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May 22, 2018

Brian P. Shotts, Esq.
Grace, Marmero & Associates, LLP
44 Euclid Street
Woodbury, NJ 08096
Attorney for the City of Lambertville

Re: In the Matter of the City of Lambertville, County of Hunterdon,
Docket No. HNT-L-000311-15

Dear Mr. Shotts:

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

Background

Lambertville filed the above-captioned matter on July 8, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq. in accordance with In re N.J.A.C. 5:96 and 5:97, supra. Through the declaratory judgment process, the City and FSHC agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter for review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

Settlement terms

The City and FSHC hereby agree to the following terms:

1. FSHC agrees that the City, through the adoption of a Housing Element and Fair Share Plan conforming with the terms of this Agreement (hereafter "the Plan") and through the implementation of the Plan and this Agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025), inclusive of the Prospective Need, and "Gap Present Need."
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round obligation instead of doing so through plenary adjudication of the Third Round Obligation.
3. FSHC and Lambertville hereby agree that Lambertville's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report ¹)	1
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	0
Third Round (1999-2025) Obligation (per Kinsey Report, as adjusted through this Agreement)	137

4. For purposes of this Agreement, the Third Round Obligation shall be deemed to consist of both the "Gap Present Need," which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017), and the 2015-2025 Prospective Need.
5. The City's efforts to meet its Present Need (Rehabilitation Share) include the following: The City will utilize two credits from existing units rehabilitated under the City's Rehabilitation Program. The rehabilitation of these two units was funded pursuant to a 2014 Small Cities Grant through the New Jersey Community Development Block Grant program. The City's program is available to both owner-occupied and renter-occupied units as long as the landlord resides in one of the units on the property. This is sufficient to satisfy the City's Present Need (Rehabilitation Share) obligation of 1 unit.
6. As noted above, the City has a Prior Round need of zero (0) units.

The City, as calculated in Exhibit A "Vacant Land Analysis," has a realistic development potential ("RDP") of forty-one (41) units ("Calculated RDP"). However, FSHC and the City hereby agree that Lambertville's RDP will be inflated to an "Agreed RDP" of eighty-eight (88) units based on the City's ability to meet this higher RDP, as recommended by the Special Master Elizabeth McKenzie to allow the City to capture both additional rental bonuses and additional credits for existing age-restricted units. The eighty-eight (88) unit "Agreed RDP" will be satisfied as follows:

City of Lambertville's Third Round RDP Compliance Mechanisms	Affordable Units	Bonuses	RDP = 88
Prior Cycle			
Little Haven Group Home (Rentals, 11 of 18)	11	-	11
100% Affordable Housing (all completed; non-RCA funded)			
Habitat for Humanity (Family Sale)	4	-	4
Heritage Village (Senior Rentals, 22 of 37)	22	-	22
Lily Street Unit (Family Rental)	1	-	1
Inclusionary Zoning			
Lambertville High School Redevelopment - 139 total units w/ 20% set-aside (67 market-rate townhouses, 44 market-rate apartments, 28 affordable, family rental apartments)	28	22	50

¹ David N. Kinsey, PhD, PP, FAICP, NEW JERSEY LOW AND MODERATE INCOME HOUSING OBLIGATIONS FOR 1999-2025 CALCULATED USING THE NJ COAH PRIOR ROUND (1987-1999) METHODOLOGY, July 2016 and April 2017.

TOTAL	66	22	88
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Should the City's Calculated RDP increase due to unanticipated future changed circumstances, the increased RDP shall first be addressed by the forty-seven (47) unit difference between the Agreed RDP of eight-eight (88) units that is proposed to be addressed through the City's Plan and the currently Calculated RDP of forty-one (41) units resulting from the Vacant Land Analysis.

The Agreed RDP of 88, subtracted from the Third Round Obligation of one hundred thirty-seven (137) units, results in an Unmet Need of forty-nine (49) units, which shall be addressed through the following mechanisms, as more fully described below:

City of Lambertville's Third Round Unmet Need Compliance Mechanisms	Unmet Need
Adopted Affordable Housing Development Fee Ordinance and Spending Plan	✓
Little Haven Group Home (7 of 18)	7
Heritage Village Affordable Senior Rentals (12 of 37 units)	12
Accessory Apartment (deed restricted in 2012 for 10 years; thus, attributable to Gap Present Need portion of Third Round Obligation)	1
AH-1 Inclusionary Overlay Multifamily Overlay Zoning (Closson Farmstead) Requires an affordable housing set-aside when the existing use is changed.	✓
AH-2 Inclusionary Multifamily Overlay Zoning (Burd Farmstead / Corboy Lot) Requires an affordable housing set-aside as part of any development, subject to public sewer being made available to each parcel.	✓
AH-3 Inclusionary Adaptive Reuse Overlay Zone (Trenton Cracker Factory) Requires the rehabilitation of a vacant nonresidential building into apartments with an affordable housing set-aside.	✓
Mandatory Set-Aside Ordinance	✓

7. The City will provide a realistic opportunity for the development of affordable housing through the adoption of inclusionary zoning on the following sites:
 - Lambertville High School Redevelopment: The Lambertville High School site (Block 1073, Lots 1, 3, 5, 6, 7, 8, 9, 10, 11, 32, 33 and 33.01; Block 1090, Lots 4 and 5; and Block 1091, Lots 1 and 1.01) will be rezoned via the adoption of a Redevelopment Plan in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. ("LRHL") and the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. ("MLUL") for an inclusionary development that will result in a total of one hundred thirty-nine (139) units, consisting of sixty-seven (67) market-rate, townhouse units, forty-four (44) market-rate apartments, and

twenty-eight (28) affordable, family rental apartment units, which is a twenty percent (20%) affordable housing set-aside. Exhibit C, incorporated herein as if stated in full.

- AH-1 Inclusionary Multifamily Overlay Zoning: An overlay zone will be established for the Closson Farmstead (Block 1002, Lot 41). The overlay zone will allow a gross density of six units per acre and require an affordable housing set-aside of fifteen percent (15%) for rental affordable units, and twenty percent (20%) for owner-occupied affordable units when the existing use is changed.
 - AH-2 Inclusionary Multifamily Overlay Zoning: An overlay zone will be established for both the Burd Farmstead (Block 1058, Lot 15) and the Corboy Property (Block 1072, Lot 3). The overlay zone will allow a gross density of six units per acre and require an affordable housing set-aside of fifteen percent (15%) for rental affordable units and twenty percent (20%) for owner-occupied affordable units, subject to public sewer being made available to these parcels.
 - AH-3 Inclusionary Adaptive Reuse Overlay Zoning: An overlay zone will be established for the former Trenton Cracker Factory site (Block 1022, Lot 8 QC0002 – C0004). This property contains office space, including the vacant River Horse Brewery and Center Club gym. The overlay zone would permit the rehabilitation of the vacant nonresidential building into non-age restricted (family) apartments, at a gross density of ten units per acre, with a fifteen percent (15%) set-aside for rental affordable units and twenty percent (20%) set-aside for owner-occupied affordable units.
 - Mandatory Set-aside Requirement: Lambertville agrees to adopt a mandatory set-aside requirement of twenty percent (20%) if the affordable units will be for sale and fifteen percent (15%) if the affordable units will be for rent, for any multifamily development of five (5) or more units with a gross density at or above six (6) dwelling units per acre created through any rezoning, use or density variance, redevelopment plan, rehabilitation plan, or amendment to a redevelopment plan or rehabilitation plan. This requirement does not provide a developer with a right to any rezoning, variance or other relief, or establish any obligation on the part of Lambertville to grant such rezoning, variance or other relief. No property shall be permitted to be subdivided to avoid compliance with this requirement.
8. The City agrees to require thirteen percent (13%) of all units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, to be very low income units, with half of the very low income units being available to families. The municipality will comply with those requirements through the Lily Street unit, an existing very-low income unit, and by requiring that thirteen percent (13%) of all new affordable units produced on each site through each of the zoning strategies listed in paragraph 7 above be affordable to very-low income households.
9. The City shall meet its Third Round Obligation in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 6 above:
- a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).

- b. At least fifty percent (50%) of the units addressing the Third Round Obligation shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
 - c. At least twenty-five percent (25%) of the Third Round Obligation shall be met through rental units, including at least half in rental units available to families.
 - d. At least fifty percent (50%) of the units addressing the Third Round Obligation in total must be available to families.
 - e. The City agrees to comply with an age-restricted cap of twenty-five percent (25%) and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed twenty-five percent (25%) of all units developed or planned to meet its cumulative Prior Round and Third Round fair share obligation.
10. The City shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, including the New Brunswick, Plainfield Area, Perth Amboy and Metuchen/Edison branches, the Latino Action Network, NORWESCAP, the Supportive Housing Association and the Central Jersey Housing Resource Center, and shall, as part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, provide direct notice to those organizations of all available affordable housing units, including application forms. The City also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.
11. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. or any successor regulation, with the exception that in lieu of ten percent (10%) of affordable units in rental projects being required to be at thirty-five percent (35%) of median income, thirteen percent (13%) of affordable units in such projects shall be required to be at thirty percent (30%) of median income, and all other applicable law. The City as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied. Income limits for all units that are part of the Plan required by this Agreement and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by the City annually within 30 days of the publication of determinations of median income by HUD as follows:
- a. Regional income limits shall be established for the region that the City is located within (i.e. Region 3) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most

recent decennial Census in the City's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.

- b. The income limits attached hereto as Exhibit B are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2017, and shall be utilized until the City updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
 - c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)(3) shall be calculated by the City annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
 - d. The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement and to add the terms of this paragraph to the City's Affordable Housing Ordinance.
12. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
 13. As an essential term of this Agreement, within one hundred twenty (120) days of Court's approval of this Agreement, the City shall introduce and adopt an ordinance or ordinances providing for the amendment of the City's Affordable Housing Ordinance and Zoning Ordinance, including adoption of a Redevelopment Plan for the Lambertville High School Redevelopment site, to implement the terms of this Agreement and the zoning contemplated herein and adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement.
 14. The parties agree that if a decision of a court of competent jurisdiction in Hunterdon County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the City for the period 1999-2025 that would be lower by more than twenty percent (20%) than the Third Round Obligation as defined and established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the City may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the City shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning and/or redevelopment plan adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of

any one hundred percent (100%) affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the City's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the City prevails in reducing its Third Round Obligation, the City may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.

15. The City shall prepare a Spending Plan within the period referenced above, subject to the review of FSHC and approval of the Court, and reserves the right to seek approval from the Court that the expenditures of funds contemplated under the Spending Plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (*aff'd* 442 N.J. Super. 563). On the first anniversary of the execution of this Agreement, which shall be established by the date on which it is executed by a representative of the City, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the City agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.
16. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the City agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
17. The Fair Housing Act includes two provisions regarding action to be taken by the City during the ten-year period of protection provided in this Agreement. The City agrees to comply with those provisions as follows:
 - a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the City will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of the Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the court regarding these issues.

- b. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within thirty (30) days of the third anniversary of this Agreement, and every third year thereafter, the City will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
18. The Parties hereby agree that the Court shall retain personal and subject matter jurisdiction over each of the Parties, regardless of a Party's status in this litigation, for the sole purpose of enforcing this Agreement. Should either Party believe the other Party has violated this Agreement, said non-offending Party may bring a motion before the Court seeking an Order enforcing of this Agreement. Nothing in this Agreement shall be construed to prevent FSHC, as an interested party to the underlying litigation and as a Party to this Agreement, from seeking to enforce this Agreement. If FSHC determines that such action is necessary, the City consents to the entry of an order providing FSHC party status as an intervenor solely for purposes of its motion to enforce litigant's rights.
19. This Agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The City shall present its planner as a witness at this hearing. FSHC agrees to support this Agreement at the fairness hearing. In the event the Court approves this proposed settlement, the parties contemplate the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The "accompanying protection" shall remain in effect through July 1, 2025. If this Agreement is rejected by the Court at a fairness hearing it shall be null and void.
20. The City agrees to pay FSHC's attorneys fees and costs in the amount of \$5,000, to be paid, per the Court's directive, from Lambertville's Affordable Housing Trust Fund, within ten (10) days of the Court's approval of this Agreement pursuant to a duly-noticed fairness hearing.
21. If an appeal is filed of the Court's approval or rejection of this Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of this Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
22. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Hunterdon County. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney's fees.

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

follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days' notice as provided herein:

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

TO THE CITY: Brian P. Shotts, Esq.
Grace, Marmero & Associates, LLP
44 Euclid Street
Woodbury, NJ 08096
Phone: (856) 848-6440
Telecopier: (856) 848-5002
Email: bshotts@gracemarmero.com

WITH A COPY TO THE MUNICIPAL CLERK: Cindy Ege, City Clerk
City of Lambertville
18 York Street
Lambertville, NJ 08530
Phone: (609) 397-0110
Email: cityclerk@lambertvillenj.org

Please sign below if these terms are acceptable.

Sincerely,

Adam M. Gordon, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the City of Lambertville, with the authorization
of the governing body:

Dated: _____

EXHIBIT A: VACANT LAND ANALYSIS

EXHIBIT B: 2017 INCOME LIMITS

May 22, 2018
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Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - August 2017

2017 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

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

		1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase		Regional Asset
												Rents**	Sales***	Limit****
Region 1 Bergen, Hudson, Passaic and Sussex	Median	\$60,271	\$64,576	\$68,882	\$77,492	\$86,102	\$89,546	\$92,990	\$99,878	\$106,766	\$113,655	1.7%	1.99%	\$166,493
	Moderate	\$48,217	\$51,661	\$55,105	\$61,993	\$68,882	\$71,637	\$74,392	\$79,903	\$85,413	\$90,924			
	Low	\$30,136	\$32,288	\$34,441	\$38,746	\$43,051	\$44,773	\$46,495	\$49,939	\$53,383	\$56,827			
	Very Low	\$18,081	\$19,373	\$20,664	\$23,248	\$25,831	\$26,864	\$27,897	\$29,963	\$32,030	\$34,096			
Region 2 Essex, Morris, Union and Warren	Median	\$65,953	\$70,663	\$75,374	\$84,796	\$94,218	\$97,987	\$101,755	\$109,293	\$116,830	\$124,368	1.7%	3.25%	\$180,756
	Moderate	\$52,762	\$56,531	\$60,299	\$67,837	\$75,374	\$78,389	\$81,404	\$87,434	\$93,464	\$99,494			
	Low	\$32,976	\$35,332	\$37,687	\$42,398	\$47,109	\$48,993	\$50,878	\$54,646	\$58,415	\$62,184			
	Very Low	\$19,786	\$21,199	\$22,612	\$25,439	\$28,265	\$29,396	\$30,527	\$32,788	\$35,049	\$37,310			
Region 3 Hunterdon, Middlesex and Somerset	Median	\$73,780	\$79,050	\$84,320	\$94,860	\$105,400	\$109,616	\$113,832	\$122,264	\$130,696	\$139,128	1.7%	0.38%	\$200,698
	Moderate	\$59,024	\$63,240	\$67,456	\$75,888	\$84,320	\$87,693	\$91,066	\$97,811	\$104,557	\$111,302			
	Low	\$36,890	\$39,525	\$42,160	\$47,430	\$52,700	\$54,808	\$56,916	\$61,132	\$65,348	\$69,564			
	Very Low	\$22,134	\$23,715	\$25,296	\$28,458	\$31,620	\$32,885	\$34,150	\$36,679	\$39,209	\$41,738			
Region 4 Mercer, Monmouth and Ocean	Median	\$66,022	\$70,738	\$75,454	\$84,885	\$94,317	\$98,090	\$101,862	\$109,408	\$116,953	\$124,498	1.7%	1.53%	\$177,413
	Moderate	\$52,817	\$56,590	\$60,363	\$67,908	\$75,454	\$78,472	\$81,490	\$87,526	\$93,562	\$99,599			
	Low	\$33,011	\$35,369	\$37,727	\$42,443	\$47,158	\$49,045	\$50,931	\$54,704	\$58,476	\$62,249			
	Very Low	\$19,807	\$21,221	\$22,636	\$25,466	\$28,295	\$29,427	\$30,559	\$32,822	\$35,086	\$37,349			
Region 5 Burlington, Camden and Gloucester	Median	\$58,240	\$62,400	\$66,560	\$74,880	\$83,200	\$86,528	\$89,856	\$96,512	\$103,168	\$109,824	1.7%	2.09%	\$154,194
	Moderate	\$46,592	\$49,920	\$53,248	\$59,904	\$66,560	\$69,222	\$71,885	\$77,210	\$82,534	\$87,859			
	Low	\$29,120	\$31,200	\$33,280	\$37,440	\$41,600	\$43,264	\$44,928	\$48,256	\$51,584	\$54,912			
	Very Low	\$17,472	\$18,720	\$19,968	\$22,464	\$24,960	\$25,958	\$26,957	\$28,954	\$30,950	\$32,947			
Region 6 Atlantic, Cape May, Cumberland, and Salem	Median	\$51,085	\$54,734	\$58,383	\$65,681	\$72,979	\$75,898	\$78,817	\$84,655	\$90,494	\$96,332	1.7%	0.00%	\$136,680
	Moderate	\$40,868	\$43,787	\$46,706	\$52,545	\$58,383	\$60,718	\$63,054	\$67,724	\$72,395	\$77,066			
	Low	\$25,543	\$27,367	\$29,192	\$32,840	\$36,489	\$37,949	\$39,409	\$42,328	\$45,247	\$48,166			
	Very Low	\$15,326	\$16,420	\$17,515	\$19,704	\$21,894	\$22,769	\$23,645	\$25,397	\$27,148	\$28,900			

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

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

**This column is used for calculating the pricing for rent increases for units as per N.J.A.C. 5:97-9.3. The increase for 2015 was 2.3%, the increase for 2016 was 1.1% and the increase for 2017 is 1.7% (Consumer price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015 or 2016 may increase rent by up to the applicable combined percentage from their last rental increase for that unit. In no case can rent for any particular apartment be increased more than one time per year.

*** This column is used for calculating the pricing for resale increases for units as per N.J.A.C. 5:97-9.3. As per 5:97-9.3.(b), The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

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

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

Note: Since the Regional Income Limits for Region 6 in 2016 were higher than the 2017 calculations, the 2016 income limits will remain in force for 2017. See N.J.A.C. 5:97-9.2(c).

EXHIBIT C: Concept Plan