WHEREAS**, in accordance with the New Jersey Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26-1, et seq., the Township of Harding is required to adopt an Affirmative Marketing Plan to ensure that all affordable housing units created, including those created by the rehabilitation of rental housing units within the Township of Harding, are affirmatively marketed to low- and moderate-income households within Housing Region 2, the COAH Housing Region encompassing the Township of Harding.

**BE IT RESOLVED**, that the Township Committee of the Township of Harding in the County of Morris, and the State of New Jersey does hereby adopt the following Affirmative Marketing Plan:

**Affirmative Marketing Plan**

- A. All affordable housing units in the Township of Harding shall be marketed in accordance with the provisions herein.
- B. This Affirmative Marketing Plan shall apply to all developments that contain or will contain low- and moderate-income units, including those that are part of the Township’s prior round Fair Share Plan and its current Fair Share Plan and those that may be constructed in future developments not yet anticipated by the Fair Share Plan. This Affirmative Marketing Plan shall also apply to any rehabilitated rental units that are vacated and re-rented during the applicable period of controls for rehabilitated rental units.
- C. The Affirmative Marketing Plan shall be implemented by one or more Administrative Agent(s) designated by and/or under contract to the Township of Harding. All of the costs of advertising and affirmatively marketing affordable housing units shall be borne by the developers/sellers/owners of affordable unit(s), and all such advertising and affirmative marketing shall be subject to approval and oversight by the designated Administrative Agent.
- D. In implementing the Affirmative Marketing Plan, the Administrative Agent, acting on behalf of the Township of Harding, shall undertake, at the minimum, all of the following strategies:

**RESOLUTION TC 19-064**  
**TOWNSHIP COMMITTEE - TOWNSHIP OF HARDING**  
**MORRIS COUNTY, NEW JERSEY**  
**JANUARY 28, 2019**

**RESOLUTION ADOPTING THE "AFFIRMATIVE MARKETING PLAN" FOR THE TOWNSHIP OF HARDING**

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1. Publication of an advertisement in one or more newspapers of general circulation within the housing region.
  2. Broadcasting of an advertisement by a radio or television station broadcasting throughout the housing region.
  3. At least one additional regional marketing strategy using one of the other sources listed below.
- E. The Affirmative Marketing 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 or sponsor of affordable housing. Pursuant to N.J.S.A. 40:37A-114.1, preference for affordable housing within a housing project may be provided to homeless veterans, disabled veterans, and family members who are the primary residential caregivers to disabled veterans residing with them. 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 the COAH Housing Region in which the municipality is located and covers the entire period of the deed restriction for each restricted housing unit. The Township of Harding is located in COAH Housing Region 2, consisting of Essex, Morris, Union, and Warren Counties.
- F. The Affirmative Marketing Plan is a continuing program intended to be followed throughout the entire period of restrictions and shall meet the following requirements:
1. All newspaper articles, announcements and requests for applications for very low, low- and moderate-income units shall appear in the *Star Ledger* and *Daily Record*.
  2. The primary marketing shall take the form of at least one press release and a paid display advertisement in the above newspapers once a week for four consecutive weeks. Additional advertising and publicity shall be on an "as needed" basis. The developer/owner shall disseminate all public service announcements and pay for display advertisements. The developer/owner shall provide proof of all publications to the Administrative Agent. All press releases and advertisements shall be approved in advance by the Administrative Agent.
  3. The advertisement shall include a description of the:
    - a. Location of the units;
    - b. Directions to the units;
    - c. Range of prices for the units;
    - d. Size, as measured in bedrooms, of units;
    - e. Maximum income permitted to qualify for the units;

**RESOLUTION TC 19-064  
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OF HARDING**

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- f. Location of applications;
    - g. Business hours when interested households may obtain an application; and
    - h. Application fees.
  - 4. Newspaper articles, announcements and information on where to request applications for very low, low and moderate income housing shall appear at least once a week for four consecutive weeks in at least three locally oriented newspapers serving the housing region, one of which shall be circulated primarily in Morris County and the other two of which shall be circulated primarily outside of Morris County but within the housing region.
  - 5. The developer must provide satisfactory proof of public dissemination. See “Attachment A” COAH’s *Affirmative Fair Housing Marketing Plan for Affordable Housing in Region 2* (attached to and hereby made part of this Resolution).
- G. Applications, brochure(s), sign(s) and/or poster(s) used as part of the affirmative marketing program shall be available/posted in the following locations:
- 1. Township Hall of Harding Township
  - 2. Harding Township Web Site
  - 3. Developer’s Sales/Rental Offices
  - 4. Morris County Administration Building
  - 5. Essex County Administration Building
  - 6. Union County Administration Building
  - 7. Warren County Administration Building
  - 8. Morris County Library (all branches).
  - 9. Essex County Library (all branches)
  - 10. Union County Library (all branches)
  - 11. Warren County Library (all branches)

Applications shall be mailed by the Administrative Agent and Municipal Housing Liaison to prospective applicants upon request. Also, applications shall be available at the developer’s sales/rental office and multiple copies of application forms shall be mailed to Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, the Morris County Branch of the NAACP, Homeless Solutions of Morristown, and the Supportive Housing Association for dissemination to their respective constituents.



**RESOLUTION TC 19-064**  
**TOWNSHIP COMMITTEE - TOWNSHIP OF HARDING**  
**MORRIS COUNTY, NEW JERSEY**  
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**RESOLUTION ADOPTING THE “AFFIRMATIVE MARKETING PLAN” FOR THE TOWNSHIP OF HARDING**

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- H. The Administrative Agent shall develop, maintain and update a list of community contact person(s) and/or organizations(s) in Morris, Essex, Union, and Warren Counties 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, including major regional employers identified in Attachment A, Part III, Marketing, Section 3d of COAH’s *Affirmative Fair Housing Marketing Plan for Affordable Housing in Region 2* (attached to and hereby made part of this Resolution) as well as the following entities: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, the Morris County Branch of the NAACP, Homeless Solutions of Morristown, and the Supportive Housing Association.
1. Quarterly informational flyers and applications shall be sent to each of the following agencies for publication in their journals and for circulation among their members:  
  
Morris County Board of Realtors  
Essex County Board of Realtors  
Union County Board of Realtors  
Warren County Board of Realtors
  2. Quarterly informational circulars and applications shall be sent to the administrators of each of the following agencies within the counties of Morris, Essex, Union, and Warren:  
  
Welfare or Social Service Board (via the Director)  
Rental Assistance Office (local office of DCA)  
Office on Aging  
Housing Authority (municipal or county)  
Community Action Agencies  
Community Development Departments
  3. Quarterly informational circulars and applications shall be sent to the chief personnel administrators of all of the major employers within the region, as listed on Attachment A, Part III, Marketing, Section 3d.
  4. In addition, specific notification of the availability of affordable housing units in Harding (along with copies of the application form) shall be provided to the following entities: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, the Morris County Branch of the NAACP, Homeless Solutions of Morristown, and the Supportive Housing Association.
- I. A random selection method to select occupants of very low, low- and moderate-income housing will be used by the Administrative Agent, in conformance with N.J.A.C. 5:80-26.16 (I). The Affirmative Marketing Plan shall provide a regional preference for very low, low- and moderate-income households that live and/or work in COAH Housing Region 2, comprised of Morris, Essex, Union and Warren Counties. Pursuant to the New Jersey Fair Housing Act (N.J.S.A.52:27D-311), a preference for very low, low- and moderate-income veterans duly qualified under N.J.A.C. 54:4-8.10 may also be exercised, provided an agreement to this effect has been executed between the developer or landlord and the Township prior to the affirmative marketing of the units.

**RESOLUTION TC 19-064**  
**TOWNSHIP COMMITTEE - TOWNSHIP OF HARDING**  
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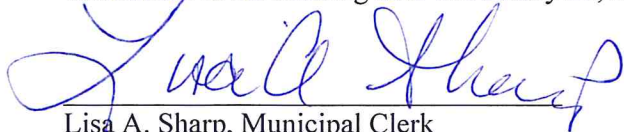
**RESOLUTION ADOPTING THE “AFFIRMATIVE MARKETING PLAN” FOR THE TOWNSHIP OF HARDING**

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- J. The Administrative Agent shall administer the Affirmative Marketing Plan. The Administrative Agent has the responsibility to income qualify very low, low and moderate income households; to place income eligible households in very low, low and moderate income units upon initial occupancy; to provide for the initial occupancy of very low, low and moderate income units with income qualified households; to continue to qualify households for re-occupancy of units as they become vacant during the period of affordability controls; to assist with outreach to very low, low and moderate income households; and to enforce the terms of the deed restriction and mortgage loan as per N.J.A.C 5:80-26-1, *et seq.*
- K. The Administrative Agent shall provide or direct qualified very low, low- and moderate-income applicants to counseling services on subjects such as budgeting, credit issues, mortgage qualifications, rental lease requirements and landlord/tenant law and shall develop, maintain and update a list of entities and lenders willing and able to perform such services.
- L. All developers/owners of very low, low- and moderate-income housing units shall be required to undertake and pay the costs of the marketing of the affordable units in their respective developments, subject to the direction and supervision of the Administrative Agent.
- M. The implementation of the Affirmative Marketing Plan for a development that includes affordable housing shall commence at least 120 days before the issuance of either a temporary or permanent certificate of occupancy. The implementation of the Affirmative Marketing Plan shall continue until all very low, low- and moderate-income housing units are initially occupied and for as long as the affordable units remain deed restricted such that qualifying new tenants and/or purchasers continues to be necessary.
- N. The Administrative Agent shall provide the Affordable Housing Liaison with the information required to comply with monitoring and reporting requirements pursuant to N.J.A.C.5:80-26-1, *et seq.*

**DATED:** January 28, 2019

I, Lisa A. Sharp, Municipal Clerk of the Township of Harding, County of Morris, State of New Jersey, do hereby certify the foregoing resolution to be a true and correct copy of a resolution adopted by the Township Committee at the meeting held on January 28, 2019.



Lisa A. Sharp, Municipal Clerk

**Vote on Resolution:**

	MOTION	FOR APPROVAL	AGAINST APPROVAL	ABSTAIN
Ms. DiTosto	1 <sup>st</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Jones	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Modi	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Platt	2 <sup>nd</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Yates	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**RESOLUTION TC 19-065**  
**TOWNSHIP COMMITTEE - TOWNSHIP OF HARDING**  
**MORRIS COUNTY, NEW JERSEY**  
**JANUARY 28, 2019**

**RESOLUTION TO APPROPRIATE FUNDS OR BOND IN THE EVENT OF A SHORTFALL IN  
FUNDING FOR THE TOWNSHIP'S AFFORDABLE HOUSING PROGRAMS**

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**WHEREAS**, on or about July 7, 2015, the Township of Harding (hereinafter "Harding" or the "Township") filed a Declaratory Judgment Complaint in Superior Court, Law Division, Morris County seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan, to be amended as necessary, satisfies its constitutional obligation to provide the realistic opportunity for the development of its "fair share" of the regional need for low and moderate income housing pursuant to the "Mount Laurel doctrine;" and

**WHEREAS**, the Township simultaneously, and ultimately secured, a protective order providing Harding immunity from all exclusionary zoning lawsuits while it pursues approval of its Housing Element and Fair Share Plan, which is still in full force and effect; and

**WHEREAS**, the Township adopted an Amended Housing Element and Fair Share Plan on December 17, 2018; and

**WHEREAS**, in the event funding sources as identified in the proposed Spending Plan prove inadequate to complete the affordable housing programs included in the Township's Housing Element and Fair Share Plan and any future amendments thereof, and to the extent permitted by law, the Township shall provide sufficient funding to address any shortfalls.

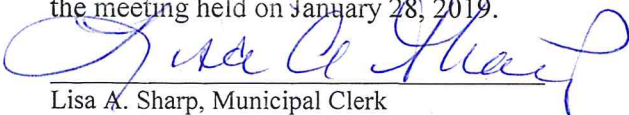
**BE IT RESOLVED**, by the Township Committee of the Township of Harding in the County of Morris, and the State of New Jersey that to the extent permitted by law, the Township Committee does hereby agree to appropriate funds or authorize the issuance of debt to fund any shortfall in its affordable housing program that may arise whether due to inadequate funding from other sources or for any other reason; and

**BE IT FURTHER RESOLVED** that, upon written notification by the Council on Affordable Housing ("COAH"), such other agency or entity duly created to replace COAH, or a court of competent jurisdiction, after a finding that inadequate funding exists to complete the affordable housing programs included in the Township's Housing Element and Fair Share Plan and any future amendments thereof, and to the extent permitted by law, the Township agrees to appropriate funds or authorize the issuance of debt within 90 days of written notification by the Council on Affordable Housing or a court of competent jurisdiction; and

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

**DATED:** January 28, 2019

I, Lisa A. Sharp, Municipal Clerk of the Township of Harding, County of Morris, State of New Jersey, do hereby certify the foregoing resolution to be a true and correct copy of a resolution adopted by the Township Committee at the meeting held on January 28, 2019.

  
Lisa A. Sharp, Municipal Clerk

**Vote on Resolution:**

	MOTION	FOR APPROVAL	AGAINST APPROVAL	ABSTAIN	ABSENT
Ms. DiTosto	1 <sup>st</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Jones	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Modi	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Platt	2 <sup>nd</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Yates	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**RESOLUTION TC 19-066**  
**TOWNSHIP COMMITTEE - TOWNSHIP OF HARDING**  
**MORRIS COUNTY, NEW JERSEY**  
**JANUARY 28, 2019**  
**RESOLUTION APPROVING THE SPENDING PLAN**

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**WHEREAS**, on September 21, 2018, the Township of Harding ("Township") entered into a Settlement Agreement with Fair Share Housing Center ("FSHC") that established the Township's fair share obligation and preliminarily approved the Township's compliance mechanisms in accordance with the March 10, 2015 decision of the New Jersey Supreme Court, which transferred responsibility to review and approve housing elements and fair share plans from the Council on Affordable Housing ("COAH") to designated Mount Laurel trial judges within the Superior Court; and

**WHEREAS**, on November 2, 2018, the Honorable Maryann L. Nergaard, J.S.C. held a Fairness Hearing, and, subsequently, on November 14, 2018 issued a Court Order approving a Settlement Agreement between the Township and FSHC, finding it to be fair to those in need of low- and moderate-income household; and

**WHEREAS**, the Township's Planning Board adopted a 2018 Housing Element and Fair Share Plan ("HEFSP") consistent with the Court-approved Settlement Agreement on December 17, 2018; and

**WHEREAS**, the Township Committee endorsed the HEFSP on January 28, 2019 at a properly noticed public meeting; and

**WHEREAS**, the adopted and endorsed HEFSP and the Court-approved Settlement Agreement include the requirement to prepare a Spending Plan in accordance with N.J.A.C. 5:93-5.1(c), which projects anticipated revenues to the Borough's Affordable Housing Trust Fund, and describes anticipated expenditures of funds through the end of the Third Round; and

**WHEREAS**, the Township requires approval of its Spending Plan in order to utilize any of the funds within the Affordable Housing Trust Fund; and

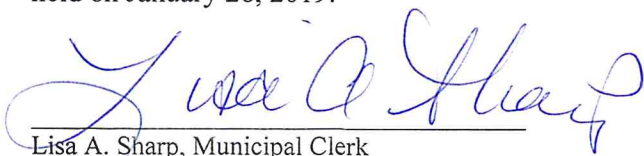
**WHEREAS**, the Township of Harding has prepared a Spending Plan consistent with N.J.S.A. 52:27D-301, et, seq., the Fair Housing Act, and the applicable COAH Regulations, as well as the Settlement Agreement entered into between the Township of Harding and FSHC on September 21, 2018; and

**WHEREAS**, the Township desires to submit its Spending Plan to the Court in connection with the Compliance Action for review and approval.

**BE IT RESOLVED**, the Township Committee of the Township of Harding in the County of Morris, and the State of New Jersey, hereby adopts the Spending Plan that is attached hereto as Exhibit A and requests that the Court review and approve the Township's Spending Plan, so that it can expend the funds in its Affordable Housing Trust Fund.

**DATED:** January 28, 2019

I, Lisa A. Sharp, Municipal Clerk of the Township of Harding, County of Morris, State of New Jersey, do hereby certify the foregoing resolution to be a true and correct copy of a resolution adopted by the Township Committee at the meeting held on January 28, 2019.

  
Lisa A. Sharp, Municipal Clerk

**Vote on Resolution:**

	MOTION	FOR APPROVAL	AGAINST APPROVAL	ABSTAIN	ABSENT
Ms. DiTosto	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Mr. Modi	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Platt	2 <sup>nd</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Yates	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

# **Township of Harding**

## **Affordable Housing Trust Fund Spending Plan**

**January 2019**

Township of Harding  
Morris County, New Jersey

Prepared By:



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The original of this report was signed and  
sealed in accordance with N.J.S.A. 45:14A-12

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## INTRODUCTION

The Township of Harding in Morris 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.) and the Fair Housing Act (N.J.S.A. 52:27D-301, et. seq.).

The Township adopted a development fee ordinance in 2008 with a subsequent amendment in 2009. In light of the 2015 Mount Laurel IV decision, the Township has once again amended its development fee ordinance. As of January 15, 2019, the trust fund that was established by Harding Township had a balance of \$161,311. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited in a separate interest-bearing affordable housing trust fund for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:93 or applicable regulations as described in the sections that follow.



## **1. REVENUES FOR CERTIFICATION PERIOD**

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

(a) Development fees:

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

(b) Payment in lieu (PIL):

Any actual and committed payments in lieu (PIL) of construction from developers.

(c) Other funding sources:

Funds from other sources, including, but not limited to, the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, proceeds from the sale of affordable units. No other funds have been or are anticipated to be collected.

(d) Projected interest:

Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate.

Projected Revenues-Housing Trust Fund - 2019 - 2025									
SOURCE OF FUNDS	Trust Fund balance as of 01/15/2019	2019	2020	2021	2022	2023	2024	2025	Total Revenue
Historical Balance	\$161,311								
(a) Projected Development Fees	-	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$945,000
Mt. Kemble Associates	-	\$1,000,000	-	-	-	-	-	-	\$1,000,000
(d) Interest	-	\$5,107	\$608	\$608	\$608	\$608	\$608	\$608	\$8,753
									\$1,953,753
<b>Total</b>	\$161,311	\$1,140,108	\$135,608	\$135,608	\$135,608	\$135,608	\$135,608	\$135,608	<b>\$2,115,064</b>

To calculate the projection of revenue anticipated from the general development fees, twelve years (2007 through October 2018) of construction data for the Township, acquired from the New Jersey Department of Community Affairs, was examined. Additionally, all previous transactions within the affordable housing trust fund were considered.

The proposed inclusionary development at the Mt. Kemble property, located at Block 23.02 Lot 5 and governed by a Court-approved settlement agreement, projects a total of 80 market-rate for-sale townhouse units and 16 fee simple or rental affordable units. The owner and developer of the property, Mt. Kemble Associates, will also pay a sum of \$1,000,000 to the Township's Affordable Housing Trust Fund. This money will be used to construct two new rental units at The Farm, a 100% affordable, municipal development located at 700 Woodland Avenue.

The Township therefore projects a total of \$1,945,000 will be collected between January 15, 2019 and December 31, 2025. An additional \$8,753 in interest is projected to be earned. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing. In conjunction with the existing trust fund balance of \$161,311, the Township projects total trust fund revenues and interest of \$2,115,064 through December 31, 2025.

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## **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 of Harding:

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with Harding Township's development fee ordinance for both residential and non-residential developments.

(b) Distribution of development fee revenues:

The Affordability Housing Administrator and the Municipal Housing Liaison will manage the projects outlined in this Spending Plan and the Housing Element and Fair Share Plan.

## **3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS**

The following represent the anticipated affordable housing projects within the Township of Harding that will utilize Trust Fund monies. In the event funding sources as identified within this Spending Plan prove inadequate to complete the affordable housing programs, the Township shall provide sufficient funding to address any shortfalls through bonding.

(a) **New Construction – The Farm**

Pursuant to the settlement agreement with Mt. Kemble Associates, \$1,000,000 will be contributed to the Trust Fund from Mt. Kemble Associates to be dedicated toward the construction of two new rental units at The Farm.

(b) **Accessory Apartments**

On January 28, 2019, the Township adopted an amendment to its accessory apartment ordinances, which established an accessory apartment program in the R-1 and RR Zoning Districts to create 10 accessory apartments. The Township will spend a minimum of \$20,000 per unit from the Trust Fund for this purpose.

(c) **Excess funds**

Any excess funds will be utilized as necessary for any additional affordable housing projects and/or expenses.



**Affordability Assistance (N.J.A.C. 5:93-8.16)**

Projected minimum affordability assistance requirement:

<b>Affordability Assistance</b>		
Actual balance through 01/15/2019		\$161,311
Projected Development fees 2019-2025	+	\$1,945,000
Projected Trust Fund Interest 2019-2025	+	\$8,753
<b>Total</b>	=	\$2,115,064
30 percent requirement	x 0.30 =	\$634,519
<b>PROJECTED MINIMUM Affordability Assistance Requirement 1/1/2019 through 12/31/2025</b>	=	\$634,519
<b>PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 1/1/2019 through 12/31/2025</b>	÷ 3 =	\$211,506

As per the requirements regarding the use of funds for affordability assistance laid out in N.J.A.C. 5:93-8.16, the Township is required to dedicate at least 30 percent of all development fees collected and interest earned to provide affordability assistance to low- and moderate-income households. In addition, at least one-third of the affordability assistance shall be used to provide affordability assistance to very-low income households. The Township, therefore, will dedicate at least \$634,519 from the affordable housing trust fund to render units more affordable, including \$211,506 to render units more affordable to households earning 30 percent or less of median income by region by converting low income units to very-low income units as follows:

- For-sale units in the form of down-payment assistance, homeowner assistance loans for Condominium or Homeowner Association fees, and homeowner assistance loans for mortgage payments up to two months or less in arrears to forestall foreclosure (Appendix A).
- For-rent units in the form of security deposit assistance and rental assistance, which are enhanced for very low-income households (Spending Plan Appendix A).

**Administrative Expenses (N.J.A.C. 5:93-8.16)**

Administrative Expenses		
Actual balance through 01/15/2019		\$161,311
Projected Development fees 2019-2025	+	\$1,945,000
Projected Trust Fund Interest 2018-2025	+	\$8,753
<b>Total</b>	=	\$2,115,064
20 percent cap	x 0.20 =	<b>\$423,013</b>

No more than 20% of revenues collected from development fees shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop and implement: a rehabilitation program; a new construction program; a housing element; and an affirmative marketing program. Administrative funds may be used for: income qualification of households; monitoring the turnover of sale and rental units; and compliance with monitoring requirements.

Moving forward, the Township projects that \$423,013 will be available from the affordable housing trust fund to be used for administrative purposes, including but not limited to:

- Administration and expenses associated with Township's affordable housing units;
- Expenses associated with the preparation and implementation of the Housing and Fair Share Plan and monitoring of the current and future housing programs for the Township of Harding.

#### 4. EXPENDITURE SCHEDULE

Program	Projected Expenditures Schedule 2019-2025							
	2019	2020	2021	2022	2023	2024	2025	Total
New Construction: The Farm	-	\$1,000,000	-	-	-	-	-	\$1,000,000
Accessory Apartments	-	-	\$20,000	\$20,000	-	-	-	\$40,000
Affordability Assistance	\$80,000	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000	\$104,519	\$634,519
Administration	\$70,000	\$70,000	\$60,000	\$50,000	\$50,000	\$60,000	\$63,013	\$423,013
<b>Total</b>	\$150,000	\$1,160,000	\$170,000	\$160,000	\$140,000	\$150,000	\$167,532	\$2,097,532



## SUMMARY

The Township of Harding intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:93 and consistent with the housing programs outlined in the adopted Housing Element and Fair Share Plan.

As of January 15, 2019, the Township's trust fund has a balance of \$161,311. Harding anticipates an additional \$1,953,753 in revenues and interest by December 31, 2025. The Township will dedicate \$1,000,000 towards the new construction program of two units at The Farm, \$634,519 to render units more affordable, and \$423,013 to administrative costs. The Township will dedicate any excess funds to further the Township's affordable housing programs.

<b>SPENDING PLAN SUMMARY</b>	
Balance as of January 15, 2019	\$161,311
<b>Projected REVENUE + Interest January 15, 2019 to December 31, 2025</b>	
Development fees	+ \$945,000
Payments in lieu of construction	+ \$0
Other funds	+ \$1,000,000
Interest	+ \$8,753
<b>TOTAL REVENUE + CURRENT BALANCE</b>	<b>= \$2,115,064</b>
<b>EXPENDITURES</b>	
Funds used for New Construction/Accessory Apartments	- \$1,040,000
Affordability Assistance	- \$634,519
Administration	- \$423,013
Excess Funds for Additional Housing Activity	= \$17,532
<b>TOTAL PROJECTED EXPENDITURES</b>	<b>= \$2,115,064</b>
<b>REMAINING BALANCE</b>	<b>= \$0</b>

## **SPENDING PLAN APPENDIX A**

**FOR-SALE UNIT AFFORDABILITY ASSISTANCE**

**AND RENTAL UNITS AFFORDABILITY ASSISTANCE PROGRAM**

**TOWNSHIP OF HARDING**  
**FOR-SALE UNIT AFFORDABILITY ASSISTANCE PROGRAM**  
**AND RENTAL UNIT AFFORDABILITY ASSISTANCE PROGRAM**

**FOR-SALE UNIT AFFORDABILITY ASSISTANCE PROGRAM**

**Down Payment Loan Program**

The Township may offer a Down Payment Assistance Loan program to qualified purchasers of households earning 80% or less of median income of the housing region. To be eligible for the loan, the qualified Buyer must be able to supply 3% of the down payment with the Buyer's own funds, plus additional closing costs that exceed the amount of the loan. No gifts or other loans may be used to fund the 3% down payment amount but may be used to fund additional closing costs. The loan amount may be made up to ten percent (10%) of the purchase price.

The Township must approve the Buyer 's qualifications and need for the loan. The loan has no prepayment penalty. It is due and payable when the Buyer resells, borrows against the property or refinances the First Purchase Money Mortgage. The loan may be subordinated only to the First Purchase Money Mortgage. When calculating the borrowing capacity of the homeowner and the equity in the property, this loan must be included. The Buyer must sign a mortgage and mortgage note to the Township.

**Payment of Closing Costs**

Eligible Buyers may receive payment of closing costs, i.e., title work and policy, reasonable attorney's fees for closing of title, preparation of survey, homeowner's insurance, recording fees, and other necessary closing expenses to third parties, not to exceed one thousand five hundred dollars (\$1,500.) per unit. This assistance shall be in the form of a grant. Total buyer assistance grants, which include Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars (\$3,000) per unit. Utility deposits, i.e., gas and electric, paid to utility companies are to be returned to the Township Affordable Housing Trust Fund upon resale of the unit. The buyer will execute documents required to secure payment to Harding.

**Payment of Lender Fees**

Eligible Buyers may receive payment of lender fees, i.e., mortgage points, application fees, appraisal fees, bank attorney review fees, and necessary mortgage closing expenses, not to exceed one thousand five hundred dollars (\$1,500.) per unit. This assistance shall be in the form



of a grant. Total buyer assistance grants, which include Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars (\$3000) per unit.

### **Administration**

Harding's Affordability Assistance Programs will be managed by the Township Affordable Housing Administrative Agent. The availability of the program shall be advertised continually on the Township's website. The following administrative process is applied to the For-Sale Unit Affordability Assistance Program:

1. The Buyer contacts the Administrative Agent to confirm that he/she wants to receive Down Payment Assistance.
2. The Buyer must present proof to the Administrative Agent that he/she is qualified for Affordable Housing in the Township.
3. Buyer must produce an exact copy of a signed Real Estate Contract for an affordable housing unit in Harding, which indicates clearly the full amount of the purchase price. Buyer must provide the Administrative Agent with the full name, address, phone number, and fax number of the Buyer's Attorney or Settlement Agent so that the Attorney or Settlement Agent can review and approve any and all documents required for the loan.
4. The Administrative Agent contacts the Realtor or Developer for confirmation of the sale of the unit, and the name of the Attorney handling the sale for the Developer at closing.
5. The amount of the Down Payment Assistance loan is verified (not to exceed ten percent of the Purchase Price) so that a Mortgage Note, Mortgage, and Repayment Agreement can be prepared by the Administrative Agent.
6. The amount of the Down Payment Assistance must be disclosed to the Lender, so that the Lender can accurately prepare the First Mortgage documents. The Buyer must give a copy of the First Mortgage Commitment to the Administrative Agent upon receipt of same, so that the Lender can receive full information about the Down Payment Assistance Loan, which shall constitute a Second Mortgage on the premises. The Lender must approve the secondary financing. The Township Affordable Housing Attorney will contact the Lender once the Affordable Housing Attorney has a copy of the First Mortgage Commitment.

7. The Harding Finance Department will generate the necessary forms and obtain Township Council approval for it to issue an Affordable Housing Trust Fund check payable to the Seller's Attorney or Settlement Agent, so that the Down Payment Assistance check can be deposited into the Seller's Attorney Trust Account or Settlement Agent Trust Account pending Closing of Title. The letter and check to the Seller's Attorney or Settlement Agent shall state that the deposit money must be returned to the Township if the closing is canceled, or if the sale is declared null and void. If there is a Closing of Title, the Down Payment Assistance money shall be released to the Seller. This money shall be shown on the Closing Statement as a deposit, with credit given at closing to the Buyer. The Buyer must fully execute the Mortgage Note, Mortgage, and Repayment Agreement at the Closing of Title before any money is released.
8. The Seller's Attorney or Settlement Agent shall verify that the Mortgage Note, Mortgage, and Repayment Agreement have been properly executed, and shall file the original Mortgage with the County Clerk to protect the Township Second Mortgage on the property and return the Filed Mortgage to Affordable Housing Attorney along with the original Mortgage Note and Repayment Agreement.

## **RENTAL UNIT AFFORDABILITY ASSISTANCE PROGRAM**

### **Rental Assistance**

The Township of Harding may offer a Rental Assistance Program that will be managed by the Administrative Agent. Eligible recipients of the program are renters who qualify for a very-low, low- or moderate-income rental unit. The following assistance is available to very-low, low- and moderate-income households:

1. Payment of "moving expenses" based upon verified receipts, in an amount not to exceed five hundred dollars (\$500.) per family.
2. Rent subsidies based upon size of household and number of bedrooms in apartment.
  - a) One-bedroom, low-income unit – \$55 per month subsidy.
  - b) One-bedroom, moderate-income unit – \$100 per month subsidy.
  - c) Two-bedroom, low-income unit – \$100 per month subsidy.
  - d) Two-bedroom, moderate-income unit – \$200 per month subsidy.
  - e) Three-bedroom, low-income unit -- \$150 per month subsidy.
  - f) Three-bedroom, moderate-income units -- \$250 per month subsidy.

The following assistance is available to very low-income households:

1. Payment of "moving expenses" based upon verified receipts, in an amount not to exceed one thousand five hundred dollars (\$1,500.) per household.
2. Rental security deposit – Deposits paid to landlord to be returned to the Township's Affordable Housing Trust Fund upon termination of tenancy.
3. Rent subsidies based upon size of household and number of bedrooms in apartment.
  - a) One-bedroom – \$75 per month subsidy.
  - b) Two-bedroom – \$125 per month subsidy.
  - c) Three-bedroom -- \$175 per month subsidy.

Rental assistance does not need to be repaid by the tenant. The amount of the rental supplement will be calculated initially based on the tenant's actual income and the rent level of the affordable units to help bring the total shelter costs down to 30% of the total household income or lower, if warranted by the particular household circumstances. If the tenant wishes to renew the lease, he/she must be re-income qualified and the rental supplement will be recalculated. If the tenant no longer qualifies for the rental assistance, he/she may renew the lease and stay in the unit but will no longer receive rental assistance.



## **Administration**

Harding's Rental Unit Affordability Assistance Programs will be administered by the Administrative Agent. The availability of the program shall be advertised continually on the Township's website. After an applicant is income qualified by the Administrative Agent pursuant to the Uniform Housing Affordability Controls, the applicant will complete and provide an affordability assistance application to the Administrative Agent.

For qualified and approved payment of moving expense, the Administrative Agent will follow the Township purchasing and requisition process for generating a check that is made out to the applicant. Once the check is produced, the Administrative Agent provides it to the applicant.

For qualified and approved payment of utility deposit, the Administrative Agent follows the Township purchasing and requisition process for generating a check that is made out to the utility company. Once the check is produced, the Administrative Agent provides it to the applicant for payment to the utility company.

The affordability assistance recipient will sign a contract with the Township of Harding that states, at a minimum: the amount of funds granted, interest information, procedures, duration and conditions of affordability assistance, and repayment information if required.

The availability of any Affordability Assistance Programs must be noticed to all tenants of affordable units within the Township and provided to all administrative agents of affordable units within Harding and advertised on the Township's website.

An income eligible occupant or applicant for an affordable unit within the Township may not be denied participation in the Affordability Assistance Program(s) unless funding is no longer available.