



Amended Housing Element & Fair Share Plan

Bordentown Township

Burlington County, New Jersey

Prepared For:

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An official signed and sealed copy is on file in the Community Development Office of Bordentown Township

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Amended Housing Element and Fair Share Plan

Amended Housing Element and Fair Share Plan

Introduction

In accordance with the provisions contained in the Municipal Land Use Law (MLUL), any municipality that desires to have a valid Zoning Ordinance must adopt a Housing Element. Bordentown Township has a lengthy history of planning that began in the early 1950s. Since this time, the Township has prepared numerous Master Plans and Master Plan Re-examination Reports.

The Township was granted a Judgment of Repose by the Courts on August 16, 2000 to work towards meeting its affordable housing obligation. Since then the Township has worked diligently to meet or exceeds this obligation. The most recent Housing Element and Fair Share Plan that was prepared and adopted by the Township was done in July 2006. This 2006 document described the minimum elements that were required and addressed those minimum requirements.

On September 22, 2008, COAH voted to adopt the rule amendments that were proposed on June 16, 2008. These regulations were adopted well after the municipality prepared and adopted its June 2006 Housing Element and Fair Share Plan. The new COAH regulations significantly revised the earlier regulations and will impact the projected number of affordable housing units required by the Township. The most significant changes relating to the Township involve the number of affordable housing units required to be constructed for each market rate unit constructed, changes in the number of affordable units based on jobs generated by the amount of non-residential development, increasing the “presumptive densities” in the PA1 and PA2 state planning designations, and allowing for demolitions of occupied dwellings to be subtracted from the calculation of net growth for an individual community.

This Amended Housing Element and Fair Share Plan utilizes the existing Housing Element and Fair Share Plan adopted in 2006 as its basis and foundation and is simply being amended to recognize the changes in the current regulations that govern COAH. Information relating to the projections contained in the 2006 Housing Element and Fair Share Plan still remain valid, unless otherwise noted or stated in this document. The specific demographics relating to population by age and other community characteristics for the Township are contained in the 2008 Master Plan Re-examination Report.

Given the tenuous and very fluid nature of this planning process, the Township recognizes that it will most likely have to amend this amendment to the Housing Element and Fair Share Plan when additional COAH regulations are adopted. The Township will be responsive to this requirement and provide those amendments, when required.

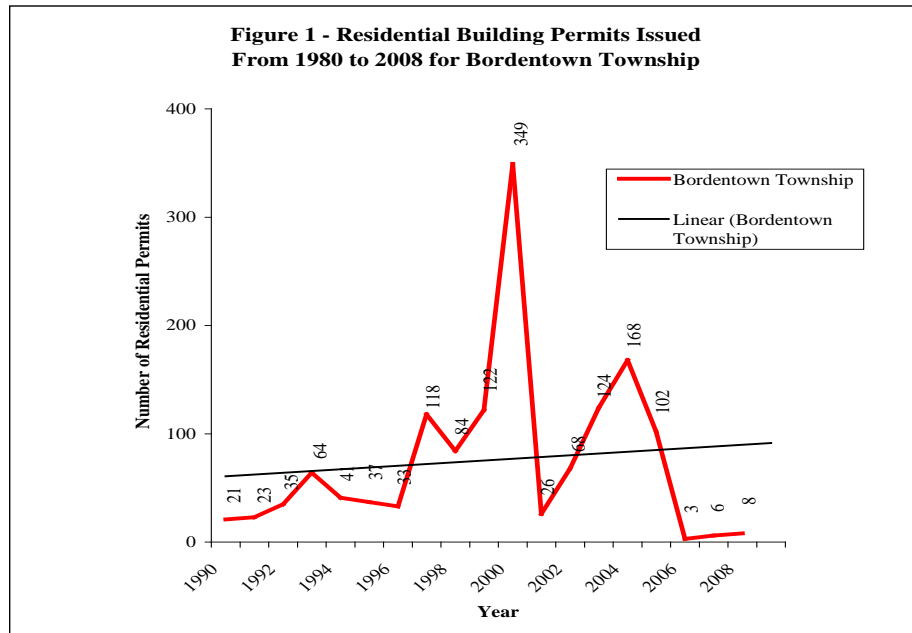
Inventory of Housing Stock

A profile of the Township’s housing characteristics was contained in Table 1 of the July 2006 Housing Element and Fair Share Plan (2006 Plan). As noted in this table, there were an estimated 8,380 persons residing in the Township, reflecting a nine percent (9.1%) increase from 1990. Table 1 from the 2006 Plan is shown below.

**Table 1 – Housing Characteristics
Bordentown Township, Burlington County, New Jersey**

	1990	2000	Change	Percent
Persons	7,683	8,380	697	9.1%
Households	2,820	2,393	473	16.8%
Housing Units	2,991	3,436	445	14.9%
Occupied	2,857	3,293	436	15.3%
Owner	2,064	2,540	476	23.1%
Renter	793	753	-40	05.0%
Vacant	137	143	6	4.4%
Estimated Persons per Occupied Unit	2.7	2.5	-0.14	-5.4%

Figure 1 - “Building Permits Issued Between 1990 and 2008, Bordentown Township and Burlington County” depict the number of new residential dwelling units and single family homes that were constructed between January 1990 and October 2008 for Bordentown Township.



Source: <http://www.wnjin.state.nj.us/OneStopCareerCenter/LaborMarketInformation>

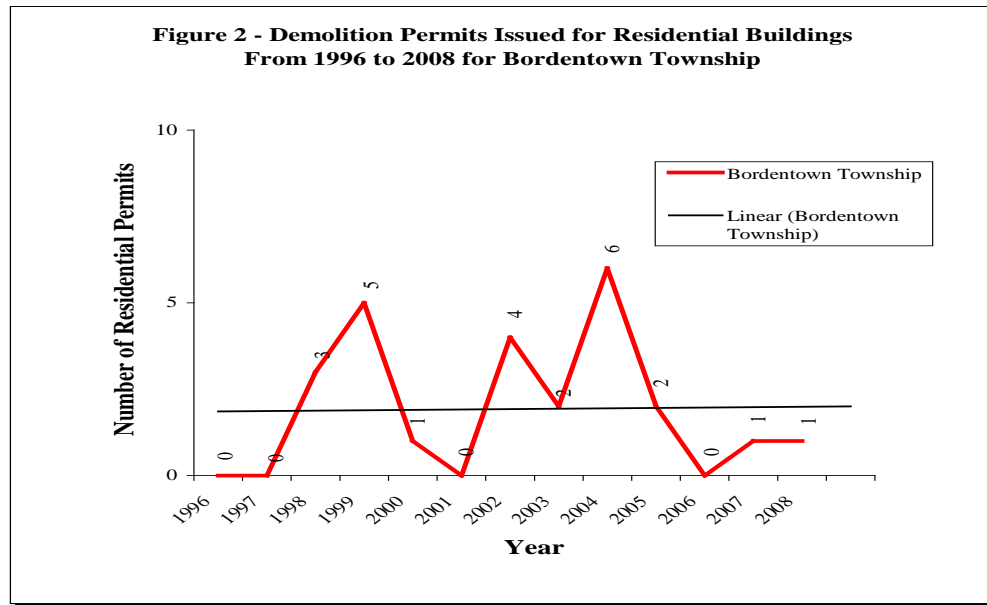
During this same period, Bordentown Township also issued demolition permits. As noted in Table 2 – “Residential Building & Demolition Permits Issued Between 1990 and 2008,” a total of twenty-five (25) residential dwelling units would have been removed from the Township between 1996 and 2008. The number of residential units issued a construction permit and / or demolition permit for this same time period is shown in Table 2. The number and estimated projected linear trend for the number of building permits issued between 1996 and 2008 is graphically shown in Figure 2.

Table 2
Residential Building & Demolition Permits Issued Between 1990 and 2008
Bordentown Township, Burlington County, New Jersey

Year	Construction Permits Issued		Demolition Permits Issued
	Single Family	Total	
1990	21	21	---
1991	23	23	---
1992	35	35	---
1993	64	64	---
1994	41	41	---
1995	37	37	---
1996	33	33	0
1997	118	118	0
1998	84	84	3
1999	122	122	5
2000	349	181	1
2001	26	26	0
2002	68	68	4
2003	124	124	2
2004	168	168	6
2005	102	102	2
2006	3	3	1
2007	6	6	1
2008	8	8	0
Total	1432	1264	25

Source: <http://www.wnjp.in.state.nj.us/OneStopCareerCenter/LaborMarketInformation>. Information relating to 2008 Building Permits is limited to the end of November 2008. Information for the construction permits issued from 2006 through November 2008 was obtained directly from the Community Development / Construction Offices. The New Jersey Department of Labor indicates that only four (4) construction permits were issued between 2006 and November 2008. The Township records indicate that a total of 17 construction permits were issued for construction of new dwelling units during this same period.

Subtracting the total number of permits for demolition of residential structures, the estimated net total number of dwelling units constructed between 1990 and 2008 is 1,407 dwelling units.



Source: Community Development Offices for Bordentown Township. Information is current through November 30, 2008.

Projection of Housing Stock

It is still assumed that growth will continue in the Township and throughout the region. What this exact level of growth is over the next decade stills remains to be seen. Based on the number of building permits issued since 1998 minus the demolition permits issued during this same time, the average number of building permits issued per year is roughly ninety-four (93.63) permits. (During this time period there were 1,060 building permits issued and twenty-five (25) demolition permits issued.) Based on the ten (10) year period from 1998 through 2008, this would result in an estimated 936 building permits for the ten (10) year projection period.

If one (1) reviews the information from the last five (5) years or back to 2004, the number of building permits issued during this period is 287 permits and the number of demolition permits issued is ten (19) permits. This would result in an average of approximately fifty-five (55.4) building permits per year. This would result in an estimated 554 building permits for the ten (10) year projection period. This is approximately one-half of the growth of the ten (10) year period.

Based on the build-out analysis projected by COAH, the Township has the ability to add 2,222 dwelling units and 3,889,418 square feet of non-residential space.

Growth Share Projection:

The current third round COAH regulations provide a projected growth share for each municipality from 2004 through 2018. As of October 20, 2008, COAH's projections for the growth share for Bordentown Township are 166 units. The breakdown of these numbers is shown below in *Table 3 – "Rehabilitation Share, Prior Round Obligation and Growth Projection."*

Table 3
Rehabilitation Share, Prior Round Obligation and Growth Projection
Bordentown Township, Burlington County, New Jersey

<i>Rehabilitation Share</i>	<i>1987-1999 Prior Round Obligation</i>	<i>Projected Growth Share</i>		
		<i>Housing Projection</i>	<i>Employment Projection</i>	<i>Projected Growth Share</i>
21	211	741	279	166

COAH has assigned a new growth share obligation of 166 affordable housing units to Bordentown Township. The Township is accepting COAH's growth share projections. The Township recognizes that its own very preliminary projections indicate that more affordable housing units may need to be constructed within the Township during this ten (10) year period of substantive certification. The Township will be evaluating all opportunities to provide affordable housing units within the Township, where appropriate. Efforts will be focused on providing additional opportunities in the designated Re-development areas of the Township and on larger parcels of vacant land, as they become available. The Township will also continue its efforts for appropriate in-fill development and rehabilitation, as opportunities present themselves. These initiatives will be discussed as part of the Township's Fair Share Plan and Fair Share Spending Plan.

FAIR SHARE PLAN

Bordentown Township's calculated need for affordable housing for the third round of the COAH is based on the calculations for the prior first and second rounds for units in need of rehabilitation, actual calculated need for affordable housing units, and finally the projected growth share estimated by COAH for the third round. These numbers are contained in Table 3 of this report. As a summary:

	Units
Rehabilitation Share	21
1987-1999 Prior Round Obligation	211
<i>Subtotal</i>	<i>232</i>
Projected Growth Share	
Housing Projection	741
Employment Projection	279
<i>Projected Growth Share</i>	<i>166</i>

As part of the prior round obligations, the Township was subject to providing 211 units of affordable housing. The current rehabilitation share is for twenty-one (21) housing units. The projected Growth Share for the Township is 166 affordable housing units. This results in a projected need of 377 affordable housing units and the need to rehabilitate twenty-one (21) dwelling units for Bordentown Township during the period of certification through 2018.

As documented in the 2006 Plan, Bradford Pointe Court was approved and constructed to satisfy the conditions contained in the August 16, 2000 Judgment of Repose. Construction of 168 affordable housing units at this site was completed in 2001 / 2002. The site is identified as Block 139, Lot 11 on the official tax map of the Township.

The 168 affordable housing units constructed as part of the Bradford Pointe Court development were eligible to receive additional credits, based on the language contained in the Judgment of Repose. Based on the Annual Housing Form completed by the Township on August 16, 2006, the Township had documented a rental bonus credit of fifty-three (53) dwelling units. This rental bonus credit is in addition to receiving credit for the 168 units of affordable housing (Bradford Pointe Court). Additionally, the form indicated that the Township had completed rehabilitation on six (6) dwelling units.

As noted in *Table 6 - "Calculations for Affordable Housing Units in the Third Round Cycle,"* it can be conservatively estimated that the Township will be responsible for constructing an additional 156 affordable housing dwelling units and performing rehabilitation on at least fifteen (15) affordable housing units in the Township.

Table 4
Calculations for Affordable Housing Units in the Third Round Cycle
Bordentown Township, Burlington County, New Jersey

	Affordable Housing Units	Rehab Units
Rehabilitation Share		21
1987-1999 Prior Round Obligation	211	
Projected Growth Share	<u>166</u>	
<i>Subtotal (Not including Rehabilitation)</i>	377	
Credits		
Rehabilitation		<u>-6</u>
Bradford Pointe	-168	
Additional Bonus Rental Credits	<u>-53</u>	
<i>Subtotal</i>	<u>-221</u>	
Totals	156	15

There are several mechanisms that a municipality can use to achieve its Affordable Housing needs. These mechanisms are detailed in the COAH regulations. As part of its Fair Share Plan, the Township will utilize a combination of several methods. These methods include: continued efforts to rehabilitate “deficient” units within the Township, rendering units more affordable through the existing down payment assistance program for security deposits at Bradford Pointe Court, continued maintenance and repair of all units at Bradford Pointe Court, municipally sponsored construction projects, joint efforts with faith based or not-for-profit organizations; and utilizing provisions contained in various Ordinances to collect funds to contribute to the Township’s Affordable Housing Trust Fund; continued

Rehabilitation Component

General Rehabilitation

Bordentown Township has entered into an agreement with Burlington County to participate in the County’s Owner-Occupied Rehabilitation Loan Program. The rehabilitation program makes low interest loans or deferred payment loans available to bring major housing systems to standard condition. Improvement of major housing systems includes roofs, plumbing, heating, electricity, sanitary, plumbing, structural and other systems as set forth in the BOCA National Existing Structures Code.

COAH requires that an average of \$10,000.00 per unit be expended in order for the rehabilitation to qualify under the regulations. The Township will provide a minimum average of \$10,000 per deficient unit. Based on the estimated Township’s Rehabilitation Share, Bordentown will be required to rehabilitate a minimum of fifteen (15) deficient units. The rehabilitation program makes low interest loans or deferred payment loans available to bring major housing systems to standard condition.

Bordentown Township has indicated the schedule for implementing its rehabilitation component in the Fair Share Spending Plan. Two (2) units will be renovated in the first through fifth years and one (1) unit will be renovated in each of the subsequent years of certification. At the completion of the rehabilitation program, excess funds dedicated to rehabilitation will be set aside for the purposes of providing additional opportunities to perform gut rehabilitation to any existing deed restricted affordable housing units that may be in jeopardy of being foreclosed by a bank.

The Township will continue to actively market their rehabilitation program to all low- and moderate-income residents within the Township.

Maintenance and Repair of Affordable Housing Units at the Bradford Pointe Court Inclusionary Housing Project

As noted in the 2006 Plan, the Township has established a general maintenance fund for the purposes of providing regular maintenance at Bradford Pointe Court development. The Township is working with Bordentown Urban Renewal Partners, L.P. and A.A.H. Management Company to develop a list of the necessary rehabilitation and/ or maintenance projects within the complex. Prior to the expenditure of any funds this list will be forwarded to the Court for approval.

A maintenance fund has been established that will be funded through annual deposit(s) in the amount of \$97,940.95. This will result in a total expenditure of \$979,409.51 during this ten (10) year period of certification. Bordentown Urban Renewal Partners and A.A.H. Management Company manages this fund. Requests for expenditures from this fund are submitted to the Township for review and approval. The Township reviews each request to ensure that it meets the goals of the Township's Fair Share Spending Plan. Receipts for all maintenance activities are submitted to the Township.

Municipally Sponsored Construction

The Township has expressed an interest in establishing a program to develop sites for affordable housing units. As part of the recommendations for the 2008 Master Plan Re-examination Report, the Township will be preparing a new Land Use Plan Element. This will involve a parcel by parcel inventory of land uses within the Township. As part of this planning study the Township will have an opportunity to thoroughly evaluate existing conditions and make appropriate recommendations.

Once the land use inventory is completed and, if any other appropriate sites are designated, the Township will need to revise its Housing Element and Fair Share Plan to incorporate these recommendations. This program will begin at the end of the first year of the certification and will continue to be implemented throughout the period of certification.

Rendering Units More Affordable

The Township will continue to implement a down payment assistance program to eligible residents of Bradford Pointe Court. This program will continue through the entire ten (10) year period of certification. The details of this program are set forth in the Fair Share Spending Program.

Faith Based or Not-For-Profit Organizations

The Township will provide grants to faith based or not-for profit organizations for the purposes of creating affordable housing opportunities throughout the Township. Organizations such as Project Freedom that would like to perform rehabilitation work or affordable housing construction projects.

The Township will continue to actively market this program in the first year of its certification and throughout the period of certification. The Township hopes to achieve rehabilitation of at least ten (10) dwellings through its period of certification. The Township will actively work with all community groups throughout the certification period to achieve this minimum goal. Other opportunities for rehabilitation program will be welcome.

Table 5 - "Summary of Fair Share Program," includes a summary of the types of programs and number of units that the Township would use to satisfy their Fair Share Obligation:

**Table 5 -
Summary of Fair Share Program
Bordentown Township, Burlington County, New Jersey**

Program	Number of Units
Rehabilitation Component	15 units
Maintenance and Rehabilitation to Bradford Pointe	168 units*
Affordability Assistance to Bradford Pointe	
General Construction of Affordable Housing Units Creation of Affordable Housing Units in Redevelopment Areas, In-fill Development	156 units

* Not counted in total numbers

FAIR SHARE SPENDING PLAN

INTRODUCTION

This updated Development Fee Spending Plan has been prepared in accordance with the provisions contained in N.J.A.C.5:97-6.1 et. seq. and includes the following:

1. Projection of development fee revenues based on known development approvals and historic rate of development activity.
2. A description of the administrative mechanism that the municipality will use to collect and distribute revenues.
3. A description of the anticipated use of all development fees.
4. A schedule for the rehabilitation of housing units.
5. The manner in which the municipality will address any expected or unexpected shortfall if the anticipated revenues from development fees are not sufficient to implement the plan.

As stated previously, Bordentown Township was granted a Judgment of Repose by the Courts on August 16, 2000. Most recently, on November 24, 2008, the Township adopted Ordinance Number 2008-23 to update the amounts of fees that could be collected for certain development projects proposed in the Township. This Ordinance amended the existing Ordinance provisions relation to the Township's ability to collect the requisite development fees to be utilized for the purposes of providing affordable housing opportunities within the Township.

As part of Ordinance Number 2008-23, the following fees were enacted for the equalized assessed value for improvements:

- Non-exempt Residential – 1.5% (one and one-half percent)
- “d” Variance for Density – 6% (six percent) for each additional residential unit realized.
- Non-exempt Non-Residential – 2.5% (two and one-half percent)

The Township began collecting housing trust fund fees in 2001. These fees have permitted Bordentown Township to contribute to its housing trust fund¹ toward the cost of the provision of low- and moderate income housing. As of November 30, 2004 the Township's Housing Trust Fund contained \$832,300.71. Of this amount, \$16,946.80 will be refunded to the Korean Presbyterian Church for fees inadvertently collected for an exempt project. . All development fees collected and interest generated by the fees are deposited in a separate interest bearing account in the PNC Bank for affordable housing.

¹ Pursuant to N.J.A.C. 5:93-8.15, all development fees shall be deposited in a separate interest bearing housing trust fund. All interest accrued in the housing trust fund shall only be used on affordable housing activity approved by COAH.

The Township has disbursed \$342,813.56 from the housing trust fund from 2005 through November 30, 2008. The Township utilized the bulk of the funds disbursed to support the Down Payment Assistance and Rehabilitation program at Bradford Court (\$263,935.21). The balance of the disbursements were utilized for administrative fees.

PROJECTION OF REVENUES FOR CERTIFICATION PERIOD

The Township adopted a new mandatory development fee ordinance (Ordinance 2008-23) on November 24, 2008 to reflect the changes in the mandatory affordable housing fees required by COAH and to continue to generate financial contributions to the housing trust fund as part of its Fair Share Plan. The Township's development fee ordinance includes fees for both residential and non-residential developments. All funds collected are and will continue to be deposited in to the Township's Housing Trust Fund.

In calculating a projection of revenues anticipated between November 30, 2008 and the expiration of substantive certification, Bordentown Township has considered the following:

- A. All residential projects have development fees imposed upon them at the time of preliminary and / or final development approvals. Accordingly, Bordentown Township anticipates the collection of development fees at the issuance of building permits and / or certificates of occupancy during the period of certification.
- B. Bordentown Township has considered all projects approved by the planning board and zoning board of adjustment for development approvals as of November 30, 2008. There are currently 87 detached single-family residential units approved for development that will need to apply for building permits and certificates of occupancy. Based on an estimate of when the developers of these projects may need to apply for building permits and certificates of occupancy, Bordentown Township anticipated the collection of \$270,222.00 in development fees during the period of substantive certification.
- C. Bordentown Township has considered all projects currently before the planning board and zoning board of adjustment for development approvals as of November 30, 2008. There are currently no detached single-family residential dwelling units in the conceptual phase. Based on an estimate of when developers of these projects may need to apply for building permits and certificates of occupancy, Bordentown Township anticipates the collection of no additional development fees during the period of substantive certification due to residential developments pending approval from either the Planning or Zoning Board of Adjustment.

The projected revenues collected by the Township over the next ten (10) years are discussed below. The projections are based on levels of residential and non-residential construction from 2005 – 2008. These years are used due solely to the extreme economic crisis that is currently affecting the entire Country and whose effects will continue to be felt during the next several years. These projections are contained in the Housing Element and Appendix A – Development Applications Reviewed by Bordentown Township from 2004 through 2008.

Residential

In projecting future residential housing trust fund fees, it is assumed that residential development over the next ten (10) years would be eligible for assessment of development fees and that the average value of a new home is \$207,107.00². This number is derived by averaging the value of residential development as listed on the permit applications throughout the Township from January 1, 2006 through December 31, 2008. Applying the Township’s development fee of one and one-half percent of the equalized assessed value of improvements to the average value of \$207,107.00, this yields an average estimate of \$3,106.00 in housing trust fund fees per market rate unit of housing constructed. Multiplying this figure by the average annual number of single-family dwelling units constructed during the past five (5) year period – fifty-five (55.4) building permits – results in approximately \$172,072.40 per year in affordable housing trust fund fees.

Multiplying this figure by ten (10) years for the period of certification yields a total of approximately \$1,720,724.00 in anticipated development fees collected from projected residential development. The calculations for projected development fees collected by the Township are shown below.

● Average Assessed Value of Unit	X	Development Fee Rate/Unit	=	Development Fee/Unit
\$207,107.00	X	1.5% of Equal. Asses. Value	=	\$3,106.00
● Development Fee/Unit	X	Projected Units/Year	=	Dev. Fees Collected/Year
\$3,106.00	X	55.4	=	\$172,072.40
● Development Fees Collected/Year	X	Years of Substantive Cert.	=	Total Dev. Fees Collected
\$172,072.40	X	10	=	\$1,720,724.00

Bordentown Township is anticipated to collect a total of \$1,729,724.00 in development fee revenues for residential construction during the ten (10) year period of substantive certification. All development fees collected and interest generated by the anticipated development fees will be deposited into the existing interest-bearing account in the PNC Bank for the purposes of affordable housing.

² This estimate is based on average assessed value of all new homes as stated on the building permits between January 1, 2006 and December 31, 2008. Source is the Bordentown Township Construction / Community Development Offices.

Non-Residential

In projecting future non-residential housing trust fund fees, it is assumed that non-residential development over the next ten (10) years would be eligible for assessment of development fees. It is also assumed that the average annual assessed value of eligible non-residential activities will continue to be \$1,377,511.00.³

The Township adopted its growth share ordinances that contain the provisions relating to the mandatory two and one-half percent (2.5%) fee required for all non-residential development in the State. Based on the annual average assessed value of eligible non-residential activities, it can be estimated that the Township will generate approximately \$33,438.00 annually.

Multiplying this figure by ten (10) years for the period of certification yields a total of approximately \$333,438.00 in anticipated development fees collected from projected non-residential development. The calculations for projected development fees collected by the Township are shown below.

• Average Annual Assessed Value	X	Development Fee Rate/Unit	=	Development Fee/Year
\$1,377,511.00	X	2.5% of Equal. Asses. Value	=	\$33,438.00
• Development Fees Collected/Year	X	Years of Substantive Cert.	=	Total Dev. Fees Collected
\$33,438.00	X	10	=	\$333,438.00

Total Projected Development Fees for Both Residential and Non-Residential Development

When the total projections for both residential and non-residential development are added together, Bordentown Township is anticipated to collect a total of \$2,055,104.00 in development fee revenues during the ten (10) year period of substantive certification. Again, all development fees collected and interest generated by the anticipated development fees will be deposited into the existing interest-bearing account in the PNC Bank for the purposes of affordable housing.

³ This estimate is based on the average assessed value of all non-residential development, as stated on building permits between January 1, 2006 and December 31, 2008. Source is the Bordentown Construction / Community Development Offices.

ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE DEVELOPMENT FEE REVENUES

The Fair Share Housing Officer for Bordentown Township will be responsible for the day to day management of the Affordable Housing Trust Fund (Fund). The Township's Manager and Chief Financial Officer review all fund requests and approves the disbursement of funds from the Fund. The following procedural sequence for the collection and distribution of development fee revenues is proposed by Bordentown Township.

A. Collection of Development Fee Revenues

1. The Director of Community Development will notify the Tax Assessor when a preliminary or final approval is granted for a development application which is subject to a development fee.
2. When a request is made for a building permit, the Tax Assessor determines whether the project is subject to the imposition of a mandatory development fee. If so, the Director of Community Development will notify the Township Tax Assessor to calculate the approximate value of the project and set the fee based on the equalized assessed value for residential and nonresidential development.
3. Before a building permit is issued the developer will pay up to fifty percent (50%) of the estimated development fee to the Construction Official at the time the building permit is issued. The funds are then forwarded to the Chief Financial Officer for deposit into the Affordable Housing Trust Fund.
4. The balance of the development fee will be paid by the developer to the Construction Official at the issuance of the certificate of occupancy. The funds are then forwarded to the Chief Financial Officer and deposited in the affordable housing trust fund.
5. The Township Manager monitors this process and provides, as needed, annual reports to the Township Committee.

B. Distribution of Development Fee Revenues

The Township Committee reviews the request for consistency with the spending plan and adopts a resolution recommending the expenditure of development fee revenues as set forth in this fee spending plan.

The use and release of funds requires the adoption of a resolution by the governing body in accordance with the Court approved spending plan. Once a request is approved by resolution, the Chief Financial Officer releases the revenues from the trust fund for the specific use pursuant to the resolution issued by the governing body.

DESCRIPTION OF ANTICIPATED USE OF DEVELOPMENT FEES

COAH regulations permit the use of revenues generated by a development fee ordinance for activities that address the municipal fair share obligation including, but not limited to, rehabilitation; new construction; improvements to land; roads and infrastructure for affordable housing; assistance to render units more affordable; and administrative costs of housing plan implementation.

A. Administrative Costs

- As previously noted, the Bordentown Township Fair Share Plan requires the expenditure of funds from the Township's Housing Trust Fund. The Township projects the total balance of the Housing Trust Fund to total \$2,055,104.00 over the ten (10) year period of substantive certification. The Township plans to use \$411,021.00 or twenty percent (20%) of the funds for administrative costs, as permitted by COAH regulations (N.J.A.C. 5:97-8.9)

B. Municipally Sponsored Construction

The Township would like to pursue the option to perform municipally sponsored construction to satisfy a portion of their affordable housing plan. The Township will work with local developers. The Township will dedicate approximately thirteen percent (13%) or \$260,618.00 of the funds in the Housing Trust Fund toward this effort. Costs will cover items such as acquisition of land, costs for approvals and professional fees. Any excess funds dedicated to municipally sponsored land will be set aside for the purposes of rendering units more affordable. The Township is in the process of determining sites that will be appropriate for this procedure. Once site suitability is determined a plan will be submitted for acceptance and the Township's Housing Element will be amended to include any appropriate locations.

C. Rendering Units More Affordable

COAH regulations (N.J.A.C. 5:97-8.8.) impose certain conditions on the expenditure of the total development fee revenues. Specifically, thirty percent (30%) of revenues is required to be allocated for affordability assistance. Examples of such activities include, but are not limited to, down payment assistance, low interest loans, and rental assistance. Development fees collected to finance a Regional Contribution Agreement (RCA) or an inclusionary project are exempt from this requirement. The requirement to allocate thirty percent (30%) of development fee expenditures on affordability will result in the allocation of approximately \$861,137.40 to satisfy this requirement.

The affordability controls will be achieved by setting aside \$979,410.00 as part of a revolving Security Deposit Assistance Fund for the Bradford Pointe Court inclusionary housing development. This will result in over one-third (34%) of the projected funds in the housing trust fund to be devoted to this purpose. Upon referral by the property manager at Bradford Pointe Court, an interest free loan from the fund will be provided to an income eligible renter with good standing who qualifies for an affordable housing unit.

The security deposit will be in the form of a cash loan equal to the amount of the required security deposit. The amount of the security deposit will be determined by A.A.H. Management Company, based on the current monthly rent of an individual unit at Bradford Pointe Court. The security deposit will be paid to A.A.H. Management Company on behalf of the tenant. At the termination of the lease, A.A.H. Management Company will return the portion of the security deposit it determines to Bordentown Township along with any interest earned during this time. The tenant will repay the difference between the original security deposit amount and the portion returned by the landlord. Funds returned to the municipality will be placed into the affordable housing trust fund to be used for future security deposit assistance.

A.A.H. Management Company operates Bradford Pointe Court. This property contains 168 affordable dwelling units. The rent in Bradford Pointe Court ranges from \$611.00 for a two-bedroom unit to \$769.00 for a three-bedroom unit with an average rent of approximately \$690.00 per month.

A.A.H. Management Company data reveals a turn-over rate of roughly forty (40) apartments per year. In 2005 there were forty-two (42) apartments that were turned over. The average security deposit is \$1,035.00. The Township anticipates providing a minimum of \$41,400.00 in security deposit assistance annually. (This is based on the rate of \$1,035.00 times forty (40) apartments.) Based on the current almost non-existent levels of interest rates paid on interest bearing accounts, the Township anticipates receiving a negligible amount of interest earned by the proposed Security Deposit Assistance Program.

The Township's Affordability Assistance Program will be administered by the Municipal Housing Liaison. After an applicant is income qualified by the property manager pursuant to COAH's rules and the Uniform Housing Affordability Controls, or cannot be qualified due to a need for assistance, an affordability assistance application will be completed and forwarded with all necessary documentation to the Municipal Housing Liaison. The Municipal Housing Liaison will also include in the annual review of each application consideration that at least thirteen percent (13%) of the households that receive assistance each year are households earning thirty percent (30%) or less of the area's median income.

The recipient of the affordability assistance will execute a contract with Bordentown Township. This contract will contain the following information, at a minimum: the amount of funds granted, interest information, procedures, duration and conditions relating to the affordability assistance, and repayment information.

The availability of any Affordability Assistance Programs must be noticed to all owners / tenants of affordable housing units within the Township. This information must also be provided to all administrative agents of affordable housing units within Bordentown Township. An income eligible occupant or applicant for an affordable housing unit within the municipality may not be denied participation in the Affordability Assistance Program(s) unless funding is no longer available.

D. Rehabilitation of Deficient Units & Maintenance and Repair of Affordable Units at the Bradford Pointe Court Inclusionary Housing Project

Bordentown Township intends to use over one-third (39%) of the projected development fee revenues to provide for the rehabilitation of general housing units and for the designated inclusionary development – Bradford Pointe Court. This will amount to a total of \$1,129,405.51 for total rehabilitation and maintenance efforts in the Township.

General Rehabilitation Efforts:

As noted in the Township's Housing Element, the Township is required to provide rehabilitation to the remaining fifteen (15) of the twenty-one (21) housing units. As part of the Fair Share Spending Plan, the Township is proposing to identify and rehabilitate these deficient housing units.

Bordentown Township intends to use at least \$150,000.00 of the development fee revenues to provide for rehabilitation of housing units. At the completion of the rehabilitation program, excess funds dedicated to rehabilitation will be set aside for the purposes of providing additional opportunities to perform gut rehabilitation to any existing deed restricted affordable housing units that may be in jeopardy of being foreclosed by a bank.

Maintenance and Repair of Affordable Housing Units at the Bradford Pointe Court Inclusionary Housing Project

As noted in the 2006 Plan, the Township has established a general maintenance fund for the purposes of providing regular maintenance at Bradford Pointe Court development. The Township is working with Bordentown Urban Renewal Partners, L.P. and A.A.H. Management Company to develop a list of the necessary rehabilitation and/ or maintenance projects within the complex. Prior to the expenditure of any funds this list will be forwarded to the Court for approval.

A maintenance fund has been established that will be funded through annual deposit(s) in the amount of \$97,940.95. This will result in a total expenditure of \$979,409.51 during this ten (10) year period of certification. Bordentown Urban Renewal Partners and A.A.H. Management Company manages this fund. Requests for expenditures from this fund are submitted to the Township for review and approval. The Township reviews each request to ensure that it meets the goals of the Township's Fair Share Spending Plan. Receipts for all maintenance activities are submitted to the Township.

E. Faith Based or Not-For-Profit Organizations

The Township will allocate four percent (4%) or \$90,000.00 of the projected revenues from the Housing Trust Fund to provide grants to faith based or not-for profit organizations for the purposes of creating affordable housing opportunities throughout the Township. Organizations such as Project Freedom that would like to perform rehabilitation work or affordable housing construction projects. These organizations would have to submit a grant application to the Township that will include, but not be limited to the following information:

- Purpose of project.
- Location of project.
- Scope of work.
- Estimated cost of project.
- Timeline.
- Contact information.

The Township will review the grant application to ensure that it meets the goals of the Township's Housing Element and Fair Share Plan. During the time that the project is being completed, the faith based or not-for-profit organization(s) will have to submit monthly monitoring reports to the Township. These monthly monitoring reports will include information relating to the progress of the project and funds expended. The Township will also receive copies of any correspondence relating to any on-going projects. All documentation will be forwarded to the Court for approval.

SCHEDULE FOR REHABILITATION OF HOUSING UNITS

As stated previously, the Township is currently obligated to provide rehabilitation to fifteen (15) dwelling units. The projected schedule for rehabilitation of housing units is listed below:

	<u>Year</u>	<u>Number of Rehabs</u>	<u>Funds Needed</u>
1.	2009	2	\$20,000.00
2.	2010	2	\$20,000.00
3.	2011	2	\$20,000.00
4.	2012	2	\$20,000.00
5.	2013	2	\$20,000.00
6.	2014	1	\$10,000.00
7.	2015	1	\$10,000.00
8.	2016	1	\$10,000.00
9.	2017	1	\$10,000.00
10.	2018	<u>1</u>	<u>\$10,000.00</u>
	<i>Total</i>	<i>15</i>	<i>± \$150,000.00</i>

The Township will also contribute a total amount of \$979,409.51 to the Bradford Pointe Development for maintenance and / or rehabilitation activities at this site. This will result in an annual payment of \$97,940.95.

UNEXPECTED SHORTFALL OF FUNDS

Pursuant to the Housing Element and Fair Share Plan, the Township of Bordentown has already adopted a resolution to fund any shortfall of funds required for implementing the Spending Plan in 2006. In the event that a shortfall of anticipated revenues occurs, Bordentown Township will bond for the amount necessary to complete the rehabilitation program.

SUMMARY

Bordentown Township has collected \$815,353.91 in its Housing Trust Fund as of November 30, 2008.⁴ Disbursements from 2006 through 2008 accounted for \$340,183.56 of the Housing Trust Fund fees. By the end of the ten (10) year certification period of the third cycle plan in 2018, total Housing Trust Fund revenues of \$2,055,104.00 are projected. Table 1 summarizes the projected revenues and expenditures of the Housing Trust Fund for the period 2009 through 2018.

Table 6

**Summary of Development Fee Housing Trust Fund Revenues
& Expenditures for 2009-2018
Bordentown Township, Burlington County, New Jersey**

Existing Balance:		\$815,354.00
Revenues:		
Fees for Residential (Projected through 2018)		\$1,720,724.00
Fees for Non-Residential (Projected through 2018)		\$333,438.00
	<i>Total Projected Revenues</i>	<i>\$2,055,104.00</i>
Expenditures:		
Miscellaneous/Administrative Expenditures (2009-2018)	\$411,021.00	
Municipally Sponsored Construction	\$260,618.00	
Rendering Units More Affordable	\$979,410.00	
<u>Rehabilitation</u>		
Rehabilitation of Deficient Units	\$150,000.00	
Maintenance & Repair at Bradford Point Court	<u>\$979,409.00</u>	
		\$1,129,409.00
Faith Based or Not-for Profit Organizations	<u>\$90,000.00</u>	
	Subtotal	<u>\$2,870,458.00</u> <u>(\$2,870,458.00)</u>
	Total	\$0.00

⁴ The Township has collected \$777,103.53. Affordable Housing Fees were inadvertently charged to the Korean Presbyterian Church in the amount of \$16,946.80. The Township anticipates issuing the refund for this oversight in the next few weeks. The balance of this figure is from interest payments earned on this account.

**Appendix A -
Development Applications Reviewed by Bordentown Township from 2004 through 2008**

App. No.	Applicant	Block & Lot	Description	Status
PSP-2004-01	Marco, Maurizio & Francesco (Mannino's Pizzeria)	28 / 4 & 5	Addition of 2,000 sf banquet facility	Constructed
PSP-2004-02	Hedding Hotels, LLC Candlewood Suites	137.01 / 4.01	81 Room 3 story Hotel	Constructed
PSP-2004-03	The Storage Depot, LLC Route 206	61 / 2	Signage / Access Drive	Constructed
PSP-2003-04A	Insight Properties & Management, LLC	55 / 1	13,800 sf of retail	Constructed
PSP-2004-04	Mastoris Diner Restaurant, Inc. Route 206 & Route 130	57 / 12 & 17	9,000 sf restaurant / bar	Constructed
PSP-2004-05	Pacor, Inc. 333 Rising Sun Square Road	134.01 / 12.01	Subdivision (NJDOT r.o.w. takings)	Constructed
PSP-2004-06	Global Fu Kuo Charity Foundation, Inc. (19 Route 130)	18 / 8.01	2,500 sf office addition	Not Yet Constructed
PSP-2004-07	Coastal Outdoor Advertising, Inc. Route 295	137.02 / 1&11.03	2 billboard signs	Withdrawn
PSP-2003-06A	Central Crossing Business Park Bordentown-Hedding Road	137.01 / 2	1,660,000 sf of warehouse space	Partially Constructed
PSP-2004-08	Old York Business Park Old York Road	137.02 / 1&11.03	645,200 sf warehouse / distribution center	No permits issued
PSP-2004-09	Bordentown Daycare Facility 443 A Rising Sun Road	126 / 14.02		denied
PSP-2004-10	Freedman LLC Bordentown Crossings Route 130 & Dunns Mill Road	125 / 1&2	88,000 sf shopping center	Constructed
PS-2004-01	Leonard Steward Highbridge Road	27 / 11.01	Minor Subdivision – 1 new sfd	Constructed
PS-2004-02	KOR Companies Route 130 & Highbridge Road	58 / 35 thru 38	87 homes	Partially Constructed
PS-2004-03	James B. Cook Hogback Road	27 / 10.01	3 lot residential subdivision	
PSP-2005-01	BPG Development Co., LP	137.02 / 5.01	440,550 sf warehouse / 30,000 sf of office	No Permits issued
PSP-2005-02	Church Brick Company	140 / 4.01	2,160 sf commercial	Constructed
PSP-2005-03	Christopher Baldassari	55 / 7	Driveway Construction	Withdrawn
PSP-2005-04	SAMS, LLC	1.01 / 6		Withdrawn
PSP-2005-05	IdleAire Technologies Corporation	134.01 / 12.02	Truck Stop	Constructed
PSP-2005-06	R & B Leasing, LLC	18 / 8.01	Veterinary Office	Withdrawn
PS-2005-02	Louis A. Haszu & Susan Ann Franks	36 / 11.02	Rear Yard Variance	Constructed
PS-2005-03	Robert Rogers, Robert Modzelewski, Wieslaw Krajewski	118 / 7	Minor Subdivision	Constructed

**Appendix A -
Development Applications Reviewed by Bordentown Township from 2004 through 2008**

App. No.	Applicant	Block & Lot	Description	Status
PSP-2006-01	GDT, LLC	20, 1 / 22, 1 & 3	Bank / Retail sales facility	Withdrawn
PSP-2006-02	Rising Stars, LLC	136/ 1	83 room hotel	Incomplete
PSP-2006-03	Blue Beacon International, Inc.	134.01 / 12.02	8,802 sf truck wash	Constructed
PSP-2006-04	T.I. Construction, LLC	137.01 / 4.02	41,000 sf office/ warehouse	Withdrawn
PSP-2006-05	Balraj Vohra (Dunkin Donuts)	129 / 17.01	Conversion of banquet space into retail	Constructed
PS-2006-01	William R. Hoagland, Jr.	35/ 11	Minor Subdivision	Not Yet Constructed
PS-2006-03	Diane Ross	77/ 28	1 lot Minor Subdivision	Constructed
PSP-2007-01	Harvey Primost	62 / 2.01, 2.02	Parking Lot	Not Yet Constructed
PS-2007-01	Thorntown Lane, LLC	66/ 19 & 22	Major Subdivision – 9 dwellings & 1 existing dwelling	Not Yet Constructed
PS-2007-02	Russ Wilbert & Sons Custom Homes	118/ 8.01	4 lot subdivision	Partially Constructed
PSP-2008-01	Ron Walton (R&W Tire)	50.01/22 & 23.01	Parking lot expansion 2,380 sf detached garage	Pending Application
PSP-2008-02	Dublin Pub – Michael McGeough	58/24	Conversion of existing commercial space to restaurant / bar	Partially Constructed
PSP-2008-03	K. Johnson Enterprises, LLC	57/6	175,00 sf of office buildings, 75,000 sf fitness / wellness center & day care	Not Yet Approved
PSP-2008-04	David Schiavone	29/4	25,000 sf office building	Not Yet constructed
PSP-2008-05	Bordentown Hospitality Associates, LLC	131/1&4.01	Extension of 6,611 sf restaurant , 8,000 sf conference center & 5 story 173 room hotel	Not Yet Approved – Interpretation as to if old approval is valid
PSP-2008-06	Ron Walton (R&W Tire)	50.01/22&23.01	(SEE ABOVE)	
PSP-2008-07	Trenton Korean 7 th Day Adventist Church	90/3.01	Church (Addition)	Not Yet Approved
PSP-2008-08	Central Crossings Building II, LLC (amend final site plan-reconfigured truck parking areas)	138/5.03	Part of Central Crossing Business Park	Partially Constructed