

APPENDIX A

APPENDIX B

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APPLICATION OF BOARDWALK : ABSECON PLANNING BOARD
DEVELOPMENT AND DESIGN COMPANY, :
LLC, FOR PRELIMINARY AND FINAL : APP. NO. 2-2011
AMENDED SITE PLAN APPROVAL AND :
FOR AGE RESTRICTION CONVERSION : DECISION AND RESOLUTION
FOR LOT 1 OF BLOCK 161 AND LOT 8 OF :
BLOCK 160, ABSECON GARDENS :
(PREVIOUSLY THE PINNACLE CLUB AT :
ABSECON) :

This matter having been heard by the Planning Board of the City of Absecon on March 22, April 26 and May 10, 2011, at its regular meeting at the Municipal Complex, 500 Mill Road, Absecon, New Jersey and a hearing on the application having been conducted with a quorum present; and

WHEREAS, the Absecon Planning Board has reviewed the application form submitted by the applicant and the following plans and documents:

| Sheet | Title | Prepared By | Date | Rev'd |
|---------|-------------------|----------------------|----------|---------|
| 1 of 15 | Cover Sheet | Marathon Engineering | 11/19/10 | 2/28/11 |
| 2 of 15 | Information Sheet | Marathon Engineering | 11/19/10 | 4/14/11 |
| 3 of 15 | Demolition Plan | Marathon Engineering | 11/19/10 | 2/28/11 |
| 4 of 15 | Site Plan | Marathon Engineering | 11/19/10 | 4/14/11 |
| 5 of 15 | Grading Plan | Marathon Engineering | 11/19/10 | 2/28/11 |
| 6 of 15 | Utility Plan | Marathon Engineering | 11/19/10 | 2/28/11 |
| 7 of 15 | Landscape Plan | Marathon Engineering | 11/19/10 | 2/28/11 |

| | | | | |
|----------|-----------------------------------------------------------------|----------------------|----------|---------|
| 8 of 15 | Landscape & Lighting Details | Marathon Engineering | 11/19/10 | 2/28/11 |
| 9 of 15 | Lighting Plan | Marathon Engineering | 11/19/10 | 2/28/11 |
| 10 of 15 | Road Profiles & Cross Sections | Marathon Engineering | 11/19/10 | 2/28/11 |
| 11 of 15 | Construction Details | Marathon Engineering | 11/19/10 | 2/28/11 |
| 12 of 15 | Stormwater Management Details | Marathon Engineering | 11/19/10 | 2/28/11 |
| 13 of 15 | Sanitary Sewer and Water Details | Marathon Engineering | 11/19/10 | 2/28/11 |
| 14 of 15 | Soil Erosion & Sediment Control Plan | Marathon Engineering | 11/19/10 | 2/28/11 |
| 15 of 15 | Soil Erosion & Sediment Control Narrative and Details | Marathon Engineering | 11/19/10 | 2/28/11 |
| 1 of 5 | Phasing Plan | Marathon Engineering | 2/25/11 | 4/14/11 |
| 2 of 5 | Phase 1 Parking Plan | Marathon Engineering | 2/25/11 | |
| 3 of 5 | Phase 2A Parking Plan | Marathon Engineering | 2/25/11 | |
| 4 of 5 | Phase 2B Parking Plan | Marathon Engineering | 2/25/11 | |
| 5 of 5 | Phase 3 & 4 Parking Plan | Marathon Engineering | 2/25/11 | 4/14/11 |
| AC-000 | Cover Sheet | SOSH Architects | 2/8/11 | 4/19/11 |
| A-100 | Overall Phase 2 Architectural Site Plan | SOSH Architects | 12/23/10 | |
| A1-101 | School Street Bldg. #1 Floor Plans Type A: Optional Floor Plans | SOSH Architects | 2/8/11 | 4/19/11 |
| A1-301 | School Street Building #1 Building Elevations | SOSH Architects | 2/8/11 | 4/19/11 |
| A2-101 | New Jersey Avenue Building #2 Floor Plans | SOSH Architects | 2/8/11 | 4/19/11 |
| A2-301 | New Jersey Avenue Building #2 Roof Plan | SOSH Architects | 2/8/11 | 4/19/11 |

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|--------|-------------------------------------------------|------------------|---------|---------|
| A3-101 | Mechanic Street Building #3 | SOSH Architects | 2/8/11 | 4/19/11 |
| A3-301 | Mechanic Street Building #3 Building Elevations | SOSH Architects | 2/8/11 | 4/19/11 |
| A-111 | Church Street Floor Plans | SOSH Architects | 7/27/10 | 4/25/10 |
| 1 of 1 | Boundary and Topographical Survey | Vargo Associates | 7/12/10 | 8/9/10 |

WHEREAS, Consulting Engineer, Andrew Previti, P.E., of Maser Consulting, PA, has reviewed the application and has reported to the Board by his reports of March 17 and April 19, 2011, which are on file with the Absecon Planning Board; and

WHEREAS, Planning Consultant, Robert L. Reid, P.P. has reviewed the application and has reported to the Board by his reports of March 4, March 21, and April 4 (updated April 25), 2011, which are on file with the Absecon Planning Board; and

WHEREAS, Traffic Consultant and Lighting Consultant, Alexander J. Litwornia, P.E. of Litwornia & Associates has reviewed the application and has reported to the Board by his reports of March 21 and April 26, 2011, which are on file with the Absecon Planning Board; and

WHEREAS, the following additional findings of fact and conclusions are made at this time:

1. Application. This application proposes preliminary and final amended site plan approval and age restriction conversion of a project formerly known as the Pinnacle Club at Absecon which received site plan approval for the construction of an age restricted housing complex. The northern portion of the building has already been partially constructed. The Applicant proposes to amend the previously approved site plan and to remove the age restriction pursuant to N.J.S.A. 45:22A-66.3 et seq. (the Sarlo Bill or the Conversion Law).

2. Preliminary and Final Approvals. This project previously received preliminary site plan and variance approval on May 24, 2005, under application number 4-2005. The project received final site plan approval on November 22, 2005, under Application Number 10-2005. The project also received amended site plan approvals on October 15, 2008, and July 27, 2010. The project as approved would include the construction of 85 units which would be located within lot 1 of block 161. Of these units, 77 would be located in a single "L" shaped building and 8 would be townhouses to be constructed along Church Street. 94 parking spaces will be included. As a result of the prior site plan amendments, upgrading and improvements to the facade of the existing north wing were approved as was the addition of the decks / balconies, the addition of the amenities in the basement, moving the 8 Church Street townhouses from Phase 2 to Phase 1, and moving the future south wing of 37 units to Phase 2.

3. Documents and Submissions. In addition to the plans and documents referred to above, the following additional documents and submissions were submitted for review:

- a. City of Absecon Planning Board Application for Land Development dated February 22, 2011;
- b. Supplement to Application prepared by Richard DeLucry, Esquire, of Hill Wallack, LLP;
- c. Traffic Engineering Analysis prepared by Shropshire Associates, LLC, dated February 10, 2011;
- d. Stormwater Management Report prepared by Marathon Engineering dated November 19, 2010, and revised December 15, 2010;

- e. Fiscal Impact Analysis prepared by Richard B. Reading Associates dated December 31, 2010;
- f. Analysis of Compliance with Requirements of the Sarlo Bill prepared by Richard DeLucry, Esquire, of Hill Wallack, LLP;
- g. Correspondence dated August 23, 2010, from New Jersey American Water Company to Jason T. Sciullo, PE, of Marathon Engineering and Environmental Services, Inc.;
- h. Correspondence dated August 23, 2010, from the Atlantic County Utilities Authority to Jason Sciullo, PE, of Marathon Engineering and Environmental Services, Inc.;
- i. Correspondence dated March 8, 2011, from Richard F. DeLucry, Esquire, of Hill Wallack, LLP, to Absecon Planning Board Secretary Tina Lawler;
- j. Correspondence date March 9, 2011, from Absecon City Fire Company Number 1 Chief Butch Stewart;
- k. Memo from Absecon City Fire Department Chief Butch Stewart to the Absecon Planning Board regarding approved revisions;
- l. Correspondence dated March 22, 2011, from Absecon Police Department Chief Joseph J. Cowan;
- m. Handout prepared by Joseph A. Courter, Jr., A.I.A.;
- n. 2010 and 2011 Northfield School District Budgets and Room Inventories for the Marsh Elementary School and Attales Middle School;

- o. Outline of Power Point Presentation entitled Opposition to Lifting the Age Restriction / Absecon Gardens prepared by Eileen Muskett;

4. Notice Provided. Public notice in accordance with N.J.S.A. 40:55D-12 was provided by the Applicant. In addition, although pursuant to N.J.S.A. 40:55D-12 the Applicant is entitled to rely upon the information contained in such list, the Applicant found an apparent discrepancy in the tax list provided by the City and provided notice to additional property owners who appeared to be within or near the 200 foot boundary. Also, the Applicant had previously invited members of the public to sign a list of people requesting notice and notice of the hearing was also provided to these individuals although outside the required 200 foot notice area.

5. Applicant. The Applicant is Boardwalk Development and Design Company, LLC, with an address of 9615 Ventnor Avenue, Margate, NJ. Anthony Cappuccio holds a 100% interest in the Applicant.

6. Hearing. Appearing on behalf of the application was Richard F. DeLucry, Esquire, of Hill Wallack, LLP, attorneys at law. Testifying on behalf of the application were:

- a. Jason Sciullo, PE, of Marathon Engineering and Environmental Services, Inc.;
- b. Austin J. Gerber, R.A., of SOSH Architects;
- c. Nathan B. Mosley, P.E., C.M.E., of Shropshire Associates;
- d. David R. Shropshire, P.E., P.P., of Shropshire Associates;
- e. Richard B. Reading of Richard B. Reading Associates;
- f. Richard Baehrle of Prudential Fox and Roach Realtors;
- g. Brian Meyers, Project Construction Manager;

- h. Anthony Cappuccio, Principal of the Applicant Boardwalk Development and Design Company, LLC;
- i. Thomas J. Sykes, A.I.A., P.P., of SOSH Architects; and
- j. Lance B. Landgraf, Jr., P.P., A.I.C.P., of Marathon Engineering and Environmental Services, Inc.

7. Exhibits. During the hearing the Applicant submitted the following exhibits:

- A-1 Colored Rendering of the Site;
- A-2 Construction Phasing;
- A-3 Construction Phasing;
- A-4 Construction Phasing;
- A-5 Construction Phasing;
- A-6 Construction Phasing;
- A-7 Aerial Prospective
- A-8 Turning Movement Plan;
- A-9 Revised Site Plan;
- A-10 Revised Phasing Plan;
- A-11 Revised Sheet A1-101;
- A-12 Revised Sheet A-111;
- A-13 Further Revised Sheet A-111;
- A-14 Chart of Sarlo (Conversion Law) Compliance.

8. Public Comments and Questions. A number of members of the public presented comments and questions, primarily in opposition to the conversion of the project from age restricted housing to non-age restricted housing. Significant concern was expressed regarding the impact on the school system, as well as concern regarding the potential for crime, parking and traffic problems, and a potential for overall negative impacts on the community. Providing comments and questions were:

- a. Eileen Muskett presented a power point presentation entitled Opposition to Lifting the Age Restriction - Absecon Gardens and expressed her belief that the conversion would result in a substantial detriment to the public good, in particular to the school system;
- b. Robert Kusnirik testified that based upon his real estate sales and management experience that there is, in fact, a market for age restricted housing and that the conversion would result in a substantial detriment; he also expressed concerns regarding the number of bedrooms, traffic concerns and school budget issues;
- c. Joseph Courter, an architect, testified regarding the bedroom count and the square footage calculation and generally regarding the detriment which he believed would result from the conversion;
- d. Charles Coyle opposed the removal of the age restriction;
- e. Susan Rasera expressed concern regarding the potential noise, traffic and trash;
- f. Tula Christopoulos opposed removing the age restriction;

- g. Carey Yakita expressed concern regarding the narrow streets around the project and the potential for additional traffic problems;
- h. Wayne Korte believes that the project will become a center for drug dealing;
- i. Stanley Weiner praise the work that the Applicant has done so far to improve the building;
- j. Emily Guarriello wanted an ethics committee to investigate the application process;
- k. Judy Courter inquired what mechanism would be available to enforce the bedroom count and asked the Applicant why the conversion is being sought;
- l. Barbara Brown expressed the belief that there is a market for 55 and older which has not been reached and also that the project will not help business on New Jersey Avenue; she also expressed concern regarding an increase in crime and drew a comparison with other developments;
- m. Joseph Potkay explained that he is terrified of the impact to the Absecon school system;
- n. Gary Morfitt is a member of the Methodist Church and testified that there is a parking problem on Church Street;
- o. Louise Speitel testified against the project and expressed concerns regarding enforcement;

- p. Christopher Paxson inquired regarding the classroom availability in the schools;
- q. Edward Mogan testified that his daughter's house has more amenities than the proposed development;
- r. Alex Corkhill expressed concern about the number of children going to public high schools;
- s. Debra Silver inquired regarding special education children and the cost thereof;
- t. Eileen Kusnirik inquired regarding the availability of any affordable units to local people.

9. Testimony Requested by the Planning Board. The Planning Board requested the testimony of Absecon School Superintendent James A. Giaquinto and Absecon Chief of Police Joseph J. Cowan. Superintendent Giaquinto testified in detail regarding the present enrollment of the Absecon school system, the available capacity of the system for additional students, the enrollment trends and the cost associated with both the school system and with the sending of high school students to Pleasantville High School or to other public high schools. Superintendent Giaquinto testified regarding the severe financial constraints which impact the operation of the school district, including the need for staff reductions in recent years. Nevertheless, he testified that based upon the projection of 9 elementary school students by the Applicant's expert or the projection of the possibility of 27 such students by the Board Planning Consultant, the Absecon school system could accommodate such additional students within its additional physical capacity and likely without hiring additional teaching staff. Police Chief Cowan testified that he would

be unable to project additional crime or a disproportionate impact on the Police Department resulting from the conversion of the project from age restricted to non-age restricted. He testified that any development, whether age restricted or not, would result in additional police calls.

10. Site Plan Amendment. This Applicant proposes to expand the project to include lot 8 of block 160, which is located within the Redevelopment Area, but which was not included in the original approval. Lot 8 will be consolidated with lot 1. This Application proposes to relocate Mechanic Street and to incorporate a portion of the prior right of way of Mechanic Street into the project. The total number of units would be reduced from 85 units to 74 units. Forty units would be located in the already constructed northern portion of the previously approved "L" shaped building and 8 townhouses would be located along Church Street. These 48 units constitute Phase 1. The Applicant is also proposing a Phase 2 which would include four (4) two (2) bedroom townhouses, two (2) two (2) bedroom flats and two (2) one (1) bedroom flats to be located adjacent to Mechanic Street. Phase 3 is proposed to include seven (7) two (2) bedroom townhouses on School Street and four (4) two (2) bedroom townhouses on New Jersey Avenue. Phase 4 will include seven (7) two (2) bedroom townhouses located on New Jersey Avenue adjacent to the relocated Mechanic Street intersection with New Jersey Avenue. The project site is being increased from 2.4 acres to 2.8 acres. The number of parking spaces is being increased from 94 parking spaces to 161 parking spaces. The area dedicated to recreational amenities is being increased from 6,322 square feet to 7,134 square feet and a pool is being added. The number of bedrooms is being decreased from 151 bedrooms to 141 bedrooms.

11. Architecture. The architectural design, as well as the materials and finishes, are substantially improved from the original approval.

12. Stormwater Management. The stormwater management system has been designed to be consistent with the requirements set forth in the Absecon City Code in Chapter 224, Article XXXII. In addition, the stormwater management system satisfied the requirements of Section 158H relative to the issue of increasing infiltration, a reduction in peak runoff rates and also provides the necessary water quality measures. In addition, the stormwater management system is designed to address the applicable New Jersey Department of Environmental Protection stormwater regulations. Technical revisions are, however, required as more specifically set forth in the report of the Planning Board Consulting Engineer.

13. Traffic Circulation. The revised site plan now provides for the realignment and widening of Mechanic Street for access to an internal 54 space surface parking area from either New Jersey Avenue or School Street. The parking lot is surrounded by townhomes fronting on New Jersey Avenue and School Street. Previously, the development included a 56 space surface parking lot which would be visible from New Jersey Avenue. Onsite circulation as now proposed is an improvement over the previously approved plan with the additional access from School Street, the screening of this surface parking lot from the adjoining streets and, in particular, the realignment and widening of Mechanic Street. The Applicant proposes to realign Mechanic Street so that it intersects the New Jersey Avenue at a 90 degree intersection, rather than the prior angle. This realignment of the mechanic street intersection has been a goal of the Redevelopment Plan. The concerns raised by the Fire Department concerning emergency access to the site have been addressed by the Applicant in cooperation with the Fire Department. The Applicant will continue to work with the Fire Department to ensure adequate turning movements for fire and other emergency response vehicles.

14. Landscaping. The Applicant has substantially complied with the intent of the requirements for landscaping. The Redevelopment Plan in Section 6.2.5 incorporate the landscaping requirements of Section 224-78 and Section 224-129B. However, the quantity of landscaping material required by Section 224-129B would only be appropriate for single family dwellings and it would not be practical for this project. The Planning Board has previously recognized such impracticality and a design waiver is appropriate. The Applicant has improved and upgraded the landscaping plan from the original approval and the upgraded and improved landscaping represents an aesthetic benefit. However, a number of mature trees which in the original approval were intended to be protected during construction and preserved, were lost as a result of the inappropriate actions of the original developer. Although the loss of these mature trees is not the fault of this Applicant and it is impractical to directly replace such mature trees, the Applicant can mitigate the impact on the neighborhood by such loss and the Applicant will work with the Planning Board Consultant Planner to increase the size of the replacement trees to the fullest extent practical.

15. Bedroom Count. In accordance with N.J.S.A. 45:22A-46.8c the Applicant may not exceed the 151 bedrooms contained in the original approval. Although the Applicant has represented that there are only 141 bedrooms proposed, the floor plans include 34 other rooms variously described as offices, media rooms or the like. Although the Applicant has represented that there is no intention to market these other rooms as potential bedrooms, the Applicant's originally proposed floor plans would have easily facilitated such bedroom use, thereby having the potential to significantly increase the number of bedrooms and exceed the permitted 151 bedrooms. The Applicant has, however, undertaken substantial revisions to the floor plans in

order to minimize the potential for such conversions. These physical alterations in the floor plans are in addition to the restrictions which will be set forth in the recorded deed restrictions for the future owners. The primary revision in the floor plans has been to remove from such other rooms the ability of the occupants to access a full bathroom without entering another bedroom. The Applicant will also adjust the doorways and doors to such rooms to avoid full privacy for such rooms and thereby minimize the potential for use as bedrooms. The details of these revisions remains subject to the review and approval of the Planning Board Consulting Planner. These modifications to the floor plans and the provisions to be included in the condominium documents and a recorded deed restriction, when combined, are deemed adequate to sufficiently limit the potential for the conversion of these other rooms into bedrooms and accordingly the Planning Board finds that the number of bedrooms will not exceed the permitted bedroom count of 151.

16. Conversion from Age Restricted to Non-Age Restricted. The original approval was granted pursuant to the Redevelopment Plan adopted by the Absecon City Council on February 19, 2004. The Applicant proposes to convert the project to non-age restricted housing pursuant to N.J.S.A. 45:22A-46.3 et seq. known as the Sarlo Bill or the Conversion Law. N.J.S.A. 45:22A-46.6c provides that if the requirements of the Conversion Law are satisfied and the conversion can be granted without substantial detriment to the public good and without substantial impairment to the intent and purpose of the zone plan and zoning ordinance, the application for conversion "shall be approved."

17. Phasing Plan. The Application proposes construction in four (4) phases. Phase 1 will include the completion of the existing forty (40) unit building which is partially constructed. It will also include the construction of the eight (8) townhouse units fronting on

Church Street. Phase 2 has two (2) parts, Phase 2A and Phase 2B, and includes substantial site work. Phase 3 will include the construction of the townhouse units fronting on School Street and four (4) of the townhouse units fronting on New Jersey Avenue. Phase 4 will include the construction of the remaining seven (7) townhouse units fronting on New Jersey Avenue which will require a change in the applicable zoning.

18. Zoning. The Redevelopment Plan provided different permitted uses for Parcels 1, 2 and 3. The project as originally approved was located entirely within Parcel 1 which permits the residential use. However, Parcels 2 and 3 which have now been incorporated within the project do not permit the residential use. Accordingly, the seven (7) townhouse units which are located all or partially within Parcel 2 are subject to the requirement of a zoning change. Also, the existing building was constructed by the prior developer in violation of the applicable height limitation. The Applicant must obtain an amendment to the Redevelopment Plan, a change in the applicable zoning, or modify the building to conform.

19. Conversion Eligibility Pursuant to N.J.S.A. 45:22A-46.5. This Applicant meets the conditions set forth in N.J.S.A. 45:22A-46.5a for change to a converted development:

- (1) The original final approval for the project was granted November 22, 2005, which is prior to the effective date of the Conversion Law;
- (2) Neither the original nor the present developer is holding a deposit for or has conveyed any dwelling unit within the development; and

- (3) The Applicant has agreed that 20% of the units in the development will be provided as affordable units in accordance with the regulation promulgated by the Council on Affordable Housing pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301 et seq. Although the Applicant has indicated an intent to approach Absecon City Council to suggest an in lieu contribution or other alternative to the actual construction of all or a portion of the required affordable units, nevertheless the Applicant has agreed that the required affordable units will be provided unless an appropriate and acceptable alternative is agreed to by Absecon City Council.

20. Site Improvement and Infrastructure Requirements for a Converted Development.

N.J.S.A. 45:22A-46.6b sets forth the site improvement and infrastructure requirements which must be documented in order for an Applicant to receive amended approval for a converted development. The Applicant has adequately documented compliance with these site improvement and infrastructure requirements as follows:

- (1) The site meets the residential site improvement standards set forth in N.J.A.C. 5:21-4.14 through 4.16. The original application required 157 parking spaces, but relief was granted by the Planning Board to allow only 94 parking spaces. This Applicant now requires 155 parking spaces

and 161 parking spaces are provided which meets the requirements of the Residential Site Improvement Standards.

- (2) This Application has revised the recreation improvements and other amenities to meet the needs of a converted development. In fact, the recreation improvements and other amenities have been substantially upgraded to now include significant community recreation space, a full gym, an outdoor pool, video security and prewiring for the alarm, internet phone and video. Based upon the testimony presented on behalf of the Applicant regarding the targeted market for this project, recreation amenities specifically targeted to children would not be appropriate and are not required.
- (3) The water supply system is adequate as determined pursuant to N.J.A.C. 5:21-5.1 to meet the needs of a converted development. The Applicant has provided documentation from the New Jersey American Water Company confirming an adequate water supply capacity.
- (4) The capacity of the sanitary sewer system is adequate to meet the projected flow requirements of a converted development pursuant to N.J.A.C. 7:14A-23.3. The

Applicant has provided documentation from the Atlantic County Utilities Authority confirming that there is adequate capacity in the sanitary sewer system to meet the projected flow requirements of the project.

- (5) This provision is not applicable since additional water supply or sewer capacity is not needed.
- (6) This provision is not applicable since adequate parking is being provided.
- (7) Additional parking has been provided and the stormwater management system calculations and improvements have been acceptably revised as set forth in the stormwater report prepared by Marathon Engineering and Environmental Services.

21. Permitted Site Plan Revisions. In accordance with N.J.S.A. 45:22A-46.8 the layout of the previously approved site plan may be reasonably revised to accommodate additional parking, different recreation improvements and other amenities, infrastructure enhancements, a needed reduction in the number of units, height requirements, revision to dwelling footprints that do not modify square footage of the development or the individual dwellings, or a needed change to construct the affordable units as attached housing. The size, height, floor area ratio, number of bedrooms and total square footage of buildings established as part of the prior approval for the age restricted development shall not be increased, except for the number of bedrooms for the affordable units only may be increased. The site plan has been reasonably revised. In particular,

the Applicant has significantly increased the number of parking spaces and has also significantly upgraded the recreation improvements and other amenities. The total building square footage of the project as previously approved as age restricted housing was 153,140 square feet. This has now been slightly reduced to 153,000 square feet. The number of bedrooms previously approved was 151 and the Applicant now proposes a reduction to 141 bedrooms. The Planning Board does, however, note that compliance with the prohibition on an increase in the number of bedrooms is based upon the testimony presented by the Applicant that the additional rooms which may be labeled as offices, media rooms or the like will not be marketed as bedrooms or as rooms which may be converted to bedrooms. In addition, the association documents must contain acceptable provisions which will effectively restrict the future conversion of any room not approved as a bedroom into a bedroom or the conversion of any garage or portion of any garage into a bedroom. Also, the Association documents must contain acceptable provisions which will ensure that the garages remain available and usable for the parking of automobiles. Adequate provisions must be included to allow enforcement of such restrictions by the Association and granting the City of Absecon, the right, but not the obligation, to also enforce such provisions. Such provisions must not be subject to future alteration, modification or suspension by the Association or its members unless approved by the City of Absecon.

22. School Impact. In accordance with N.J.S.A. 45:22A-46.6c the Planning Board is obligated to approve the conversion if the requirements of N.J.S.A. 45:22A-46.3 have been satisfied and if the conversion can be granted without substantial detriment to the public good and without substantial impairment to the intent and purpose of the zone plan and zoning ordinance.

With respect to a potential detriment to the public good, a major concern is the impact on the Absecon School District and the school system. In this regard, the Applicant has submitted a Fiscal Impact Analysis by Richard B. Reading and the testimony of Richard B. Reading. In addition to the Fiscal Impact Analysis prepared by Mr. Reading, Board Consultant Planner Robert L. Reid prepared an independent analysis of the impact on the Absecon School District and school system using a different methodology. The Reading Fiscal Impact Analysis used standard demographic multipliers and estimated that the project would generate 9 public school children which would have a current tax supported cost amounting to 93,380.00, but found that these costs would be fully offset by the school district tax revenues of \$144,490.00. He also found a positive fiscal impact for municipal operations and county operations. Planning Board Consulting Engineer Robert L. Reid prepared an analysis for the Planning Board based upon the existing Oyster Bay, California Hill Development and the Absecon Village Townhouses presently existing within the City of Absecon. His analysis resulted in an estimate of 27 elementary students and 9 high school students. In his opinion, however, the actual number of students to be generated would most likely be somewhere in between the number projected by the Applicant and the number estimated from the local statistics. Mr. Reid also analyzed the available capacity within the Attales Middle School and Marsh Elementary School and found available capacity to absorb the additional students likely to be generated by this project, whether based upon the Applicant's calculation or his own, without significant additional cost. Also, his analysis found that the additional cost to the Absecon School District for the potential number of high school students who would likely elect to attend a public high school would be off set by the additional tax revenue generated for the district.

Absecon School Superintendent James A. Giaquinto testified in detail regarding the operation of the District, the severe financial constraints already effecting the District, and the potential impact of additional development such as this project. Assuming the relatively even spread of students, it is likely that the additional students generated by this project could be absorbed within the existing classes without the creation of additional classes. Also, because of the financial constraints affecting the district, it would be unlikely that any additional teaching staff could be hired, even if desired. Although not optimum, the existing class sizes could, if necessary, be slightly increased without a significant negative impact on the teaching environment. With respect to the cost incurred by the District for Absecon high school students who elect to attend a public high school, the trend has been significantly upward in cost and is likely to continue to increase. However, it appears that the additional tax revenue to be generated for the District by this project would be adequate to cover the likely cost for Absecon high school students.

23. Absence of Substantial Detriment to the Public Good. Overall the amenities being provided by the Applicant are now substantially improved from those originally proposed. The Applicant has elected not to provide amenities specifically targeted to young children, such as a tot lot, based upon its intent to market to different demographics. Therefore, the absence of a tot lot or similar amenities is reasonable. Concern was expressed by a number of residents concerning the potential for an increase in crime, but this concern is not supported by the testimony of Police Chief Joseph J. Cowan or other credible evidence. The Planning Board cannot make a finding of a substantial detriment to the public good by mere reliance upon speculation or inappropriate conjecture concerning the character of the future residents. Although

the project is located in an older area of Absecon with narrow streets, the increase in traffic likely to be generated by the conversion from age restricted to non-age restricted has been analyzed in the traffic study provided by the Applicant's traffic consultant Shropshire Associates and accepted by the Planning Board's Traffic Consultant Alexander J. Litwornia. The study found and the Board accepts that the anticipated traffic from the proposed development will have only a minimal impact on the adjacent roadways and intersections. In addition, the traffic engineering assessment analyzed the parking being provided for the converted project and the Planning Board Traffic Consultant agrees that the Applicant is providing an adequate number of parking spaces and the Planning Board so finds. Also, concerns were expressed regarding increased noise, trash and similar negative impacts which could be generated if the project is converted from age restricted to non-age restricted. However, there is no factual basis for such an assumption other than conjecture and the Board finds that any such increase, if present, would not be so significant as to constitute a substantial detriment to the public good. Some members of the public disputed the Applicant's inability to successfully market the project as age restricted and, therefore, questioned the appropriateness of the application for conversion. However, the testimony of both the Applicant's real estate expert Richard Baehle and the Applicant's principal Anthony Cappuccio that it is not practical to market the project as age restricted is accepted by the Planning Board as credible. Additionally, however, the New Jersey State Legislature made a finding in N.J.S.A. 45:22A-46.3 that there is an oversupply of age restricted housing approvals and deteriorating economic conditions.

Accordingly, the Planning Board finds that, although there is a possibility of some detriment to the Absecon School District and school system resulting from the conversion, such

detriment cannot be found to be a substantial detriment. The legislature did not provide the authority for the Planning Board when reviewing a conversion application to make an independent evaluation and determination of the housing market and instead provided that the Planning Board must approve the conversion if the statutory requirements are satisfied. The provision in N.J.S.A. 45:22A-46.11, which would permit the Planning Board to extend the deadline for a conversion application, is not relevant to this application.

24. Absence of Substantial Impairment to the Zone Plan and Zoning Ordinance.

N.J.S.A. 45:22A-46.6c requires that the conversion from age restricted to non-age restricted will not substantially impair the intent and purpose of the zone plan and zoning ordinance.

The site is located within the RA1-Central Business District Redevelopment Area which was established by the Absecon City Council in a Redevelopment Plan adopted on March 4, 2004. On December 20, 2007, the Absecon Zoning Map was revised to show the subject property in the RA1-Central Business District Redevelopment Area with the prior C-1 District and prior Senior Citizen Housing Community Overlay District B removed as alternative zoning controls for the area. It had not previously been clear whether the Redevelopment Plan was intended to entirely supercede the prior Senior Citizen Housing Community Overlay District B and accordingly the 2005 approval was based upon compliance with both the requirements of the Redevelopment Plan and the Senior Citizen Housing Community Overlay District B. Also, although developed in accordance with the provisions of the Redevelopment Plan, the Applicant did not seek and the City of Absecon did not require that the Applicant be named as a redeveloper and enter into a redevelopment agreement with the City. Accordingly, there never was a redevelopment agreement executed with respect to this project.

As set forth in Section 2.0 Historical Review in the Redevelopment Plan the Absecon Mayor and Council originally directed the Planning Board to undertake a Preliminary Investigation to determine whether the City's central business district and surrounding areas met the criteria established in the Redevelopment Statute for Redevelopment Area designation. It states that the Mayor and Council issued such directive in response to a persistent loss of retail establishments in the City's Central Business District. Section 4.4 of the Redevelopment Plan explains that the Plan is expected to benefit businesses in the downtown shopping district primarily by "providing for an increased customer base in the area." Although this project does not address the other goal of the Redevelopment Plan to provide additional public parking for the downtown shopping district, it clearly addresses the primary goal of providing for the increased customer base in the area. Although the Redevelopment Plan provided for age restricted housing, the development of this project as non-age restricted housing will still be consistent with the goal of providing housing adjacent to the downtown shopping district and thereby helping to reinvigorate the area. Accordingly, the Planning Board finds that the conversion of the project from age restricted to non-age restricted housing will still address a primary goal of the Redevelopment Plan and, therefore, will not substantially impair the intent and purpose of the zone plan and zoning ordinance.

25. Variances. No variances are required. The Applicant had initially submitted an application for a variance pursuant to N.J.S.A. 40:55D-70c for a proposed sign, but the request has been withdrawn and no variances are required. Neither the height of the existing building which exceeds the permitted height, nor the placement of townhouses in Parcel 2 of the Redevelopment Area which does not permit residential uses, are subject to variance relief under

N.J.S.A. 40:55D-70 and instead require relief in accordance with the Redevelopment Plan which is within the jurisdiction of the Absecon City Council.

26. Waivers. Various design waivers, including parking stall size and landscaping, are required and are approved. Various submission waivers, including an environmental impact statement and a block model, are required and are approved. The required waivers are more specifically set forth in the reports of the Planning Board Professional Consultants.

27. Satisfaction of Conditions. The Applicant will comply with all outstanding conditions of the Board Consultants set forth in the report of the Consulting Engineer Andrew Previti, P.E. dated March 17 and April 19, 2011; Consulting Planner Robert L. Reid, P.P., dated March 4, March 21, and April 4 (updated April 25), 2011; and Traffic Consultant and Lighting Consultant Alexander J. Litwornia, P.E., dated March 21 and April 26, 2011, and all representations made on behalf of the applicant during the hearing and will submit any required revised plans or other documents within 180 days from the date of this Decision and Resolution for the review and approval of the Board Consultants, and specifically these conditions include, but are not limited to the following:

- a. The Applicant must resolve the existing building height violation by an amendment to the Redevelopment Plan or such other form of relief as may be available to the Applicant. In the alternative, The Applicant must modify the building height to eliminate the violation. In the event that the Applicant proposes to modify the building in any manner, such modification is subject to the review of the Planning Board Consulting Planner and if the Consulting Planner deems the proposed modification to

have a substantial impact on the design of the building, the modification will be subject to the review and approval of the Planning Board.

- b. The proposed townhomes located within Phase 4 of the project may not be constructed unless the applicable zoning is modified so as to permit this use.
- c. The Applicant is required pursuant to N.J.S.A. 45:22A-46.5a(3) to agree that 20% of the units in the development will be provided as affordable units in accordance with the regulations promulgated by the Council on Affordable Housing pursuant to the Fair Housing Act N.J.S.A. 52:27D-301 et seq. The Applicant has agreed to provide such 20% affordable units, but has indicated its intent to seek approval from the Absecon City Council so as to permit the payment to the City of an in lieu contribution rather than the actual construction of affordable units. Unless the City of Absecon approves an appropriate alternative to the construction of affordable units, the Applicant must construct the affordable units. If constructed, 20% of the project's 74 units are required to be affordable. This would be 15 units. The affordable units should be evenly distributed throughout the 40 unit building in Phase 1. If affordable housing is constructed, the Applicant must provide such housing in accordance with the requirements of the Council on Affordable Housing and all other appropriate housing standards and must reimburse the City of Absecon for any administrative services associated with such housing.

- d. The required condominium and association documents remains subject to review and approval by the Planning Board Professional Consultants and Planning Board Attorney. These documents must adequately address the prohibition on the conversion of other rooms or garages into bedrooms and must provide adequate penalties and enforcement procedures, as well as the right, but not the obligation, of the City of Absecon to also enforce such restriction. A restriction will be provided which prohibits the rental of units for at least the first three years after the initial sale of the unit and such restriction shall not be subject to removal or modification without the consent of the City of Absecon. A restriction must be provided prohibiting the parking of recreational vehicles, boats, trailers or the like on site in order to preserve the available parking spaces. Also, a provision must be provided requiring that the garages remain available and usable for the parking of automobiles.
- e. The site now includes both lot 1 of block 161 and lot 8 of block 160 and the Applicant is required to file a deed of consolidation. The form of such deed is subject to the review and approval of the Planning Board Attorney and the recording of such deed of consolidation and the providing to the Planning Board Secretary of evidence of such recording are conditions of this Approval.
- f. The project includes the proposed vacation of a portion of Mechanic Street and the relocation of Mechanic Street at the intersection with New Jersey

Avenue. The vacation is subject to approval by the Absecon City Council. A dedication of right of way to the City for the relocation of Mechanic Street is also required.

- g. The original approval required an 8.5 foot strip to be reserved for future road widening along both School Street and Church Street. If not addressed, this remains a continuing condition.
- h. The Applicant has provided a stormwater management facility maintenance manual and the manual adequately addresses the stormwater requirements of the New Jersey Department of Environmental Protection as well as the requirements of the Absecon City Code. The stormwater management facility maintenance manual must be incorporated in a recorded deed restriction or similar document, the form of which remains subject to the review and approval of the Planning Board Professional Consultants and Planning Board Attorney. The recording of the document and the providing of appropriate evidence of such recording to the Planning Board Secretary are conditions of this approval.
- i. The Applicant provided testimony that the "target buyers" of units will be a mix of "young professionals, empty nesters and second home buyers." The Applicant will, as a continuing condition of this approval, provide a good faith effort to market the units in accordance with such representation.

- j. The Applicant has proposed construction in 4 phases. Each subsequent phase will not begin construction until at least 50% of the units in the prior phase have been completed and sold. Such 50% requirement is subject to possible modification by the Planning Board. Construction of Phase 4 may not proceed unless and until the applicable zoning for that area is modified.
- k. The project will require an amended Treatment Works Approval from the New Jersey Department of Environmental Protection for the extension and the relocation of the sanitary sewer system. That Applicant is required to be made in conjunction with the City of Absecon.
- l. All site improvements and landscaping applicable to each phase must be completed before a certificate of occupancy can be issued for any units in such phase.
- m. There is a potential for headlight glare from oncoming vehicles entering realigned Mechanic Street from New Jersey Avenue to adversely affect the residents on lot 6 of block 161. The Applicant is required to approach and offer to the owner of lot 6 the planting of an evergreen hedgerow on lot 6 along the property line. The design and adequacy of such landscaping remains subject to the review and approval of the Planning Board Consulting Planner.
- n. The architectural construction plans to be submitted to the City construction office remains subject to the review and approval of the

Planning Board's Planning Consultant for consistency with this approval. In the event of any substantive inconsistency between the plans submitted for construction and the plans reviewed by the Planning Board for this approval, the change will be subject to the review and approval of the Planning Board. This approval is based, at least in part, upon the specific architectural design, as well as the specific materials and finishes, proposed by the Applicant.

- o. To the extent permitted, in the event that affordable housing units are provided by the Applicant, a preference shall be given for occupancy for up to 50% to those households having members who work or reside in the City of Absecon. In addition, any affordable housing units being provided must be evenly distributed throughout the project and the phases of the project.
- p. The Applicant has agreed to comply with the recommendations of the Planning Board Consulting Engineer, the Planning Board Consulting Planner, and the Planning Board Traffic Consultant.

28. Payment of Taxes and Fees. This approval is conditioned upon payment of all taxes and assessments on the subject property and the payment of all application fees and escrows.

29. Compliance With Approval. This approval is based upon the full and diligent adherence by the Applicant to all representations made to the Board. Any failure of the Applicant or the Applicant's successors or assigns to fully adhere to all of the provisions of this approval and

all representations made by or on behalf of the Applicant, directly or indirectly, in the hearing or in the application documents, may be deemed to be a material breach of this approval. Such a breach will constitute a violation of the Development Ordinance and the City may remedy such violation by the withholding of building permits, certificates of occupancy, continuing certificates of occupancy, or any other permit, approval or certificate for the property which is the subject of this approval. In addition, the City may seek the imposition of fines or penalties pursuant to the Development Ordinance or may pursue any other remedy available to it at law or in equity, including an action in the Superior Court to enjoin such violation or to compel performance or compliance.

30. Other Approvals. The Applicant shall comply with all federal, state and local laws, rules and regulations and shall obtain any and all other necessary government approvals required for this approval. If as a result of the review by any other governmental agency there is any change in the approval by this Board or any modification of any statement or representation made by or on behalf of the Applicant, the Applicant must notify the Board and the Board shall have the right to review that issue as it may relate to or impact this approval and the Board may modify or amend this approval as appropriate. Approvals which may be required include, but are not necessary limited to, the following:

- a. Cape Atlantic Soil Conservation District;
- b. New Jersey Department of Environmental Protection Treatment Works Approval;
- c. New Jersey Department of Environmental Protection Coastal Area Facilities Review Act Permit (Amended);

- d. New Jersey Department of Community Affairs (public offering statement and condominium documents).

31. Enforceability. All references in this Decision and Resolution to the Applicant shall, where appropriate for the context, also mean the Applicant's successors or assigns. If any provision of this Decision and Resolution or the application thereof shall be held to be invalid or unenforceable to any extent, the remainder of this Decision and Resolution shall not be affected thereby and shall remain enforceable to the fullest extent of the law.

32. Prior Approvals. To the extent not inconsistent herewith, all terms and conditions of the prior decisions and resolutions for preliminary approval, final approval and amended site plan approval are incorporated as if set forth at length herein.

33. Performance Guarantee. This preliminary and final amended site plan approval and conversion approval is conditioned upon the review and approval by the City Engineer of an appropriate engineer's estimate for the cost of the site improvements. Such estimate to be submitted by the Applicant. Acceptable performance guarantees and inspection escrows must be posted in accordance with N.J.S.A. 40:55D-53.

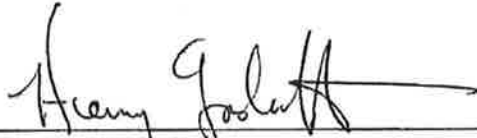
34. Effect of Approval. This preliminary and final amended site plan approval confers upon the Applicant the rights set forth in N.J.S.A. 40:55D-52, subject to compliance with the outstanding conditions of this approval. Zoning requirements and all other rights conferred upon the Applicant pursuant to N.J.S.A. 40:55D-52, whether conditionally or otherwise, should not be changed for a period of two (2) years after the date in which this Resolution is adopted. However, if the Applicant has followed the standards prescribed for final approval, the Planning Board may extend such a period of protection in accordance with N.J.S.A. 40:55D-52.


35. Conversion. For the reasons set forth in detail in the testimony presented on behalf of the application and the documents submitted in support of the application, as well as the testimony and reports of the Planning Board Professional Consultants, the previously approved age restricted development is changed to a converted development which is no longer age restricted and may be marketed with no age restrictions.

NOW, THEREFORE, BE IT DECIDED AND RESOLVED by the Planning Board of City of Absecon that this application for Preliminary and Final Amended Site Plan Approval is granted, subject to the conditions set forth above, by a vote of five (5) in favor and one (1) opposed.

NOW, THEREFORE, BE IT FURTHER DECIDED AND RESOLVED by the Planning Board of the City of Absecon that this application for Approval of the Conversion of an Age Restricted development to a converted development which is no longer age restricted is granted, subject to the conditions set forth above, by a vote of four (4) in favor and two (2) against.

DATED: 6-14-11


Henry Gorohoff, Chairman


Tina Lawler, Board Secretary

RE: Boardwalk Development and Design Company, LLC (Absecon Gardens)
Preliminary and Final Amended Site Plan Approval
Age Restriction Conversion
Richard F. DeLucry, Esquire

SITE PLAN:
VOTING IN FAVOR:
Elco, Thomas, Dey, Howell, Gorohoff

OPPOSED:
Cicccone

RECUSED:

CONVERSION:
VOTING IN FAVOR:
Elco, Thomas, Dey, Gorohoff

OPPOSED:
Cicccone, Howell

RECUSED:

NOT FOR PUBLICATION WITHOUT THE
APPROVAL OF THE APPELLATE DIVISION

SUPERIOR COURT OF NEW JERSEY
APPELLATE DIVISION
DOCKET NO. A-4344-11T4

JOSEPH A. COURTER, JUDITH M.
COURTER, BUD NOBLE, EMILY
GUARRIELLO and SHIRLEY LATHBURY,

Plaintiffs-Appellants,

v.

ABSECON PLANNING BOARD and BOARDWALK
DEVELOPMENT AND DESIGN COMPANY, LLC,

Defendants-Respondents.

Argued February 12, 2013 - Decided June 6, 2013

Before Judges Fisher, Alvarez and St. John.

On appeal from the Superior Court of New
Jersey, Law Division, Atlantic County,
Docket No. L-7705-11.

Jeffrey I. Baron argued the cause for
appellants (Baron & Brennan, P.A.,
attorneys; Mr. Baron, of counsel and on the
briefs; Jeffrey M. Brennan, on the briefs).

Michael J. Fitzgerald argued the cause for
respondent Absecon Planning Board
(Fitzgerald, McGroarty & Malinsky, P.A.,
attorneys; Mr. Fitzgerald, of counsel and on
the brief).

Richard F. DeLucry argued the cause for
respondent Boardwalk Development and Design
Company, LLC (Cooper Levenson April
Niedelman & Wagenheim, P.A., attorneys; Mr.
DeLucry, of counsel and on the brief).

PER CURIAM

Plaintiffs Joseph A. Courter, Judith M. Courter, Bud Noble, Emily Guarriello, and Shirley Lathbury appeal the Law Division's decision affirming defendant Absecon Planning Board's (Planning Board) Resolution No. 2-2011. The resolution approved defendant Boardwalk Development and Design Company, LLC's (Boardwalk) amended site plan application, pursuant to the Age Restricted Development Conversion Law (Conversion Law), N.J.S.A. 45:22A-46.3 to -46.16, to remove the age restriction on a proposed residential development. The challenged resolution also allowed changes to several aspects of the previously approved site plans. We affirm essentially for the reasons stated by Judge Littlefield, briefly commenting only on three points plaintiffs raise on appeal.

I

A brief review of the events and circumstances leading to the application is necessary. In May 2005, Absecon Senior Services, L.L.C. (Absecon Senior), in furtherance of its planned construction of an age-restricted housing complex consisting of eight townhouses and seventy-seven apartment or condominium units, obtained Planning Board approval for a preliminary site plan and variances for Block 161, Lot 1, by way of Resolution No. 4-2005. The plan included the demolition of the former

Marsh Elementary School. Absecon Senior obtained variances related to yard setbacks, building lengths, building coverage, and the widening of nearby streets. Also, Absecon Senior proposed to provide public parking on an adjoining lot. The Planning Board issued final approval in November 2005, as set forth in Resolution No. 10-2005.

Absecon Senior then sold the project to the Pinnacle Club at Absecon, L.L.C. (Pinnacle). Pinnacle partially constructed the "northern portion of the [seventy-seven] unit building" but "substantially and improperly deviated from the approved design." The building was twelve feet taller than the height originally approved by the Board. Because of financial problems, in 2008, Parke Bank (Parke) gained control of the project. Due to Pinnacle's improper construction, Parke applied to the Planning Board "to address the[] inconsistencies, both with respect to the completed and uncompleted portions of the building." Pinnacle, on behalf of Parke, requested that it be allowed to construct the seventy-seven unit building during the project's phase I instead of phase II, while deferring construction of eight townhouses to phase II. Pinnacle also sought variances for certain architectural features which the Planning Board found "substantially compl[ied] with the prior design." In October 2008, the Planning Board granted

Pinnacle's/Parke's application. Unfortunately, the property was "in bankruptcy for a period" of approximately eighteen months between 2008 and 2010.

Parke eventually sold the project to Boardwalk. Boardwalk applied for Planning Board approval of the following proposed modifications: a redesign of the basement area, an upgrading and expansion of the decks/balconies, improvement of the existing north wing's façade, postponement of the future south wing to phase II, and construction of the townhouses in phase I. In August 2010, after a public hearing, the Planning Board issued Resolution No. 6-10, approving Boardwalk's application.

Next, Boardwalk sought removal of the age restriction in March 2011, under N.J.S.A. 45:22A-46.3, generating public opposition. The proposed expansion of the project included Block 160, Lot 8, a second plot of land known as Parcel 2 containing .27 acres, and Parcel 3, another piece containing .19 acres, thus slightly increasing the area of the project site, and relocating Mechanic Street. The total number of units would be reduced from eighty-five to seventy-four, forty to be located in the already constructed northern portion, while the eight townhouses would be sited along Church Street. Forty-eight units would be completed in phase I, while four two-bedroom townhouses, two two-bedroom flats, and two one-bedroom flats

would be constructed in phase II. Phase III would add seven two-bedroom townhouses on School Street and four two-bedroom townhouses on New Jersey Avenue. Phase IV would include seven two-bedroom townhouses on New Jersey Avenue. In sum, the number of bedrooms would decrease from 151 to 141 while the number of parking spaces would increase from 94 to 161 spaces. Space designated for recreational amenities would increase from 6322 to 7134 square feet due to the addition of a pool.

The Planning Board held public hearings in March, April, and May 2011 regarding Boardwalk's application. The Planning Board's June Resolution No. 2-2011 granting approval addressed legal and public concerns about traffic circulation, stormwater management, zoning, conversion eligibility, impact on the school district, and the absence of substantial detriment to the public good attributable to an increase in crime.

The Planning Board made the approval conditional – first, Boardwalk had to "resolve the existing building height violation by an amendment to the Redevelopment Plan" or "modify the building height to eliminate the violation." Second, the Planning Board disallowed the construction of the "proposed townhomes located within Phase 4 of the project . . . unless the applicable zoning is modified so as to permit this use." Third, Boardwalk was "required pursuant to N.J.S.A. 45:22A-46.5(a)(3)

to agree that 20% of the units in the development will be provided as affordable units in accordance with the regulations promulgated by the Council on Affordable Housing." On this point, Boardwalk "indicated its intent to seek approval from the Absecon City Council so as to permit the payment to the City of an in lieu contribution rather than the actual construction of affordable units." Fourth, the condominium association documents had to "adequately address the prohibition on the conversion of other rooms or garages into bedrooms and must provide adequate penalties and enforcement procedures." Fifth, since the project proposed relocation and a "vacation of a portion of Mechanic Street," such action was "subject to approval by the Absecon City Council" and Boardwalk had to "dedicat[e] a right of way to the City for the relocation." Sixth, Boardwalk must "provide a good faith effort to market the units" to its promised "target buyers" consisting of "young professionals, empty nesters and second home buyers."

In an Atlantic City Press article published April 21, 2011, the Planning Board's Chairman Henry Gorohoff was quoted as saying, "The issue here is the health of the downtown area" because "[a]ny way you look at it, Absecon will certainly benefit from this project." Since the comment became an issue, Gorohoff clarified his position at the second public hearing

stating: "I wanted to define my last quote in the Press. I said 'Whether age restricted or market rate, the city and downtown Jersey Avenue will benefit.' I meant that financially." We note that earlier in the article Gorohoff was quoted as stating: "Personal opinions on this topic are not relevant"; and that the Board's task is "to simply make a decision based on the evidence provided. There is a checklist of things the applicant must address, including parking and the number of available bedrooms."

II

On appeal, plaintiff raises the following issues:

I. THE TRIAL COURT COMMITTED ERROR IN DETERMINING THAT THE PLANNING BOARD HAD JURISDICTION TO CONSIDER BOARDWALK'S APPLICATION FOR AMENDED SITE PLAN APPROVAL

A. Boardwalk's Application for Amended Site Plan Approval sought approval for certain uses and improvements not permitted by the Redevelopment Plan.

B. The Redevelopment Plan prohibited the possibility of obtaining a "use 'd' variance" for the proposed prohibited uses on Redevelopment Parcels 2 and 3.

C. Boardwalk never sought or obtained a "d(6)" variance to permit the mid-rise building's nonconforming height.

D. The Planning Board lacked authority to condition its approval upon the obtainment of Amendments to the Redevelopment Plan.

II. THE TRIAL COURT COMMITTED ERROR IN UPHOLDING THE PLANNING BOARD'S DETERMINATION THAT BOARDWALK SATISFIED THE REQUIREMENTS OF THE AGE-RESTRICTED DEVELOPMENT CONVERSION LAW, N.J.S.A. 45:22A-46.3, ET SEQ.

A. Boardwalk failed to establish the preconditions necessary for approval of an age-restricted conversion application.

i. Boardwalk substantially amended the previously approved site plan following the effective date of the Conversion Law thereby making the development ineligible for age-restricted conversion.

ii. Boardwalk never agreed to set aside 20 percent of the development's units for affordable housing.

B. Boardwalk failed to satisfy the criteria enumerated by N.J.S.A. 45:22A-46.6 for approval of an age-restricted conversion application.

i. The site does not meet the Residential Site Improvement Standards parking requirement for the residential land uses in a converted development as established pursuant to N.J.A.C. 5:21-4.14 through 4.16.

ii. The conversion cannot be granted without substantial detriment to the public good and will substantially impair the intent and purpose of the zone plan and zoning ordinance.

C. Boardwalk failed to satisfy the criteria enumerated by N.J.S.A. 45:22A-46.8 for approval of an age-restricted conversion application.

III. THE TRIAL COURT COMMITTED ERROR IN DETERMINING THAT THE PARTICIPATION OF PLANNING BOARD CHAIRMAN GORHOFF DID NOT

IRREVOCABLY TAINT THE PLANNING BOARD'S
CONSIDERATION OF BOARDWALK'S APPLICATION

The applicable standard of review is well-established. "Judicial review of the decision of a Planning Board or Board of Adjustment ordinarily is limited. A board's decision 'is presumptively valid, and is reversible only if arbitrary, capricious, and unreasonable.'" New Brunswick Cellular Tel. Co. v. Borough of S. Plainfield Bd. of Adjustment, 160 N.J. 1, 14 (1999) (internal quotations omitted) (quoting Smart SMR of New York, Inc. v. Borough of Fair Lawn Bd. of Adjustment, 152 N.J. 309, 327 (1998)). Similarly, "[i]t is axiomatic that where a statute gives a local board the discretion to grant certain relief, a court may intervene only upon a showing that the board's decision was arbitrary, unreasonable or capricious." Urban v. Planning Bd. of Manasquan, 238 N.J. Super. 105, 111 (App. Div. 1990) (citing Kramer v. Bd. of Adjustment, Sea Girt, 45 N.J. 268, 296 (1965)), modified on other grounds, 124 N.J. 651 (1991); see also Cell S. of N.J. v. Zoning Bd. of Adjustment of W. Windsdor Twp., 172 N.J. 75, 81-82 (2002). The party challenging the municipal board's decision bears the burden of overcoming the presumption of validity and demonstrating the unreasonableness of the board's action. Toll Bros., Inc. v. Bd. of Chosen Freeholders of Burlington, 194 N.J. 223, 256 (2008).

The reason for this standard is that

public bodies, because of their peculiar knowledge of local conditions, must be allowed wide latitude in their delegated discretion. The proper scope of judicial review is not to suggest a decision that may be better than the one made by the board, but to determine whether the board could reasonably have reached its decision on the record.

[Jock v. Zoning Bd. of Adjustment of Wall, 184 N.J. 562, 597 (2005) (citation omitted).]

"A board's resolution of factual issues must stand if supported by sufficient credible evidence in the record." Trust Co. of N.J. v. Planning Bd. of Freehold, 244 N.J. Super. 553, 570 (App. Div. 1990) (citing Rowatti v. Gonchar, 101 N.J. 46, 51 (1985)); see also Cell S., supra, 172 N.J. at 89 ("[T]he substantial evidence standard is analogous to the arbitrary, capricious, and unreasonable standard of review traditionally afforded to decisions of zoning boards under the MLUL.").

"Although courts defer to the expertise of municipal agencies in reviewing discretionary exercises of an agency's statutory powers, the interpretation of an ordinance is primarily a question of law." Wyzykowski v. Rizas, 132 N.J. 509, 518 (1993). Therefore, "[a] board's interpretation of an ordinance is not entitled to any particular deference and is reviewed de novo because 'the interpretation of an ordinance is

a purely legal matter as to which the administrative agency has no particular skill superior to the courts' [skill].'" Reich v. Borough of Fort Lee Zoning Bd. of Adjustment, 414 N.J. Super. 483, 499 (App. Div. 2010) (quoting Jantausch v. Borough of Verona, 41 N.J. Super. 89, 96 (Law Div. 1956), aff'd, 24 N.J. 326 (1957)).

III

Plaintiffs contend that "Boardwalk should have filed its application with the Zoning Board" because "the Zoning Board was the only land use board that hypothetically could have granted a "d" variance." Plaintiffs' point is premised on the fact that height and use variances traditionally fall under the category of "d" variances. Plaintiffs concede, however, that only Absecon City Council (Council), as opposed to the Zoning Board, can amend the Redevelopment Plan to adjust the maximum height and permit new uses for the parcels not included in the original approvals.

In any event, plaintiffs premise their argument on the fact that the Planning Board did not have jurisdiction because Boardwalk never obtained a "d(6)" variance for a height adjustment. Plaintiffs argue that such variances would "necessitate[] an 'affirmative vote of at least five members' of the zoning board of adjustment," (quoting N.J.S.A. 40:55D-

70(d)(6)), and the residential use of Parcels 2 and 3 required approval from the Zoning Board pursuant to N.J.S.A. 40:55D-70(d)(1), but the Redevelopment Plan "expressly precluded this possibility."

Plaintiffs also argue that the Planning Board could not condition its approvals on future decisions made by Council because "Boardwalk should have first sought to have the Redevelopment Plan amended by Council before filing its application with the Planning Board." Defendants respond that the Planning Board had the authority to condition its approval upon Council amending the Redevelopment Plan to permit a height adjustment and the new residential use, or in the alternative, requiring Boardwalk to lower the height to meet the original requirements and proceed in conformance with the original use of Parcel 2 and Parcel 3.

The issue calls for analysis of the interaction of the Municipal Land Use Law (MLUL), N.J.S.A. 40:55D-1 to -163, the Local Redevelopment and Housing Law (LRHL), N.J.S.A. 40A:12A-1 to -73, and the Redevelopment Plan adopted by Council. The LRHL provides for planning board review of redevelopment applications but does not specifically address variances. See Cox & Koenig, Zoning & Land Use Administration 956-57 (2013). The relevant section of the statute states:

All applications for development or redevelopment of a designated redevelopment area or portion of a redevelopment area shall be submitted to the municipal planning board for its review and approval in accordance with the requirements for review and approval of subdivisions and site plans as set forth by ordinance adopted pursuant to the "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.).

[N.J.S.A. 40A:12A-13.]

The MLUL allows planning boards to grant "c" variances, N.J.S.A. 40:55D-70(c), but not "d" variances, N.J.S.A. 40:55D-70(d). It does not authorize planning boards to grant conditional approvals for such variances, since the zoning board has exclusive authority over such applications. See N.J.S.A. 40:55D-20. The MLUL does, however, permit municipal agencies to grant conditional approvals under certain circumstances requiring approvals by others:

In the event that development proposed by an application for development requires an approval by a governmental agency other than the municipal agency, the municipal agency shall, in appropriate instances, condition its approval upon the subsequent approval of such governmental agency; provided that the municipality shall make a decision on any application for development within the time period provided in this act or within an extension of such period as has been agreed to by the applicant unless the municipal agency is prevented or relieved from so acting by the operation of law.

[N.J.S.A. 40:55D-22(b).]

In its decision, the trial court cited Randolph v. City of Brigantine Planning Bd., 405 N.J. Super. 215, 234-35 (App. Div. 2009) ("Courts favor the grant of preliminary approval of development applications conditioned upon the applicant securing necessary property rights."). The case involved a planning board conditioning its approval upon city council agreeing to vacate a street. Ibid.; see N.J.S.A. 40:55D-22(b). Randolph establishes that a "governmental agency" as referred to in N.J.S.A. 40:55D-22(b) can include a city council. Plaintiffs nonetheless attempt to distinguish Randolph because it involved the vacation of a street as opposed to items that would otherwise be considered "d" variances, such as height and use, which touch upon the underlying zoning.

Plaintiffs cite instead to Najduch v. Township of Independence Planning Board, 411 N.J. Super. 268 (App. Div. 2009), to support their position that a planning board cannot grant conditional approvals based on a developer obtaining "d" variances from the zoning board. In that case, the Independence Township Planning Board was found to "lack[] authority to grant a use variance" pursuant to N.J.S.A. 40:55D-60. Id. at 276. As we said there, the "planning board . . . is a 'creature[] of statute and may exercise only those powers granted by statute.'" Ibid. (alteration in original). Since N.J.S.A. 40:55D-76(b)

allowed the zoning board to exercise the same powers as the planning board and N.J.S.A. 40:55D-20 mandated that "power expressly authorized" to the zoning board "shall not be exercised by any other body," the zoning board had exclusive jurisdiction over "d" variances. Id. at 276-77. Plaintiffs argue that a similar sequence of approval is appropriate in this case — only after Council amends the Redevelopment Plan to include the zoning-related changes should the Planning Board approve the site plan.

In our view, Najduch and N.J.S.A. 40:55D-70(d), do not apply to this situation. Here, because the modification is to an approval granted under a Redevelopment Plan, the Planning Board reviews the site plan while only Council can review a request for use and height variances which require formal amendments to the Redevelopment Plan. And the Planning Board specified that if the height restriction is not modified by Council, the redeveloper will have to lower the height of the building, and he has agreed to do so.

If Council does not approve the section of townhouses on New Jersey Avenue, Phase IV of the project will simply not be built. According to the developer's expert, such a situation will not "impact negatively on the project's [Conversion Law] compliance" and "will end up being less of a demand on the

infrastructure." As a practical matter, the order of the approvals – Council before the Planning Board or vice versa – given the wording of the conditions, is inconsequential.

Council cannot engage in site plan approval under local ordinances, the LHRL, or the MLUL, but it does have the power to amend the Redevelopment Plan. The Planning Board has no authority to grant height or use variances under the Redevelopment Plan, but can grant site plan approvals. Only the Redevelopment Plan addresses height and use variances: "Permitted Uses within each Redevelopment Parcel shall be limited to the uses enumerated herein. Uses not specifically enumerated shall be prohibited." "Except as otherwise provided for herein or by law, this Redevelopment Plan does not recognize the 'use ('d') variance' process under the Municipal Land Use Law. Uses proposed but not permitted by this Redevelopment Plan shall require a formal amendment to this Plan pursuant to law."

With respect to height, the Redevelopment Plan states that

[w]ith the exception of regulations pertaining to Maximum Building Height, the Planning Board, at time of Site Plan Review and without formal amendment to this Redevelopment Plan, may approve modifications in or changes to the Building Limit Controls requested by a Redeveloper to a maximum of twenty percent (20%) of the subject regulation. Requests beyond 20% shall require a formal amendment to this Plan pursuant to law.

Therefore any "variances" from use and height must be obtained through Council's amendment to the Redevelopment Plan. Nothing in the LHRL, the MLUL, or the Redevelopment Plan expressly prohibit such a sequence.

IV

Plaintiffs also claim the Planning Board's decision, embodied in Resolution No. 2-2011, that Boardwalk's application met the requirements for conversion under N.J.S.A. 45:22A-46.5, -46.6, and -46.8, issued in error. They alleged the resolution violated preconditions of the Conversion Law.

N.J.S.A. 45:22A-46.5(a)(1) requires that "preliminary or final approval for construction of the development has been granted prior to the effective date" of July 2, 2009, in order to be eligible for conversion. Plaintiffs claim that the approval of Boardwalk's site plan amendment to the original plan in 2010 followed the effective date despite the fact that the project was first approved in 2005 and amended in 2008. Defendants counter that since the original application was filed and approved within the time limits and since the law allows for reasonable revisions, N.J.S.A. 45:22A-46.8, that this requirement is satisfied. Indeed, the trial court found that "Plaintiffs' argument contradicts the plain meaning of the

statute. Moreover, the conversion statute provides for the reasonable revision of the site plan."

First, it appears that the Conversion Law is more flexible than plaintiffs suggest, since it allows for both preliminary and final approvals occurring before July 2, 2009. See N.J.S.A. 45:22A-46.5(a)(1). Second, the law allows for reasonable revisions of the original plan in the event of conversion. See N.J.S.A. 45:22A-46.8(a). Boardwalk's 2011 application for conversion contained changes made in contemplation of the lifting of the age restriction. Therefore, if such changes constitute a reasonable revision, as will be discussed below, the fact that conversion was sought after July 2, 2009, has no effect on this precondition. Third, Boardwalk's 2010 application for amendments to the site plan were minor, such that it did not constitute a new application.

In a different land use context, the time of decision rule, or as it is now known, the time of application rule, determines which municipal ordinances apply to a development depending on the time of enactment of the ordinance and the date of application, or as it was prior to May 2011, the date of a board's decision. See Cox & Koenig, Zoning & Land Use Administration 669-75 (2013). "If the planning board requires any substantial amendment in the layout of improvements proposed

by the developer that have been the subject of a hearing, an amended application shall be submitted and proceeded upon, as in the case of the original application for development." N.J.S.A. 40:55D-48(b). We have found that ordinances enacted between the initial application and an amended application should have applied because a developer's "amended" application was actually an entirely different application as it included an additional twenty-eight acres. Lake Shore Estates, Inc. v. Denville Twp. Planning Bd., 255 N.J. Super. 580, 592 (App. Div. 1991), aff'd o.b., 127 N.J. 394 (1992). In contrast, we did not find that an amended application was a "substantially new application" even though the discovery that a public road was actually a private one necessitated a complete reconfiguring of a subdivision. Schmidhausler v. Planning Bd. of Lake Como, 408 N.J. Super. 1, 11 (App. Div. 2009). The essence of the amended site plan application remained the same because the focus of the project, a three-lot subdivision, had not changed. Ibid.

Boardwalk's 2010 application redesigns the basement area, upgrades and expands decks/balconies, upgrades and improves the façade of a wing, and revises the phasing plan. Nonetheless, the focus of the converted development after that amended application was the construction of residences on Parcel 1.

Thus Boardwalk's 2010 application did not include changes substantial enough to constitute a new application.

V

Plaintiff claims that Gorohoff's statement to the press that "[a]ny way that you look at it, Absecon will certainly benefit from the project," was "brazen[]" and evidence of "a clear bias on Chairman Gorohoff's part toward granting Boardwalk's application."

In fact, earlier in the newspaper article, Gorohoff was quoted as saying that the Planning Board had to analyze whether Boardwalk met the requirements for approval based on the evidence. Therefore, Gorohoff's comments about the benefit to the community did not require that he recuse himself from the hearings.

VI

We agree with Judge Littlefield's conclusion that the Planning Board's decision was not arbitrary, capricious, or unreasonable. See New Brunswick Tel. Co., supra, 160 N.J. at 14; Urban, supra, 238 N.J. Super. at 111. Plaintiffs have not met their burden of overcoming the presumption of validity and demonstrating the unreasonableness of the Planning Board's action. See Toll Bros., Inc., supra, 194 N.J. at 256.

Affirmed.

I hereby certify that the foregoing
is a true copy of the original on
file in my office.


CLERK OF THE APPELLATE DIVISION

APPENDIX C



Kenneth J. Seelig, P.E.
New Jersey American Water
1025 Laurel Oak Road
Voorhees, NJ 08043
Ken.Seelig@amwater.com

P 856.309.4740
F 856.309.4798

November 20, 2012

Ms. Kendra Lelie
Clarke Caton Hintz
100 Barrack Street
Trenton, NJ 08608

**RE: Water System Capacity Request
City of Absecon – Various Properties
Potential Affordable Housing Sites
Atlantic County, NJ**



Dear Ms. Lelie,

This letter is to inform you that as of the date of this letter, New Jersey American Water's Atlantic County System has available capacity to provide the 446,830 gallons per day average daily flow and 1,340,490 gallons per day peak flow requested for your proposed developments located in Absecon, Atlantic County, New Jersey (the "Project"). It should be noted that New Jersey American Water does not reserve or guarantee capacity as availability of regulatory capacity changes over time in connection with changes to system demand.

In order to begin the process of reserving water capacity for the Project, you will need to apply for water service through our local office. Please contact Ruth Gavel for service requiring a main extension or Denyne Bennett for service to an existing main.

Ruth Gavel (water main extension)
New Jersey American Water
1025 Laurel Oak Road
Voorhees, NJ 08043

Denyne Bennett (service to an existing main)
New Jersey American Water
3215 Fire Road
Egg Harbor Township, NJ 08234

This letter has been provided at your request, if you choose not the apply for water service today and to proceed with your Project, you do so at your own risk and New Jersey American Water will not be responsible for any costs or damages that you might incur or be liable for, due to any delay in New Jersey American Water providing water service, e.g. if there is no longer sufficient water to supply the Project on some future date.

If you have any questions or need additional information, please do not hesitate to contact me at (856) 309-4740.

Sincerely,

Kenneth J. Seelig, P.E.
Senior Planning Engineer

cc: File
Ruth Gavel – NJAW, Voorhees (w/encl. via e-mail to Ruth.Gavel@amwater.com)
Denyne Bennett - NJAW, Fire Road (w/encl. via e-mail to Denyne.Bennett@amwater.com)
Laura Simons- NJAW, Voorhees (w/encl. via e-mail to Laura.Simons@amwater.com)

APPENDIX D



Atlantic County Utilities Authority

P.O. Box 996 • Pleasantville, NJ, 08232-0996
street address: 6700 Delilah Rd., Egg Harbor Twp., NJ, 08234-5623
609.272.6950 • www.acua.com • info@acua.com

November 13, 2012



Kendra Lelie, PP, AICP, ASLA
Clarke Caton Hintz
100 Barrack Street
Trenton, NJ 08608

**Re: Request for Sewer Service Availability
Housing Element and Fair Share Plan
City of Absecon, NJ**

Dear Ms. Lelie:

Please be advised that based upon current loadings, the proposed total flow of 480,750 g.p.d to be generated by the above referenced project can presently be accommodated by all affected ACUA facilities.

Please note the following:

- It is ACUA policy to provide sewerage service on a first come, first served basis, and this letter does not guarantee that sewer capacity will be available in the future.
- This response does not absolve the applicant from applying for and receiving a Treatment Works Approval (TWA) and/or Significant Indirect User (SIU) permits from NJDEP nor does it prejudice ACUA's review of the applications once submission is made.
- This determination does not address local sewer system capacity.

If you should have any questions concerning the above, please contact Mr. Matthew DeNafo of our office at (609) 272-6991.

Yours Truly,

ATLANTIC COUNTY UTILITIES AUTHORITY

Richard S. Dovey
President

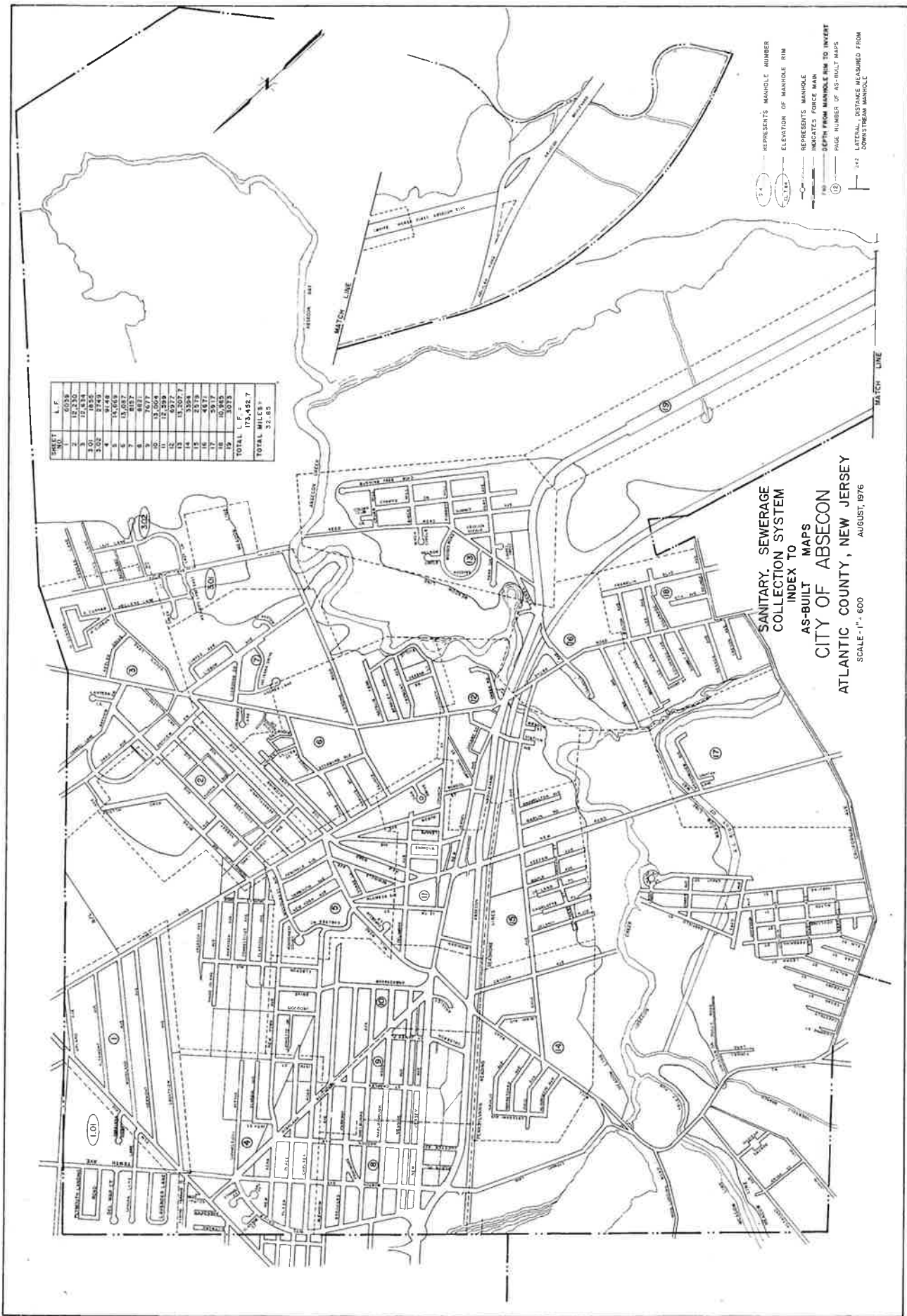
cc: G. Petitt, Chief Engineer, ACUA
T. Ganard, Deputy Chief Engineer, ACUA

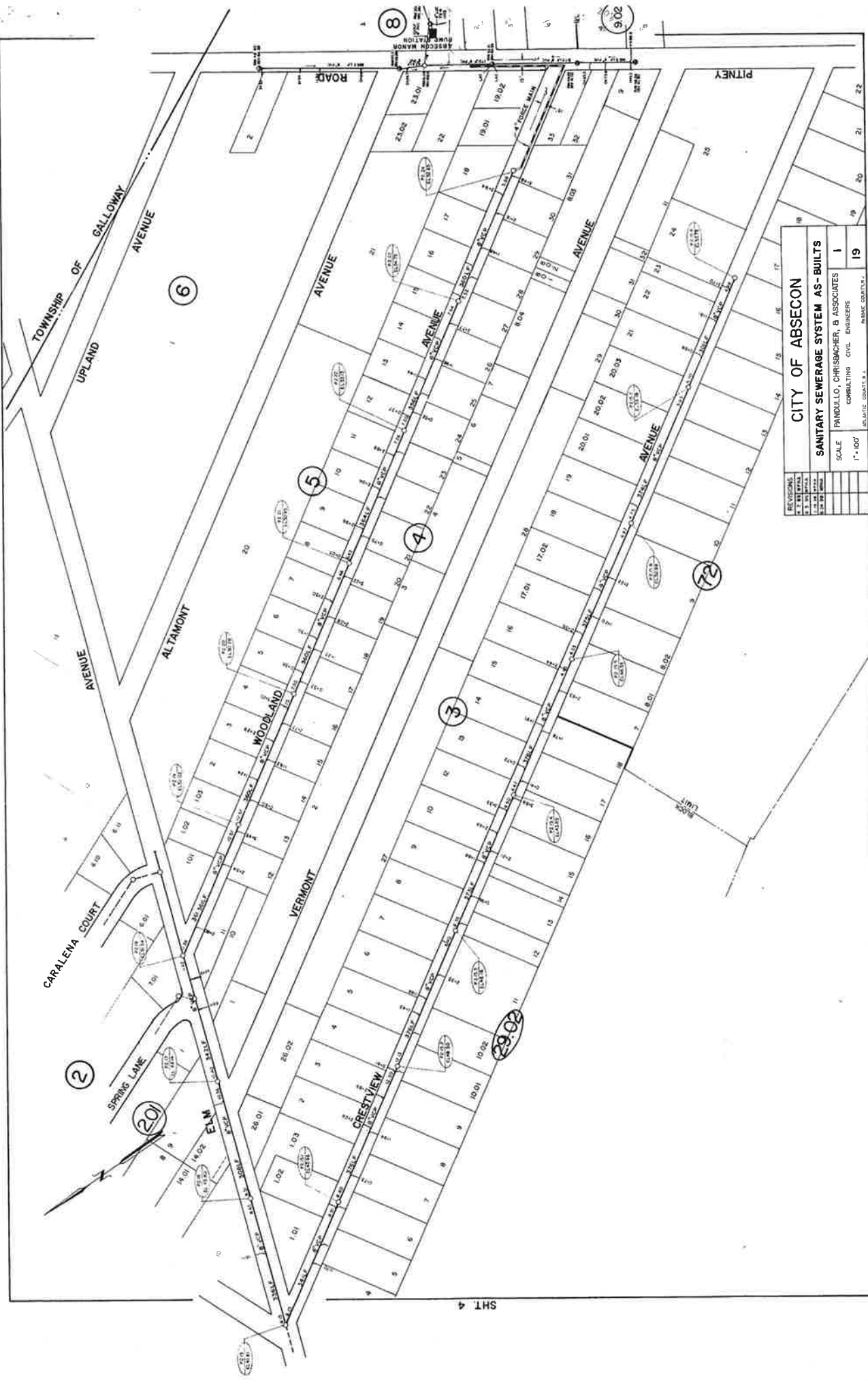
The Atlantic County Utilities Authority is responsible for enhancing the quality of life through the protection of waters and lands from pollution by providing responsible waste management services. The Authority is an environmental leader and will continue to use new technologies, innovations and employee ideas to provide the highest quality and most cost effective environmental services.



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APPENDIX E





| REVISIONS | | CITY OF ABSECON | |
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| 1 | 2 | SANITARY SEWERAGE SYSTEM AS-BUILTS | |
| 3 | 4 | SCALE | |
| 5 | 6 | PANDOLLO, CHRISWACH, & ASSOCIATES | |
| 7 | 8 | CONSULTING CIVIL ENGINEERS | |
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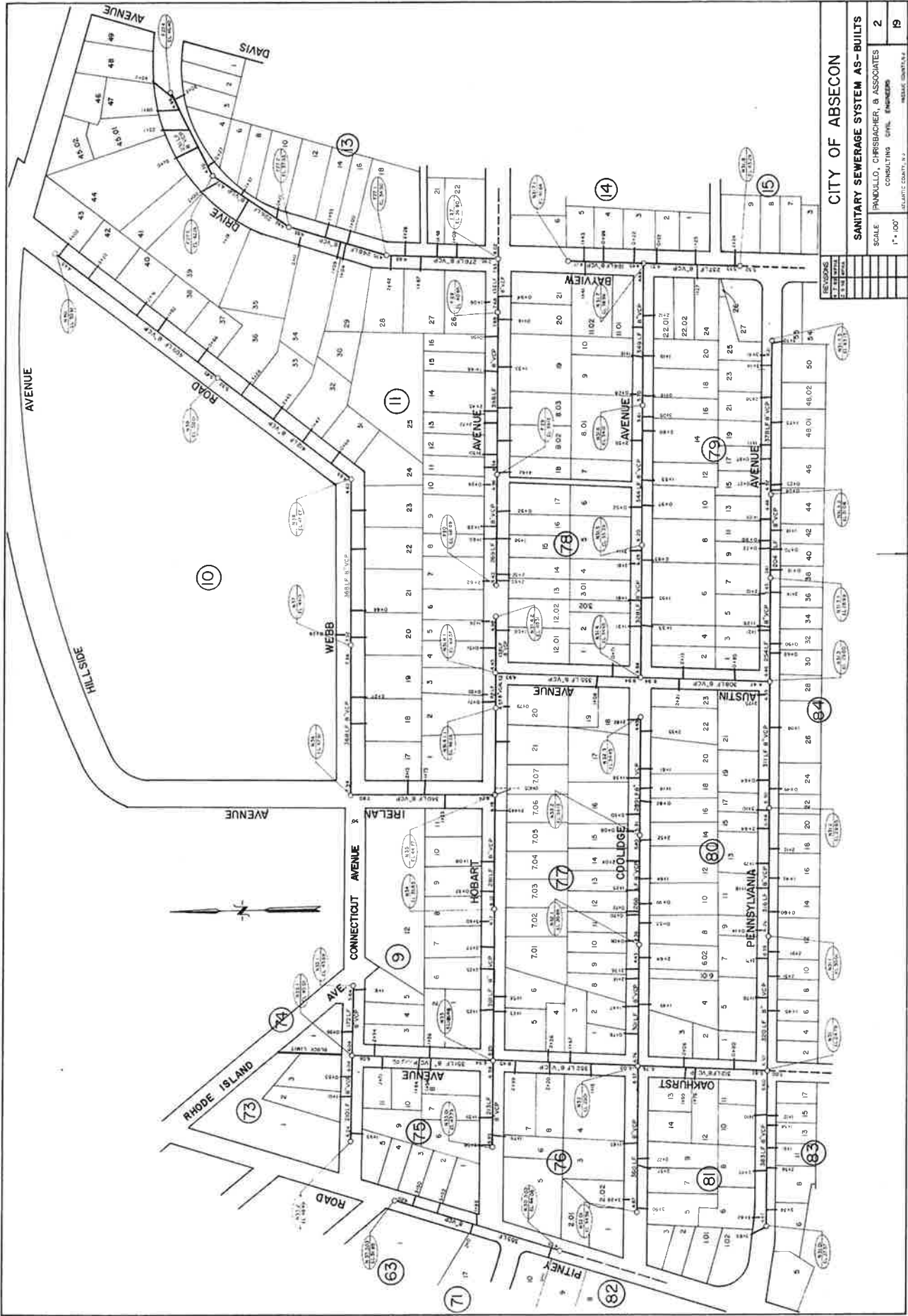
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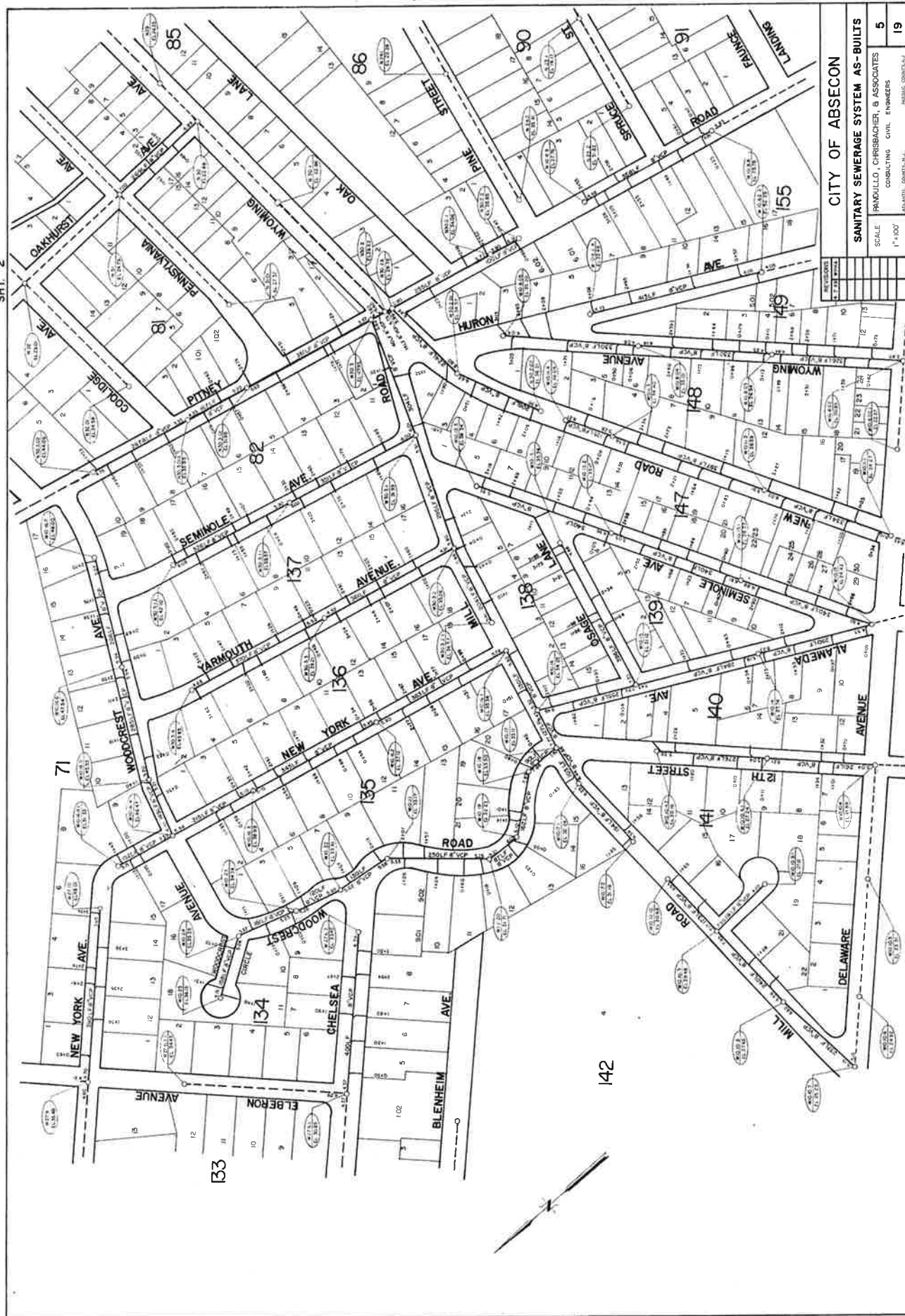
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CITY OF ABSECON

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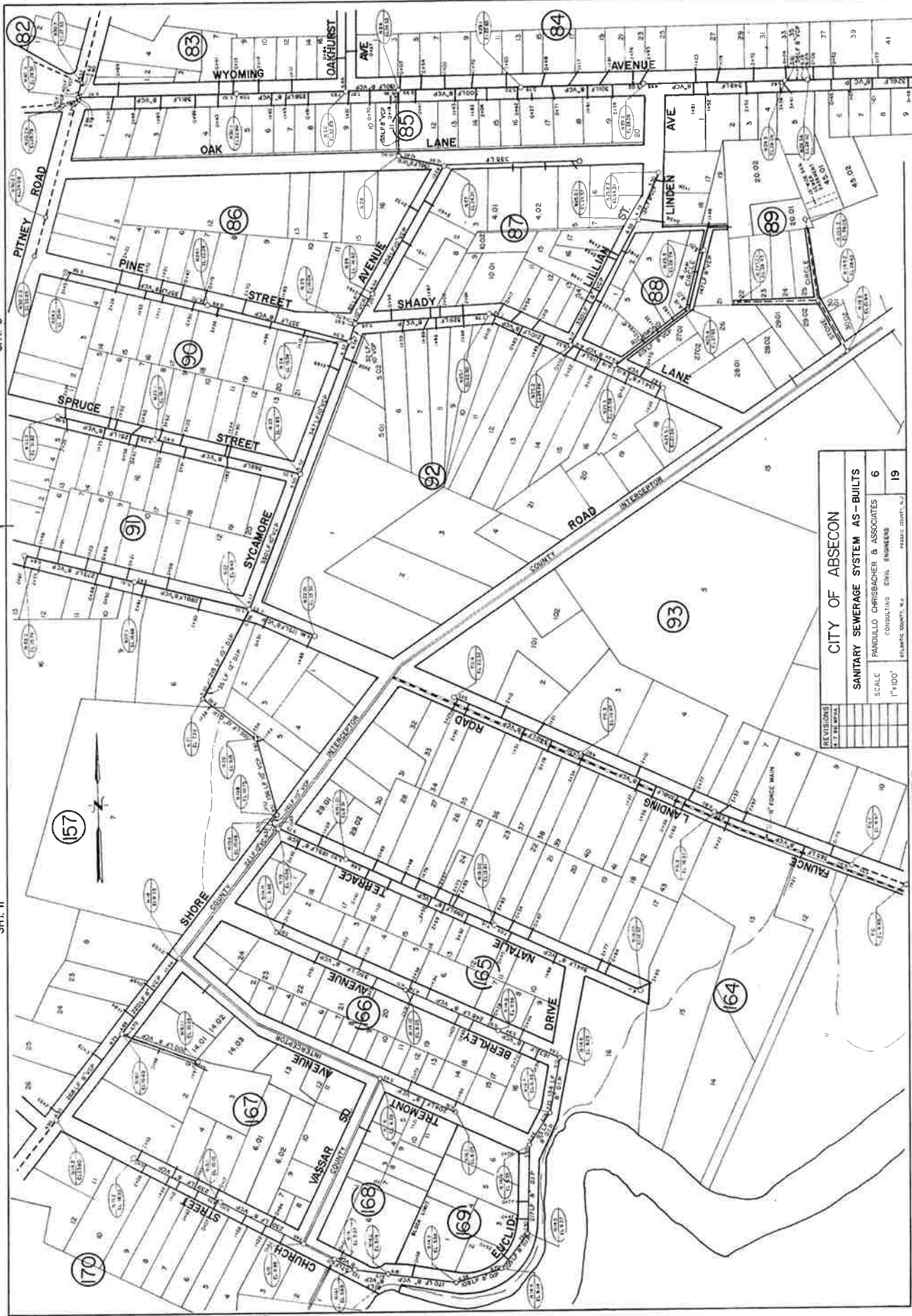
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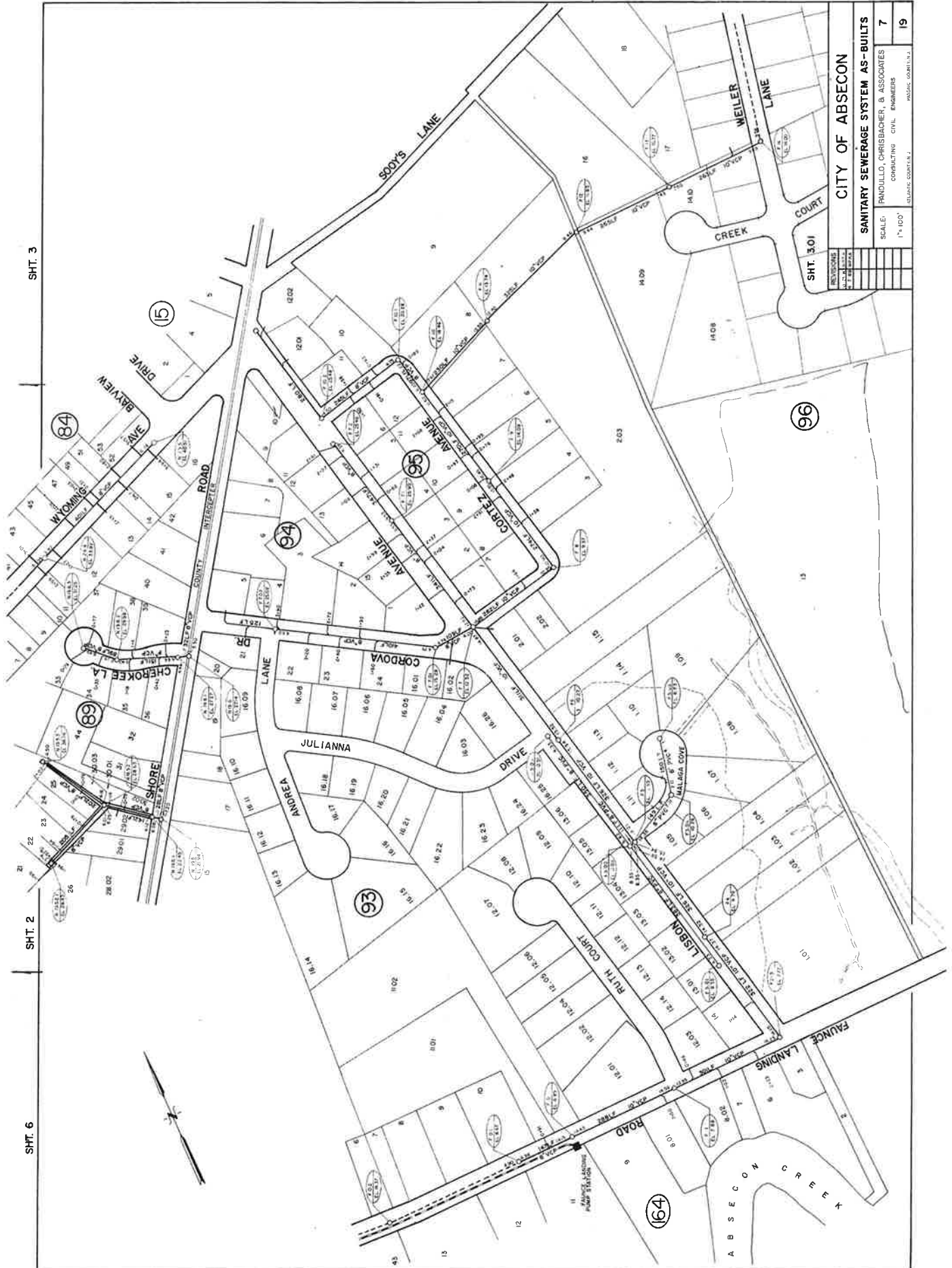
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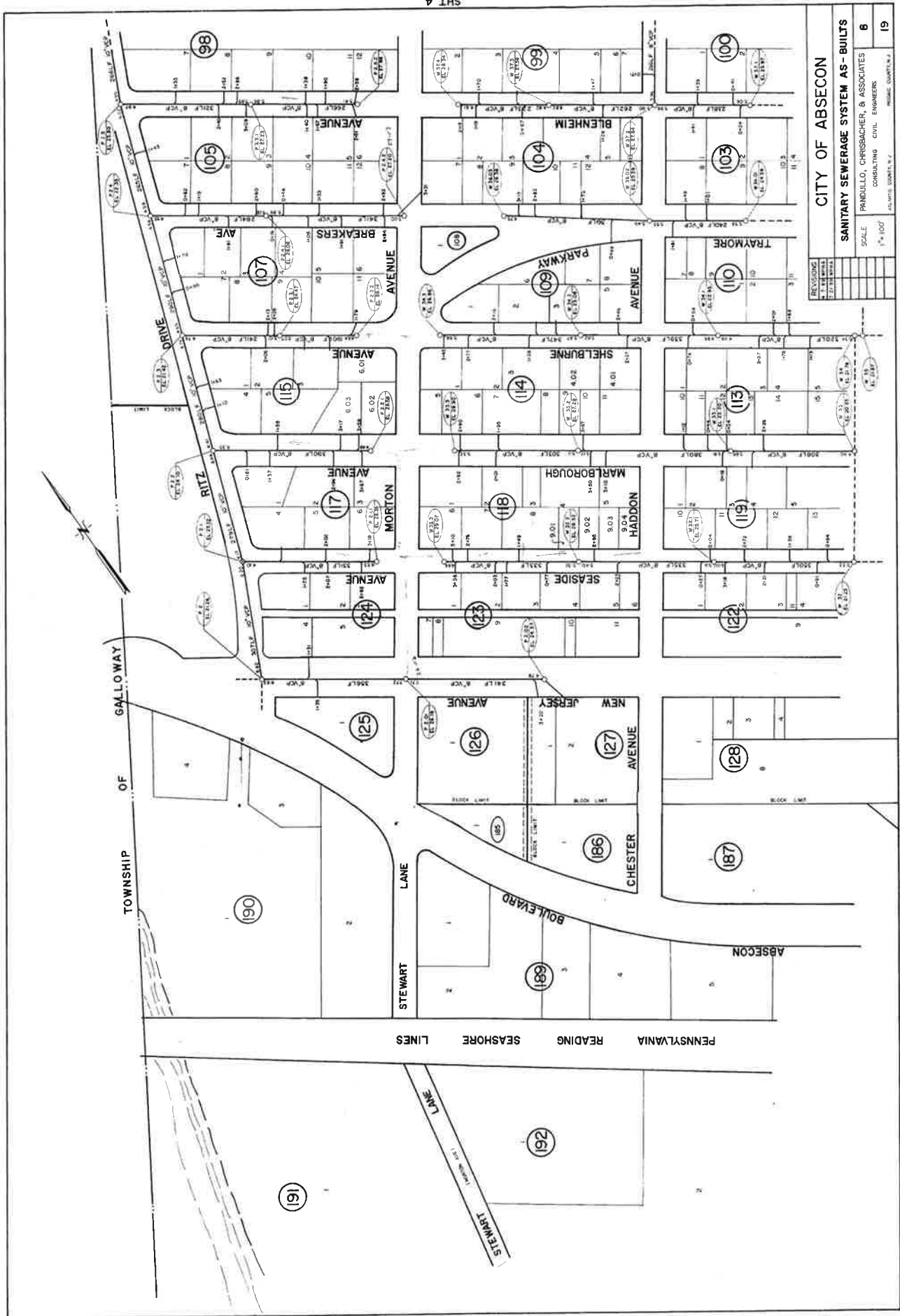
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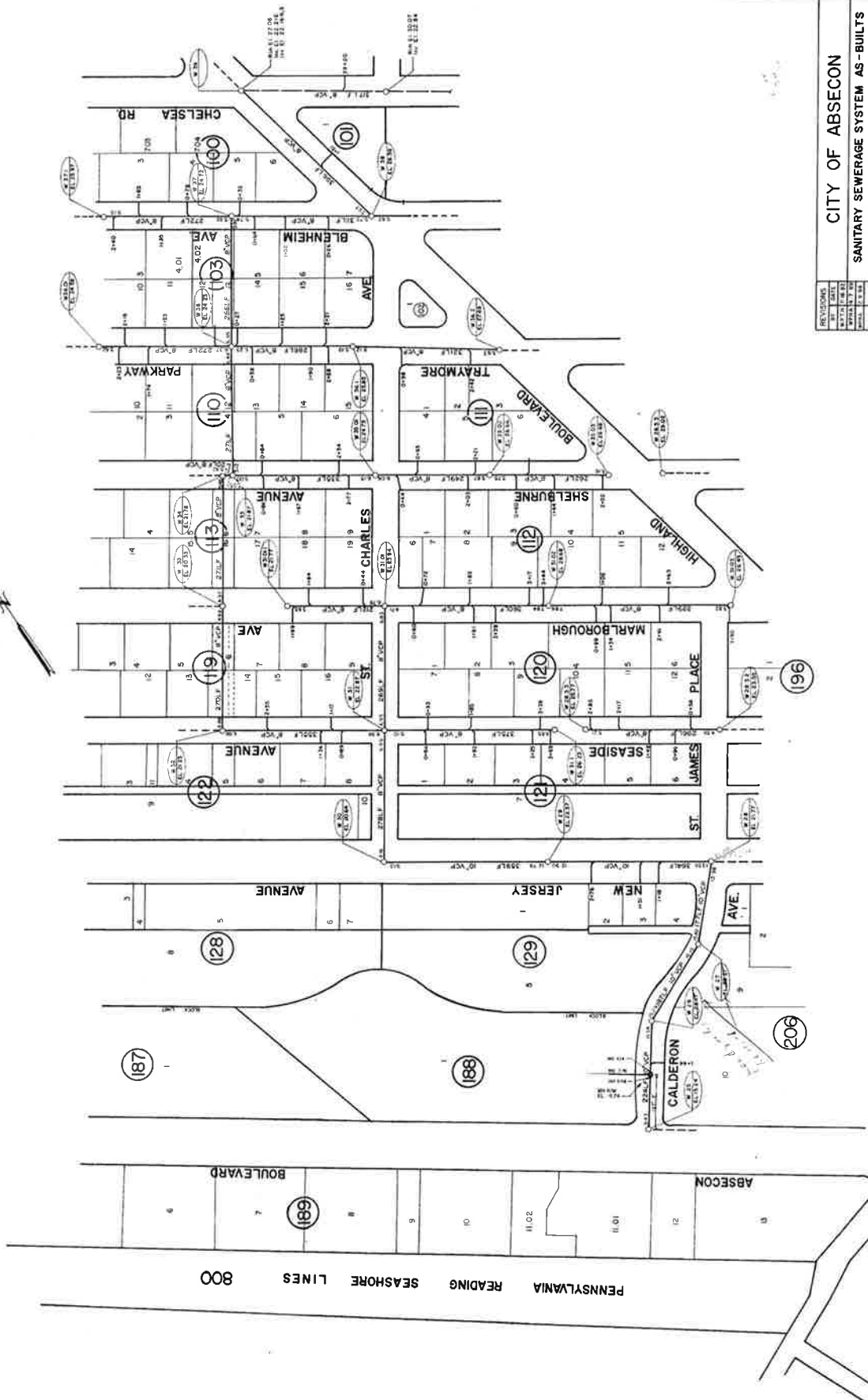


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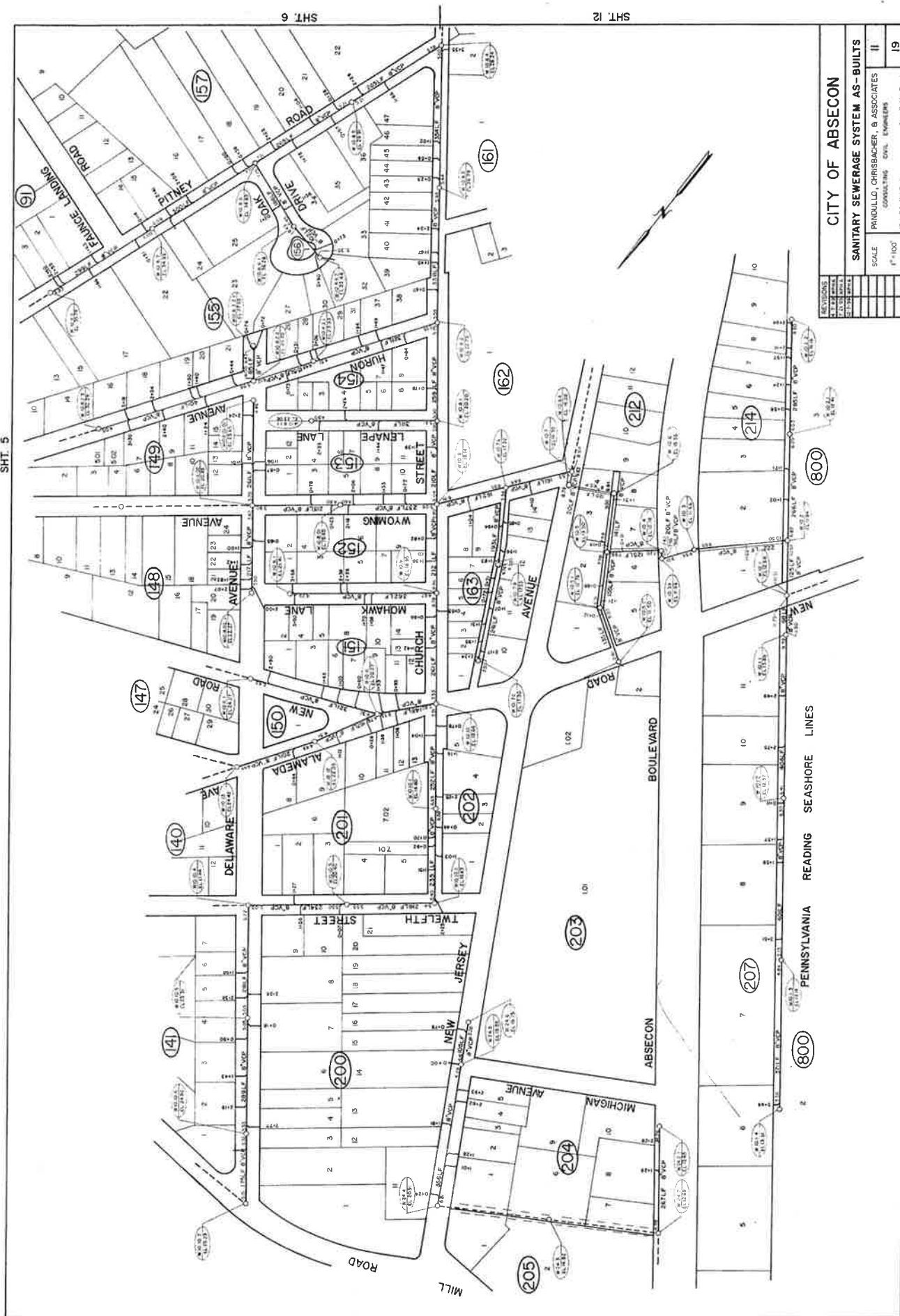
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CITY OF ABSECON
SANITARY SEWERAGE SYSTEM AS-BUILTS
SCALE
PANDULLO, CHRISBACHER, & ASSOCIATES
CONSULTING CIVIL ENGINEERS
1" = 100'
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READING SEASHORE LINES

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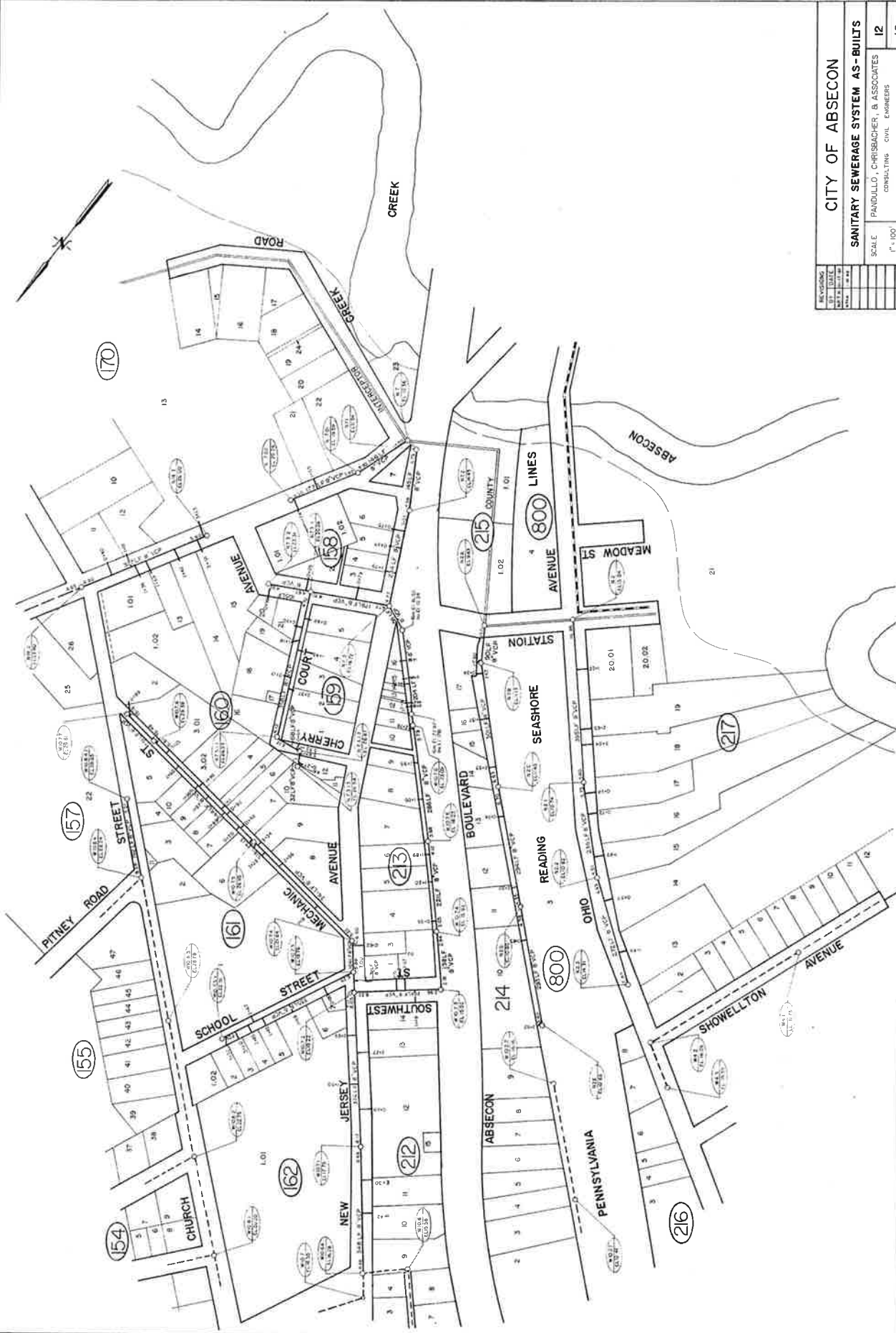
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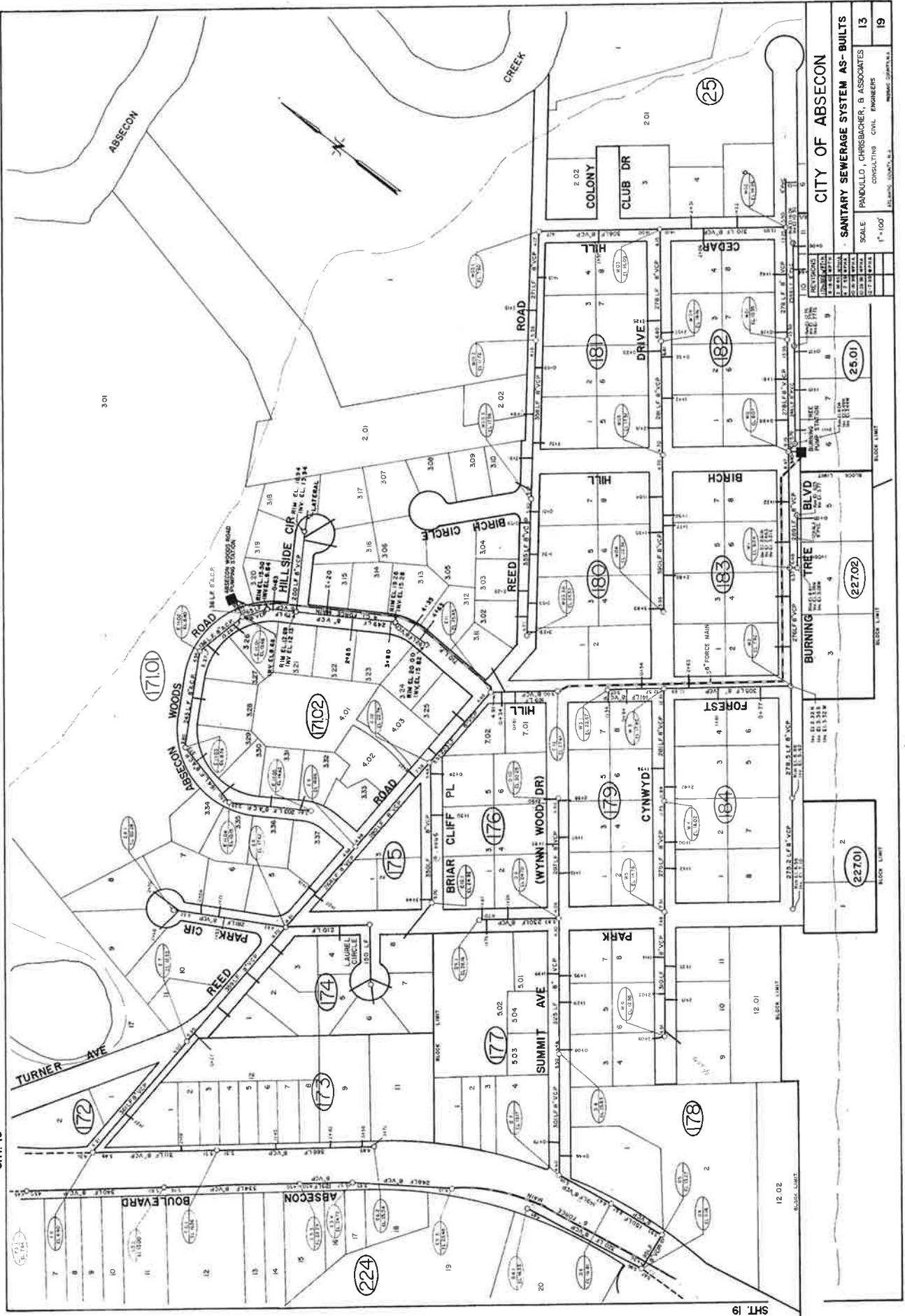
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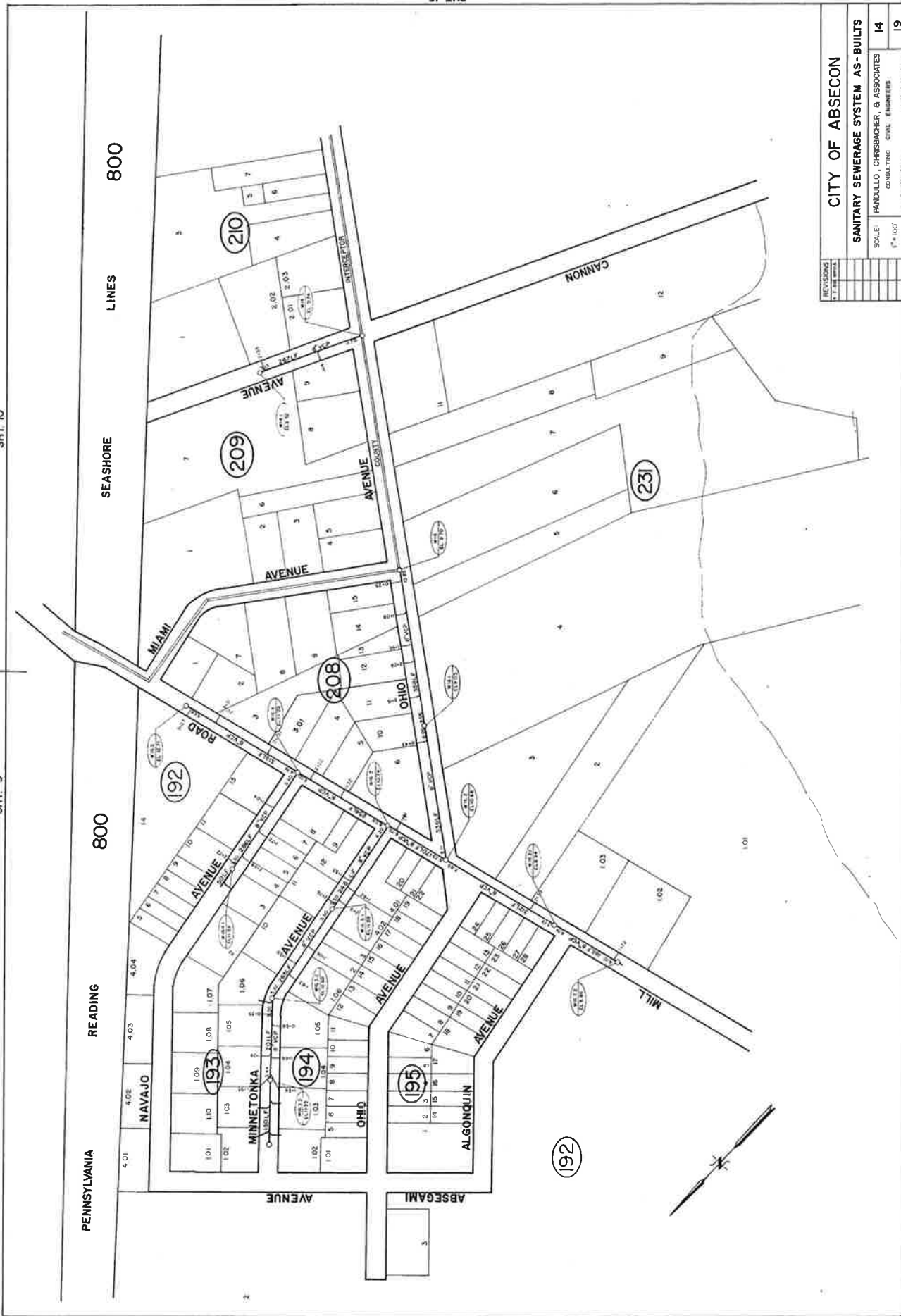
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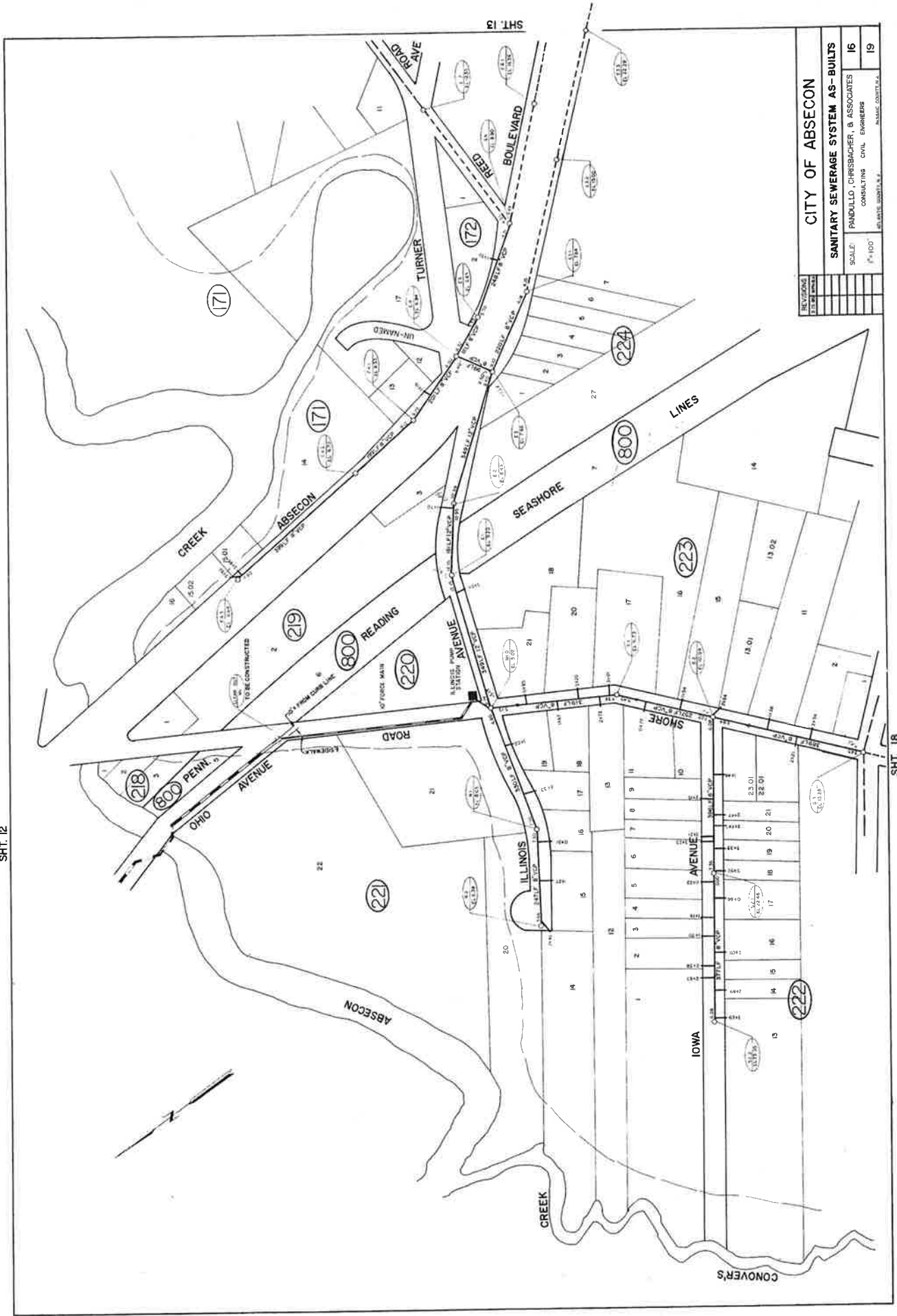
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CITY OF ABSECON

SANITARY SEWERAGE SYSTEM AS-BUILTS

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CONSULTING CIVIL ENGINEERS

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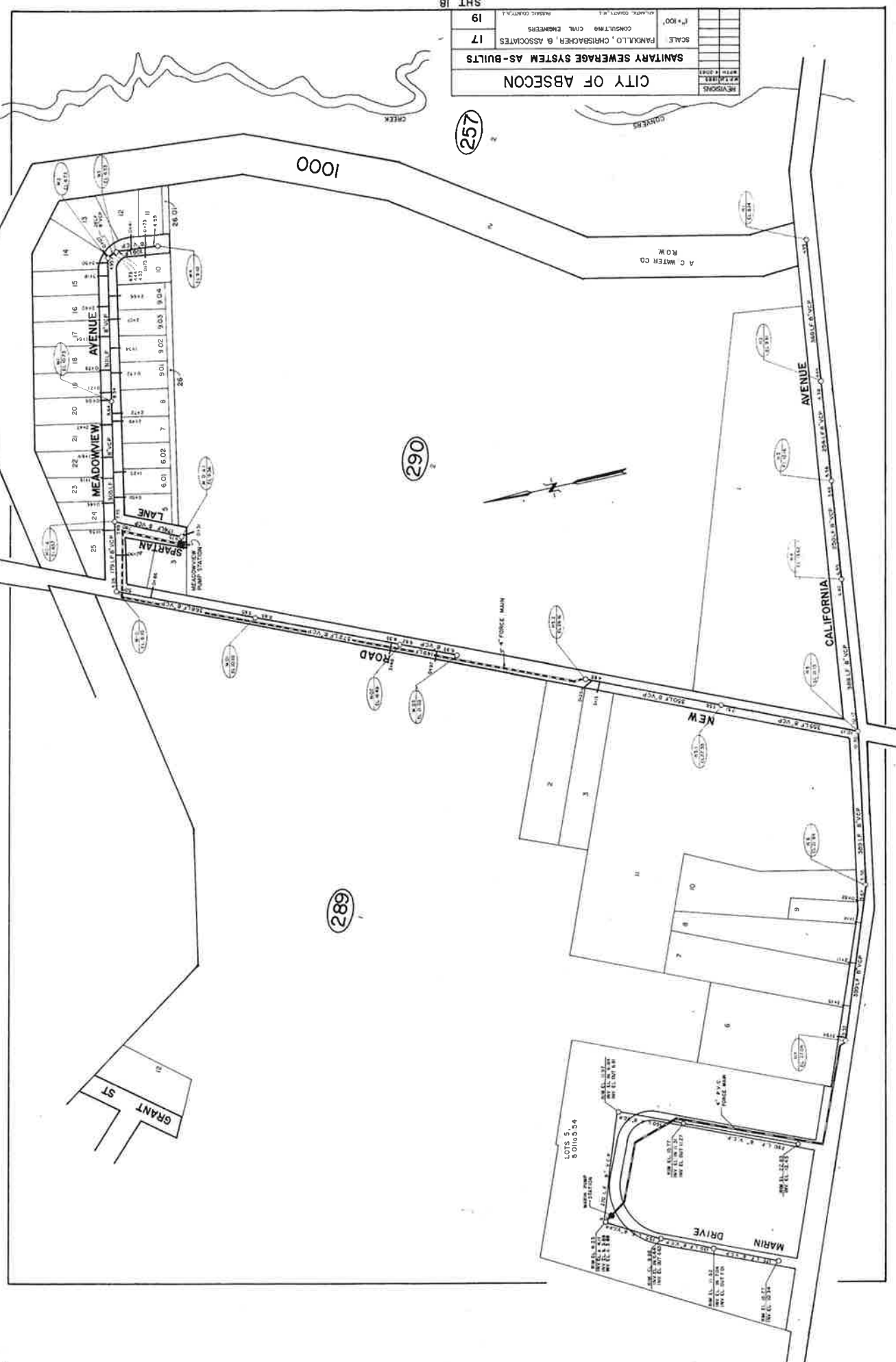
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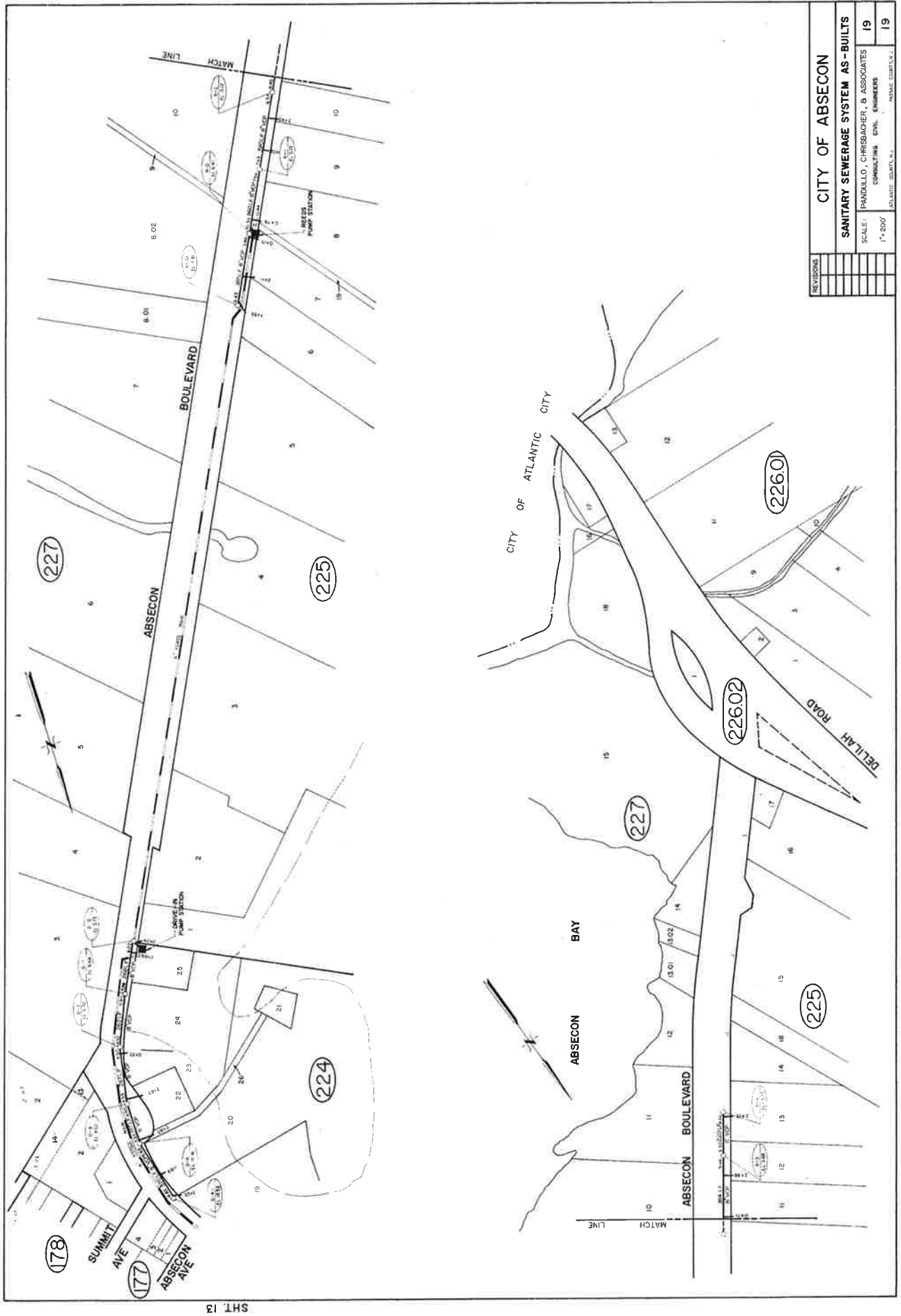
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| | | VERTICAL, CHRSCHACH, & ASSOCIATES | 19 |
| | | DATE: 07/15/2007 | 19 |
| | | PROJECT: ATLANTIC COUNTY, N.J. | 19 |

APPENDIX F

INTER-LOCAL SERVICES AGREEMENT
CITY OF ABSECON
Program Income - Housing Rehabilitation Program

THIS AGREEMENT made this 7th day of July, 2010, between City of Absecon, hereinafter referred to as "MUNICIPALITY" and the ATLANTIC COUNTY IMPROVEMENT AUTHORITY, hereinafter referred to as "AUTHORITY"

W I T N E S S E T H:

WHEREAS, the MUNICIPALITY desires to engage the services of the AUTHORITY'S OFFICE OF COMMUNITY DEVELOPMENT to perform various services for the MUNICIPALITY as hereinafter provided, and

WHEREAS, the AUTHORITY'S OFFICE OF COMMUNITY DEVELOPMENT is qualified by training and experience to perform the required services in the manner and on the terms and conditions set forth herein, and

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties hereto agree as FOLLOWS:

ARTICLE I: SCOPE OF SERVICES

The AUTHORITY shall provide to the MUNICIPALITY the following services:

A. The AUTHORITY agrees to administer, on behalf of the MUNICIPALITY, The City of Absecons's Program Income -Housing Rehabilitation Program (hereinafter "PROGRAM INCOME") and, specifically to administer all funds repaid from all Small Cities or other grants to the Municipality

B. In administering the PROGRAM INCOME, the AUTHORITY will adhere to:

- (1) The Assistance Program Policy, as prescribed by the NJ Department of Community Affairs, and approved by the Municipality.
- (2) The schedule of activities, budget, and time frame as dictated by the actual repayment of rehabilitation assistance to the Municipality by previously participating home owners. The terms and conditions contained in the Small Cities Contract Agreements that generated the Program Income will be applicable.
- (3) The administrative tasks as specified in the grant management plan, in effect during administration of the original grants.

C. In administering the PROGRAM INCOME, the AUTHORITY will serve diligently and will at all times act for the best interest of the Municipality and will faithfully, industriously, and to the best of its abilities and talents perform all duties that may be required, subject to the general control of said MUNICIPALITY.

ARTICLE II: PAYMENT

A. In full consideration of all services to be performed under this Agreement, the AUTHORITY shall be reimbursed a lump sum for each of the following services performed: heater installation \$400.00, well installation \$400.00, septic system installation \$500.00 & housing rehabilitation \$1000.00 from the PROGRAM INCOME available to the AUTHORITY, for administration. No additional funds will be provided for travel and consumables to the AUTHORITY.

B. Administrative Expenses to be incurred by the AUTHORITY in the operation of the PROGRAM INCOME, shall not exceed the amount stated in II.A., unless permission to exceed that fee has been authorized by the Governing Body.

C. It is the obligation of the MUNICIPALITY to determine that services have been performed in a proper and satisfactory manner in accordance with the terms and conditions set forth herein prior to approval and payment of invoices submitted the AUTHORITY. Nothing herein contained shall be construed to prohibit the AUTHORITY from seeking legal recourse in the event it determines that the decision of the MUNICIPALITY is unreasonable or otherwise improper.

D. Payment shall be made only upon submission by the AUTHORITY of the required standard invoice and any other documents deemed necessary by the MUNICIPALITY.

ARTICLE III. TERM

A. This Agreement shall be effective June 30, 2010, and shall extend for a period of three years, ending June 29, 2013.

B. The Governing Body may extend the term of this Agreement. Such extension shall be made by the Governing Body in writing. In the event that the Agreement is extended, all of the original terms and conditions will remain in effect for the extended period.

C. The Governing Body may terminate, modify, or suspend this Agreement at any time by giving written Notice sent to the AUTHORITY at the address set forth in Article VI. In the event of termination of this AGREEMENT, the AUTHORITY shall furnish to the MUNICIPALITY such reports or documents that the MUNICIPALITY may required based upon work completed under the provisions of this Agreement. The AUTHORITY shall be compensated in an amount determined by the Governing Body to be commensurate with the work performed at the time of termination.

ARTICLE IV: GENERAL PROVISIONS

A. The AUTHORITY's status shall be that of an independent Principal and not as agent or employee of the MUNICIPALITY. As an independent principal, the AUTHORITY will, at all times, act for the best interest of the MUNICIPALITY, subject to MUNICIPALITY approval in all actions taken.

B. The AUTHORITY agrees not to assign this Agreement or moneys due hereunder without the proper written approval of the MUNICIPALITY.

C. The AUTHORITY agrees that in the performance of the Agreement they will obey, and comply with applicable Federal, State, and municipal laws and regulations.

D. This Agreement shall be governed and construed and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the State of New Jersey.

E. There shall be no discrimination against any employee engaged in the work required to produce the service covered by the Agreement, or against any applicant for such employment because of race, creed, color, national origin, ancestry, sex, include, but not limited to the following: employment upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The AUTHORITY shall insert a similar provision in all subcontracts.

F. The parties to the Contract do hereby agree that the provisions of the N.J.S.A. 10:2-4, dealing with discrimination in employment in public contract and the Rules and Regulations promulgated pursuant thereunto, are hereby made a part of this Contract and are binding upon them.

G. This Contract may not be altered, modified, or rescinded orally, but any changes agreed upon and executed by both parties may be incorporated into this Agreement.

H. The parties to this Contract do hereby agree to all provisions of the Grant Management Plan, approved as part of the original grant administration.

ARTICLE V: ADDITIONAL PROVISIONS

A. The MUNICIPALITY shall have the following rights and obligations with respect to this Agreement:

- (1) To approve through the Governing Body major revisions to the Housing Rehabilitation Assistance Program, Policy and Application prior to their adoption. Such revisions shall include, but are not limited to, changes

affecting target area boundaries, the types of activities to be undertaken, the amount of funds allocated to activities, and eligibility requirements.

- (2) To monitor the program through independent inspections of financial records, physical inspections of rehabilitated homes and other improvements, and interviews with homeowners and contractors.
- (3) The MUNICIPALITY or any of their duly authorized representatives shall have access to any subcontracts, books, payroll, papers and records of the AUTHORITY which are directly pertinent to the specific grant program for the purpose of making audit, examination, excerpts and transcriptions.
- (4) The MUNICIPALITY agrees to make all payments to all contractors, upon receipt of the required vouchers and other supporting documents that may be required from the AUTHORITY. It is understood that vouchers for payment will be processed for payment at the first Governing Body meeting following their submission for payment to the MUNICIPALITY.

B. The AUTHORITY agrees as follows:

- (1) The AUTHORITY is aware of the assurance given by the MUNICIPALITY as set forth in attachments the original Grant Agreement entitled: "Program Assurance," which was executed by the MUNICIPALITY in connection with its Community Development Block Grant Application. The MUNICIPALITY in accepting and using federal funds agrees to conform its program with the assurances set forth in said forms.
- (2) The AUTHORITY will maintain all necessary financial, equal opportunity and other records required by the MUNICIPALITY in connection with the aforementioned PROGRAM INCOME.

ARTICLE VI: ADDRESS FOR NOTICE

The Address given below shall be the address of the representative parties to which all notices and reports required by this Agreement shall be sent by Certified Mail, Return Receipt Requested.

City of Absecon
Municipal Complex
500 Mill Road
Absecon, NJ 08201


ATLANTIC COUNTY IMPROVEMENT AUTHORITY

A.C.I.A., Office of Community Development
5909 Main Street, 2nd Floor
Mays Landing, NJ 08330


IN WITNESS WHEREOF, the ATLANTIC COUNTY IMPROVEMENT AUTHORITY
has duly signed and sealed this Agreement:

And the MUNICIPALITY has likewise caused the Agreement to be signed and sealed by
its authorized officers this 7th day of July, 2010.

ATTEST:


Carie A. Crone
Municipal Clerk

City of Absecon

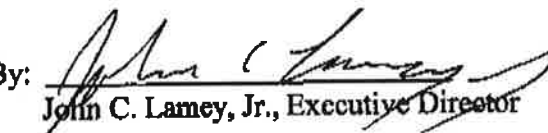
By: 
Peter C. Elco
Honorable Mayor

WITNESS:



CONTRACTOR:

Atlantic County Improvement Authority

By: 
John C. Lamey, Jr., Executive Director

COAL Project Number PC0418 (02)

County: Alameda

April 1, 2000 to September 1, 2012

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
|-------------------|------|-----|----|----|----------|--------|-----|--------|----------------------|----|----|----|----|----|----|----|
| Plum Road | 604 | 83 | 2 | | | | | | | | | | | | | |
| W. Oregon Ave | 32 | 243 | 16 | L | 02/08/02 | 9,000 | N/A | 8,000 | Weathered, Saver | Y | | | ✓ | | 99 | |
| Shady Lane | 15 | 94 | 14 | M | 02/04/02 | 11,450 | N/A | 17,485 | Roof, weathered | Y | | | ✓ | | 99 | |
| Cal Service Drive | 44 | 243 | 35 | M | 04/03/03 | 15,750 | N/A | 11,500 | Roof, weathered | Y | | | ✓ | | 99 | |
| Bonsall Ave | 202 | 30 | 15 | L | 12/02/01 | 13,275 | N/A | 15,750 | Roof, sides, heat | Y | | | ✓ | | 99 | |
| Albany Road | 206 | 151 | 14 | VL | 02/06/04 | 14,925 | N/A | 14,925 | heat, weathered | Y | | | ✓ | | 99 | |
| 7th Avenue | 114 | 3 | 11 | VL | 02/03/01 | 21,999 | N/A | 21,999 | Electric, Roof, Tonn | Y | | | ✓ | | 99 | |
| N. New Road | 120 | 151 | 7 | VL | 11/24/02 | 3,790 | N/A | 3,790 | Weathered, Tonn | Y | | | ✓ | | 99 | |
| W. Church St. | 45 | 161 | 4 | L | 04/24/08 | 23,715 | N/A | 23,125 | Plumbing, weathered | Y | | | ✓ | | 99 | |
| Shelburne Ave | 1017 | 114 | 2 | L | 04/13/09 | 22,535 | N/A | 22,535 | Heat, Gas, Roof | Y | | | ✓ | | 99 | |
| Cal Service, 8th | 22 | 243 | 32 | M | 02/14/02 | 15,125 | N/A | 15,125 | Roof, Heat, Tonn | Y | | | ✓ | | 99 | |

Volunteers for American Signaling, Inc. are in demand. We are seeking individuals who are interested in the field of telecommunications. If you are interested in this field, please send your resume and references to: American Signaling, Inc., Human Resources Department, 10000 North Central Expressway, Suite 1000, Dallas, Texas 75243. We are an equal opportunity employer. M/F/V/H.

10-46-12
 Verified by fielding Clerk Official that with recent history and related to 100% for the
 NJ State Housing Code or the Substandard Housing and that the work involved major systems.
 10/16/12
 Date Forwarded: 10/17

**MEMORANDUM OF AGREEMENT FOR
CONTRACT ADMINISTRATION OF THE ABSECON CITY
INDIGENOUS NEED HOUSING REHABILITATION PROGRAM**

THIS SERVICE AGREEMENT entered into the [DAY] day of [MONTH] ,
2013

BETWEEN: THE CITY OF ABSECON, a Municipal Corporation having its principal place of business at 500 Mill Road, Absecon, New Jersey 08201, (hereinafter referred to as "Absecon" or "City")

AND: ATLANTIC COUNTY IMPROVEMENT AUTHORITY, having its principal place of business at 5909 Main Street, 2nd Floor, Mays Landing, NJ 08330, (hereinafter referred to as "ACIA")

WHEREAS, the City of Absecon has developed a Housing Element and Fair Share Plan to satisfy its known fair share obligation pursuant to the the regulations promulgated by the New Jersey Council on Affordable Housing ("COAH") and the Fair Housing Act; and

WHEREAS, Absecon City has been assessed a twenty-nine (29) unit owner- and/or rental-occupied indigenous need rehabilitation obligation by COAH;

WHEREAS, the ACIA has the experience, expertise, and personnel and has offered to administer housing rehabilitation programs for municipalities in Atlantic County through the ACIA Office of Community Development;

WHEREAS, ACIA rehabilitated thirty (30) units in the City between 1990 and 2000;

WHEREAS, only those units rehabilitated after 2000 can satisfy the current rehabilitation obligation;

WHEREAS, ACIA rehabilitated eleven (11) units after 2000 and there is adequate documentation verifying that the rehabilitated units are qualified under COAH's regulations;

WHEREAS, the remaining eighteen (18) units shall be satisfied through a housing rehabilitation program which provides for the rehabilitation of eighteen (18) owner-occupied and/or rental occupied units of substandard housing occupied by income eligible low- and moderate-income households as estimated by COAH after the 2000 Census; and

WHEREAS, the Absecon Indigenous Need Owner and Rental Housing

Rehabilitation Program will require the creation of an appropriate administrative mechanism; and

WHEREAS, the City of Absecon has accepted the offer of the ACIA to administer its program through the ACIA Office of Community Development;

NOW, THEREFORE, the parties agree as follows:

I. Responsibilities of ACIA.

(1) The ACIA shall develop and implement a means by which to identify substandard owner-occupied and rental units occupied by low and moderate income households within the City of Absecon;

(2) The ACIA shall apprise the low and moderate income households and landlords residing in substandard units of the opportunity to rehabilitate their dwellings through Absecon Indigenous Need Owner and Rental Housing Rehabilitation Program;

(3) The ACIA shall prepare and accept applications for participation in the Absecon Indigenous Need Owner and Rental Housing Rehabilitation Program from all interested parties;

(4) The ACIA shall screen all applicants to ensure that they qualify as low or moderate income households as defined by COAH after the 2000 Census and certify same on forms acceptable to COAH;

(5) The ACIA shall inspect each housing unit to ascertain that each unit is substandard as defined by COAH and shall certify same on forms acceptable to COAH and/or to the Superior Court judge having jurisdiction over the City's Mount Laurel compliance efforts;

(6) The ACIA shall inspect the dwellings of all applicants to ensure that the scope of work necessary to bring each respective unit up to code standards is sufficient to necessitate the expenditure of an average of at least \$10,000.00 in capital costs for all units that will be the subject of an Indigenous Need Rehabilitation Program as required by COAH. The ACIA shall expend no more than \$25,000.00 on any given unit without first obtaining Absecon City's written authorization.

(7) The ACIA shall advertise and receive bids from contractors for the work necessary to bring substandard units up to code standard and shall prepare all the appropriate documentation and contracts to be executed by (a) the appropriate bidder, (b) the City of Absecon and (c) the owner of the unit.

The contract shall require the homeowner and/or landlord to execute a lien in a form acceptable to the City for the amount of the capital costs expended on the unit pursuant to Absecon's Rehabilitation Program. The form of the lien shall be prepared and reviewed by ACIA's Legal Counsel;

(8) The ACIA shall inspect the work done by all contractors with respect to each unit that is the subject of the Rehabilitation Program to ensure that the units have been brought up to code standard and that all contractors have fulfilled their respective obligations in a good and workmanlike manner with high quality material pursuant to each respective contract and shall certify same to the City on forms acceptable to COAH having jurisdiction over the City's Mount Laurel compliance efforts;

(9) Subject to a reduction for the number of deteriorated units occupied by lower income households that will be rehabilitated by the the ACIA through its CDBG program, the ACIA shall perform all other tasks necessary to ensure the efficient and proper administration of the Housing Rehabilitation Program and the proper rehabilitation of substandard residential units in Absecon in a fashion satisfactory to the Court or COAH based upon the following schedule:

| <u>Year</u> | <u>Units Rehabilitated</u> |
|-------------|----------------------------|
| 2013 | 3 |
| 2014 | 3 |
| 2015 | 3 |
| 2016 | 3 |
| 2017 | 3 |
| <u>2018</u> | <u>3</u> |

Total Units to be Rehabilitated 18
by December 31, 2018.

It is both the City and ACIA's goal to have completed the program prior to the end of the 2018.

(10) The ACIA shall report the progress of the implementation of this agreement to the City on the forms and in the manner as COAH may prescribe pursuant to N.J.A.C. 5:97-4.5(a) within 14 days from the deadline COAH may establish for the City to submit reports to COAH each year. The City will be responsible for sending the report to COAH and to the Superior Court judge having jurisdiction over the City's Mount Laurel compliance efforts;

(11) The ACIA shall utilize its manual to implement this Agreement consistent herewith and in conformance with the COAH rules N.J.A.C. 5:97-6.2(e) and shall, if necessary, amend its manual so as to conform with N.J.A.C. 5 93-6.2(e) and any other regulations or policies on an as-needed basis.

(12) The ACIA shall provide Affirmative Marketing with respect to these units consistent with applicable COAH requirements on affirmative marketing, as set forth in N.J.A.C. 5:97-6.2. Those efforts shall include, at a minimum: The publication in the *Atlantic City Times* and the official Absecon City newspaper providing notice of the availability of the Absecon Indigenous Need Owner and Rental Housing Rehabilitation Program.

All publications and notifications shall identify the deadlines for filing applications to participate in the Absecon Indigenous Need Owner and Rental Housing Rehabilitation Program and the requirements for participation in the program. All applications shall be made available at the municipal building, the ACIA offices, the Atlantic County's Family and Community Development Office and libraries located in the City. The publications and notifications shall identify the location where applications can be obtained. The ACIA shall coordinate its marketing plan with the City as set forth in Section II (4) below.

(13) The ACIA shall continue to run an independent housing rehabilitation program using Community Development Block Grant ("CDBG") monies. The list of houses for the CDBG program shall be independent of the list for the program described herein. The vigor with which the ACIA implements the CDBG program will not be diminished as a result of this agreement. The ACIA shall report to the City the number of units rehabilitated pursuant to this Agreement. The ACIA shall ensure that any units it rehabilitates pursuant to the CDBG program will satisfy the criteria established by applicable COAH and UHAC regulations so as ensure that the City is entitled to COAH credits.

(14) The ACIA shall utilize forms acceptable to the City to ensure the recapture of the funds advanced by the City and the securing of a lien in the event of a sale prior to the end of the affordability controls.

II. Responsibilities of Absecon City

(1) Absecon City is responsible for fully funding the program, as needed, to meet the above schedule except to the extent units are rehabilitated with CDBG monies;

(2) Absecon City shall pay the ACIA for the administrative tasks associated with the performance of this contract a fee of not to exceed \$400.00 for heater and well installation, \$ 500.00 for septic system installation and \$1000.00 for housing rehabilitation per unit;

(3) Absecon City shall have the right, upon written notice, to terminate this contract in the event the City determines that the cost of the Absecon Indigenous Need Owner and Rental Housing Rehabilitation Program is

excessive provided (a) that the ACIA shall be compensated for all expenses incurred prior to Absecon's notification of termination and (b) that in the event a contractor commences work in a unit pursuant to a successful bid, the contractor shall be entitled to complete the work and the City shall be responsible for all costs consistent herewith;

(4) Notwithstanding that the ACIA has the responsibility to affirmatively market the program, the City shall periodically place a notice in its newsletters and distribute widely a brochure making the public aware of the availability of the Absecon Indigenous Need Owner and Rental Housing Rehabilitation Program;

(5) Income eligibility shall be as defined by COAH in N.J.A.C. 5 97-1.1 et seq.;

(6) The term of the affordability controls shall be as established in N.J.A.C. 5:97-6.2(c) (currently 10 years);

(7) The City shall not materially change the terms or conditions of its rehabilitation housing program without prior notice to the ACIA which notice shall be given at least six months prior to any material change unless such changes are necessary to render the rehabilitations creditworthy under COAH regulations;

(8) No household which has previously received rehabilitation funding through another housing rehabilitation program shall be eligible to receive further funding through the program contemplated herein.

III. Responsibilities Applicable to Both Parties.

(1) The Absecon Indigenous Need Owner and Rental Housing Rehabilitation Program is intended to be a City-wide program and not intended to target specific areas of the City;

(2) The parties represent that this is the agreement and that same may not be modified without the express written consent of both parties;

(3) The Agreement shall be binding on all successors and/or assigns.

(4) This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of New Jersey in such a fashion as to fulfill the intents and purposes of the New Jersey Fair Housing Act, COAH and UHAC regulations and other applicable laws.

ATTEST:

CITY OF ABSECON

Carie A. Crone
Municipal Clerk

John Armstrong
Mayor

ATTEST:

ATLANTIC COUNTY IMPROVEMENT AUTHORITY

John C. Lamey, Jr., Executive Director

APPENDIX G

EXTERIOR HOUSING SURVEY

MUNICIPALITY Absecon

COUNTY Atlantic

DATE 6/7/13

| | | | | MAJOR SYSTEMS | | | MINOR SYSTEMS | | | | Structure In Need of Repair (Mark "Yes" or "No") | If Yes, Provide Details |
|-----------------|-----------|--------------------------|--------------------------------------------------------------|----------------------------------------------------------------------------------|------------|---------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------|-------------------------|-------------|-----------------------------------------------------------------|-------------------------|
| | | | | One major system is required to indicate that the structure is in need of repair | | | Two minor systems are required to indicate that the structure is in need of repair | | | | | |
| Street Address | Block/Lot | Number of Dwelling Units | Tenure of Units i.e. owner occupied/ rental/ mixed occupancy | Year Built | Foundation | Weatherization Siding and Walls Windows and Doors | Roof and Chimney | Eaves/Soffits/ Gutters/L eader | Rails/Stairs/St epporCh | Fire Escape | | |
| 101 Marin Drive | 289/554 | 1 | Rental | 1982 | OK | OK | OK | OK | OK | N/A | NO | |
| 103 Marin Drive | 289/553 | 1 | Rental | 1982 | OK | OK | OK | OK | OK | N/A | NO | |
| 105 Marin Drive | 289/552 | 1 | Owner | 1982 | OK | OK | OK | OK | OK | N/A | NO | |
| 107 Marin Drive | 289/557 | 1 | Owner | 1982 | OK | OK | OK | OK | OK | N/A | NO | |
| 109 Marin Drive | 289/556 | 1 | Owner | 1982 | OK | OK | OK | OK | OK | N/A | NO | |
| 111 Marin Drive | 289/544 | 1 | Owner | 1982 | OK | OK | OK | OK | OK | N/A | NO | |
| 100 Marin Drive | 289/501 | 1 | Owner | 1983 | OK | OK | OK | OK | OK | N/A | NO | |
| 102 Marin Drive | 289/502 | 1 | Owner | 1983 | OK | OK | OK | OK | OK | N/A | NO | |
| 104 Marin Drive | 289/503 | 1 | Rental | 1983 | OK | OK | OK | OK | OK | N/A | NO | |
| 106 Marin Drive | 289/504 | 1 | Owner | 1983 | OK | OK | OK | OK | OK | N/A | NO | Repair, Re-paint siding |
| 108 Marin Drive | 289/505 | 1 | Owner | 1983 | OK | OK | OK | OK | OK | N/A | NO | |
| 110 Marin Drive | 289/506 | 1 | Rental | 1983 | OK | OK | OK | OK | OK | N/A | NO | |

I verify that I have conducted this exterior housing survey according to the NJ Department of Community Affairs' criteria.

Handwritten Signature Michael S. Hagan Construction Official

EXTERIOR HOUSING SURVEY

MUNICIPALITY Absecon

COUNTY Atlantic

DATE 6/17/19

| Street Address | Block/Lot | Number of Dwelling Units | Tenure of Units i.e. owner occupied/ rental/ mixed occupancy | Year Built | MAJOR SYSTEMS | | | | MINOR SYSTEMS | | | | Structure in Need of Repair (Mark "Yes" or "No") | If Yes, Provide Details |
|-----------------|-----------|--------------------------|--------------------------------------------------------------|------------|----------------------------------------------------------------------------------|------------------|-------------------|------------------|------------------------------------------------------------------------------------|--------------------------|-------------|-----|--------------------------------------------------|-------------------------|
| | | | | | One major system is required to indicate that the structure is in need of repair | | | | Two minor systems are required to indicate that the structure is in need of repair | | | | | |
| | | | | | Foundation | Siding and Walls | Windows and Doors | Roof and Chimney | Eaves/Soffits/ Gutters/Leader | Rails/Stairs/Steps/Porch | Fire Escape | | | |
| 113 Marin Drive | 289/548 | 1 | owner | 1982 | OK | OK | OK | Roof | Soffit | OK | N/A | Yes | Roof sheathing sagging. Repair soffit | |
| 115 Marin Drive | 289/547 | 1 | owner | 1982 | OK | OK | OK | Roof | OK | OK | N/A | Yes | Roof sheathing sagging | |
| 117 Marin Drive | 289/546 | 1 | owner | 1982 | OK | OK | OK | OK | OK | OK | N/A | No | | |
| 119 Marin Drive | 289/545 | 1 | owner | 1982 | OK | OK | OK | OK | OK | OK | N/A | No | | |
| 121 Marin Drive | 289/544 | 1 | owner | 1982 | OK | OK | OK | OK | OK | OK | N/A | No | | |
| 123 Marin Drive | 289/543 | 1 | owner | 1982 | OK | OK | OK | OK | OK | OK | N/A | No | | |
| 112 Marin Drive | 289/507 | 1 | owner | 1982 | OK | OK | OK | OK | OK | OK | N/A | No | | |
| 114 Marin Drive | 289/508 | 1 | owner | 1982 | OK | OK | OK | OK | OK | OK | N/A | No | | |
| 116 Marin Drive | 289/509 | 1 | owner | 1982 | OK | OK | OK | OK | OK | OK | N/A | No | | |
| 118 Marin Drive | 289/510 | 1 | owner | 1982 | OK | OK | OK | OK | OK | OK | N/A | No | | |

I verify that I have conducted this exterior housing survey according to the NJ Department of Community Affairs' criteria.

Handwritten signature

Michael G. O'Hagan Construction Official

EXTERIOR HOUSING SURVEY

MUNICIPALITY Absecon

COUNTY Atlantic

DATE 6/17/13

| Street Address | Block/Lot | Number of Dwelling Units | Tenure of Units i.e. owner occupied/ rental/ mixed occupancy | Year Built | MAJOR SYSTEMS | | | | MINOR SYSTEMS | | | | Structure in Need of Repair (Mark "Yes" or "No") | If Yes, Provide Details |
|-----------------|-----------|--------------------------|--------------------------------------------------------------|------------|---------------|------------------|-------------------|------------------|-------------------------------|---------------------------|-------------|-----|--------------------------------------------------------|-------------------------|
| | | | | | Foundation | Weatherization | | Roof and Chimney | Eaves/Soffits/ Gutters/Leader | Rails/Stairs/St eps/Porch | Fire Escape | | | |
| | | | | | | Siding and Walls | Windows and Doors | | | | | | | |
| 170 Marin Drive | 289/536 | 1 | Rental | 1986 | OK | OK | OK | OK | OK | OK | N/A | NO | | |
| 168 Marin Drive | 289/535 | 1 | Owner | 1986 | OK | OK | OK | OK | OK | OK | N/A | YES | Repair/replace roof shingles | |
| 166 Marin Drive | 289/534 | 1 | Owner | 1986 | OK | OK | OK | OK | OK | OK | N/A | NO | | |
| 164 Marin Drive | 289/533 | 1 | Owner | 1986 | OK | OK | OK | OK | OK | OK | N/A | YES | Replace roof shingles | |
| 162 Marin Drive | 289/532 | 1 | Rental | 1986 | OK | OK | OK | OK | OK | OK | N/A | NO | | |
| 160 Marin Drive | 289/531 | 1 | Owner | 1986 | OK | OK | OK | OK | OK | OK | N/A | NO | | |
| 158 Marin Drive | 289/530 | 1 | Rental | 1986 | OK | OK | OK | OK | OK | OK | N/A | NO | | |
| 156 Marin Drive | 289/529 | 1 | Rental | 1986 | OK | OK | Siding | OK | OK | OK | N/A | YES | Paint siding, Replace roof shingles, Repair Deck Steps | |
| 154 Marin Drive | 289/528 | 1 | Rental | 1986 | OK | OK | Siding | OK | OK | OK | N/A | YES | Sagging Roof Sheathing | |
| 152 Marin Drive | 289/527 | 1 | Rental | 1986 | OK | OK | OK | OK | OK | OK | N/A | YES | | |
| 150 Marin Drive | 289/526 | 1 | Owner | 1986 | OK | OK | OK | OK | OK | OK | N/A | NO | | |
| 148 Marin Drive | 289/525 | 1 | Rental | 1986 | OK | OK | OK | OK | OK | OK | N/A | NO | | |

I verify that I have conducted this exterior housing survey according to the NJ Department of Community Affairs criteria.

[Signature]

Michael G. O'Hagan Construction Official

APPENDIX H

RESOLUTION #

A RESOLUTION OF THE COUNCIL OF THE CITY OF ABSECON EXPRESSING ITS INTENT TO PROVIDE THE FUNDS NECESSARY TO SATISFY THE CITY'S AFFORDABLE HOUSING OBLIGATIONS

WHEREAS, on [DATE], the Absecon City Planning Board adopted a Housing Element and Fair Share Plan (hereinafter "Affordable Housing Plan"), which the City contends fully addresses the rehabilitation and prior round components of the "fair share" imposed on Absecon by the New Jersey Council On Affordable Housing (hereinafter "COAH"); and

WHEREAS, on [DATE], the City Council held a properly-noticed public meeting to consider endorsing the Affordable Housing Plan adopted by the Planning Board on [DATE] and, after considering of any questions or concerns raised by members of the governing body or the public, the City Council determined that it is in the best interest of the City and the region's low and moderate income households to endorse said Affordable Housing Plan and to direct the City's professionals to file said Plan with the Court and to take any and all reasonable actions to secure a Judgment of Compliance and Repose approving said plan to protect the City from any unnecessary Mount Laurel lawsuits; and

WHEREAS, the City's Affordable Housing Plan includes credits for existing affordable units and the following proposed compliance mechanisms: (1) a Rehabilitation Program to be administered by the Atlantic County Improvement Authority; (2) 24 proposed supportive and special needs units; and (3) a proposed 100 percent affordable municipally-sponsored project providing 71 affordable units; and

WHEREAS, pursuant to COAH's regulations and policies, in order to assure the creditworthiness of the various compliance techniques included in its Affordable Housing Plan, the City must demonstrate adequate and stable funding sources; and

WHEREAS, since the City is committed to securing judicial approval of its Affordable Housing Plan, in order to provide an adequate and stable funding source for the components of the City's Affordable Housing Plan, the City shall rely on the various funding sources included in COAH's publication entitled "A Guide to Affordable Housing Funding Sources" ("Funding Guide"), dated October 28, 2008, and currently posted on COAH's official website; and

WHEREAS, since COAH asserts in its Funding Guide that sufficient funding is available to satisfy the statewide need of affordable housing, the City is confident that it will not be forced to raise or expend municipal revenues in order to provide low and moderate income housing; and

WHEREAS, in addition to the plethora of funding sources in the Funding Guide, the City shall also utilize funds from its Development Fee Ordinance to facilitate the economic feasibility of the City's Affordable Housing Programs; and

WHEREAS, if -- after exhausting every potential funding source and every valid compliance technique -- the City still cannot secure sufficient financing to completely satisfy its affordable housing obligations without being forced to raise or expend municipal revenues in order to provide low and moderate income housing, the City will cover such costs through bonding and/or other legal means; and

WHEREAS, the City notes that challenges are currently pending before the New Jersey Supreme Court seeking to invalidate COAH regulations because, as a practical matter, they force municipalities to expend their own monies in contravention of the prohibition against such a requirement set forth in N.J.S.A. 52:27D-311d; and

WHEREAS, in view of the foregoing, the City reserves the right to adjust the commitments made herein based upon the outcome of the Supreme Court's decision or other applicable laws; and

WHEREAS, the Court has indicated its intent to review the City's Affordable Housing Plan, and the City wishes to leave no question as to the City's intent to cover the cost of implementing its affordable housing plan or any modification thereof that may be necessary as a result of the Court's review.

NOW, THEREFORE, BE IT RESOLVED by Council of the City of Absecon, County of Atlantic, State of New Jersey, as follows:

1. In order to provide adequate and stable funding for the various compliance techniques in its Affordable Housing Plan, Absecon City shall make a *bona fide*, diligent, and good faith effort to work with the implementers of various components identified above to exhaust the potential funding sources included in "A Guide to Affordable Housing Funding Sources" ("Funding Guide"), dated October 28, 2008, and currently posted on COAH's official website.
2. The City shall also maximize use of the funds from its Development Fee Ordinance to facilitate the economic feasibility of the City's Affordable Housing Programs; and
3. If, after exhausting every potential funding source in the Funding Guide and its Development Fee Ordinance, the City still cannot secure sufficient financing to completely satisfy its affordable housing obligations, the City will fully fund any gaps in financing to assure the economic feasibility of the compliance techniques included in the City's Affordable Housing Plan.

4. The City reserves the right to recoup any subsidy provided through future collections of development fees or payments in lieu of the construction of affordable housing, as such funds become available.
5. Further, the City expressly reserves the right take any other legal action, including amending its approved Housing Element and Fair Share Plan to include valid compliance techniques that do not force the City to expend public funds.
6. The sole purpose of this financial commitment and voluntary fiscal exposure is to satisfy current COAH regulations and policies and, should the rules, regulations, statutes, or policies change subsequent to the adoption of this Resolution, the City expressly reserves the right to rescind such commitments.

I, _____, City Clerk of the City of Absecon, hereby certifies that the foregoing resolution was duly adopted by the Council of said City at a meeting held on [DATE].

APPENDIX I

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: Absecon County: Atlantic
 Sponsor: The ARC of Atlantic Co. Developer: _____
 Block: 96 Lot: 26 Street Address: 637 Weiler Lane,
 Facility Name: Weiler Group Home Absecon NJ 08201

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 1: Type of Facility: <input checked="" type="checkbox"/> Licensed Group Home <input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008) <input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSB) <input type="checkbox"/> Permanent supportive housing <input type="checkbox"/> Supportive shared housing <input type="checkbox"/> Other - Please Specify: _____ | Section 2: Sources and amount of funding committed to the project: <input checked="" type="checkbox"/> Capital Application Funding Unit \$ _____ <input type="checkbox"/> HMFA Special Needs Housing Trust Fund \$ _____ Unfunded Housing - Amount \$ _____ HUD - Amount \$ _____ Program _____ Federal Home Loan Bank - Amount \$ _____ Farmers Home Administration - Amount \$ _____ Development fees - Amount \$ _____ Bank financing - Amount \$ _____ Other - Please specify: _____ <input type="checkbox"/> For proposed projects, please submit a pro forma to confirm funding, if applicable. <input type="checkbox"/> Award letter/funding commitment (proposed new construction projects only) |
| Section 3: For all facilities other than permanent supportive housing: Total # of bedrooms reserved for: Very low-income clients/households _____ Low-income clients/households <u>6</u> Moderate-income clients/households _____ Market-income clients/households _____ | Section 4: For permanent supportive housing: Total # of units <u>6</u> , including: # of very low-income units _____ # of low-income units <u>6</u> # of moderate-income units _____ # of market-income units _____ |
| Section 5: Length of Controls: <u>20</u> years Effective Date of Controls: <u>1/25/1985</u> Expiration Date of Controls: <u>8/22/2025</u> Average Length of Stay: <u>NA</u> months (transitional facilities only) | Section 6: <u>5/20/1985</u> <input type="checkbox"/> CO Data: _____ For licensed facilities, indicate licensing agency: <input checked="" type="checkbox"/> DOD <input type="checkbox"/> DHSB <input type="checkbox"/> DHSB <input type="checkbox"/> DCA <input type="checkbox"/> DCF <input type="checkbox"/> Other _____ Initial License Date: <u>5/1/1985</u> Current License Date: <u>7/31/2012</u> |
| Section 7: Has the project received project-based rental assistance? <u>Yes</u> <input checked="" type="checkbox"/> No <input type="checkbox"/> Length of commitment: _____ Other operating subsidy sources: _____; Length of commitment: _____ Is the subsidy renewable? <u>Yes</u> <input type="checkbox"/> No <input checked="" type="checkbox"/> NA | |
| Section 8: The following verifications is attached: <input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, DHAC deed restriction, etc.) <input checked="" type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required) | |
| Section 9: Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Population Served (describe): _____ Age-enriched? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Accessible (in accordance with NJ Barrier Free Subcode)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |



Section 10: Affirmative Marketing Strategy (check all that apply):

- ☒ DDJ/DMEB/DYBS waiting list
☐ Affirmative Marketing Plan approved by the Council's
Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief

Certified by:

Project Administrator

Paula Jones

Date

5-9-12

Certified by:

Municipal Housing Liaison

Lee Johnson

Date

11-16-12

ABSECON CITY



CERTIFICATE

| | |
|-------------|---------|
| CERT. NO. | 289 |
| DATE ISSUED | 5/18/87 |
| Block | 96 |
| Lot | 26 |
| Subdivision | |

IDENTIFICATION

| | | | |
|-------------------|---------------------|------------------|--|
| Owner | ARC/ATLANTIC, INC. | Agent | |
| Address | 1033 N. Main St. | Address | |
| | Pleasantville, N.J. | | |
| Tel. () | | Tel. () | |
| Work Site Address | 635 Weiler | Lic. No. | |
| | Lane, Absecon, N.J. | Federal Emp. No. | |

PAYMENTS

| | |
|-----------------------------------------------|----------|
| Fees Remitted | \$ 15.00 |
| <input checked="" type="checkbox"/> Check No. | 103 |
| <input type="checkbox"/> Cash | |
| <input type="checkbox"/> Other | |
| Collected By: | LBJ |
| Date: | 5/13/87 |

CERTIFICATE OF OCCUPANCY/APPROVAL

A. ☒ CERTIFICATE OF OCCUPANCY

☐ CERTIFICATE OF APPROVAL

This serves notice that said building, structure, or equipment has been constructed or installed in accordance with the New Jersey Uniform Construction Code, and is approved for use and/or occupancy.

B. ☐ CERTIFICATE OF CONTINUED OCCUPANCY

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

C. ☐ TEMPORARY CERTIFICATE OF OCCUPANCY

If this is a Temporary Certificate of Occupancy the following conditions must be met no later than _____, 19____ or the owner will be subject to a fine or order to vacate:

D. DESCRIPTION OF WORK:

| | | | |
|-------------------|-------------|------------------------|-------|
| USE GROUP | R-2 | FIRE GRADING | 1 hr. |
| MAXIMUM LIVE LOAD | 40 lb/sf | MAXIMUM OCCUPANCY LOAD | 6 |
| SPECIFIC USE | (Residence) | | |

FINAL COST OF CONSTRUCTION: \$ 41,000

Lloyd B. Jones
CONSTRUCTION OFFICIAL
LLOYD B. JONES



License Number GH167

State of New Jersey
DEPARTMENT OF HUMAN SERVICES

**Group Home
LICENSE**

This is to certify that 637 WEILLER LN

ABSECON

NJ 08201

Operated by

ARC of Atlantic County

Having met the requirements of the New Jersey Statute,
P.L. 1977, c. 448,
and the regulations of this Department, is hereby licensed as a

Group Home
(type of residence)
7/31/2012
from
(date issued)

for 6
(number)
effective to
7/31/2013
(expiration date)

Jennifer Velez, Commissioner, Department of Human Services

**MORTGAGE MODIFICATION/EXTENSION AGREEMENT
(COLLATERAL MORTGAGE)**

MORTGAGE MODIFICATION/EXTENSION AGREEMENT ("Agreement") by and between the State of New Jersey, Department of Human Services, Division of Developmental Disabilities ("MORTGAGEE") and The Arc of Atlantic County Inc, formerly known as Association for Retarded Citizens Atlantic, Inc. ("MORTGAGOR") dated as set forth.

1. DEFINITIONS

The terms set forth below shall be defined as follows:

- 1.1 "Date of Agreement" is: January 25, 1985
- 1.2 "Mortgage" means Mortgage dated: August 22, 1985
made by Mortgagor to Mortgagee which was recorded on August 28, 1985
in the office of the County Recording Office of Atlantic County, New Jersey in book of mortgages 3200 on page 296.
The original amount of the Mortgage was \$135,009.20
- 1.3 "Mortgagor" means The Arc of Atlantic County Inc, a 501(c)(3) corporation.
- 1.4 "Mortgagor's Address" is: 101 Shore Road, Somers Point, NJ 08244.
- 1.5 "Mortgagee's Address" is: PO Box 726, Trenton, NJ 08625.
- 1.6 "Mortgaged Property" means the property described in the Mortgage and commonly known as 637 Weiler Lane, Absecon, NJ 08201.
- 1.7 "Borrower" means: The Arc of Atlantic County Inc, a corporation.

2. MODIFICATION/EXTENSION

In consideration of any modification and/or extension made or to be made by Mortgagee to Mortgagor and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- ☒ If this line is checked, the Mortgagee extends the maturity of the Mortgage from August 22, 2005 to August 22, 2025.
- ☒ If this line is checked, the principal amount of the Note secured by the Mortgage is increased to \$144,809.20

3. PROMISES BY MORTGAGOR

Mortgagor certifies that:

- 3.1 The mortgage is a valid Purchase Money Mortgage lien on the Mortgaged Property.
- 3.2 As of February 1, 2005, the outstanding principal balance is \$144,809.20
which is secured by the Mortgage.
- 3.3 Mortgagor does not make any claims to reduce or dispute the amount due.
- 3.4 Mortgagor does not make any claims against Mortgagee of any nature.

4. CONTINUING EFFECT

All remaining and provisions of the Mortgage and the other Loan Documents, except as modified and/or extended here, shall continue in full force and effect.

5. WHO IS BOUND

Until Mortgagor has paid in full what Mortgagor owes Mortgagee, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the heirs, personal representatives, administrators, successors and assigns of Mortgagee and Mortgagor, provided, however, Mortgagor may not assign any of its rights or delegate any of its obligations under this agreement without the prior written consent of the Mortgagee.

6. SIGNATURES

Mortgagor and Mortgagee consent to this Agreement.

IN WITNESS WHEREOF, this Agreement has been truly executed and sealed by Mortgagor as of the day and year first written above. RECEIPT, WITHOUT CHARGE, OF A TRUE COPY OF THIS MORTGAGE MODIFICATION/EXTENSION AGREEMENT IS ACKNOWLEDGED:

WITNESS: ATTEST

Joe Conforti
C.F.O.

ATTEST:

Notary Public
Notary Public

MORTGAGOR: The Arc of Atlantic County
BY: Deborah Davies, CEO
DEBORAH DAVIES
Mortgagor

MORTGAGEE
BY: Carol G. Aust
Carol G. Aust
Director, Division of Developmental Disabilities

ATLANTIC COUNTY, NJ MICHAEL J. GARDIN, COUNTY CLERK
VEL 12174 RECORDED 10/25/2005 11:00:00 AM
REC FEE \$40.00 PARCEL NO 11-000 RECFT 68543
INST 2005113061
REC'D BY: COBNA

CORPORATE ACKNOWLEDGMENT
(MORTGAGOR)

STATE OF NEW JERSEY _____:

COUNTY OF Atlantic _____: SS

On this 1st day of August, 2005, before me, the undersigned officer, personally appeared DEBORAH DAVIES, who acknowledged himself/herself to be the Executive Director of The Arc of Atlantic County, Inc., a corporation, and that he/she as such Executive Director being authorized to do so, executed the foregoing Mortgage Extension/Modification Agreement for the purposes lien contained by signing the name of the corporation by himself/herself as Executive Director.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Signed and sworn to before me on

_____, 20__

Notary9

STATE ACKNOWLEDGEMENT
(MORTGAGEE)

STATE OF NEW JERSEY _____:

COUNTY OF Merion _____: SS

I CERTIFY that on September 21, 2005.

Carol Grant personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person):

- (a) is named in and personally signed this document;
- (b) was authorized to and did sign, seal and deliver this document as the Director of the Division of Developmental Disabilities, Department of Human Services, State of New Jersey; and
- (c) executed this document as the act and deed of said State entity.

Signed and sworn to before me on

August 1, 2005
Kimberly McCall
Notary

Signed and sworn before me on

September 21, 2005

Deborah A. Barry
Notary Public

DEBORAH A. BARRY
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES 7/15/07

APPENDIX J

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: ABSECON
Sponsor: CARWIL, INC.
Block: 82 Lot: 13
Facility Name: _____

County: ATL
Developer: CARWIL, INC. (CARWIL RESIDENTIAL SERVICES, VI)
Street Address: 610 SEMINOLE

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Section 1: Type of Facility:</p> <p><input checked="" type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input type="checkbox"/> Permanent supportive housing</p> <p><input type="checkbox"/> Supportive shared housing</p> <p><input type="checkbox"/> Other - Please Specify: _____</p> | <p>Section 2: Sources and amount to the project:</p> <p><input type="checkbox"/> Capital Application Fund</p> <p><input type="checkbox"/> HMFA Special Needs Hou</p> <p><input type="checkbox"/> Balanced Housing - Amount \$ _____</p> <p><input checked="" type="checkbox"/> HUD - Amount \$ _____</p> <p><input type="checkbox"/> Federal Home Loan Bank -</p> <p><input type="checkbox"/> Farmers Home Administrat</p> <p><input type="checkbox"/> Development fees - Amount</p> <p><input type="checkbox"/> Bank financing - Amount \$ _____</p> <p><input type="checkbox"/> Other - Please specify: _____</p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p> |
| <p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for:</p> <p>Very low-income clients/households _____</p> <p>Low-income clients/households _____</p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p> | <p>Section 4: For permanent supportive housing:</p> <p>Total # of units <u>4</u>, including:</p> <p># of very low-income units <u>4</u></p> <p># of low-income units _____</p> <p># of moderate-income units _____</p> <p># of market-income units _____</p> |
| <p>Section 5:</p> <p>Length of Controls: _____ years</p> <p>Effective Date of Controls: ____/____/____</p> <p>Expiration Date of Controls: ____/____/____</p> <p>Average Length of Stay: _____ months (transitional facilities only)</p> | <p>Section 6:</p> <p><input type="checkbox"/> CO Date: ____/____/____</p> <p>For licensed facilities, indicate licensing agency:</p> <p><input checked="" type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other: _____</p> <p>Initial License Date: ____/____/____</p> <p>Current License Date: ____/____/____</p> |
| <p>Section 7:</p> <p>Has the project received project-based rental assistance? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No; Length of commitment: _____</p> <p>Other operating subsidy sources: <u>DDD</u>; Length of commitment: <u>Annual</u></p> <p>Is the subsidy renewable? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> | |
| <p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)</p> <p><input type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p> | |
| <p>Section 9:</p> <p>Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Population Served (describe): <u>22 + OVR - Dev. Disabled</u></p> <p>Age-restricted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Accessible (in accordance with NJ Barrier Free Subcode)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> | |

just scanned to sample



Section 10: Affirmative Marketing Strategy (check all that apply):

- ☒ DDIX/DHHS/DHSS waiting list
☐ Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by:

[Signature] PARADISE M.C.
Project Administrator

5-22-12

Certified by:

[Signature]
Municipal Housing Liaison

Date
11-16-12
Date

JOE DOUGHARTY 404-7050 X 206



CITY OF ABSECON
500 MILL ROAD
ABSECON NJ 08201
609-641-0663

Block: 82 Lot: 13 Qualification Code:
Work Site Location: 610 SEMINOLE AVE

ABSECON

Owner in Fee: CARING RESIDENTIAL SERVICES VI INC

Address: 407 W DELLAH RD

PLEASANTVILLE NJ 08232

Telephone:

Agent/Contractor: SAL ORAPALLO GENERAL CONTRACTOR

Address: 3 JENNY LYNN DRIVE

NORTHFIELD NJ 08225

Telephone: 609 510-0295

Lic. No./ Bids. Reg.No.: Federal Emp. No.: 22-3803910

Social Security No.:

☒ **CERTIFICATE OF OCCUPANCY**

This serves notice that said building or structure has been constructed in accordance with the New Jersey Uniform Construction Code and is approved for occupancy.

☐ **CERTIFICATE OF APPROVAL**

This serves notice that the work completed has been constructed or installed in accordance with the New Jersey Uniform Construction Code and is approved. If the permit was issued for minor work, this certificate was based upon what was visible at the time of inspection.

☐ **TEMPORARY CERTIFICATE OF OCCUPANCY/COMPLIANCE**

If this is a temporary Certificate of Occupancy or Compliance, the following conditions must be met no later than or will be subject to fine or order to vacate:

**CERTIFICATE
IDENTIFICATION**

Date Issued: 03/16/2011
Control #: 8411
Permit #: 20100224

Home Warranty No:

Type of Warranty Plan: ☐ State ☐ Private

Use Group: R-5

Maximum Live Load:

Construction Classification:

Maximum Occupancy Load:

Certificate Exp Date:

Description of Work/Use:

INTERIOR RENOVATIONS,
NEW DECKS & RAMPS

Update Desc. of Wk/Use:

☐ **CERTIFICATE OF CLEARANCE-LEAD ABATEMENT 5:17**

This serves notice that based on written certification, lead abatement was performed as per NJAC 5:17, to the following extent:

☐ Total removal of lead-based paint hazards in scope of work

☐ Partial or limited time period (____ years); see file

☐ **CERTIFICATE OF CONTINUED OCCUPANCY**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

☐ **CERTIFICATE OF COMPLIANCE**

This serves notice that said potentially hazardous equipment has been installed and/or maintained in accordance with the New Jersey Uniform Construction Code and is approved for use until

Michael G OHagan Construction Official

U.C.C 260 (rev. 5/03)

1 - APPLICANT 2 - OFFICE 3 - TAX ASSESSOR

Fees: \$50.00

Paid ☒ Check No.:

Collected by: lk



License Number GH1428

State of New Jersey
DEPARTMENT OF HUMAN SERVICES

**Group Home
LICENSE**

This is to certify that

610 SEMINOLE AVENUE

ABSECON

NJ 08201

Operated by

Caringhouse Projects, Inc.

Having met the requirements of the New Jersey Statute,

P.L. 1977, c. 448,

and the regulations of this Department, is hereby licensed as a

Group Home
(type of residence)

4/30/2012
(date issued)

from

for 4
(number)

Individuals

effective to

4/30/2013
(expiration date)

Jennifer Velez, Commissioner, Department of Human Services

Capital Advance Program Mortgage Note

Supportive Housing under Section 202 of the Housing Act of 1959
or Section 811 of the National Affordable Housing Act of 1990

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0470
(Expires 5/31/2010)

Project Number 035-HD069

Project Name CARINGHomes 2008 - Atlantic County

Location 5055 Ridge Avenue, Egg Harbor Township, NJ 08234 and 610 Seminole Avenue, Absecon, NJ 08201

Date 09/24/2010

\$ 1,153,300.00

(Maximum)

Maturity Date 05/24/2051

For Value Received, the undersigned Owner promises to pay to the order of the Secretary of Housing and Urban Development (HUD) the maximum principal sum of One Million One Hundred Fifty Three Thousand Three Hundred Dollars (\$ 1,153,300.00), or such lesser amount as shall be endorsed on this instrument by HUD. This Note shall bear no interest and repayment is not required so long as the housing remains available for very low-income elderly persons or very low-income persons with disabilities (whichever is applicable) in accordance with Section 202 of the Housing Act 1959 or Section 811 of the National Affordable Housing Act of 1990 (whichever is applicable), the Regulatory Agreement and Regulations.

The debt evidenced by this Note may not be prepaid prior to the maturity date hereof without the prior written approval of HUD.

Provided that (1) the housing has remained available for occupancy by eligible families until the maturity date of the Note, and (2) the Note has not otherwise become due and payable by reason of defaults under the Note, Mortgage or Regulatory Agreement, on that date the Note shall be deemed to be paid and discharged.

If default be made by the Owner under the terms of this Note, Mortgage, the Regulatory Agreement or the Regulations, at the option of the holder of this Note, the entire principal sum shall at once become due and payable without notice. Interest per annum at a rate equal 4.625% , shall be payable on demand with respect to the payment of principal upon default. Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default. In the event of default if payment is collected by an attorney at law, the undersigned hereby agrees to pay all costs of collection including reasonable attorney's fee.

All parties of this Note hereby waive presentment for payment, demand, protest, notice of protest, and notice of dishonor.

In Witness Whereof, the Owner Corporation named below has caused this Note to be executed in its named and under its corporate seal by its duly authorized officers as the date shown above.

Corporate Seal

(Name of Owner Corporation) CARING Residential Services VI, Inc.

By (President) Barbara Jewell

Attest By (Secretary) Daniel T. Campbell

I hereby certify that this is the Note described in and secured by a mortgage (deed of trust) and use agreement of even date herewith and in the same principal amount is herein stated on real estate in the County of Atlantic ,

State of New Jersey . Dated this 24th day of September, 2010 .

Attorney At Law of the State of NJ

DANIEL S. DWORKIS

Endorsement for the Reduction of Principal

The face amount of the within Note is hereby reduced to the principal sum of _____ Dollars
(\$ _____).

By (Authorized Agent)

The Secretary of Housing and Urban Development

APPENDIX K

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: Absecon
Sponsor: Community Quest, Inc.
Block: 51 Lot: 3
Facility Name: Highland

County: Atlantic
Developer: _____
Street Address: 703 Highland Blvd.,
Absecon NJ 08201

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Section 1: Type of Facility:</p> <p><input checked="" type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2004)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHS)</p> <p><input type="checkbox"/> Permanent supportive housing</p> <p><input type="checkbox"/> Supportive shared housing</p> <p><input type="checkbox"/> Other - Please Specify: _____</p> | <p>Section 2: Sources and amount of funding committed to the project: <u>N/A</u></p> <p>Capital Application Funding Unit \$ _____</p> <p>EMHFA Special Needs Housing Trust Fund \$ _____</p> <p>Balanced Housing - Amount \$ _____</p> <p>HUD - Amount \$ _____ Program _____</p> <p>Federal Home Loan Bank - Amount \$ _____</p> <p>Warren Home Administration - Amount \$ _____</p> <p>Development fees - Amount \$ _____</p> <p>Bank financing - Amount \$ _____</p> <p>Other - Please specify: _____</p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma to estimate funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p> |
| <p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for: <u>4</u></p> <p>Very low-income clients/households _____</p> <p>Low-income clients/households _____</p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p> | <p>Section 4: For permanent supportive housing:</p> <p>Total # of units <u>4</u>, including:</p> <p># of very low-income units <u>4</u></p> <p># of low-income units _____</p> <p># of moderate-income units _____</p> <p># of market-income units _____</p> |
| <p>Section 5:</p> <p>Length of Controls: _____ years</p> <p>Effective Date of Controls: <u>1.1.11</u></p> <p>Expiration Date of Controls: <u>1.1.11</u></p> <p>Average Length of Stay: _____ months (transitional facilities only)</p> <p><input checked="" type="checkbox"/> Will meet minimum requirements at least</p> | <p>Section 6:</p> <p><input checked="" type="checkbox"/> CO Date: <u>11/5/17</u></p> <p>For licensed facilities, indicate licensing agency:</p> <p><input checked="" type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHS <input checked="" type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: <u>11/5/17</u></p> <p>Current License Date: <u>10.12.2012</u></p> |
| <p>Section 7:</p> <p>Has the project received project-based rental assistance? Yes _____ No _____ Length of commitment: _____</p> <p>Other operating subsidy sources: <u>DDD contract</u> Length of commitment: <u>Annual</u></p> <p>Is the subsidy renewable? <input checked="" type="checkbox"/> Yes _____ No _____ NA</p> | |
| <p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UIAC deed restriction, etc.)</p> <p><input type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p> | |
| <p>Section 9:</p> <p>Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes _____ No _____</p> <p>Population Served (describe): <u>Div. Developmental Disabilities</u></p> <p>Age-restricted? _____ Yes <input checked="" type="checkbox"/> No</p> <p>Accessible (in accordance with NJ Barrier Free Standards)? _____ Yes <input checked="" type="checkbox"/> No</p> | |



Section 10: Affirmative Marketing Strategy (check all that apply).

- ☒ DOD/DMHARS writing list
☐ Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by: Bessie Kelly
Project Administrator, KCTDLC, SVP

5-18-12

Date

Certified by: Paul Stepan
Municipal Housing Liaison

11-16-12

Date



License Number 411293

State of New Jersey
DEPARTMENT OF HUMAN SERVICES

**Group Home
LICENSE**

This is to certify that 703 HIGHLAND BLVD

ABSECON

NJ 08205

Operated by

COMMUNITY QUEST, INC.

Having met the requirements of the New Jersey Statute,

P.L. 1977, c. 448,

and the regulations of this Department, is hereby licensed as a

Individuals

4

(number)

effective to

11/30/2011

(expiration date)

Group Home

(type of residence)

11/30/2010

(date issued)

from

Jennifer Velez, Commissioner, Department of Human Services



CITY OF ABSECON

Municipal Complex
500 Mill Rd.
Absecon, NJ 08201

CERTIFICATE OF CONTINUED OCCUPANCY

Date Issued: 11/5/07

C.C.O. No. 07-175

Identification

Block 51 Lot 3

Location: 703 Highland Blvd., Absecon

Agent: Kelly Lloyd, Zitomer Real Estate
Address: 8502 Ventnor Ave., Ventnor, N.J.
Tele. (609) 513-2222

Present Owner: Dr. David & Mona Gabros

Address: 249 Aschwind Ct., Galloway, N.J. 08205
Tele. (609) 432-1525

New Owner: Community Quest, Inc.

Present Use: Single Family Dwelling

This serves notice that based on a general inspection of the building, there are no imminent Hazards and the building is approved for continued occupancy.

All smoke / carbon monoxide detectors are in working order where required.

Fee \$60.00 (3 inspections)

Paid 10/12 & 10/29/07

Collected by: tml

Construction Official


MICHAEL G. O'HAGAN

EQUITY PLUS TITLE AGENCY, LLC
Equity Plus Title Agency, LLC, Equity Plus Title Agency, LLC
Equity Plus Title Agency, LLC
Equity Plus Title Agency, LLC

February 27, 2009

Community Quest, Inc.
6814 Tilton Road
Egg Harbor Twp., NJ 08234

RE: Loan No.:
 Property: **703 Highland Blvd**
 Absecon, NJ 08201

 Name of
 Borrower(s): **Community Quest, Inc., f/k/a Disabilities Resource Center,**
 Inc.
 Our File No.: **0710-13212**
 Closing Date: **October 31, 2007**

To Whom It May Concern:

Enclosed are documents marked below:

☐ Loan Policy No. _____, along with any endorsements,
 insuring , in the amount of \$ _____

☒ Original Mortgage

If you have any questions concerning this matter, please feel free to contact our office.

Very truly yours,

EQUITY PLUS TITLE AGENCY, LLC

Mary Docherty

Enclosure

Record & Return
Equity Plus Title Agency
2106 New Rd. D5
Linwood, NJ 08221

As Com
0710-13212

PURCHASE MONEY MORTGAGE

ATLANTIC COUNTY, NJ
EDWARD P. McGETTIGAN, COUNTY CLERK
RCPT # 748304 RECD BY yvette
VOL 12887
REC FEES 70.00
MARGINAL NOTATION 0.00
RECORDED 09/05/2008 03:15:07 PM
INST # 2008067322

MORTGAGE made this 21st day of August, 2008,
between the Mortgagor, Community Quest, Inc.
(formerly known as Disabilities Resource Center)

and the Mortgagee, the State of New Jersey, Department of Human Services,
Division of Developmental Disabilities, 50 east State Street, P O Box 726,
Trenton, New Jersey, 08625.

WHEREAS the Mortgagor is indebted to the Mortgagee in the sum of
ThreeHundredEightySevenThousandTwoHundredFifty----- dollars
(\$ 387,250.00), which indebtedness is evidenced by a promissory note dated
July 27, 2007, and by a certain agreement dated July 27, 2007;

THEREFORE to secure the indebtedness of \$ 387,250.00
lawful money of the United States, to be paid in accordance with the aforesaid agreement,
the Mortgagor does hereby mortgage the following described property located in the
City of Absecon, County of Atlantic,
State of New Jersey, and more particularly described in Exhibit A annexed hereto and
made a part hereof, the aforesaid property being designated as:

Block 51 (), Lot 3 (),
on the tax map of said city, and having a street address of
703 Highland Boulevard, Absecon, NJ 08201

5
12

Upon default by the Mortgagor in the performance of any term, provision or requirement of the aforesaid agreement of July 27, 2007, or upon no-fault termination of said agreement pursuant to Section 8.01 thereof, the entire amount of this mortgage shall, at the option of the Mortgagee, immediately become due and payable. Alternatively, upon Mortgagor default or upon no-fault termination of the agreement of July 27, 2007, the Mortgagee may exercise other options as set forth in Section 5.02 of the said agreement.

The Mortgagor agrees that if default shall be made in any term, provision or requirement of the agreement of July 27, 2007 the Mortgagee shall have the right forthwith, after any such default, to enter upon and take possession of the said mortgaged premises and to operate same in accordance with the aforesaid agreement.

The Mortgagor shall keep the building or buildings and improvements now on said premises, or that may hereafter be erected thereon, in good and substantial repair, and, upon failure to do so, the whole indebtedness secured and represented by this Mortgage, and the note accompanying same shall, at the option of the Mortgagee, become immediately due and payable; and also the Mortgagee may enter upon the premises and repair and keep in repair the same, and the expense thereof shall be added to the sum secured hereby.

In the event that the aforesaid property is condemned, the proceeds of any award for damages, direct as well as consequential, or the proceeds of any conveyance in lieu of condemnation, are hereby assigned and shall be paid to the Mortgagee.

IN WITNESS WHEREOF, the Mortgagor has hereto set its hand and seal
the day and year first written above.

Community Quest, Inc.
Agency Name (Mortgagor)

BY: [Signature] L.S.
Daniel Kelly, President

ATTEST:

[Signature] L.S.
Kerrie Kelly, Senior VP

State of New Jersey, County of Atlantic ss.: Be it remembered that
on August 21 2008 before me, the subscriber, personally appeared

Kerrie Kelly

who being by me duly sworn on his/her oath, deposes and makes proof to my

satisfaction, that he/she is the Senior VP of Community Quest, Inc.

the agency name in the within Instrument; that Daniel Kelly
is the President of said agency; that the execution, as well as the making of
this Instrument, has been duly authorized by a proper resolution of the governing body of
the said agency; that deponent well knows the seal of said agency; and that the seal
affixed to the said Instrument is the proper seal and was thereto affixed and said
Instrument signed and delivered by said chief executive officer as and for the voluntary
act and deed of said agency, in the presence of deponent, who thereupon subscribed
his/her name thereto as attesting witness

Sworn to and subscribed before me,
the date aforesaid.

[Signature]
Prepared by:

LAUREN A. BRITT
NOTARY PUBLIC OF NEW JERSEY
COMMISSION EXPIRES 4/28/2011

Exhibit A

METES AND BOUNDS



***First American
Title Insurance Company***

**SCHEDULE C
LEGAL DESCRIPTION**

File No. 0710-13212

ALL that certain lot, parcel or tract of land, situate and lying in the City of Absecon, County of Atlantic, State of New Jersey, and being more particularly described as follows:

BEGINNING at an iron bar set at the intersection of the Southwesterly line of Plaza Place (60' wide) with the Westerly line of Highland Boulevard (80' wide) and from thence running;

- (1) South 23 degrees 28 minutes 49 seconds East along the Westerly line of Highland Boulevard 146.12 feet to a point in the division line between Lots 3 and 4 in Block 51; thence
- (2) North 66 degrees 40 minutes West along the division line between Lots 3, 4 and 1.03 in Block 51 and parallel with Plaza Place 186.46 feet to an iron bar set in the division line between Lots 1.01 and 3 in Block 51; thence
- (3) North 23 degrees 20 minutes East along last mentioned division line and at right angles to Plaza Place 100.0 feet to an iron bar set in the Southwesterly line of Plaza Place; thence
- (4) South 66 degrees 40 minutes East along the Southwesterly line of Plaza Place 79.92 feet to the point and place of BEGINNING.

BEING Lots 4 & 5 in Block 87 on Map of Atlantic City Estates, filed August 2, 1933, Map #988.

Described in accordance with a survey performed by Paul H. Koelling, P.L.S., dated May 21, 1987 (Project No. 9810).

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 3 in Block 51 on the City of Absecon Tax Map.

* * * Transmission Result Report (MemoryTX) (May. 5. 2010 3:12PM) * * *

1) DISABILITIES RESOURCE CENTER
2)

Date/Time: May. 5. 2010 3:11PM

| File | No. Made | Destination | Pg(s) | Result | Page Not Sent |
|----------------|----------|-------------|-------|--------|---------------|
| 5407 Memory TX | | 6097774319 | P. 2 | OK | |

Reason for error
E. 1) Hang up or line fail
E. 3) No answerE. 2) Busy
E. 4) No facsimile connection

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
PO BOX 281
TRENTON, NJ 08646-0281

Community Quest, Inc.
Thorn Times Plaza
6814 Thorn Road
Egg Harbor Twp., NJ 08224

2009 PROPERTY USE CERTIFICATION

Property:

Ref #: 09-B00117
Street Address: 703 HIGHLAND BLVD
Municipality: ABSECON CITY
Block/Lot: 0101 B:00051. L:00003. Q:

Property description and 2009 residents (check one box only)

☒ Single family home. Write the names of all residents who resided in your home in 2009:

See attached RENTAL AGT

☐ Individual condominium unit. Enter your unit number: _____. Write the names of all residents who resided in your unit in 2009:

☐ Apartment building or multi-family house. Enter the number of apartments (dwelling units) at the property during 2009: _____. Attach your list of 2009 residents.

☐ Other. Includes vacant land, commercial, and any other non-residential property. Please explain how the property was used during 2009:

I, the undersigned, certify to the New Jersey Division of Taxation that the information shown above is accurate. I understand that I may be subject to penalties if it is found that I have intentionally provided false or inaccurate information.

Name of Property Owner (print): *Community Quest, Inc.*Contact name (print): *John C. Smith*Daytime telephone number: *609-665-9168*Signature of Owner/Auth. Rep. *[Signature]*Date: *5/5/10*

Return to:

NJ Division of Taxation
Rebate Eligibility Unit
PO Box 281, Trenton, NJ
08646-0281

Return this certification no later than May 5, 2010, along with resident list (if appropriate).



STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
PO BOX 281
TRENTON, NJ 08695-0281

Community Quest, Inc.
Tilton Times Plaza
6814 Tilton Road
Egg Harbor Twp., NJ 08234

2009 PROPERTY USE CERTIFICATION

Property:

Ref #: 09-B00117
Street Address: 703 HIGHLAND BLVD
Municipality: ABSECON CITY
Block/Lot: 0101 B:00051. L:00003. Q:

Property description and 2009 residents (check one box only)

- ☒ Single-family home. Write the names of all residents who resided in your home in 2009:

SEE ATTACHED STATEMENT

- ☐ Individual condominium unit. Enter your unit number: _____. Write the names of all residents who resided in your unit in 2009:

- ☐ Apartment building or multi-family house. Enter the number of apartments (dwelling units) at the property during 2009: _____. Attach your list of 2009 residents.

- ☐ Other. Includes vacant land, commercial, and any other non-residential property. Please explain how the property was used during 2009:

I, the undersigned, certify to the New Jersey Division of Taxation that the information shown above is accurate. I understand that I may be subject to penalties if it is found that I have intentionally provided false or inaccurate information.

Name of Property Owner (print) : *Community Quest, Inc.*
Contact name (print) : *John Clifford*
Daytime telephone number : *609-645-4388*
Signature of Owner/Auth. Rep. : *[Signature]*
Date: : *5/5/10*

Return to:

NJ Division of Taxation
Rebate Eligibility Unit
PO Box 281, Trenton, NJ
08695-0281

Return this certification no later than **May 5, 2010**, along with resident list (if appropriate).

Community Quest, Inc.
Community Housing & Employment Services

Daniel Kelly
President

Board of Directors

Joseph Gleason
Board Chair

Kenneth Spawton
Secretary-Treasurer

E. Daniel McMahon, Jr.
Immediate Past Chairman

William J. Sapio, MAI

Maryann Scott

**Community-Based
Programs**

Affordable/Accessible
Housing

Community Living
Options

Family Support

Employment Services

May 5, 2010

State of New Jersey
Department of the Treasury
Division of Taxation
PO Box 281
Trenton, NJ 08695-0281

To Whom It May Concern:

Please be advised that as of December 31, 2009 the following persons resided at
703 Highland Boulevard, Absecon, NJ:

Donald Malarik
Richard Ruby
Christopher Kyprios
Allan Candlish

This property is a group home for disabled individuals. There exist no apartments
or dwelling numbers. Each consumer has a bedroom, but those are not numbered.

All resided at this address for the entire year of 2009.



Sincerely,

John Clifford
Community Quest, Inc.

Home Quest, Inc.

Community Quest Foundation, Inc.

Med A Quest

6814 Tilton Road • Tilton Times Plaza • Egg Harbor Township, NJ 08234
609-646-0388 • Fax 609-646-5622 • www.CQInc.org



STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
PO BOX 281
TRENTON, NJ 08695-0281

NOTICE OF REQUIREMENT TO PROVIDE INFORMATION

March 13, 2009

COMMUNITY QUEST INC
6814 TILTON RD
EGG HARBOR TOWNSHIP NJ 08234-4490

Ref.# 08-A02088
Street Address 703 HIGHLAND BLVD
Municipality ABSECON CITY
County/Muni 0101 B00051 L00003 Q

Dear Property Owner:

Pursuant to N.J.S.A. 54:4-8.62, you are required to provide information to the Division of Taxation regarding the above property which has been identified as either tax-exempt, under a tax abatement (on either the land or buildings) or subject to payments in lieu of tax. As you may know, individuals who resided in this property on October 1, 2008 are not eligible for a 2008 tenant homestead rebate. The information that you provide to us will help ensure that homestead rebates are not issued to any of these ineligible individuals.

Enclosed with this letter is a Property Use Certification. You must complete the certification and submit it together with a list of any individuals who resided in the property during 2008. The list must include each resident's name full name (first and last), full property address (including apartment/unit number), and their move in/out date(s) if they did not reside in the property during the entire year.

If there were no residents, you are still required to submit the Property Use Certification. However, to complete the certification, you need only check the appropriate box, sign the form, and enter your contact information. If the property will not be occupied during 2008, you should inform your local Tax Assessor's Office so that you do not receive this notification next year.

The Property Use Certification and resident list (if appropriate) must be submitted **no later than April 6, 2009**. Mail these documents to the following address: New Jersey Division of Taxation, Rebate Eligibility Unit, PO Box 281, Trenton, NJ 08695-0281. If you prefer, you may fax these document(s) to us at 609-777-4319. Please be aware that if you fail to submit the required information by the date indicated, you may be subject to a penalty of up to \$500 for each month that the required information is not provided.

Enclosed with this letter is an Official Notification for posting which advises residents that they are not eligible for the 2008 tenant homestead rebate, and a Homestead Rebate Application Withdrawal form. Please ensure that a copy of the notification is made available to all residents. The withdrawal form may be photocopied for use by tenants who have already filed a 2008 Homestead Rebate Application. Applications may also be withdrawn by calling the Division's Customer Service Center at 1-888-213-8623.

If you have any questions, please call the Division's Customer Service Center at the above number. Thank you for your cooperation.

Rebate Eligibility Unit
NJ Division of Taxation

Encls.



CITY OF ABSECON

Municipal Complex
500 Mill Rd.
Absecon, NJ 08201

CERTIFICATE OF CONTINUED OCCUPANCY

Date Issued: 11/5/07

C.C.O. No. 07-175

Identification

Block 51 Lot 3

Location: 703 Highland Blvd., Absecon

Agent: Kelly Lloyd, Zitomer Real Estate
Address: 8502 Ventnor Ave., Ventnor, N.J.
Tele. (609) 513-2222

Present Owner: Dr. David & Mona Gabros

Address: 249 Aschwind Ct., Galloway, N.J. 08205
Tele. (609) 432-1525

New Owner: Community Quest, Inc.

Present Use: Single Family Dwelling

This serves notice that based on a general inspection of the building, there are no imminent Hazards and the building is approved for continued occupancy.

All smoke / carbon monoxide detectors are in working order where required.

Fee \$60.00 (3 inspections)

Paid 10/12 & 10/29/07

Collected by: tml

Construction Official

MICHAEL G. O'HAGAN

BUSINESS ASSOCIATE AGREEMENT AMENDING
CONTRACT (DSA 133)

between the New Jersey Department of Human Services
Division of Developmental Disabilities
and Community Quest, Inc

This Business Associate Agreement sets forth the responsibilities of Community Quest, Inc with an address of 6814 Tilton Rd. EHT, NJ 08234 (Business Associate) and the New Jersey Department of Human Services (or fill in the Appropriate Division), as a Covered Entity, in relationship to Protected Health Information (PHI), as those terms are defined and regulated by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH), and the regulations adopted thereunder by the Secretary of the United States Department of Health and Human Services, with the intent that the Covered Entity shall at all times be in compliance with HIPAA, HITECH, and the related regulations. This Business Associate Agreement is an Amendment to the Underlying Contract (DSA 133) between Business Associate and Covered Entity and sets forth additional terms that may modify the Underlying Contract.

A. Definitions:

1. The terms specified below shall be defined as follows:
 - a. *Agreement*: "Agreement" shall mean this Business Associate Agreement Amending Contract (DSA 133).
 - b. *Breach*: "Breach" shall mean the unauthorized acquisition, access, use or disclosure of Protected Health Information in a manner not permitted by the Privacy Rule or the Security Rule, which compromises the security of such Protected Health Information. Breach shall exclude such acquisition, access, use or disclosure described in 45 CFR Section 164.402.
 - c. *Designated Record Set*: "Designated Record Set" shall mean a group of records maintained by or for the Covered Entity that is the medical records and billing records of individuals maintained by or for the Covered Entity, and the enrollment, payment, claims, adjudication, and case or medical management record systems maintained by or for the Covered Entity, or used, in whole or in part, by or for the Covered Entity to make decisions about individuals.
 - d. *HIPAA*: "HIPAA" shall mean the Health Insurance Portability and Accountability Act of 1996, P.L. 104-191.
 - e. *HIPAA Regulations*: "HIPAA Regulations" shall mean the regulations promulgated under HIPAA by the U.S. Department of Health and Human Services, including but not limited to, the Privacy Rule and the Security Rule, and shall include the regulations codified at 45 CFR Parts 160, 162 and 164.
 - f. *HITECH*: "HITECH" shall mean the Health Information Technology for Economic and Clinical Health Act, Title XIII of Division A of the American Recovery and Reinvestment Act of 2009, P.L. 111-005.

2. *Specified Permitted Disclosures.* Business Associate may further disclose PHI to perform functions, activities, or services for or on behalf of Covered Entity as specified in the Underlying Contract, or for the proper management and administration of Business Associate, provided that such disclosure is Required by Law, or would not violate this Agreement, the Privacy Rule, or Notice of Privacy Practices if done by Covered Entity, and Business Associate obtains reasonable assurances in writing from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which PHI has been disclosed. In the event that the Underlying Contract and this Agreement conflict, this Agreement shall control.
3. *Nondisclosure.* Business Associate agrees to not use or disclose PHI other than as permitted or required by the Agreement, the Underlying Contract, or as Required by Law. In the event that the Underlying Contract and this Agreement conflict, this Agreement shall control.
4. *Safeguards.* Business Associate agrees to implement and use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement. Business Associate shall maintain a comprehensive written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Business Associate's operations and the nature and scope of its activities.
5. *Duty to Mitigate.* Business Associate agrees to take prompt corrective action to mitigate any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.
6. *Duty to Notify of Improper Use or Disclosure.* Business Associate agrees to notify Covered Entity of any use or disclosure of PHI not provided for by this Agreement, or the HIPAA Regulations, or of any suspected or actual breach of security or intrusion whenever it becomes aware, or of any complaint that Business Associate receives regarding the use or disclosure of PHI, within twenty-four hours of Business Associate becoming aware of such use, disclosure or suspected or actual breach of security or intrusion. Business Associate further agrees to take prompt corrective action to cure or mitigate any harmful effects of any such use, disclosure, or actual or suspected breach of security or intrusion.
7. *Business Associate's Agents.* Business Associate agrees to ensure that any officer, employee, contractor, subcontractor or agent to whom it provides PHI received from or maintained, created or received by Business Associate on behalf of Covered Entity agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such PHI. Business Associate shall terminate its agreement with any agent or subcontractor to whom it provides PHI if such agent or subcontractor fails to abide by any material term of such agreement.

8. *Access.* Business Associate agrees to provide access to PHI in a Designated Record Set to Covered Entity or to an Individual as directed by Covered Entity in order to meet the requirements of 45CFR 164.524, within 30 days of the date of any such request, unless the request is denied by Covered Entity pursuant to 45 CFR 164.524(a)(1), (a)(2) or (a)(3).
9. *Amendment.* Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set as Covered Entity directs in order to meet the requirements of 45 CFR 164.526 or the Underlying Contract, within 30 days of such a request, unless the request has been denied pursuant to 45 CFR 164.526(d). Business Associate shall provide written confirmation of the amendment(s) to the Covered Entity.
10. *Appeals from Denial of Access or Amendment.* Business Associate agrees to create and maintain an appeal process that meets the requirements of 45 CFR 164.524 and 164.526 that an Individual can utilize if the Individual's request for access to or amendment of PHI is denied.
11. *Internal Practices.* Business Associate agrees to make its comprehensive written information privacy and security program, as well as its internal practices, books and records, including policies and procedures relating to the use and disclosure of PHI received from, or created, maintained, or received by Business Associate on behalf of Covered Entity available to Covered Entity within 30 days of the date of such request, or to the Secretary in a time and manner designated by the Secretary.
12. *Duty to Document Disclosures.* Business Associate agrees to document all disclosures of PHI which would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. Business Associate agrees to provide to Covered Entity, within 30 days of the date of such request, all disclosures of PHI.
13. *Retention of Protected Information.* Notwithstanding the provisions of Section D of this Agreement, pursuant to 45 CFR 164.530(j), Business Associate agrees that it and its officers, employees, contractors, subcontractors and agents shall continue to maintain the information required under subsection B(9) of this Agreement for a period of six years from the date of its creation or the date when it was last in effect, whichever is later.
14. *Audits, Inspections, and Enforcement.* In addition to any rights of Covered Entity's rights in the Underlying Contract to review, inspect or audit all records, Business Associate agrees that from time to time, upon reasonable notice, it shall allow Covered Entity or its authorized agents or contractors, to inspect the facilities, systems, books, records and procedures of Business Associate to monitor compliance with this Agreement. In the event the Covered Entity, in its sole discretion, determines that the Business Associate has violated any term of this Agreement or the Privacy Rule, it shall so notify the Business Associate in writing. Business Associate shall promptly remedy the violation of any term of this Agreement and shall certify same in writing to the Covered Entity. The fact that Covered Entity or its authorized agents or contractors inspect, fail to inspect or have the right to inspect Business Associate's facilities, systems, books, records, and procedures does not relieve Business Associate of its responsibility to comply

with this Agreement. Covered Entity's (1) failure to detect, or (2) detection but failure to notify Business Associate, or (3) failure to require Business Associate to remediate any unsatisfactory practices, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Agreement. Nothing in this paragraph is deemed to waive Section E of this Agreement or the New Jersey Tort Claims Act, NJSA 59:1-1 et seq., as they apply to Covered Entity.

15. *Security Rule Requirements.* Business Associate shall implement administrative, physical and technical safeguards that protect the confidentiality, integrity, and availability of PHI in compliance with the Security Rule.
16. *Reporting Security Incidents.* Business Associate shall report all security incidents, as defined by the Security Rule, within twenty-four hours of becoming aware of such actual or suspected security incident.
17. *HITECH Provisions.* Sections 164.308, 164.312 and 164.316 of Title 45, Code of Federal Regulations, apply to Business Associate in the same manner as such sections apply to the Covered Entity. The HITECH requirements that relate to security, and that are applicable to the Covered Entity, shall also be applicable to the Business Associate with respect to the underlying contract and are incorporated into this Agreement by reference.
18. *Report of Breach.* In the event of an actual or suspected breach, Business Associate shall provide Covered Entity with a written report, as soon as possible but not later than five days after the breach/suspected breach became known. The report shall include, to the extent available: a) the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the breach; b) a brief description of what happened, including the date of the breach and the date of the discovery, if known; c) a description of the types of unsecured PHI involved in the breach; d) any steps individuals affected by the breach should take to protect themselves from potential harm resulting from the breach; and e) a description of what Business Associate is doing to investigate the breach, mitigate harm to the individual(s), and protect against future breaches.

C. Obligations of Covered Entity: Provision for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions

1. *Safeguards.* Covered Entity shall be responsible for using appropriate safeguards to maintain and ensure the confidentiality, privacy and security of PHI transmitted to Business Associate pursuant to this Agreement, in accordance with the requirements and standards in the Privacy Rule, until such PHI is received by Business Associate.
2. *Limitations in Notice of Privacy Practices.* In accordance with 45 CFR 164.520, Covered Entity shall notify Business Associate of any limitations in Covered Entity's Notice of Privacy Practices to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

3. *Revocations of Permission.* Covered Entity shall notify Business Associate of any changes in or revocation of permission by an Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
4. *Request for Restrictions.* Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
5. *Permissible Requests by Covered Entity.* Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity or under Covered Entity's Notice of Privacy Practices or other policies adopted by Covered Entity pursuant to the Privacy Rule.

D. Term of Business Associate Agreement and Termination of Underlying Contract and Business Associate Agreement

1. *Term.* This Agreement shall be effective as of 10/01/12 and it shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created, maintained or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information in accordance with subsection 3, below.
2. *Termination for Cause.* Upon Covered Entity's knowledge of a material breach or violation(s) of any of the obligations under this Agreement by Business Associate, Covered Entity shall, at its discretion, either:
 - a. *Opportunity to Cure.* Provide an opportunity for the Business Associate to cure the breach or end the violation upon such terms and conditions as Covered Entity shall specify. If Business Associate does not cure the breach or end the violation upon such terms and conditions as Covered Entity has specified, Covered Entity may terminate the Underlying Contract (C5A135) and require that Business Associate fully comply with the procedures specified in subsection 3, below;
 - b. *Termination of Underlying Contract.* Immediately terminate the Underlying Contract and require that Business Associate fully comply with the procedures specified in subsection 3, below, if Business Associate has breached a material term of this Agreement and Covered Entity has determined, in its sole discretion, that cure is not possible; or
 - c. *Report to the Secretary.* If neither termination nor cure is feasible, as determined by Covered Entity in its sole discretion, Covered Entity shall report the violation to the Secretary.

3. *Effect of Breach of this Agreement on Termination of the Underlying Contract.*

- a. *Obligation to Return or Destroy All PHI.* Except as provided in paragraph b of this section, upon termination of the Underlying Contract for any reason, Business Associate shall return or destroy all PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity. This provision shall also apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of PHI.
- b. *Certification of Return or Destruction.* Business Associate shall provide Covered Entity with a certification, within 30 days, that neither it nor its subcontractors or agents maintains any PHI in any form, whether paper, electronic or film, received from Covered Entity or created or received by Business Associate on behalf of Covered Entity. Covered Entity shall acknowledge receipt of such certification and, as of the date of such acknowledgement, this Agreement shall terminate.
- c. *Obligations in the Event of Inability to Return or Destroy.* In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Covered Entity shall have the discretion to determine whether it is feasible for the Business Associate to return or destroy the PHI. If Covered Entity determines it is feasible, Covered Entity shall specify the terms and conditions for the return or destruction of PHI at the expense of Business Associate. Upon Covered Entity determining that Business Associate cannot return or destroy PHI, Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

E. **Indemnification and Release**

- I. Business Associate shall assume all risk and responsibility for, and agrees to indemnify, defend and save harmless Covered Entity, its officers, agents and employees and each and every one of them, from and against any and all claims, demands, suits, actions, recoveries, judgments, costs (including attorneys fees and costs and court costs), and expenses in connection therewith, on account of loss of life, property or injury or damages to the person, body or property of any person or persons, whatsoever, which shall arise from or result directly or indirectly from Business Associate's use or misuse of PHI or from any action or inaction of Business Associate or its officers, employees, agents or contractors with regard to PHI or the requirements of this Agreement or the Privacy Rule. The provision of this indemnification clause shall in no way limit the obligations assumed by Business Associate under this Agreement, nor shall they be construed to relieve Business Associate from any liability nor preclude Covered Entity from taking any other actions available to it under any other provisions of this Agreement, the HIPAA regulations or at law.

2. Notwithstanding the above, the obligations assumed by the Business Associate herein shall not extend to or encompass suits, costs, claims, expenses, liabilities and judgments incurred solely as a result of actions or inactions of Covered Entity.
3. Business Associate further acknowledges the possibility of criminal sanctions and penalties for breach or violation of this Agreement or the Privacy Rule pursuant to 42 USC 1320d-6.
4. Business Associate shall be responsible for, and shall at its own expense, defend itself against any and all suits, claims, losses, demands or damages of whatever kind or nature, arising out of or in connection with an act or omission of Business Associate, its employees, agencies, or contractors, in the performance of the obligations assumed by Business Associate pursuant to this Agreement. Business Associate hereby releases Covered Entity from any and all liabilities, claims, losses, costs, expenses and demands of any kind or nature whatsoever, arising under state or federal laws, out of or in connection with Business Associate's performance of the obligations assumed by Business Associate pursuant to this Agreement.
5. The obligations of the Business Associate under this Section shall survive the expiration of this Agreement.

F. Miscellaneous

1. *Regulatory References.* A reference in this Agreement to a section of the Privacy Rule means the section as in effect or, it may be amended or interpreted by a court of competent jurisdiction.
2. *Amendment.* Business Associate and Covered Entity agree to take such action as is necessary to amend this Agreement from time to time in order that Covered Entity can continue to comply with the requirements of HIPAA, HITECH, related regulations, and case law that interprets the same. All such amendments shall be in writing and signed by both parties. Business Associate and Covered Entity agree that this Agreement may be superseded by a revised Business Associate Agreement executed between the parties after the effective date of this Agreement.
3. *Survival.* The respective rights and obligations of Business Associate and Covered Entity under Section D, "*Term of Business Associate Agreement and Termination of Underlying Contract and Business Associate Agreement*", above, shall survive the termination of the Underlying Contract. The respective rights and obligations of Business Associate and Covered Entity under Section E, "*Indemnification*", and Section B(11), "*Internal Practices*", above, shall survive the termination of this Agreement or the Underlying Contract.
4. *Interpretation.* Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the Privacy Rule and HIPAA, as it may be amended or interpreted by a court of competent jurisdiction.

5. *No Third Party Beneficiaries.* Nothing expressed or implied in the Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Business Associate and Covered Entity, and any successor state agency to Covered Entity, any rights, remedies, obligations or liabilities whatsoever.
6. *Notices.* Any notices to be given hereunder shall be made via Regular and Certified US Mail, Return Receipt Requested, and if possible, by facsimile to the addresses and facsimile members listed below:

Business Associate:

Community Quest, Inc.
Tilton Times Plaza
8814 Tilton Road
Egg Harbor Twp., NJ 08234

Facsimile #

609 - 646 - 2388

Covered Entity:

1. Privacy Officer

Debbie Barry
Division of Developmental Disabilities
PO Box 726
Trenton, NJ 08625

Facsimile #

(609) 631-2214

2. Director- Division of Developmental Disabilities

Dawn Apgar, Acting Assistant Commissioner
Division of Developmental Disabilities
PO Box 726
Trenton, NJ 08625

Facsimile #

(609) 631-2217

7. As the Covered Entity is a body corporate and politic of the State of New Jersey, the signature of its authorized representative is affixed below. The undersigned representative of Covered Entity certifies that he or she is fully authorized to enter into the terms and conditions of this Agreement and to execute and legally bind such Covered Entity to this document.

The undersigned representative of Business Associate certifies that he or she is fully authorized to enter into the terms and conditions of this Agreement and to execute and legally bind such Business Associate to this document.

Covered Entity:

Dawn Apgar
Dawn Apgar
Deputy Commissioner
Division of Developmental
Disabilities/Central Office
Title _____
Agency _____
Date 9/20/12

Business Associate:

[Signature]
Signature _____
Daniel Kelly
Printed Name _____
President
Title _____
Community Quest, Inc
Agency _____
9/1/12
Date _____

CONTRACT SIGNATURES AND DATES

The terms of this Contract have been read and understood by the persons whose signatures appear below. The parties agree to comply with the terms and conditions of the Contract set forth on the preceding pages in Articles I through Article V, and any related Annexes.

This Contract contains 23 pages and is the entire agreement of the parties. Oral evidence tending to contradict, amend or supplement the Contract is inadmissible; the parties having made the Contract as the final and complete expression of their agreement.

BY: _____

(signature)

Daniel Kelly
(type name)

BY: _____

Dawn Apgar

Deputy Commissioner

**Division of Developmental
Disabilities/Central Office**

TITLE: _____

(type)

President

TITLE: _____

(type)

PROVIDER

AGENCY: _____

(type)

Community Quest, Inc.

DEPARTMENTAL

COMPONENT: _____

(type)

DATE: _____

9/1/12

DATE: _____

9/20/12

Contract Effective Date: _____

10/1/12

Contract Expiration Date: _____

9/30/13

Contract Number: _____

05A x 135

Contract Ceiling: _____

2,421,468

Federal ID#: _____

22-2964576

Provider Contact Individual: _____

(Print Name)

Kesne Kelly

APPENDIX L

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: ABSOLON

County: ATL

Sponsor: CARWILL, INC.

Developer: CARWILL, INC. 145124 JAL SKEN VII

Block: 210 Lot: 2103

Street Address: 640 OHIO

Facility Name: _____

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Section 1: Type of Facility:</p> <p><input checked="" type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input type="checkbox"/> Permanent supportive housing</p> <p><input type="checkbox"/> Supportive shared housing</p> <p><input type="checkbox"/> Other - Please Specify: _____</p> | <p>Section 2: Sources and amount of funding committed to the project:</p> <p><input type="checkbox"/> Capital Application Funding Unit \$ _____</p> <p><input type="checkbox"/> HMFA Special Needs Housing Trust Fund \$ _____</p> <p><input type="checkbox"/> Balanced Housing - Amount \$ _____</p> <p><input checked="" type="checkbox"/> HUD - Amount \$ _____ Program _____</p> <p><input type="checkbox"/> Federal Home Loan Bank - Amount \$ _____</p> <p><input type="checkbox"/> Farmers Home Administration - Amount \$ _____</p> <p><input type="checkbox"/> Development fees - Amount \$ _____</p> <p><input type="checkbox"/> Bank financing - Amount \$ _____</p> <p><input type="checkbox"/> Other - Please specify: _____</p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p> |
| <p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for:</p> <p>Very low-income clients/households _____</p> <p>Low-income clients/households _____</p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p> | <p>Section 4: For permanent supportive housing:</p> <p>Total # of units <u>4</u> including:</p> <p># of very low-income units <u>4</u></p> <p># of low-income units _____</p> <p># of moderate-income units _____</p> <p># of market-income units _____</p> |
| <p>Section 5:</p> <p>Length of Controls: _____ years</p> <p>Effective Date of Controls: <u>1/1/11</u></p> <p>Expiration Date of Controls: <u>1/1/11</u></p> <p>Average Length of Stay: _____ months (transitional facilities only)</p> | <p>Section 6: <u>IN DEVELOPMENT</u></p> <p><input type="checkbox"/> CO Date: <u>1/1/11</u></p> <p>For licensed facilities, indicate licensing agency:</p> <p><input type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: <u>1/1/11</u></p> <p>Current License Date: <u>1/1/11</u></p> |
| <p>Section 7:</p> <p>Has the project received project-based rental assistance? <u>Yes</u> <input type="checkbox"/> No; Length of commitment: _____</p> <p>Other operating subsidy sources: _____; Length of commitment: _____</p> <p>Is the subsidy renewable? <u>Yes</u> <input type="checkbox"/> No</p> | |
| <p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)</p> <p><input type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p> | |
| <p>Section 9:</p> <p>Residents 18 yrs or older? <u>X</u> Yes <input type="checkbox"/> No</p> <p>Population Served (describe): <u>22 FEMALE DEV. DISABLED</u></p> <p>Age-restricted? <input type="checkbox"/> Yes <u>X</u> No</p> <p>Accessible (in accordance with NJ Barrier Free Subcode)? <u>X</u> Yes <input type="checkbox"/> No</p> | |



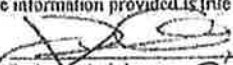
Section 10: Affirmative Marketing Strategy (check all that apply):

- ☒ DDD/DMHS/DHSS waiting list
☐ Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by:


Project Administrator

11-16-12

5-22-12

Certified by:


Municipal Housing Liaison

Date

Date



U.S. Department of Housing and Urban Development
Office of Multifamily Housing
Newark Program Center
One Newark Center
Newark, NJ 07102-5260

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

FEB - 7 2012

Ms. Barbara Jewell
President
CARING, Inc.
407 W. Delilah Road
Pleasantville, NJ 08232

Dear Ms. Jewell:

SUBJECT: **Section 811 Supportive Housing for Persons with Disabilities
Fiscal Year 2010 Agreement**

Name of Project: CARING Homes 2010
City and State: Absecon, New Jersey
Project Number: 035-HD074/NJ39-Q101-004
Number of Units: 8 Number of Residents: 8
Structure Type: Group Home

I am pleased to advise you that your application to **rehabilitate two group homes** totaling **8** units of housing for **8** persons with developmental disabilities under the Section 811 Supportive Housing for Persons with Disabilities Program has been approved.

Capital Advance authority in the amount of **\$1,234,700** along with Project Rental Assistance Contract (PRAC) and budget authority of **\$44,700** and **\$134,100**, respectively have been obligated for this project.

In accordance with the provisions of the Consolidated Appropriations Act, 2010 (Pub. L. 111-117, approved December 16, 2009), the amount of the Project Rental Assistance made available for this project is based on 75 percent (rather than on 100 percent) of the current operating cost standards applicable to Section 811 projects in Absecon, (Atlantic County), New Jersey. This takes into account the average tenant contribution toward rent. In addition, the term of the PRAC is 3 (three) years.

Pursuant to 31 USC Section 1552(a), no capital advance funds can be disbursed from the account after September 30, 2018. The Consolidated Appropriations Act, 2010, provides that amounts for Project Rental Assistance Contracts (PRACs) are to be disbursed by September 30, 2023. If all funds are not disbursed by HUD and expended

Project Name: CARING Homes 2010
Project Number: 035-HD074

by the project Owner by the aforementioned time, the funds, even though obligated, will be cancelled and no further disbursements will be made. Amounts needed to maintain PRAC payments for any remaining term on the affected contracts beyond the expiration date will have to be funded from current appropriations, if available. Amounts needed to bring a project to completion will also be subjected to the availability of funds.

By signature below, I am approving the obligation of funds for the subject project. Your acceptance of this Agreement constitutes a certification and agreement by the Sponsor/Owner to the attached terms and conditions.



Carol J. Galante

Acting Assistant Secretary for Housing-
Federal Housing Commissioner

JAN 25 2012

Date

TERMS AND CONDITIONS

This Agreement is subject to:

| | | |
|------------------------------|------------------------------------------------------|----|
| <u>ARTICLE I.</u> | <u>General Program Requirements</u> | 3 |
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| <u>ARTICLE III.</u> | <u>Environmental Review</u> | 5 |
| <u>ARTICLE IV.</u> | <u>Mixed Finance Development</u> | 6 |
| <u>ARTICLE V.</u> | <u>Restricted Occupancy</u> | 6 |
| <u>ARTICLE VI.</u> | <u>Site Issues</u> | 6 |
| <u>ARTICLE VII.</u> | <u>Exception to Project Size Limits</u> | 6 |
| <u>ARTICLE VIII.</u> | <u>Energy and Water Conservation</u> | 6 |
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| <u>ARTICLE XVII.</u> | <u>Enclosures</u> | 13 |
| <u>ARTICLE XVIII.</u> | <u>Award Acceptance</u> | 14 |

ARTICLE I. General Program Requirements

- A. There will not be any sale, assignment, conveyance, or any other form of transfer of this Agreement, funding, the property or project, or any interest therein, except a transfer from the Sponsor to an approved single-purpose Owner organized by it.
- B. The Section 811 Capital Advance and Project Rental Assistance Contract funds available for the project identified herein may not be used in connection with any other project.

- C. HUD will **not** amend the amounts approved herein for this project **before** initial closing has occurred. **Therefore, based on HUD's review of the Firm Commitment Application, the Sponsor will be liable for the cost of any front-end cash requirement should the cost to develop the project exceed the amount specified in this Agreement.** After initial closing, HUD may consider an amendment to the Agreement, if necessary, but only for increases resulting from approved change order items during construction, subject to the availability of funds.
- D. **Design and Cost Standards.** You must comply with HUD's Section 811 design and cost standards (24 CFR 891.120 and 891.310), Site and Neighborhood Standards of the regulations governing the Section 811 Supportive Housing for Persons with Disabilities program (24 CFR 891.125(a), (b) and (c)), Section 504 of the Rehabilitation Act of 1973 and HUD's implementing regulations at 24 CFR part 8, the Fair Housing Act and its implementing regulations at 24 CFR part 100, and where applicable, the Americans with Disabilities Act. You may receive helpful information with respect to the Fair Housing Act design and construction requirements on Fair Housing Accessibility FIRST's website at <http://www.fairhousingfirst.org>.
- E. You are required to comply with the Department's policy with respect to salary limitations for consultants. If a consultant will be used for your project, you must ensure that the maximum salary payable to the consultant will not exceed the equivalent of General Schedule 15, Step 10 base pay rates which, for FY2010, are \$129,517 annually and \$62.06 hourly.
- F. You must undertake activities to create jobs and further local economic development, particularly for low-income populations and communities. Activities must be more comprehensive than those required to meet HUD's Section 3 "local hire" requirements. You are expected to undertake activities that focus on access to skills training and partnership with community-based organizations that will develop pathways to long-term career ladders for the target population.
- G. All other applicable Federal requirements, including but not limited to, those set forth in HUD's Fiscal Year 2010 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY2010 NOFAs for Discretionary Programs posted on www.Grants.gov on June 7, 2010.

ARTICLE II. Ownership Entity

- A. The formation of a legally acceptable single-entity Owner corporation within **30 days** from the date of this document is required.
- B. An attempt must be made to obtain exemption from State and/or local real and/or personal property taxes. Evidence of filing, together with the response received from the
-

taxing authority, must be submitted with the Application for Firm Commitment in one of the following forms:

1. Tax exemption
2. Payment in Lieu of Taxes (PILOT)
3. Tax abatement
4. Ineligibility for any tax relief

NOTE: Eligibility for (1), (2), or (3) must be supported by a copy of the appropriate legislation or ordinance.

- C. Capitalization of the Owner Corporation in a sufficient amount to permit the Owner to meet its obligations in connection with the project is required. This includes the minimum capital investment, start-up costs, excess land costs, ineligible amenities, excessive construction costs and any other funds the Sponsor specifically commits to the project.
- D. At the time the Application for Firm Commitment is submitted, evidence that the site is under the **Owner's control must be provided.**
- E. Credit investigation clearance of the Owner's officers is required.
- F. In accordance with Federal Regulation 5350: I-01 Conforming Changes to Applicant Submission Requirements; Implementing Federal Financial Report and Central Contractor Registration Requirement Owners are required to register in the Central Contractor Registry before funds can be disbursed.

ARTICLE III. Environmental Review

- A. This Section 811 Fund Reservation award constitutes preliminary approval of your site. Site approval will not occur until HUD completes its environmental review and finds the site environmentally acceptable. HUD will complete its environmental review prior to issuance of the Firm Commitment.
- B. Compliance with Environmental Assurance. You agree to assist with HUD's compliance with environmental review regulations in 24 CFR part 50 and you will:
 1. Supply HUD with all available and relevant information necessary for HUD to perform for each property any environmental review required by 24 CFR part 50.
 2. Carry out mitigating measures required by HUD; and

3. Not acquire, rehabilitate, demolish, convert, enter into or close a leasehold agreement (you can continue to perform obligations to sustain an existing leasehold or option to lease agreement), repair or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, from the time the application is submitted until HUD approval of the site is received.

- C. **Environmentally Unacceptable Sites.** If upon completion of HUD's environmental review, the site is found acceptable but only with mitigation and you cannot meet the mitigation requirements, or if HUD determines that even with mitigation, the site is unacceptable, the Section 811 Fund Reservation award will be terminated

ARTICLE IV. Mixed Finance Development

You did not indicate the project would involve mixed financing.

ARTICLE V. Restricted Occupancy

You did not request approval to restrict occupancy to a subcategory of the main disability group.

ARTICLE VI. Site Issues

A. Site Control.

Both the evidence of site control and the site were acceptable.

- B. **Site Change** Although you may obtain ownership or control of a suitable site different from the site specified in the initial application, if you fail to obtain ownership or have control of the site within one (1) year of this Agreement, this Agreement and fund reservation will be canceled. This is a statutory requirement and cannot be waived

ARTICLE VII. Exception to Project Size Limits

Your application did not request an exception to the project size limit.

ARTICLE VIII. Energy and Water Conservation

You are required to build to a higher standard by incorporating components of sustainable building in Section 811 developments. At a minimum, energy efficiency strategies and water conservation appliances and fixtures must be incorporated in the design, construction, and operation of all new construction and substantial (gut) rehabilitation projects.

- A. **Energy Efficiency.** Owners of new construction and substantial rehabilitation low-rise (up to 3 stories) multifamily developments **must** meet the requirements of EPA's ENERGY STAR Qualified Homes.

NOTE: Any state energy code requirements will take precedence over ENERGY STAR **or** ASHRAE specifications when the state code approximates or exceeds that standard.

- B. All projects must purchase and install ENERGY STAR-labeled appliances.
- C. **Water Conservation Fixtures.** Installation of water-conserving fixtures is required in all new and substantially rehabilitated developments (i.e. resource efficient plumbing and appliances such as low flow showerheads and faucet and high efficiency toilets). The materials used should be the most current WaterSense or a greater water efficiency product. More information is available at www.epa.gov/owm/water-efficiency.
- D. **Owners of Existing Developments that do not qualify as new construction or substantial (gut) rehabilitation,** must perform pre- and post-construction energy audits and incorporate conservation techniques in their projects. Owners of existing developments must also commit to future installation of WaterSense fixtures and ENERGY STAR appliances in the project's required Operations and Maintenance plan.
- E. **Operations and Maintenance (O&M).** All Owners must develop an O&M manual that will address: a routine maintenance plan; operations and maintenance guidance for all appliances, HVAC operation, lighting equipment, paving materials and landscaping, pest control, and other systems that are part of each occupancy unit; an occupancy turnover plan that describes in detail the process of educating the tenant about proper use and maintenance of all building systems; and staff training needed to maintain the energy improvements and continue green building practices for the future. All operations and maintenance plans must commit to future installation of water-conserving fixtures and ENERGY STAR appliances. Operations and Maintenance (O&M) manual templates are available for use and customization on the Enterprise Green Communities website at <http://www.practitionerresources.org/documents.html?c=320>.
- F. **Green Development.** You were awarded points for agreeing to comply with the Enterprise Green Communities criteria both in the Logic Model and Narrative. For green programs that require self-certification, you must undertake an on-site verification by an independent third party provider. Third party providers must have experience in the installation of green, energy efficient systems such as a licensed engineer who is a certified Home Energy Rater, BOP Inspector, or an equivalent designation as determined by a Verification Oversight Organization such as RESNET. The Sponsor or Owner is expected to provide HUD with the appropriate certification prior to final closing.

ARTICLE IX. Conflict of Interest

- A. This Agreement and fund reservation will be subject to cancellation, at HUD's option, in the event there comes into existence or HUD becomes aware of a pre-existing conflict of interest involving the project on the part of officers or directors of either the Sponsor or Owner organization (including affiliates).
- B. Submission of Conflict of Interest and Disclosure Certifications for **each** officer and director of both the Sponsor and Owner and Identity of Interest and Disclosure Certifications for all development team members.

NOTE: At any time a new development team member is added or changed, an Identity of Interest Certification must be submitted. Likewise, at any time the Sponsor or Owner changes any officers or directors, a Conflict of Interest and Disclosure Certification must be submitted for the new person(s).

ARTICLE X. Milestones and Deliverables

- A. **The Agreement and fund reservation will be canceled if construction, rehabilitation or acquisition has not commenced within 18 months from the date of this Agreement, unless limited extensions, of up to 24 months, are approved by HUD. Such extensions will be based upon HUD's determination that the Owner has established a reasonable schedule and is making sufficient progress toward the start of construction.**
- B. If two copies of this Agreement indicating acceptance are not returned **within 14 calendar days** of the date of this Agreement, or if you accept and your single-purpose Owner fails to submit an Application for Firm Commitment within the specified period, HUD may cancel this Agreement and the fund reservation.
- C. If a consultant has been or will be used, the consultant must submit its Previous Participation Certification (Form HUD-2530) **within 14 calendar days** from the date of this letter
- D. The land appraisal must be submitted within **30 calendar days** from the date of this Agreement. For projects approved for funding without site control, submission of the land appraisal is required within **30 calendar days** of HUD's notification of site approval.
- E. Form HUD-2530, Previous Participation Certification is to be submitted for all officers and directors of the Owner's board within **90 calendar days** and there must be subsequent clearance thereof.

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- F. Submission of an Application for Firm Commitment in full compliance with HUD's design and cost standards and programmatic requirements within **180 calendar days** from the date of this Agreement. The design and cost standards apply to all projects regardless of the proposed operating cost level. The design must not include any prohibited features and must be cost efficient.

ARTICLE XI. Project Funds

- A. Drawdown of Capital Advance through LOCCS/VRS. After the formation of the Ownership entity, you are required to establish a Line of Credit Control System/Voice Response System (LOCCS/VRS) account by completing form HUD-27054, LOCCS Voice Response Access Authorization. request.
- The LOCCS Program Area Code "CAH"
 - The three-digit program number is "105"
- B. Instructions. LOCCS/VRS Instruction and the required form can be obtain from the from the following website <http://hudatwork.hud.gov/po/f/systems/locvrs.cfm>
- C. Owners are required to obtain a Data Universal Numbering System (DUNS) number before funds can be processed through the Line of Credit Control System (LOCCS).
- D. When forwarding the banking information to Ft. Worth Accounting Center (FWAC), include the DUNS number on the banking information as well as a copy of the first page of the CCR Registration Status Screen showing the active DUNS number. . To retrieve this document:
1. Visit, www.CCR.gov
 2. Click on the "CCR Search" link.
 3. Enter appropriate DUNS number and click the "search" button.
- E. You, as the Sponsor, and the Owner, when formed, are subject to the provisions of Section 319 of Public Law 101-121 (approved October 23, 1989) (31 U.S.C. 1352) (the Byrd Amendment), which prohibits recipients of federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the federal government in connection with a specific contract, grant, or loan. In addition, the Owner, when formed, must disclose, using Standard Form LLL "Disclosure of Lobbying Activities," any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, Members of Congress, and congressional staff regarding specific grants or contracts.

ARTICLE XII. Fair Housing

- A. Affirmatively Furthering Fair Housing (AFFH). Section 808(e)(5) of the Fair Housing Act imposes a duty on HUD to affirmatively further the purposes of the Fair Housing Act under this program. Accordingly, you are required to take affirmative steps to further fair housing.
- B. Affirmative Fair Housing Marketing Plan (AFHMP). You must develop an AFHMP that will reach those applicants that are least likely to apply to your project to promote diversity.
- C. Limited English Proficiency. You are required to take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP). As part of your duty to affirmatively further fair housing, you should take proactive measures to inform eligible LEP persons of the housing, related activities and available language assistance.

ARTICLE XIII. Federal Compliance

- A. You are required to provide a drug-free workplace. Compliance with this requirement means that you will:
 - 1. Publish a statement, notifying employees that it is unlawful to manufacture, distribute, dispense, possess or use a controlled substance in the applicant's workplace and that such activities are prohibited. The statement must specify the actions that will be taken against employees for violation of this prohibition. The statement must also notify employees that as a condition of employment under the federal award that they are required to abide by the terms of the statement and each employee must agree to notify the employer in writing of any violation of a criminal drug statute occurring in the workplace no later than five calendar days after such violation;
 - 2. Establish an on-going drug-free awareness program to inform employees about:
 - (a) The dangers of drug abuse in the workplace;
 - (b) The applicant's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation, or employee maintenance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 3. Notify the federal agency in writing within 10 calendar days after receiving notice from an employee of a drug abuse conviction or otherwise receiving actual notice of a drug abuse conviction. The notification must be provided in writing to

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HUD's Office of Departmental Grants Management and Oversight, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 3156, Washington, DC 20410-3000, along with the following information:

- (a) The program title and award number for each HUD award covered;
 - (b) The HUD staff contact name, phone and fax numbers; and
 - (c) A grantee contact name, phone and fax numbers.
- 4. Require that each employee engaged in the performance of the federally funded award be given a copy of the drug-free workplace statement required in item (1) and notify the employee that one of the following actions will be taken against the employee within 30 calendar days of receiving notice of any drug abuse conviction:
 - (a) Institution of a personnel action against the employee, up to and including termination consistent with requirements of the Rehabilitation Act of 1973, as amended; or
 - (b) Requiring that the employee participate satisfactorily in drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement or other appropriate agency.
- B. In accordance with 24 CFR part 24, no award of federal funds may be made to applicants that are presently debarred or suspended, or proposed to be debarred or suspended, from doing business with the federal government. This requirement applies not only to you, as the Sponsor, and the Owner, when formed, but also to all lower tier covered transactions and to all solicitations for lower tier covered transactions. The prohibition includes the following:
 - 1. Having principals who, within the previous three years, have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction, violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and
 - 2. Charges or indictments against the Sponsor, Owner and their principals by a governmental entity (federal, state and local) for commission of any of the above violations within the previous three years.
- C. You must comply with the labor standards provisions at 24 CFR 891.155(d). These include Davis-Bacon prevailing wage and reporting requirements and the overtime provisions of the Contract Work Hours and Safety Standards Act.

ARTICLE XIV. Reporting Requirements

- A. Logic Model. You, as the Sponsor will work with HUD, at the Project Planning Conference, to finalize the services or activities (Outputs) and the Outcomes in association with the Logic Model and the development timeline. The Logic Model will be developed and reported on in separate stages.
1. You (and the Owner when formed) are required to report annually on the measures achieved in developing the project based on the final Program Outcome Logic Model.
 - The final reporting requirement for the Logic Model requires the Owner to use the Total worksheet to document the activities and outcomes as well as the associated measures that have occurred during the period of performance.
 - Also, at the time of the final report, the Owner is required to respond to each of the program management evaluation questions.
 2. The second stage requires the Owner to document the services/activities made available to the residents and the expected outcomes and measures of such services. The form HUD-96010, Logic Model is to be submitted beginning one year after the date of the final Logic Model submission required in stage one. The Logic Model reporting requirement ends at the conclusion of the mortgage.
- B. For the purpose of determining your compliance with the requirements of Section 3, you must submit form HUD-60002, Section 3 Summary Report, to the Assistant Secretary for Fair Housing and Equal Opportunity in Washington, DC, or through HUD's online system at: <http://www5.hud.gov:63001/apps/po/e/srs/Public/form.cfm>. Form HUD-60002 shall be submitted to the Department annually, no later than January 10th or the 10th day after project completion, whichever is earlier. Section 3 regulations can be found at 24 CFR part 135, subpart E).
- C. Racial and Ethnic Data: you are required to collect racial and ethnic beneficiary data. HUD has adopted the Office of Management and Budget's Standards for the Collection of Racial and Ethnic Data. In view of these requirements, you should use form HUD-27061-H, Race and Ethnic Data Reporting Form (instructions for its use) found on www.HUDclips.org
- D. The Regulatory Agreement (Form HUD-92466-CA) requires the Owner to submit an annual financial statement for the project. This financial statement must be audited by an Independent Public Accountant who is a Certified Public Accountant or other person
-

accepted by HUD and filed electronically with HUD's Real Estate Assessment Center (REAC) through the Financial Assessment Subsystem for Multifamily Housing (MF-FASS). The submission of annual financial statements is required throughout the 40-year term of the mortgage.

- E. You are required to meet the requirements of the Federal Financial Assistance Accountability and Transparency Act of 2006 as amended. As a recipient of HUD funds, you are required to report subawards made either as pass-through awards, subrecipient awards, or vendor awards. To learn more about this requirement visit www.fhrs.gov. Also, refer to the FY 2010 Section 811 Notice of Funding Availability (NOFA) for detailed guidance.

ARTICLE XV. Other Conditions

1. The Phase I ESA did not include an applicant prepared User Questionnaire per Appendix X3 of ASTM E-1527-05 and must be submitted.
2. The Phase I ESA was not amended by including a "Tier 1" "vapor encroachment screen" (VES) pursuant to ASTM E 2600-10, the results of which were incorporated, as appropriate into the Findings, Opinions, and Conclusions sections of the Phase I ESA.
3. Subject to the Title Company affirmatively insuring over restrictions and reversions regarding use contained in exception documents at 1) Deed Book 554, Page 234, 2) Deed Book 561, Page 334 and 3) Deed Book 646, Page 353 to HUD's satisfaction.

ARTICLE XVI. Point of Contact

To provide you and your architect with assistance in the development of a project which meets HUD's design and cost standards, immediately contact Curtis Rumph, HUD's design representative, at (973) 776-7273 to discuss the design of the project.

If you have any questions regarding the requirements for submission of the Application for Firm Commitment and to obtain information about your required attendance at the Office's Project Planning Conference, please call Vincent Willis, Project Manager, at (973) 776-7278.

ARTICLE XVII. Enclosures

In addition, HUD has revised some of the Handbook (4571.4) procedures applicable to the submission, review and processing of Section 811 Applications for Firm Commitment through Final Closing. A copy of Notice H 2011-18, Updated Processing Guidance for the Section 202 Supportive Housing for the Elderly and Section 811 Supportive Housing for Persons

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with Disabilities Programs as well as a copy of Notice H 96-102, Redesigned Section 202 Supportive Housing for the Elderly and Section 811 Supportive Housing for Persons with Disabilities Programs - Firm Commitment Processing to Final Closing is enclosed. Please read the Notices very carefully because the revised procedures will affect not only your project funding but also your responsibilities for project completion.

ARTICLE XVIII. Award Acceptance

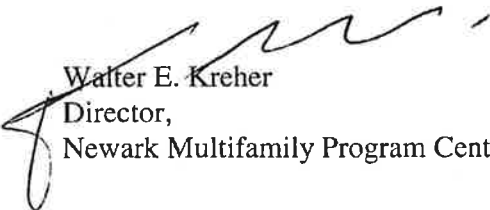
Section 811 Capital Advance Funds and PRAC funds have been obligated for your project however the availability of these funds is contingent on you executing this Agreement by no later than **14 days from the date of this Letter.** By accepting this award and returning a signed copy of this Agreement to this HUD Office, you hereby certify that you will comply with all governing program requirements and statutes. Your acceptance also constitutes a certification and agreement of the terms and conditions detailed in this Agreement.

If a consultant has been or will be used, the consultant must submit its Previous Participation Certification (Form HUD-2530) within 14 days from the date of this letter. If the Sponsor will be the consultant submit a copy of Sponsor's resume filed immediately upon completion of the contractual arrangements. If filing Form HUD-2530 electronically, information on the APPS registration and filing process is found at HUD's web site at <http://www.hud.gov/offices/hsg/mfh/apps/appsmfhm.cfm>. Please advise this Office whether or not a consultant has been or will be used and the type of consultant by completing the following:

- ☐ Sponsor/Consultant
- ☐ Independent Professional Consultant
- ☐ No Consultant has been or will be used

We look forward to working with you toward the successful completion of this project.

Sincerely,


Walter E. Kreher
Director,
Newark Multifamily Program Center

Enclosures

cc: ✓ CARINGHouse Projects, Inc.
407 W. Delilah Road
Pleasantville, N.J. 08232

The Affordable Housing Group
1726 Naudain Street
Philadelphia, P.A. 19146

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Please indicate by signing in the space provided whether or not you accept this Agreement including the special conditions or requirements that are specified herein, and certify to your understanding that the project must be developed in accordance with the terms set forth in this Agreement. **Return by Certified Mail - Return Receipt Requested, two signed copies of this Agreement, along with the resume for the consultant (if a consultant has been or will be used) to this Office within 14 days from the date of this letter.**

ACCEPT:

| | | |
|------------------------------------------------|-------|------|
| Signature of Authorized Officer (CARING, Inc.) | Title | Date |
|------------------------------------------------|-------|------|

| | | |
|--------------------------------------------------------------|-------|------|
| Signature of Authorized Officer (CARINGHouse Projects, Inc.) | Title | Date |
|--------------------------------------------------------------|-------|------|

DO NOT ACCEPT:

| | | |
|------------------------------------------------|-------|------|
| Signature of Authorized Officer (CARING, Inc.) | Title | Date |
|------------------------------------------------|-------|------|

| | | |
|--------------------------------------------------------------|-------|------|
| Signature of Authorized Officer (CARINGHouse Projects, Inc.) | Title | Date |
|--------------------------------------------------------------|-------|------|

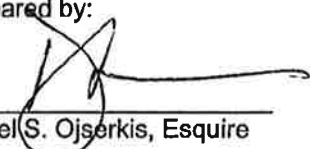
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until the document has
completed the recording
process and has been
verified.



ATLANTIC COUNTY, NJ
EDWARD P. McGETTIGAN, COUNTY CLERK
RCPT # 1015412 RECD BY Eileen
REC FEE \$80.00 COM 175000.00
RTF #767.50 VOL 13569
RECD 03/27/2013 02:46:35 PM
INST # 2013019580

Prepared by:


Daniel S. Ojserkis, Esquire

DEED

This Deed is made on March 27, 2013,

BETWEEN CARING, Inc. a/k/a CARING, Incorporated, a New Jersey nonprofit corporation, with an address at 407 W. Delilah Road, Pleasantville, New Jersey 08232, referred to as the Grantor,

AND CARING Residential Services VII, Inc., a New Jersey nonprofit corporation, with an address at 407 W. Delilah Road, Pleasantville, New Jersey 08232, referred to as the Grantee.

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS AND 00/100 (\$175,000.00). The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-1.1) Municipality of City of Absecon, Block 210, Lot 2.03.

Property. The property consists of all that certain lot, tract or parcel of land and premises situate, lying and being in the City of Absecon, County of Atlantic and State of New Jersey, bounded and described as more particularly set forth on Exhibit A, attached hereto.

BEING the same lands and premises granted and conveyed unto Caring, Incorporated by Deed from Carole Martin, Executrix of The Estate of Edward Suski, Jr. dated June 15, 2011 and recorded in the Atlantic County Clerk's Office on June 20, 2011 as Instrument #2011036892.

Subject to all easements, covenants, conditions, encumbrances, zoning requirements, restrictions and utility company rights-of-way, if any, appearing of record.

BY 408 6/3/13

THE TITLE COMPANY OF JERSEY
Margate, New Jersey 08402-2220



State of New Jersey
SELLER'S RESIDENCY CERTIFICATION/EXEMPTION
 (C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, Page 2)

Names(s)

CARING, INCORPORATED, a New Jersey nonprofit corporation

Current Resident Address:

Street: 407 W. Delilah Road

City, Town, Post Office

Pleasantville

State

NJ

Zip Code

08232

PROPERTY INFORMATION (Brief Property Description)

Block(s)

210

Lot(s)

2.03

Qualifier

n/a

Street Address:

640 Ohio Avenue

City, Town, Post Office

Absecon

State

NJ

Zip Code

08201

Seller's Percentage of Ownership

100%

Consideration

\$177,000.00

Closing Date

03/27/2013

SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 10 apply to Residents and Non-residents)

1. ☐ I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☐ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☒ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A. 54A:1-1 et seq.
6. ☐ The total consideration for the property is \$1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale (see instructions).
☐ No non-like kind property received.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.
9. ☐ The property being sold is subject to a short sale instituted by the mortgagee, whereby the seller has agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
10. ☐ The deed being recorded is a deed dated prior to the effective date of P.L. 2004, c. 55 (August 1, 2004), and was previously unrecorded.

SELLER(S) DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box ☐ I certify that the Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

March 27, 2013

Date

Barbara Jewell

(Seller)

Signature

President

Please indicate if Power of Attorney or Attorney in Fact

Date

Signature

(Seller) Please indicate if Power of Attorney or Attorney in Fact

EXHIBIT A

LEGAL DESCRIPTION

All that certain lot, tract or parcel of land and premises situate, lying and being in the City of Absecon, County of Atlantic, State of New Jersey, bounded and described as follows:

BEGINNING at a point in the northeast line of Ohio Avenue (50.00 feet wide), said point being 97.00 feet southeast of the southeast line of Cannon Avenue (50.00 feet wide); and extending thence

- (1) North 40 degrees 42 minutes 00 seconds east at right angles to Ohio Avenue, a distance of 150.00 feet to a point; thence
- (2) South 49 degrees 18 minutes 00 seconds east parallel with Ohio Avenue, a distance of 104.33 feet to a point; thence
- (3) South 29 degrees 43 minutes 55 seconds west parallel with Cannon Avenue, a distance of 152.79 feet to a point in the northeast line of Ohio Avenue; thence
- (4) North 49 degrees 18 minutes 00 seconds west in and along the same, a distance of 133.40 feet to the point and place of **BEGINNING**.

Containing an area of 17829.75 square feet.

BEING KNOWN AS Lot 2.03 in Block 210 as shown on the tax map of the City of Absecon.

COMMONLY KNOWN AS 640 Ohio Avenue.

THIS description was made in accordance with a property survey prepared by Arthur W. Ponzio Co. & Associates, Inc., dated March 12, 2013.

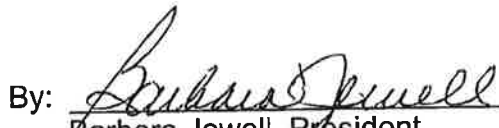
Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

Signatures. The Grantor signs this Deed as of the date at the top of the first page.

CARING, INCORPORATED,
a New Jersey nonprofit corporation

WITNESS:


Daniel T. Campbell, Secretary

By: 
Barbara Jewell, President

STATE OF NEW JERSEY :
: ss.
COUNTY OF ESSEX :

I CERTIFY that on this 27th day of March, 2013, Barbara Jewell personally came before and stated to my satisfaction that she is the President of CARING, INCORPORATED, a New Jersey nonprofit corporation, the Grantor named herein, and she signed and delivered this Deed as the valid and voluntary act and deed of Grantor, as duly authorized, and made this Deed for \$175,000.00 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5).


Notary Public
My Commission Expires: _____
(AFFIX NOTARY STAMP/SEAL)

SUSAN L. HACKER
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES JUNE 23, 2013

SUSAN L. HACKER
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES JUNE 23, 2013

DEED

CARING, INCORPORATED,
a New Jersey nonprofit corporation,
Grantor

To

CARING RESIDENTIAL SERVICES VII, INC.,
a New Jersey nonprofit corporation,
Grantee

DATED: March 27, 2013

RECORD AND RETURN TO:

The Title Company of Jersey
9615 Ventnor Avenue
Margate, New Jersey 08402
(609) 823-2200

APPENDIX M

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: ABSECON County: ATL
Sponsor: CARIN, INC. Developer: CARIN RESIDENTIAL SERVICES, LLC
Block: 121 Lot: 5 Street Address: 805 SEASIDE
Facility Name: _____

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 1: Type of Facility: <input checked="" type="checkbox"/> Licensed Group Home <input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008) <input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS) <input type="checkbox"/> Permanent supportive housing <input type="checkbox"/> Supportive shared housing <input type="checkbox"/> Other - Please Specify: _____ | Section 2: Sources and amount of funding committed to the project: <input type="checkbox"/> Capital Application Funding Unit \$ _____ <input type="checkbox"/> HMFA Special Needs Housing Trust Fund \$ _____ <input type="checkbox"/> Balanced Housing - Amount \$ _____ <input checked="" type="checkbox"/> HUD - Amount \$ _____ Program _____ <input type="checkbox"/> Federal Home Loan Bank - Amount \$ _____ <input type="checkbox"/> Farmers Home Administration - Amount \$ _____ <input type="checkbox"/> Development fees - Amount \$ _____ <input type="checkbox"/> Bank financing - Amount \$ _____ <input type="checkbox"/> Other - Please specify: _____ <input type="checkbox"/> For proposed projects, please submit a pro forma <input type="checkbox"/> Municipal resolution to commit funding, if applicable <input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only) |
| Section 3: For all facilities other than permanent supportive housing: Total # of bedrooms reserved for: Very low-income clients/households _____ Low-income clients/households _____ Moderate-income clients/households _____ Market-income clients/households _____ | Section 4: For permanent supportive housing: Total # of units <u>4</u> including: # of very low-income units <u>4</u> # of low-income units _____ # of moderate-income units _____ # of market-income units _____ |
| Section 5: Length of Controls: _____ years Effective Date of Controls: <u>1/1/11</u> Expiration Date of Controls: <u>1/1/11</u> Average Length of Stay: _____ months (transitional facilities only) | Section 6: <input type="checkbox"/> CO Date: <u>1/1/11</u> IN DEVELOPMENT For licensed facilities, indicate licensing agency: <input checked="" type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF <input type="checkbox"/> Other _____ Initial License Date: <u>1/1/11</u> Current License Date: <u>1/1/11</u> |
| Section 7: Has the project received project-based rental assistance? <u>Yes</u> <input type="checkbox"/> No; Length of commitment: _____ Other operating subsidy sources: _____; Length of commitment: _____ Is the subsidy renewable? <u>Yes</u> <input type="checkbox"/> No | |
| Section 8: The following verification is attached: <input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.) <input type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required) | |
| Section 9: Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Population Served (describe): <u>22+ OVER - DEV. DISABLED</u> Age-restricted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Accessible (in accordance with NJ Barrier Free Subcode)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |



Section 10: Affirmative Marketing Strategy (check all that apply):

- ☒ DDD/DMHS/DRSS waiting list
☐ Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by:

[Signature]
Project Administrator

Certified by:

[Signature]
Municipal Housing Liaison

5-22-12
Date

11-16-12
Date



U.S. Department of Housing and Urban Development
Office of Multifamily Housing
Newark Program Center
One Newark Center
Newark, NJ 07102-5260

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

FEB - 7 2012

Ms. Barbara Jewell
President
CARING, Inc.
407 W. Delilah Road
Pleasantville, NJ 08232

Dear Ms. Jewell:

**SUBJECT: Section 811 Supportive Housing for Persons with Disabilities
Fiscal Year 2010 Agreement**

Name of Project: CARING Homes 2010
City and State: Absecon, New Jersey
Project Number: 035-HD074/NJ39-Q101-004
Number of Units: 8 Number of Residents: 8
Structure Type: Group Home

I am pleased to advise you that your application to **rehabilitate two group homes** totaling **8** units of housing for **8** persons with developmental disabilities under the Section 811 Supportive Housing for Persons with Disabilities Program has been approved.

Capital Advance authority in the amount of **\$1,234,700** along with Project Rental Assistance Contract (PRAC) and budget authority of **\$44,700** and **\$134,100**, respectively have been obligated for this project.

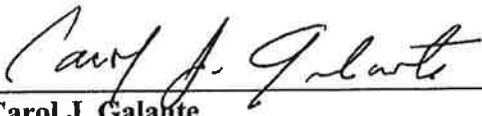
In accordance with the provisions of the Consolidated Appropriations Act, 2010 (Pub. L. 111-117, approved December 16, 2009), the amount of the Project Rental Assistance made available for this project is based on 75 percent (rather than on 100 percent) of the current operating cost standards applicable to Section 811 projects in Absecon, (Atlantic County), New Jersey. This takes into account the average tenant contribution toward rent. In addition, the term of the PRAC is 3 (three) years.

Pursuant to 31 USC Section 1552(a), no capital advance funds can be disbursed from the account after September 30, 2018. The Consolidated Appropriations Act, 2010, provides that amounts for Project Rental Assistance Contracts (PRACs) are to be disbursed by September 30, 2023. If all funds are not disbursed by HUD and expended

Project Name: CARING Homes 2010
Project Number: 035-HD074

by the project Owner by the aforementioned time, the funds, even though obligated, will be cancelled and no further disbursements will be made. Amounts needed to maintain PRAC payments for any remaining term on the affected contracts beyond the expiration date will have to be funded from current appropriations, if available. Amounts needed to bring a project to completion will also be subjected to the availability of funds.

By signature below, I am approving the obligation of funds for the subject project. Your acceptance of this Agreement constitutes a certification and agreement by the Sponsor/Owner to the attached terms and conditions.



Carol J. Galante
Acting Assistant Secretary for Housing-
Federal Housing Commissioner

JAN 25 2012

Date

TERMS AND CONDITIONS

This Agreement is subject to:

| | | |
|------------------------------|------------------------------------------------------|----|
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ARTICLE I. General Program Requirements

- A. There will not be any sale, assignment, conveyance, or any other form of transfer of this Agreement, funding, the property or project, or any interest therein, except a transfer from the Sponsor to an approved single-purpose Owner organized by it.
- B. The Section 811 Capital Advance and Project Rental Assistance Contract funds available for the project identified herein may not be used in connection with any other project.

- C. HUD will **not** amend the amounts approved herein for this project **before** initial closing has occurred. **Therefore, based on HUD's review of the Firm Commitment Application, the Sponsor will be liable for the cost of any front-end cash requirement should the cost to develop the project exceed the amount specified in this Agreement.** After initial closing, HUD may consider an amendment to the Agreement, if necessary, but only for increases resulting from approved change order items during construction, subject to the availability of funds.
- D. **Design and Cost Standards.** You must comply with HUD's Section 811 design and cost standards (24 CFR 891.120 and 891.310), Site and Neighborhood Standards of the regulations governing the Section 811 Supportive Housing for Persons with Disabilities program (24 CFR 891.125(a), (b) and (c)), Section 504 of the Rehabilitation Act of 1973 and HUD's implementing regulations at 24 CFR part 8, the Fair Housing Act and its implementing regulations at 24 CFR part 100, and where applicable, the Americans with Disabilities Act. You may receive helpful information with respect to the Fair Housing Act design and construction requirements on Fair Housing Accessibility FIRST's website at <http://www.fairhousingfirst.org>.
- E. You are required to comply with the Department's policy with respect to salary limitations for consultants. If a consultant will be used for your project, you must ensure that the maximum salary payable to the consultant will not exceed the equivalent of General Schedule 15, Step 10 base pay rates which, for FY2010, are \$129,517 annually and \$62.06 hourly.
- F. You must undertake activities to create jobs and further local economic development, particularly for low-income populations and communities. Activities must be more comprehensive than those required to meet HUD's Section 3 "local hire" requirements. You are expected to undertake activities that focus on access to skills training and partnership with community-based organizations that will develop pathways to long-term career ladders for the target population.
- G. All other applicable Federal requirements, including but not limited to, those set forth in HUD's Fiscal Year 2010 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY2010 NOFAs for Discretionary Programs posted on www.Grants.gov on June 7, 2010.

ARTICLE II. Ownership Entity

- A. The formation of a legally acceptable single-entity Owner corporation within **30 days** from the date of this document is required.
- B. An attempt must be made to obtain exemption from State and/or local real and/or personal property taxes. Evidence of filing, together with the response received from the
-

taxing authority, must be submitted with the Application for Firm Commitment in one of the following forms:

1. Tax exemption
2. Payment in Lieu of Taxes (PILOT)
3. Tax abatement
4. Ineligibility for any tax relief

NOTE: Eligibility for (1), (2), or (3) must be supported by a copy of the appropriate legislation or ordinance.

- C. Capitalization of the Owner Corporation in a sufficient amount to permit the Owner to meet its obligations in connection with the project is required. This includes the minimum capital investment, start-up costs, excess land costs, ineligible amenities, excessive construction costs and any other funds the Sponsor specifically commits to the project.
- D. At the time the Application for Firm Commitment is submitted, evidence that the site is under the **Owner's control must be provided**.
- E. Credit investigation clearance of the Owner's officers is required.
- F. In accordance with Federal Regulation 5350: I-01 Conforming Changes to Applicant Submission Requirements; Implementing Federal Financial Report and Central Contractor Registration Requirement Owners are required to register in the Central Contractor Registry before funds can be disbursed.

ARTICLE III. Environmental Review

- A. This Section 811 Fund Reservation award constitutes preliminary approval of your site. Site approval will not occur until HUD completes its environmental review and finds the site environmentally acceptable. HUD will complete its environmental review prior to issuance of the Firm Commitment.
- B. Compliance with Environmental Assurance. You agree to assist with HUD's compliance with environmental review regulations in 24 CFR part 50 and you will:
 1. Supply HUD with all available and relevant information necessary for HUD to perform for each property any environmental review required by 24 CFR part 50.
 2. Carry out mitigating measures required by HUD; and

3. Not acquire, rehabilitate, demolish, convert, enter into or close a leasehold agreement (you can continue to perform obligations to sustain an existing leasehold or option to lease agreement), repair or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, from the time the application is submitted until HUD approval of the site is received.

- C. **Environmentally Unacceptable Sites.** If upon completion of HUD's environmental review, the site is found acceptable but only with mitigation and you cannot meet the mitigation requirements, or if HUD determines that even with mitigation, the site is unacceptable, the Section 811 Fund Reservation award will be terminated

ARTICLE IV. Mixed Finance Development

You did not indicate the project would involve mixed financing.

ARTICLE V. Restricted Occupancy

You did not request approval to restrict occupancy to a subcategory of the main disability group.

ARTICLE VI. Site Issues

A. Site Control.

Both the evidence of site control and the site were acceptable.

- B. **Site Change** Although you may obtain ownership or control of a suitable site different from the site specified in the initial application, if you fail to obtain ownership or have control of the site within one (1) year of this Agreement, this Agreement and fund reservation will be canceled. This is a statutory requirement and cannot be waived

ARTICLE VII. Exception to Project Size Limits

Your application did not request an exception to the project size limit.

ARTICLE VIII. Energy and Water Conservation

You are required to build to a higher standard by incorporating components of sustainable building in Section 811 developments. At a minimum, energy efficiency strategies and water conservation appliances and fixtures must be incorporated in the design, construction, and operation of all new construction and substantial (gut) rehabilitation projects.

- A. **Energy Efficiency.** Owners of new construction and substantial rehabilitation low-rise (up to 3 stories) multifamily developments must meet the requirements of EPA's ENERGY STAR Qualified Homes.

NOTE: Any state energy code requirements will take precedence over ENERGY STAR or ASHRAE specifications when the state code approximates or exceeds that standard.

- B. All projects must purchase and install ENERGY STAR-labeled appliances.
- C. **Water Conservation Fixtures.** Installation of water-conserving fixtures is required in all new and substantially rehabilitated developments (i.e. resource efficient plumbing and appliances such as low flow showerheads and faucet and high efficiency toilets). The materials used should be the most current WaterSense or a greater water efficiency product. More information is available at www.epa.gov/owm/water-efficiency.
- D. **Owners of Existing Developments that do not qualify as new construction or substantial (gut) rehabilitation,** must perform pre- and post-construction energy audits and incorporate conservation techniques in their projects. Owners of existing developments must also commit to future installation of WaterSense fixtures and ENERGY STAR appliances in the project's required Operations and Maintenance plan.
- E. **Operations and Maintenance (O&M).** All Owners must develop an O&M manual that will address: a routine maintenance plan; operations and maintenance guidance for all appliances, HVAC operation, lighting equipment, paving materials and landscaping, pest control, and other systems that are part of each occupancy unit; an occupancy turnover plan that describes in detail the process of educating the tenant about proper use and maintenance of all building systems; and staff training needed to maintain the energy improvements and continue green building practices for the future. All operations and maintenance plans must commit to future installation of water-conserving fixtures and ENERGY STAR appliances. Operations and Maintenance (O&M) manual templates are available for use and customization on the Enterprise Green Communities website at <http://www.practitionerresources.org/documents.html?c=320>.
- F. **Green Development.** You were awarded points for agreeing to comply with the Enterprise Green Communities criteria both in the Logic Model and Narrative. For green programs that require self-certification, you must undertake an on-site verification by an independent third party provider. Third party providers must have experience in the installation of green, energy efficient systems such as a licensed engineer who is a certified Home Energy Rater, BOP Inspector, or an equivalent designation as determined by a Verification Oversight Organization such as RESNET. The Sponsor or Owner is expected to provide HUD with the appropriate certification prior to final closing.

ARTICLE IX. Conflict of Interest

- A. This Agreement and fund reservation will be subject to cancellation, at HUD's option, in the event there comes into existence or HUD becomes aware of a pre-existing conflict of interest involving the project on the part of officers or directors of either the Sponsor or Owner organization (including affiliates).
- B. Submission of Conflict of Interest and Disclosure Certifications for **each** officer and director of both the Sponsor and Owner and Identity of Interest and Disclosure Certifications for all development team members.

NOTE: At any time a new development team member is added or changed, an Identity of Interest Certification must be submitted. Likewise, at any time the Sponsor or Owner changes any officers or directors, a Conflict of Interest and Disclosure Certification must be submitted for the new person(s).

ARTICLE X. Milestones and Deliverables

- A. **The Agreement and fund reservation will be canceled if construction, rehabilitation or acquisition has not commenced within 18 months from the date of this Agreement, unless limited extensions, of up to 24 months, are approved by HUD. Such extensions will be based upon HUD's determination that the Owner has established a reasonable schedule and is making sufficient progress toward the start of construction.**
- B. If two copies of this Agreement indicating acceptance are not returned **within 14 calendar days** of the date of this Agreement, or if you accept and your single-purpose Owner fails to submit an Application for Firm Commitment within the specified period, HUD may cancel this Agreement and the fund reservation.
- C. If a consultant has been or will be used, the consultant must submit its Previous Participation Certification (Form HUD-2530) **within 14 calendar days** from the date of this letter
- D. The land appraisal must be submitted within **30 calendar days** from the date of this Agreement. For projects approved for funding without site control, submission of the land appraisal is required within **30 calendar days** of HUD's notification of site approval.
- E. Form HUD-2530, Previous Participation Certification is to be submitted for all officers and directors of the Owner's board within **90 calendar days** and there must be subsequent clearance thereof.

- F. Submission of an Application for Firm Commitment in full compliance with HUD's design and cost standards and programmatic requirements within **180 calendar days** from the date of this Agreement. The design and cost standards apply to all projects regardless of the proposed operating cost level. The design must not include any prohibited features and must be cost efficient.

ARTICLE XI. Project Funds

- A. Drawdown of Capital Advance through LOCCS/VRS. After the formation of the Ownership entity, you are required to establish a Line of Credit Control System/Voice Response System (LOCCS/VRS) account by completing form HUD-27054, LOCCS Voice Response Access Authorization. request.
- The LOCCS Program Area Code "CAH"
 - The three-digit program number is "105"
- B. Instructions. LOCCS/VRS Instruction and the required form can be obtain from the from the following website <http://hudatwork.hud.gov/po/f/systems/locvrs.cfm>
- C. Owners are required to obtain a Data Universal Numbering System (DUNS) number before funds can be processed through the Line of Credit Control System (LOCCS).
- D. When forwarding the banking information to Ft. Worth Accounting Center (FWAC), include the DUNS number on the banking information as well as a copy of the first page of the CCR Registration Status Screen showing the active DUNS number. . To retrieve this document:
1. Visit, www.CCR.gov
 2. Click on the "CCR Search" link.
 3. Enter appropriate DUNS number and click the "search" button.
- E. You, as the Sponsor, and the Owner, when formed, are subject to the provisions of Section 319 of Public Law 101-121 (approved October 23, 1989) (31 U.S.C. 1352) (the Byrd Amendment), which prohibits recipients of federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the federal government in connection with a specific contract, grant, or loan. In addition, the Owner, when formed, must disclose, using Standard Form LLL "Disclosure of Lobbying Activities," any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, Members of Congress, and congressional staff regarding specific grants or contracts.

ARTICLE XII. Fair Housing

- A. Affirmatively Furthering Fair Housing (AFFH). Section 808(e)(5) of the Fair Housing Act imposes a duty on HUD to affirmatively further the purposes of the Fair Housing Act under this program. Accordingly, you are required to take affirmative steps to further fair housing.
- B. Affirmative Fair Housing Marketing Plan (AFHMP). You must develop an AFHMP that will reach those applicants that are least likely to apply to your project to promote diversity.
- C. Limited English Proficiency. You are required to take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP). As part of your duty to affirmatively further fair housing, you should take proactive measures to inform eligible LEP persons of the housing, related activities and available language assistance.

ARTICLE XIII. Federal Compliance

- A. You are required to provide a drug-free workplace. Compliance with this requirement means that you will:
 - 1. Publish a statement, notifying employees that it is unlawful to manufacture, distribute, dispense, possess or use a controlled substance in the applicant's workplace and that such activities are prohibited. The statement must specify the actions that will be taken against employees for violation of this prohibition. The statement must also notify employees that as a condition of employment under the federal award that they are required to abide by the terms of the statement and each employee must agree to notify the employer in writing of any violation of a criminal drug statute occurring in the workplace no later than five calendar days after such violation;
 - 2. Establish an on-going drug-free awareness program to inform employees about:
 - (a) The dangers of drug abuse in the workplace;
 - (b) The applicant's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation, or employee maintenance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 3. Notify the federal agency in writing within 10 calendar days after receiving notice from an employee of a drug abuse conviction or otherwise receiving actual notice of a drug abuse conviction. The notification must be provided in writing to

Project Name: CARING Homes 2010
Project Number: 035-HD074

HUD's Office of Departmental Grants Management and Oversight, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 3156, Washington, DC 20410-3000, along with the following information:

- (a) The program title and award number for each HUD award covered;
 - (b) The HUD staff contact name, phone and fax numbers; and
 - (c) A grantee contact name, phone and fax numbers.
- 4. Require that each employee engaged in the performance of the federally funded award be given a copy of the drug-free workplace statement required in item (1) and notify the employee that one of the following actions will be taken against the employee within 30 calendar days of receiving notice of any drug abuse conviction:
 - (a) Institution of a personnel action against the employee, up to and including termination consistent with requirements of the Rehabilitation Act of 1973, as amended; or
 - (b) Requiring that the employee participate satisfactorily in drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement or other appropriate agency.
- B. In accordance with 24 CFR part 24, no award of federal funds may be made to applicants that are presently debarred or suspended, or proposed to be debarred or suspended, from doing business with the federal government. This requirement applies not only to you, as the Sponsor, and the Owner, when formed, but also to all lower tier covered transactions and to all solicitations for lower tier covered transactions. The prohibition includes the following:
 - 1. Having principals who, within the previous three years, have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction, violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and
 - 2. Charges or indictments against the Sponsor, Owner and their principals by a governmental entity (federal, state and local) for commission of any of the above violations within the previous three years.
- C. You must comply with the labor standards provisions at 24 CFR 891.155(d). These include Davis-Bacon prevailing wage and reporting requirements and the overtime provisions of the Contract Work Hours and Safety Standards Act.

ARTICLE XIV. Reporting Requirements

- A. Logic Model. You, as the Sponsor will work with HUD, at the Project Planning Conference, to finalize the services or activities (Outputs) and the Outcomes in association with the Logic Model and the development timeline. The Logic Model will be developed and reported on in separate stages.
1. You (and the Owner when formed) are required to report annually on the measures achieved in developing the project based on the final Program Outcome Logic Model.
 - The final reporting requirement for the Logic Model requires the Owner to use the Total worksheet to document the activities and outcomes as well as the associated measures that have occurred during the period of performance.
 - Also, at the time of the final report, the Owner is required to respond to each of the program management evaluation questions.
 2. The second stage requires the Owner to document the services/activities made available to the residents and the expected outcomes and measures of such services. The form HUD-96010, Logic Model is to be submitted beginning one year after the date of the final Logic Model submission required in stage one. The Logic Model reporting requirement ends at the conclusion of the mortgage.
- B. For the purpose of determining your compliance with the requirements of Section 3, you must submit form HUD-60002, Section 3 Summary Report, to the Assistant Secretary for Fair Housing and Equal Opportunity in Washington, DC, or through HUD's online system at: <http://www5.hud.gov:63001/apps/po/e/srs/Public/form.cfm>. Form HUD-60002 shall be submitted to the Department annually, no later than January 10th or the 10th day after project completion, whichever is earlier. Section 3 regulations can be found at 24 CFR part 135, subpart E).
- C. Racial and Ethnic Data: you are required to collect racial and ethnic beneficiary data. HUD has adopted the Office of Management and Budget's Standards for the Collection of Racial and Ethnic Data. In view of these requirements, you should use form HUD-27061-H, Race and Ethnic Data Reporting Form (instructions for its use) found on www.HUDclips.org
- D. The Regulatory Agreement (Form HUD-92466-CA) requires the Owner to submit an annual financial statement for the project. This financial statement must be audited by an Independent Public Accountant who is a Certified Public Accountant or other person

accepted by HUD and filed electronically with HUD's Real Estate Assessment Center (REAC) through the Financial Assessment Subsystem for Multifamily Housing (MF-FASS). The submission of annual financial statements is required throughout the 40-year term of the mortgage.

- E. You are required to meet the requirements of the Federal Financial Assistance Accountability and Transparency Act of 2006 as amended. As a recipient of HUD funds, you are required to report subawards made either as pass-through awards, subrecipient awards, or vendor awards. To learn more about this requirement visit www.fhrs.gov. Also, refer to the FY 2010 Section 811 Notice of Funding Availability (NOFA) for detailed guidance.

ARTICLE XV. Other Conditions

1. The Phase I ESA did not include an applicant prepared User Questionnaire per Appendix X3 of ASTM E-1527-05 and must be submitted.
2. The Phase I ESA was not amended by including a "Tier 1" "vapor encroachment screen" (VES) pursuant to ASTM E 2600-10, the results of which were incorporated, as appropriate into the Findings, Opinions, and Conclusions sections of the Phase I ESA.
3. Subject to the Title Company affirmatively insuring over restrictions and reversions regarding use contained in exception documents at 1) Deed Book 554, Page 234, 2) Deed Book 561, Page 334 and 3) Deed Book 646, Page 353 to HUD's satisfaction.

ARTICLE XVI. Point of Contact

To provide you and your architect with assistance in the development of a project which meets HUD's design and cost standards, immediately contact Curtis Rumph, HUD's design representative, at (973) 776-7273 to discuss the design of the project.

If you have any questions regarding the requirements for submission of the Application for Firm Commitment and to obtain information about your required attendance at the Office's Project Planning Conference, please call Vincent Willis, Project Manager, at (973) 776-7278.

ARTICLE XVII. Enclosures

In addition, HUD has revised some of the Handbook (4571.4) procedures applicable to the submission, review and processing of Section 811 Applications for Firm Commitment through Final Closing. A copy of Notice H 2011-18, Updated Processing Guidance for the Section 202 Supportive Housing for the Elderly and Section 811 Supportive Housing for Persons

Project Name: CARING Homes 2010
Project Number: 035-HD074

with Disabilities Programs as well as a copy of Notice H 96-102, Redesigned Section 202 Supportive Housing for the Elderly and Section 811 Supportive Housing for Persons with Disabilities Programs - Firm Commitment Processing to Final Closing is enclosed. Please read the Notices very carefully because the revised procedures will affect not only your project funding but also your responsibilities for project completion.

ARTICLE XVIII. Award Acceptance

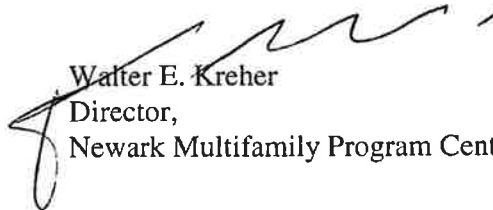
Section 811 Capital Advance Funds and PRAC funds have been obligated for your project however the availability of these funds is contingent on you executing this Agreement by no later than **14 days from the date of this Letter.** By accepting this award and returning a signed copy of this Agreement to this HUD Office, you hereby certify that you will comply with all governing program requirements and statutes. Your acceptance also constitutes a certification and agreement of the terms and conditions detailed in this Agreement.

If a consultant has been or will be used, the consultant must submit its Previous Participation Certification (Form HUD-2530) within 14 days from the date of this letter. If the Sponsor will be the consultant submit a copy of Sponsor's resume filed immediately upon completion of the contractual arrangements. If filing Form HUD-2530 electronically, information on the APPS registration and filing process is found at HUD's web site at <http://www.hud.gov/offices/hsg/mfh/apps/appsmfhm.cfm>. Please advise this Office whether or not a consultant has been or will be used and the type of consultant by completing the following:

- ☐ Sponsor/Consultant
- ☐ Independent Professional Consultant
- ☐ No Consultant has been or will be used

We look forward to working with you toward the successful completion of this project.

Sincerely,


Walter E. Kreher
Director,
Newark Multifamily Program Center

Enclosures

cc: ✓ CARINGHouse Projects, Inc.
407 W. Delilah Road
Pleasantville, N.J. 08232

The Affordable Housing Group
1726 Naudain Street
Philadelphia, P.A. 19146

Project Name: CARING Homes 2010
Project Number: 035-HD074

Please indicate by signing in the space provided whether or not you accept this Agreement including the special conditions or requirements that are specified herein, and certify to your understanding that the project must be developed in accordance with the terms set forth in this Agreement. **Return by Certified Mail - Return Receipt Requested, two signed copies of this Agreement, along with the resume for the consultant (if a consultant has been or will be used) to this Office within 14 days from the date of this letter.**

ACCEPT:

| | | |
|------------------------------------------------|-------|------|
| Signature of Authorized Officer (CARING, Inc.) | Title | Date |
|------------------------------------------------|-------|------|

| | | |
|--------------------------------------------------------------|-------|------|
| Signature of Authorized Officer (CARINGHouse Projects, Inc.) | Title | Date |
|--------------------------------------------------------------|-------|------|

DO NOT ACCEPT:

| | | |
|------------------------------------------------|-------|------|
| Signature of Authorized Officer (CARING, Inc.) | Title | Date |
|------------------------------------------------|-------|------|

| | | |
|--------------------------------------------------------------|-------|------|
| Signature of Authorized Officer (CARINGHouse Projects, Inc.) | Title | Date |
|--------------------------------------------------------------|-------|------|


THIS IS AN UNOFFICIAL COPY

until the document has
completed the recording
process and has been
verified.



ATLANTIC COUNTY, NJ
EDWARD P. McGETTIGAN, COUNTY CLERK
RCPT # 1015412 RECD BY Eileen
REC FEE \$80.00 CON 215000.00
RTF \$1,052.00 VOL 13569
RECD 03/27/2013 02:46:35 PM
INBT # 2013019581

Prepared by:


Daniel S. Ojserkis, Esquire

DEED

This Deed is made on March 27, 2013,

BETWEEN CARING, Inc. a/k/a CARING, Incorporated, a New Jersey nonprofit corporation, with an address at 407 W. Delilah Road, Pleasantville, New Jersey 08232, referred to as the Grantor,

AND CARING Residential Services VII, Inc., a New Jersey nonprofit corporation, with an address at 407 W. Delilah Road, Pleasantville, New Jersey 08232, referred to as the Grantee.

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of TWO HUNDRED FIFTEEN THOUSAND DOLLARS AND 00/100 (\$215,000.00). The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-1.1) Municipality of City of Absecon, Block 121, Lot 5.

Property. The property consists of all that certain lot, tract or parcel of land and premises situate, lying and being in the City of Absecon, County of Atlantic and State of New Jersey, bounded and described as more particularly set forth on Exhibit A, attached hereto.

BEING the same lands and premises granted and conveyed unto Caring, Incorporated by Deed from Darlene Woods dated June 15, 2011 and recorded in the Atlantic County Clerk's Office on June 20, 2011 as Instrument #2011036894.

Subject to all easements, covenants, conditions, encumbrances, zoning requirements, restrictions and utility company rights-of-way, if any, appearing of record.



State of New Jersey
SELLER'S RESIDENCY CERTIFICATION/EXEMPTION
 (C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (See Instructions, Page 2)

Names(s)

CARING, INCORPORATED, a New Jersey nonprofit corporation

Current Resident Address:

Street: 407 W. Delilah Road

City, Town, Post Office

Pleasantville

State

NJ

Zip Code

08232

PROPERTY INFORMATION (Brief Property Description)

Block(s)

121

Lot(s)

5

Qualifier

n/a

Street Address:

805 Seaside Avenue

City, Town, Post Office

Absecon

State

NJ

Zip Code

08201

Seller's Percentage of Ownership

100%

Consideration

\$215,000.00

Closing Date

03/27/2013

SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 10 apply to Residents and Non-residents)

1. ☐ I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☐ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☒ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A. 54A:1-1 et seq.
6. ☐ The total consideration for the property is \$1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale (see Instructions).
☐ No non-like kind property received.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.
9. ☐ The property being sold is subject to a short sale instituted by the mortgagee, whereby the seller has agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
10. ☐ The deed being recorded is a deed dated prior to the effective date of P.L. 2004, c. 55 (August 1, 2004), and was previously unrecorded.

SELLER(S) DECLARATION

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box ☐ I certify that the Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

March 27, 2013

Date

Barbara Jewell,

(Seller)

Signature President

(Please indicate if Power of Attorney or Attorney in Fact)

Date

Signature

(Seller) Please indicate if Power of Attorney or Attorney in Fact

EXHIBIT A

LEGAL DESCRIPTION

BEGINNING at a point in the southwesterly line of Seaside Avenue (60.00 feet wide), said point being 110.00 feet northwestwardly of the northwesterly line of St. James Place (60.00 feet wide) and extending from said Beginning Point; thence

(1) South 42 degrees 45 minutes 00 seconds west at right angles to Seaside Avenue, a distance of 90.00 feet to a point; thence

(2) North 47 degrees 15 minutes 00 seconds west in and along a 20.00 feet wide alley and parallel with Seaside Avenue, a distance of 100.00 to a point; thence

(3) North 42 degrees 45 minutes 00 seconds east at right angles to Seaside Avenue, a distance of 90.00 feet to a point in the southwesterly line of Seaside Avenue; thence

(4) South 47 degrees 15 minutes 00 seconds east in and along Seaside Avenue, a distance of 100.00 feet to the point and place of BEGINNING.

CONTAINING an area of 9000 square feet.

BEING KNOWN AS Lot 5 in Block 121 as shown on the tax map of the City of Absecon.

COMMONLY KNOWN AS 805 Seaside Avenue.

THIS description was made in accordance with a property survey prepared by Arthur W. Ponzio Co. & Associates, Inc., dated March 12, 2013.

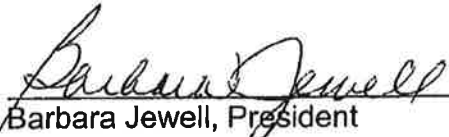
Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

Signatures. The Grantor signs this Deed as of the date at the top of the first page.

CARING, INCORPORATED,
a New Jersey nonprofit corporation


WITNESS:


Daniel T. Campbell, Secretary

By: 
Barbara Jewell, President

STATE OF NEW JERSEY :
: ss.
COUNTY OF ESSEX :

I CERTIFY that on this 27th day of March, 2013, Barbara Jewell personally came before and stated to my satisfaction that she is the President of CARING, INCORPORATED, a New Jersey nonprofit corporation, the Grantor named herein, and she signed and delivered this Deed as the valid and voluntary act and deed of Grantor, as duly authorized, and made this Deed for \$215,000.00 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5).


Notary Public
My Commission Expires: _____
(AFFIX NOTARY STAMP/SEAL)

SUSAN L. HACKER
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES JUNE 23, 2013

SUSAN L. HACKER
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES JUNE 23, 2013

DEED

CARING, INCORPORATED,
a New Jersey nonprofit corporation,
Grantor

To

CARING RESIDENTIAL SERVICES VII, INC.,
a New Jersey nonprofit corporation,
Grantee

DATED: March 27, 2013

RECORD AND RETURN TO:

The Title Company of Jersey
9615 Ventnor Avenue
Margate, New Jersey 08402
(609) 823-2200

APPENDIX N

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: Absecon County: Atlantic
Sponsor: Caring Properties, LLC Developer: CARING, Inc
Block: 179 Lot: 5 Street Address: 208 Wynwood Avenue
Facility Name: CARINGHouse 42

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Section 1: Type of Facility:</p> <p><input checked="" type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input type="checkbox"/> Permanent supportive housing</p> <p><input type="checkbox"/> Supportive shared housing</p> <p><input type="checkbox"/> Other – Please Specify: _____</p> | <p>Section 2: Sources and amount of funding committed to the project :</p> <p><input type="checkbox"/> Capital Application Funding Unit \$ _____</p> <p><input type="checkbox"/> HMFA Special Needs Housing Trust Fund \$ _____</p> <p><input type="checkbox"/> Balanced Housing – Amount \$ _____</p> <p><input type="checkbox"/> HUD – Amount \$ _____ Program _____</p> <p><input type="checkbox"/> Federal Home Loan Bank – Amount \$ _____</p> <p><input type="checkbox"/> Farmers Home Administration – Amount \$ _____</p> <p><input type="checkbox"/> Development fees – Amount \$ _____</p> <p><input type="checkbox"/> Bank financing – Amount \$ _____</p> <p><input checked="" type="checkbox"/> Other – Please specify: <u>private lender \$215,000, DDD \$100,000</u></p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p> |
| <p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for: _____</p> <p>Very low-income clients/households ⁵ _____</p> <p>Low-income clients/households _____</p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p> | <p>Section 4: For permanent supportive housing:</p> <p>Total # of units ⁵ _____, including:</p> <p># of very low-income units ⁵ _____</p> <p># of low-income units _____</p> <p># of moderate-income units _____</p> <p># of market-income units _____</p> |
| <p>Section 5:</p> <p>Length of Controls: ⁰ _____ years</p> <p>Effective Date of Controls: ____/____/____</p> <p>Expiration Date of Controls: ____/____/____</p> <p>Average Length of Stay: _____ months (transitional facilities only)</p> | <p>Section 6:</p> <p>CO Date: ____/____/____</p> <p>For licensed facilities, indicate licensing agency:</p> <p><input checked="" type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: ____/____/____</p> <p>Current License Date: ____/____/____</p> |
| <p>Section 7:</p> <p>Has the project received project-based rental assistance? ____ Yes <input checked="" type="checkbox"/> No; Length of commitment: _____</p> <p>Other operating subsidy sources: <u>NJ Dept of Human Serv, DDD funds operations</u>; Length of commitment: <u>annual contract</u></p> <p>Is the subsidy renewable? ____ Yes ____ No</p> | |
| <p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)</p> <p><input checked="" type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p> | |
| <p>Section 9:</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes ____ No</p> <p>Population Served (describe): <u>Developmentally Disabled</u></p> </div> <div style="width: 45%;"> <p>Age-restricted? ____ Yes <input checked="" type="checkbox"/> No <u>EXCEPT TO 21+ OVER</u></p> <p>Accessible (in accordance with NJ Barrier Free Subcode)? ____ Yes ____ No</p> </div> </div> | |



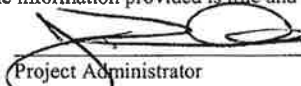
Section 10: Affirmative Marketing Strategy (check all that apply):

- ☒ DDD/DMHS/DHSS waiting list
☐ Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by:


Project Administrator

OPERATIONS MANAGER

Date

7/1/13

Certified by:

Municipal Housing Liaison

Date



CARING

Adult Healthcare Services

Barbara Jewell, RN, CALA
Acting Executive Director

January 14, 2013

Ms. Patti Amoriello, Program Development Specialist
Department of Human Services, Division of Developmental Disabilities
Southern Regional Office - Community Services
2 Echelon Plaza
221 Laurel Road, Suite 210
Voorhees, New Jersey 08043

Dear Ms. Amoriello:

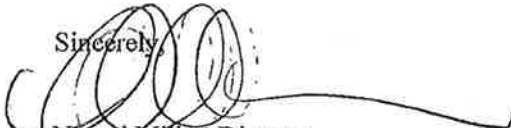
Enclosed please find a full capital improvement package for the request of Olmstead Funds.

The location of the group home is (GH1876) located at 206 Wynnewood Drive, Absecon, NJ 08201. Attached for your review are the following documents:

- Capital Funding Agreement
- Annexes A & B
- Notarized Promissory Note
- Payment voucher for 100%

If you have any questions or require further information, please do not hesitate to call me at (609) 484-0857, ext. 221.

Sincerely,



Naomi Miller, Director
CARINGHouse Projects, Inc.

NM/nlm

Encl.

cc: Barbara Jewell, Acting Executive Director

P.O. BOX 964 ♦ PLEASANTVILLE ♦ NEW JERSEY 08232 ♦ TEL. (609) 484-7050 ♦ FAX (609) 641-0674
e-mail: info@caringinc.org ♦ <http://www.caringinc.org>

Member

The Gerontological Society of America ♦ The National Council on the Aging ♦ American Society on Aging
Adult Medical Day Services • Senior and Disabled Housing • Assisted Living Services

| | | |
|------|----------------------------------------------------------------------------------------|----|
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AGREEMENT effective as of the date recorded on the signature page between the New Jersey Department of Human Services (the "Department") and the signatory agency (the "Agency") identified on the signature page.

WHEREAS the New Jersey Legislature has from time to time authorized the Department to expend such funds as are appropriated for renovating, remodeling, extending or otherwise improving Community-Based facilities for Department Clients; and

WHEREAS programs to award contracts for Community-Based facilities have been established by the Department to carry out such authorizations; and

WHEREAS the Agency, as a Community-Based private agency or a local government agency, is eligible to receive and desires assistance under the aforementioned appropriations.

THEREFORE the Department and the Agency agree as follows:

I. DEFINITIONS

For the purposes of this document, the following terms, when capitalized, shall have meaning as stated:

Agreement means this document, the Annex(es) and the Note, any additional attachments or appendices (including any approved assignments or subcontracts and any written amendments or modifications) and all supporting documents. The Agreement constitutes the entire agreement between the parties, and no amendments or modifications therefore will have any force or effect unless reduced to writing and signed by the parties' authorized agents identified in the Annex(es).

Agreement Ceiling means the amount so designated in the Annex(es) and reflects the total amount of Agreement Funds committed by the Department under this Agreement.

Agreement Funds means funds committed by the Department to the Agency pursuant to this Agreement.

Annex(es) means the attachment or attachments to this document containing at least the following information; a description of the Project; schedules for Project implementation and completion, Agency reporting of Project progress and Expenditures, and payment of Agreement Funds by the Department to the Agency; the commencement and expiration dates of the Agreement and the Project Period; the time period during which use of the Facility shall be

restricted pursuant to the terms of Section 3.05 Facility Restrictions; the names of the Project Director, the Agency officer authorized to sign this document and any other documents and papers under this Agreement, and the persons to whom Notices shall be directed; the title(s) of the Department officer(s) authorized to sign this document and any other documents and papers under this Agreement; the duties and responsibilities of the Project director; the Project budget, identifying both the Total Project Cost and the Agreement Ceiling; the sources and amounts of all funds supporting the Project; and a description of the services required to be provided in the Facility subsequent to its inspection and approval by the Department or Division and subsequent to any required licensure; A copy of the form of the Promissory Note to be executed pursuant to Section 5.01 Note Execution and the form of the statement of waiver required by Section 5.03 Waiver are appended to the Annex(es).

Community-Based means those service delivery programs or facilities which are not located on the grounds of or operated by a State institution.

Days means calendar days.

Department Client means, as appropriate clients of the Division of Youth and Family Services, the Division of Mental Retardation or the Division of Mental Health and Hospitals.

Division means as appropriate, the Division of Youth and Family Services, the Division of Mental Retardation or the Division of Mental Health and Hospitals.

Facility means the building constructed, renovated, remodeled, extended or otherwise improved in whole or in part under this Agreement. Such building is on land owned or leased by the Agency.

Note means the promissory note executed pursuant to Section 5.01 Note Execution.

Notice means an official written communication between the Department or the Division and the Agency. All Notices shall be delivered in person or by certified mail, return receipt requested, and shall be directed to the persons at the addresses specified for such purpose in the Annex(es) or to such other persons as either party may designate in writing.

Project means the project described in the Annex(es) for renovating, remodeling, extending or otherwise improving an already existing Community-Based facility owned or leased by the Agency.

The Project may also be for construction of a free-standing structure to augment the client capacity or otherwise to enhance the service delivery capabilities of any already-existing Community-Based facility owned or leased by the Agency. Unless otherwise expressly approved by the Commissioner of the Department, such free-standing structure shall be erected on Agency-owned or leased land occupied by the existing Community-Based facility, and the Total Project Cost may not exceed 50 percent of the appraised value of existing structures on such land. In no case may a Community-Based facility be purchased or leased for the purpose of securing Agreement Funds under this Agreement. The Project may be wholly or partially financed with Agreement Funds.

Project Expenditure (also Expenditures) means expenditures made by the Agency in accordance with the Project budget contained in the Annex(es).

Project Period means the period, specified in the Annex(es), which span the time from implementation to completion of the Project.

State means the State of New Jersey.

Total Project Cost means the amount so designated in the Annex(es) and reflects the total cost of the Project. If the Agency provides or obtains funding in addition to Agreement Funds to support the Project, the Total Project Cost will exceed the Agreement Ceiling by the amount of such additional funds.

II BASIC OBLIGATIONS OF THE DEPARTMENT

Section 2.01 Payment. Payment of Agreement Funds to the Agency shall be in accordance with Article VI of this document.

Section 2.02 Inspection and Monitoring. The Department or its designee shall inspect the Project site and shall monitor Project activities for conformity with the terms of this Agreement as well as with all other applicable Departmental specifications.

Section 2.03 Referenced Materials. Upon written request of the Agency, the Department or the Division shall make available to the Agency copies of federal and State regulations and other materials specifically referenced in this document.

III BASIC OBLIGATIONS OF THE AGENCY

Section 3.01 Project Implementation and Completion. The Agency shall implement and complete the Project in accordance with the schedule outlined in the Annex(es)

Section 3.02 Expenditure of Agreement Funds. The Agency shall expend Agreement Funds for the Project in accordance with the budget contained in the Annex(es) and for no purpose other than as reflected therein. Salaries and travel expenses for Agency employees shall not be paid by Agreement Funds, except as may be specifically approved by the Department and budgeted in the Annex(es).

With exceptions only as expressly approved by the Department, the Agency may expend Agreement Funds only during the Project Period specified in the Annex(es). When circumstances force Agency expenditures for Project-related activities prior to the Project Period, such circumstances shall be documented by the Agency and forwarded in writing to the Department. At the discretion of the Department, part or all of such expenditures may be recoverable from Agreement Funds. The Department makes no assurance that it shall permit such recovery.

Section 3.03 Promissory Note. The Agency shall execute and satisfy a promissory note in accordance with Article V of this document.

Section 3.04 Matching Funds. The Department may require that the Agency provide or obtain matching funds for the Project. Any required Agency match shall be provided in accordance with Departmental specifications.

Section 3.05 Facility Restrictions. The Agency shall agree to maintain the Facility as an approved facility for Department Clients for a period of time stipulated by the Department in accordance with written Division policies. Such time period is recorded in the Annex(es). Unless otherwise stipulated in the Annex(es), the Agency shall agree to reserve 100 percent of the Facility's maximum client capacity for Division referrals, except during such times as the Division may determine that a lesser percent is adequate.

Section 3.06 Project Director. Under the direction of the Agency's governing body, the Project director named in the Annex(es) shall be responsible for all Project activities.

Section 3.07 Documents and Information. The Agency shall furnish the Department or the Division with all documents and information required by this Agreement, as well as with any additional material which may be considered necessary by the Department or the Division in support of the Agreement.

Section 3.08 Compliance with Laws. In fulfilling its commitment under this Agreement, the Agency shall comply with all applicable federal, State and local laws, rules and regulations (collectively, "laws"), including but not limited to the following: the federal Civil Rights Act of

1964, as amended, P. L. 1933, Chapter 277, of the State of New Jersey, as amended (N.J.S.A. 10:2-1 et seq.) and P.L. 1975, Chapter 127, of the State of New Jersey (N.J.S.A. 10:5-31 et seq.) pertaining to affirmative action and non-discrimination in public contracts; the federal Equal Employment Opportunity Act; Section 504 of the federal Rehabilitation Act of 1973 pertaining to non-discrimination on the basis of handicap; and the New Jersey Conflicts of Interest Law (N.J.S.A. 52:13D-12 et seq.), including but not limited to those sections pertaining to contracting, solicitation, and the provision of inducements to State legislators, officers or employees. In addition, the Agency shall comply with all applicable State and local laws relating to licensure, with standards specified by the Department as appropriate to the Facility, and with all applicable policies and procedures issued by the Department or the Division.

IV SERVICE CONTRACT

The execution of this Agreement shall require execution of a separate contract or affiliation agreement for the provision of services in the Facility. The parties to such service contract shall be the Division and the Agency, or alternatively, the Division and another entity approved by the Division. The services to be provided in the Facility are described in the Annex(es).

V PROMISSORY NOTE

Section 5.01 Note Execution. Immediately upon execution of this Agreement, the Agency shall execute and deliver to the Department a promissory note in the form appended to the Annex(es). Execution of such note shall be authorized by a resolution of the Agency's governing body. The amount of the note shall equal the amount of the Agreement Ceiling. At the conclusion of the Project Period, should the actual amount of Project Expenditures approved for payment by the Department differ from the Agreement Ceiling as reflected in the Annex(es), an amended note shall be executed by the Agency in the amount actually paid, or approved for payment, by the Department to the Agency. The amended note shall be delivered to the Department and shall replace the note originally delivered. Until such time as the amended note is executed, any funds paid by the Department to the Agency in excess of the amount of the original note shall be subject to repayment by the Agency or cancellation under the terms of this Agreement.

Section 5.02 Note Satisfaction. The amount of the Note shall be reduced according to the following formula for each full year credited toward satisfaction of the Agency's obligation to the Department:

$AR = 1/X$, where AR represents the rate of annual reduction in the Amount of the Note and X represents the number of years of the Agency's obligation to the Department as established pursuant to the terms of Section 3.05 Facility Restrictions and recorded in the Annex(es).

Section 5.03 Waiver. In cases where the Agency is a licensed health care facility classified by the Department of Health as an acute care hospital, the Department may waive the requirement of a Promissory Note.

The Agency shall request the waiver and document the hardship in writing. The final decision rests solely with the Department on the granting of a waiver. Any such waiver granted shall be documented by a written statement signed by the same Department official who signed the Agreement on the same date. A copy of this statement shall be appended to the Agreement.

VI PAYMENT

Section 6.01 General Payment Obligation. Except as otherwise limited or precluded in this Agreement, and contingent upon satisfactory fulfillment of the Agency's obligations as set forth in Section 3.01 Project Implementation and Completion, the Department shall pay the Agency the lesser of (a) the Agreement Ceiling or (b) an amount which bears the same percentage relationship to aggregate Project Expenditures as the Agreement Ceiling bears to the Total Project Cost.

Section 6.02 Method and Schedule of Payment. The Agency shall be paid under this Agreement in accordance with the method and schedule outlined in the Annex(es). Where applicable, the Department reserves the right to require written verification from the Project architect, contractor or other appropriate person, certifying the percentage of the Project completed to the date of Agency billing. In addition, the Department may require copies of statements from parties involved in Project activities.

Section 6.03 Payments Conditional. All payments by the Department under this Agreement shall be subject to revision on the basis of an audit conducted under Section 7.04 Audit.

VII BOOKS AND RECORDS; REPORTING REQUIREMENTS; VISITATION AND INSPECTION; AUDIT

Section 7.01 Books and Records. The Agency shall maintain such books, records and accounts as are considered necessary by the Department to ensure an accurate and adequate accounting of all receipts, expenditures and available funds, regardless of their source, relating to the Project. A separate bank account shall be established for Agreement Funds to ensure that they are identifiable for monitoring and auditing purposes and that co-mingling of Agreement Funds does not occur.

All books, records and documents of any kind pertaining to this agreement shall be retained by the Agency for a minimum of four years after expiration or termination of the Agreement. Such requirement can be waived only by written authorization of the Department.

Section 7.02 Reporting Requirements. The Agency shall report Project progress and Expenditures to the Department in accordance with the schedule and procedures established in the Annex(es).

Section 7.03 Visitation and Inspection. The Agency's books, records and facilities, as well as the Project site itself, shall be available for inspection by authorized representatives of the Department, the Division and any other appropriate unit, agency or agent of State or local government. At the discretion of the Department, visitations and inspections may be at any time and may be announced or unannounced. The Agency's obligation to make available its books and records for on-site inspection, however, shall be limited to regular business hours.

Section 7.04 Audit. At any time during the Agreement term, the Agency's overall operations, its compliance with specific Agreement provisions, and the operations of any assignees or subcontractors engaged by the Agency under Section 10.01 Assignment and Subcontracts may be subject to audit by the Department, by any other appropriate unit or agency of State government, or by a private firm retained or approved by the Department for such purpose.

Whether or not such audits are conducted during the Agreement term, a final financial and compliance audit of Project operations, including the relevant operations of any assignees or subcontractors, shall be conducted. Generally such audit shall be initiated within two years after expiration of the Project Period. Should extraordinary circumstances prevent this from occurring, the final audit shall commence as soon as feasible thereafter. The final audit shall be performed by a unit or agency of State government or by a private firm retained for such purpose by the Department or the Agency and shall follow guidelines issued by the Department. Final financial settlement of this Agreement shall be contingent upon the findings of the final audit.

All provisions of Section 7.03 Visitation and Inspection shall apply to the Agency and to any assignees or subcontractors in the case of any visitations or inspections made for the purpose of audit. The Department reserves the right to have access to all written material, including but not limited to work papers, generated in connection with any audit conducted. Should the Agency retain a private audit firm, the Agency shall ensure that the instrument used to engage such firm contains express reference to the Department's right of access pursuant to this section.

VIII AGREEMENT TERM; PROJECT PERIOD; AMENDMENTS AND MODIFICATIONS; CLOSEOUT.

Section 8.01 Agreement Term. This Agreement shall commence and expire on the dates specified in the Annex(es). The Agreement's expiration date shall coincide with the date on which the Agency shall have satisfied its obligation to the Department as established pursuant to the terms of Section 3.305 Facility Restrictions and recorded in the Annex(es).

Notwithstanding the foregoing, the Agency retains the right, during the Agreement term, to terminate this Agreement upon six months' notice to the Department. Should such termination occur, the Department may require that the Agency pay the Department an amount up to the balance remaining on the Promissory Note executed pursuant to Section 5.01 Note Execution. Such balance shall be calculated by (a) prorating the original amount of the Note over the number of years of the Agency's obligation to the Department as established pursuant to the terms of Section 3.05 Facility Restrictions, and (b) subtracting from the original amount of the Note the prorated annual figure multiplied by the number of full years elapsed between Agreement commencement and termination. If the requirement of a Promissory Note has been waived pursuant to Section 5.03 Waiver, the Department may require the Agency to pay liquidated damages equal to the amount which would have been due under a Promissory Note as calculated above.

The Department retains the right, during the Agreement term, to terminate this Agreement upon six months' Notice to the Agency. In the event the Department exercises this right and the Agency is not in default under Article IX Default, the Department shall not require any payment from the Agency either on the Promissory Note executed pursuant to Section 5.01 Note Execution or as liquidated damages.

Section 8.02 Projected Period. The Project Period shall commence on the same date as the Agreement and shall expire on the date specified in the Annex(es). The Project Period may be extended only upon written authorization of the Department.

Section 8.03 Amendments and Modifications. Except as may otherwise be provided for in this document, all amendments and modifications to the terms of this Agreement shall be consistent with Department or Division policies and shall be accomplished by means of a written agreement signed by the parties' authorized agents as set forth in the Annex(es). All written amendments and modifications shall become part of this Agreement and shall be appended to this document.

Section 8.04 Closeout. All financial accounts under this Agreement, with the except of the promissory note executed pursuant to Section 5.01 Note Execution, shall be settled as accurately as possible within 90 days after expiration of the Project Period and shall be settled finally based upon the results of the final audit conducted under Section 7.04 Audit. Any unexpended Agreement Funds in the possession of the Agency shall be returned to the Department within the 90 days closeout period. The Note shall be satisfied in accordance with Section 5.02 Note Satisfaction.

Except as may otherwise be provided for in this document, all non-financial obligations of both parties shall continue after the Project Period and shall cease on the effective date of expiration or termination of the Agreement.

IX DEFAULT

Section 9.01 Causes. The occurrence of any of the following may be considered by the Department as Agency default of this Agreement:

- (a) Agency failure, judged to be substantial by the Department, to abide by Project specifications stipulated in the Annex(es);
- (b) Agency failure, judged to be substantial by the Department, to adhere to the schedule established in the Annex(es) established in the Annex(es) for Project implementation and completion;
- (c) Any Agency use of Agreement Funds for purposes other than as approved by the Department and specified in the Annex(es);
- (d) Agency submission to the Department or the Division of reports or other documents that are inaccurate or incomplete in any material respect;
- (e) Agency refusal or failure to permit the Department, the Division or a designee of the Department to inspect the Agency's facilities, including the Project site, or to review and monitor Agency administrative records and operational practices;
- (f) Agency use of Agreement Funds to employ or otherwise compensate directly or indirectly any employee of the Department;
- (g) Department discovery, in the absence of Agency disclosure, of any pecuniary or personal interest by the Agency its officer, trustees, directors or employee in any

assignment or subcontract executed pursuant to Section 10.01 Assignment and Subcontracts;

- (h) conduct or acts, including but not limited to alleged or adjudged criminal activity, on the part of the Agency, its officer, trustees, directors or employees, which are detrimental to the reputation of the Agency or the Department;
- (i) Agency failure, judged to be substantial by the Department, to comply with the terms and conditions of this Agreement.

Section 9.02 Procedures. Upon occurrence of any of the events enumerated in Section 9.01 Causes, the Department may give Notice to the Agency that it is in default of this Agreement and may elect either to terminate the Agreement on a date of the Department's choosing or to invoke the remedy provision set forth in Section 9.03 Remedy. Should the Agreement be terminated pursuant to this section, the Department may require that the Agency pay the Department an amount up to the balance remaining on the promissory note executed pursuant to Section 5.01 Note Execution. Such balance shall be calculated in the manner specified in Section 8.01 Agreement Term. If the requirement of a Promissory Note has been waived pursuant to Section 5.03 Waiver, the Department may require the Agency to pay liquidated damages equal to the amount which would have been due under a Promissory Note calculated as specified in Section 8.01 Agreement Term.

Section 9.03 Remedy. In lieu of terminating this Agreement in the event of default, the Department may advise the Agency, in the Notice of default, of specific measures the Agency must undertake to remedy the default by a date of the Department's choosing. Such date shall be no more than six months from the date of the Notice of default and may be extended only at the discretion of the Department and upon Notice to the Agency. The Department's election of this provision shall in no way limit or preclude its right to terminate the Agreement upon Notice to the Agency should the Agency fail to adhere to the remedy measures or the time schedule specified in the Notice of default.

X MISCELLANEOUS

Section 10.01 Assignment and Subcontracts. No rights or obligations of the Agency under this Agreement may be assigned or subcontracted by the Agency, except as may be provided for within the terms of this Agreement or with the prior written approval of the

Department. All approved assignments and subcontracts shall become part of this Agreement and shall be subject to its terms. The Agency shall bear full responsibility, without recourse to the State or any of its subdivisions, for performance under any approved assignment or subcontract. The Agency shall forward copies of all assignment and subcontract documents to the Department and shall retain copies of them on file together with this document.

Section 10.02 Procurement. The Agency shall bear full responsibility, without recourse to the State or any of its subdivision, for the settlement and satisfaction of any issues arising from any procurement arrangement entered into in support of this Agreement.

Section 10.03 Insurance. The Agency and any assignees or subcontractors engaged in construction, renovation, remodeling, extending or otherwise improving the Facility shall obtain the following types of insurance in coverage amounts judged adequate by the Department;

- (a) worker's compensation
- (b) general liability, including completed operations, broad form property damage and broad form contractual coverage;
- (c) fire insurance with extended coverage, such coverage to be equal to the to the replacement value of the Facility without any co-insurance; and
- (d) builder's risk, on an all-risk basis.

In addition, the Department may require the Agency and any assignees or subcontractors to obtain a completion bond and/or to maintain any other type of insurance coverage considered necessary by the Department. The State, which shall include the Department, shall be included as an additional named insured on any insurance policy applicable to the Project. The Department may require such proof of the required insurance and/or bond as it deems appropriate at any time during the Project Period.

Section 10.04 Indemnification. The Agency shall defend, indemnify and otherwise save harmless the State of New Jersey, its agencies, departments, bureaus, boards, officials and employees from any and all claims or actions at law, whether for personal injury, property damage or liabilities, including the costs of defense (a) which arise from acts or omissions, whether negligent or not, of the Agency or its agents, employees, servants, subcontractors,

material suppliers or others working for the Agency, irrespective of whether such risks are within or beyond the control of the Agency,, or (b) which arise from any failure to perform the Agency's obligations under this Agreement or any improper performance.

Notwithstanding the Agency's responsibilities outlined above in this section, the State reserves the right to provide its own attorney(s) to assist in the defense of any legal actions which may arise as a result of this Agreement.

Section 10.05 Insufficiency of Funds. The Agency and the Department recognize that this Agreement is dependent upon funding through State appropriations. The Department shall not be held responsible for any breach of this Agreement arising due to insufficiency of such appropriations.

Section 10.06 Exercise of Rights. A failure or a delay on the part of the Department or the Agency in exercising any right, power or privilege under this Agreement shall not waive that right, power or privilege. Moreover, a single or a partial exercise shall not prevent another or a further exercise of that or of any other right, power or privilege.

Section 10.06 Application of New Jersey Law. The parties to this Agreement hereby acknowledge that this Agreement is governed by New Jersey law, including the provisions of the New Jersey Contractual Liability Act (N.J.S.A. 59:11113=1 et. seq.) governing the Department's liability in any dispute that may arise under this Agreement.

AGREEMENT SIGNATURES AND DATE

The terms of this Agreement have been read and understood by the persons whose signatures appear below. The parties agree to comply with the terms and conditions of the Agreement as set forth in Article I through Article X above.

By: _____
Assistant Commissioner, DDD
Department of Human Services, State of New Jersey

By:  L.S.
Authorized Agency Representative
NAME: Barbara Jewell

TITLE: Acting Executive Director

AGENCY: CARING, Inc.

ADDRESS: 407 W. Delilah Road

Pleasantville, NJ 08232

AGREEMENT DATED:

January 15, 2013

**DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES**

ANNEX A - PROJECT SUMMARY

1. This Agreement commences on January 15, 2013 and expires on January 15, 2032

2. Legal Name of Agency: CARING, Inc.

3. Agency Address (Including P.O. Box, City, State, Zip Code, County):

407 West Delilah Road
PO Box 964
Pleasantville, New Jersey 08232

4. Date of Agency Incorporation: 7/25/83

5. Federal I.D. Number: 22-2464198

6. Project Location (Street, Address, City, State, County):

CARINGHouse42 (GH1876)
206 Wynnewood Drive, Absecon, NJ 08201

7. Project Scope:

| | | |
|-------------------------------------------|---------------------------------------------------------|-----------------------------------------------|
| <input type="checkbox"/> Purchase | <input type="checkbox"/> Land | <input type="checkbox"/> Existing Building(s) |
| <input type="checkbox"/> Renovation | <input type="checkbox"/> Expansion of Existing Facility | |
| <input type="checkbox"/> New Construction | <input type="checkbox"/> Equipment | |

8. The Project Period Commences on January 15, 2013 and expires on January 15, 2014

9. Project Director:

Name: Naomi Miller
Address: PO Box 964
Pleasantville, NJ 08232

Phone: (609) 484-7050

10. Agency Officer authorized to
sign this and other documents:

Name: Barbara Jewell
Address: PO Box 964
Pleasantville, NJ 08232

Phone: (609) 484-7050

11. Person to whom notices shall be directed:

a) Agency

Name: Naomi Miller
Address: PO Box 964
Pleasantville, NJ 08232

b) Department

Name: Ms. Patti Amoriello, Program Development Specialist
Address: Southern Regional Office-Community Services
2 Echelon Plaza
221 Laurel Road, Suite 210
Voorhees, New Jersey 08043

ANNEX B: PROJECT BUDGET

1. Legal Name of Agency: CARING, Inc.

2. Project Location (street address, city, and state):

CARINGHouse42 (GH1876)

206 Wynnewood Drive, Absecon, NJ 08201

3. Name and Address of Contractor:

Sal Orapallo, General Contractor

3 Jenny Lyn Drive

Northfield, NJ 08225

4. Project Total: \$100,000.00 Agreement Ceiling \$100,000.00

5. Scope of Work Covered by Agreement: (Attach copies of the bids)

Names of Olmstead individuals to be served (minimum of 3): [REDACTED]
[REDACTED] and 1 TBD Olmstead. Amount of Olmstead Capital Funding Request (Up to 25K per person):
\$100,000.00

PROMISSORY NOTE

\$ 100,000.00


January 15, 2013

In accordance with the terms of a Funding Agreement for Construction, Purchase, or Purchase and Renovation of Community-Based Facilities dated January 15, 2013,

promises to pay on demand to the order of the STATE OF NEW JERSEY, DEPARTMENT OF HUMAN SERVICES, One Hundred Thousand Dollars

(\$100,000.00)

dollars, payable at Capital Place One, 222 South Warren Street, Trenton, New Jersey 08625.

BY:  L.S.
Authorized Agency Representative

NAME: Barbara Jewell

TITLE: Acting Executive Director


AGENCY: CARING, Inc.

ADDRESS: PO Box 964


Pleasantville, New Jersey 08232

Notarized by:

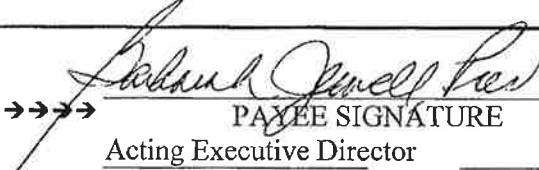
Date:


January 15, 2013

NANCY MANCUSO
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires May 21, 2017

| | | | | | | | | | | | | | |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------|---------|-----------|-------------------------------------|--------|-------|-----|--------|--------------|------------|----|----|-----------|
|  | STATE OF NEW JERSEY PAYMENT VOUCHER (VENDOR INVOICE) | | DOCUMENT | | | BATCH | | | ACTG. | FY | | | |
| | | | TC | AGY | NUMBER | TC | AGY | NUMBER | PER. | | | | |
| | PO# | PV DATE | PP START | SCHED PAY | CHK | OFF | F | RF | CK | (A) VENDOR | | | |
| | | MO | DY | YR | MO | DY | YR | CAT | LIAB | A | TY | FL | ID NUMBER |
| CONTRACT NO | AGENCY REF | BUYER | (B) TERMS | PAYEE: SEE INSTRUCTIONS FOR | | | | (C) | TOTAL AMOUNT | | | | |
| | | | | COMPLETING ITEMS (A) THROUGH (G) | | | | | 100,000.00 | | | | |

| | |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (D) PAYEE NAME AND ADDRESS CARING, Inc. PO Box 964 Pleasantville, NJ 08232 | (E) SEND COMPLETED FORM TO: Department of Human Services/DDD Ms. Patti Amoriello, Program Development Specialist Southern Regional Office - Community Services 2 Echelon Plaza 221 Laurel Road, Suite 210 Voorhees, New Jersey 08043 |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| (F) PAYEE DECLARATIONS CERTIFY THAT THE WITHIN PAYMENT VOUCHER IN ALL ITS PARTICULARS, THAT THE DESCRIBED GOODS OR SERVICES HAVE BEEN FURNISHED OR RENDERED AND THAT NO BONUS HAS BEEN GIVEN OR RECEIVED ON ACCOUNT OF SAID DOCUMENT. |  PAYEE SIGNATURE Acting Executive Director PAYEE TITLE | BILLING DATE 01/14/2013 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|

| LINE NO | REFERENCE | | | LINE | (G) PAYEE REFERENCE |
|---------|-----------|-----|--------|------|---------------------|
| | CD | AGY | NUMBER | | |
| 1 | | | | | |
| 2 | | | | | |
| 3 | | | | | |

| | FUND | AGCY | ORG CODE | SUB-ORG | APPR UNIT | ACTIVITY CD | OBJECT CD | SUB-OBJ | REV SRCE | SUB-REV | PROJECT/JOB NO |
|---|------|------|----------|---------|-----------|-------------|-----------|---------|----------|---------|----------------|
| 1 | | | | | | | | | | | |
| 2 | | | | | | | | | | | |
| 3 | | | | | | | | | | | |

| | RPT CT | BS ACT | DT | DESCRIPTION | QUANTITY | AMOUNT | ID | PF | TX |
|---|--------|--------|----|-------------|----------|--------|----|----|----|
| 1 | | | | | | | | | |
| 2 | | | | | | | | | |
| 3 | | | | | | | | | |

| ITEM NO. | COMMODITY CODE/DESCRIPTION OF ITEM | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|--------------|-----------------------------------------------------------------------|----------|------|------------|--------------|
| | 100% of Olmstead Funding for GH1876. | | | | \$100,000.00 |
| | At the following location: 206 Wynnewood Drive, Absecon, NJ (GH1876). | | | | |
| TOTAL | | | | | \$100,000.00 |

| | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------------------------------------------------------------------------------------------------------------------|------|
| DO NOT COMPLETE SIGNATURE SECTIONS LISTED BELOW. FOR STATE OFFICIAL USE ONLY!! CERTIFICATION BY RECEIVING AGENCY: I certify that the above articles have been received or services rendered as stated herein. | | CERTIFICATION BY APPROVAL OFFICER: I certify that this Payment Voucher is correct and just, and payment is approved. | |
| Signature | | Authorized Signature | |
| Title | Date | Title | Date |

Deed

This Deed is made on January 15, 2013
BETWEEN Patricia Ann Ferry, Executrix of the Estate of William G. Ferry, Jr.

whose post office address is 400 No. Somerset Avenue
Ventnor, NJ, 08406

referred to as the Grantor,
AND CARING PROPERTIES LLC, a New Jersey non-profit corporation

whose post office address is

referred to as the Grantee.

1. **Transfer of Ownership.** The Grantor grants and conveys (transfers ownership of) the property (called the "Property") described below to the Grantee. This transfer is made for the sum of \$215,000.00

Two Hundred Fifteen Thousand Dollars and No Cents

The Grantor acknowledges receipt of this money.

2. **Tax Map Reference.** (N.J.S.A. 46:15-1.1) Municipality of 215,000.00

Block No. 179 Lot No. 5 Qualifier No. _____ Account No. _____

☐ No lot and block or account number is available on the date of this Deed. (Check box if applicable.)

3. **Property.** The Property consists of the land and all the buildings and structures on the land in the City
of Absecon County of Atlantic and State of New Jersey.

The legal description is:

☒ Please see attached Legal Description annexed hereto and made a part hereof. (Check Box if Applicable.)
BEING the same lands and premises which became vested in Patricia Ann Ferry, Executrix of the Estate of William G. Ferry, Jr. deceased.

Title in and to the premises in question became vested in William G. Ferry and Donna Ferry by deed from John. H. Henderson, widower, dated February 15, 2006 and recorded February 21, 2006 as Instrument No. 2006016720 in the Atlantic County Clerk's Office.

Subsequently, William G. Ferry and Donna Ferry, by her Power of Attorney, William G. Ferry, Attorney in Fact duly constituted and appointed by Power Attorney dated December 12, 2008 and recorded June 21, 2010 as Instrument No. 2010037512 conveyed the premises in question to William G. Ferry, dated June 15, 2010 and recorded June 21, 2010 as Instrument No. 2010037513 in the Atlantic County Clerk's Office.

Thereafter, William G. Ferry, Jr. departed this life on July 3, 2010 leaving a Last Will and Testament dated October 26, 2005 and duly probated July 16, 2010 under Case No. 109670 in the Atlantic County Surrogate's Office.

Prepared by: (print signer's name below signature)


JOHN SCOTT ABBOTT, ESQUIRE

(For Recorder's Use Only)

Patricia Ann Ferry was appointed and duly qualified as Executrix and Letters Testamentary were granted on July 16, 2010 by the Atlantic County Surrogate's Court thereunder.

SUBJECT to any easements and/or restrictions of records and rights of public utilities.

The street address of the Property is:
206 Wynnewood Avenue
Absecon, NJ 08201

4. **Promises by Grantor.** The Grantor promises that the Grantor has done no act to encumber the Property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the Property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

5. **Signatures.** The Grantor signs this Deed as of the date at the top of the first page. (Print name below each signature.)

Witness by



Patricia Ann Ferry, Executrix of the Estate of
William G. Ferry, Jr.

(Seal)

(Seal)

STATE OF NEW JERSEY, COUNTY OF Atlantic SS:
I CERTIFY that on January 15, 2013

Patricia Ann Ferry, Executrix of the Estate of William G. Ferry, Jr.

personally came before me and stated to my satisfaction that this person (or if more than one, each person):

(a) was the maker of this Deed;

(b) executed this Deed as his or her own act; and

(c) made this Deed for \$ 215,000.00 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5.)

RECORD AND RETURN TO:



Print name and title below signature

SUSAN L. HACKER
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES JUNE 23, 2013

WFG Title Insurance Company
File No. 612987 Rev. 1/14/2013

3. The land referred to in this Commitment is described as follows:

SCHEDULE A - DESCRIPTION

All that certain lot, tract or parcel of land and premises situate, lying and being in the City of Absecon, County of Atlantic, State of New Jersey, bounded and described as follows:

BEGINNING at a point in the southeasterly line of Wynnewood Drive, 124.31 feet southwestwardly from the southwesterly line of Forest Hill; and extending thence

- (1) Southwestwardly, along the southeasterly line of Wynnewood Drive 124.30 feet; thence
- (2) Southeastwardly, parallel with Forest Hill 100 feet; thence
- (3) Northeastwardly, parallel with Wynnewood Drive 124.30 feet; thence
- (4) Northwestwardly, parallel with the second course herein 100 feet to the southeasterly line of Wynnewood Drive and the point and place of **BEGINNING**.

BEING KNOWN AS Lot 3 in Block 31-E as shown on plan entitled "Map of Absecon Shores, Section 1", filed January 13, 1960 as Map #1220 in the Atlantic County Clerk's Office.

FOR INFORMATION ONLY:

Commonly known as: 206 Wynnewood Avenue
Absecon, New Jersey 08201

Block 179 Lot 5
City of Absecon

End Schedule A Description

APPENDIX O



ED

Instr# 89910

Recorded/Filed

05/18/2000 15:35

TW

MICHAEL J. GARVIN

Atlantic County Clerk

IM

Prepared by:

Ira Mendelsohn, President
This Deed is made on 5/10, 2000

Between IM Land LLC

whose address is: 8003 Lagoon Blvd, Margate, NJ 08402 referred to as the Grantor,

And City of Absecon

 whose address is: 500 Mill Road Absecon NJ referred to as the Grantee.
 The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of One Hundred Thirty Seven Thousand Seven Hundred Dollars (\$137,700.00). The Grantor acknowledges receipt of this money.

Tax Map Reference. (NJSA 46:15-1.1) City Of Absecon Block No. 237, Lot No. 18, 18.01, 18.02 and 18.03

____ No property tax identification number is available on the date of this Deed (check of applicable).

Property. This property consists of the land and all the buildings and structures on the land in the City Of Absecon, County of Atlantic and State of New Jersey. The legal description is:

See exhibit A attached hereto, made part hereof.

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "Covenant" as to grantor's acts" (NJSA 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights; which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

Signatures. The Grantor signs this Deed as of the date at the top of the first page.

Witnessed by:

(Seal)
IM Land LLC, Ira Mendelsohn, President

(Seal)

State of New Jersey, County of Atlantic S.S.

I certify that on May 10, 2000, IM Land LLC, Ira Mendelsohn personally came before me and stated to my satisfaction that this person (or if more than one, each person):

- (a) was the maker of the attached Deed;
- (b) executed this Deed as his or her own act; and
- (c) made this Deed for \$137,700 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in NJSA 46:15-5.)

MICHAEL W. ANDREWS
 Notary Public of New Jersey
 My Comm. Exp. April 26, 2003

DB6590P128

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION OR
EXEMPTION

ALJ.-STATE LEGAL, A Division of
ALL-STATE® International, Inc.
908-272-0800

Consideration: 137700.00 E
County: 0.00
State: 0.00
N.P.R.F.: 0.00
Realty Tax: 0.00
Fees: 22.00

To Be Recorded With Deed Pursuant to c. 49,

STATE OF NEW JERSEY

COUNTY OF Atlantic

SS.

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3, 4 and 5 on reverse side.)

Deponent Michael Anderson, being duly sworn according to law upon his/her oath

deposes and says that he/she is the Officer of the Title Company
(State whether Grantor, Grantee, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.)

in a deed dated 5-10-00, transferring real property identified as Block No. 237

Lot No. 18, 18.01, 18.02 + 18.03 located at
(Street Address, Municipality, County)

Absecon, NJ and annexed hereto.

(2) CONSIDERATION (See Instruction #6.)

Deponent states that, with respect to deed hereto annexed, the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid or to be paid for the transfer of title to the lands, tenements or other realty, including the remaining amount of any prior mortgage to which the transfer is subject or which is to be assumed and agreed to be paid by the grantee and any other lien or encumbrance thereon not paid, satisfied or removed in connection with the transfer of title is \$

(3) FULL EXEMPTION FROM FEE Deponent claims that this deed transaction is fully exempt from the Realty Transfer Fee imposed by c.49, P.L. 1968, for the following reason(s): Explain in detail. (See Instruction #7.) Mere reference to exemption symbol is not sufficient.

76 Grantec is a Municipality

(4) PARTIAL EXEMPTION FROM FEE NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. (See Instructions #8 and #9.)

Deponent claims that this deed transaction is exempt from the increased portion of the Realty Transfer Fee imposed by c. 176, P. L. 1976 for the following reason(s):

- a) SENIOR CITIZEN (See Instruction #8.)
☐ Grantor(s) 62 yrs. of age or over. *
☐ One or two-family residential premises.
☐ Owned and occupied by grantor(s) at time of sale.
☐ No joint owners other than spouse or other qualified exempt owners.
- b) BLIND (See Instruction #8.)
☐ Grantor(s) legally blind. *
☐ One or two-family residential premises.
☐ Owned and occupied by grantor(s) at time of sale.
☐ No joint owners other than spouse or other qualified exempt owners.
- DISABLED (See Instruction #8.)
☐ Grantor(s) permanently and totally disabled. *
☐ One- or two-family residential premises.
☐ Receiving disability payments.
☐ Owned and occupied by grantor(s) at time of sale.
☐ Not gainfully employed.
☐ No joint owners other than spouse or other qualified exempt owners.

* IN THE CASE OF HUSBAND AND WIFE, ONLY ONE GRANTOR NEED QUALIFY.

- c) LOW AND MODERATE INCOME HOUSING (See Instruction #8.)
☐ Affordable According to HUD Standards.
☐ Meets Income Requirements of Region.
☐ Reserved for Occupancy.
☐ Subject to Resale Controls.

- d) NEW CONSTRUCTION (See Instruction #9.)
☐ Entirely new improvement.
☐ Not previously used for any purpose.
☐ Not previously occupied.

Deponent makes this Affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of c. 49, P.L. 1968.

Subscribed and sworn to before me

this day of May 2000

Name of Deponent (sign above line)

Address of Deponent

J.M. Land LLC

Name of Grantor (type above line)

Address of Grantor at Time of Sale

PATRICIA A. HENDERSON

NOTARY PUBLIC OF NEW JERSEY

My Commission Expires June 12, 2003

Deed Number 89910 Book 6690 Page 128 & c
Deed Dated 5-10-00 Date Recorded 5-18-00

IMPORTANT - BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE HEREOF. This format is prescribed by the Director, Division of Taxation in the Department of the Treasury, as required by law, and may not be altered without the approval of the Director.

ORIGINAL - White Copy To be retained by County.

DUPLICATE - Yellow Copy To be forwarded by County to Division of Taxation on partial exemption from fee (N.J.A.C. 18:16 - 8.12).

TRIPLICATE - Pink Copy Is your file copy.

WHITE AND YELLOW COPIES MUST BE SUBMITTED WITH DEED TO COUNTY RECORDING OFFICER

985690P130

EXHIBIT "A"

All those certain lots or parcels of land, situate in the City of Absecon, County of Atlantic and State of New Jersey, described as follows:

Being known as lots 18, 18.01, 18.02 and 18.03 on the Minor Subdivision made by Robert J. Monson, PLS dated March 15,, 1999 last revised February 14, 2000 filed March 27, 2000 # 3763.

In Compliance with Chapter 157 laws of 1977 premise hereon was known as lot 18 is going to be known as Lots 18, 18.01, 18.02 and 18.03 in Block 239 on the tax map of Absecon.

Recital: Being the same premises which Louis & Gladys Molinari by a deed dated September 9, 1999 recorded September 24, 1999 in Atlantic County in Deed Book 6553 page 254 granted and conveyed unto L. M. Land L. L. C., in fee.

DB6690P129

**AFFORDABLE HOUSING AGREEMENT BETWEEN THE CITY OF
ABSECON AND COMMUNITY QUEST, INC.**

THIS AGREEMENT ("Agreement") is made this [REDACTED] day of June, 2013 by and between

The City of Absecon, a municipal corporation of the State of New Jersey, County of Atlantic, having an address at 500 Mill Road, New Jersey 08201 (hereinafter referred to as "City");

And

Community Quest, Inc., a non-profit corporation of the State of New Jersey having an address at 6814 Tilton Times Plaza, Egg Harbor Tp., New Jersey 08234. Collectively, the City and Community Quest, Inc. shall be referred to as the "Parties."

RECITALS

WHEREAS, on April 5, 2012, the City adopted Resolution 73-2012 wherein Absecon, *inter alia*, formally committed to satisfying its known Mount Laurel obligations; and

WHEREAS, on April 5, 2012, the City also adopted Resolution 74-2012 which, *inter alia*, created the City's Mount Laurel subcommittee; and

WHEREAS, the main purpose of the Mount Laurel Subcommittee is to collaborate with the City's affordable housing professionals to help develop a Housing Element and Fair Share Plan; and

WHEREAS, in addition, Resolution 74-2012 directed the Mount Laurel subcommittee to assist the City's professionals in (a) investigating the facts and all the issues relevant to the City's affordable housing compliance efforts; (b) investigating the facts and all the issues relevant to the City's overall planning policies and objectives; (c) reviewing and discussing all draft ordinances, resolutions, and other relevant documents associated with the City's affordable housing compliance plan and all related planning documents; (d) discussing any issues relevant to the City's efforts to address future obligations as defined by the courts, the legislature, and/or various state agencies and (e) making recommendations to the City Council; and

WHEREAS, the Mount Laurel subcommittee has met on a regular basis over the past several months and, consistent with Resolution 74-2012, has made several recommendations to the City Council concerning the most practical and efficient method of creating realistic opportunities for the construction of affordable housing; and

WHEREAS, one of these recommendations is for Absecon to form mutually-beneficial agreements with local affordable housing providers by donating City-owned property in exchange for the actual construction of deed-restricted, COAH-creditworthy affordable housing units; and,

WHEREAS, the New Jersey Fair Housing Act expressly authorizes the “donation or use of municipally owned land or land condemned by the municipality for purposes of providing low and moderate income housing” (see N.J.S.A. 52:27D-311(a) 5); and

WHEREAS, Community Quest, Inc. is a non-profit developer of affordable housing located in Atlantic County that is ready, willing, and able to provide affordable housing in the City; and

WHEREAS, over the past several months, City officials and representatives of Community Quest, Inc. have discussed affordable multifamily housing opportunities within Absecon; and

WHEREAS, the City owns 2 properties: (A) located at Block 200, Lots 1 (501 Mill Road) and 2 (Delaware Avenue) on the official tax maps of the City of Absecon, which is also known as 501 Mill Road & Delaware Avenue (hereinafter referred to as “Property A”); and (B) the other located at Block 237, Lots 18.00 (304 S. New Road), 18.01 (306 S. New Road), 18.02 (308 S. New Road), and 18.03 (310 S. New Road) on the official tax maps of the City of Absecon, which is also known as Shore Road (hereinafter referred to as “Property B”).

WHEREAS, Community Quest has created two single purpose limited liability companies named 501 Mill Road, LLC and 306 S. New Road, LLC for the purposes of taking title to Property A and Property B, and whereas Community Quest, Inc. and its affiliate, Home Quest, LLC are the only members thereof.

WHEREAS Community Quest, Inc. has stated that, if the City donates the Property A to 501 Mill Road, LLC and Property B to 306 S. New Road, LLC, Community Quest, Inc. is willing and able to construct two separate affordable multifamily residences, one 12 unit/bedroom residence at 501 Mill Road & Delaware Avenue specifically for veterans and one 12 unit residence at 304, 306, 308 & 310 S. New Road specifically for the disabled; and

WHEREAS, the City has determined that, subject to the terms and conditions of this agreement and as part of its overall Mount Laurel planning efforts, the City will indeed donate the Property A to 501 Mill Road, LLC and Property B to 306 S. New Road, LLC upon the condition that Community Quest, Inc. will thereby create the requisite “realistic opportunity” for the actual construction and operation of affordable housing; and

NOW, THEREFORE, in consideration of the promises, the mutual obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties hereto agree as follows:

PURPOSE OF THE AGREEMENT

The purpose of this agreement is to create 24 units of affordable housing that is creditworthy against the City’s responsibilities under the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

OBLIGATIONS OF THE CITY

Subject to the Court awarding a credit for the provision of 24 affordable units on the Properties, the City shall donate the Property A to 501 Mill Road, LLC and Property B to 306 S. New Road, LLC via executed quitclaim deeds.

OBLIGATIONS OF HABITAT

1. 501 Mill Road, LLC and 306 S. New Road, LLC shall thereafter retain Community Quest, Inc. for the purposes of constructing and operating two (2) multifamily residences of twelve (12) units each in the City on the Properties.
2. Community Quest, Inc. shall ensure that all bedroom units constructed shall comply with all COAH regulations and the Uniform Housing and Affordability (UHAC) regulations of the New Jersey Housing and Mortgage Finance Agency, which shall result in twenty four (24) creditworthy bedroom units to be used by the City in addressing its current and/or future Mount Laurel affordable housing obligations. The City shall have no financial obligations under this provision to assure the creditworthiness of the units, and all associated expenses shall be solely borne by Community Quest, Inc.
3. Community Quest, Inc. shall be required to obtain all local Planning Board approvals and any other applicable government approvals for its affordable housing development.
4. Community Quest, Inc. shall be responsible for any title searches, title insurance, and survey costs associated with this development.
5. Community Quest, Inc. shall be responsible for any utility and infrastructure costs associated with this development project.
6. Subject to Court approval, Community Quest, Inc. shall act as the administrative agent with respect to the Properties and shall be responsible for ensuring that it does all that is necessary to ensure that the units are creditworthy under applicable regulations. The administrative tasks include, but are not limited to promptly carrying out the following: (i) appropriately marketing the affordable units, (ii) screening potential applicants for the units to ensure that they qualify as a low or moderate household, (iii) pricing the units at affordable rates, (iv) ensuring that the affordable units are properly deed restricted, and (v) enforcing any and all other COAH and UHAC requirements or other applicable requirements as to the affordability of the units.
7. Since the City will also have an administrative agent and since the City's administrative agent may need to perform certain tasks that involve the units that are the subject of this Agreement, Community Quest, Inc. will also cooperate with the

City and its administrative agent to the extent that the City's administrative agent deems that necessary.

8. Community Quest, Inc. acknowledges the obligation of the City and its Administrative Agent to fill out COAH's monitoring forms as to all affordable housing units in the City on a yearly basis.
9. In the event that either Property A or Property B is not suitable for construction and operation of the proposed developments, for whatever reason, the City shall make all reasonable efforts to provide an alternative, equivalent and suitable property located within the City at no cost to either Community Quest, Inc. or any of its affiliates.
10. In the event that fails to construct one unit on the Property within six (6) years of the date of this Agreement, title to the Properties shall automatically revert to the City in fee simple absolute.

JOINT OBLIGATIONS

In the event that issues arise subsequent to the execution of this Agreement, both Parties shall cooperate and make a good faith effort to assure that the intent and purpose of the Agreement is effectuated.

REPRESENTATIONS.

The Parties hereby make the following representations and covenants, as such relates to the other:

- (A) They have the legal capacity to enter into this Agreement and perform each of its obligations herein set forth.
- (B) Each Party is duly organized and validly existing legal entity under the laws of the State of New Jersey and necessary resolutions have been duly adopted, authorizing the execution and delivery of this Agreement and authorizing and directing the persons executing this Agreement to do so for and on their behalf.
- (C) To the best of its knowledge, there is no action, proceeding or investigation now pending, nor any basis therefore, known or believed to exist which (i) questions the validity of this Agreement or any action or act taken or to be taken by them pursuant to this Agreement; or (ii) is likely to result in a material adverse change in such Party's authority, property, assets, liabilities or condition which will materially and substantially impair its ability to perform pursuant to the terms of this Agreement.
- (D) The execution and delivery of this Agreement and the performance hereunder by such Party will not constitute a violation of any partnership, limited liability company

operating agreement, and/or stockholder agreement of such entity or of any agreement, mortgage, indenture, instrument or judgment, to which it is a party.

- (E) Each Party will exercise good faith to assure the satisfaction of the obligations of this Agreement within the time periods specified herein or to be determined at a later date.

NOTICES AND DEMANDS.

Notices or demands under this Agreement by any party to the other shall be sufficiently given or delivered if dispatched by United States Registered or Certified Mail, postage prepaid and return receipt requested, or delivered by overnight courier or delivered personally (and receipt acknowledged) to the parties at their respective addresses set forth herein, or at such other address or addresses with respect to the Parties or their counsel as any party may, from time to time, designate in writing and forward to the others as provided in this Article. Minor communication between the Parties that is other than formal notice or demand of action by the Parties may be sent by regular mail, electronic mail, or facsimile.

If to Community Quest, Inc.: Community Quest, Inc.
Attention: Daniel Kelly, President
6814 Tilton Times Plaza
Egg Harbor Tp. NJ 08234
Facsimile: (609) 646-5622

With copy to: Subranni Zaubert, LLC
Attn: William Rubley
750 Rt. 73, Suite 307B
Marlton, NJ 08053
Facsimile: 609-345-4545

If to the City: City of Absecon
Attention: Terry Dolan, Administrator
500 Mill Street
Absecon, NJ 08201
Facsimile: 609-645-5098

With copy to: Jeffrey R. Surenian and Associates, LLC
Attention: Michael A. Jedziniak, Esq.
707 Union Avenue, Suite 301
Brielle, NJ 08730
Facsimile: 732-612-3101

[NAME OF GRIMLEY'S FIRM]
Attention: James P. Grimley, Esq.
City of Absecon Solicitor
26 S. Pennsylvania Avenue

Atlantic City, NJ 08401
Facsimile: 609-344-0008

MISCELLANEOUS.

Severability. 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.

Successors Bound. The Agreement shall be binding upon the respective Parties hereto and their successors and assigns.

Governing Law. This Agreement shall be governed by and construed by the laws of the State of New Jersey.

No Modification. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.

Counterparts. 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.

Voluntary Agreement. 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.

Interpretation. In the event of any subsequent dispute or ambiguity involving the interpretation of this Agreement, inasmuch as Community Quest, Inc. and its attorneys have had substantial input into the terms and conditions contained herein, this Agreement shall not be interpreted against the City or its attorneys as a result of the Agreement being primarily drafted by the City.

Assignment. Neither Party may assign this Agreement without the written consent or the other Party.

Entire Agreement. 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.

Conflict of Interest. 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.

Effective Date. 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.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be properly executed and their corporate seals where applicable) affixed and attested to this _____ day of June, 2013.

REMAINDER OF PAGE INTENTIONALLY BLANK

Witness:

Community Quest, Inc.

By: _____

Daniel Kelly, President

Dated: June ____, 2013

Attest:

City of Absecon

By: _____

John Armstrong, Mayor

Dated: June ____, 2013

STATE OF NEW JERSEY

ss:

COUNTY OF ATLANTIC

I CERTIFY that on June ____, 2013, [NAME] personally came before me, and this person acknowledged under oath, to my satisfaction, that this person is the [TITLE] of Community Quest, Inc., the non-profit entity named in this document; and signed and delivered this document as his act and deed on behalf of the said non-profit entity.

[Name]

[Title]

Signed and sworn to before me
on June ____, 2013

Notary Public

STATE OF NEW JERSEY

SS:

COUNTY OF ATLANTIC

I CERTIFY that on September, 2012, [CITY CLERK] personally came before me, and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the Clerk of the City of Absecon, named in this document;
- (b) this person is the attesting witness to the signing of this document by [MAYOR], Mayor of Absecon City;
- (c) this document was signed and delivered by the City of Absecon as its voluntary act duly authorized by a property resolution of the City; and
- (d) this person signed this proof to attest to the truth of these facts.

[Name]

[Title]

Signed and sworn to before me
on September _____, 2012

Notary Public

Absecon 12 unit multi family facility

**Development Budget
7/1/2013**

| | PER UNIT | TOTAL |
|------------------------------------|----------------|------------------|
| | 12 | |
| OFF-SITE IMPROVEMENTS | 1,042 | 12,500 |
| ON-SITE IMPROVEMENTS | 60,785 | 729,414 |
| DEMOLITION | 0 | 0 |
| COMMUNITY BUILDING | 0 | 0 |
| RESIDENTIAL STRUCTURES | 166,667 | 2,000,000 |
| GENERAL REQUIREMENTS (6%) | 0 | 0 |
| BUILDER'S OVERHEAD (2%) | 0 | 0 |
| BUILDER'S PROFIT (6%) | 0 | 0 |
| BOND (2.5%) | 0 | 0 |
| PERMITS/FEEES (2%) | 833 | 10,000 |
| TAP FEES | 0 | 0 |
| GREEN FEATURES (5%) | 0 | 0 |
| TOTAL CONSTRUCTION CONTRACT | 229,326 | 2,751,914 |

| | | |
|------------------------------------------------|---------------|----------------|
| CONSTRUCTION CONTINGENCY (5%) | 11,466 | 137,596 |
| HMFA SOFT COST CONTINGENCY (2%) | 1,250 | 15,000 |
| UTILITY CONNECTIONS | 83 | 1,000 |
| ARCHITECT (fixed fee) | 2,917 | 35,000 |
| CIVIL ENGINEER | 3,333 | 40,000 |
| LEED CERTIFICATION | 0 | 0 |
| CONSTRUCTION TAXES | 0 | 0 |
| CONSTRUCTION INSURANCE | 2,083 | 25,000 |
| CSH LOAN INTEREST | 0 | 0 |
| CONSTRUCTION INTEREST (12 MOS @ 2.0%) | 0 | 0 |
| CONSTRUCTION FEES & CLOSING COSTS | 0 | 0 |
| HMFA LOAN FEE (1%) | 2,795 | 33,542 |
| ENVIRONMENTAL REMEDIATION | 0 | 0 |
| TITLE WORK | 125 | 1,500 |
| APPRAISAL | 250 | 3,000 |
| MARKET STUDY | 0 | 0 |
| SURVEY | 417 | 5,000 |
| SOIL BORINGS | 167 | 2,000 |
| ENVIRONMENTAL REPORT | 292 | 3,500 |
| CONSULTANTS | 0 | 0 |
| HOUSING CONSULTANT (included in developer fee) | 0 | 0 |
| LEGAL -- ACQUISITION | 208 | 2,500 |
| LEGAL -- MUNICIPAL | 0 | 0 |
| LEGAL -- PILOT | 83 | 1,000 |
| LEGAL -- CONSTRUCTION | 0 | 0 |
| LEGAL-- LIHTC attorney | 0 | 0 |
| LEGAL -- FINANCING | 0 | 0 |
| ACCOUNTING/COST CERTIFICATION | 208 | 2,500 |
| EQUIPMENT AND FURNISHINGS | 3,125 | 37,500 |
| MARKETING AND LEASE-UP | 417 | 5,000 |
| LIHTC CPA | 0 | 0 |
| TAX CREDIT FEES | 0 | 0 |
| MISCELLANEOUS PROJECT COSTS | 250 | 3,000 |
| TOTAL SOFT COSTS | 29,470 | 353,638 |

| | | |
|----------------------------------------------------|---------------|----------------|
| PROPERTY ACQUISITION | 0 | 0 |
| LAND CLOSING & CARRYING COSTS (TAXES, MAINT, INS) | 600 | 7,200 |
| TRANSFER TAXES | 0 | 0 |
| REPLACEMENT RESERVE | 0 | 0 |
| ESIC RENT SUBSIDY RESERVE (YRS 5-15) | 0 | 0 |
| LEASE-UP RESERVE | 0 | 0 |
| OPERATING RESERVE ESCROW (1 yr) | 6,250 | 75,000 |
| DEVELOPER FEE | 16,667 | 200,000 |
| TAX ESCROW | 0 | - |
| INSURANCE ESCROW | 0 | - |
| TOTAL LAND, ESCROW & DEVELOPER OVERHEAD | 23,517 | 282,200 |

| | | |
|-------------------------------|----------------|------------------|
| TOTAL DEVELOPMENT COST | 282,313 | 3,387,752 |
|-------------------------------|----------------|------------------|

| SOURCES OF FUNDS | Per Unit | Total |
|-------------------------------------------------------------------|----------|-----------|
| | 12 | |
| HMFA Special Needs Housing Trust Fund | 166,667 | 2,000,000 |
| HMFA's Multifamily Housing | - | - |
| CBDG-Disaster Recovery Funds | 94,813 | 1,137,752 |
| Fund for Rehabilitation of Small Rental Properties under 25 units | - | - |
| Federal Home Loan Bank | 20,833 | 250,000 |
| Total Sources of Funds | 282,313 | 3,387,752 |

Project Development Schedule

| | |
|--------------------------------------------|-----------------|
| Apply for Preliminary Site Plan Approval | September, 2013 |
| Obtain Preliminary Site Plan Hearing | October, 2013 |
| Adoption of Resolution of Need and PILOT | October, 2013 |
| File HMFA application | October, 2013 |
| Receive funding approval from HMFA | December, 2013 |
| City Approval water & sewer | February, 2014 |
| File DEP water & sewer applications | March, 2014 |
| County Site Plan Approval | May, 2014 |
| Final Site Plan Approval | May, 2014 |
| Apply for Building Permit | June, 2014 |
| Apply for all remaining applicable Permits | June, 2014 |
| Obtain Building Permit | June, 2014 |
| Receive funding | June, 2014 |
| Begin Construction | July, 2014 |
| Begin lease up | July, 2015 |
| Full Occupancy | September, 2015 |

APPENDIX P

OE CARD

RD

**SALES
PATIO**

492

| | |
|---|---|
| 0 | 0 |
|---|---|

| | |
|---|---|
| 8 | 8 |
|---|---|

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 | 53 | 54 | 55 | 56 | 57 | 58 | 59 | 60 | 61 | 62 | 63 | 64 | 65 | 66 | 67 | 68 | 69 | 70 | 71 | 72 | 73 | 74 | 75 | 76 | 77 | 78 | 79 | 80 | 81 | 82 | 83 | 84 | 85 | 86 | 87 | 88 | 89 | 90 | 91 | 92 | 93 | 94 | 95 | 96 | 97 | 98 | 99 | 100 |
|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|

LAND RECORD AND VALUATION

[illegible]

NOTES

9 (11/10/19)

1

1

10

1000

100

1

TOTAL

2764

BLOCK 287

LOT 1

Premises Situate White Horse Pike & Mill Rd.

SIZE 280+ x 414+ Irreg.

AREA 1.24

ACRES

| st. | Date | | | Grantor or Devisor | Grantee or-Devisee | RECORD | | | | |
|-----|------|----|----|--------------------|----------------------|--------|------|------|----|----|
| | | | | | | Book | Page | Date | | |
| | | | | | Edward A. Wilson Co. | | | | | |
| | 12 | 28 | 27 | S. J. Land Corp. | A. C. Realty Co. | 886 | 178 | 12 | 29 | 27 |
| | 9 | 25 | 30 | A. C. Realty Co. | A. C. Estates | 977 | 61 | 10 | 15 | 31 |
| | 9 | 30 | 30 | A. C. Estates | Island Realty Co. | 975 | 92 | 9 | 24 | 31 |
| | 10 | 2 | 30 | Island Realty Co. | A. C. Estates | 976 | 79 | 9 | 25 | 31 |
| | 9 | 15 | 31 | A. C. Estates | David McClintock | 973 | 457 | 9 | 26 | 31 |
| | 10 | 1 | 31 | David McClintock | A. C. Estates | 979 | 141 | 11 | 28 | 31 |
| | | | | Final Decree | City | 1570 | 1 | 1 | 2 | 52 |

CARD _____ OF _____

YEAR

1965

1972

LAND RECORD AND VALUATION

[illegible]

NOTES

[illegible]

1

10

SWAMP _____ H'SIDE _____ WOODS _____ BRUSH _____ TILLABLE _____

APPRAISED VALUE

LAND

IMPROVEMENTS

TOTAL

2054

22

**AFFORDABLE HOUSING AGREEMENT BETWEEN THE CITY OF
ABSECON AND COMMUNITY QUEST, INC.**

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And

Community Quest, Inc., a non-profit corporation of the State of New Jersey having an address at 6814 Tilton Times Plaza, Egg Harbor Tp., New Jersey 08234. Collectively, the City and Community Quest, Inc. shall be referred to as the "Parties."

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WHEREAS, on April 5, 2012, the City adopted Resolution 73-2012 wherein Absecon, *inter alia*, formally committed to satisfying its known Mount Laurel obligations; and

WHEREAS, on April 5, 2012, the City also adopted Resolution 74-2012 which, *inter alia*, created the City's Mount Laurel subcommittee; and

WHEREAS, the main purpose of the Mount Laurel Subcommittee is to collaborate with the City's affordable housing professionals to help develop a Housing Element and Fair Share Plan; and

WHEREAS, in addition, Resolution 74-2012 directed the Mount Laurel subcommittee to assist the City's professionals in (a) investigating the facts and all the issues relevant to the City's affordable housing compliance efforts; (b) investigating the facts and all the issues relevant to the City's overall planning policies and objectives; (c) reviewing and discussing all draft ordinances, resolutions, and other relevant documents associated with the City's affordable housing compliance plan and all related planning documents; (d) discussing any issues relevant to the City's efforts to address future obligations as defined by the courts, the legislature, and/or various state agencies and (e) making recommendations to the City Council; and

WHEREAS, the Mount Laurel subcommittee has met on a regular basis over the past several months and, consistent with Resolution 74-2012, has made several recommendations to the City Council concerning the most practical and efficient method of creating realistic opportunities for the construction of affordable housing; and

WHEREAS, one of these recommendations is for Absecon to form mutually-beneficial agreements with local affordable housing providers by donating City-owned property in exchange for the actual construction of deed-restricted, COAH-creditworthy affordable housing units; and,

WHEREAS, the New Jersey Fair Housing Act expressly authorizes the “donation or use of municipally owned land or land condemned by the municipality for purposes of providing low and moderate income housing” (see N.J.S.A. 52:27D-311(a) 5); and

WHEREAS, Community Quest, Inc. is a non-profit developer of affordable housing located in Atlantic County that is ready, willing, and able to provide affordable housing in the City; and

WHEREAS, over the past several months, City officials and representatives of Community Quest, Inc. have discussed affordable multifamily housing opportunities within Absecon; and

WHEREAS, the City owns 2 properties: (A) located at Block 200, Lots 1 (501 Mill Road) and 2 (Delaware Avenue) on the official tax maps of the City of Absecon, which is also known as 501 Mill Road & Delaware Avenue (hereinafter referred to as “Property A”); and (B) the other located at Block 237, Lots 18.00 (304 S. New Road), 18.01 (306 S. New Road), 18.02 (308 S. New Road), and 18.03 (310 S. New Road) on the official tax maps of the City of Absecon, which is also known as Shore Road (hereinafter referred to as “Property B”).

WHEREAS, Community Quest has created two single purpose limited liability companies named 501 Mill Road, LLC and 306 S. New Road, LLC for the purposes of taking title to Property A and Property B, and whereas Community Quest, Inc. and its affiliate, Home Quest, LLC are the only members thereof.

WHEREAS Community Quest, Inc. has stated that, if the City donates the Property A to 501 Mill Road, LLC and Property B to 306 S. New Road, LLC, Community Quest, Inc. is willing and able to construct two separate affordable multifamily residences, one 12 unit/bedroom residence at 501 Mill Road & Delaware Avenue specifically for veterans and one 12 unit residence at 304, 306, 308 & 310 S. New Road specifically for the disabled; and

WHEREAS, the City has determined that, subject to the terms and conditions of this agreement and as part of its overall Mount Laurel planning efforts, the City will indeed donate the Property A to 501 Mill Road, LLC and Property B to 306 S. New Road, LLC upon the condition that Community Quest, Inc. will thereby create the requisite “realistic opportunity” for the actual construction and operation of affordable housing; and

NOW, THEREFORE, in consideration of the promises, the mutual obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties hereto agree as follows:

PURPOSE OF THE AGREEMENT

The purpose of this agreement is to create 24 units of affordable housing that is creditworthy against the City’s responsibilities under the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

OBLIGATIONS OF THE CITY

Subject to the Court awarding a credit for the provision of 24 affordable units on the Properties, the City shall donate the Property A to 501 Mill Road, LLC and Property B to 306 S. New Road, LLC via executed quitclaim deeds.

OBLIGATIONS OF HABITAT

1. 501 Mill Road, LLC and 306 S. New Road, LLC shall thereafter retain Community Quest, Inc. for the purposes of constructing and operating two (2) multifamily residences of twelve (12) units each in the City on the Properties.
2. Community Quest, Inc. shall ensure that all bedroom units constructed shall comply with all COAH regulations and the Uniform Housing and Affordability (UHAC) regulations of the New Jersey Housing and Mortgage Finance Agency, which shall result in twenty four (24) creditworthy bedroom units to be used by the City in addressing its current and/or future Mount Laurel affordable housing obligations. The City shall have no financial obligations under this provision to assure the creditworthiness of the units, and all associated expenses shall be solely borne by Community Quest, Inc.
3. Community Quest, Inc. shall be required to obtain all local Planning Board approvals and any other applicable government approvals for its affordable housing development.
4. Community Quest, Inc. shall be responsible for any title searches, title insurance, and survey costs associated with this development.
5. Community Quest, Inc. shall be responsible for any utility and infrastructure costs associated with this development project.
6. Subject to Court approval, Community Quest, Inc. shall act as the administrative agent with respect to the Properties and shall be responsible for ensuring that it does all that is necessary to ensure that the units are creditworthy under applicable regulations. The administrative tasks include, but are not limited to promptly carrying out the following: (i) appropriately marketing the affordable units, (ii) screening potential applicants for the units to ensure that they qualify as a low or moderate household, (iii) pricing the units at affordable rates, (iv) ensuring that the affordable units are properly deed restricted, and (v) enforcing any and all other COAH and UHAC requirements or other applicable requirements as to the affordability of the units.
7. Since the City will also have an administrative agent and since the City's administrative agent may need to perform certain tasks that involve the units that are the subject of this Agreement, Community Quest, Inc. will also cooperate with the

City and its administrative agent to the extent that the City's administrative agent deems that necessary.

8. Community Quest, Inc. acknowledges the obligation of the City and its Administrative Agent to fill out COAH's monitoring forms as to all affordable housing units in the City on a yearly basis.
9. In the event that either Property A or Property B is not suitable for construction and operation of the proposed developments, for whatever reason, the City shall make all reasonable efforts to provide an alternative, equivalent and suitable property located within the City at no cost to either Community Quest, Inc. or any of its affiliates.
10. In the event that fails to construct one unit on the Property within six (6) years of the date of this Agreement, title to the Properties shall automatically revert to the City in fee simple absolute.

JOINT OBLIGATIONS

In the event that issues arise subsequent to the execution of this Agreement, both Parties shall cooperate and make a good faith effort to assure that the intent and purpose of the Agreement is effectuated.

REPRESENTATIONS.

The Parties hereby make the following representations and covenants, as such relates to the other:

- (A) They have the legal capacity to enter into this Agreement and perform each of its obligations herein set forth.
- (B) Each Party is duly organized and validly existing legal entity under the laws of the State of New Jersey and necessary resolutions have been duly adopted, authorizing the execution and delivery of this Agreement and authorizing and directing the persons executing this Agreement to do so for and on their behalf.
- (C) To the best of its knowledge, there is no action, proceeding or investigation now pending, nor any basis therefore, known or believed to exist which (i) questions the validity of this Agreement or any action or act taken or to be taken by them pursuant to this Agreement; or (ii) is likely to result in a material adverse change in such Party's authority, property, assets, liabilities or condition which will materially and substantially impair its ability to perform pursuant to the terms of this Agreement.
- (D) The execution and delivery of this Agreement and the performance hereunder by such Party will not constitute a violation of any partnership, limited liability company

operating agreement, and/or stockholder agreement of such entity or of any agreement, mortgage, indenture, instrument or judgment, to which it is a party.

- (E) Each Party will exercise good faith to assure the satisfaction of the obligations of this Agreement within the time periods specified herein or to be determined at a later date.

NOTICES AND DEMANDS.

Notices or demands under this Agreement by any party to the other shall be sufficiently given or delivered if dispatched by United States Registered or Certified Mail, postage prepaid and return receipt requested, or delivered by overnight courier or delivered personally (and receipt acknowledged) to the parties at their respective addresses set forth herein, or at such other address or addresses with respect to the Parties or their counsel as any party may, from time to time, designate in writing and forward to the others as provided in this Article. Minor communication between the Parties that is other than formal notice or demand of action by the Parties may be sent by regular mail, electronic mail, or facsimile.

If to Community Quest, Inc.: Community Quest, Inc.
Attention: Daniel Kelly, President
6814 Tilton Times Plaza
Egg Harbor Tp. NJ 08234
Facsimile: (609) 646-5622

With copy to: Subranni Zauber, LLC
Attn: William Rubley
750 Rt. 73, Suite 307B
Marlton, NJ 08053
Facsimile: 609-345-4545

If to the City: City of Absecon
Attention: Terry Dolan, Administrator
500 Mill Street
Absecon, NJ 08201
Facsimile: 609-645-5098

With copy to: Jeffrey R. Surenian and Associates, LLC
Attention: Michael A. Jedziniak, Esq.
707 Union Avenue, Suite 301
Brielle, NJ 08730
Facsimile: 732-612-3101

[NAME OF GRIMELY'S FIRM]

Attention: James P. Grimley, Esq.
City of Absecon Solicitor
26 S. Pennsylvania Avenue

Atlantic City, NJ 08401
Facsimile: 609-344-0008

MISCELLANEOUS.

Severability. 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.

Successors Bound. The Agreement shall be binding upon the respective Parties hereto and their successors and assigns.

Governing Law. This Agreement shall be governed by and construed by the laws of the State of New Jersey.

No Modification. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.

Counterparts. 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.

Voluntary Agreement. 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.

Interpretation. In the event of any subsequent dispute or ambiguity involving the interpretation of this Agreement, inasmuch as Community Quest, Inc. and its attorneys have had substantial input into the terms and conditions contained herein, this Agreement shall not be interpreted against the City or its attorneys as a result of the Agreement being primarily drafted by the City.

Assignment. Neither Party may assign this Agreement without the written consent or the other Party.

Entire Agreement. 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.

Conflict of Interest. 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.

Effective Date. 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.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be properly executed and their corporate seals where applicable) affixed and attested to this _____ day of June, 2013.

REMAINDER OF PAGE INTENTIONALLY BLANK

Witness:

Community Quest, Inc.

Dated: June ____, 2013

By: _____
Daniel Kelly, President

Attest:

City of Absecon

Dated: June ____, 2013

By: _____
John Armstrong, Mayor

STATE OF NEW JERSEY

ss:

COUNTY OF ATLANTIC

I CERTIFY that on June ____, 2013, [NAME] personally came before me, and this person acknowledged under oath, to my satisfaction, that this person is the [TITLE] of Community Quest, Inc., the non-profit entity named in this document; and signed and delivered this document as his act and deed on behalf of the said non-profit entity.

[Name]
[Title]

Signed and sworn to before me
on June ____, 2013

Notary Public

STATE OF NEW JERSEY

ss:

COUNTY OF ATLANTIC

I CERTIFY that on September, 2012, [CITY CLERK] personally came before me, and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the Clerk of the City of Absecon, named in this document;
- (b) this person is the attesting witness to the signing of this document by [MAYOR], Mayor of Absecon City;
- (c) this document was signed and delivered by the City of Absecon as its voluntary act duly authorized by a property resolution of the City; and
- (d) this person signed this proof to attest to the truth of these facts.

[Name]

[Title]

Signed and sworn to before me
on September _____, 2012

Notary Public

Absecon 12 unit multi family facility

**Development Budget
7/1/2013**

| | PER UNIT | TOTAL |
|------------------------------------|----------------|------------------|
| | <u>12</u> | <u></u> |
| OFF-SITE IMPROVEMENTS | 1,042 | 12,500 |
| ON-SITE IMPROVEMENTS | 60,785 | 729,414 |
| DEMOLITION | 0 | 0 |
| COMMUNITY BUILDING | 0 | 0 |
| RESIDENTIAL STRUCTURES | 166,667 | 2,000,000 |
| GENERAL REQUIREMENTS (6%) | 0 | 0 |
| BUILDER'S OVERHEAD (2%) | 0 | 0 |
| BUILDER'S PROFIT (6%) | 0 | 0 |
| BOND (2.5%) | 0 | 0 |
| PERMITS/FEEES (2%) | 833 | 10,000 |
| TAP FEES | 0 | 0 |
| GREEN FEATURES (5%) | 0 | 0 |
| TOTAL CONSTRUCTION CONTRACT | 229,326 | 2,751,914 |

| | | |
|------------------------------------------------|---------------|----------------|
| CONSTRUCTION CONTINGENCY (5%) | 11,466 | 137,596 |
| HMFA SOFT COST CONTINGENCY (2%) | 1,250 | 15,000 |
| UTILITY CONNECTIONS | 83 | 1,000 |
| ARCHITECT (fixed fee) | 2,917 | 35,000 |
| CIVIL ENGINEER | 3,333 | 40,000 |
| LEED CERTIFICATION | 0 | 0 |
| CONSTRUCTION TAXES | 0 | 0 |
| CONSTRUCTION INSURANCE | 2,083 | 25,000 |
| CSH LOAN INTEREST | 0 | 0 |
| CONSTRUCTION INTEREST (12 MOS @ 2.0%) | 0 | 0 |
| CONSTRUCTION FEES & CLOSING COSTS | 0 | 0 |
| HMFA LOAN FEE (1%) | 2,795 | 33,542 |
| ENVIRONMENTAL REMEDIATION | 0 | 0 |
| TITLE WORK | 125 | 1,500 |
| APPRAISAL | 250 | 3,000 |
| MARKET STUDY | 0 | 0 |
| SURVEY | 417 | 5,000 |
| SOIL BORINGS | 167 | 2,000 |
| ENVIRONMENTAL REPORT | 292 | 3,500 |
| CONSULTANTS | 0 | 0 |
| HOUSING CONSULTANT (included in developer fee) | 0 | 0 |
| LEGAL -- ACQUISITION | 208 | 2,500 |
| LEGAL -- MUNICIPAL | 0 | 0 |
| LEGAL -- PILOT | 83 | 1,000 |
| LEGAL -- CONSTRUCTION | 0 | 0 |
| LEGAL-- LIHTC attorney | 0 | 0 |
| LEGAL -- FINANCING | 0 | 0 |
| ACCOUNTING/COST CERTIFICATION | 208 | 2,500 |
| EQUIPMENT AND FURNISHINGS | 3,125 | 37,500 |
| MARKETING AND LEASE-UP | 417 | 5,000 |
| LIHTC CPA | 0 | 0 |
| TAX CREDIT FEES | 0 | 0 |
| MISCELLANEOUS PROJECT COSTS | 250 | 3,000 |
| TOTAL SOFT COSTS | 29,470 | 353,638 |

| | | |
|----------------------------------------------------|---------------|----------------|
| PROPERTY ACQUISITION | 0 | 0 |
| LAND CLOSING & CARRYING COSTS (TAXES, MAINT, INS) | 600 | 7,200 |
| TRANSFER TAXES | 0 | 0 |
| REPLACEMENT RESERVE | 0 | 0 |
| ESIC RENT SUBSIDY RESERVE (YRS 5-15) | 0 | 0 |
| LEASE-UP RESERVE | 0 | 0 |
| OPERATING RESERVE ESCROW (1 yr) | 6,250 | 75,000 |
| DEVELOPER FEE | 16,667 | 200,000 |
| TAX ESCROW | 0 | - |
| INSURANCE ESCROW | 0 | - |
| TOTAL LAND, ESCROW & DEVELOPER OVERHEAD | 23,517 | 282,200 |

| | | |
|-------------------------------|----------------|------------------|
| TOTAL DEVELOPMENT COST | 282,313 | 3,387,752 |
|-------------------------------|----------------|------------------|

| SOURCES OF FUNDS | Per Unit | Total |
|-------------------------------------------------------------------|-----------|-----------|
| | <u>12</u> | <u></u> |
| HMFA Special Needs Housing Trust Fund | 166,667 | 2,000,000 |
| HMFA's Multifamily Housing | - | - |
| CBDG-Disaster Recovery Funds | 94,813 | 1,137,752 |
| Fund for Rehabilitation of Small Rental Properties under 25 units | - | - |
| Federal Home Loan Bank | 20,833 | 250,000 |
| Total Sources of Funds | 282,313 | 3,387,752 |

Project Development Schedule

| | |
|--------------------------------------------|-----------------|
| Apply for Preliminary Site Plan Approval | September, 2013 |
| Obtain Preliminary Site Plan Hearing | October, 2013 |
| Adoption of Resolution of Need and PILOT | October, 2013 |
| File HMFA application | October, 2013 |
| Receive funding approval from HMFA | December, 2013 |
| City Approval water & sewer | February, 2014 |
| File DEP water & sewer applications | March, 2014 |
| County Site Plan Approval | May, 2014 |
| Final Site Plan Approval | May, 2014 |
| Apply for Building Permit | June, 2014 |
| Apply for all remaining applicable Permits | June, 2014 |
| Obtain Building Permit | June, 2014 |
| Receive funding | June, 2014 |
| Begin Construction | July, 2014 |
| Begin lease up | July, 2015 |
| Full Occupancy | September, 2015 |

APPENDIX Q

PURCHASE AGREEMENT FOR VACANT LAND

This Purchase and Sale Agreement ("Agreement"), made as of June 6, 2013 ("Effective Date"), by and between

Clayton Block Company, LLC, having a mailing address of P.O. Box 3015, Lakewood, NJ 08701 and a physical location at 1355 Campus Parkway, Wall, New Jersey 07719 ("Seller"); and

Conifer Realty, LLC, having an address of 183 East Main Street, Suite 600, Rochester, New York 14604 ("Buyer").

WITNESSETH:

WHEREAS, Seller owns a certain parcel of vacant land, consisting of approximately 8.93 acres, more or less, located in Absecon, New Jersey, shown on the municipal tax map as Block 289, Lots 2, 3 and 11, also known as 701-705 South New Road, Absecon, New Jersey, as is more fully described below (herein called the "Seller's Land"); and

WHEREAS, Seller desires to sell a portion of the Seller's Land to Buyer, consisting of approximately 7 acres (the "Property"), and Buyer desires to purchase the Property from Seller upon the satisfaction of certain conditions, all as more particularly described below.

NOW THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and intending to be legally bound hereby, the Parties agree as follows:

1. **PURCHASE AND SALE OF PROPERTY.** Seller hereby agrees to sell to Buyer and Buyer agrees to purchase from Seller all of Seller's right, title and interest in and to the Property in accordance with the terms hereof. The Property shall consist of approximately 7 acres of the Seller's Land as more specifically described on Exhibit A, attached hereto and made a part hereof. The Property shall be conveyed hereunder together with all improvements thereon, and all appurtenances, rights, easements, rights-of-way, tenements and hereditaments incident thereto. The sale shall include all of Seller's right, title and interest, if any, in and to any streets, roads or avenues, opened or proposed, adjoining any part of the Property, to the center line thereof. The Property shall include all intangible property used in connection with the Property, including, without limitation, all existing permits, licenses and governmental approvals or permissions.

Reservation for Access: Buyer and Seller agree that, notwithstanding anything to the contrary herein, Seller shall retain the right of access over the Access Road, as defined below, from California Avenue up to one hundred feet north of California Avenue, connecting with the Seller's Lot (the "Access Easement"). The Access Easement shall be a permanent, non-exclusive easement for vehicular and pedestrian ingress and egress over the Access Road and any driveway constructed on the Property, with the right to connect the Access Road to the Seller's Lot. Seller shall pay all construction and maintenance costs related to the connection of the Access Road to Seller's Lot.

2. **PRICE AND MANNER OF PAYMENT.** The purchase price for the Property shall be One Million Dollars (\$1,000,000) ("Purchase Price"), payable as follows: The sum of Ten Thousand Dollars (\$10,000) (the "Deposit") shall be delivered by Buyer to the Escrow Agent, as hereinafter defined, concurrently with the execution of this Agreement. The Deposit shall be treated as payment on account of the Purchase Price if the Closing (hereinafter defined) for the Property is completed. If the Closing is not completed, then upon cancellation of this Agreement, the Deposit shall be paid to the party entitled to receive it under this Agreement. At the time of the Closing, Buyer shall pay the balance of the Purchase Price by Bank check, Attorney trust check or wire transfer of current funds.

Buyer intends to develop the Property into 75 units of affordable rental housing. As additional consideration hereunder, Buyer shall give Seller the opportunity to bid on the concrete work on the development and to have a "last look." In other words, if Seller is not the low bidder, Buyer will let the Seller know the amount of the low bid and give Seller the opportunity to match the price of the low bid and to perform the work on the same terms and conditions of the low bidder.

3. **ESCROW AGENT.**

- A. The Deposit shall be paid by Buyer to Gertner, Mandel Peslak, LLC (the "Escrow Agent"), in escrow, pending the cancellation of this Agreement or Closing hereunder, as the case may be. The Escrow Agent shall Deposit in an interest-bearing account with a federally insured bank. All interest earned on the Deposit shall be and become part of the Deposit, but shall not be credited against the Purchase Price. The Deposit shall be refundable in full until the end of the Due Diligence Period (as herein defined), at which time the Deposit shall become nonrefundable, except as set forth herein, and shall be applied against the Purchase Price at Closing. In the event that Closing does not occur, the Deposit shall be disbursed in accordance with the terms of this Agreement. If Buyer terminates this Agreement during the Due Diligence Period, as permitted hereunder, the Deposit shall promptly be returned to Buyer.
- B. The Escrow Agent shall not be liable for any mistakes of facts, or errors of judgment, or for any acts or omissions at any time unless caused by the willful malfeasance of the Escrow Agent with respect to the escrow established herein. If a dispute arises between the parties to the transaction as to the disposition of Deposit, the Escrow Agent shall: (i) hold the Deposit until the Escrow Agent has releases signed by all parties to the transaction authorizing disposition of the Deposit; or (ii) hold the Deposit until such time as one of the parties to the transaction files suit and the court in which this suit is filed orders the disbursement of the Deposit; or (iii) deliver such Deposit into the court by filing a Bill of Interpleader. In the event of any litigation between Seller and Buyer concerning return of the Deposit, Escrow Agent's sole responsibility may be met, at Escrow Agent's option, by delivering the Deposit into the court in which such litigation is pending, and Buyer and Seller agree that upon deliverance of such Deposit into court, neither Buyer nor Seller shall have any further right, claim, demand, or action against the Escrow Agent. In the event any dispute arises under this Agreement between Seller and Buyer resulting in the Escrow Agent being made a party to any litigation, Seller and Buyer, jointly and severally, agree to indemnify the Escrow Agent for all costs, reasonable attorneys' fees and legal expenses incurred by the Escrow Agent as a result thereof; provided that such

litigation does not result in a judgment against the Escrow Agent for acting improperly under this Agreement. The parties hereto further acknowledge that the Escrow Agent is the Attorney for the Seller, and is acting as escrow holder as an accommodation to the parties and that Escrow Agent shall not be disqualified from representing Seller by reason of acting as Escrow Agent, even if a dispute arises out of this Agreement or the transactions contemplated hereunder.

4. **CLOSING DATE.** The Closing for the Property shall occur on or before eighteen (18) months from the Effective Date (the "Closing" or "Closing Date") at such time and place as may be mutually agreed upon.
5. **ADJUSTMENTS AT CLOSING.** Current fiscal year real estate taxes and other standard adjustments shall be made and prorated between the parties as of the Closing Date. All other public or governmental charges of every nature and every kind levied against the Property which are or may be payable on an annual basis (including, but not limited to, benefit charges, assessments, liens or encumbrances for sewer, water, drainage or other public improvements) shall be adjusted and apportioned as of the date of Closing and assumed and paid thereafter by Buyer.
6. **COSTS.** At Closing, Seller shall be responsible for the cost of: (i) the preparation of the deed; (ii) applicable transfer taxes other than fees pursuant to N.J.S.A. 46:15-7.2, if any, which shall be paid by Buyer, and, if applicable, agricultural rollback taxes; (iii) any fees payable to Seller's counsel; (iii) releasing any liens to which Seller is a party; and (iv) any of Seller's prorations as described herein. Buyer shall be responsible for all other closing costs and expenses not payable by Seller in accordance with this Agreement.
7. **TITLE, SURVEY AND ENVIRONMENTAL STUDIES.** Within 10 days after the execution of this Agreement by both parties, Seller shall deliver to Buyer a copy of: (i) the most recent title policy in Seller's possession relating to the Property; (ii) the recorded subdivision plat, if any, and all surveys in Seller's possession; and (iii) any environmental reports relating to the Property in Seller's possession.
8. **INSPECTION.**
 - A. Subject to the provisions of Section 11A., Seller agrees that, upon not less than 24 hours prior notice to Seller, Buyer and its authorized representatives shall have the right and privilege to enter upon the Property for the purpose of gathering such information and conducting such environmental and engineering studies or other tests and reviews as Buyer may deem appropriate and necessary. All such inspections, studies, tests and reviews shall be at Buyer's sole expense. Seller agrees to cooperate with Buyer by making available to Buyer such records, plans, drawings or other data as may be in Seller's possession or control relating to the Property.
 - B. It is agreed by Buyer that all such tests and studies shall be conducted in a reasonable manner so as not to interfere with or disrupt Seller's possession and quiet enjoyment of the Property. Buyer's entry onto the Property shall be conducted in all cases, subject to and in accordance with all laws, statutes, governmental rules and/or regulations. Upon the completion of any tests and studies performed hereunder, Buyer shall return the Property to substantially the

same condition as it was in prior to the performance of such tests and studies. Buyer hereby agrees to indemnify and hold Seller harmless from any and all liabilities, judgments, liens, costs, expenses and/or charges of every nature and every kind (including reasonable attorneys' fees) which may arise, directly from the activities of Buyer as described in this paragraph.

9. TITLE OBJECTIONS.

- A. Title to the Property shall be good and marketable, free and clear of all liens, leases, and encumbrances, except for (i) recorded easements for public utilities which do not interfere with the development of the Property by Buyer and (ii) defects in title waived by Buyer under the provisions of this paragraph.
- B. Within ten (10) days after the Effective Date, Seller shall deliver to Buyer any title abstract and/or report it may have in its possession. Buyer shall order a title commitment (the "Title Commitment") from a nationally recognized title insurer licensed to do business in the State of New Jersey (the "Title Company").
- C. Within forty five (45) days after the Effective Date, Buyer shall deliver to Seller a statement (a "Statement of Title Defects") of defects, encumbrances or objections to title or survey matters ("Title Defects"). Upon receipt of Buyer's Statement of Title Defects, Seller shall have five (5) business days to determine whether it wishes to attempt to cure any matters shown on such statement. If Seller is unable or unwilling to cure or attempt to cure any such matters, Seller shall give notice to Buyer within such five (5) day period, but if no such notice is given, Seller shall be deemed to be unwilling to cure any such Title Defects. If Seller does not agree to attempt such cure, Buyer may terminate this Agreement as of the later of the end of the Due Diligence Period or ten (10) days after the expiration of the foregoing five (5) business day period, in which case it shall have the right to the return of the Deposit. Any defects in title (i) not included in the Statement of Title Defects, or (ii) which are Title Defects that Seller is unwilling (or deemed unwilling) to cure shall be deemed waived by Buyer if Buyer has not terminated in accordance with the immediately preceding sentence.
- D. In the event that additional Title Defects arise after the time periods set forth in the immediately preceding paragraph, Buyer shall provide notice to Seller and Seller shall have the same opportunity to cure as set forth in the preceding paragraph.

10. CLOSING DOCUMENTS. At the time of Closing, Seller shall deliver to Buyer:

- A. A bargain and sale deed, with covenants as to grantor's acts conveying title in the Property to Buyer in accordance with paragraph 9 above;
- B. An Affidavit of Title in form reasonably acceptable to Buyer's title insurer;
- C. An Affidavit stating that Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445;

- D. Such resolutions, authorizations, consents, and incumbency certificates as shall be reasonably requested by Buyer's title insurer in order to evidence Seller's right, power and authority to consummate the Closing under this Agreement, and the authority of those acting on behalf of, or signing documents on behalf of, Seller in connection with this transaction; and
- E. Complete and legible copies of all surveys, site plans, topographical and other maps, engineering data and reports, soil reports, environmental audits, and any other reports or information, if any, concerning the Property made or prepared for Seller and in Seller's possession or control.

11. **CONDITIONS TO CLOSING.** The following shall be conditions of Buyer's obligation to close the transactions contemplated by this Agreement. Buyer may waive any of these Conditions (other than clauses (II), (III) and (IV) of Paragraph B) to Close at any time, at Buyer's sole discretion.

- A. Buyer shall have 120 days following the Effective Date (the "Due Diligence Period") within which to review and inspect the Property (including, but not limited to, performing engineering and Phase I environmental studies; provided, however, Buyer shall not retain any professional that is a Licensed Site Remediation Professional for inspections during the Due Diligence Period) and such other matters as Buyer shall deem reasonably necessary or appropriate in connection with the Property. If Buyer determines that it does not wish to purchase the Property for any reason during the Due Diligence Period and notifies Seller in writing of such decision within the Due Diligence Period, this Agreement shall be null and void, the Deposit shall be promptly refunded to Buyer, and neither party shall have any further rights or obligations under this Agreement, except for those that expressly survive termination.
- B. Buyer shall have obtained, at Buyer's sole cost and expense, (i) all necessary governmental approvals needed to complete (other than building permits) the development and to operate the completed development of the Property contemplated by this Agreement, including, but not limited to, variance or zoning approvals, environmental approvals and confirmation of the availability of utility services, (ii) subdivision of the Property from Seller's Land, resulting in the creation of a new lot (identified as "11A" on Exhibit A), which shall be retained by Seller ("Seller's Lot"), (iii) approvals for an access road (the "Access Road") along the westerly line of Seller's Lot to California Avenue, with an easement for shared use by Seller's Lot; and (iv) approvals for the utility and drainage design criteria, set forth in this paragraph, including easements for connection of Seller's Lot (the "Governmental Approvals"). Seller agrees that it shall cooperate with Buyer and assist Buyer in obtaining the Government Approvals at no cost to Seller. The drainage and utilities layout of the site shall be subject to the review and approval of Seller. The drainage shall be designed to include provisions for stormwater runoff from Seller's Lot. A drainage inlet shall be placed adjacent to the Seller's Lot to allow direct connection to the drainage system on the Property. The detention basin on the Property shall be designed to allow for sixty percent lot coverage of Seller's Lot. The utility layout for the Property shall be designed to avoid disturbance of the Property when the Seller's Lot is developed. If at any time during the term of this Agreement, Buyer determines that it cannot feasibly obtain the Governmental Approvals, Buyer shall promptly notify Seller in writing in which event this Agreement shall be null and void, the

Deposit shall be promptly refunded to Buyer, and neither party shall have any further rights or obligations under this Agreement, except for those that expressly survive termination. If this contingency has not been satisfied or waived by Buyer within one (1) year after the Effective Date, Seller may terminate this Agreement and direct that the Deposit be returned to Buyer.

- C. Buyer shall have obtained financing and investor equity commitments, including a tax credit allocation, which are sufficient in the reasonable judgment of Buyer to develop the Property as affordable multi-family rental housing. If at any time during the term of this Agreement, Buyer determines that it cannot feasibly obtain all of the financing and investor equity commitments needed to complete the development and to operate the completed development of the Property, Buyer shall promptly notify Seller in which event this Agreement shall be null and void, the Deposit shall be promptly refunded to Buyer, and neither party shall have any further rights or obligations under this Agreement, except for those that expressly survive termination. If this contingency has not been satisfied or waived by Buyer within one (1) year after the Effective Date, Seller may terminate this Agreement and direct that the Deposit be returned to Buyer.

12. **POSSESSION.** Buyer shall have possession and occupancy of the Property from and after the date of recordation of the deed and disbursement of the Purchase Price. The buildings on the Property shall be delivered free of any tenants, equipment or other personal property and in broom clean condition. There are two (2) buildings on the Property, which will be delivered in an as-is condition as of the Closing date, will not be suitable for occupancy and will be removed by Buyer subsequent to Closing. Prior to Closing, Seller shall also remove, at Seller's cost, any block or other inventory materials used in connection with its former business on the Property.

13. **BROKER'S COMMISSION.** Buyer represents to Seller that it did not employ any broker in connection with this transaction. Seller represents to Buyer that it employed a Broker, Harvey Karen, 150 Tennis Court, Wall, NJ 07719, in connection with this sale. Seller will be responsible for paying all of Mr. Karen's fees. Seller and Buyer each agree to indemnify the other for any and all claims and expenses, including legal fees, if any other fee or commission is determined to be due by reason of the employment of any other broker by the indemnifying party.

14. **DEFAULT: LIQUIDATED DAMAGES.**

- A. Buyer and Seller each acknowledge that it would be difficult to ascertain the actual damages which would be suffered by Seller if Buyer defaults in consummating the purchase and sale contemplated by this Agreement. Accordingly, if all conditions and other events precedent to Buyer's obligation to consummate the transactions contemplated by this Agreement have been satisfied or waived, but Buyer nevertheless fails, refuses or is unable to consummate the purchase and sale contemplated by this Agreement, then Seller's sole remedy shall be to declare a forfeiture of and to retain the Deposit. Upon such forfeiture, all parties hereto shall be released of all further liability hereunder, and this Agreement shall become null and void and of no further force and effect; in no event shall Seller have the right to bring suit for specific performance and/or for monetary damages for default by Buyer.

- B. If all conditions and other events precedent to Seller's obligations to consummate the transactions contemplated by this Agreement have been satisfied or waived, and Seller fails, refuses or is unable to consummate the purchase and sale contemplated by this Agreement, then Buyer as its sole remedies shall have the right to: (i) bring suit for specific performance, without abatement of the Purchase Price or (ii) terminate this Agreement, at which time the Deposit shall be refunded to Buyer and the parties shall be relieved of any further obligation or liability hereunder. In no event shall Buyer have the right to bring suit for monetary damages for default by Seller.

15. **REPRESENTATIONS AND WARRANTIES OF SELLER.** Seller represents and warrants to Buyer as of the date hereof, throughout the term of this Agreement and as of Closing, that:

- A. This Agreement has been duly authorized, executed and delivered and constitutes a legal and binding obligation of Seller, enforceable in accordance with its terms, except as may be limited by bankruptcy and other laws affecting creditors' rights generally.
- B. There is no litigation, proceeding, investigation or condemnation action pending, or to the knowledge of Seller threatened, against or affecting the Property or that might affect or relate to the validity of this Agreement or any action taken or to be taken pursuant hereto.
- C. Neither the entry into this Agreement, nor the carrying out of the transactions contemplated herein has resulted in or will result in any violation of, or be in conflict with, or result in the creation of, any mortgage, lien, encumbrance or charge (other than those contemplated hereby) upon the Property, or constitute a default under, any agreement, or mortgage, indenture, contract, agreement, instrument, franchise, permit, judgment, decree, order, statute, rule or regulation applicable to the Property.
- D. To the best of Seller's knowledge there is no violation of and Seller has not received any notice of violation of any applicable Environmental Laws (as defined herein). Seller has not, and to the best of Seller's knowledge, no other person, has used, generated, stored, dumped, released, buried, dispersed or emitted any Hazardous Substance (as defined herein) on the Property in violation of any Environmental Laws nor are there any underground tanks on the Property. "Environmental Laws" means all federal, state and local environmental, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of the environment and/or governing the use, storage, treatment generation, transportation, processing, handling, production or disposal of any Hazardous Substance and the rules, regulations, and orders with respect thereto. "Hazardous Substance" means, without limitation, any flammable, explosive or radioactive material, polychlorinated biphenyl, petroleum or petroleum product, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials, as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, (42 U.S.C. Sections 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Appendix Sections 1801, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901, et seq.), the Toxic Substances Control Act (15 U.S.C. Section 2601, et seq.), or any other

Environmental Law and the regulations promulgated thereunder applicable on the Effective Date.

- E. Seller represents that public water, public sewer and electricity are available at the site or in the adjacent streets. Seller makes no representation as to the exact location or capacity of the utilities.
- F. Seller represents that there are no tenants or leases affecting the Seller's Land or, in the alternative, that all existing leases will be terminated by Seller at or prior to closing at Seller's cost.

The representations and warranties of Seller contained in this Agreement or other instruments furnished to Buyer at or prior to Closing in connection with the transactions contemplated by Seller pursuant to this Agreement, to Seller's knowledge, (i) do not contain any untrue statements of a material fact and (ii) do not fail to state a material fact, which failure would make this Agreement misleading.

Seller acknowledges that each of the representations made by it in this paragraph and elsewhere in this Agreement is material to Buyer hereunder. Notwithstanding anything to the contrary herein, as to any representation or warranty set forth herein, Seller shall indemnify, defend and hold Buyer safe and harmless from and against any and all loss, damage, claim, counterclaim, cause of action, cost or expense, including, without limitation, reasonable attorneys' fees suffered, paid or incurred by Buyer, directly or indirectly, by reason of Seller's breach of any warranty or obligation under this Agreement or if any representation of such Seller in this Agreement is wholly or partially untrue.

16. **REPRESENTATIONS AND WARRANTIES OF BUYER.** Buyer represents and warrants to Seller as of the date hereof, throughout the term of this Agreement and as of the Closing:

- A. Buyer is and will be as of the date of Closing duly organized, validly existing and in good standing under the laws of the State of New York and has all the requisite power and authority to enter into and carry out this Agreement according to its terms.
- B. There is no litigation, proceeding or investigation pending, or to the knowledge of Buyer threatened against or affecting Buyer that might affect or relate to the validity of this Agreement or any action taken or to be taken pursuant hereto, or that might have a material adverse effect on the business or operations of Buyer.
- C. This Agreement has been duly authorized, executed and delivered and constitutes a legal and binding obligation of Buyer, enforceable in accordance with its terms, except as may be limited by bankruptcy and other laws affecting creditors' rights generally.

The representations and warranties of Buyer contained in this Agreement or other instruments furnished to Seller at or prior to Closing in connection with the transactions contemplated by Buyer pursuant to this Agreement, to Buyer's actual knowledge, (i) do not contain any untrue statements of a material fact and

(ii) do not fail to state a material fact, which failure would make this Agreement misleading.

Buyer acknowledges that each of the representations made by it in this paragraph and elsewhere in this Agreement is material to Seller hereunder. Notwithstanding anything to the contrary herein, as to any representation or warranty set forth herein, Buyer shall indemnify, defend and hold Seller safe and harmless from and against any and all loss, damage, claim, counterclaim, cause of action, cost or expense, including, without limitation, reasonable attorneys' fees suffered, paid or incurred by Seller, directly or indirectly, by reason of Buyer's breach of any warranty or obligation under this Agreement or if any representation of Buyer in this Agreement is wholly or partially untrue.

17. **A. SELLER COVENANTS.** Prior to the Closing Date and while this Agreement is in effect, Seller shall not materially alter the use of the Property, or enter into any leases or other contract affecting the Property without the written consent of the Buyer, which consent shall not be unreasonably withheld.

B. BUYER COVENANTS. Buyer agrees to construct the Access Road, to grant easements for its use in favor of the Seller's Lot and to grant any and all easements reasonably necessary or desirable for the utility layout and drainage of Seller's Lot, provided that they do not adversely effect development of the Property. This subparagraph 17B. shall survive Closing.

18. **ASSIGNMENT.** This Agreement, and all rights of Buyer hereunder, may be assigned by Buyer without the consent of Seller to an affiliate or to an entity formed by Buyer for the sole purpose of owning the Property. Upon the assignment from Buyer to the affiliate or single asset entity, the affiliate or single asset entity shall assume all of the obligations and responsibilities of Buyer hereunder but Buyer shall not be released by Seller from all obligations and responsibilities imposed by this Agreement. Any other assignment by Buyer shall require Seller's prior written consent.

19. **NOTICE.** All notices given pursuant to this Agreement shall be in writing and shall be effective only if delivered personally, or sent by registered or certified mail, postage prepaid, sent by a national overnight carrier, to the addresses set forth below:

Seller: Clayton Block Company, LLC
1355 Campus Parkway
Wall, New Jersey
Attn: William Richard Clayton
Telephone Number: 732-751-7606
Facsimile Number: 732-751-7614

With a copy to: Ross D. Gertner, Esq.
(by Mail) PO Box 499
Lakewood, New Jersey 08701
Telephone Number: 732-363-3333
Facsimile Number: 732-363-3345

(by delivery) 1215 E. Veterans Highway
Jackson, New Jersey 08527

Buyer: Conifer Realty, LLC
183 East Main Street, Suite 600
Rochester, New York 14604
Attn: Charles M. Lewis
Telephone Number: 585-324-0500
Facsimile Number: 585-324-0555

20. **APPLICABLE LAW.** This Agreement shall be construed and governed in accordance with the laws of the State of New Jersey without giving effect to conflicts of laws
21. **ENTIRE AGREEMENT.** This Agreement shall constitute the entire agreement between the parties, and any and all prior understandings or agreements, whether written or oral, are hereby merged into this Agreement. This Agreement cannot be modified except by a written instrument signed by the parties hereto.
22. **RISK OF LOSS.** The risk of loss or damage to all or part of the Property by fire or other casualty or by taking by eminent domain, until Closing, shall be assumed by Seller and upon the happening of such event, in the case of a taking or of damage that is not repaired by Seller, Buyer shall have the election of terminating this Agreement without further liability hereunder, or of completing this purchase and, if the damage has not been repaired, receiving Seller's share of insurance monies, collectible for such loss or damage, or the award for such taking by eminent domain.
23. **MISCELLANEOUS.**
- A. Failure by Buyer or Seller to insist upon or enforce any of their respective rights hereunder shall not constitute a waiver thereof, except as provided for herein. Buyer and/or Seller may, at their sole discretion, waive any breach by the other of any of the other's representations, warranties and/or covenants hereunder, and, except for Subdivision of the Property from the Seller's Land, Buyer may waive any failure of a condition precedent to Closing hereunder. Time shall be of the essence with respect to each and every provision of this Agreement. All representations, statements, agreements, warranties, and covenants of Seller and Buyer set forth in or made pursuant to this Agreement shall be operative, true and correct, as set forth above, as of the date of Closing. The parties acknowledge that they have had the opportunity to be represented by counsel in the negotiation and execution of this Agreement, and therefore, it is expressly agreed that in the case of any vagueness or ambiguity with regard to any provision of this Agreement, there shall be no presumption of construction against the drafter of such provision, but instead this Agreement shall be interpreted in accordance with a fair construction of the law.
- B. It is agreed that all representations, statements, agreements, warranties and covenants of each party hereunder shall continue to bind the parties and survive Closing pursuant to this Agreement; PROVIDED, HOWEVER, such representations, statements, agreements, warranties and covenants shall expire automatically without further action of the parties on the first anniversary of Closing unless a specific claim in writing with respect to these matters shall have been made, or an action at law or in equity shall have been commenced or filed before such date.

- C. This Agreement shall not be binding or effective until properly executed by Buyer and Seller. Once executed by both parties, this Agreement shall inure to the benefit of and constitute a binding obligation upon each of the parties hereto and their respective successors and assigns.
- D. If any provision hereof is adjudged to be illegal, invalid, or unenforceable, such provision shall be fully severable. This Agreement shall then be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised this Agreement and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision.
- E. This Agreement may be signed by each party hereto upon a separate copy, in which event, all of said copies shall constitute a single counterpart of this Agreement. This Agreement may be executed in any number of counterparts and all of such counterparts shall for all purposes constitute one agreement, binding on the parties hereto.
- F. "Knowledge" of the Seller, as used herein, means only the actual knowledge of Douglas R. Clayton, William Richard Clayton or Daniel O. Clayton.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and date first above written.

WITNESS:




SELLER:

Clayton Block Company, LLC

By:

Name:

Title:


Douglas R. Clayton
Member

BUYER:

Conifer Realty, LLC

WITNESS:

By:

Timothy D. Fournier

President and Chief Executive Officer

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and date first above written.

SELLER:

WITNESS:

Clayton Block Company, LLC

By: _____
Name: _____
Title: _____

BUYER:

Conifer Realty, LLC

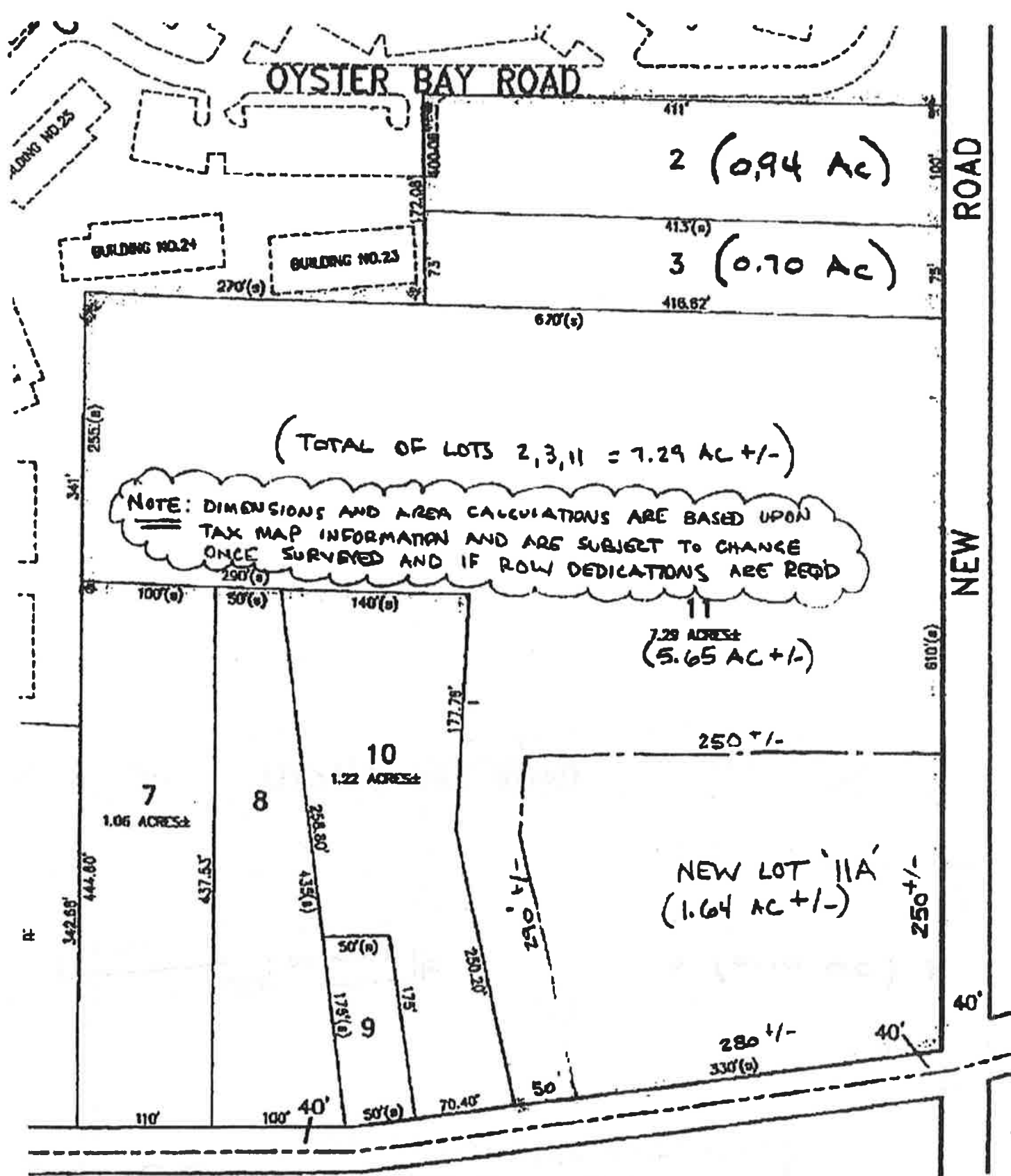
WITNESS:

Maureen Beswick

By: 
Timothy A. Fournier
President and Chief Executive Officer

SCHEDULE A

The Property



OYSTER BAY ROAD

ROAD
NEW

2 (0.94 AC)

3 (0.70 AC)

(TOTAL OF LOTS 2, 3, 11 = 7.29 AC +/-)

NOTE: DIMENSIONS AND AREA CALCULATIONS ARE BASED UPON
TAX MAP INFORMATION AND ARE SUBJECT TO CHANGE
ONCE SURVEYED AND IF ROW DEDICATIONS ARE REQUIRED

11
7.29 ACRES±
(5.65 AC +/-)

7
1.06 ACRES±

8
1.22 ACRES±

9
175'±
50'±

10

NEW LOT 11A
(1.64 AC +/-)

280 +/-
330'±

250 +/-

40'

| | | |
|------------------|-----------------------------------------------|--|
| Pro Forma | Absecon - Clayton Block Company - HMPA | |
| INCOME | | |

| | | |
|----------------------------------|------|----------------|
| Total Potential Residential Rent | \$ | 550,428 |
| (Vacancy) | 7.0% | \$ (38,530) |
| Net Rental Income | \$ | 511,898 |

| | | |
|-----------------|------|------|
| Commercial Rent | \$ | - |
| (Vacancy) | 0.0% | \$ - |

| | | |
|--------------|------|--------|
| Other Income | \$ | 10,350 |
| (Vacancy) | 0.0% | \$ - |

| | | |
|---------------------|----|----------------|
| TOTAL INCOME | \$ | 522,248 |
|---------------------|----|----------------|

EXPENSES

| | | | |
|----------------------------------|----|--------|------------------------|
| Repairs & Maintenance | \$ | 18,750 | <u>Per Unit</u> 250 |
|----------------------------------|----|--------|------------------------|

| | | | |
|----------------------------------------------|----|---------------|------------|
| Snow Removal Contract | \$ | 10,000 | 133 |
| Trash Removal Contract | \$ | 10,000 | 133 |
| Security Contract | \$ | 4,000 | 53 |
| Grounds contract | \$ | 11,000 | 147 |
| Elevator Contract | \$ | - | - |
| Other Contract - Exterminator, repairs, hvac | \$ | 6,000 | 80 |
| TOTAL Contract Expenses | \$ | 41,000 | 547 |

| | | | |
|-------------------------|----|---------------|--------------|
| Office Payroll | \$ | 37,000 | 493 |
| Maintenance Payroll | \$ | 28,000 | 373 |
| Security Payroll | \$ | - | - |
| Other Payroll | \$ | - | - |
| Payroll Related Expense | \$ | 16,900 | 225 |
| TOTAL Payroll | \$ | 81,900 | 1,092 |

| | | | |
|-------------------------|----|---------------|------------|
| Office & Administrative | \$ | 16,875 | 225 |
| Professional Fees | \$ | 12,000 | 160 |
| Marketing & Leasing | \$ | 3,000 | 40 |
| Social Work - Contract | \$ | 16,500 | 220 |
| Recreation | \$ | - | - |
| Food Service | \$ | - | - |
| TOTAL Office | \$ | 48,375 | 645 |

| | | | |
|---------------------------|----|----------------|--------------|
| Total Controllable | \$ | 190,025 | 2,534 |
|---------------------------|----|----------------|--------------|

| | | | |
|------------------------|----|---------------|------------|
| Electricity | \$ | 9,000 | 120 |
| Gas | \$ | 8,500 | 113 |
| Water | \$ | 22,875 | 305 |
| Sewer | \$ | 23,625 | 315 |
| Other Utility | \$ | - | - |
| TOTAL UTILITIES | \$ | 64,000 | 853 |

| | | | |
|-----------------|----|--------|------------|
| Taxes | \$ | 45,825 | |
| Insurance | \$ | 26,250 | Convention |
| Management Fees | \$ | 44,100 | |

| | | | |
|--------------------------------------------------|----|----------------|--------------|
| Total Non Controllable Operating Expenses | \$ | 180,175 | 2,402 |
|--------------------------------------------------|----|----------------|--------------|

| | | | |
|---------------------------------|----|----------------|--------------|
| Total Operating Expenses | \$ | 370,200 | 4,936 |
|---------------------------------|----|----------------|--------------|

| | | | |
|-----------------------------|----|----------------|--------------|
| Net Operating Income | \$ | 152,048 | 2,027 |
|-----------------------------|----|----------------|--------------|

| | | | |
|----------------------------|----|---------------|------------|
| Replacement Reserve | \$ | 33,750 | 450 |
|----------------------------|----|---------------|------------|

| | | | |
|---------------------------------------------|----|----------------|--------------|
| Cash Flow Available for Debt Service | \$ | 118,298 | 1,577 |
|---------------------------------------------|----|----------------|--------------|

Sources and Uses

Absecon - Clayton Block Company - HMEA

| Permanent | Term | | Per Unit | Construction | Term | | |
|--------------------|------|-------|-----------|--------------|------|-------|------------|
| | 20 | Int | | | 15 | Int | |
| Permanent Mortgage | 20 | 6.05% | 820,000 | 10,933 | 15 | 6.00% | 10,261,306 |
| CDBG Funds | 30 | 0.00% | 5,000,000 | 66,667 | | | |

| | | | | | |
|--------------------------------|-----------|-------------------|-----------------------------------|-----------|-------------------|
| Federal Tax Credit Equity | \$ | 14,620,413 | Federal Tax Credit Equity | \$ | 8,772,248 |
| Historic Tax Credit Equity | \$ | - | State Tax Credit Equity | \$ | - |
| Deferred Developer Fee | \$ | 1,247,593 | Other Tax Credit Equity | \$ | - |
| GAP / (Surplus) | \$ | 0 | GP Equity/Def Fee | \$ | 2,654,453 |
| Total Permanent Sources | \$ | 21,688,006 | Total Construction Sources | \$ | 21,688,006 |

| Uses | Per Unit | |
|-----------------------------|-------------------|----------------|
| Site Acquisition | 1,000,000 | 13,333 |
| Construction Costs | | |
| Residential construction | 12,650,388 | 168,672 |
| General Conditions | 759,023 | 10,120 |
| Builder overhead | 253,008 | 3,373 |
| Builder profit | 759,023 | 10,120 |
| P&P Bond/General Liability | 173,057 | 2,307 |
| Other Construction | 0 | 0 |
| Commercial Construction | 0 | 0 |
| Total Construction Costs | 14,594,500 | 194,593 |
| Professional Services | | |
| Architecture | 350,000 | 4,667 |
| Engineering | 85,000 | 1,133 |
| Survey & Soils | 50,000 | 667 |
| Environmental | 50,000 | 667 |
| Legal fees | 100,000 | 1,333 |
| Accounting | 12,000 | 160 |
| Market Study | 7,000 | 93 |
| Appraisal | 11,000 | 147 |
| Consultant | 0 | 0 |
| Due Diligence | 0 | 0 |
| Relocation | 0 | 0 |
| Total Professional Services | 665,000 | 8,867 |
| Finance Costs | | |
| Interest | 548,372 | 7,312 |
| Title Insurance & Recording | 67,000 | 893 |
| Tax Credit Fees | 309,622 | 4,128 |
| Lender Legal | 15,000 | 200 |
| Lender/LOC Fees | 119,013 | 1,587 |
| HFA/Other Financing Fees | 0 | 0 |
| Total Finance Costs | 1,059,007 | 14,120 |
| Carrying Costs | | |
| Admin/Org Costs | 0 | 0 |
| Syndication Costs | 50,000 | 667 |
| Insurance | 65,000 | 867 |
| Taxes | 15,000 | 200 |
| Total Carrying Charges | 130,000 | 1,733 |
| Contingency | 785,354 | 10,471 |
| Fees/Permits | 462,500 | 6,167 |
| Development Fees | 2,654,453 | 35,393 |
| Working Capital | 196,467 | 2,620 |
| Replacement Reserve | 0 | 0 |
| Operating Reserve | 0 | 0 |
| Other Escrows/Reserves | 140,725 | 1,876 |
| Total Uses | 21,688,006 | 289,173 |

\$1,406,860
1,247,593

Cash Flow

| | Partial | | | | | | |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Months in 1st Yr. | 5 | | | | | | |
| Income | | | | | | | |
| Residential Rent (Vacancy) | 229,345 | 550,428 | 561,437 | 572,665 | 584,119 | 595,801 | 607,717 |
| Commercial Rent (Vacancy) | (16,054) | (38,530) | (39,301) | (40,087) | (40,888) | (41,706) | (42,540) |
| Other Income (Vacancy) | 750 | 10,350 | 10,557 | 10,768 | 10,984 | 11,203 | 11,427 |
| Net Rental Income | \$ 214,041 | \$ 522,248 | \$ 532,693 | \$ 543,347 | \$ 554,214 | \$ 565,298 | \$ 576,604 |
| Expenses | | | | | | | |
| Repairs/Maintenance | 7,813 | 18,750 | 19,313 | 19,892 | 20,489 | 21,103 | 21,736 |
| Total Contract | 17,083 | 41,000 | 42,230 | 43,497 | 44,802 | 46,146 | 47,530 |
| Total Payroll | 34,125 | 81,900 | 84,357 | 86,888 | 89,494 | 92,179 | 94,945 |
| Total Office | 20,156 | 48,375 | 49,826 | 51,321 | 52,861 | 54,446 | 56,080 |
| Total Utilities | 26,667 | 64,000 | 65,920 | 67,898 | 69,935 | 72,033 | 74,194 |
| Taxes | 19,094 | 45,825 | 47,200 | 48,616 | 50,074 | 51,576 | 53,124 |
| Insurance | 10,938 | 26,250 | 27,038 | 27,849 | 28,684 | 29,545 | 30,431 |
| Management Fees | 6,615 | 44,100 | 45,423 | 46,786 | 48,189 | 49,635 | 51,124 |
| Replacement Reserve | 14,063 | 33,750 | 33,750 | 33,750 | 33,750 | 33,750 | 33,750 |
| Operating Reserve | - | - | - | - | - | - | - |
| Agency Fees | - | - | - | - | - | - | - |
| Total | \$ 156,552 | \$ 403,950 | \$ 415,056 | \$ 426,495 | \$ 438,277 | \$ 450,413 | \$ 462,913 |
| Net Operating Income | \$ 57,488 | \$ 118,298 | \$ 117,637 | \$ 116,852 | \$ 115,936 | \$ 114,885 | \$ 113,691 |
| Hard Debt | | | | | | | |
| NJHMFA | 29,492 | 70,781 | 70,781 | 70,781 | 70,781 | 70,781 | 70,781 |
| Service Fee | 1,367 | 3,244 | 3,154 | 3,060 | 2,959 | 2,852 | 2,738 |
| MIP | - | - | - | - | - | - | - |
| DSC 1st Mortgage | 1.86 | 1.60 | 1.59 | 1.58 | 1.57 | 1.56 | 1.55 |
| DSC All Hard Debt | 1.86 | 1.60 | 1.59 | 1.58 | 1.57 | 1.56 | 1.55 |
| I/E Ratio | 1.14 | 1.09 | 1.09 | 1.09 | 1.08 | 1.08 | 1.07 |
| Cash Flow After Hard Debt | \$ 26,630 | \$ 44,274 | \$ 43,702 | \$ 43,011 | \$ 42,197 | \$ 41,232 | \$ 40,172 |
| Limited Partner Fee | 2,083 | 5,175 | 5,356 | 5,544 | 5,738 | 5,938 | 6,146 |
| Soft Debt Before Deferred Fee | \$ 24,546 | \$ 39,099 | \$ 38,346 | \$ 37,468 | \$ 36,459 | \$ 35,314 | \$ 34,026 |
| Developer Fee | | | | | | | |
| GP - DDF Payment | 24,546 | 39,099 | 38,346 | 37,468 | 36,459 | 35,314 | 34,026 |
| Cumulative DDF | 1,223,045 | 1,183,948 | 1,145,602 | 1,108,134 | 1,071,575 | 1,036,361 | 1,002,355 |
| Cash Flow After Deferred Fee | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| Cash Flow | | Abscon - Clayton Brick Company - HMPA | | | | | | | | | |
|--------------------------------------|-------------------|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------|--|--|
| | \$ | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | | |
| Income | | | | | | | | | | | |
| Residential Rent (Vacancy) | 632,269 | 644,914 | 657,812 | 670,969 | 684,388 | 698,076 | 712,037 | 726,278 | | | |
| Commercial Rent (Vacancy) | (44,259) | (45,144) | (46,047) | (46,958) | (47,907) | (48,865) | (49,843) | (50,839) | | | |
| Other Income (Vacancy) | 11,889 | 12,127 | 12,369 | 12,617 | 12,869 | 13,126 | 13,389 | 13,657 | | | |
| Net Rental Income | \$ 599,899 | \$ 611,897 | \$ 624,135 | \$ 636,617 | \$ 649,350 | \$ 662,337 | \$ 675,584 | \$ 689,095 | | | |
| Expenses | | | | | | | | | | | |
| Repair/Maintenance | 23,060 | 23,752 | 24,464 | 25,198 | 25,954 | 26,733 | 27,535 | 28,361 | | | |
| Total Contract | 50,425 | 51,938 | 53,496 | 55,101 | 56,754 | 58,456 | 60,210 | 62,016 | | | |
| Total Payroll | 100,727 | 103,748 | 106,861 | 110,067 | 113,369 | 116,770 | 120,273 | 123,881 | | | |
| Total Office | 59,495 | 61,280 | 63,118 | 65,012 | 66,962 | 68,971 | 71,040 | 73,172 | | | |
| Total Utilities | 78,712 | 81,073 | 83,505 | 86,011 | 88,591 | 91,249 | 93,986 | 96,806 | | | |
| Taxes | 56,359 | 58,049 | 59,791 | 61,585 | 63,432 | 65,335 | 67,295 | 69,314 | | | |
| Insurance | 32,284 | 33,253 | 34,250 | 35,278 | 36,336 | 37,426 | 38,549 | 39,705 | | | |
| Management Fees | 54,237 | 55,865 | 57,540 | 59,267 | 61,045 | 62,876 | 64,762 | 66,705 | | | |
| Replacement Reserve | 33,750 | 33,750 | 33,750 | 33,750 | 33,750 | 33,750 | 33,750 | 33,750 | | | |
| Operating Reserve | - | - | - | - | - | - | - | - | | | |
| Agency Fees | - | - | - | - | - | - | - | - | | | |
| Total | \$ 489,049 | \$ 502,708 | \$ 516,777 | \$ 531,268 | \$ 546,193 | \$ 561,566 | \$ 577,401 | \$ 593,710 | | | |
| Net Operating Income | \$ 110,850 | \$ 109,189 | \$ 107,358 | \$ 105,350 | \$ 103,157 | \$ 100,770 | \$ 98,183 | \$ 95,385 | | | |
| Hard Debt | | | | | | | | | | | |
| NHTMFA | 70,781 | 70,781 | 70,781 | 70,781 | 70,781 | 70,781 | 70,781 | 70,781 | | | |
| Service Fee | 2,489 | 2,353 | 2,208 | 2,054 | 1,891 | 1,717 | 1,533 | 1,337 | | | |
| MIP | - | - | - | - | - | - | - | - | | | |
| DSC 1st Mortgage | 1.51 | 1.49 | 1.47 | 1.45 | 1.42 | 1.39 | 1.36 | 1.32 | | | |
| DSC All Hard Debt | 1.51 | 1.49 | 1.47 | 1.45 | 1.42 | 1.39 | 1.36 | 1.32 | | | |
| I/E Ratio | 1.07 | 1.06 | 1.06 | 1.05 | 1.05 | 1.04 | 1.04 | 1.03 | | | |
| Cash Flow After Hard Debt | \$ 37,580 | \$ 36,055 | \$ 34,369 | \$ 32,515 | \$ 30,485 | \$ 28,272 | \$ 25,869 | \$ 23,267 | | | |
| Limited Partner Fee | 6,584 | 6,814 | 7,053 | 7,300 | 7,555 | 7,820 | 8,093 | 8,377 | | | |
| Soft Debt Before Deferred Fee | - | - | - | - | - | - | - | - | | | |
| Net Cash Flow | \$ 30,996 | \$ 29,241 | \$ 27,316 | \$ 25,215 | \$ 22,930 | \$ 20,452 | \$ 17,775 | \$ 14,890 | | | |
| Developer Fee | | | | | | | | | | | |
| GP - DDF Payment | 30,996 | 29,241 | 27,316 | 25,215 | 22,930 | 20,452 | 17,775 | 14,890 | | | |
| Cumulative DDF | 938,751 | 909,510 | 882,194 | 856,979 | 834,049 | 813,597 | 795,821 | 780,931 | | | |
| Cash Flow After Deferred Fee | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | |

RESIDENTIAL RENTAL INCOME ASSUMPTIONS

| Tax Credit Units | | | | | | | | | |
|-----------------------------|-----------------------|----------------|-----------------|-----------------|-------------|-----------|-------------------|--------------------------|-----------------------|
| Unit Description | Income Target (% AMI) | No of Bedrooms | No of Bathrooms | Unit Sq Footage | No of Units | Net Rent | Utility Allowance | Monthly Rent + Utilities | Monthly Rental Income |
| 9% LIRC | 20% | 1 | 1 | 670 | 5 | \$134 | 117 | 251 | 670 |
| 9% LIRC | 50% | 1 | 1 | 670 | 4 | \$493 | 117 | 610 | 1,972 |
| 9% LIRC | 60% | 1 | 1 | 670 | 3 | \$622 | 117 | 739 | 1,866 |
| 9% LIRC | 30% | 1 | 1 | 670 | 3 | \$255 | 117 | 372 | 765 |
| 9% LIRC | 50% | 2 | 1 | 1,100 | 21 | \$573 | 159 | 732 | 12,033 |
| 9% LIRC | 60% | 2 | 1 | 1,100 | 16 | \$727 | 159 | 886 | 11,632 |
| 9% LIRC | 50% | 3 | 1.5 | 1,400 | 12 | \$651 | 195 | 846 | 7,812 |
| 9% LIRC | 60% | 3 | 1.5 | 1,400 | 11 | \$829 | 195 | 1,024 | 9,119 |
| Subtotal | | | | | | | | | |
| | | | | 82,950 | 75 | \$672 | | \$773 | 45,869 |
| Market Rate Units | | | | | | | | | |
| Unit Description | Income Target (% AMI) | No of Bedrooms | No of Bathrooms | Unit Sq Footage | No of Units | Net Rent | Utility Allowance | Monthly Rental Allowance | Monthly Rental Income |
| Subtotal | | | | | | | | | |
| | | | | 0 | 0 | \$0 | | \$0 | 0 |
| TOTAL | | | | | | | | | |
| | | | | 82,950 | 75 | \$672 | | \$773 | 45,869 |
| Staff Unit | | | | | | | | | |
| Subtotal | | | | | | | | | |
| | | | | 0 | 0 | \$0 | | \$0 | 0 |
| TOTAL | | | | | | | | | |
| | | | | 82,950 | 75 | \$672 | | \$773 | 45,869 |
| Annual Rental Income | | | | | | | | | |
| | | | | | | \$550,428 | | \$0 | \$550,428 |
| Fair Market Rents | | | | | | | | | |
| | | | | | | \$0 | | \$0 | \$0 |
| Percent Below Market | | | | | | | | | |
| | | | | | | | | | |
| Max Tax Credit Rent | | | | | | | | | |
| | | | | | | \$703 | | \$0 | \$703 |
| Max Tax Credit Rent | | | | | | | | | |
| | | | | | | | | | |
| % Below Fair Market Rent | | | | | | | | | |
| | | | | | | | | | |
| % Below Max Tax Credit Rent | | | | | | | | | |
| | | | | | | | | | |
| Annual Rental Income | | | | | | | | | |
| | | | | | | \$550,428 | | \$0 | \$550,428 |
| Fair Market Rents | | | | | | | | | |
| | | | | | | \$0 | | \$0 | \$0 |
| Percent Below Market | | | | | | | | | |
| | | | | | | | | | |
| Max Tax Credit Rent | | | | | | | | | |
| | | | | | | \$703 | | \$0 | \$703 |
| Max Tax Credit Rent | | | | | | | | | |
| | | | | | | | | | |
| % Below Fair Market Rent | | | | | | | | | |
| | | | | | | | | | |
| % Below Max Tax Credit Rent | | | | | | | | | |
| | | | | | | | | | |

OTHER RESIDENTIAL INCOME:

| DESCRIPTION | Monthly/Unit | Annual |
|------------------|--------------|----------|
| Laundry Revenues | \$8.00 | 7,200 |
| Cable Fees | - | - |
| Interest Income | - | - |
| Application Fees | \$1.75 | 1,575 |
| Lake Fees | \$1.75 | 1,575 |
| Legal Fees | - | - |
| Pet Charges | - | - |
| Parking | - | - |
| Storage | - | - |
| Other | - | - |
| TOTAL | | \$10,350 |

COMMERCIAL RENTAL INCOME:

| DESCRIPTION | Sq. Feet | Rent/Sq. Foot | Annual Rent |
|-------------|----------|---------------|-------------|
| | - | \$0.00 | 0 |
| | - | \$0.00 | 0 |
| | - | \$0.00 | 0 |
| | - | \$0.00 | 0 |
| | - | \$0.00 | 0 |
| TOTAL | 0 | \$ | - |

Project Development Schedule

| ACTION TO BE TAKEN | DATE |
|-------------------------------------------------------|-----------------|
| Apply for Preliminary Site Plan Approval | September, 2013 |
| Obtain Preliminary Site Plan Hearing | October, 2013 |
| Adoption of Resolution of Need and PILOT Agreement | October, 2013 |
| Apply for CAFRA Approval | November, 2013 |
| Receive CAFRA Approval | March, 2014 |
| File Tax Credit Application | March, 2014 |
| Receive Allocation of Tax Credits | June, 2014 |
| City Approval of Water Application | July, 2014 |
| City Approval of Sewer Application | July, 2014 |
| File Water Application with DEP | August, 2014 |
| File Sewer Application with DEP | October, 2014 |
| Final Site Plan Approval | November, 2014 |
| County Site Plan Approved | November, 2014 |
| Apply for Building Permits | December, 2014 |
| Treatment Works Approval | December, 2014 |
| Safe Drinking Water Permit | December, 2014 |
| Obtain Building Permits | December, 2014 |
| Close on Financing | December, 2014 |
| Commence Construction | December, 2014 |
| Commence Lease-up | July, 2015 |
| Finish Construction | December, 2015 |
| Full Occupancy | March, 2016 |

APPENDIX R

**CITY OF ABSECON
COUNTY OF ATLANTIC**

ORDINANCE NO. ____ - 2013

**AN ORDINANCE OF THE CITY OF ABSECON, COUNTY OF
ATLANTIC AND STATE OF NEW JERSEY PROVIDING CHAPTER __
"AFFORDABLE HOUSING" OF THE CODE OF THE CITY OF
ABSECON TO ADDRESS THE REQUIREMENTS OF THE COUNCIL
ON AFFORDABLE HOUSING AND UNIFORM HOUSING
AFFORDABILITY CONTROLS**

WHEREAS, the New Jersey Council on Affordable Housing ("COAH") has promulgated rules, set forth at *N.J.A.C.* 5:96 and 5:97, concerning the substantive and procedural requirements for obtaining a judgment of compliance and repose of the City's Housing Element and Fair Share Plan from the Superior Court; and

WHEREAS, on _____, 2013, the NJ Superior Court granted the City a final judgment of compliance and repose; and

WHEREAS, as part of its review and grant of the Township's final judgment of compliance and repose, the NJ Superior Court requires that the Township's affordable housing ordinances be updated and brought into compliance with its current rules.

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Absecon, County of Atlantic and State of New Jersey, that the "Comprehensive Land Development Ordinance of the City of Absecon" is hereby amended as follows:

Section 1. Chapter __, entitled "Affordable Housing, added. New Chapter __ "Affordable Housing" shall read as follows:

**Chapter __
AFFORDABLE HOUSING**

**ARTICLE I
General Program Purposes, Procedures**

§ __-1. Affordable Housing Obligation.

- A. This section of the City's Comprehensive Land Development Ordinance sets forth regulations regarding the low and moderate income housing units in the City consistent with the provisions known as the "Substantive Rules of the New Jersey Council on Affordable Housing", *N.J.A.C.* 5:97 et seq., the Uniform Housing Affordability Controls ("UHAC"), *N.J.A.C.* 5:80-26.1 et seq., and the City's constitutional obligation to provide a fair share of affordable housing for low and moderate income households. In addition, this section applies

requirements for very low income housing as established in P.L. 2008, c.46 (the "Roberts Bill").

- B. This Ordinance is intended to assure that low- and moderate-income units ("affordable units") are created with controls on affordability over time and that low- and moderate-income households shall occupy these units. This Ordinance shall apply except where inconsistent with applicable law.
- C. The City of Absecon Planning Board has adopted a Housing Element and Fair Share Plan pursuant to the Municipal Land Use Law at *N.J.S.A.* 40:55D-1, et seq. The Plan has also been endorsed by the City Council of the City of Absecon. The Fair Share Plan describes the ways the City shall address its fair share for low- and moderate-income housing as determined by the Council on Affordable Housing (COAH) and documented in the City's Housing Element and Fair Share Plan.
- D. This Ordinance implements and incorporates the Fair Share Plan and addresses the requirements of *N.J.A.C.* 5:97, as may be amended and supplemented.
- E. The City shall file monitoring reports with the NJ Superior Court and COAH in accordance with *N.J.A.C.* 5:96, tracking the status of the implementation of the Housing Element and Fair Share Plan. Any plan evaluation report of the Housing Element and Fair Share Plan and monitoring prepared by COAH in accordance with *N.J.A.C.* 5:96 shall be available to the public at the City of Absecon Municipal Building, 500 Mill Road, Absecon, New Jersey, or from COAH at 101 South Broad Street, Trenton, New Jersey.

§ __-2. Definitions. As used herein the following terms shall have the following meanings:

"Accessory apartment" means a self-contained residential dwelling unit with a kitchen, sanitary facilities, sleeping quarters and a private entrance, which is created within an existing home, or through the conversion of an existing accessory structure on the same site, or by an addition to an existing home or accessory building, or by the construction of a new accessory structure on the same site.

"Act" means the Fair Housing Act of 1985, P.L. 1985, c. 222 (*N.J.S.A.* 52:27D-301 et seq.).

"Adaptable" means constructed in compliance with the technical design standards of the Barrier Free Subcode, *N.J.A.C.* 5:23-7.

"Administrative agent" means the entity responsible for the administration of affordable units in accordance with this ordinance, *N.J.A.C.* 5:96, *N.J.A.C.* 5:97 and *N.J.A.C.* 5:80-26.1 et seq.

"Affirmative marketing" means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to *N.J.A.C.* 5:80-26.15.

“Affordability average” means the average percentage of median income at which restricted units in an affordable housing development are affordable to low- and moderate-income households.

“Affordable” means, a sales price or rent within the means of a low- or moderate-income household as defined in *N.J.A.C. 5:97-9*; in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth in *N.J.A.C. 5:80-26.6*, as may be amended and supplemented, and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth in *N.J.A.C. 5:80-26.12*, as may be amended and supplemented.

“Affordable development” means a housing development all or a portion of which consists of restricted units.

“Affordable housing development” means a development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100% affordable development.

“Affordable housing program(s)” means any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality’s fair share obligation.

“Affordable unit” means a housing unit proposed or created pursuant to the Act, credited pursuant to *N.J.A.C. 5:97-4*, and/or funded through an affordable housing trust fund.

“Agency” means the New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (*N.J.S.A. 55:14K-1*, et seq.).

“Age-restricted unit” means a housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that: 1) all the residents of the development where the unit is situated are 62 years or older; or 2) at least 80% of the units are occupied by one person that is 55 years or older; or 3) the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

“Assisted living residence” means a facility licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor and that offers units containing, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

“Certified household” means a household that has been certified by an Administrative Agent as a low-income household or moderate-income household.

“COAH” means the Council on Affordable Housing, which is in, but not of, the Department of Community Affairs of the State of New Jersey, that was established under the New Jersey Fair Housing Act (*N.J.S.A. 52:27D-301* et seq.).

“DCA” means the State of New Jersey Department of Community Affairs.

“Deficient housing unit” means a housing unit with health and safety code violations that require the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

“Developer” means any person, partnership, association, company or corporation that is the legal or beneficial owner or owners of a lot or any land proposed to be included in a proposed development including the holder of an option to contract or purchase, or other person having an enforceable proprietary interest in such land.

“Development” means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure, or of any mining, excavation or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to *N.J.S.A. 40:55D-1 et seq.*

"Fair Share Plan" means the plan that describes the mechanisms, strategies and the funding sources, if any, by which the City proposes to address its affordable housing obligation as established in the Housing Element, including the draft ordinances necessary to implement that plan, and addresses the requirements of *N.J.A.C. 5:97-3*.

"Housing Element" means the portion of the Township's Master Plan, required by the Municipal Land Use Law ("MLUL"), *N.J.S.A. 40:55D-28b(3)* and the Act, that includes the information required by *N.J.A.C. 5:97-2.3* and establishes the Township's fair share obligation.

“Inclusionary development” means a development containing both affordable units and market rate units. This term includes, but is not necessarily limited to: new construction, the conversion of a non-residential structure to residential and the creation of new affordable units through the reconstruction of a vacant residential structure.

“Low-income household” means a household with a total gross annual household income equal to 50% or less of the median household income.

“Low-income unit” means a restricted unit that is affordable to a low-income household.

“Major system” means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement or load bearing structural systems.

“Market-rate units” means housing not restricted to low- and moderate-income households that may sell or rent at any price.

“Median income” means the median income by household size for the applicable county, as adopted annually by COAH.

“Moderate-income household” means a household with a total gross annual household income in excess of 50% but less than 80% of the median household income.

“Moderate-income unit” means a restricted unit that is affordable to a moderate-income household.

“Non-exempt sale” means any sale or transfer of ownership other than the transfer of ownership between husband and wife; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor’s deed to a class A beneficiary and the transfer of ownership by court order.

“Random selection process” means a process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery).

“Regional asset limit” means the maximum housing value in each housing region affordable to a four-person household with an income at 80% of the regional median as defined by COAH’s adopted Regional Income Limits published annually by COAH.

“Rehabilitation” means the repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, *N.J.A.C. 5:23-6*.

“Rent” means the gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted living residences, rent does not include charges for food and services.

“Restricted unit” means a dwelling unit, whether a rental unit or ownership unit, that is subject to the affordability controls of *N.J.A.C. 5:80-26.1*, as may be amended and supplemented, but does not include a market-rate unit financed under UHORP or MONI.

“UHAC” means the Uniform Housing Affordability Controls set forth in *N.J.A.C. 5:80-26.1 et seq.*

“Very low-income household” means a household with a total gross annual household income equal to 30% or less of the median household income.

“Very low-income unit” means a restricted unit that is affordable to a very low-income household.

“Weatherization” means building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for rehabilitation.

§ __-3. Affordable Housing Programs

The City of Absecon has determined that it will use the following mechanisms to satisfy its affordable housing obligations:

A. Rehabilitation program.

1. The City of Absecon's rehabilitation program shall be designed to renovate deficient housing units occupied by low- and moderate-income households such that, after rehabilitation, these units will comply with the New Jersey State Housing Code pursuant to N.J.A.C. 5:28.
2. Both owner occupied and renter occupied units shall be eligible for rehabilitation funds.
3. All rehabilitated units shall remain affordable to low- and moderate-income households for a period of 10 years (the control period). For owner occupied units the control period will be enforced with a lien and for renter occupied units the control period will be enforced with a deed restriction.
4. The City of Absecon shall dedicate a minimum of \$10,000 for each unit to be rehabilitated through this program, reflecting the minimum hard cost of rehabilitation for each unit.
5. The City of Absecon shall adopt a resolution committing to fund any shortfall in the rehabilitation programs for the City of Absecon.
6. The City of Absecon shall designate, subject to the approval of the Department, one or more Administrative Agents to administer the rehabilitation program in accordance with N.J.A.C. 5:96 and N.J.A.C. 5:97. The Administrative Agent(s) shall provide a rehabilitation manual for the owner occupancy rehabilitation program and a rehabilitation manual for the rental occupancy rehabilitation program to be adopted by resolution of the governing body and subject to approval of the Department. Both rehabilitation manuals shall be available for public inspection in the Office of the Municipal Clerk and in the office(s) of the Administrative Agent(s).
7. Units in a rehabilitation program shall be exempt from N.J.A.C. 5:97-9 and Uniform Housing Affordability Controls (UHAC), but shall be administered in accordance with the following:
 - i. If a unit is vacant, upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the deed restriction shall require the unit to be rented to a low- or moderate-income household at an affordable rent and affirmatively marketed pursuant to N.J.A.C. 5:97-9 and UHAC.
 - ii. If a unit is renter-occupied, upon completion of the rehabilitation, the maximum rate of rent shall be the lesser of the current rent or the maximum permitted rent pursuant to N.J.A.C. 5:97-9 and UHAC.
 - iii. Rents in rehabilitated units may increase annually based on the standards in N.J.A.C. 5:97-9.
 - iv. Applicant and/or tenant households shall be certified as income-eligible in accordance with N.J.A.C. 5:97-9 and UHAC, except that households in owner occupied units shall be exempt from the regional asset limit.

§ __-4. Inclusionary Zoning

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

1. For Sale Developments

- i. Inclusionary zoning in Planning Area 1 permits residential development at a presumptive minimum gross density of eight units per acre and a presumptive maximum affordable housing set-aside of 25 percent of the total number of units in the development;

The zoning of the Train Station Overlay zone provides for a 20 percent set-aside for restricted units and a density of 35 units per acre.

2. Rental Developments

- i. Inclusionary zoning permits a presumptive minimum density of 12 units per acre and a presumptive maximum affordable housing set-aside of 20 percent of the total number of units in the development and the zoning provides for at least 10 percent of the affordable units to be affordable to households earning 30 percent or less of the area median income for the Housing Region.

The zoning of the Multi-Unit Rental Development (MURD) zone provides for a 100 percent set-aside for restricted units and a density of 10 units per acre.

- B. Phasing. In inclusionary developments the following schedule shall be followed:

| Maximum Percentage of Market-Rate Units Completed | Minimum Percentage of Low- and Moderate-Income Units Completed |
|------------------------------------------------------|-------------------------------------------------------------------|
| 25 | 0 |
| 25+1 | 10 |
| 50 | 50 |
| 75 | 75 |
| 90 | 100 |

- C. Design. In inclusionary developments, to the extent possible, low- and moderate-income units shall be integrated with the market units.
- D. Payments-in-lieu and off-site construction. The standards for the collection of Payments-in-Lieu of constructing affordable units or standards for constructing affordable units off-site, shall be in accordance with N.J.A.C. 5:97-6.4.
- E. Utilities. Affordable units shall utilize the same type of heating source as market units within the affordable development.

§ __-5. **New Construction.** The following requirements shall apply to all new or planned developments that contain low- and moderate-income housing units.

- A. **Phasing.** Final site plan or subdivision approval shall be contingent upon the affordable housing development meeting the following phasing schedule for low and moderate income units whether developed in a single phase development, or in a multi-phase development:

| Maximum Percentage of Market-Rate Units <u>Completed</u> | Minimum Percentage of Low- and Moderate- Income <u>Units Completed</u> |
|----------------------------------------------------------------|------------------------------------------------------------------------------|
| 25 | 0 |
| 25+1 | 10 |
| 50 | 50 |
| 75 | 75 |
| 90 | 100 |

- B. **Design.** In inclusionary developments, to the extent possible, low- and moderate-income units shall be integrated with the market units.
- C. **Payments-in-lieu and off-site construction.** The standards for the collection of payments-in-lieu of constructing affordable units or standards for constructing affordable units off-site, shall be in accordance with *N.J.A.C. 5:97-6.4*.
- D. **Utilities.** Affordable units shall utilize the same type of heating source as market units within the affordable development.
- E. **Low/Moderate Split and Bedroom Distribution of Affordable Housing Units:**
1. The fair share obligation shall be divided equally between low- and moderate- income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low income unit.
 2. In each affordable development, at least 50% of the restricted units within each bedroom distribution shall be low-income units.
 3. Within rental developments, of the total number of affordable rental units, at least 13% shall be affordable to very low income households.
 4. Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:
 - (a) The combined number of efficiency and one-bedroom units shall be no greater than 20% of the total low- and moderate-income units;
 - (b) At least 30% of all low- and moderate-income units shall be two bedroom units;
 - (c) At least 20% of all low- and moderate-income units shall be three bedroom units; and

- (d) The remaining units may be allocated among two and three bedroom units at the discretion of the developer.
- 5. Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the inclusionary development. The standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.

F. Accessibility Requirements:

- 1. The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free Subcode, *N.J.A.C. 5:23-7* and *N.J.A.C. 5:97-3.14*.
- 2. All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one other dwelling unit shall have the following features:
 - (a) An adaptable toilet and bathing facility on the first floor;
 - (b) An adaptable kitchen on the first floor;
 - (c) An interior accessible route of travel on the first floor;
 - (d) An interior accessible route of travel shall not be required between stories within an individual unit;
 - (e) An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and
 - (f) An accessible entranceway as set forth at P.L. 2005, c. 350 (*N.J.S.A. 52:27D-311a et seq.*) and the Barrier Free Subcode, *N.J.A.C. 5:23-7* and *N.J.A.C. 5:97-3.14*, or evidence that the City has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:
 - (1) Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.
 - (2) To this end, the builder of restricted units shall deposit funds within the City of Absecon's affordable housing trust fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.
 - (3) The funds deposited under paragraph (2) herein, shall be used by the City for the sole purpose of making the adaptable

entrance of any affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.

(4) The developer of the restricted units shall submit a design plan and cost estimate for the conversion from adaptable to accessible entrances to the Construction Official of the City of Absecon.

(5) Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free Subcode, *N.J.A.C. 5:23-7* and *N.J.A.C. 5:97-3.14*, and that the cost estimate of such conversion is reasonable, payment shall be made to the City of Absecon's affordable housing trust fund in care of the Chief Financial Officer who shall ensure that the funds are deposited into the affordable housing trust fund and appropriately earmarked.

(6) Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is site impracticable to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free Subcode, *N.J.A.C. 5:23-7* and *N.J.A.C. 5:97-3.14*.

G. Maximum Rents and Sales Prices.

1. In establishing rents and sales prices of affordable housing units, the administrative agent shall follow the procedures set forth in UHAC and in COAH, utilizing the regional income limits established by COAH.
2. The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60% of median income, and the average rent for restricted low- and moderate-income units shall be affordable to households earning no more than 52% of median income.
3. The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units.
 - (a) At least 13% of all low- and moderate-income rental units shall be affordable to households earning no more than 30% of median income.
4. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70% of median income, and each affordable development must achieve an affordability average of 55% for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different prices for

each bedroom type, and low-income ownership units must be available for at least two different prices for each bedroom type.

5. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units other than assisted living facilities, the following standards shall be met:
 - (a) A studio or efficiency unit shall be affordable to a one-person household;
 - (b) A one-bedroom unit shall be affordable to a one and one-half person household;
 - (c) A two-bedroom unit shall be affordable to a three-person household;
 - (d) A three-bedroom unit shall be affordable to a four and one-half person household; and
 - (e) A four-bedroom unit shall be affordable to a six-person household.
6. In determining the initial rents for compliance with the affordability average requirements for restricted units in assisted living facilities, the following standards shall be met:
 - (a) A studio or efficiency unit shall be affordable to a one-person household;
 - (b) A one-bedroom unit shall be affordable to a one and one-half person household; and
 - (c) A two-bedroom unit shall be affordable to a two-person household or to two one-person households.
7. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95% of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28% of the eligible monthly income of the appropriate size household as determined under *N.J.A.C. 5:80-26.4*, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of *N.J.A.C. 5:80-26.3*, as may be amended and supplemented.
8. The initial rent for a restricted rental unit shall be calculated so as not to exceed 30% of the eligible monthly income of the appropriate household size as determined under *N.J.A.C. 5:80-26.4*, as may be amended and supplemented; provided, however, that the rent shall be subject to the

affordability average requirement of *N.J.A.C. 5:80-26.3*, as may be amended and supplemented.

9. 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.
10. The rent of low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the United States. This increase shall not exceed 9% in any one year. Rents for units constructed pursuant to low- income housing tax credit regulations shall be indexed pursuant to the regulations governing low-income housing tax credits.
11. Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by DCA for its Section 8 program.

§ __-4. Condominium and Homeowners Association Fees.

For any affordable housing unit that is part of a condominium association and/or homeowners association, the Master Deed shall reflect that the association fee assessed for each affordable housing unit shall be established at 100% of the market rate fee.

§ __-5. Reserved.

§ __-6. Reserved.

§ __-7. Reserved.

§ __-8. Reserved.

§ __-9. Reserved.

ARTICLE II
Affordable Unit Controls and Requirements

§ __-10. Purpose.

The requirements of this section apply to all developments that contain affordable housing units, including any currently unanticipated future developments that will provide low- and moderate- income housing units.

§ __-11. Affirmative Marketing.

- A. The City shall adopt by resolution an Affirmative Marketing Plan, subject to approval of COAH, compliant with *N.J.A.C. 5:80-26.15*, as may be amended and supplemented.
- B. The affirmative marketing plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The affirmative marketing plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward COAH Housing Region 6 and covers the period of deed restriction.
- C. The affirmative marketing plan shall provide a regional preference for all households that live and/or work in COAH Housing Region 6, comprised of Atlantic, Cape May, Cumberland and Salem counties.
- D. The Administrative Agent designated by the City shall assure the affirmative marketing of all affordable units is consistent with the Affirmative Marketing Plan for the municipality.
- E. In implementing the affirmative marketing plan, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
- F. The affirmative marketing process for available affordable units shall begin at least four months prior to the expected date of occupancy.
- G. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by the City of Absecon.

§ __-12. Occupancy Standards.

- A. In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to:
 - 1. Provide an occupant for each bedroom;
 - 2. Provide children of different sex with separate bedrooms; and
 - 3. Prevent more than two persons from occupying a single bedroom.
- B. Additional provisions related to occupancy standards (if any) shall be provided in the municipal Operating Manual.

§ __-13. Selection of Occupants of Affordable Housing Units.

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

§ __-14. Control Periods for Restricted Ownership Units and Enforcement Mechanisms.

- A. Control periods for restricted ownership units shall be in accordance with *N.J.A.C. 5:80-26.5*, and each restricted ownership unit shall remain subject to the controls on affordability for a period of at least 30 years.
- B. Rehabilitated owner-occupied single family housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.
- C. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.
- D. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.
- E. A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all code standards upon the first transfer of title that follows the expiration of the applicable minimum control period provided under *N.J.A.C. 5:80-26.5(a)*, as may be amended and supplemented.

§ __-15. Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices.

Price restrictions for restricted ownership units shall be in accordance with *N.J.A.C. 5:80-26.1*, as may be amended and supplemented, including:

- A. The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.
- B. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.
- C. The method used to determine the condominium association fee amounts and special assessments shall be indistinguishable between the low- and moderate-income unit owners and the market unit owners.
- D. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital

improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom.

§ __-16. Buyer Income Eligibility.

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

§ __-17. Limitations on indebtedness secured by ownership unit; subordination.

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

§ __-18. Control Periods for Restricted Rental Units.

- A. Control periods for restricted rental units shall be in accordance with *N.J.A.C. 5:80-26.11*, and each restricted rental unit shall remain subject to the controls on affordability for a period of at least 30 years.
- B. Rehabilitated renter-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.
- C. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Atlantic. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a Certificate of Occupancy.
- D. A restricted rental unit shall remain subject to the affordability controls of this Ordinance, despite the occurrence of any of the following events:
 - 1. Sublease or assignment of the lease of the unit;

2. Sale or other voluntary transfer of the ownership of the unit; or
3. The entry and enforcement of any judgment of foreclosure.

§ __-19. Price Restrictions for Rental Units; Leases.

- A. A written lease shall be required for all restricted rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.
- B. No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
- C. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.

§ __-20. Tenant Income Eligibility.

- A. Tenant income eligibility shall be in accordance with *N.J.A.C. 5:80-26.13*, as may be amended and supplemented, and shall be determined as follows:
 1. Very low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of median income.
 2. Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of median income.
 3. Moderate-income rental units shall be reserved for households with a gross household income less than 80% of median income.
- B. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35% (40% for age-restricted units) of the household's eligible monthly income as determined pursuant to *N.J.A.C. 5:80-26.16*, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
 1. The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
 2. The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;

3. The household is currently in substandard or overcrowded living conditions;
 4. The household documents the existence of assets with which the household proposes to supplement the rent payments; or
 5. The household documents proposed third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.
- C. The applicant shall file documentation sufficient to establish the existence of the circumstances in (b)1 through 5 above with the Administrative Agent, who shall counsel the household on budgeting.

§ __-21. Conversions.

Each housing unit created through the conversion of a non-residential structure shall be considered a new housing unit and shall be subject to the affordability controls for a new housing unit.

§ __-22. Reserved.

§ __-23. Reserved.

§ __-24. Reserved.

**ARTICLE III
Administration**

§ __-25. Municipal Housing Liaison.

- A. The position of Municipal Housing Liaison for the City of Absecon is hereby established. The Municipal Housing Liaison shall be appointed by duly adopted resolution of the City Council and be subject to the approval of COAH.
- B. The Municipal Housing Liaison must be either a full-time or part-time employee of the City of Absecon.
- C. The Municipal Housing Liaison must meet COAH's requirements for qualifications, including initial and periodic training.
- D. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for the City of Absecon, including the following responsibilities which may not be contracted out to the Administrative Agent:
 1. Serving as the municipality's primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;

2. The implementation of the Affirmative Marketing Plan and affordability controls.
3. When applicable, supervising any contracting Administrative Agent.
4. Monitoring the status of all restricted units in the City of Absecon's Fair Share Plan;
5. Compiling, verifying and submitting annual reports as required by COAH or the NJ Superior Court;
6. Coordinating meetings with affordable housing providers and Administrative Agents, as applicable; and
7. Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing as offered or approved by COAH.

§ __-26. Administrative Agent.

- A. The City shall designate by resolution of the City Council, subject to the approval of COAH, one or more Administrative Agents to administer newly constructed affordable units in accordance with *N.J.A.C. 5:96*, *N.J.A.C. 5:97* and UHAC.
- B. An Operating Manual shall be provided by the Administrative Agent(s) to be adopted by resolution of the governing body and subject to approval of COAH. The Operating Manuals shall be available for public inspection in the Office of the Municipal Clerk and in the office(s) of the Administrative Agent(s).
- C. The Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in UHAC and which are described in full detail in the Operating Manual, including those set forth in *N.J.A.C. 5:80-26.14*, 16 and 18 thereof, which includes:
 1. Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by COAH;
 2. Affirmative Marketing;
 3. Household Certification;
 4. Affordability Controls;
 5. Records retention;
 6. Resale and re-rental;
 7. Processing requests from unit owners; and

8. Enforcement, although the ultimate responsibility for retaining controls on the units rests with the municipality.
9. The Administrative Agent shall, as delegated by the City Council, have the authority to take all actions necessary and appropriate to carry out its responsibilities, hereunder.

§ __-27. Enforcement of Affordable Housing Regulations.

- A. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an Owner, Developer or Tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- B. After providing written notice of a violation to an Owner, Developer or Tenant of a low- or moderate-income unit and advising the Owner, Developer or Tenant of the penalties for such violations, the municipality may take the following action against the Owner, Developer or Tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
 1. The municipality may file a court action pursuant to *N.J.S.A. 2A:58-11* alleging a violation, or violations, of the regulations governing the affordable housing unit. If the Owner, Developer or Tenant is found by the court to have violated any provision of the regulations governing affordable housing units the Owner, Developer or Tenant shall be subject to one or more of the following penalties, at the discretion of the court:
 - (a) A fine of not more than \$500.00 or imprisonment for a period not to exceed 90 days, or both. Each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not as a continuing offense;
 - (b) In the case of an Owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the City of Absecon Affordable Housing Trust Fund of the gross amount of rent illegally collected;
 - (c) In the case of an Owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the court.
 2. The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the Owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low- and moderate-income unit.

- C. Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating Owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating Owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.
- D. The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating Owner shall be personally responsible for and to the extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the Owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the Owner shall make a claim with the municipality for such. Failure of the Owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the Owner or forfeited to the municipality.
- E. Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The Owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
- F. If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the low- and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low- and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.
- G. Failure of the low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the Owner to accept an offer to

purchase from any qualified purchaser which may be referred to the Owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.

- H. The Owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the Owner.

§ __-28. **Appeals.** Appeals from all decisions of an Administrative Agent designated pursuant to this Ordinance shall be filed in writing to the Executive Director of COAH.

Section 2. Repealer. All ordinances or Code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section 3. Severability. Each section, subsection, sentence, clause and phrase of this Ordinance is declared to be an independent section, subsection, sentence, clause and phrase, and the finding or holding of any Court of competent jurisdiction that any such portion of this Ordinance is un-Constitutional, void or ineffective for any cause or reason, shall not affect any other portion of this Ordinance.

Section 4. Effective Date. This ordinance shall take effect upon its passage and publication, as required by law.

The ordinance published herewith was introduced and passed upon first reading at a meeting of the City Council of the City of Absecon, in the County of Atlantic, State of New Jersey, held on (Insert Date). It will be further considered for final passage, after public hearing thereon, at a meeting of the City Council to be held in the meeting room of the Municipal Building, 500 Mill Road, Absecon, NJ on (Insert Date) at 7:00 p.m., and during the week prior and up to and including the date of such meeting, copies of said ordinance will be made available at the Clerk's Office to the members of the general public who shall request the same.

Carie A. Crone, City Clerk

APPENDIX S

Basic Zoning Parameters for the Conifer Housing Site

Multi-Unit Rental Development Zone (MURD)

A. Permitted Uses.

- i. Principal permitted uses and structures.**
 - a) Multi-family dwellings provided 100% of the dwellings are affordable to low and moderate income households and in accordance with the affordable housing regulations of the City of Absecon.
 - b) Neighborhood commercial uses include retail uses to generate pedestrian activity for the purpose of serving the surrounding residential neighborhoods such as convenience grocery stores, bakery, shoe repair, tailor shop, dry-cleaning (with no cleaning on premises), child care facility, adult day care facility, professional offices, coffee shop/café, ice cream parlor, restaurants (excluding fast food with drive-through windows), banks (excluding drive-through windows), general business offices, personal and household services and business services (excluding vehicle maintenance, vehicle repair, auto body, gas stations and other similar uses).
- 2. Accessory buildings, structures and uses shall be permitted when used in conjunction with a principal permitted use.**
 - a) Clubhouse or social hall for residents and guests.
 - b) Outdoor recreational uses for residents and their guests.
 - c) Management office.
 - d) Buildings for tools and equipment for the maintenance of the grounds.

B. Development Standards for Multi-Family Dwellings

- | | |
|----------------------------------------|-----------------|
| 1. Minimum Lot Area: | 7 acres |
| 2. Minimum Lot Frontage: | 100 feet |
| 3. Minimum Lot Depth: | 200 feet |
| 4. Minimum Perimeter Setback: | 50 feet |
| 5. Minimum Distance between Buildings: | 30 feet |
| 6. Maximum Site Coverage: | 70% |
| 7. Maximum Building Height: | 35' (3 stories) |

8. Minimum Distance between Building and Parking: 15 feet
9. Minimum Vegetative Buffer between Dissimilar Uses: 50 feet

C. Development Standards for Neighborhood Commercial Uses

1. Minimum Lot Area: 1.5 acres
2. Minimum Lot Frontage: 100 feet
3. Minimum Lot Depth: 200 feet
4. Minimum Perimeter Setback: 50 feet
5. Minimum Distance between Buildings: 30 feet
6. Maximum Site Coverage: 70%
7. Maximum Building Height: 25' (2 stories)
8. Minimum Distance between Building and Parking: 15 feet
9. Minimum Vegetative Buffer between Dissimilar Use: 50 feet
10. Design Standards
 - a) Neighborhood commercial uses must be located on a corner lot with two street frontages;
 - b) Architectural Design Requirements:
 1. Vinyl siding, brick, stone or similar or compatible building materials shall be utilized. Horizontal vinyl siding boards should be seamless in application, to the extent feasible and narrow (4-6 inches) in exposed face dimension. Siding may be either smooth faced in texture and finish or be stamped wood grain.
 2. Traditional early 20th century architectural exterior design is encouraged for all new construction. Example prototypes to consider include: American Four Square; American Craftsman; Cape Cod; English Cottage; Colonial Revival or similar.
 3. Each building shall have a different front elevation design and roof shingle color.

4. Many pre-molded synthetic architectural ornaments, columns, railings and trim details are readily available. Use of such products is encouraged.
5. All future additions, alterations, and/or renovations to structures shall be compatible to the architectural design of the existing structures on-site and on surrounding property.
6. No unpainted pressure treated lumber shall be used unless it is covered with vinyl.
7. All porch and stoop railings shall be open spindle and shall match other spindles of open porches and/or open stoops on the individual building.

Train Station Overlay District

Section 224-268 B. Permitted Residential Uses (a) is replaced with the following:

Residential units in apartment buildings for sales as condominium units above commercial units on the ground floor and/or enclosed parking garages, the permitted density shall be 35 units per acre with at least 20% of the total number of dwellings affordable to low and moderate income households and in accordance with the affordable housing regulations of the City of Absecon and with the use mix set forth in Section 224-268.