2025

Fourth Round Housing Plan Element and Fair Share Plan

June 13, 2025

Adopted _____
Endorsed _____

Municipality of Princeton, Mercer County, New Jersey

Prepared by:

Clarke Caton Hintz | 100 BARRACK STREET | TRENTON, N.J. | 08608

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Adopted by the Planning Board on _____

Endorsed by the Municipal Council on _____.

Prepared for the Municipality of Princeton by

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A signed and sealed version is available at the municipal building.

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EXECUTIVE SUMMARY

This Fourth Round Housing Element and Fair Share Plan has been prepared for the Municipality of Princeton, Mercer County, in accordance with the New Jersey Fair Housing Act (FHA) at N.J.S.A. 52:27D-310, as amended, the rules of the New Jersey Council on Affordable Housing (COAH) at N.J.A.C. 5:93, the Uniform Housing Affordability Controls at N.J.A.C. 5:80-26.1 *et seq.* as amended, and all applicable regulations and ordinances. This plan is an update to the Third Round Housing Element and Fair Share Plan adopted by the Planning Board on July 9, 2020, and endorsed by the Municipal Council on July 13, 2020. This Fourth Round Housing Element and Fair Share Plan will serve as the foundation for the Municipality's submission to the Affordable Housing Dispute Resolution Program.

Princeton is unique in that, for the Prior Round (1986-1999) it existed as the former Princeton Borough and the former Princeton Township. After a recalculation by COAH, the former Borough had a Prior Round obligation of 311, adjusted through a vacant land adjustment to a Realistic Development Potential (RDP) of 100 and an Unmet Need of 211. The former Township had a Prior Round obligation of 330. By the time there was clarity on Third Round rules (discussed below), Princeton was a consolidated municipality. For the Third Round, by Order entered March 8, 2018, in In the Matter of the Application of the Municipality of Princeton In Mercer County, Superior Court of New Jersey, Law Division, Mercer County, Docket No. MER-L-1550-15, the Court established Princeton's Third Round Gap / Prospective Need (1999-2025) obligation to be 753.

The Borough fully satisfied its Prior Round RDP of 100 units with 88 Prior Cycle age-restricted credits and the COAH adjustment of 12 credits. In addition, the Borough claimed 15 units from existing inclusionary overlay ordinances and one surplus credit from the former Township toward its Prior Round Unmet Need of 211, leaving a remaining Unmet Need of 195.

The former Township fully satisfied its Prior Round obligation of 330 units with two group home bedrooms, 200 family affordable rental and for-sale units in the Griggs Farm and Washington Oaks developments, one gut-rehabilitated affordable family for-sale unit, 16 family affordable rentals owned by the Princeton Housing Authority, a regional contribution agreement with the City of Trenton for 23 units, a six-credit substantial compliance bonus, and 83 rental bonus credits. The one-credit surplus from this compliance plan was applied to the former Borough's Prior Round Unmet Need.

For the Third Round, as referenced above, the Municipality's obligation of 753 was established by the Superior Court. The Municipality has satisfied its Third Round obligation with 152 existing and completed age-restricted units, 391 existing, completed, and proposed affordable family rental units, up to 18 existing or completed affordable family for-sale units, and 48 of 56 existing, completed, and proposed group home bedrooms, for a total of 609 units and 188 rental bonus credits. The 44 surplus credits are being applied toward Fourth Round compliance.

A municipality's Fourth Round affordable housing obligation has two components: (1) Present Need (Rehabilitation share); and (2) Prospective Need. Pursuant to the amended FHA, the New Jersey Department of Community Affairs (NJDCA) calculates these obligations on an advisory basis for all municipalities. Municipalities may elect either to accept these advisory calculations or to perform their own. On January 21, 2025, the Princeton Municipal Council adopted Resolution

#1-25-21 accepting the NJDCA determination of the Municipality's Fourth Round Present Need and Prospective Need, as follows:

- Fourth Round Present Need: 60 units
- Fourth Round Prospective Need: 276 units

The Municipality filed a Fourth Round Declaratory Judgment ("DJ") action on January 28, 2025, entitled In the Matter of the Application of the Municipality of Princeton In Mercer County, Superior Court of New Jersey, Law Division, Mercer County, Docket No. MER-L-207-25, as required, and on March 25, 2025, a Court order was entered fixing the Municipality's Fourth Round obligations as detailed above.

Although Princeton now consists of a single municipality, rather than a Borough and Township, legacy obligations and judgments from the Prior Round and Third Round maintain this artificial distinction with respect to planning for affordable housing compliance. In an effort to move past this and create a plan for affordable housing from the viewpoint of what's best for the Municipality, Princeton has successfully articulated an approach that will satisfy the obligations while doing just that. This entails a recharacterization of the Prior Round Unmet Need that was assigned to the former Borough and allowing the Municipality of Princeton to account for that portion of the obligation in its Fourth Round plan. In doing so, several benefits may be realized, including the elimination of the legacy Unmet Need requirement, the ability to claim bonuses for the former Unmet Need units, the ability to plan for future housing in locations determined to be appropriate for the Municipality (such as in proximity to transit, jobs, "third places," and essential goods and services), elimination of a separate accounting of affordable units depending on whether they are created in the former Township or former Borough, and a unified approach to the consideration of the most appropriate locations and types of affordable housing within Princeton according to sound land use principles. This approach, which has been endorsed by FSHC, results in a combined Prospective Need obligation to be satisfied in the Fourth Round of 364 (276 + 88).

This Plan will set forth the manner in which the Municipality intends to satisfy its Fourth Round affordable housing obligations, and will serve as the foundation for the Municipality's application for a Fourth Round Judgment of Compliance and Order of Repose by the Court, which will insulate the Municipality from Mount Laurel lawsuits through July 1, 2035.

AFFORDABLE HOUSING IN NEW JERSESY: JUDICIAL AND LEGISLATIVE BACKGROUND

In the 1975 Mount Laurel decision,[1] the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide diversity and choice in the housing types permitted in the municipality, including housing for low- and moderate-income households. In its 1983 Mount Laurel II decision,[2] the New Jersey Supreme Court extended to all municipalities with any "growth area" as designated in the State Development Guide Plan (now superseded by the State Development and Redevelopment Plan, or SDRP) the obligation to provide their "fair share" of a calculated regional need for affordable units. Mount Laurel II also introduced a "builder's remedy" if a municipality was not providing its fair share of affordable housing. A builder's remedy may permit a developer that is successful in litigation the right to develop what is typically a higher density multi-family project on land not zoned to permit such use, so long as a "substantial" percentage of the proposed units would be reserved for low- and moderate-income households.

In 1985, in response to Mount Laurel II, the New Jersey Legislature enacted the Fair Housing Act ("FHA").[3] The FHA created the Council on Affordable Housing ("COAH") as an administrative body responsible for oversight of municipalities' affordable housing efforts, rather than having oversight go through the courts. The Legislature charged COAH with promulgating regulations (i) to establish housing regions; (ii) to estimate low- and moderate-income housing needs; (iii) to set criteria and guidelines for municipalities to use in determining and addressing their fair share obligations, and (iv) to create a process for the review and approval of municipal housing elements and fair share plans.

COAH's First and Second Rounds, 1986-1999

COAH created the criteria and regulations for municipalities to address their affordable housing obligations. COAH originally established a methodology for determining municipal affordable housing obligations for the six-year period between 1987 and 1993,[4] which period became known as the First Round. This methodology established an existing need to address substandard housing that was being occupied by low- and moderate-income households (variously known as "present need" or "rehabilitation share"), and calculated future demand, to be satisfied typically, but not exclusively, with new construction ("prospective need" or "fair share").

The First Round methodology was superseded in 1994 by COAH's Second Round regulations.[5] The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 census data. These regulations identified a municipality's cumulative obligations for the First and Second Rounds. Under regulations adopted for the Third Round, a municipality's obligation to provide affordable housing for the First and Second Rounds is referred to cumulatively as the Prior Round obligation.

[1] Southern Burlington County NAACP vs. Twp. of Mount Laurel, 67 N.J. 151, *appeal dismissed and cert. den.*, 423 U.S. 808 (1975)
[2] Southern Burlington County NAACP vs. Twp. of Mount Laurel, 92 N.J. 158 (1983).
[3] N.J.S.A. 52:27D-301 *et seq.*
[4] N.J.A.C. 5:92-1 *et seq*.
[5] N.J.A.C. 5:93-1.1 *et seq*.

COAH's Third Round and Related Judicial and Legislative Activity, 1999-2025

The FHA had originally required housing rounds to be for a six-year period for the First and Second Rounds. In 2001, the time period increased to a 10-year period consistent with the Municipal Land Use Law ("MLUL"). In order to utilize 2000 census data, which hadn't yet been released, COAH delayed the start of the Third Round from 1999 to 2004, with the Third Round time period initially ending in 2014. In December 2004, COAH's first version of the Third Round rules[6] became effective, and the 15-year Third Round time period (1999 – 2014) was condensed into an affordable housing delivery period from January 1, 2004, through January 1, 2014.

The 2004 Third Round rules marked a significant departure from the methods utilized in COAH's Prior Round. Previously, COAH assigned an affordable housing obligation as an absolute number to each municipality. These Third Round rules implemented a "growth share" approach that linked the production of affordable housing to residential and non-residential development in a municipality.

On January 25, 2007, a New Jersey Appellate Court decision invalidated key elements of the first version of the Third Round rules, including the growth share approach, and the Court ordered COAH to propose and adopt amendments to its rules. COAH issued revised rules effective on June 2, 2008 (as well as a further rule revision effective on October 20, 2008[7]), which largely retained the growth share approach.

Just as various parties had challenged COAH's initial Third Round regulations, parties challenged COAH's 2008 revised Third Round rules. On October 8, 2010, the Appellate Division issued its decision on the challenges. The Appellate Division upheld the COAH Prior Round regulations that assigned rehabilitation and Prior Round numbers to each municipality, but invalidated the regulations by which the agency assigned housing obligations in the Third Round, again ruling that COAH could not allocate obligations through a growth share formula. Instead, the Appellate Division directed COAH to use methods similar to those used in the First and Second Rounds.

Third Round Judicial Activity

After various challenges were filed, on September 26, 2013, the New Jersey Supreme Court upheld the Appellate Court decision and ordered COAH to prepare the necessary rules. COAH failed to adopt new rules, and more challenges ensued.

On March 10, 2015, the New Jersey Supreme Court issued a ruling on Fair Share Housing Center's ("FSHC's") Motion in Aid of Litigant's Rights, which became known as Mount Laurel IV.[8] In this decision, the Court transferred responsibility for reviewing and approving housing elements and fair share plans from COAH to designated Mount Laurel trial judges, declaring COAH "moribund." Municipalities were now to apply to the Courts, instead of COAH, if they wished to be protected from exclusionary zoning lawsuits. The Mount Laurel trial judges, with the assistance of a Court-appointed Special Master, were tasked with reviewing municipal plans much in the same manner as COAH had done previously. Those towns whose plans were approved by the

[6] N.J.A.C. 5:94 (Substantive Rules) and N.J.A.C. 5:95 (Procedural)
[7] N.J.A.C. 5:96 (Procedural) and N.J.A.C. 5:97 (Substantive).
[8] In re Adoption of N.J.A.C. 5:96 & 5:97, 221 N.J. 1 (2015)

Court received a Judgment of Compliance and Repose, the court equivalent of COAH's substantive certification.

While the New Jersey Supreme Court's decision set a process in motion for towns to address their Third Round obligation, the decision did not assign those obligations. Instead, that was to be done by the trial courts, although ultimately most towns entered into settlement agreements to set their fair share obligations. The Court stated that municipalities should rely on COAH's Second Round rules (N.J.A.C. 5:93) and those components of COAH's 2008 regulations that were specifically upheld, as well as the FHA, in their preparation of Third Round housing elements and fair share plans.

On January 17, 2017, the New Jersey Supreme Court rendered a decision that found that the period between 1999 and 2015, now known as the "gap period," when no valid affordable housing regulations were in force, generated an affordable housing obligation. This obligation required an expanded definition of the municipal Present Need obligation to include the unaddressed housing needs of low- and moderate-income households that had formed during the gap period. This meant that the Third Round municipal affordable housing obligation would now comprise the following components: Present Need (rehabilitation), Prior Round (1987-1999, new construction), Third Round Gap Need (1999-2015, new construction), and Third Round Prospective Need (2015 to 2025, new construction).

Third Round Legislative Activity

The New Jersey Legislature has amended the FHA several times in recent years.

On July 17, 2008, P.L. 2008 c. 46 (referred to as the "Roberts Bill" or "A500") was enacted, which amended the FHA in a number of ways. Key provisions included the following:

- It established a statewide 2.5% nonresidential development fee instead of requiring nonresidential developers to provide affordable housing;
- It eliminated new regional contribution agreements ("RCAs") as a compliance technique available to municipalities; previously a municipality could fund the transfer up to 50% of its fair share to so called "receiving" municipalities;
- It added a requirement that 13% of all affordable housing units be restricted to very low-income households, which it defined as households earning 30% or less of median income; and
- It added a requirement that municipalities had to commit to spend development fees within four years of the date of collection. This was later addressed in a Superior Court decision which found the four-year period begins at the time the Court approves the municipal spending plan.

In July 2020, the State amended the FHA again to require, beginning in November 2020, that all affordable units that are subject to affirmative marketing requirements also be listed on the state's Affordable Housing Resource Center website. All affordable housing affirmative marketing plans are now required to include listing on the State Affordable Housing Resource Center website.

The Fourth Round, 2025-2035

On March 20, 2024, the New Jersey Legislature passed P.L. 2024 c.2, which amended the FHA and other statutes to:

- Formally abolish COAH;
- Require the state Department of Community Affairs ("DCA") to promulgate municipal obligations using an adjusted methodology. These obligations are to be considered advisory, not binding;
- Establish a timeline within which municipalities need to adopt and submit binding resolutions stipulating to their Fourth Round fair share obligations, in order for them to retain their immunity from exclusionary-zoning lawsuits;
- Require the New Jersey Housing and Mortgage Finance Agency ("HMFA") and DCA to update rules and standards governing affordable housing production, trust funds, and affordable housing administration;
- Establish a Court-based Affordable Housing Dispute Resolution Program ("Program") that will be responsible for challenges to municipalities' affordable housing obligation determinations and compliance efforts;
- Establish a longer control period – 40 years, rather than 30 years – for new affordable rental units;
- Change the criteria for affordable housing bonuses, making various additional categories of affordable housing eligible for bonuses;
- Establish a timeline within which municipalities need to take various steps toward adoption of a Housing Element and Fair Share Plan, in order for them to retain their immunity from exclusionary-zoning lawsuits;
- Establish new reporting and monitoring procedures and deadlines for both affordable units and affordable housing trust funds and assign oversight for reporting and monitoring to DCA.

In December 2024, the Administrative Office of the Courts issued Administrative Directive #14-24, establishing procedures for implementation of the Program and for municipalities to file their Fourth Round Declaratory Judgment ("DJ") filings, etc. As detailed under the section covering requirements of an HEFSP, the Administrative Directive also set requirements for what must be included in a compliant Fourth Round HEFSP.

This plan has been prepared to meet the requirements of the FHA as most recently amended, and all applicable regulations.

PRINCETON'S AFFORDABLE HOUSING HISTORY

The Princeton community has a long history of providing housing opportunities for residents from diverse socio-economic backgrounds. Princeton's commitment to affordable housing predates the mandates of the Mount Laurel decisions and the Fair Housing Act of 1985. Efforts to provide affordable housing date back to 1938 with the creation of the Princeton Borough Housing Authority. Since then, public, private and partnership efforts have been initiated in Princeton to provide affordable housing.

Former Princeton Borough Affordable Housing History

In 1984, Princeton Borough was sued for exclusionary zoning by the Witherspoon Jackson Development Corporation. As a result, the Borough was placed under Court jurisdiction for affordable housing matters. On October 9, 1990, the Borough received a Consent Order for Final Judgment of Repose for the period 1987-1993, determining the Borough's obligation to be 122 affordable dwelling units, giving the Borough credit for 88 units completed in 1984 (leaving a remaining obligation of 34 units), and granting repose through October 16, 1996. As part of that Order, the Court directed the Borough to adopt an affordable housing overlay zone. The adopted ordinance, which remains in effect in the merged Municipality, requires a 20% affordable housing set-aside of affordable units.

In 1996 the Borough proposed a plan to address its Second Round obligation of 348 units. However, it had only constructed 12 of the 34 remaining affordable units it was required to construct from the First Round. The Borough requested those 12 units be credited to its 37-unit Second Round Rehabilitation obligation, reducing that obligation to 25 units. The Court concurred, saying:

> *"The Borough has an obligation to create a realistic opportunity for the rehabilitation of 25 units in the Borough affordable to low and moderate income households, its 'calculated' need fair share obligation for 1987-1996. This adjusted net fair share obligation is based on 'pre-credited' need of 348 units estimated by COAH, credit for 88 senior citizen units completed in 1983, credit for 12 new units completed between 1990-1993, and a vacant land adjustment of 223 units granted by the Court in 1990."*

The Court granted repose to October 16, 2002. The Borough sought and was granted a limited extension of the repose period to cover the period between October 16, 2002, and one year after the effective date of COAH's adoption of its Third Round obligation.

The Court approved the low/moderate income split and the bedroom mix of the Borough's proposed compliance mechanisms. At no time did the Court require a minimum rental obligation.

Former Princeton Township Affordable Housing History

COAH determined the former Township's First Round fair share obligation to be 275 units. At the time, the Township was before the Court, and in 1989 received a Judgment of Repose for the First Round. In October 1993, COAH determined the Township's cumulative 12-year Second Round fair share obligation to be 381 units, consisting of 331 units of new construction and a Rehabilitation obligation of 50 units. The Township petitioned COAH for Second Round substantive certification

on June 13, 1995, and received substantive certification from COAH for the Second Round on October 2, 1996. That substantive certification included a substantial compliance reduction of six units based on how well the Township had progressed in satisfying its First Round obligation. The Township completely satisfied its Prior Round obligation.

In 2002, the Township applied to COAH for an extension of its Prior Round substantive certification, which it received on May 11, 2005, on the condition that a Third Round Housing Plan Element and Fair Share Plan be adopted and submitted by December 20, 2005. The Township complied fully, but had to make substantial revisions to its 2005 adopted Third Round plan in order to comply with the new Third Round rules adopted by COAH. The revised plan, which never received certification because of ongoing challenges to COAH's Third Round rules, noted that the number of age-restricted affordable units developed in the Township during the Second Round exceeded COAH's maximum. In the plan the Township requested a waiver from COAH, noting that the total number of age-restricted units credited in both the Second and Third Rounds was less than the maximum permitted when the total cumulative obligation of both rounds was taken into consideration.

Affordable Housing in the Municipality of Princeton

Historically, the Princeton community has offered housing opportunities for a full spectrum of people, ranging from those of very low, low, moderate, and middle incomes to affluent. Ensuring that these opportunities continue to be available is an important part of this element. Princeton's emphasis on a balanced community ensures a diverse population drawn from a wide range of social, cultural, ethnic and economic backgrounds while maintaining a broad mix of compatible land uses.

In 2023, the Municipality adopted a new Master Plan, which acknowledged that "Princeton needs more housing, and the current housing shortage adversely affects many aspects of life in the Municipality, including traffic, parking, and economic growth." Several of the plan goals addressed how new housing in the Municipality should be developed. Specifically:

Land Use Goals

- **Enhance the existing pattern of land use by** focusing higher residential density within the downtown and its immediate environs and in mixed-use centers and maintaining progressively lower densities outside of the downtown.
- **Remove barriers to increased residential density in appropriate residential, commercial and mixed-use districts** to promote housing affordability, a greater variety of housing types and dwelling sizes to better fit a spectrum of household sizes and income levels.

Mobility Goals

- **Reduce inbound commuting** through the development of additional housing, particularly in the downtown and immediate environs where most jobs are located.

Economic Development Goals

- **Increase the percentage of workers who can live in Princeton** by expanding the range of housing and non-motorized transportation options in the Municipality.

Natural Resource Conservation Goals

- **Guide growth away from undeveloped greenfield lands** and into areas with existing infrastructure that are, or are easily retrofitted to be, walkable, bikeable, and accessible to public transit.

In addition to affordable housing provided by private developers, the Municipality of Princeton has a robust affordable housing program dedicated to the provision of low- and moderate-income housing to meet the needs of a diverse population and to satisfy the community's obligation to provide a fair share of the region's housing. Princeton's affordable housing program includes:

- Princeton Affordable Housing (PAH), which administers the sales program in Princeton and oversees the affordable rental program. The affordable housing sales program offers properties for sale in Washington Oaks, Griggs Farm, and the former Princeton Borough;
- Princeton Housing Authority (PHA), a federally funded corporation that owns and manages 216 family and senior/disabled apartments across five developments throughout Princeton. Princeton Housing Authority is independent from the Municipality of Princeton and is regulated by the Federal Department of Housing and Urban Development and the New Jersey Department of Community Affairs. The members of the Housing Authority Board are appointed by the Governing Body, the Mayor and one by the Commissioner of Community Affairs. The Board carries out redevelopment projects as defined by law, and also manages and maintains such facilities;
- Princeton Community Housing (PCH), the largest provider of low- and moderate-income housing in Princeton. PCH owns and manages Elm Court, Griggs Farm's rental units, Harriet Bryan House, and Princeton Community Village. Princeton Community Housing also serves as the Administrative Agent for many of the Municipality of Princeton's affordable rental units;
- A municipally sponsored rehabilitation program.

On July 7, 2015, Princeton filed a Complaint for Declaratory Judgment pursuant to the Fair Housing Act, *N.J.S.A.* 52:27D-313, in the Superior Court of New Jersey, Mercer Vicinage (In the Matter of the Application of the Municipality of Princeton in Mercer County, Docket No. MER-L-1550-15). By Order entered September 25, 2015, the Princeton Declaratory Judgment action was consolidated with the other municipal actions filed in Mercer County for a methodology determination.

Princeton and Fair Share Housing Center entered into settlement negotiations, but were ultimately unable to finalize an agreement and Princeton, along with West Windsor, proceeded to

a methodology trial held by Judge Jacobson in 2017. On March 8, 2018, following the methodology trial, Judge Jacobson issued a comprehensive Opinion and Order establishing the methodology and Princeton's cumulative Third Round affordable housing obligations. (As noted above, Judge Jacobson's methodology is now the basis for Fourth Round and all future round calculation of municipal obligations statewide.)

With the obligations established, Princeton and FSHC reached a settlement, approved by the Mayor and Council on December 18, 2019, following a Fairness Hearing held on February 7, 2020, the Settlement Agreement was approved by the Court on February 20, 2020. Princeton's 2020 Housing Element and Fair Share Plan was then approved by the Court on December 20, 2020, following a November 19, 2020, Compliance Hearing, and Princeton received its Third Round Final Judgment of Repose on February 7, 2025. (See Appendix A.)

On January 21, 2025, the Princeton Municipal Council adopted Resolution #1-25-21 (Appendix B) accepting the NJDCA determination of the Municipality's Fourth Round Present Need and Prospective Need, as follows:

- Fourth Round Present Need: 60 units
- Fourth Round Prospective Need: 276 units

In addition, for the reasons set forth above, through negotiation with FSHC, the Municipality has made a firm commitment to affirmatively satisfy the remaining Unmet Need of 88 from the former Borough's Prior Round obligation during the course of the Fourth Round, for a combined Prospective Need obligation to be satisfied in the Fourth Round of 364 (276 + 88).

AFFORDABILITY REQUIREMENTS

Affordable housing is defined under the amended FHA as a dwelling, either for sale or rent that is within the financial means of households of very low-, low- or moderate-income as income is measured within each housing region. Princeton is in COAH's Region 4, which includes the counties of Mercer, Monmouth, and Ocean. Moderate-income households are those earning between 50% and 80% of the regional median income. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. Very low-income households have annual incomes of 30% or less of the regional median income.

Through the Uniform Housing Affordability Controls (UHAC) found at N.J.A.C. 5:80-26.1 *et seq.*, the maximum rent for a qualified unit must be affordable to households that earn no more than 60% of the median income for the region. The average rent must be affordable for households earning no more than 52% of the median income. The maximum sale prices for affordable units must be affordable for households that earn no more than 70% of the median income. The average sale price must be affordable for a household that earns no more than 55% of the median income.

The regional median income is now defined in the amended FHA and continues to utilize HUD income limits on a regional basis. In the spring of each year HUD releases updated income limits which will be reallocated to the six regions. It is from these income limits that the rents and sale prices for affordable units are derived.

Pursuant to P.L. 2024 c.2, the New Jersey Housing and Mortgage Finance Agency ("HMFA") was assigned responsibility for calculating and publishing annual income limits. In May of 2025, HMFA enacted new income limits for 2025, which are shown for Housing Region 4 in Table 1, below.

TABLE 1. 2025 INCOME LIMITS FOR REGION 4

Household Income Levels	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household
Moderate	$75,440	$86,160	$96,960	$107,680	$116,320
Low	$47,150	$53,850	$60,600	$67,300	$72,700
Very Low	$28,290	$32,310	$36,360	$40,380	$43,620

Source: New Jersey Housing and Mortgage Finance Agency

Tables 2 and 3 provide illustrative maximum rents and sale prices for 2024. These rents and sale prices are illustrative and are gross figures, which do not account for the specified utility allowances for rental units or for specific mortgage rates, taxes, etc. for sales units.

TABLE 2. ILLUSTRATIVE 2024 AFFORDABLE GROSS RENTS FOR REGION 4			
Household Income Levels (% of Median Income)	1-Bedroom Unit Rent	2-Bedroom Unit Rent	3-Bedroom Unit Rent
Moderate (60%)	$1,463	$1,756	$2,029
Low (50%)	$1,219	$1,463	$1,691
Very Low (30%)	$732	$878	$1,014
Source: Affordable Housing Professionals of New Jersey Affordable Housing Rent Calculator			

TABLE 3. ILLUSTRATIVE 2024 AFFORDABLE SALES PRICES FOR PRINCETON			
Household Income Levels (% of Median Income)	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate (70%)	$178,734	$218,611	$255,829
Low (50%)	$121,767	$150,251	$176,835
Very Low (30%)	$64,800	$81,891	$97,841
Source: Affordable Housing Professionals of NJ Affordable Housing Sales Calculator			

HOUSING ELEMENT AND FAIR SHARE PLAN REQUIREMENTS

In accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1, *et seq.*), a municipal master plan must include a housing plan element as the foundation for the municipal zoning ordinance (see N.J.S.A. 40:55D-28b(3)). Pursuant to the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.), a municipality's housing element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing. Specifically, N.J.S.A. 52:27D-310 requires that the housing element contain at least the following (emphasis added):

a. An **inventory of the municipality's housing stock** by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated;
b. A **projection of the municipality's housing stock**, including the probable future construction of low- and moderate-income housing, for the next 10 years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development of lands;
c. An **analysis of the municipality's demographic characteristics**, including, but not necessarily limited to, household size, income level, and age;
d. An **analysis of the existing and probable future employment characteristics** of the municipality;
e. A **determination of the municipality's present and prospective fair share of low- and moderate-income housing** and its capacity to accommodate its present and prospective housing needs, including its fair share of low- and moderate-income housing, as established pursuant to section 3 of P.L. 2024, c.2 (C.52:27D-304.1);
f. A **consideration of the lands most appropriate for construction of low- and moderate-income housing** and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing;
g. An **analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity** as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of 23 section 1 of P.L.2021, c.273 (C.52:27D-329.20); and
h. An **analysis of consistency with the State Development and Redevelopment Plan**, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

In addition to FHA requirements, this Fourth Round HEFSP has been prepared in compliance with the following requirements set forth by Administrative Directive #14-24, issued by the Administrative Office of the Courts on December 13, 2024:

1. One of the requirements for a final HEFSP is the **inclusion of detailed site suitability analyses**, based on the best available data, for each of the un-built inclusionary or 100% affordable housing sites in the plan as well as an identification of each of the sites that were proposed for such development and rejected, along with the reasons for such rejection.

2. The **concept plan for the development of each of the selected sites** should be overlaid on the most up to date environmental constraints map for that site as part of its analysis. When the detailed analyses are completed, the municipality can see what changes will be needed (either to the selected sites or to their zoning) to ensure that all of the units required by the settlement agreement will actually be produced. If it becomes apparent that one (or more) of the sites in the plan does not have the capacity to accommodate all of the development proposed for it, the burden will be on the municipality either to adjust its zoning regulations (height, setbacks, etc.) so that the site will be able to yield the number of units and affordable units anticipated by the settlement agreement or to find other mechanisms or other sites as needed to address the likelihood of a shortfall.
3. The final HEFSP must **fully document the creditworthiness of all of the existing affordable housing units in its HEFSP** and to demonstrate that it has followed all of the applicable requirements for extending expiring controls, including confirmation that all of the units on which the controls have been extended are code-compliant or have been rehabilitated to code-compliance, and that all extended controls cover a full 30-year period beginning with the end of the original control period. Documentation as to the start dates and lengths of affordability controls applicable to these units and applicable Affordable Housing Agreements and/or deed restrictions is also required. Additionally, the income and bedroom distributions and continued creditworthiness of all other existing affordable units in the HEFSP must be provided.
4. The HEFSP must include an **analysis of how the HEFSP complies with or will comply with all of the terms of the executed settlement agreement**. Once the HEFSP has been prepared, it must be reviewed by Fair Share Housing Center and the Program's Special Adjudicator for compliance with the terms of the executed settlement agreement, the FHA and UHAC regulations. The HEFSP must be adopted by the Planning Board and the implementation components of the HEFSP must be adopted by the governing body.

The HEFSP must also include (in an Appendix) all adopted ordinances and resolutions needed to implement the HEFSP, including:

1. **All zoning amendments** (or redevelopment plans, if applicable).[9]
2. An **Affordable Housing Ordinance** that includes, among other required regulations, its applicability to 100 percent affordable and tax credit projects, the monitoring and any reporting requirements set forth in the settlement agreement, requirements regarding very low income housing and very low income affordability consistent with the FHA and the settlement agreement, provisions for calculating annual increases in income levels and sales prices and rent levels, and a clarification regarding the minimum length of the affordability controls (at least 30 years, until the municipality takes action to release the controls).
3. The **adoption of the mandatory set aside ordinance**, if any, and the repeal of the existing growth share provisions of the code.
4. An **executed and updated Development Fee Ordinance** that reflects the court's jurisdiction.
5. An **Affirmative Marketing Plan adopted by resolution** that contains specific directive to be followed by the Administrative Agent in affirmatively marketing affordable housing units, with

[9] P.L. 2024, c.2 (C. 52:27D-304.1.f(2)(a)) requires the municipality to adopt a housing element and fair share plan and propose drafts of the appropriate zoning ordinances on or before June 30, 2025. Because the ordinances may be modified, in accordance with the FHA, the proposed draft ordinances will be filed with the Court in conjunction with this adopted Plan, not included in the Appendix as part of this Plan.

an updated COAH form appended to the Affirmative Marketing Plan, and with both documents specifically reflecting the direct notification requirements set forth in the settlement agreement.

6. An **updated and adopted Spending Plan** indicating how the municipality intends to allocate development fees and other funds, and detailing (in mini manuals) how the municipality proposes to expend funds for affordability assistance, especially those funds earmarked for very low income affordability assistance.
7. A **resolution of intent to fund any shortfall** in the costs of the municipality's municipally sponsored affordable housing developments as well as its rehabilitation program, including by bonding if necessary.
8. Copies of the **resolution(s) and/or contract(s) appointing one or more Administrative Agent(s) and of the adopted ordinance creating the position of, and resolution appointing, the Municipal Affordable Housing Liaison**.
9. A **resolution from the Planning Board adopting the HEFSP**, and, if a final Judgment is sought before all of the implementing ordinances and resolutions can be adopted, a resolution of the governing body endorsing the HEFSP.

Consistent with N.J.A.C. 5:93-5.5, any municipally sponsored 100% affordable housing development will be required to be shovel-ready within two (2) years of the deadlines set forth in the settlement agreement:

1. The municipality will be required to submit the identity of the project sponsor, a detailed pro forma of project costs, and documentation of available funding to the municipality and/or project sponsor, including any pending applications for funding, and a commitment to provide a stable alternative source, in the form of a resolution of intent to fund shortfall, including by bonding, if necessary, in the event that a pending application for outside funding has not yet been not approved.
2. Additionally, a construction schedule or timetable must be submitted setting forth each step in the development process, including preparation and approval of a site plan, applications for state and federal permits, selection of a contractor, and start of construction, such that construction can begin within two (2) years of the deadline set forth in the settlement agreement.

HOUSING, DEMOGRAPHIC AND EMPLOYMENT ANALYSIS

Housing Characteristics

The 2019-2023 American Community Survey (ACS)[10] indicates that Princeton has approximately 9,737 housing units, of which 735, or 7.5%, are vacant. The Municipality's housing stock consists largely of single-family detached units (53.1%) and single-family attached units (18.1%). The Municipality's percentage of single-family detached units is lower than the state (53.6%) and higher than Mercer County (49.6%). The renter population represents almost 41% of all housing units in Princeton (with 51.8% owner-occupied), which is higher than both the renter population in the county (26.4%) and in the state as a whole (38.1%). See Table 4, Housing Units by Number of Units in Structure, for a detailed breakdown of the type and tenure of housing units in Princeton in 2023.

TABLE 4. HOUSING UNITS BY NUMBER OF UNITS IN STRUCTURE, 2023

Number of Units	Owner-occupied	Percent	Renter-occupied	Percent	Vacant	Percent	Total
1, Detached	4,141	82.1%	764	19.3%	269	36.6%	5,174
1, Attached	758	15.0%	803	20.3%	201	27.3%	1,762
2	9	0.2%	247	6.2%	0	0.0%	256
3 or 4	0	0.0%	384	9.7%	0	0.0%	384
5 to 9	54	1.1%	252	6.4%	0	0.0%	306
10 to 19	22	0.4%	371	9.4%	132	18.0%	525
20 or more	56	1.1%	1,138	28.7%	133	18.1%	1,327
Mobile home	3	0.1%	0	0.0%	0	0.0%	3
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	0
Total Units (% of Total)	***5,043 (51.8%)***	***100%***	***3,959 (40.7%)***	***100%***	***735 (7.5%)***	***100%***	***9,737 (100%)***

Source: Tables B25032, DP04, 2019-2023 American Community Survey Five-Year Estimate

Table 5, Housing Units by Year Built, illustrates the age of the Municipality's housing stock. Almost 25% of Princeton's housing stock was constructed prior to 1939. Much of this older housing stock is owner-occupied; recent construction of rental units has brought down the median age of rental units.

[10] The American Community Survey replaced the long-form Census as the source for much of the housing data necessary to complete this section. The Census is a one-time count of the population while this ACS is an estimate taken over five years through sampling. For this reason, data in the ACS are subject to a margin of error.

TABLE 5. HOUSING UNITS BY YEAR BUILT, 2023					
Year Built	Total Units	Percent	Owner	Renter	Vacant
2020 or later	121	1.2%	27	94	0
2010 to 2019	1,211	12.4%	255	835	121
2000 to 2009	779	8.0%	524	246	9
1990 to 1999	704	7.2%	384	311	9
1980 to 1989	841	8.6%	482	262	97
1970 to 1979	709	7.3%	274	361	74
1960 to 1969	1,068	11.0%	490	532	46
1950 to 1959	1,402	14.4%	956	341	105
1940 to 1949	531	5.5%	412	61	58
1939 and earlier	2,371	24.4%	1,239	916	216
Totals	***9,737***	***100%***	***5,043***	***3,959***	***735***
Median Year Built	***1966***		***1959***	***1974***	
Source: Tables B25036, B25037, DP04, 2019-2023 American Community Survey Five-Year Estimate					

The largest concentration of housing units in Princeton (26.5%) contains four bedrooms, and almost 63% of all units have three or more bedrooms. For both the County and the State, the percentage of housing units with three or more bedrooms is lower, but the County's share of housing units with three or more bedrooms is slightly larger, at 58.2%, than is the State's at 57.4%. See Table 6, Number of Bedrooms per Housing Unit, for more detail.

TABLE 6. NUMBER OF BEDROOMS PER HOUSING UNIT, 2023		
Bedrooms	Number of Units	Percent
Efficiency	459	4.7%
1	1,198	12.3%
2	1,974	20.3%
3	2,142	22.0%
4	2,584	26.5%
5+	1,380	14.2%
Total	***9,737***	***100%***
Source: Table DP04, 2019-2023 American Community Survey Five-Year Estimate		

Table 7, Housing Values, shows that the median value of owner-occupied housing units in Princeton increased by 44.7% between 2013 and 2023. By way of comparison, Mercer County overall saw a 22.3% increase in owner-occupied home values during this same period. Princeton also had significantly higher median housing values than the County as a whole both in 2013 ($718,800 vs. $286,900) and 2023 $1,040,400 vs. $351,000). Of Princeton's owner-occupied housing units, 178 are deed-restricted to low- and moderate-income households.

TABLE 7. OWNER-OCCUPIED HOUSING VALUES, 2013 and 2023				
Housing Unit Value	2013 Units	Percent	2023 Units	Percent
Less than $50,000	65	1.2%	47	0.9%
$50,000 to $99,999	54	1.0%	17	0.3%
$100,000 to $149,999	28	0.5%	63	1.2%
$150,000 to $199,999	56	1.0%	74	1.5%
$200,000 to $299,999	193	3.5%	45	0.9%
$300,000 to $499,999	860	15.6%	175	3.5%
$500,000 to $999,999	2,860	51.7%	1,919	38.1%
$1,000,000 or more	1,414	25.6%	2,703	53.6%
Total	***5,530***	***100%***	***5,043***	***100%***
Median	$718,800		$1,040,400	
Sources: Table DP04, 2009-2013 and 2019-2023 American Community Survey Five-Year Estimates				

The median rent in Princeton in 2023 was $2,448, compared to $1,515 across Mercer County. In contrast to the County, more than half of rental units in Princeton rent for $2,500 or more, while almost three-quarters of rental units in the County overall rent for less than $2,000. See Table 8, Comparison of Princeton and Mercer County, Gross Rent, for more detail. Of Princeton's renter-occupied housing units, 759 are deed-restricted to low- and moderate-income households.

TABLE 8. COMPARISON OF PRINCETON AND MERCER COUNTY, GROSS RENT, 2023				
	Princeton		Mercer County	
Gross Rent	Units	Percent	Units	Percent
Less than $500	227	5.7%	4,481	10.0%
$500 to $999	500	12.6%	9,970	18.5%
$1,000 to $1,499	536	13.5%	15,880	29.5%
$1,500 to $1,999	476	12.0%	14,419	26.7%
$2,000 to $2,499	421	10.6%	6,130	11.4%
$2,500 to $2,999	364	9.2%	2,743	5.1%
$3,000 or more	1,481	37.4%	3,449	6.4%
No Rent Paid	181	4.6%	1,319	2.4%
Total	***3,959***	***100%***	***53,910***	***100%***
Median Rent	$2,448		$1,515	
Source: Table DP04, 2019-2023 American Community Survey Five-Year Estimate				

Housing is generally considered to be affordable if rents, mortgages, and other essential costs consume 28% or less of an owner-household's income or 30% or less of a renter-household's income. This percentage is lower for homeowners to account for the additional home maintenance costs associated with ownership. As shown in Table 9, Housing Affordability, in Princeton, 34% of all households in occupied units are expending more than 30% of their incomes on housing

costs. Close to half (41.4%) of Princeton's renters are spending more than 30% of their income on housing, while a smaller percentage (24.1%) of owner-occupants with a mortgage are spending more than 30% of their income on housing. Significantly, 60.8% of Princeton's owner-occupants with a mortgage are spending less than 20% of their income on housing.

TABLE 9. HOUSING AFFORDABILITY, 2023						
Monthly Housing Costs as Percent of Income	Owner-Occupied*	Percent	Renter Occupied	Percent	All Occupied	Percent
Less than 20 Percent	1,671	60.8%	1,274	35.0%	2,945	46.1%
20 to 29 Percent	413	15.0%	861	23.7%	1,274	19.9%
30 Percent or More	663	24.1%	1,508	41.4%	2,171	34.0%
Total	***2,747***	***100%***	***3,643***	***100%***	***6,390***	***100%***
** Owner-occupied units with a mortgage* *Source: Table DP04, 2019-2023 American Community Survey Five-Year Estimate*						

In 2023, there were an estimated 34 units that had incomplete kitchen facilities and nine units with incomplete plumbing facilities. There were also 54 overcrowded housing units (defined as having more than one occupant per room) built before 1950. Overcrowding is often associated with substandard housing due to overuse of facilities and is often occupied by lower-income households who share space to save on housing costs. It's important to note, some of these units may exhibit two or even all these conditions. Historically, the conditions mentioned in this paragraph have been indicators of housing deficiency, which are used to determine the number of units requiring rehabilitation.

TABLE 10. INDICATORS OF HOUSING DEFICIENCY, 2023			
Indicator	Incomplete Plumbing	Incomplete Kitchen	Overcrowded/Built Before 1950
Number of Units	9	34	54
Sources: Tables B25050, DP04, 2019-2023 American Community Survey Five-Year Estimates			

Population Characteristics

The population of Princeton decreased 5.5% from 2000 to 2010, and then grew again, by 7.4%, between 2010 and 2020. The Municipality's rate of population decline between 2000 and 2010 is in contrast to the population growth seen by the county (4.5%) during that time. Conversely, while Princeton saw a healthy 7.4% population growth between 2010 and 2020, the county's rate of growth was slower, at 5.7%, during the same time. See Table 11, Population Growth.

TABLE 11. POPULATION GROWTH, 2000 – 2020					
	2000	2010	Percent Change	2020	Percent Change 2000-2020
Princeton	30,230	28,572	-5.5%	30,681	1.5%
Mercer County	350,761	366,513	4.5%	387,340	10.4%
Sources: 2000, 2010 and 2020 US Census					

Between 2010 and 2020, the number of older school-age (10-19) children increased by almost 10%, and the number of young adults (20-24) in the municipality increased at an even greater rate (17.8%). The number of residents of child-rearing age (25-54) increased or decreased slightly, depending on the particular age bracket. The other significant changes in population are the increase in the number of residents aged 55 and older (13.7%), and in particular those aged between 60 and 64 (23.5%). Despite this growth in the number of older residents, the median age in the Municipality grew by only 1%. See Table 12, Age Distribution, for additional detail.

TABLE 12. AGE DISTRIBUTION, 2010 and 2020					
Age Group	2010	Percent	2020	Percent	Percent Change
Under 5	1,063	3.7%	988	3.2%	-7.1%
5-9	1,387	4.9%	1,399	4.6%	0.9%
10-14	1,673	5.9%	1,838	6.0%	9.9%
15-19	3,265	11.4%	3,575	11.7%	9.5%
20-24	4,253	14.9%	5,011	16.3%	17.8%
25-34	3,457	12.1%	3,548	11.6%	2.6%
35-44	2,816	9.9%	2,748	9.0%	-2.4%
45-54	3,653	12.8%	3,611	11.8%	-1.1%
55-59	1,631	5.7%	1,690	5.5%	3.6%
60-64	1,359	4.8%	1,546	5.0%	13.8%
65-74	1,961	6.9%	2,421	7.9%	23.5%
75-84	1,426	5.0%	1,587	5.2%	11.3%
85+	628	2.2%	719	2.3%	14.5%
Total	***28,572***	***100%***	***30,681***	***100%***	***7.4%***
Median Age	30.7		31.0		1.0%
Sources: Table DP01, 2010 and 2020 U.S. Census					

Household Characteristics

A household is defined by the U.S. Census Bureau as those people who occupy a single room or group of rooms constituting a housing unit; however, these people may or may not be related. In 2023, there were an estimated 9,002 households in the Municipality, with an average of 2.58 persons per household. As Table 13, Household Size, shows, since 2013, the percentage of two-

person households in the Municipality has dropped more than 20%, from 35.8% of all households to 28.3% of households, and the number of households with four or more people has increased by almost 50%, to more than a quarter of all households.

TABLE 13. HOUSEHOLD SIZE, 2013 and 2023				
	2013		2023	
Household Size	Households	Percent	Households	Percent
1 Person	2,682	28.7%	2,380	26.4%
2 People	3,346	35.8%	2,546	28.3%
3 People	1,448	15.5%	1,505	16.7%
4 or More People	1,869	20.0%	2,571	28.6%
Total Households	***9,345***	***100%***	***9,002***	***100%***
Sources: Table S2501, 2009-2013 and 2019-2023 American Community Survey Five-Year Estimates				

As a subset of households, a family is identified as a group of people including a householder and one or more people related by blood, marriage or adoption, all living in the same household. Approximately 58.8% of the households in Princeton are composed of married couples with or without children. Approximately 32.7% of the Municipality's households are non-family households, which include individuals living alone. See Table 14, Household Composition.

TABLE 14. HOUSEHOLD COMPOSITION, 2023		
Household Type	Households	Percent
Family households	***6,056***	***67.3%***
Married-couple family	**5,291**	**58.8%**
With children under 18	2,720	30.2%
Male householder, no spouse present	**243**	**2.7%**
With children under 18	152	1.7%
Female householder, no spouse present	**522**	**5.8%**
With children under 18	346	3.8%
Nonfamily households	***2,946***	***32.7%***
Householder living alone	**2,380**	**26.4%**
Total Households	***9,002***	***100%***
Source: 2017-2023 American Community Survey 5-Year Estimate.		

When the number of bedrooms in a unit (from Table 6, above) is considered vs. the size of households in Princeton (from Table 14, above), there appears to be a mismatch: There are many more smaller households (three people or fewer; 71.4% of all households) than there are smaller units (one or two bedrooms; 37.3% of all units). Table 15, Unit Size vs. Household Size, provides more detail. This comparative shortage of smaller homes may be leading some empty nesters and young adults without children to consider other locations when seeking smaller-sized housing, or to occupy housing that is larger than their needs, and perhaps more costly than their means. The

likelihood that this is occurring is bolstered by the reduction in two-person households since 2013, discussed above.

TABLE 15. UNIT SIZE vs. HOUSEHOLD SIZE, 2023					
Unit Size	Number of Units	Percent of Total Units	Household Size	Number of Households	Percent of Total Households
Efficiency	459	4.7%	1 Person	2,380	26.4%
1 Bedroom	1,198	12.3%	2 People	2,546	28.3%
2 Bedrooms	1,974	20.3%	3 People	1,505	16.7%
Total	***3,631***	***37.3%***	***Total***	***6,431***	***71.4%***

Income Characteristics

In 2023, more than 75% of Princeton households had incomes of $75,000 or more, and almost half of all households had incomes of $200,000 or more. The median income in Princeton was $184,113 for households and more than $250,000 for families. Table 16, Household Income by Income Brackets, provides more detail.

TABLE 16. HOUSEHOLD INCOME BY INCOME BRACKETS, 2023		
	Households	Percent
Less than $10,000	239	2.7%
$10,000-$14,999	234	2.6%
$15,000-$24,999	249	2.8%
$25,000-$34,999	242	2.7%
$35,000-$49,000	487	5.4%
$50,000-$74,999	686	7.6%
$75,000-$99,999	938	10.4%
$100,000-$149,999	910	10.1%
$150,000-$199,999	710	7.9%
$200,000 or more	4,307	47.8%
Total	***9,002***	***100%***
Median Income	**$184,113**	**-**
Source: Table DP03, 2019-2023 American Community Survey Five-Year Estimate		

The Municipality's poverty rate for individuals (6.8%) is less than that of the County (11.1%), and the Municipality's poverty rate for families (4.5%) is lower than the County's rate (7.5%). See Table 17, Individual and Family Poverty Rates, for the comparison.

TABLE 17. INDIVIDUAL AND FAMILY POVERTY RATES, 2023		
Location	**Individuals**	**Families**
Municipality of Princeton	6.8%	4.5%
Mercer County	11.1%	7.5%
Source: Table DP03, 2019-2023 American Community Survey Five-Year Estimate		

Employment Characteristics

The U.S. Census Bureau's Center for Economic Studies tracks what is known as "covered employment" for various geographic areas. Covered employment data includes only those jobs for which unemployment compensation is paid. It does not cover the self-employed, unpaid family workers, most part-time or temporary employees, and certain agricultural and in-home domestic workers. As would be expected for a municipality that hosts a prominent university, the largest employment category in Princeton is Educational Services, providing more than half of all jobs in the Municipality. The next most prominent categories, each providing fewer than 10% of jobs in the Municipality, are Professional/Technical, Health and Social Services, and Retail Trade and Accommodation and Food Services. See Table 18, Covered Employment By Sector, for additional detail. Note the most recent available estimates are for 2022.

TABLE 18. COVERED EMPLOYMENT BY SECTOR, 2022		
	Count	**Percent**
Private Sector Category		
Agriculture	5	0.0%
Mining, Quarrying, Oil/Gas Extraction	1	0.0%
Utilities	55	0.2%
Construction	181	0.7%
Manufacturing	110	0.4%
Wholesale Trade	143	0.5%
Retail Trade	1,575	6.0%
Transportation/Warehousing	69	0.3%
Information	595	2.3%
Finance/Insurance	517	2.0%
Real Estate	137	0.5%
Professional/Technical	2,029	7.7%
Management	431	1.6%
Admin/Waste Remediation	450	1.7%
Education	14,382	54.8%
Health/Social	1,891	7.2%
Arts/Entertainment	447	1.7%
Accommodation/Food	1,588	6.0%
Other Services	1,401	5.3%

TABLE 18. COVERED EMPLOYMENT BY SECTOR, 2022		
	Count	Percent
Private Sector Total	**26,007**	**99.0%**
Public Administration	253	1.0%
Total Covered Employment	***26,260***	***100%***
Source: OnTheMap, Center for Economic Studies, U.S. Census Bureau, 2022.		

Jobs-Housing Ratio

A municipality's jobs-housing ratio is a rough indicator of the degree to which the municipality has been able to generate sufficient housing to accommodate its workers. A ratio of between 0.75 and 1.5 is generally considered to indicate a healthy balance between the number of jobs in a municipality and the municipality's ability to house all its workers who wish to live there.[11] The ability to house workers locally enables them to spend less time commuting, reduces traffic congestion, and reduces the greenhouse gas emissions associated with commuting by automobile.

Based on Tables 4 and 18 above, Princeton has a jobs-housing ratio of 2.7, almost 80% higher than the recommended maximum. The Center for Economic Studies data show that, of the 26,260 jobs in Princeton, 23,196 of them are held by workers who travel in from elsewhere. This phenomenon is discussed in more detail in the Municipality's Economic Development Plan Element of its recently adopted Master Plan, but it is worth noting here that, to the degree that Princeton can implement policies to help house more of its workers locally, the Municipality and its major employers will reap the benefits in the form of reduced commuter traffic and more resident economic activity, and workers will enjoy shorter commutes, some of which may be possible by bicycle or on foot.

Population, Employment and Housing Projections

In January 2023, the Delaware Valley Regional Planning Commission (DVRPC), the Metropolitan Planning Organization (MPO) that serves Princeton as well as the remainder of Mercer County, published population and employment projections for the year 2050. As Table 19, Population, Household and Employment Projections shows, DVRPC projects that Princeton's population will increase by 7.4% between 2015 and 2050, slightly less than its projected increase (7.7%) for Mercer County's population. DVRPC projects employment in Princeton will increase by 16.3% by 2050, more than twice the rate of population increase, again an indicator that people who work in Princeton will largely continue to commute in from elsewhere. DVRPC predicts that Mercer County's employment will increase by 13.0%, also faster than its population.

[11] https://enviroatlas.epa.gov/enviroatlas/datafactsheets/pdf/supplemental/employmenthousingratio.pdf

TABLE 19. POPULATION AND EMPLOYMENT PROJECTIONS, 2015 – 2050						
	Princeton			Mercer County		
	2015	2050	% Change	2015	2050	% Change
Population	30,157	32,374	7.4%	368,200	396,462	7.7%
Employment	21,268	24,726	16.3%	229,501	259,402	13.0%
Sources: DVRPC, January 2023						

The FHA requires that housing plans include a 10-year projection of new housing units based on the number of building permits, development applications approved, and probable developments, as well as other indicators deemed appropriate (*N.J.S.A.* 52:27D-310.b). Annual building permit issuance for residential new construction in Princeton during the years 2014 through 2023 averaged approximately 83.4 units. When demolitions are taken into account, yearly average of net new dwellings is approximately 63.6 units. These numbers include inclusionary and 100% affordable units included in the Municipality's Third Round Housing Element and Fair Share Plan on which construction had started by 2023.

To estimate future organic housing growth, the years 2014 through 2023 were averaged, since most affordable units included in the Municipality's Third Round Housing Element and Fair Share Plan began construction in 2021 or later. During the years 2014 through 2020, annual organic growth was approximately 55 units. Extrapolating that forward for the next 10 years gives a potential total organic housing growth in Princeton of 550 units. Adding to that the units discussed in this Plan, Princeton may see as many as 920 new dwellings by the year 2035. Factors such as the business cycle and rate of residential unit absorption may result in a lower or higher actual number. Table 20, Housing Projections, provides an estimate of anticipated residential growth based on the extrapolation of prior housing activity into the future and the proposed inclusionary developments in this Plan.

TABLE 20. HOUSING PROJECTIONS			
Year	Building Permits Issued	Demolitions	Net New Dwellings
2014	21	15	6
2015	369	38	331
2016	38	27	11
2017	42	32	10
2018	28	22	6
2019	23	16	7
2020	20	9	11
2021	24	14	10
2022	269	25	244

TABLE 20. HOUSING PROJECTIONS			
Year	Building Permits Issued	Demolitions	Net New Dwellings
2023	0	0	0
Total	**834**	**198**	**636**
Average (not counting 2015, an outlier year)	**51.6**	**17.8**	**33.8**
Projection to 2033, Growth + Plan			***850***
Source: NJDCA Construction Reporter			

Consideration of Lands Appropriate for Affordable Housing

Princeton is not located in the Highlands, Meadowlands or Pinelands Planning Areas or in an area subject to CAFRA (Coastal Area Facilities Review Act) regulations. There are no known federal regulations that could be considered constraining development. For the last quarter-century, a portion of Princeton has been designated as a Regional Center in the State Development and Redevelopment Plan (SDRP), which represents an area envisioned for growth by the SDRP. The SDRP also designates large masses of land that share a common set of conditions, such as population density, infrastructure, level of development, or natural systems into one of five planning areas. Within Princeton's boundaries are the following planning areas: Suburban Planning Area (PA2), Fringe Planning Area (PA3), Rural/Environmentally Sensitive Planning Area (PA4B) and Environmentally Sensitive Planning Area (PA5). Princeton has developed zoning that complies with these designations. None of these SDRP designations preclude development. A portion of the Stony Brook has been designated as a C-1 stream, which results in a 300-foot buffer along the stream and its tributaries.

Most of Princeton is served by New Jersey American Water Company, although a small portion of the municipality is served by private wells. The public wastewater treatment demands from new and existing development are being met by the Stony Brook Regional Sewage Authority (SBRSA). A small portion of Princeton, primarily in the northwest corner, is served by individual subsurface septic disposal systems. The Municipality is in the process of securing documentation that SBRSA has capacity to serve existing and planned developments. Neither utility has reported any capacity problems.

As part of this Plan, Princeton has considered land that is in the vicinity of public sewer and water infrastructure and is appropriate for the construction of very low-, low- and moderate-income housing. Available land appropriate for affordable housing is further subject to the limited additional firm water and sewer capacity approved by the New Jersey Department of Environmental Protection ("NJDEP").

Approximately 90% to 95% of the land in the former Borough is developed, which resulted in a vacant land adjustment for the former Borough's Second Round HPE/FSP. The resulting unmet need is addressed in this plan.

A small portion of Princeton is located outside of an approved sewer service area, and these areas have been zoned for very low-density development. Other areas zoned similarly for low density are part of the Princeton Ridge, where, due to environmental characteristics, low-density residential development was deemed appropriate.

Six objections were filed to the Third Round Settlement Agreement, of which two concerned specific sites in the Municipality that objectors claim should have been included in the Third Round plan but were not, or were included even though they would not be able to participate. One site was included in the Municipality's Third Round plan through a settlement agreement with the developer. Additional sites have been offered to the Municipality toward Fourth Round compliance, and are discussed below.

TCG 29 Thanet Holdings LLC

TCG 29 Thanet Holdings, LLC argued that its property at 29 Thanet Circle, immediately adjacent to the property at 100/101 Thanet Circle (which is designated as an area in need of redevelopment and is included in the Municipality's Third Round plan), should also be included in the Third Round plan. The property is 9.26 acres, and TCG 29 Thanet Holdings argued that the conditions of the buildings on the two properties "are, in all material respects, identical," and thus TGC 29 Thanet Holdings' property was a suitable candidate for affordable housing development just as the 100/101 Thanet Circle property was. However, unlike the buildings on the site included in the Third Round plan, the buildings on the objector's site were not yet entirely vacant at the time the objection was filed; thus, in light of the fact that the Third Round plan already provided surplus units from the former Township, the 29 Thanet Circle site was not needed to satisfy the Municipality's Third Round obligation. It is included in this Fourth Round Housing Element and Fair Share Plan for 85 total units, including 17 affordable units.

Additional Sites

Various properties in several of the inclusionary overlay zones have been offered to the Municipality, and the Municipality is pursuing agreements with developers of the sites it deems most appropriate for the production of affordable units.

The Municipality believes that the sites and mechanisms proposed in this Fair Share Plan represent the best and most appropriate options for affordable housing development. These mechanisms entirely satisfy the Municipality's Fourth Round affordable housing obligation as established by NJDCA and the remaining Prior Round Unmet Need from the former Borough, as agreed to through negotiation with FSHC.

Multi-Generational Family Housing Continuity

The Fair Housing Act requires an HEFSP to provide an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of 23 section 1 of P.L.2021, c.273 (C.52:27D-329.20). As of April 2025, no recommendations have been issued by the Commission.

State Development and Redevelopment Plan

Princeton's geography spans several of the State Development and Redevelopment Plan's Planning Areas. The lands of the former Borough, and much of the former Township, are designated as Planning Area 2, the Suburban Planning Area. These lands are targeted by the Municipality's Master Plan for much of its future growth. The State Plan's intent for the Suburban Planning Area is to:

- Provide for a portion of the state's future growth in compact development and redevelopment in centers and other appropriate areas;
- Promote walkability and multi-modal transportation options;
- Protect and enhance the character of existing stable communities;
- Protect and enhance natural resources and promote increased biodiversity, reforestation and habitat restoration;
- Redesign auto-oriented areas and promote traffic calming and other forms of pedestrian counter-measures;
- Reverse any further sprawl development, including warehouse sprawl; and
- Revitalize and enhance towns and other traditional settlements.

This HEFSP is consistent with the State Development and Redevelopment Plan, in that it directs much of the Municipality's future housing development to the portions of the Municipality that are in PA2, where infrastructure and amenities already exist.

FAIR SHARE PLAN

PRINCETON'S AFFORDABLE HOUSING OBLIGATION

Princeton's Fourth Round affordable housing obligation has five components: Fourth Round Present Need (Rehabilitation share), former Borough Prior Round Prospective Need, former Township Prior Round Prospective Need; the consolidated Municipality's Third Round "Gap"/Prospective Need, and the Municipality's Fourth Round Prospective Need. Princeton's five-component Fourth Round fair share obligation is as follows:

Municipality Fourth Round Present Need/Rehab Share: 60

Former Borough Prior Round Prospective Need: 311;
comprising a Realistic Development Potential of 100 and an Unmet Need of 211

Former Township Prior Round Prospective Need: 330

Municipality Third Round "Gap"/ Prospective Need: 753

Municipality Fourth Round Prospective Need: 276

Per the terms of the Third Round Settlement Agreement, any additional units created in the Former Borough must first satisfy its Unmet Need, before they can be applied to any future obligation, a restriction that works against sound planning principles and the goals of the Municipality's recently adopted Master Plan, as it forces new housing away from areas of the Municipality that already have infrastructure, access to transit, and to amenities. For this reason, in addition to its Fourth Round Prospective Need obligation of 276, the Municipality has proposed, and FSHC has agreed to, an adjustment of the former Borough's Prior Round RDP to 223, discussed in more detail below, leaving a Prior Round Unmet Need of 88. The Municipality and FSHC have agreed to a recategorization of this Unmet Need obligation of 88 as an additional firm obligation, to be satisfied in the Fourth Round, giving the Municipality the flexibility to determine the best locations in which to develop new affordable housing. Thus the total combined Prospective Need obligation to be satisfied in the Fourth Round is 276+88=364.

By making this change, the Municipality removes the now-artificial distinction between the lands of the former Borough and the lands of the former Township, removes the restriction on how and where the Municipality can generate new affordable units to satisfy a prospective need obligation, and removes the burden of an unfulfilled obligation determined more than 20 years ago. Converting the Unmet Need to an affirmative obligation provides the Municipality with the freedom to plan growth where it is most appropriate, and where it aligns best with the goals of the Master Plan.

Rehabilitation Obligation

The amended FHA defines present need as "the number of substandard existing deficient housing units currently occupied by low- and moderate-income (LMI) households" and deficient housing unit as "housing that (1) is over fifty years old and overcrowded, (2) lacks complete plumbing, or (3) lacks complete kitchen facilities." The Municipality's Fourth Round Present Need of 60 was calculated by DCA according to its October 2024 methodology report. The Municipality accepted

DCA's determination of its Fourth Round Present Need obligation by resolution as submitted to the Program/Superior Court with its Fourth Round DJ filing.

Prior Round Obligation

The Prior Round obligation can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation. This period corresponds to the First and Second Rounds of affordable housing. The Third Round Settlement Agreement with FSHC established Princeton's Prior Round obligation as 641 units, a combination of the former Borough's Second Round obligation of 323 units, later recalculated to 311 units, and the former Township's Second Round obligation of 330 units.

The former Borough of Princeton had received Court approval for a Second Round vacant land adjustment, which split its 323-unit Second Round obligation, later adjusted by COAH to 311, into a realistic development potential (RDP) of 100 units, including 88 existing age-restricted units and 12 scattered-site family affordable for-sale units. The remaining Unmet Need was 211 units. Existing overlay ordinances and the affordable housing set-aside in the former Borough had generated 15 affordable units toward Unmet Need by the time of the Settlement Agreement, and one substantial compliance bonus from the Former Township was credited to the former Borough's Unmet Need, increasing the number of units provided in the former Borough to 116 and reducing the Unmet Need to 195. Since the Settlement Agreement was executed, another 15 units have been produced or approved as a result of the inclusionary overlay zones in the former Borough, an error in the Settlement Agreement has been corrected, removing 12 scattered-site affordable family for-sale units from the former Borough's RDP compliance, and a redevelopment plan has been adopted for the former Princeton Theological Seminary site that requires the redevelopment to produce 48 affordable family rental units.

The Municipality's 2019 Settlement Agreement requires that any excess Third Round units produced within the bounds of the former Borough via redevelopment or via the Municipality's affordable housing overlay ordinances must first go toward satisfying the former Borough's Unmet Need of 195 before they can satisfy any future obligation. The additional units generated since the Settlement Agreement was executed increase the former Borough's RDP and provide the opportunity for applicable bonuses, thus establishing an amended Prior Round RDP for the former Borough of 223, leaving an Unmet Need of 88. To remove the restriction on how units generated in the former Borough must be allocated and allow the Municipality to plan for affordable housing in ways that best conform to smart growth principles and to the goals set forth in the Municipality's 2023 Master Plan, the Municipality and FSHC have agreed that the Municipality will convert the remaining former Borough's Unmet Need of 88 to an additional firm obligation, to be satisfied in the Fourth Round, in addition to the Municipality's Fourth Round prospective need obligation of 276.

Third Round Obligation

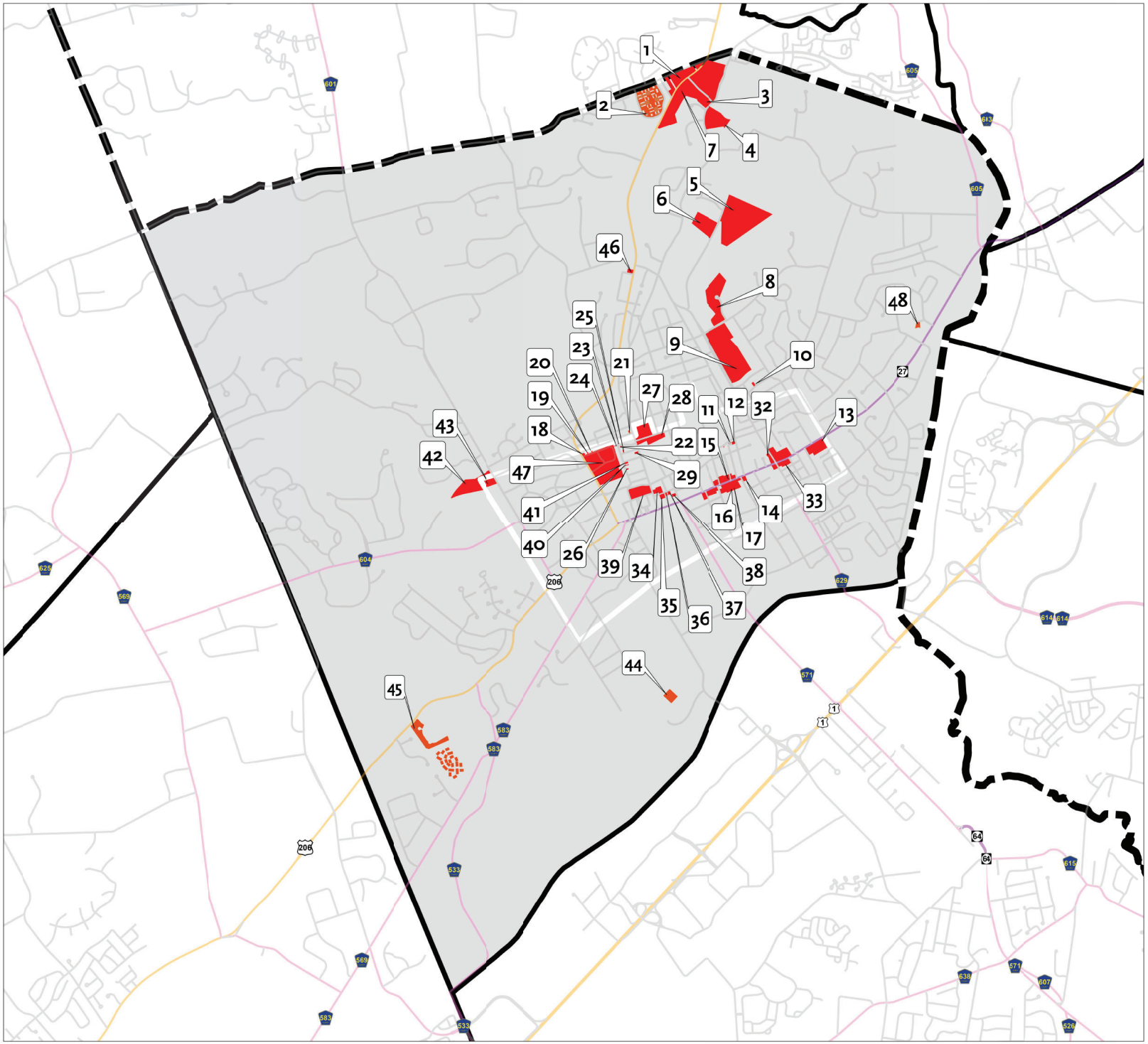
The Third Round encompasses the years 1999 through 2025. As established by the trial court in the Opinion and Order entered by the Honorable Mary C. Jacobson, A.J.S.C. on March 8, 2018, in the consolidated methodology trial for Princeton and West Windsor Township and set forth in the

Municipality's 2019 Settlement Agreement with FSHC, Princeton's Third Round obligation (1999-2025) was 753 units.

Fourth Round Obligation

In March 2024, the Legislature amended the Fair Housing Act to provide a methodology for calculating rehabilitation and new construction obligations for the Fourth and successive rounds of affordable housing in New Jersey, and directed the state Department of Community Affairs (NJDCA) to promulgate municipal obligations pursuant to those calculations by mid-October of the year prior to the start of each round. The law stressed that these calculations were to be considered advisory, not binding, and a municipality could stipulate to a different obligation as long as it followed the methodology set forth in the law.

Princeton stipulated to the NJDCA calculations, which assigned the Municipality a Rehabilitation obligation of 60 units and a New Construction obligation of 276 units. In addition, as discussed above, by agreement with Fair Share Housing Center, the Municipality agreed to bring its remaining Prior Round Unmet Need obligation of 88 from the former Borough forward as an additional affirmative obligation, for a total combined obligation of 364 to be satisfied during the Fourth Round. This provides several advantages to Princeton, as discussed previously, in terms of adapting the mechanisms used to fulfill the obligation to the context and character of the Municipality.



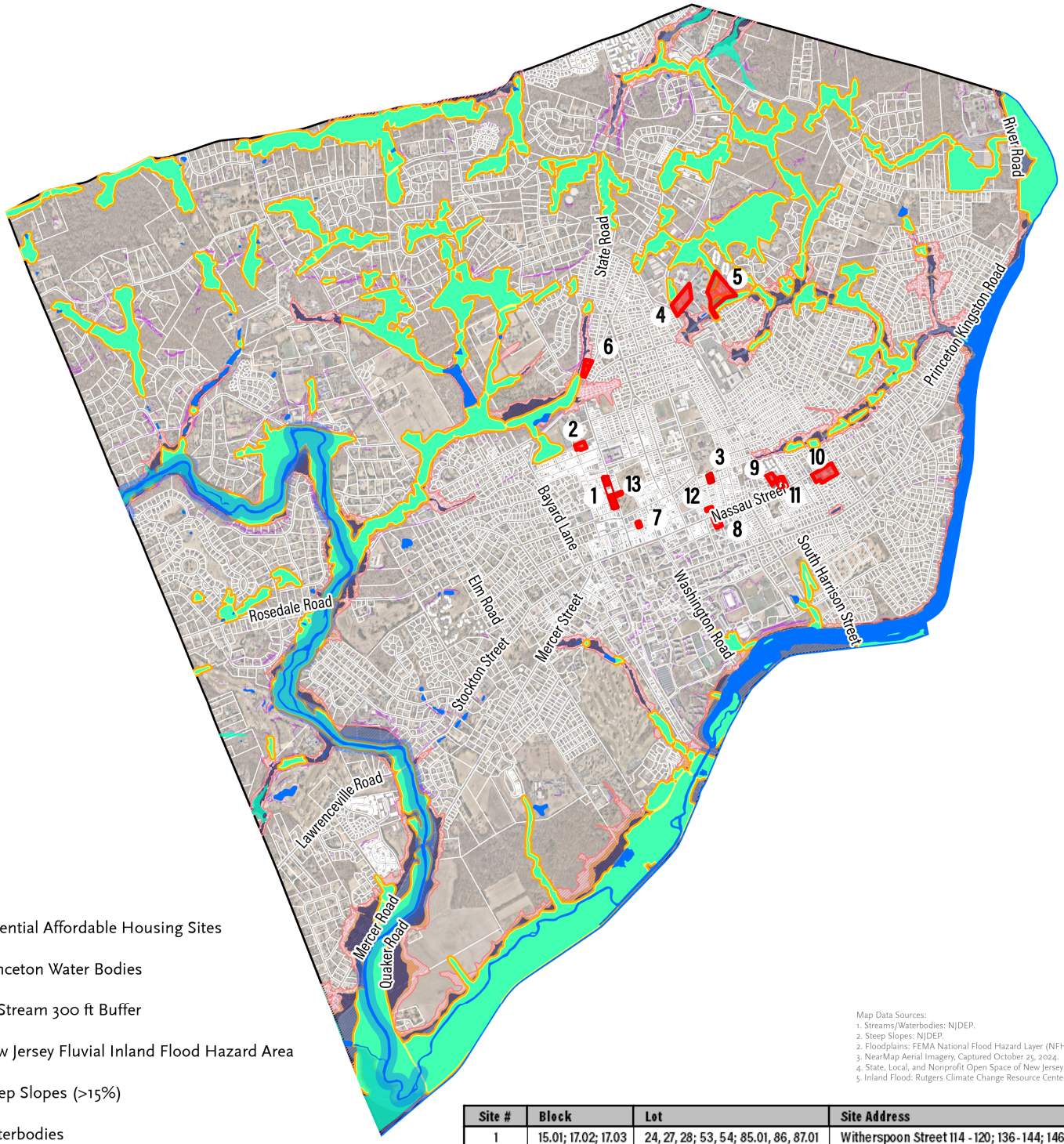
Third Round Affordable Housing Sites

2025 Housing Element & Fair Share Plan

LOCATION:
Princetion, Mercer County, New Jersey

Site #	Site Name
1	Northern S-2 Zoning District
2	Griggs Farm
3	900 Herrontown Road
4	Acorn Glen
5	Princeton Community Village
6	Cooperwood
7	801 State Road
8	Thanet Road: Avalon Bay
9	Princeton Shopping Center and Terhune & Harrison
10	Community Options
11	Hamilton Avenue
12	76-1/2 Linden Inc. Catholic Ch.
13	AHO-3
14	Princeton International Properties
15	AHO-1
16	The Princewood
17	255 Nassau Corp./Carnevale
18	135 Baynard Ln.
19	114 Leigh Ave.
20	100-104 Leigh Ave.
21	7 Leigh Ave .
22	John & Clay Streets
23	52 Leigh Ave.
24	246 John St.
25	Lytle St.
26	159 John St.
27	Avalon Bay Witherspoon St.
28	Franklin Ave. & Maple Terr.
29	190-198 Witherspoon St.
30	MacLean St.
31	Shirley Ct.
32	24 N. Harrison St.
33	AHO-2
34	Witherspoon Phase I
35	Witherspppon Phase II
36	41 Spring St.
37	45 Spring St.
38	12-14 Vandeventer Ave
39	Palmer Sq. Hulfish North
40	171 John Street
41	Princeton Maclean, LLC
42	Harriet Bryan House
43	Elm Court
44	West Drive/Kairn Court
45	White Farms/ Calton Homes Washington Court
46	Youth Consultation Services
47	Merwick/Stanworth
48	CIFA II, LLC.

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture



- Potential Affordable Housing Sites
- Princeton Water Bodies
- C1 Stream 300 ft Buffer
- New Jersey Fluvial Inland Flood Hazard Area
- Steep Slopes (>15%)
- Waterbodies
- Wetlands
- Regulatory Floodway
- 100-Year Floodplain (1 Percent Annual Chance of Flood)
- 500-Year Floodplain (0.2 Percent Annual Chance of Flood)
- 50 ft' Wetlands Buffer

Map Data Sources:
1. Streams/Waterbodies: NJDEP.
2. Steep Slopes: NJDEP.
2. Floodplains: FEMA National Flood Hazard Layer (NFHL).
3. NearMap Aerial Imagery, Captured October 25, 2024.
4. State, Local, and Nonprofit Open Space of New Jersey (NJDEP).
5. Inland Flood: Rutgers Climate Change Resource Center (NJ Adapt)

Site #	Block	Lot	Site Address
1	15.01; 17.02; 17.03	24, 27, 28; 53, 54; 85.01, 86, 87.01	Witherspoon Street 114 - 120; 136 - 144; 146 - 150
2	6902	29	303 John Street
3	30.03	64; 100	86-88, 92-94-96 Spruce Street
4	5502	2	457 North Harrison Street
5	5502	5	29 Thanet Circle
6	7004	1, 2	11 State Road/33 State Road/60 Mt. Lucas Road
7	27.02	47, 49	32 Spring; 40 - 42 North Tulane Street
8	48.01	5, 18	245-247 Nassau Street
9	32.01	167	27 North Harrison Street
10	56.03	170	457 Nassau Street
11	32.01	1, 222, 223	360, 354, Nassau Street, 11 N. Harrison Street
12	30.02	39.01, 39.02	13 Chestnut Street
13	24.01	3	145 Witherspoon

0 5,000 Feet

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

Fourth Round Housing Plan & Fair Share Element

Affordable Housing Sites

LOCATION:
Princeton, Mercer County, NJ

DATE:
June 2025

PRINCETON'S FOURTH ROUND AFFORDABLE HOUSING PLAN

Satisfaction of the Rehabilitation Obligation

Princeton's rehabilitation obligation is 60 units. Princeton will meet this obligation through an agreement with Princeton Housing Authority for the rehabilitation of at least 60 of PHA's existing units. In addition, it will continue to offer its local rehabilitation program for both rental and for-sale housing, administered by the Princeton Affordable Housing Office in conformance with *N.J.A.C.* 5:93-5.2. (See Appendix C for the rehabilitation program manual.)

All rehabilitated units will comply with the definition of a substandard unit in *N.J.A.C.* 5:93-5.2(b), which states, *"a unit with health and safety code violations that require the repair or replacement of a major system."* Major systems include weatherization, roofing, plumbing, heating electricity, sanitary plumbing, lead paint abatement and/or load bearing structural systems. All rehabilitated units will meet the applicable construction code. All rehabilitated units will be occupied by low- or moderate-income households, will have a lien placed on the property in the amount of the cost of the rehabilitation work, and any rental units rehabilitated through the Municipality's program will be subject to 10-year affordability controls, to be placed on the property in the form of a deed restriction.

All rehabilitations will have an average hard cost of at least $10,000. The Municipality's Fourth Round Spending Plan (see Appendix U) allocates $600,000 toward rehabilitation of PHA units, and $367,500 toward its municipal rehabilitation program.

Satisfaction of the Prior Round Obligation

Because Princeton as a Municipality has no COAH-calculated Prior Round obligation, its obligation was established in the Settlement Agreement by combining the separate Prior Round obligations of the former Borough and the former Township. Tables 21 and 22, below, detail each former municipality's Prior Round obligations, with the status of each compliance mechanism as of spring 2025.

TABLE 21. FORMER BOROUGH OF PRINCETON 100-UNIT PRIOR ROUND RDP COMPLIANCE MECHANISMS

Mechanism	Rental	For Sale	Family	Senior	Affordable Units	Rental Bonuses	Total Credits
Prior Cycle Credits							
Elm Court (Block 1.01 Lot 4.01) – age-restricted affordable rentals	X			X	88		88
Family Affordable For-Sale – Existing							
John and Clay Streets (Block 15.02, Lots 106.02, 106.03, 106.04; Block 15.03, Lots 49.02, 49.04)		X	X		5		5

TABLE 21. FORMER BOROUGH OF PRINCETON 100-UNIT PRIOR ROUND RDP COMPLIANCE MECHANISMS							
Mechanism	Rental	For Sale	Family	Senior	Affordable Units	Rental Bonuses	Total Credits
Hamilton Avenue (Block 33.04, Lots 1.16, 1.15, 1.11, 1.10, 1.06, 1.04)		X	X		6		6
171 John Street (Block 17.03, Lot 71)		X	X		1		1
Inclusionary Developments – Existing and Completed							
The Princewood (Block 48.01, Lot 6)	X		X		1		1
Princeton International Properties (Block 51.02, Lot 46)	X		X		1		1
41 Spring Street (Block 27.04, Lot 18)	X		X		2		2
Shirley Court (Block 24.01, Lot 15)	2	3	X		5		5
Maclean Street (Block 17.03, Lots 116.0104, 116.0103, 116.0101)		X	X		3		3
Palmer Square/Hulfish North (Block 20.04, Lot 1)	X		X		2		2
45-47 Spring Street (Block 27.04, Lot 20)	X		X		1		1
Total					**115**		**115**
Substantial Compliance Bonus from Former Township							**1**
Less RDP							**-100**
Surplus to be applied to Unmet Need							**16**
Remaining Unmet Need (223 less COAH adjustment of 12 less surplus of 16)							**195**

TABLE 22. FORMER TOWNSHIP OF PRINCETON 330-UNIT PRIOR ROUND COMPLIANCE MECHANISMS							
Mechanism	Rental	For Sale	Family	Senior	Affordable Units	Rental Bonuses	Total Credits
Regional Contribution Agreement – Completed							
City of Trenton					23		23
Alternative Living Arrangements – Existing							

TABLE 22. FORMER TOWNSHIP OF PRINCETON 330-UNIT PRIOR ROUND COMPLIANCE MECHANISMS							
Mechanism	Rental	For Sale	Family	Senior	Affordable Units	Rental Bonuses	Total Credits
CIFA II, LLC / SERV (Block 4701, Lot 28)*	X				2+2	2	4+2
100% Affordable For-Sale – Existing							
7 Leigh Avenue (Block 6905, Lot 21)		X	X		1		1
Inclusionary Developments – Existing							
Griggs Farm (Block 802, Lot 1)		X	X		70		70
Washington Oaks (Block 9701, Lots 2 through 74 and Block 9702, Lots 2 through 45)		X	X		60		60
100% Affordable Rentals – Existing							
Griggs Farm (Block 802, Lot 1)	X		X		70	70	140
Karin Court (Block 111301, Lot 1.02)	X		X		16	11; cap	27
Total					**242+2**	**83**	**325+2**
Substantial Compliance Bonus							**6**
Total							**331+2**
Less Prior Round Obligation							**-330**
Surplus							**1+2**

* Originally claimed for two bedrooms. Facility has provided documentation that there are four client bedrooms, generating an additional surplus of two credits, to be carried forward into the Third Round.

Former Princeton Borough's Amended Prior Round RDP

The former Borough had a Prior Round obligation of 323 units, later recalculated by COAH using the methodology set forth in *N.J.A.C.* 5:97, Appendix C, to 311 units. Through the October 16, 2002, Judgment of Repose, the former Borough received a vacant land adjustment, reducing its obligation to an RDP of 100 units and establishing an unmet need of 211 units. The 100-unit RDP was addressed via 88 existing age-restricted affordable rentals and 12 scattered-site family for-sale units. In addition, an affordable housing overlay zone required as part of the former Borough's Second Round Judgment of Repose had generated 15 new affordable units, which were applied to the former Borough's Unmet Need. The recalculation, the 15 units from the overlay zone, and one substantial compliance bonus from the former Township, reduced the Borough's unmet need to 195 units (211-16).

Since the Municipality's 2020 HEFSP was adopted, the inclusionary overlay zones and the mandatory affordable housing set-aside in the former Borough have produced another 15 new

affordable units, a redevelopment plan has been adopted for the former Princeton Theological Seminary site that requires the provision of 48 affordable family rental units, and an error in the original Settlement Agreement has been corrected, removing the 12 scattered-site family for-sale units from Prior Round RDP compliance. When the net 51 new units are added to the former Borough's existing 116 units, and when permissible bonuses are applied, the former Borough's RDP increases to 223, leaving an unfulfilled Unmet Need of 88. See Table 23. Through negotiation with FSHC, the Municipality has agreed to recategorize the former Borough's unfulfilled Unmet Need of 88 as an affirmative obligation, which the Municipality will satisfy during the Fourth Round in addition to satisfying its Fourth Round obligation of 276. This provides the Municipality the flexibility to satisfy its affordable housing obligation in smart-growth locations near transit and amenities.

TABLE 23. FORMER BOROUGH OF PRINCETON ADJUSTED 223-UNIT PRIOR ROUND RDP COMPLIANCE MECHANISMS

Mechanism	Rental	For Sale	Family	Senior	Affordable Units	Rental Bonuses	Total Credits
Prior Cycle Credits							
Elm Court (Block 1.01 Lot 4.01) – age-restricted affordable rentals	X			X	88		88
Inclusionary Developments – Existing and Completed							
The Princewood (Block 48.01, Lot 6), from Unmet Need	X		X		1	1, new	2
Princeton International Properties (Block 51.02, Lot 46), from Unmet Need	X		X		1	1, new	2
41 Spring Street (Block 27.04, Lot 18), from Unmet Need	X		X		2	2, new	4
Shirley Court (Block 24.01, Lot 15), from Unmet Need	2	3	X		5	2, new	7
Maclean Street (Block 17.03, Lots 116.0104, 116.0103, 116.0101), from Unmet Need		X	X		3		3
Palmer Square/Hulfish North (Block 20.04, Lot 1), from Unmet Need	X		X		2	2, new	4
45-47 Spring Street (Block 27.04, Lot 20), from Unmet Need	X		X		1	1, new	2
108 Stockton Street (Block 36.01, Lots 15, 16, 17; Block 35.01, Lots 25, 26), new	X		X		48	48	96
10 Lincoln Court (Block 27.04, Lots 17, 70), new	X		X		2		2
21 Wiggins (Block 27.02, Lot 78), new	X		X		4	3, cap	7

TABLE 23. FORMER BOROUGH OF PRINCETON ADJUSTED 223-UNIT PRIOR ROUND RDP COMPLIANCE MECHANISMS							
Mechanism	Rental	For Sale	Family	Senior	Affordable Units	Rental Bonuses	Total Credits
195 Nassau (Block 47.01, Lot 23), new	X		X		9		9
Total					**166**	**56**	**222**
Substantial Compliance Bonus from Former Township							**1**
Less RDP							**-100**
Surplus to be applied to Unmet Need							**123**
Remaining Unmet Need (223 less COAH adjustment of 12 less surplus)							**88**

The status of each of the former Borough's Prior Round RDP compliance mechanisms is discussed below. All crediting documentation has been provided as part of the Municipality's Third Round Housing Element and Fair Share Plan, and has been approved by the Court. It is available for inspection upon request.

100% AFFORDABLE HOUSING PROJECTS

Elm Court

Elm Court (Block 101, Lots 3 and 4) was built in 1984 under the HUD Section 202 program by Princeton Community Housing Inc. The project was built on a site that straddles the former Princeton Borough and former Princeton Township boundary. All 88 low-income, age-restricted rentals are in the former Borough, while open space and stormwater facilities are in the former Township. Of the 88 total affordable units, nine are handicapped-accessible. The project is owned and managed by Princeton Community Housing. The project was refinanced in 2016 with perpetual controls.

INCLUSIONARY REDEVELOPMENT

Princeton International Properties/291-293 Nassau Street

This site, at Block 51.02, Lot 46, contains seven family rentals, of which one is a moderate-income rental unit. It has 30-year affordability controls, first imposed in 2011. It is administered by Princeton Community Housing.

41 Spring Street

There are 22 rental units on this site, Block 27.04, Lot 18, of which two are family affordable rentals, generated by the former Borough's mandatory inclusionary overlay ordinance. They received their initial certificates of occupancy in 1997, but were not deed-restricted until 2009, when 30-year

affordability controls were imposed. The units are administered by Princeton Community Housing.

47 Spring Street

This site, Block 27.04, Lot 20, is the former site of Nelson Glass. It was approved in 2018 for six residential units above a ground-floor commercial use. The units received their certificates of occupancy in 2023, and one of the six units is deed-restricted as a two-bedroom, low-income unit. Princeton Community Housing administers the unit.

Mary Louise Stephenson Burton Condominiums/Shirley Court

There are a total of six units on the Shirley Court site (Block 24.01, Lots 12, 13, and 15), of which five are family affordable units. All the units were completed in 2001. Originally, only three units were designated as family affordable units, of which one was a low-income for-sale unit and two were moderate-income for-sale units. In 2012, the former Borough bought two of the remaining units and sold them to Princeton Community Housing, which converted them into two moderate-income rental units. All six units are now called the Mary Louise Stephenson Burton Condominiums. Both the for-sale units and the rental units have 99-year deed restrictions.

Maclean Street

Maclean Street (Block 17.03, Lots 116.0104, 116.0103, and 116.0101) contains six family for-sale units known as the Kathleen M. Edwards Condominiums, of which three are affordable family units. Two are low-income units and one is a moderate-income unit. They were completed in 2001, and have 99-year deed restrictions. Princeton Affordable Housing administers the units.

Palmer Square/Hulfish North

Hulfish North (Block 20.04, Lot 1) contains 100 total units, of which 10 are affordable family rental units. However, eight of the affordable units have only 20-year deed restrictions, and so are not UHAC-compliant. Of the two creditworthy units, one is low-income and the other is moderate-income. Pursuant to the Settlement Agreement with FSHC, the Municipality is seeking credit for only two units. Deed restrictions on those units were imposed in 2008 and 2010, and Princeton Community Housing administers them.

10 Lincoln Court (completed)

This property, comprising Block 27.04, Lots 17, 22, 23 and 70, received Zoning Board approval in 2023 to demolish an existing vacant residential building on lots 17 and 70, both located in the Central Business District, and to construct in its place a three-story, 10-unit multi-family building. Pursuant to the Municipality's mandatory inclusionary set-aside ordinance, two of the units were required to be affordable, and the approvals specify that one affordable unit would be a three-bedroom low-income unit and the other a two-bedroom moderate-income unit. A deed restriction of at least 30 years on the units was recorded in 2023, and Princeton Community Housing administers them.

195 Nassau Street (under construction)

This project, on Block 47.01, lot 23, took advantage of the provisions of the AHO-1 inclusionary overlay ordinance, and is producing a total of 45 units, of which nine will be affordable. It is currently under construction. The units will have deed restrictions of at least 30 years, and CGP&H, the Municipality's Administrative Agent, will affirmatively market and administer them.

21 Wiggins Street (approved)

A total of 19 units, of which four will be designated as affordable, and commercial space was approved for this site, Block 27.02, lot 42, pursuant to the provisions of the AHO-1 inclusionary overlay zone. The units will have deed restrictions of at least 30 years, and will be administered by CGP&H.

108 Stockton Street (adopted redevelopment plan)

The parcels included in this redevelopment area – Block 35.01, lots 25 and 26, and Block 36.01, lots 15, 16, and 17 – are located along Stockton Street (State Route 206) on both sides of Hibben Road, northwest of and apart from the main Princeton Theological Seminary campus. As the Seminary has consolidated its land holdings in recent years, it has reduced its use of these properties, and five of the six properties have been cleared and reassessed as vacant. In 2018 they were declared an area in need of redevelopment, and in 2024 a redevelopment plan for some, but not all, of the lots included in the redevelopment area was adopted. The Redevelopment Plan allows for a total of up to 238 dwelling units, 20% of which (48 units) must be affordable. (See Appendix D.)

Applicable rules at *N.J.A.C.* 5:93-1.3 and *N.J.A.C.* 5:93-5.3 for inclusionary development are addressed as follows:

- Site Control – There is a contract purchaser for the lots included in the redevelopment plan, who has been designated as the redeveloper. Neither the purchaser nor the Municipality is aware of any title encumbrances that would preclude the contemplated development.
- Suitable Site – The site is suitable as defined in COAH's regulations at *N.J.A.C.* 5:93-1.3, which indicates that a suitable site is one in which it is adjacent to compatible uses, has access to appropriate streets and is consistent with environmental policies in *N.J.A.C.* 5:93-4.
    - *The site is adjacent to compatible land uses and has access to appropriate streets*. The site fronts on Route 206 to the northwest, and is surrounded by residential uses to the northeast, southeast, and southwest. There are residential uses across Route 206 to the northwest.
    - *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, *N.J.A.C.* 5:21-1 *et seq*.
    - *The site is located in a Smart Growth planning Area*. The property is located in Planning Area 2 (PA2), the Suburban Planning Area, of the State Development and Redevelopment Plan. The intent of the Suburban Planning Area is to provide for much of the state's future development in a compact form and is the preferred location for affordable housing development.
    - *The development is not within the jurisdiction of a regional planning agency or CAFRA*. The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.

- *The site will comply with all applicable environmental regulations*. There are no wetlands, floodplains, steep slopes, or Category One streams on the property.
- *The site will not affect any historic or architecturally important sites and districts*. The Redevelopment Plan was carefully crafted to step back and stay away from any historic district and historic properties on or near the site. There is a single-family residence on Block 36,01, lot 15, that is part of the Mercer Hill Historic District, which will be preserved as part of the redevelopment. There are no other historic or architecturally important sites or buildings on the property or in the immediate vicinity that will affect the development of the affordable housing.

- Developable Site – In accordance with *N.J.A.C.* 5:93-1.3, a developable site has access to appropriate sewer and water infrastructure and is consistent with the area-wide water quality management plan. The site is within the Municipality's sewer service area, and is served by the Municipality's water purveyor.
- Approvable Site – Pursuant to *N.J.A.C.* 5:93-1.3, an approvable site may be developed for low- and moderate-income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. The Municipality has adopted a redevelopment plan for the site that permits inclusionary multi-family development with a 20% affordable housing set-aside.

Former Princeton Borough's Amended Prior Round Unmet Need

As previously indicated, unmet need is the difference between the former Borough's RDP, amended to 223, and its 311-unit Prior Round obligation, or 88 units.

For the reasons set forth above, the Municipality and FSHC have agreed to convert the former Borough's 88-unit Prior Round unmet need into an affirmative obligation, to be satisfied during the 10-year Fourth Round period in addition to the Municipality's Fourth Round prospective need obligation. The mechanisms the Municipality intends to use to satisfy both obligations are discussed below under Princeton's Fourth Round Obligation.

During the Third Round compliance phase, Princeton adopted three area-specific inclusionary overlay ordinances and a Municipality-wide mandatory set-aside ordinance to help satisfy Unmet Need. Those ordinances are summarized below. Some will remain in place, including the mandatory set-aside ordinance, and some will be rescinded in place of firm zoning to enable proposed inclusionary or 100% affordable residential development proposed for some or all of the included blocks and lots.

MANDATORY INCLUSIONARY OVERLAY ZONING

N.JA.C. 5:97-5.1 (c) and (d) (a) states that a vacant land adjustment that was granted as part of a First or Second Round judgment of compliance continues to be valid provided a municipality has implemented all of the terms of the judgment of compliance ordered by the Court. The former Borough adopted and maintained a Borough-wide mandatory set-aside overlay zone that had been required by the Court as an unmet need compliance mechanism. This overlay zone requires either

a 20% affordable housing set-aside in any zoning district for development of a multi-family dwelling or joint occupancy building with five or more dwelling units, or a cash contribution to the former Borough's trust fund for affordable housing.

Updated Affordable Housing Mandatory Inclusionary Set-Aside Ordinance

As part of its Third Round compliance plan, Princeton amended the affordable housing mandatory inclusionary set-aside ordinance originally enacted by the former Borough and applied the updated requirements to the entire consolidated Municipality. The amended ordinance, which continues to remain in effect, requires an on-site affordable housing set-aside of 20% for all new multi-family residential developments of five or more additional units that are developed at a density of six or more units per acre, which become permissible through a use variance, a density variance increasing the permissible density at the site, a rezoning permitting multi-family residential housing where not previously permitted, or a new or amended redevelopment plan or a new or amended rehabilitation plan. (See Appendix R for the new ordinance.)

The amended ordinance does not apply to student housing, defined to mean

> *"Non-profit housing owned and operated by an accredited academic institution for full-time undergraduate and graduate students who are currently registered and enrolled in a degree-granting program at same academic institution located within the Municipality of Princeton."*

The amended ordinance does not give any developer the right to such rezoning, variance, redevelopment designation or redevelopment or rehabilitation plan approval, or any other such relief, or establish any obligation on the part of the Municipality to grant such rezoning, variance, redevelopment designation, redevelopment or rehabilitation plan approval, or such other or further relief.

The provisions of the amended ordinance do not apply to those sites zoned for inclusionary residential development or for which an inclusionary residential redevelopment plan has been adopted.

No site is permitted to be subdivided so as to avoid compliance with this requirement. Additionally, the amended ordinance will no longer permit a payment in lieu of construction of the required affordable housing unit(s).

Additional Overlay Zones

In addition to updating the existing affordable housing overlay ordinance to apply Municipality-wide, Princeton enacted three new area-specific overlay zones specifically to address the former Borough's unmet need, known as AHO-1, AHO-2, and AHO-3, to incentivize inclusionary and mixed-use redevelopment with a required affordable housing set-aside. Princeton also enacted AHO-4 in the former Township's S-2 service zone to encourage mixed use development, AHO-5 to facilitate the Redevelopment of the Shopping Center, AHO-6 to incentivize the redevelopment of the two separately-owned properties on Franklin Avenue as a single project, and AHO-7 modeled on AHO-1, -2, & -3 to accomplish similar goals. AHO-2 will be modified in the fourth round to carve out properties in the Jugtown Historic District and create an additional overlay AHO-8 with

distinct bulk standards compatible with the affected historic properties. AHO-3 will be modified to more closely reflect the development plans of the owner. AHO-4, which has generated no units to date will be modified to further encourage mixed-use development. AHO-5 is no longer needed and will be eliminated. AHO-6 may need to be modified to facilitate the proposed development.

Former Princeton Township's Prior Round Obligation

The former Township had a Prior Round obligation of 330 units, which it satisfied with credits from group home bedrooms, affordable family rental and for-sale units, a Regional Contribution Agreement with the City of Trenton, and a substantial compliance bonus. These mechanisms generated one excess credit acknowledged in the Settlement Agreement, plus two newly discovered additional credits from an updated bedroom count at one special-needs facility, as discussed below. Pursuant to the terms of the Court-approved Settlement Agreement between the Municipality and FSHC, the excess credit identified at the time was applied to the former Borough's unmet need. The additional two excess credits are being applied to the Municipality's Third Round obligation.

REGIONAL CONTRIBUTION AGREEMENT

The former Township of Princeton entered into, and COAH approved, a 23-unit RCA with the City of Trenton. The former Township completed all RCA payments, and claimed 23 credits toward its Prior Round obligation.

100% AFFORDABLE HOUSING PROJECTS

7 Leigh Avenue

In 1990 the former Township purchased the single-family home at 7 Leigh Avenue (Block 6905, Lot 21) out of foreclosure, reconstructed it, and sold it to a moderate-income household. Ninety-nine-year affordability controls were imposed in 1992. The former Township claimed one credit toward its Prior Round obligation.

West Drive/Karin Court

Karin Court (Block 11301, Lot 1.02) includes 16 very low-income rental units, completed in 1999 with 30-year affordability controls. The project was built on land donated by Princeton University, and funded with Low Income Housing Tax Credits. It is owned and administered by the Princeton Housing Authority. The former Township claimed 16 credits, plus 11 rental bonuses, bringing it to the maximum number of bonuses permitted, toward satisfaction of its Prior Round obligation.

MIXED-INCOME DEVELOPMENT

Griggs Farm

Griggs Farm (Block 802, Lot 1) contains 70 moderate-income for-sale units and 70 low-income rental units. The units were funded with Federal Low Income Tax Credits and a New Jersey Department of Community Affairs grant. They received their certificates of occupancy between 1990 and 1999. The rental units are owned and managed by Princeton Community Housing and have 99-year affordability restrictions; resales are handled by Princeton Affordable Housing. The

former Township claimed 140 credits and 70 rental bonuses for these units, for a total of 210 credits toward its Prior Round obligation.

White Farm/Calton Homes/Washington Oaks

Washington Oaks is an inclusionary for-sale development (Block 9701, Lots 2 through 74 and Block 9702, Lots 2 through 45). It contains 36 low-income and 24 moderate-income units, completed in 1993. All have 99-year affordability controls. Resales are managed by Princeton Affordable Housing.

ALTERNATIVE LIVING ARRANGEMENTS

CIFA II, LLC/SERV

SERV owns and administers a group home at 16 Gulick Road (Block 4701, Lot 28), through a subsidiary, the Center for Innovative Family Achievement. The home was purchased with funds from the HUD Section 811 program. It opened in 1994, and has a 40-year deed restriction. The former Township claimed two credits (credit is by the bedroom) and two rental bonuses for the facility, but documentation from SERV indicates that the facility has always had four bedrooms. Adding the two additional bedrooms provides another two surplus units from the former Township's Prior Round compliance plan. The Municipality will apply these two surplus credits to its Third Round compliance plan.

Formula Obligations Applicable to the Prior Round

In addition to satisfying the total obligation, the former Township was required to adhere to a minimum rental obligation and maximum number of age-restricted units. It included 90 rental units and no age-restricted units among its compliance mechanisms, thus complying with both obligations. In addition, in accordance with requirements, it claimed the maximum permitted 83 rental bonuses.

As part of the amended RDP for the former Borough, the Municipality will voluntarily agree to the same formula obligations. Based on its RDP of 223, it was required to provide at least 56 rental units and no more than 55 age-restricted units. It was also entitled to claim 56 rental bonus credits.

With 88 age-restricted units out of an amended RDP of 223, the former Borough exceeds its Prior Round age-restricted maximum. However, when its 88 age-restricted units are added to the former Township's age-restricted total of 0, the combined Municipality provides fewer than the permitted maximum number of age-restricted units.

The combined credit summary is below.

TABLE 24. FORMER BOROUGH AND FORMER TOWNSHIP PRIOR ROUND CREDIT SUMMARY

	Required/ Permitted	Provided
Prior Round Total Credits	553	553
Prior Round Minimum Rental	139	248

Prior Round Age-Restricted Maximum	142	88
Prior Round Rental Bonuses	139	139

Satisfaction of the Municipality's Third Round Obligation

Pusuant to the Court's March 8, 2018, Opinion and Order, Princeton's Third Round obligation (1999-2025) is 753 units.

In addition to satisfying the total obligation, the Municipality must also adhere to a minimum rental obligation, minimum family rental obligation, a maximum number of age-restricted units, a minimum very low-income requirement, and a minimum number of family very-low income units.

As demonstrated in Table 25 and pursuant to the terms of the Settlement Agreement, the Municipality proposed to satisfy its Third Round obligation with completed and approved inclusionary development, completed 100% affordable age-restricted rentals, completed assisted-living units, completed group homes, proposed municipally sponsored 100% affordable development, and inclusionary rezoning. These mechanisms were acknowledged in the Settlement Agreement to provide a 25-credit surplus that could be applied to a future round. With eight fewer group home bedrooms, noted in the table below (the remaining eight are being moved to the Fourth Round), this compliance plan provided a net 17-credit surplus to be carried forward to the Fourth Round.

Since the Municipality's Third Round HEFSP was adopted in 2020, it has generated an additional 25 completed, approved or proposed units in the lands of the former Township, all of which are surplus to the Third Round obligation and will be carried forward into the Fourth Round. In addition, the Municipality is claiming the two surplus credits from the CIFA II/SERV group home. These units are all indicated in the table below with a + sign. These 27 credits plus the net 17 credits acknowledged in the Settlement Agreement provide a total of 44 surplus Third Round credits the Municipality can apply to its Fourth Round obligation.

The status of each compliance mechanism as of 2025 is summarized in Table 25 and discussed below. All crediting documentation has previously been provided and approved by the Court, and is available for inspection upon request.

TABLE 25. MUNICIPALITY OF PRINCETON 753-UNIT THIRD ROUND GAP AND PROSPECTIVE NEED COMPLIANCE MECHANISMS

Mechanism	Rental	For Sale	Family	Senior	Affordable Units	Rental Bonuses	Total Credits
Township Prior Round Surplus – NEW (from CIFA II special-needs facility)	X				+2		+2
Alternative Living Arrangements – Existing, Completed, Under Construction or Proposed							

TABLE 25. MUNICIPALITY OF PRINCETON 753-UNIT THIRD ROUND GAP AND PROSPECTIVE NEED COMPLIANCE MECHANISMS							
Mechanism	Rental	For Sale	Family	Senior	Affordable Units	Rental Bonuses	Total Credits
Community Options – 24 N. Harrison Street (Block 34.01, Lot 15)	X				4	4	8
Catholic Charities -- 76½ Linden Lane (Block 33.04, Lot 104)	X				3		3
Community Options—24 Dorann Avenue (Block 7308, Lot 20)	X				4	4	8
Youth Consultation Service—9 Hilltop Drive (Block 5401, Lot 5)	X				4	4	8
AvalonBay Thanet Road (Block 5502, part of Lot 4; 5 units, 3 bedrooms each) – completed	X				15		15
AvalonBay Princeton Shopping Center (Block 7401, Lot 1.01; 4 units, 2 bedrooms each) – under construction	X				8		8
Municipally sponsored group homes (sites to be determined; 4 facilities, 4 bedrooms each) – 8 completed, 8 to be satisfied during Fourth Round	X				16-8		16-8
Inclusionary Development – Existing, Completed, Approved, Under Construction, or Proposed							
Witherspoon Phase I – 55 Witherspoon Street (Block 27.02, Lot 76) – existing	X		X		2	2	4
Witherspoon Phase II – 25 Spring Street (Block 27.01, Lots 10, 12, 13, 78) – existing	X		X		10	10	20
114 Leigh Avenue (Block 13.01, Lot 4) – existing		X	X		1		1
190-198 Witherspoon Street (Block 15.01, Lot 25.01) – existing	X		X		2	2	4
12-14 Vandeventer Avenue (Block 27.04, Lot 24) – existing	X		X		1	1	2
Copperwood – 300 Bunn Drive (Block 4301, Lot 3, 4 and Block 4401, Lot 1) – existing	X		X		12		12
Merwick Stanworth (Block 14.01, Lot 2) – existing	X		X		56	56	112
AvalonBay Witherspoon Street (Block 21.02, Lot 1.01 and Block 7101, Lot 12.01) – existing	X		X		56	56	112

TABLE 25. MUNICIPALITY OF PRINCETON 753-UNIT THIRD ROUND GAP AND PROSPECTIVE NEED COMPLIANCE MECHANISMS							
Mechanism	Rental	For Sale	Family	Senior	Affordable Units	Rental Bonuses	Total Credits
255 Nassau Corp./Carnevale (Block 48.01, Lots 7, 8) – existing	X		X		4	4	8
Princeton Maclean, LLC – 30 Maclean (Block 17.03, Lot 73) – completed	X		X		2	2	4
AvalonBay Thanet Road (Block 5502, part of Lot 4) – completed	X		X		6		6
375 Terhune (Block 7401, Lots 4.01 and 4.02) – NEW; approved		X	X		+6		+6
The Alice/Terhune and Harrison (Block 7401, Lot 1.02) – completed	X		X		12+13		12+13
AvalonBay Princeton Shopping Center (Block 7401, Lot 1.01) – completed	X		X		36		36
801 State Road (Block 901, Lot 32 – proposed; NEW			X		+6		+6
Assisted Living – Existing							
Brandywine Living Serenade at Princeton (formerly Acorn Glen; Block 2802, Lot 3) – existing	X			X	5		5
100% Affordable Development – Existing or Completed							
100-104 Leigh Avenue (Block 13.01, Lot 9.01) – existing	X		X		5	5	10
135 Bayard Lane (Block 13.01, Lot 1) -- existing	X		X		4	4	8
Harriet Bryan House – 310 Elm Road (Block 6501, Lot 3.01, 1.01) – existing	X			X	67		67
52 Leigh Avenue (Block 6906, Lot 24) – existing		X	X		2		2
159 John Street (Block 17.03, Lot 68) – existing		X	X		1		1
246 John Street (Block 15.05, Lot 76) – existing	X		X		1	1	2
Habitat for Humanity Lytle Street (Block 15.02, Lots 71.01 and 71.02) – completed		X	X		2		2
Municipally Sponsored 100% Affordable Development – Completed, Under Construction, and Proposed							
Princeton Community Village (Block 4401, Lot 2) – completed	X		X		25		25

TABLE 25. MUNICIPALITY OF PRINCETON 753-UNIT THIRD ROUND GAP AND PROSPECTIVE NEED COMPLIANCE MECHANISMS							
Mechanism	Rental	For Sale	Family	Senior	Affordable Units	Rental Bonuses	Total Credits
AvalonBay/PIRHL Thanet Road Senior (Block 5502, part of Lot 4) – completed	X			X	80		80
900 Herrontown Road/SAVE (Block 901, Lot 21) – under construction	X		X		64		64
Franklin Avenue and Maple Terrace (Block 21.04, Lots 2, 26, 27) – proposed	X		X		80	33; cap	113
Total					**590-8+27 = 609**	**188**	**778-8+27= 797**
Less Third Round Obligation							**-753**
Excess credits							**44**

ALTERNATIVE LIVING ARRANGEMENTS – COMPLETED, UNDER CONSTRUCTION, OR PROPOSED

Community Options/24 North Harrison Street

In 2010, the former Borough purchased the existing single-family detached home at 24 North Harrison Street (Block 34.01, Lot 15) with $400,000 from its affordable housing trust fund, and then deeded the property to Community Options to be used as a four-bedroom group home for very low-income residents. It was renovated and expanded with funds from the state's Special Needs Housing Trust Fund and opened in 2012. Community Options continues to operate it.

Catholic Charities/76½ Linden Lane

76½ Linden Lane (Block 33.04, Lot 104) is an existing three-bedroom low-income alternative living arrangement that was purchased in 1995 with HUD Section 811 funding. The home is under the sponsorship of the Mercer Alliance for the Mentally Ill and is owned by 76½ Linden Lane Inc., part of Catholic Charities of Trenton.

Community Options/24 Dorann Avenue

The four-bedroom group home at 24 Dorann Avenue (Block 7308, Lot 20) is owned and operated by Community Options. The home was acquired in 2017.

Youth Consultation Services/9 Hilltop Drive

The four-bedroom group home at 9 Hilltop Drive (Block 5401, Lot 5) is owned and sponsored by Youth Consultation Services (YCS) in cooperation with Our House, an affiliate of YCS. It was privately developed, in part with a contribution from the Municipality, and received its certificate of occupancy in 2015.

AvalonBay Thanet Road/ARC Mercer – Completed

The adopted Redevelopment Plan for this site provides for 221 total housing units, including 15 special-needs bedrooms in five three-bedroom apartments. The project was completed in 2023, and AvalonBay contracted with The ARC Mercer to be the service provider for the special-needs units.

AvalonBay Princeton Shopping Center – Completed

Princeton reached an agreement with the owner of the Princeton Shopping Center (Block 7401, Lot 1.01) to facilitate the development, via a zoning amendment or the redevelopment process, to provide a density of ±6.9 units per acre over the approximately 29.1-acre site, for the development of 200 family rental units with a 22% affordable housing set-aside (44 affordable family rental units), without significant impact to the existing shopping center. On June 14, 2021, the Municipality adopted a redevelopment plan for the site.

The Municipality's redevelopment agreement with AvalonBay called for 36 affordable family rentals and eight special-needs bedrooms in four two-bedroom units. These eight bedrooms are in

partial satisfaction of the Municipality's commitment, discussed below, to provide 16 special-needs bedrooms as part of Third Round compliance.

Group Homes – proposed

As part of Third Round compliance, Princeton agreed to sponsor and commit funds for group home projects that would provide a total of 16 bedrooms (credit is by the bedroom), including identifying a site or sites and a sponsor or sponsors, and providing funding plans. Eight bedrooms are currently under construction as part of the AvalonBay Princeton Shopping Center development. Due to the effects of the COVID-19 pandemic on the real estate market, acquisition of existing homes for conversion to group home facilities became financially infeasible; however, the Municipality is committed to providing the remaining eight bedrooms during the Fourth Round as soon as an opportunity becomes available. Princeton allocated funds in its Third Round Spending Plan for these projects, and will preserve an allocation for the remaining eight units in its Fourth Round Spending Plan.

INCLUSIONARY DEVELOPMENT – COMPLETED, UNDER CONSTRUCTION, OR PROPOSED

Witherspoon Phase I

The Downtown Redevelopment Project Phase I (Block 27.02, Lot 76) known as Witherspoon House, at 55 Witherspoon Street, contains a total of 24 units, including two moderate-income family rental units. Certificates of occupancy were issued in 2005, and the two rentals have 40-year affordability controls. The Municipality owns the land, and there is a 99-year lease with Nassau HKT, the developer and landlord. Princeton Community Housing administers the units.

Witherspoon Phase II

Spring Street House, located at the corner of Witherspoon Street and Spring Street (25 Spring Street, Block 27.01, Lots 10, 12, 13, and 78), is part of Park Plaza, Phase II of the Downtown Redevelopment Project. The building includes retail and office space on the first floor and rental units above. Of the total 53 rental units, 10 are affordable moderate-income families. Certificates of occupancy were issued in 2010, and the affordable units have 40-year affordability controls. The Municipality owns the land, and has a 99-year lease with Nassau HKT, the developer and landlord. Princeton Community Housing administers the units.

114 Leigh Avenue

The home at 114 Leigh Avenue (Block 13.01, Lot 4) is a gut rehabilitation of a house that had been vacant. A new certificate of occupancy was issued in 2004. The house is a moderate-income for-sale unit that has a 99-year deed restriction. Princeton Affordable Housing administers the unit.

190-198 Witherspoon Street

190-198 Witherspoon Street (Block 15.01, Lot 25.01) contains four rental units, the result of a use variance for a mixed-use renovation. Two of the units are one-bedroom family affordable units. One is affordable to a low-income household and the other one to a moderate-income household.

Certificates of occupancy were issued in 2013, and the units have 30-year affordability controls. Princeton Community Housing administers the units.

12-14 Vandeventer Avenue

12-14 Vandeventer Avenue (Block 27.04, Lot 24) is a three-story double-sided building that has included various combinations of offices and apartments since it first received a use variance in 1983 to convert one ground-floor unit into a professional office. In 2009 the owner received approval to convert the building to four residential units with no office space, and agreed to have one of the units deed-restricted as either an affordable rental unit or an affordable for-sale unit. (The three market-rate units were approved as condominiums.) The affordable unit, a moderate-income one-bedroom family affordable rental on the third floor at 14 Vandeventer Avenue, received its new certificate of occupancy in 2012, at which time 30-year deed restrictions were put in place. Princeton Community Housing administers the unit.

Copperwood

Copperwood (Block 4301, Lot 3, 4 and Block 4401, Lot 1) was originally approved as an inclusionary 153-unit age-restricted rental development, with a 7.6% affordable housing set-aside that would produce 12 one-bedroom affordable units, including four low-income and eight moderate-income units. The developer later got approval to convert the project from age-restricted to family. The units were completed in 2014, and are administered by Piazza & Associates.

Merwick Stanworth

Merwick Stanworth, (Block 14.01, Lot 2) is an inclusionary residential development of 326 units, including 56 affordable family rental units. The market-rate units are available to Princeton University faculty and staff, but the affordable units are affirmatively marketed to the general public, and include five very low-income units, 25 low-income units, and 24 moderate-income units. The property combines land that had previously been occupied by Merwick, a nursing home owned by The Medical Center at Princeton, and land previously occupied by Stanworth, which had provided housing for Princeton University students. The nursing home and student housing were demolished to provide for the new inclusionary development. All of the land is now owned by Princeton University. The project was constructed by American Campus Communities, and the market-rate portion of it is operated by American Campus Communities. Princeton Community Housing is responsible for the leasing of the 56 affordable units.

To meet the required 20% affordable housing set-aside, Princeton University made a payment in lieu of construction to finance nine units off-site – five units at 100-104 Leigh Avenue and four units at 135 Bayard Lane, both discussed below.

AvalonBay Witherspoon Street

The Medical Center at Princeton relocated its facility to a new site in Plainsboro Township. A new residential zone was created for the medical center's former site (Block 21.02, Lot 1) that required a 20% set-aside for affordable housing. The new development on the site, known as Avalon Princeton, has yielded 56 affordable family rental units, composed of eight very low-income units, 21 low-income units, and 27 moderate-income units, out of a total of 280 rental units. Certificates

of occupancy were issued in 2016, and the affordable units are deed-restricted for at least 30 years. CGP&H administers the units.

255 Nassau Corp./Carnevale

255 Nassau Street (Block 48.01, Lots 7 and 8) is a mixed-use project with a bank on the first floor and apartments above. Four of the apartments are affordable family units, including two low-income units and two moderate-income units. Deed restrictions of at least 30 years were first imposed on the units in September 2017. The units are administered by Triad Associates.

Princeton Maclean, LLC

An application to develop 10 residential units at 30 Maclean (Block 17.03, Lot 73) was approved by the Zoning Board of Adjustment in 2016 and extended for one year in 2018. The units were completed in 2023. Of the 10 units, two are deed-restricted as family affordable rentals – one low-income one-bedroom and one moderate-income two-bedroom. Princeton Community Housing administers the units.

Terhune and Harrison/The Alice -- Completed

This formerly vacant site (Block 7401, Lot 1.013) was subdivided from the Princeton Shopping Center site in 1996. It was rezoned as part of the Municipality's AH-5 inclusionary zone, which requires a 20% affordable housing set-aside. A subsequent subdivision of the Shopping Center site and consolidation of an additional 1.395-acre parcel into the subject property increased the carrying capacity of the site. The rezoning also removed the age-restriction requirement in place at the time. While the Municipality anticipated this site would produce 12 affordable family units, it has produced 25, 13 more than anticipated. The extra units will increase the Third Round surplus generated from the lands of the former Township to be applied to the Fourth Round.

AvalonBay Thanet Road – Completed

Princeton used the redevelopment process to provide for an inclusionary rental complex on this property. The adopted redevelopment plan provides for 221 total housing units, including at least six family affordable rental units (one one-bedroom unit, two two-bedroom units, one of which will be a very low-income unit, and three three-bedroom units), and five three-bedroom special-needs apartments, discussed above. The units were completed in 2024, and are administered by CGP&H.

AvalonBay Princeton Shopping Center – Completed

Please see discussion of this site above under Alternative Living Arrangements. The 36 affordable family rental units are administered by CGP&H.

375 Terhune – approved

The owner of this property, 375 Terhune LLC, filed an objection to the Municipality's Settlement Agreement with FSHC, alleging it was not fair to the interests of low- and moderate-income households because it did not present a realistic opportunity for the creation of affordable homes. The objection in part noted a 2018 presentation in which the subject property, Block 7401, lot 4.01, was included as a site that could support the development of 25 residential units, five of which

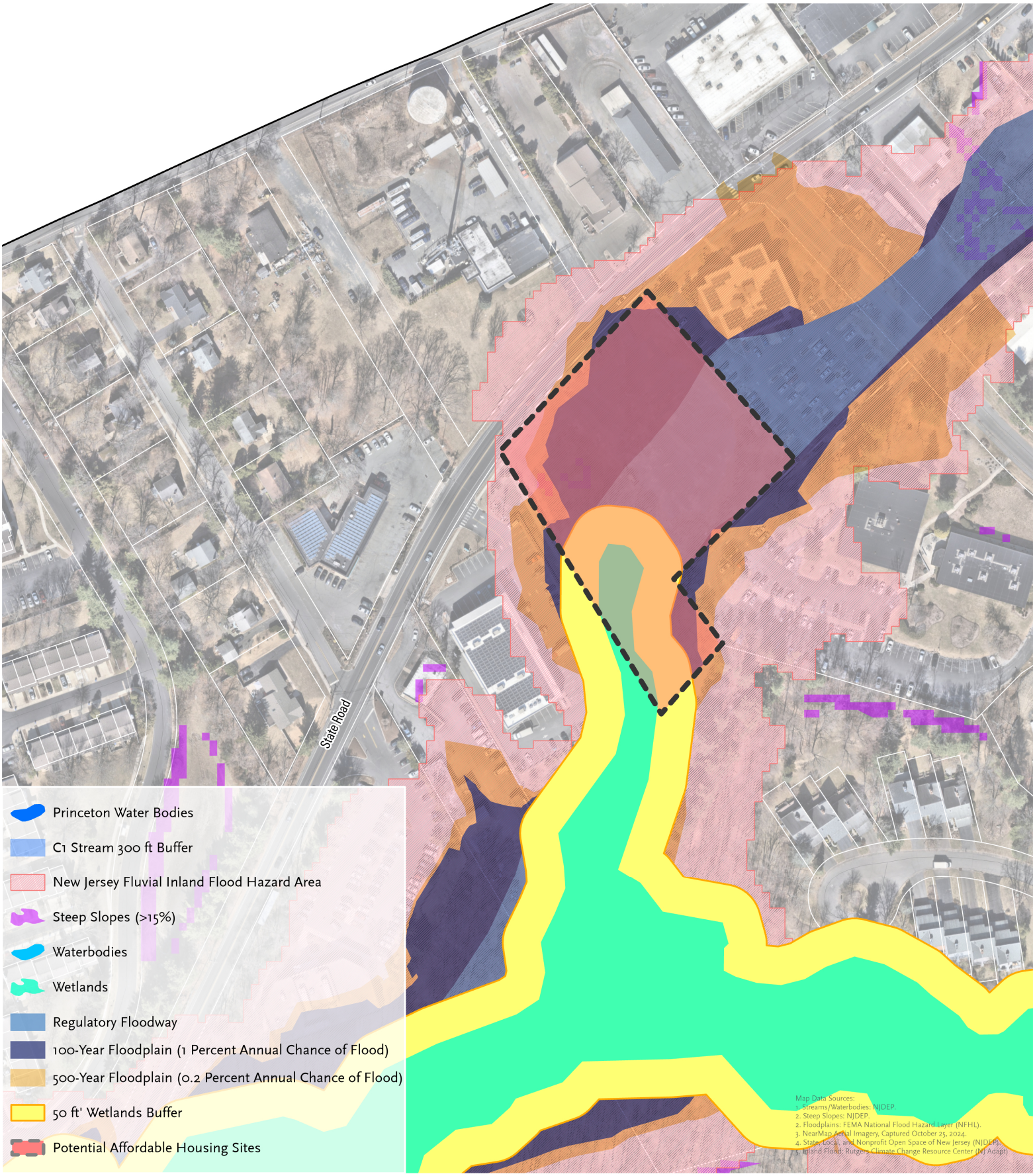
would be deed-restricted as affordable in partial satisfaction of the Municipality's Third Round. Separately, 375 Terhune LLC filed a complaint challenging the Thanet Road redevelopment designation. In November 2020 the parties executed a settlement agreement that resolved both complaints, and required the Municipality to rezone the property to permit the construction of 30 residential units, six of which would be affordable family units. The Municipality adopted the ordinance in November 2020 as Ordinance no. 2020-37. The project received its approvals in April 2024.

801 State Road -- proposed

The Municipality reports that, pursuant to the provisions of the AHO-4 inclusionary overlay zone, adopted over the Northern S-2 business-commercial zone as part of the Municipality's 2019 Settlement Agreement with FSHC, a developer is intending to submit an application for an inclusionary development on this property, Block 901, lot 22, that will include six family affordable units.

Applicable rules at *N.J.A.C.* 5:93-1.3 and *N.J.A.C.* 5:93:5.3 for new-construction sites are addressed as follows:

- Site Control – The site is currently owned by State Road Plaza LLC. Neither the owner nor the Municipality is aware of any title encumbrances that would prevent the development of affordable housing on the site.
- Suitable Site– The site is suitable as defined in COAH's regulations at *N.J.A.C.* 5:93-1.3 which indicates that a suitable site is one in which it is adjacent to compatible uses, has access to appropriate streets and is consistent with environmental policies in *N.J.A.C.* 5:93-4.
    - *The site is adjacent to compatible land uses and has access to appropriate streets*. The site has frontage on Route 206 south, and is surrounded by low-density commercial, professional, and retail uses on all sides.
    - *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, *N.J.A.C.* 5:21-1 *et seq*.
    - *The site is located in a Smart Growth planning area*. The 2001 Adopted State Plan Map and the 2004 Preliminary State Plan Map designate the property as in the Suburban Planning Area (PA 2). The intention of the Suburban Planning Area is to provide for much of the State's future development in a compact form and is the preferred location for affordable housing development.
    - *The development is not within the jurisdiction of a Regional Planning Agency or CAFRA*. The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
    - *The site will comply with all applicable environmental regulations*. There are no floodplains, steep slopes, or Category One streams on the property. A tributary of Vanhorn Brook runs along the rear of the lot, and there are wetlands in the southeast corner, but neither is in a location that will impede the contemplated development.
    - *The site will not impact any historic or architecturally important sites and districts*. There are no historic or architecturally important sites or buildings on the property or in the immediate vicinity that will affect the development of the affordable housing.



0 75 150 300 Feet

Potential Sites for Affordable Housing Development

Site: 801 State Road

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

LOCATION:
Princeton, Mercer County, NJ

DATE:
June 2025

- Developable Site – In accordance with *N.J.A.C.* 5:93-1.3, a developable site has access to appropriate sewer and water infrastructure and is consistent with the area-wide water quality management plan. The site is within the Municipality's sewer service area, and within its water purveyor's service area.
- Approvable Site – Pursuant to *N.J.A.C.* 5:93-1.3, an approvable site may be developed for low- and moderate-income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. The proposed project will take advantage of the AHO-4 inclusionary overlay zone on the property, which permits mixed-use development with a required affordable housing set-aside. Some provisions of the ordinance may need to be adjusted for this site in order to permit the proposed development.

ASSISTED LIVING – COMPLETED

Brandywine Serenade at Princeton (formerly Acorn Glen)

Brandywine Serenade at Princeton (Block 2802, Lot 3) is an existing assisted living facility that has five Medicaid-waiver bedrooms for very low-income residents. It received its initial certificate of occupancy in 2000 and was sold to its current owner in 2020.

100% AFFORDABLE – COMPLETED

100-104 Leigh Avenue

There are five units at 100-104 Leigh Avenue (Block 13.01, Lot 9.01), which were purchased by the Municipality in 2008. Using a payment from Princeton University in lieu of construction of all of the required affordable units at the Merwick Stanworth site, these five units were gut-rehabilitated and deed-restricted, four as low-income family rental units and one as a very low-income family rental unit. The university paid Princeton Community Housing to act as construction manager for the project, and retained an outside contractor to perform the work. New certificates of occupancy were issued in 2009, and the units have 99-year deed restrictions. Princeton Community Housing administers the units.

135 Bayard Lane

Princeton University purchased the existing building containing four units at 135 Bayard Lane (Block 13.01, Lot 1) and, using a payment in lieu of construction of all of the required affordable units at the Merwick Stanworth site, paid to have the units rehabilitated and deed-restricted as affordable family rental units. The units received their certificates of occupancy in 2013, and are administered by Princeton Community Housing.

Harriet Bryan House

Harriet Bryan House (also known as Elm Court II) contains 67 one-bedroom age-restricted very low-income rental units located at 310 Elm Road (Block 1.01, Lot 4). The development was funded using HUD Section 202 funds, New Jersey Balanced Housing funds, federal Home Loan Bank

funds, and a municipal contribution. It was completed in May 2007[12] and has 50-year affordability controls. Princeton Community Housing administers the units.

52 Leigh Avenue

52 Leigh Avenue (Block 6906, Lot 24) contains a two-family attached dwelling, both of which units are three-bedroom low-income family for-sale units. The former Township purchased the property and donated it to Habitat for Humanity of Trenton, which demolished the existing structure and constructed two affordable units. The units received their certificates of occupancy in 2005, and affordability controls were first imposed in 2006. The units are deed-restricted for 25 years, and Princeton Affordable Housing administers them.

159 John Street

159 John Street (Block 17.03, Lot 68) contains one moderate-income family for-sale unit, which the former Borough and Princeton Community Housing sponsored jointly in 1996 as a gut rehabilitation. It received its certificate of occupancy in 1997, and has a 45-year deed restriction. Princeton Community Housing administers it.

246 John Street

The former Borough acquired the townhome at 246 John Street (Block 15.04, Lot 76), financed a gut rehabilitation, and deeded the unit to Princeton Community Housing as a low-income affordable family rental unit with a 99-year deed restriction.

Habitat for Humanity Lytle Street

Habitat for Humanity constructed two single-family affordable units at 31 and 33 Lytle Street, known as Block 15.02, Lot 71. One of the units is a two-bedroom moderate-income unit and the other unit is a three-bedroom moderate-income unit. The units were completed in 2022, have 99-year deed restrictions, and are administered by Princeton Affordable Housing.

MUNICIPALLY SPONSORED 100% AFFORDABLE – COMPLETED, UNDER CONSTRUCTION, OR PROPOSED

Princeton Community Village expansion – Completed

Princeton sponsored the development of 25 new affordable housing units in a new mid-rise building at Princeton Community Housing's existing Princeton Community Village located off Bunn Drive (Block 4401, Lot 2). The 25 affordable units include four very low-income units, nine low-income units, and 12 moderate-income units. (Note that the text in the Third Round Settlement Agreement with FSHC contemplated 24 units, of which three are required to be very low-income units. During final settlement negotiations, PCH confirmed they could construct a 25-unit project, which is what has been built.) The project received its certificate of occupancy in DATE, and Princeton Community Housing administers the units. This development also, per the

[12] A Certificate of Occupancy was issued on May 8, 2007, for the 12 units located within the former Borough and a Certificate of Occupancy was issued on or about May 15, 2007, for the 55 units located within the former Township.

developer agreement, maintains a partnership with Princeton's Center for Modern Aging for provision of a variety of social services to the residents.

Princeton Senior Living/PIRHL/Conifer – Completed

This site (Block 5502, Lot 4) had been improved with two office buildings, constructed more than 30 years ago, that had been largely vacant in the past several years. A redevelopment plan was adopted for the tract in 2020. AvalonBay, the contract purchaser of the property, subdivided and donated to the Municipality a 2.1±[13]-acre tract, which the Municipality conveyed to PIRHL, an experienced developer of affordable housing in New Jersey and in several other states, for the development of an 80-unit, municipally sponsored, age-restricted, 100% affordable development that includes 11 very low-income units, 27 low-income units, and 42 moderate-income units. The Municipality also provided a financial contribution to the project. The project is completed and occupied, and Conifer, now the owner of the project, administers the units.

900 Herrontown Road/SAVE – under construction

This three-acre site (Block 901, Lot 21) on the corner of Herrontown Road and Mt. Lucas Road formerly housed the SAVE animal shelter. RPM Development Group is constructing a 65-unit housing project, including 64 family affordable units plus one on-site residential property manager's unit. The affordable units include nine very low-income units, 30 low-income units, and 25 moderate-income units. RPM will affirmatively market and administer the units.

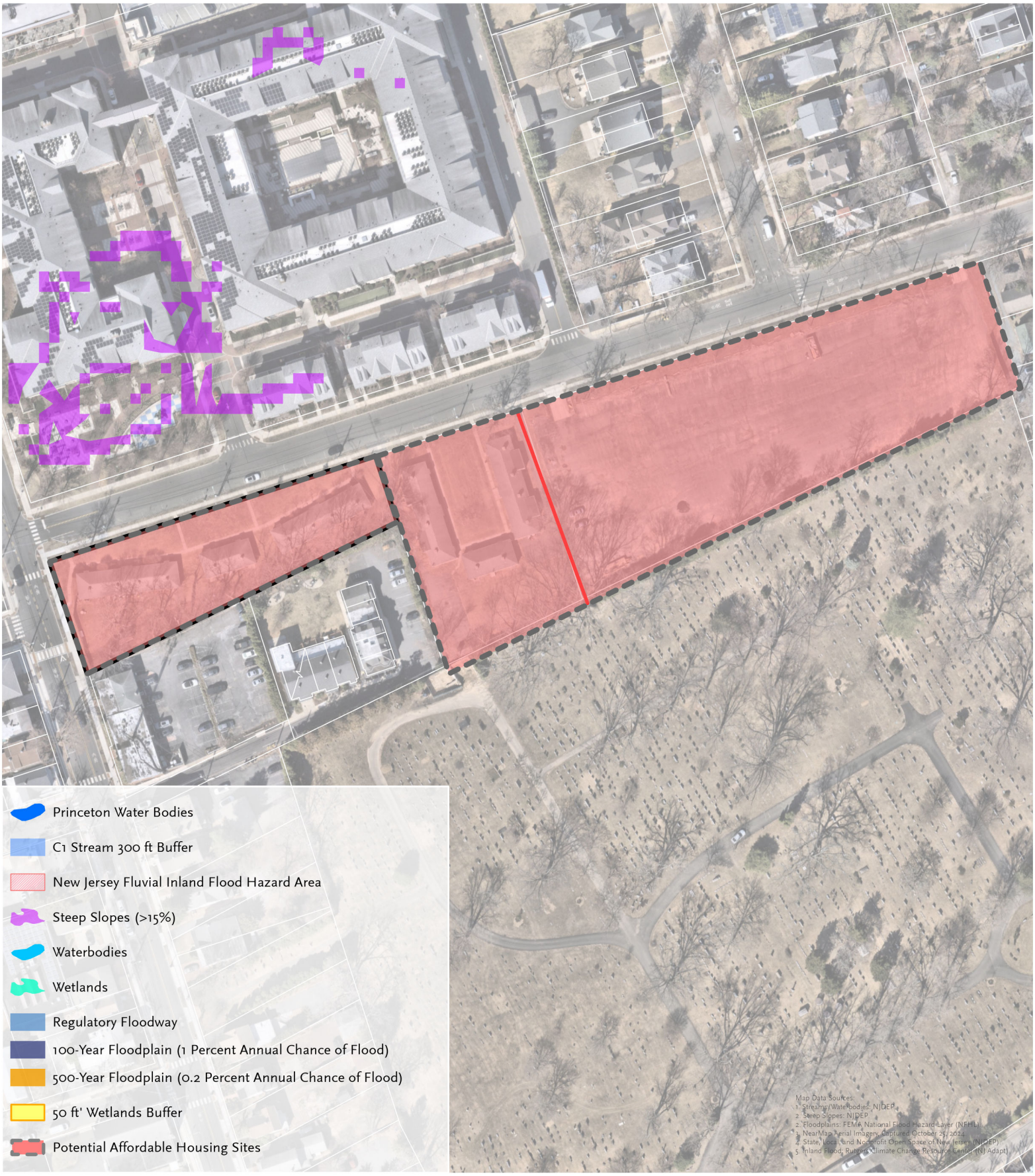
Franklin Avenue and Maple Terrace – proposed

Princeton has entered into an Affordable Housing and Development Agreement with Community Investment Strategies, Inc. ("CIS"), dated January 1, 2024, providing for CIS to develop, finance, construct, own, operate, and manage a new mixed-income rental community on municipally owned property located on Franklin Avenue (Block 21.04, Lots 2, 26 and 27), consisting of 160 apartment units, 80 of which will be new affordable family rental units, including 11 very low-income units, 29 low-income units, and 40 moderate-income units, and 80 units which will be targeted for workforce housing. The Municipality has already adopted the AHO-6 Affordable Housing Overlay-6 Zone ordinance for the site, which provides for the proposed development. CIS has been working with the State to secure funding for the project, which will likely involve 9% tax credits to be allocated by the New Jersey Housing and Mortgage Finance Agency, and permanent debt through HMFA or another lender, and loans, grants or subsidies from other sources, including the State of New Jersey, New Jersey Economic Development Authority, Mercer County HOME and Federal Home Loan Bank of New York funds as available. Princeton has already adopted a resolution committing affordable housing trust funds to the project. CIS will provide an updated pro forma and a construction schedule that shows work on the project commencing by August, 2027.

COAH's applicable rules at *N.J.A.C.* 5:93-1.3 and *N.J.A.C.* 5:93:5.5 for Municipally-Sponsored and 100 Percent Affordable Programs are addressed as follows:

[13] While the Settlement Agreement indicates a total tract size of 2.5 acres, the final total tract size and parameters were the subject of an intensive negotiation and ultimately the parties settled on an approximately 2.1± acre tract in a certain configuration.

- Site Control – The Municipality owns the site and intends to convey it to CIS in accordance with the developer's agreement between the parties. The Municipality is not aware of any title encumbrances that would preclude the development of affordable units on the site.
- Suitable Site– The site is suitable as defined in COAH's regulations at *N.J.A.C.* 5:93-1.3 which indicates that a suitable site is one in which it is adjacent to compatible uses, has access to appropriate streets and is consistent with environmental policies in *N.J.A.C.* 5:93-4.
    - *The site is adjacent to compatible land uses and has access to appropriate streets.* The site was previously improved with affordable residential units owned and managed by Princeton Housing Authority. In 2024, Princeton acquired Lot 2 from the Authority and all tenants were relocated by the Authority. Since then, the site has been vacant in anticipation of its redevelopment as proposed. There are currently residential units in the immediate neighborhood, and Princeton Cemetery borders the rear (southern) border of the site. The site will have frontage and direct vehicular access to Franklin Avenue.
    - *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, *N.J.A.C.* 5:21-1 *et seq.*
    - *The site is located in a Smart Growth planning area.* The 2001 Adopted State Plan Map and the 2004 Preliminary State Plan Map designates the property as the Suburban Planning Area (PA 2), and as part of a regional center. The intention of the Suburban Planning Area is to provide for much of the State's future development in a compact form and is the preferred location for affordable housing development. Regional centers are intended to be the focal point for the economic, social and cultural activities of an economic region, with a compact, mixed-use core and neighborhoods offering a wide variety of housing types.
    - *The development is not within the jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
    - *The site will comply with all applicable environmental regulations.* There are no wetlands, floodplains, steep slopes, or Category One streams on the property.
    - *The site will not impact any historic or architecturally important sites and districts.* There are no historic or architecturally important sites or buildings on the property or in the immediate vicinity that will impact the development of the affordable housing.
- Developable Site – In accordance with *N.J.A.C.* 5:93-1.3, a developable site has access to appropriate sewer and water infrastructure and is consistent with the area-wide water quality management plan. The site is within the Municipality's sewer service area, and within its water purveyor's service area.
- Approvable Site – Pursuant to *N.J.A.C.* 5:93-1.3, an approvable site may be developed for low- and moderate-income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. The site is currently located in the Municipality's AH-6 Affordable Housing-6 zoning district (Ordinance #2020-24) and AHO-6 Affordable Housing Overlay-6 zoning district (Ordinance #2020-25), which permit municipally sponsored, 100% affordable or market-rate mixed-income and affordable, multi-family residential dwellings.



0 25 50 100
Feet

Block	Lots	Site Address
21.04	2, 26, 27	1-10 Franklin Avenue

Potential Sites for Affordable Housing Development

Site: Franklin Avenue and Maple Terrace

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

LOCATION:
Princeton, Mercer County, NJ

DATE:
June 2025

- Funding – CIS will seek 9% tax credits and other funding for the project, and anticipates funding during the 2025-2026 funding round, and will provide an updated pro forma statement. The Municipality has adopted a resolution of intent to bond for any shortfall in funding.
- Construction Schedule – CIS will provide a construction schedule for the affordable family rental complex that shows work beginning no later than August 2027. CIS will be responsible for monitoring the construction and overall development activity.

Formula Obligations Applicable to the Third Round

In addition to satisfying the total Third Round obligation, the Municipality was required to adhere to a minimum rental obligation, maximum number of age-restricted units, minimum number of family units, and minimum number of family rental units. It included 591 rental units, of which 378 were family rental units, 152 age-restricted units, and 390 total family units among its compliance mechanisms, thus complying with all obligations. In addition, in accordance with requirements, it claimed 188 of 189 permitted rental bonuses.

TABLE 26. THIRD ROUND CREDIT SUMMARY		
	Required	Provided
Third Round Total Credits	753	797
Third Round Total Units	-	609
Third Round Rental	189 (min.)	591
Third Round Family Rental	95 (min.)	378
Combined Prior and Third Round Senior (per Settlement Agreement)	287 (max.)	240
Third Round Family	377 (min.)	390

Satisfaction of the Municipality's Fourth Round Obligation

As discussed above, in January 2025 Princeton stipulated to the DCA calculation of 60 as the Municipality's Fourth Round Present Need obligation and 276 as the Municipality's Fourth Round Prospective Need obligation. In addition, through agreement with FSHC, the Municipality is committing to satisfy the former Borough's remaining Unmet Need obligation of 88 during the course of the Fourth Round, for a combined Prospective Need obligation of 364 to be satisfied during the course of the Fourth Round.

As demonstrated in Table 27, the Municipality proposes to satisfy its Fourth Round obligation with 44 surplus credits from the Third Round, eight group-home bedrooms, 10 proposed inclusionary sites, and three 100% affordable family rental projects, along with applicable bonuses. As currently proposed, these mechanisms provided a 20-credit surplus to be carried forward to the Fifth Round.

TABLE 27. MUNICIPALITY OF PRINCETON 364-UNIT COMBINED PROSPECTIVE NEED COMPLIANCE MECHANISMS TO BE SATISFIED IN THE FOURTH ROUND							
Mechanism	**Rental**	**For Sale**	**Family**	**Senior**	**Affordable Units**	**Bonuses and Type**	**Total Credits**
Surplus from Third Round					44		44
Alternative Living Arrangements – Proposed							
Municipally sponsored group homes (sites to be determined) – from Third Round; 8 to be completed during Fourth Round	X				8		8
Inclusionary Development – Proposed							
Hillier Properties (scattered sites on Witherspoon Street)	X		X		14		14
145 Witherspoon Street	X		X		5		5
364-366 Nassau Street, 11 N. Harrison Street (Block 32.01, lots 1, 173, 213, 221, 222, 223)	X		X		26		26
The Jewish Center, 457 Nassau Street (Block 56.03, lot 170)	X		X		4		4
245-247 Nassau Street (Block 48.01, lot 5)	X		X		18		18
40-42 North Tulane Street/32 Spring Street (Block 27.02, lots 47, 49)	X		X		8		8
86-88, 92-94-96 Spruce Street (Block 30.03, lots 64, 100)	X		X		8		8
11-33 State Road/60 Mt Lucas Road (Block 7004, Lots 1 and 2)	X		X		16		16
29 Thanet (Block 5502, lot 5)		X	X		17		17
Princeton Executive Center/Niksun (Block 5502, lot 2)	X		X		40	6; cap Bonus Credit H	46
100% Affordable Development – proposed							
Chestnut Street Firehouse (Block 30.02, lots 39.01 and 39.02)	X		X		16	16	32
Harrison Street Firehouse and Garage (Block 32.01, lot 167)	X		X		34	34	68
John Street DPW Facility (Block 6902, lot 29)	X		X		35	35	70
				Total	**293**	**91**	**384**
				Less Fourth Round Combined Obligations			**364**

TABLE 27. MUNICIPALITY OF PRINCETON 364-UNIT COMBINED PROSPECTIVE NEED COMPLIANCE MECHANISMS TO BE SATISFIED IN THE FOURTH ROUND							
Mechanism	Rental	For Sale	Family	Senior	Affordable Units	Bonuses and Type	Total Credits
Potential Excess credits							**20**

Each proposed Fourth Round compliance mechanism is discussed below. An aerial for each site, keyed to the map on p. 33, is in each appendix.

ALTERNATIVE LIVING FACILITIES – PROPOSED

As part of Third Round compliance, the Municipality committed to creating 16 bedrooms for individuals with special needs. It has provided eight of those bedrooms in four two-bedroom units in the inclusionary development at the Princeton Shopping Center currently under construction. It is committed to providing the remaining eight bedrooms during the course of the Fourth Round, as soon as an appropriate opportunity becomes available.

INCLUSIONARY DEVELOPMENT

Hillier Witherspoon Street

Princeton architect and developer Robert Hillier owns, through various related entities, properties on several scattered, close-proximity sites, located at 114 through 120 Witherspoon Street (Block 17.02, lots 53 and 54), 136 through 150 Witherspoon Street (Block 17.03, lots 85.01, 86, and 87.01), 184 through 188 Witherspoon Street (Block 15.01, lots 27 and 28), and 204-206 Witherspoon Street (Block 15.01, lot 24). Mr. Hillier plans to redevelop these properties with an inclusionary project that would total 69 units, of which 14 would be affordable.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. The Hillier Witherspoon Street properties meet these criteria, as follows:

- Site Availability – Mr. Hillier's firm, through various entities, is listed as owning all the lots, and neither he nor the Municipality are aware of any title encumbrances that would preclude the development of affordable units on them.
- Site Suitability – The lots are along the west side of Witherspoon Street between Green Street and Lytle Street with one fronting Maclean Street. The southernmost parcels are across from the historic Princeton Cemetery of the Nassau Presbyterian Church, and the remaining parcels are across from single-family homes and additional commercial uses. The Arts Council of Princeton building, Paul Robeson House, and the Princeton Public Library are all within walking distance. Green Street is three blocks from Nassau Street. Multiple retail amenities line Witherspoon Street, the Muni bus and NJ Transit bus route 605 travel on Witherspoon Street in both directions, making stops, and the CoachUSA commuter bus to New York leaves from the corner of Witherspoon and Nassau. The properties are all in State Planning Area 2

(PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged.

A review of NJDEP's NJ-GeoWeb mapping indicates the lots are not on the Known Contaminated Sites list, does not contain a Deed Notice, nor a groundwater contamination area (CKE or CEA). They are not constrained by any steep slopes, wetlands or wetlands buffers, or any Category 1 stream buffers. The lots are entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area, and the Municipality will secure capacity-to-serve information from the water and sewer service providers.

- Site Approvability and Developability – The lots are currently zoned RB B, Residence Business district, and are in the AHO-7 district, which permits residential development and requires an affordable housing set-aside. The properties can be developed consistent with the AHO-7, Residential Site Improvement Standards (RSIS) and all other applicable regulations. See Appendix E.

145 Witherspoon Street

This lot (Block 25.01, lot 3), slightly larger than a quarter-acre, is located on Witherspoon Street adjacent to the Princeton Cemetery. It is currently occupied by a vacant two-story office building with surface parking in the rear. The owner has approached the Municipality about developing the site with a mixed-used project consisting of a retail space and 25 apartments, including five affordable family rental units.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of very low-, low- and moderate-income housing. The 145 Witherspoon Street site meet these criteria, as follows:

- Site Availability – The site is privately owned, and neither the owner nor the Municipality are aware of any title encumbrances that would preclude the development of affordable units on them.

- Site Suitability – The lot is on the east side of Witherspoon Street slightly south of Shirley Court. To the west, across the street, are mixed-use properties including retail and food establishments in the aforementioned Hillier properties. The historic Princeton Cemetery of the Nassau Presbyterian Church borders the lot to the south and east, and to the north are multi-family residential properties, including the Shirley Court affordable condominiums and rental units. The Arts Council of Princeton building, Paul Robeson House, and the Princeton Public Library are all within walking distance, as is Nassau Street to the south. Multiple retail amenities line Witherspoon Street. The Princeton Muni bus and the NJ Transit 605 bus line run on Witherspoon Street with nearby stops in both directions, and the CoachUSA commuter bus to New York leaves from the corner of Witherspoon and Nassau. The property is in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged.

- A review of NJDEP's NJ-GeoWeb mapping indicates the lot is not on the Known Contaminated Sites list, and does not contain a Deed Notice or a groundwater contamination area (CKE or CEA). It is not constrained by any steep slopes, wetlands or wetlands buffers, or any Category

1 stream buffers. It is entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area, and the Municipality will secure capacity-to-serve information from the water and sewer service providers.

- Site Approvability and Developability – The lots are currently zoned RB B, Residence Business district, and are in the AHO-7 district, which permits residential development and requires an affordable housing set-aside. The site will be rezoned as necessary to enable the proposed development. The properties can be developed consistent with zoning, Residential Site Improvement Standards (RSIS) and all other applicable regulations. See Appendix F.

Whole Earth Center and Princeton Foot & Ankle

The owners of the properties housing the Whole Earth Center and related parking at 360 Nassau Street, the nearby restaurant at 354 Nassau Street, and the two lots to the east of the Whole Earth Center at 364 and 366 Nassau Street (Block 32.01, lots 1, 173, 213, 221, and 222) plan to construct an inclusionary residential project on the site, retaining its ground-floor commercial uses. The owners are also under contract to acquire the adjacent Princeton Foot & Ankle Center, located at 11 North Harrison Street, Block 32.01, lot 223. The combined acreage of all lots is 4.847. The current proposal is to construct a mixed commercial/residential development involving the construction of 130 total units, 26 of which would be affordable. Discussions with the Municipality are ongoing, and a concept plan will be provided once a final unit yield has been established.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. The Whole Earth Center and adjacent properties meet these criteria, as follows:

- Site Availability – Lots 1 and 222 are in common ownership, and the owners are pursuing acquisition of the Princeton Foot & Ankle property at 11 North Harrison Street (Block 32.01, lot 223), the rear of which adjoins the side of Lot 222. In addition, the owners have purchased the two adjacent lots to the north (lots 221 and 213). Neither the owners nor the Municipality are aware of any title encumbrances that would preclude the development of affordable units on the site.
- Site Suitability – The lots are along the northwest side of Nassau Street, with multiple amenities nearby. There is a substantial parking lot at the rear of the Whole Earth Center building on lot 1, and behind both lots are townhouses and the Harrison Street Firehouse, discussed above. The Princeton Muni bus and the NJ Transit 606 bus line run on Nassau Street with nearby stops in both directions, and the site is less than a mile from CoachUSA's commuter bus service to New York, and 2.2 miles from NJ Transit's Princeton Rail Station. The properties are all in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged.

  A review of NJDEP's NJ-GeoWeb mapping indicates the lots are not on the Known Contaminated Sites list, does not contain a Deed Notice, nor a groundwater contamination area (CKE or CEA). They are not constrained by any steep slopes, wetlands or wetlands buffers, or any Category 1 stream buffers. The lots are entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area, and the Municipality will secure capacity-to-serve information from the water and sewer service providers.

- Site Approvability and Developability – Lots 1 and 222 are currently split-zoned, with the portions fronting on Nassau Street zoned NB B Neighborhood Business, and the rear of both lots zoned RO B Residence Office. All of lot 223 is zoned RO B. All lots are entirely within the AHO-2 inclusionary overlay zone, which requires an affordable housing set-aside for any residential development. The site will be rezoned as necessary to permit the contemplated development. See Appendix G.

The Jewish Center of Princeton

This 4.85-acre property at 457 Nassau Street (Block 56.03, lot 170) is home to the Jewish Center of Princeton and a nursery school. Approximately three-quarters of an acre at the southwest corner of the lot, on the corner of Nassau Street and Cedar Lane, is vacant, and The Jewish Center has previously expressed interest in developing the vacant portion of the lot. At 25 units per acre, this portion of the lot could generate 19 units, four of which would be affordable.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. The Jewish Center property meets these criteria, as follows:

- Site Availability – The Jewish Center owns the lot. The Municipality is not aware of any title encumbrances that would preclude the development of affordable units on the undeveloped portion of the site.

- Site Suitability – The lot is on the southwest side of Nassau Street, north of the central business district, at the corner of Cedar Lane. The Jewish Center rents out part of the property to a nursery school, whose building sits to the northeast of the Jewish Center building. Across both Nassau Street and Cedar Lane and behind the lot are single-family homes, and Riverside Elementary School is nearby. The properties are all in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged.

  A review of NJDEP's NJ-GeoWeb mapping indicates the lot is not on the Known Contaminated Sites list, does not contain a Deed Notice, nor a groundwater contamination area (CKE or CEA). It is not constrained by any steep slopes, wetlands or wetlands buffers, or any Category 1 stream buffers. The lot is entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area, and the Municipality will secure capacity-to-serve information from the water and sewer service providers.

- Site Approvability and Developability – The lot is currently in the R2 B Residence district, and is in the AHO-3 inclusionary overlay district, which requires an affordable housing set-aside for any residential development on the property. The property can be developed consistent with zoning, Residential Site Improvement Standards (RSIS) and all other applicable regulations. See Appendix H.

245-247 Nassau Street

This lot (Block 48.01, lot 5) totals approximately 1.02 acres, and is situated on the south side of Nassau Street. The lot has a two-story brick professional office building and associated parking.

Currently a development with commercial space and 90 apartment units is planned, 18 of which would be affordable. The property owner has reached out to adjoining property owners to explore possibilities for additional circulation and commercial opportunities.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. The 245-247 Nassau Street site meets these criteria, as follows:

- Site Availability – The building on Lot 5 has recently been for sale, and a potential purchaser has expressed interest. The Municipality is not aware of any title encumbrances that would preclude the development of affordable units on the site.
- Site Suitability – The lot is on the south side of Nassau Street, on the block between Olden Street and Murray Place. Across Nassau Street are commercial uses, and behind the lot are Princeton University facilities. An apartment building with a commercial office is adjacent to the east and the Carnevale Place apartments, an inclusionary residential project with four affordable family rental units above retail, is two lots east. The lot is in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged.

  A review of NJDEP's NJ-GeoWeb mapping indicates the lots are not on the Known Contaminated Sites list, do not contain a Deed Notice, nor a groundwater contamination area (CKE or CEA). They are not constrained by any steep slopes, wetlands or wetlands buffers, or any Category 1 stream buffers.
- Site Approvability and Developability – The lot is currently in the SB B Service Business district, and is in the AHO-1 inclusionary overlay district, which requires an affordable housing set-aside for any residential development on the property. Lot 5 has approximately 70 feet of frontage along Nassau. The lot will be rezoned to accommodate the proposed residential development, which will conform to Residential Site Improvement Standards (RSIS) and all other applicable regulations. See Appendix I.

40-42 N. Tulane Street/32 Spring Street

These two lots (Block 27.02, lots 47 and 49) total approximately 0.33 acres, and are situated on the corner of Spring Street and North Tulane Street. Lot 49, at 32 Spring Street, is home to the former Kopp's Cycles, now closed, and a gravel parking lot on the corner, and lot 47 on North Tulane Street previously contained a multi-family residential building and associated garages, which have recently been demolished. The owners of both lots have expressed interest in taking advantage of the inclusionary overlay provisions on the site, which could generate 32 total units, eight of which would be affordable.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. The lots at 40-42 N. Tulane Street and 32 Spring Street meet these criteria, as follows:

- Site Availability – Both property owners have expressed interest in taking advantage of the provisions of the inclusionary overlay ordinance that has been applied to the property. The Municipality is not aware of any title encumbrances that would preclude the development of affordable units on the site.

- Site Suitability – The lots are one block northwest of Nassau Street, next to the Spring Street municipal parking garage. Across Spring Street is the former Nelson Glass building, a mixed-use building with a café on the ground floor and residences, including affordable units, above. Across North Tulane Street is a former yoga studio. The lots are in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged.

  A review of NJDEP's NJ-GeoWeb mapping indicates the lots are not on the Known Contaminated Sites list, does not contain a Deed Notice, nor a groundwater contamination area (CKE or CEA). The lots are not constrained by any steep slopes, wetlands or wetlands buffers, or any Category 1 stream buffers. They are entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area, and the Municipality will secure capacity-to-serve information from the water and sewer service providers.
- Site Approvability and Developability – Lot 49 is currently in the CB B Central Business District, and lot 47 is in the RB B Residence Business District and also in the AHO-1 inclusionary overlay zone, which requires an affordable housing set-aside as part of any residential development. The Municipality intends to rezone both lots to enable the contemplated development. The property can be developed consistent with zoning, Residential Site Improvement Standards (RSIS) and all other applicable regulations. See Appendix J.

86-88, 92-94-96 Spruce Street

These side-by-side lots extend between Spruce Street and Hamilton Avenue (Block 30.03, lots 64, 100), and cover approximately 0.65 acres. Immediately to the east are the former Borough's for-sale affordable housing townhomes and Barbara Boggs Sigmund park lies to the west. One lot includes a duplex and the other contains a mostly unused surface parking lot and a multi-family structure with 10 studio apartment units characterized as "NOAH," naturally occurring affordable housing. These units are currently occupied by residents employed in nearby restaurant and retail establishments. Both structures on the site will remain. The owner will construct 30 new units on the site, including eight affordable units. Six townhomes will be constructed to front along Hamilton Avenue. These homes will be similar in size and shape to the already-existing adjacent affordable townhome units. One multi-family structure will be constructed over the surface parking lot, and will have parking underneath. At present, many neighborhood residents, especially children, use these properties as a cut-through between the center of town and the schools – Princeton high school and Middle School – located several blocks north of the property. The property owner will provide a multi-use bike and pedestrian path through the middle of the site granted in perpetuity as an easement to the town.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. These Spruce Street lots meet these criteria, as follows:

- Site Availability – The lots are in common ownership. Neither the owners nor the Municipality is aware of any title encumbrances that would preclude the development of affordable units on the site.
- Site Suitability – The lots front on Spruce Street, which provides vehicular access, and also on Hamilton Avenue, directly across from the Westminster Choir College property. There is

residential development on both sides of the lots on both Spruce Street and Hamilton Avenue, including the affordable Hamilton Avenue condominiums. On the Hamilton Avenue side, Lot 100 borders the eastern point of Barbara Boggs Sigmund Park. One block south of Spruce Street is Nassau Street, where transportation and other amenities are available, and the owners report that the parking lot on the property is often used as a pedestrian shortcut to Nassau Street. The development proposal includes a dedicated public pedestrian walkway through the property, connecting Franklin Avenue to Spruce Street. The lots are in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged.

A review of NJDEP's NJ-GeoWeb mapping indicates that the lots are not on the Known Contaminated Sites list, do not contain a Deed Notice, nor a groundwater contamination area (CKE or CEA). They are not constrained by any steep slopes, wetlands or wetlands buffers, or any Category 1 stream buffers. The lots are entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area. The Municipality will secure capacity-to-serve information from the water and sewer service providers.

- Site Approvability and Developability – The lots are currently zoned R-4, and will be rezoned to enable the proposed development to be constructed consistent with zoning, Residential Site Improvement Standards (RSIS) and all other applicable regulations. See Appendix K.

11 State Road, 33 State Road and 60 Mt. Lucas Road

This office building, bank building, and related parking cover approximately 1.55 acres on Block 7004, lots 1 and 2, at 1 Cherry Hill Road and 33 State Road, just north of Cherry Hill Road. The Municipality believes the site presents an appropriate opportunity for mixed-use redevelopment that would yield 80 total residential units, of which 16 would be affordable.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. These parcels meet these criteria, as follows:

- Site Availability – After a recent sale, the lots are in common ownership. The Municipality is not aware of any title encumbrances that would preclude the development of affordable units on the site.
- Site Suitability – The properties are north of the intersection of State Road (Route 206) and Cherry Hill Road, on the east side of State Road. Across State Road is woodlands, behind which are single-family houses that front onto Red Hill Road. Cherry Hill Road borders the property to the south, there are single-family homes behind the property on Mount Lucas Road and Laurel Road, and the Clifftown Center strip mall sits to the north of the property. There is a significant grade increase behind the property, which would allow a multi-story development, with retail on the ground floor facing Route 206, that would also harmonize with the existing residential development on Mount Lucas Road. There are also potential inland flood constraints that may require all residential development to be above grade level. The lots are in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged. The lots are entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area.

The Municipality will secure capacity-to-serve information from the water and sewer service providers.

A review of NJDEP's NJ-GeoWeb mapping indicates that Lot 7, to the north of the site, which contains a dry-cleaning business, is on the Known Contaminated Sites list, and a Classification Exception Area (CEA) for groundwater contamination from the dry cleaning business was established in 2019. The contamination includes typical dry cleaning-related contaminants (TCE and PCE), and affects a small portion of the northwest corner of lot 2, closest to Route 206.

According to NJDEP's DataMiner, remedial documents (i.e., a remedial investigation report and remedial action report) have not yet been submitted to NJDEP and a Response Action Outcome (RAO) has not been issued. At this time there is no evidence that any contamination would preclude development of the site as contemplated.

- Site Approvability and Developability – The properties are currently part of the B-2 T Business District, and new zoning will be adopted to accommodate the intended development. The property can be developed consistent with Residential Site Improvement Standards (RSIS) and all other applicable regulations. See Appendix L.

29 Thanet Circle

The owners of the 9.3-acre property at 29 Thanet Circle (Block 5502, lot 5) filed an objection to the Municipality's Third Round Housing Element and Fair Share Plan, arguing that their property should be included in the plan. The owners submitted a preliminary analysis indicating that the property could support a development of between 162 and 189 units, a gross density of 17.4 to 20.3 units to the acre, and of those units, 32 to 38 would be affordable. The Municipality chose not to include the property in its Third Round plan, but is including it in this plan toward Fourth Round compliance at a gross density of 9.1 units per acre based on a more recent developer proposal, which would yield 85 for-sale units, 17 of which would be affordable in stacked townhouses.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. The property at 29 Thanet Circle meets these criteria, as follows:

- Site Availability – The contract purchaser of the site plans to redevelop the property with an inclusionary residential project. The Municipality is not aware of any title encumbrances that would preclude the development of affordable units on the site.

- Site Suitability – The property is immediately adjacent to the Avalon Princeton Circle project that was included in the Municipality's Third Round compliance plan. Located on the site currently is a dilapidated, vacant office building surrounded by a similarly degraded large, unused surface parking lot. A tributary of Harry's Brook crosses a sliver of the property closest to Terhune Road, and there are wetlands on the site, but there is sufficient unconstrained land and sufficient frontage on Thanet Circle to support the proposed development. To the southeast across the Harry's Brook tributary are single-family homes, and behind the property to the northeast is the Governor's Lane residential development. The Princeton Shopping Center is across Terhune to the south and connected by a newly created multi-use bike and pedestrian path running from Thanet Circle directly to the Shopping Center – a transit hub

with stops from NJ Transit buses and the Muni bus. The Muni bus service also has a stop on Thanet Circle itself. The property is in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged.

- A review of NJDEP's NJ-GeoWeb mapping indicates the lot is not on the Known Contaminated Sites list, does not contain a Deed Notice or a groundwater contamination area (CKE or CEA). It is not constrained by any steep slopes or any Category 1 stream buffers. A sewer easement runs along the southeastern edge of the property. The lots are entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area, and the Municipality will secure capacity-to-serve information from the water and sewer service providers.

- Site Approvability and Developability – The site is currently in the OR-2 T Office Research Residence District, and will be rezoned as necessary to permit the contemplated development. The property can be developed consistent with zoning, Residential Site Improvement Standards (RSIS) and all other applicable regulations. See Appendix M.

Princeton Executive Center/Niksun

This approximately five-acre property at 457 North Harrison Street (Block 5502, lot 2) is located on the northeast side of North Harrison Street, where the street splits into Bunn Drive to the right and Ewing Street to the left. There is currently an office building and extensive surface parking on the site, both of which have been mostly vacant for many years. Due to the inability to find tenants for office space, the owner approached the Municipality about rezoning the property for residential units in the Third Round. Additional units were not needed at the time, but the developer has now submitted Fourth Round plans for an inclusionary residential development that will yield 191 units, including 40 affordable units. The owner of the property, who is also the developer, will provide the Municipality with a cross-access easement from the back of the Thanet Circle property (at the border of the property line with Princeton Senior living) out to Bunn Drive. This will reduce potential congestion on Terhune Road at peak times by facilitating more efficient circulation throughout the entire area.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. The Princeton Executive Center meets these criteria, as follows:

- Site Availability – The property owner plans to redevelop the property with an inclusionary residential project. The Municipality is not aware of any title encumbrances that would preclude the development of affordable units on the site.
- Site Suitability – The property backs up to the opposite side of the Avalon Thanet development from Site 5, 29 Thanet, discussed below. Across North Harrison Street to the west are single-family homes, and adjacent to the south is the Princeton Healthcare Center. Princeton's Muni bus service has stops nearby on Bunn Drive, and the NJ Transit 605 bus line runs directly in front of the property with nearby stops. The Princeton Shopping Center is less than half a mile to the south. The property is in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged.

- A review of NJDEP's NJ-GeoWeb mapping indicates the lot is not on the Known Contaminated Sites list, and does not contain a Deed Notice or a groundwater contamination area (CKE or CEA). It is not constrained by any steep slopes, wetlands or wetlands buffers, or any Category 1 stream buffers. The site is entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area, and the Municipality will secure capacity-to-serve information from the water and sewer service providers.
- Site Approvability and Developability – The site is currently in the OR-2 T Office Research Residence District and will be rezoned as necessary to permit the contemplated development. The property can be developed consistent with Residential Site Improvement Standards (RSIS) and all other applicable regulations. See Appendix N.

MUNICIPALLY SPONSORED 100% AFFORDABLE DEVELOPMENT

Chestnut Street Firehouse

The Chestnut Street Firehouse (13 Chestnut Street, Block 30.02, lots 39.01 and 39.02), is located on an approximately 0.262-acre site just north of Nassau Street. The land and firehouse will be conveyed by the municipality to Princeton Community Housing, which will construct and manage a 16-unit 100% affordable housing development. The existing firehouse will be adaptively reused with added green space and new street parking available to the public, as well as parking in the rear of the lot for tenants. PCH will include a community room on the ground floor to showcase the firefighter memorabilia currently housed on site.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. The Chestnut Street Firehouse meets these criteria, as follows:

- Site Availability – The Municipality owns the site and intends to convey it to Princeton Community Housing. The municipality is not aware of any title encumbrances that would preclude the development of affordable units on the site.
- Site Suitability – The site is one block from commercial amenities on Nassau Street/State Highway 27, and is situated in a neighborhood of single-family homes along Chestnut Street. It has approximately 65 feet of frontage on Chestnut Street. It is in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged. The site is less than a mile from Coach USA's commuter bus service between Princeton and New York, less than a block from stops for the NJ Transit 606 bus line and the Muni bus, and 1.3 miles from Princeton's "Dinky" rail station.
- A review of NJDEP's NJ-GeoWeb mapping indicates the site is not on the Known Contaminated Sites list, does not contain a Deed Notice, nor a groundwater contamination area (CKE or CEA). It is not constrained by any steep slopes, wetlands or wetlands buffers, or any Category 1 stream buffers. The site is entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area, and the Municipality will secure capacity-to-serve information from the water and sewer service providers.
- Site Approvability and Developability – The site is currently zoned R-4B, and is in the AHO-1 inclusionary overlay district, which permits residential development and requires an affordable

housing set-aside. The site will be rezoned to enable the proposed development to be constructed consistent with Residential Site Improvement Standards (RSIS) and all other applicable regulations.

Additionally, *N.J.A.C.* 5:93-5.5 requires any municipally sponsored affordable housing project to provide the following:

- Evidence of Site Control – As noted above, the Municipality owns the property.
- Evidence of Stable Funding – The Municipality intends to convey the property to Princeton Community Housing, which has provided a pro forma for development of the affordable rental complex. PCH will apply for funding from the state's Affordable Housing Trust Fund. The Municipality will adopt a resolution of intent to fund any shortfall in outside funding or affordable housing trust funds for this project, as required by the state for any 100% affordable, municipally sponsored housing project.
- Construction Schedule – Princeton Community Housing will provide a construction schedule for the affordable family rental complex, and will be responsible for monitoring the construction and overall development activity.

See Appendix O.

Harrison Street Garage and Firehouse

The Harrison Street Garage and Firehouse (27 North Harrison Street, Block 32.01, lot 167), is approximately 1.128 acres in size, of which .129 acres are constrained by steep slopes along one border, leaving approximately one acre of developable land. The Municipality intends to rezone the property to enable a 100% affordable development of 34 affordable units. The site currently houses the municipal public works maintenance facility, which will be relocated to the town's River Road property.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. The Harrison Street Garage and Firehouse meet these criteria, as follows:

- Site Availability – The Municipality owns the site, and intends to convey it to a qualified affordable housing developer. The municipality is not aware of any title encumbrances that would preclude the development of affordable units on the site.
- Site Suitability – The site is one block from commercial amenities on Nassau Street/State Route 27. Across North Harrison Street are single-family homes, and townhomes back up to the lot from Mershon Drive and Gordon Way to the north and east. A one-story professional building borders the lot to the south. The lot has approximately 175 feet of frontage along North Harrison Street. It is in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged. The Princeton Muni bus and the NJ Transit 606 bus line runs on North Harrison Street with nearby stops in both directions, and the site is less than a mile from CoachUSA's commuter bus service between Princeton and New York, and 2.2 miles from Princeton's NJ Transit "Dinky" station.
- A review of NJDEP's NJ-GeoWeb mapping indicates the site is not on the Known Contaminated Sites list, does not contain a Deed Notice, nor a groundwater contamination

area (CKE or CEA). It is not constrained by wetlands or wetlands buffers, or any Category 1 stream buffers, although as noted above, it does have a small area of steep slopes along one lot line. The steep slopes are not in a location that would impede any contemplated development of the site. The site is entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area, and the Municipality will secure capacity-to-serve information from the water and sewer service providers.

- Site Approvability and Developability – The site is currently zoned R-3B, and is in the AHO-2 district, which permits residential development and requires an affordable housing set-aside. The site will be rezoned as necessary to permit the contemplated development, which will comply with Residential Site Improvement Standards (RSIS) and all other applicable regulations.

Additionally, *N.J.A.C.* 5:93-5.5 requires any municipally sponsored affordable housing project to provide the following:

- Evidence of Site Control – As noted above, the Municipality owns the property.
- Evidence of Stable Funding – The Municipality intends to convey the property to a qualified affordable housing developer, who will provide a pro forma for development of the affordable family rental complex. The pro forma indicates which outside sources of funding the developer intends to seek to finance the project. The Municipality will adopt a resolution of intent to fund any shortfall in outside funding or affordable housing trust funds as required by the state for any municipally sponsored 100% affordable housing projects.
- Construction Schedule – The selected affordable housing developer will provide a construction schedule for the affordable family rental complex, and will be responsible for monitoring the construction and overall development activity.

See Appendix P.

303 John Street

The property at 303 John Street (Block 6902, lot 29) is approximately one acre, situated off Witherspoon Street near the Municipal Building, behind Community Park School and adjacent to the Community Park Pool and the town's recreational complex, Community Park South. The site currently houses the temporary municipal public works facility, which will be relocated to the town's River Road property. The Municipality will convey this property to Princeton Community Housing to construct and manage a 100% affordable development of 35 family rental units in multiple small-scale buildings. The municipally owned community garden immediately adjacent to this site will remain open for public use.

N.J.A.C. 5:93-5 requires affordable housing sites to be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of very low-, low- and moderate-income housing. The John Street DPW facility meets these criteria, as follows:

- Site Availability – The Municipality owns the site, and intends to convey it to Princeton Community Housing. The municipality is not aware of any title encumbrances that would preclude the development of affordable units on the site.

- Site Suitability – s noted above, the site abuts Community Park School and Community Park South to its north and northwest and the community garden to the south. Other adjacent properties to the south include single-family homes and properties owned by the Morning Star Church of God in Christ. A single-family home is adjacent across John Street to the west. The site is in State Planning Area 2 (PA2), the Suburban Planning Area, where infill development and the production of affordable housing are encouraged.

- A review of NJDEP's NJ-GeoWeb mapping indicates the site is not on the Known Contaminated Sites list, does not contain a Deed Notice, nor a groundwater contamination area (CKE or CEA). It is not constrained by any steep slopes, wetlands or wetlands buffers, or any Category 1 stream buffers. The site is entirely within the Municipality's sewer service area and within the New Jersey American Water's purveyor area, and the Municipality will secure capacity-to-serve information from the water and sewer service providers.

- Site Approvability and Developability – The site is currently R-9T Residence District, and will be rezoned as necessary to permit the contemplated development. The site can be developed consistent with zoning, Residential Site Improvement Standards (RSIS) and all other applicable regulations.

Additionally, *N.J.A.C.* 5:93-5.5 requires any municipally sponsored affordable housing project to provide the following:

- Evidence of Site Control – As noted above, the Municipality owns the property.

- Evidence of Stable Funding – The Municipality intends to convey the property to Princeton Community Housing, which has provided a pro forma for development of the affordable family rental complex. The pro forma indicates which outside sources of funding the developer intends to seek financing for the project. The Municipality will adopt a resolution of intent to fund any shortfall in outside funding or affordable housing trust funds as required by the state for any municipally sponsored 100% affordable housing projects.

- Construction Schedule – The selected affordable housing developer will provide a construction schedule for the affordable family rental complex, and will be responsible for monitoring the construction and overall development activity.

  See Appendix Q.

Formula Obligations Applicable to the Fourth Round

In addition to satisfying the total Fourth Round obligation, the Municipality is required to adhere to a minimum rental obligation, maximum number of age-restricted units, minimum number of family units, and minimum number of family rental units. All of these formulas are calculated based on the total combined obligation of 364. The Municipality has included 230 rental units, of which 222 are proposed to be family rental units, 0 age-restricted units, and 214 total family units among its compliance mechanisms, thus complying with all obligations. In addition, in accordance with requirements, it is claiming 91 permitted bonuses.

TABLE 28. FOURTH ROUND CREDIT SUMMARY	Required	Provided
Fourth Round Total Credits	364	384
Fourth Round Total Units	-	241
Fourth Round Rental	91 (min.)	232
Fourth Round Family Rental	46 (min.)	224
Fourth Round Senior	81 (max.)	0
Fourth Round Family	131 (min.)	241

Income Distribution

Affordable units addressing the Municipality's Prospective Need obligations and which are subject to UHAC must be composed of a minimum of 50% low-income units; the remaining units may be moderate income.

There is one exception to UHAC, pursuant to the 2008 amendments to the FHA, P.L. 2008, c. 46 (codified as *N.J.S.A.* 52:27D-329.1): Municipalities must provide very low-income units equal to 13% of all affordable units approved and constructed after July 17, 2008, at 30% of the regional median income instead of the UHAC standard of 10% at 35% of the regional median income.

Low-Income Units

The Municipality is seeking credit for 1,176 units to satisfy its combined Prospective Need obligations across all rounds. Of these, 658 units, or 56.0%, are low-income units; the remaining 518 units, or 44.0%, are moderate-income units.

TABLE 29. SATISFACTION OF MUNICIPALITY COMBINED INCOME DISTRIBUTION						
Program	Rental	Senior	Family	Income Level: Very Low	Low	Moderate
100% Affordable Development						
John and Clay Streets			X			5
Hamilton Avenue Streets			X		2	4
171 John Street			X			1
7 Leigh Avenue			X			1
Karin Court	X		X	16		
100-104 Leigh Avenue	X		X	1	2	
135 Bayard Lane	X		X	1	1	2

TABLE 29. SATISFACTION OF MUNICIPALITY COMBINED INCOME DISTRIBUTION						
				Income Level		
Program	Rental	Senior	Family	Very Low	Low	Moderate
Harriet Bryan House	X	X			67	
52 Leigh Avenue			X		2	
159 John Street			X			1
246 John Street	X		X		1	
Habitat for Humanity Lytle Street			X			2
Princeton Community Village	X		X	3	9	12
Thanet Road Senior	X	X		11	27	42
900 Herrontown Road/SAVE	X		X	9	30	25
Franklin Avenue and Maple Terrace	X		X	11	29	40
Chestnut Street Firehouse	X		X	2	6	8
Harrison Street Firehouse and Garage	X		X	5	12	17
John Street DPW site	X		X	5	13	17
Inclusionary Development						
Griggs Farm rentals	X		X		70	
Griggs Farm for-sale			X			70
The Princewood	X		X		1	
291-293 Nassau Street	X		X			1
41 Spring Street	X		X		1	1
47 Spring Street	X		X		1	
Shirley Court rentals	X		X			2
Shirley Court for-sale			X		1	2
Maclean Street			X		2	1
Palmer Square/Hulfish North	X		X			2
21 Wiggins St.	X		X			4
195 Nassau St.	X		X	1	6	2
10 Lincoln Court	X		X		1	1

TABLE 29. SATISFACTION OF MUNICIPALITY COMBINED INCOME DISTRIBUTION						
				Income Level		
Program	Rental	Senior	Family	Very Low	Low	Moderate
108 Stockton Street	X		X	6	18	24
Washington Oaks			X		36	24
Witherspoon Phase I	X		X			2
Witherspoon Phase II	X		X			10
114 Leigh Avenue			X			1
190-198 Witherspoon Street	X		X		1	1
12-14 Vandeventer Avenue	X		X			1
Copperwood	X		X		4	8
Merwick Stanworth	X		X	5	25	26
AvalonBay Witherspoon Street	X		X	8	21	27
255 Nassau Corp./Carnevale	X		X		2	2
Princeton Maclean, LLC	X		X		1	1
AvalonBay Thanet Road	X		X	1	2	3
The Alice/Terhune and Harrison	X		X	4	9	12
375 Terhune			X	1	3	2
AvalonBay Princeton Shopping Center	X		X	2	14	20
801 State Road			X	1	2	3
Hillier Properties	X		X	2	5	6
125 Witherspoon	X		X	1	2	2
360-364 Nassau Street	X		X	4	9	13
The Jewish Center, 457 Nassau Street	X		X	1	2	1
245-247 Nassau Street	X		X	2	7	9
40-42 North Tulane Street/ 32 Spring Street	X		X	1	3	4
86-88, 92-94-96 Spruce Street	X		X	1	3	4
11-33 State Road/60 Mt. Lucas Road	X		X	2	6	8
29 Thanet			X	2	7	8

TABLE 29. SATISFACTION OF MUNICIPALITY COMBINED INCOME DISTRIBUTION						
				Income Level		
Program	Rental	Senior	Family	Very Low	Low	Moderate
Princeton Executive Center/Niksun	X		X	5	15	20
Alternative Living Arrangements						
CIFA II/SERV	X				4	
Community Options (2 facilities)	X			8		
Catholic Charities	X			3		
Youth Consultation Service	X			4		
AvalonBay Thanet Road	X			15		
AvalonBay Princeton Shopping Center	X			8		
Municipally sponsored group homes	X			8+8		
Brandywine Assisted Living at Princeton	X	X		5		
			Total	*173*	*485*	*518*

Very Low-Income Units

The Municipality has 817 affordable units proposed, approved, and constructed on or after July 17, 2008. This generates a very low-income obligation of 107 units (.13 x 817 = 106.21), including the following:

TABLE 30. VERY-LOW INCOME OBLIGATION CALCULATION	
Project	Affordable Units
47 Spring Street	1
291-293 Nassau Street	1
253 Nassau Street	1
190-198 Witherspoon	2
12-14 Vandeventer	1
24 N. Harrison Street (Group Home)	4
246 John Street	1
41 Spring Street	2
Princeton Maclean, LLC - 30 Maclean Street	2

TABLE 30. VERY-LOW INCOME OBLIGATION CALCULATION	
Project	Affordable Units
Community Options - 24 Dorann Avenue	4
Copperwood	12
Habitat for Humanity Lytle Street	2
Youth Consultation Service – 9 Hilltop Drive	4
255 Nassau Street	4
Merwick Stanworth / 100-104 Leigh Ave / 135 Bayard Ln	65
AvalonBay (Avalon Princeton)	56
RPM – 900 Herrontown Road (SAVE)	64
Princeton Community Village	25
Thanet Road Senior Project	80
Municipally Sponsored Group Homes	16
Terhune and Harrison	12
Princeton Shopping Center (Edens)	44
Thanet Road – AvalonBay	21
Franklin Avenue and Maple Terrace	80
Chestnut Street Firehouse	16
Harrison Street Firehouse and Garage	34
John Street DPW site	35
21 Wiggins St.	4
195 Nassau St.	9
10 Lincoln Court	2
108 Stockton Street	48
375 Terhune	6
801 State Road	6
Hillier Properties	14
125 Witherspoon	5
360-364 Nassau Street	26
Jewish Center, 457 Nassau Street	4
245-247 Nassau Street	18
40-42 North Tulane Street/ 32 Spring Street	8

TABLE 30. VERY-LOW INCOME OBLIGATION CALCULATION	
Project	**Affordable Units**
86-88, 92-94-96 Spruce Street	8
11-33 State Road/60 Mt. Lucas Road	16
29 Thanet	17
Princeton Executive Center/Niksun	40
Total	***817***
13% required	***106.21***

As illustrated in the Income Distribution table, the Municipality has 173 very low-income units that were or will be created after July 1, 2008, far exceeding its very low-income obligation of 107 units. Additionally, 114 of the Municipality's very low-income units are family units, not restricted to special needs or age-restricted households.

An additional requirement of the amended FHA (P.L. 2024 c.2) is that at least half of all very low-income units produced during the Fourth Round be available to "families with children;" i.e., having two or more bedrooms. As currently proposed, the Fourth Round includes 33 family very low-income units out of a total of 41 very low-income units, thus satifying the family very low-income requirement. At least 16 of those units will have two or more bedrooms.

AFFORDABLE HOUSING ADMINISTRATION

Affordable Housing Ordinance, Mandatory Set-Aside Provisions

Princeton has adopted an amended Affordable Housing Ordinance in accordance with COAH's substantive rules and UHAC. The Affordable Housing Ordinance includes the required Municipality-wide mandatory set-aside ordinance (i.e. the amended affordable housing overlay ordinance) and will govern the establishment of affordable units in the Municipality as well as regulating the occupancy of such units (see Appendix R). Once DCA and HMFA finalize their rule proposals (anticipated after June 30, 2025), the Municipality will prepare an updated Fair Share Ordinance in accordance with court-upheld COAH's rules, DCA's proposed new regulations at *N.J.A.C.* 5:99, and UHAC's new 2025 regulations that are anticipated to be released shortly, as well as to address any terms of the Court-approved Third Round FSHC agreement, if relevant. The Fair Share Ordinance will govern the establishment of affordable units in the Municipality as well as regulating the occupancy of such units. The Municipality's Fair Share Ordinance covers the phasing of affordable units, the low/moderate income split, including that 13% of all units approved and constructed since 2008 be affordable to very low-income households earning no more than 30% of median income, bedroom distribution, occupancy standards, affordability controls, establishing rents and sales prices, affirmative marketing, income qualification, etc.

Affirmative Marketing

Princeton currently has a Court-approved Affirmative Marketing Plan (Appendix S). Once DCA and HMFA finalize their rule proposals (not anticipated before June 30, 2025), the Municipality will prepare an updated Affirmative Marketing Plan in accordance with DCA's proposed new regulations at *N.J.A.C.* 5:99, UHAC's new 2025 regulations that are anticipated to be released shortly, any remaining relevant COAH rules not superseded by either the proposed 2025 DCA regulations or the upcoming 2025 revised UHAC rules, as well as to address any terms of the Court-approved Third Round FSHC agreement. The Municipality will adopt an Affirmative Marketing Plan for all affordable housing sites. The Municipality's current Affirmative Marketing Plan is 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 the affordable units located in the Municipality. Additionally, the Affirmative Marketing Plan is intended to target those potentially eligible households who are least likely to apply for affordable units and who reside and/or work in the Municipality's housing region, Region 4, consisting of Mercer, Monmouth, and Ocean counties.

The Affirmative Marketing Plan lays out the random-selection and income qualification procedure of the administrative agent, which is consistent with COAH's rules and *N.J.A.C.* 5:80-26.1. All newly created affordable units will comply with the minimum 30-year or 40-year (for rentals) affordability control required by UHAC, *N.J.A.C.* 5:80-26.1 *et seq*. This plan must be adhered to by all private, nonprofit or municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit.

As required by the Court-approved Third Round FSHC agreement, the Affirmative Marketing Plan requires that the following organizations be notified whenever affordable units in the Municipality are available:

- Fair Share Housing Center;
- New Jersey State Conference of the NAACP;
- Trenton branch of the NAACP;
- Greater Red Bank branch of the NAACP;
- Asbury Park/Neptune branch of the NAACP;
- Bayshore branch of the NAACP;
- Greater Freehold branch of the NAACP;
- Greater Long Branch chapter of the NAACP;
- Shiloh Baptist Church;
- Latino Action Network;
- Supportive Housing Association; and
- New Jersey Housing Resource Center.

The Municipality, as part of its regional affirmative marketing strategies during its implementation of this plan, will provide notice to these organizations of all available affordable housing units. The Municipality also agrees to require any other entities, including developers, or individuals or companies retained to do affirmative marketing, to comply with this paragraph. Finally, in accordance with the July 2020 amendment to the FHA, the Municipality will include in its Affirmative Marketing Plan the requirement that all units subject to affirmative marketing requirements be listed on the state Housing Resource Center website, njhrc.gov.

Municipal Housing Liaison, Administrative Agent

The Municipality has established the position of the Municipal Housing Liaison and has appointed a staff member to the position. The Municipal Housing Liaison coordinates and oversees all of Princeton's affordable housing activities. Princeton Affordable Housing administers the Municipality's affordable for-sale units. Princeton Community Housing serves as the Administrative Agent for the municipally owned affordable rental units and for the affordable units at Merwick Stanworth. Princeton Community Housing also administers the units that they own, such as Princeton Community Village, Griggs Farm rental units, Elm Court and Harriet Bryan. External administrative agents administer the affordable units at Copperwood and AvalonBay Princeton. Princeton has appointed a consulting administrative agent to oversee administration of all affordable units in the Municipality. (See Appendix T.)

Trust Fund, Spending Plan

The former Princeton Borough first established an affordable housing trust fund in 1985. It was administered by the mayor and council, and accepted voluntary contributions from both the Borough and from private entities. When the former Borough's affordable housing overlay ordinance was adopted in 1990, the Borough allowed developers to make payments into the trust fund in lieu of constructing affordable units, and it required developers of four or fewer units to make such payments. When the former Borough passed its development fee ordinance in 1995, development fees were also deposited into the trust fund. (The Municipality repealed the former

Borough's original development fee ordinance in 2015, and extended the former Township's 2010 development fee ordinance to the entire Municipality.)

The former Princeton Township had an affordable housing trust fund as far back as 2007, and adopted its development fee ordinance in 2010. As noted above, this ordinance was extended to the entire Municipality in 2015. The ordinance authorizes the collection of residential development fees equal to 1.5% of the equalized assessed value of new residential construction and additions, and mandatory non-residential development fees equal to 2.5% of the equalized assessed value of new non-residential construction and additions. The Municipality updated its development fee ordinance again as part of Third Round compliance to eliminate references to COAH's invalidated Third Round regulations, instead citing COAH's Second Round regulations, and to provide references to the Superior Court's jurisdiction instead of COAH's. (See Appendix R.)

The Municipality designates all development fees as affordable housing trust funds. It disburses those funds for rehabilitation and affordability assistance, for the purchase of deed-restricted units, and to subsidize creation of new affordable units. It credits as affordable housing trust fund income any proceeds from the sale of restricted units or repayment of rehabilitation or affordability assistance loans. It allocates the permissible 20% of development fees to cover administrative costs.

A new spending plan has been prepared consistent with this Plan (see Appendix U), which discusses anticipated revenues, collection of revenues, and the use of revenues, in accordance with *N.J.A.C.* 5:93-5.1(c). All collected revenues are placed in the Municipality's Affordable Housing Trust Fund and will be dispensed for the use of affordable housing activities as indicated in the Fourth Round Spending Plan. Once DCA and HMFA finalize their rule proposals (anticipated after June 30, 2025), the Municipality will prepare an updated spending plan in accordance with DCA's proposed new regulations at *N.J.A.C.* 5:99, UHAC's new 2025 regulations that are anticipated to be released shortly, any remaining relevant COAH rules, not superseded by either the proposed 2025 DCA regulations or the upcoming 2025 revised UHAC rules as well as to address any terms of the Court-approved Third Round FSHC agreement.

The Municipality may, in the future, seek to amend its Spending Plan and obtain approval to use its affordable housing trust funds for the following additional permitted affordable housing activities, including new, emergent affordable housing activities, subject to applicable limitations and minimum expenditures:

- Rehabilitation programs;
- New construction of affordable housing units and related development costs;
- Extensions or improvements of roads and infrastructure directly serving affordable housing development sites;
- Acquisition and/or improvement of land to be used for affordable housing;
- Purchase of affordable housing units for the purpose of maintaining or implementing affordability controls,
- Maintenance and repair of affordable housing units;
- Repayment of municipal bonds issued to finance low- and moderate-income housing activity;
- Affordability assistance;

- Administrative expenses; and
- Any other activity as specified in the approved spending plan.

At least 30% of collected development fees, excluding expenditures made through June 2, 2008, when affordability assistance became a statutory requirement in the Fair Housing Act, will be used to provide affordability assistance to very low-, low- and moderate-income households in affordable units included in the Municipality's Fair Share Plan. At least one-third of the affordability assistance must be expended on very low-income units. Additionally, no more than 20% of the revenues collected from development fees each year may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to prepare or implement a rehabilitation program, a new construction program, a Housing Plan Element and fair share plan, and/or an affirmative marketing program.

Monitoring/Status Report

In accordance with the requirements of *N.J.S.A.* 52:27D-329.2 and -329.4 as amended by P.L. 2024 c.2, by February 15 of each year of the Fourth Round, the Municipality will provide a detailed accounting through DCA's new Affordable Housing Monitoring System ("AHMS") of all affordable units constructed and construction starts during the prior calendar year, and of all residential and non-residential fees collected, interest earned, and other income collected and deposited into the Borough's affordable housing trust fund during the prior calendar year. The Municipality will also provide a detailed accounting in AHMS of all expenditures of affordable housing trust funds during the prior calendar year, including purposes and amounts, and documentation of the balance remaining in the affordable housing trust fund as of December 31 of that year.

The Municipality or any other interested party may file an action through the Program seeking a realistic opportunity review at the midpoint of the Fourth Round and shall provide for notice to the public, including a realistic opportunity review of any inclusionary development site in this HEFSP that has not received preliminary site plan approval prior to the midpoint of the 10-year round. If such an action is initiated by the Municipality, the Municipality may propose one or more alternative sites with an accompanying development plan or plans that provide a realistic opportunity for the same number of affordable units and are otherwise in compliance with the FHA and the Mount Laurel doctrine.

Cost Generation

The land use ordinances of the Municipality, as well as those of the former Princeton Borough and the former Princeton Township that still govern the Municipality's development patterns, have been reviewed to eliminate unnecessary cost-generating standards. They provide for expediting the review of development applications containing affordable housing. Such expediting measures may consist of, but are not limited to, scheduling of pre-application conferences and special monthly public hearings. Furthermore, development applications containing affordable housing shall be reviewed for consistency with both land use ordinances, Residential Site Improvement Standards (*N.J.A.C.* 5:21-1 *et seq.*), the Municipal Land Use Law (*N.J.S.A.* 40:55D-40.1 through 40.7), and the mandate of the FHA regarding unnecessary cost generating features. Princeton will comply with COAH's requirements for unnecessary cost generating requirements, *N.J.A.C.* 5:93-10.1(a),

procedures for development applications containing affordable housing, *N.J.A.C.* 5:93-10.1(b), and requirements for special studies and escrow accounts where an application contains affordable housing, *N.J.A.C.* 5:93-10.3.

SUMMARY

The Municipality of Princeton has a Rehabilitation obligation of 60 units; a Prior Round obligation of 641 units, which represents the combination of the former Princeton Township's Prior Round obligation of 330 units and the former Princeton Borough's Prior Round obligation of 311 units, reduced to a Prior Round RDP of 100 units and an unmet need of 223 units; a Third Round obligation of 753 units; and a Fourth Round obligation of 276 units. In order to satisfy its Rehabilitation obligation, the Municipality will continue its local rehabilitation program, which will be available to both owner-occupied and renter-occupied units, and will provide funds to the Princeton Housing Authority to repair or replace at least one major system at 60 units owned by PHA. Pursuant to the 2019 Settlement Agreement with Fair Share Housing Center, the Municipality has addressed its 641-unit Prior Round obligation with an RCA agreement, prior-cycle age-restricted affordable units; family affordable for-sale and rental units; group home bedrooms; 15 surplus units to be applied to the former Borough's unmet need; and Prior Round rental and substantial compliance bonuses. To further defray the former Borough's Prior Round unmet need, the Municipality established several affordable housing inclusionary overlay zones on specific groups of parcels in the former Borough. Princeton has addressed its Third Round obligation with existing, approved or proposed group homes, family and age-restricted affordable rental and for-sale units, inclusionary overlay zoning, and Third Round rental bonuses. Princeton intends to address its Fourth Round obligation, and its remaining Prior Round Unmet Need obligation from the former Borough, with proposed inclusionary and 100% affordable redevelopment projects on 13 sites in the Municipality, providing a potential 20-credit surplus to be applied to a future affordable housing obligation.

Appendix A. Third Round Settlement Agreement, Fairness Order, Judgment of Repose

FAIR SHARE
HOUSING CENTER

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December 18, 2019

Kevin A. Van Hise, Esq.
Mason, Griffin & Pierson, PC
101 Poor Farm Road
Princeton, NJ 08540

Re: In the Matter of the Application of the Municipality of Princeton in Mercer County
Docket No. MER-L-1550-15

Dear Mr. Van Hise:

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

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

Settlement terms
Princeton and FSHC hereby agree to the following terms:

1. FSHC agrees that Princeton, through the adoption of a Housing Element and Fair Share Plan conforming with the terms of this Agreement (hereafter "the Plan") and through the implementation of the Plan and this Agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).

2. The fair share obligations in this matter are the subject of a court decision issued by the Honorable Mary C. Jacobson on March 8, 2018. Although the court has adjudicated the methodology for determining Third Round fair share obligations, the court has not adjudicated certain issues regarding compliance with that obligation, and the parties, absent entering into this settlement, would have the right to appeal that adjudication. The parties through this Agreement agree to waive any right of appeal of Judge Jacobson's March 8, 2018 decision on methodology and through this Agreement request that the Court approve the compliance mechanisms set forth herein.

3. FSHC and Princeton hereby agree that Princeton's affordable housing obligations are as follows:

Present Need/Rehabilitation Share	80
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	641
Third Round Obligation(1999-2025) (New Construction)	753

   a. The Third Round Obligation includes the Gap present need for new construction to address the affordable housing needs of households formed from 1999-2015, a need that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017), and the Prospective Need, which is a measure of the affordable housing need anticipated to be generated between July 1, 2015 and June 30, 2025.

   b. The parties, for purposes of this Agreement, have stipulated and agreed to the obligations set forth in Paragraph 3 above, as found and determined by the trial court in the Opinion and Order entered by the Honorable Mary C. Jacobson, A.J.S.C., on March 8, 2018 in the consolidated methodology trial for Princeton (Docket No. MER-L-1550-15) and West Windsor Township (Docket No. MER-L-1561-15).

   c. The parties agree that the provisions of this Agreement represent a fair and reasonable settlement of this litigation pursuant to the standards elucidated by East/West Venture v. Borough of Fort Lee, 286 N.J.Super. 311 (App. Div. 1996) and related case law, recognizing that (1) either or both parties could have appealed the trial court's Methodology determination, raising issues on appeal that could have resulted in a higher or lower fair share obligation, and (2) that other aspects of this settlement resolve additional important issues, beyond the fair share obligation, that are relevant to the East/West Venture analysis of the fairness and reasonableness of the settlement, issues that have not yet been adjudicated by the trial court as of the date of the settlement. Thus, both Princeton and FSHC agree to support this Agreement as fair and reasonable before the trial court, and if an appeal is filed by a third party, upon any appeal to the Appellate Division and/or the Supreme Court.

4. Princeton's rehabilitation obligation is 80 units. Five units have been completed since 2010. Documentation related to these units will be provided during the compliance phase of this proceeding. Princeton will meet the remainder of its obligation through a local rehabilitation program for both rental and for-sale housing administered by the Princeton Affordable Housing Office (Maureen Fullaway) in accordance with COAH's rules. This is sufficient to satisfy the Township's present need / rehabilitation obligation.

   a. Princeton may seek modification of its rehabilitation share obligation by conducting a survey of the municipal housing stock as provided for by N.J.A.C. 5:97-6.2(a) and N.J.A.C. 5:93-5.2(a).

   b. Any such application for a modification of the rehabilitation share obligation shall be subject to the review and approval of the Court on notice to the Special Master and FSHC and be completed during the compliance phase and submitted to the Court, Special Master, and FSHC at least 30 days prior to the Compliance Hearing.

5. Princeton is unique in that as a municipality, it has no COAH-calculated prior round obligation due to the fact that the Municipality of Princeton was created on January 1, 2013 by the consolidation of the former Borough of Princeton and the former Township of Princeton. As such, Princeton's prior round obligation has been established by the separate obligations of the two former municipalities:

    a. Princeton Borough. The prior round obligation of the former Princeton Borough is 323 units.

        i. Pursuant to a Judgment of Compliance and Repose entered on October 16, 2002, the Borough addressed its Second Round obligation through the following compliance mechanisms:

Name	Type	Units
Elm Court (Prior Cycle) (Block 1.01, Lot 4.01)	Age-Restricted Rentals. Constructed 1984 – Section 202 Program, by Princeton Community Housing, Inc.	88
Vacant Land Adjustment	(Unmet Need Obligation) 323-100=223	223

        ii. The Borough also provided the following units to address its present need in the Prior Round:

Name	Address	Block	Lot	Type	Units
John & Clay Streets	237 & 241 John Street	15.03	49.02, 49.04	Family For-Sale. Completed 1994	5
	92, 94 & 96 Clay Street	15.02	106.02, 106.03, 106.04		
Hamilton Avenue	101, 105, 113, 115, 123 & 127 Hamilton Avenue	33.04	1.17, 1.15, 1.11, 1.10, 1.06, 1.04	Family For-Sale. Completed 1990	6
171 John Street	171 John Street	17.03	71	Family For-Sale. Completed 1992	1
				TOTAL:	**12**

        iii. To address its vacant land adjustment of 223 units, and as a court-requirement for its judgment of compliance and repose, the Borough adopted an affordable housing overlay zoning ordinance (Section 17A-202.1, et seq. of the Borough Code). The overlay ordinance requires a twenty-percent (20%) set-aside of affordable housing for development of the land located in the former Borough for a multiple dwelling or joint occupancy building with five or more dwelling units. Princeton has continued to maintain that ordinance post consolidation. The overlay ordinance has produced the following units:

Name	Address	Block	Lot	Acr.	Type	Total Units	A.H. Units
The Princewood	253 Nassau Street	48.01	6	0.517	12 rental units with 1 very-low income family unit.	12	1
Princeton International Properties	291-293 Nassau Street	51.02	46	0.438	7 family rental units with 1 moderate income family rental	7	1
41 Spring Street	41 Spring Street	27.04	18	0.113	Family rental units	22	2
45 Spring Street	45 Spring Street	27.04	20	0.034	Approved in 2018 for 6 residential units with 1 two-bedroom low income unit	6	1
Shirley Court	1, 2, 3, 4 & 5 Shirley Court	24.01	15	0.146	Family For-Sale Completed 2001	6	5
MacLean Street	14, 18 & 22 MacLean Street	17.03	116.0105, 116.0103, 116.0101	0.146	Family For-Sale Completed 2001	6	3
Palmer Sq. Hulfish North	Palmer Square				Court settlement for 100 apartment units with 10 AH units (8 with 20yr controls + 2 COAH compliant units)	100	2
					TOTAL:	159	**15**

iv. Pursuant to COAH's 2008 calculations set forth in N.J.A.C. 5:97, Appendix C, the Borough's recalculated prior round obligation was 311 units.

v. In combination with a 1 unit excess credit from the (former) Township being applied to the unmet need obligation, the current unmet need from the former Borough is as follows:

Total unmet need	223
Less:	
Units from Overlay Ordinance	15
Adjustment from COAH Recalculated Prior Round Obligation	12
Township Prior Round Excess Credit	1
Remaining Unmet Need Calculation from Former Borough	195

vi. Pursuant to Paragraph 5.a.iii above, Section 17A-202.1, et seq. of the Borough Code requires an affordable housing set-aside on projects located in the lands of the former Borough. As part of this settlement agreement, Princeton agrees to amend, or repeal and replace, the existing ordinance

with a new ordinance applicable to the entire consolidated municipality that requires an on-site affordable housing set-aside of 20% for all new multi-family residential developments of five (5) or more additional units that are developed at a density of six (6) or more units per acre, which developments become permissible through: a use variance; a density variance increasing the permissible density at the site; a rezoning permitting multi-family residential housing where not previously permitted; or a new or amended redevelopment plan; or a new or amended rehabilitation plan.

1. This ordinance shall not apply to student housing, defined to mean "*Non-profit housing owned and operated by an accredited academic institution for full-time undergraduate and graduate students who are currently registered and enrolled in a degree-granting program at same academic institution located within the Municipality of Princeton.*"

2. This ordinance shall not give any developer the right to any such rezoning, variance, redevelopment designation or redevelopment or rehabilitation plan approval, or any other such relief, or establish any obligation on the part of the municipality to grant such rezoning, variance, redevelopment designation, redevelopment or rehabilitation plan approval, or such other or further relief.

3. This provision shall not apply to sites zoned for inclusionary residential development or for which an inclusionary residential redevelopment plan has been adopted consistent with the municipality's Court-approved Housing Element and Fair Share Plan adopted in accordance with this Agreement, which sites shall comply with the applicable adopted zoning. No site shall be permitted to be subdivided so as to avoid compliance with this requirement.

4. The ordinance shall be enacted to apply to the entire municipality of Princeton.

    a. Affordable housing developed in accordance with this ordinance within the boundaries of the former Borough shall be credited to the unmet need obligation of the former Borough.

    b. Affordable housing developed in accordance with this ordinance within the boundaries of the former Township shall be credited to the consolidated municipality's prospective need for future affordable housing obligations in accordance with then applicable law.

vii. In addition to maintaining the existing overlay ordinance, Princeton will also enact area specific overlays to incentivize inclusionary and mixed use redevelopment with a required affordable housing set-aside for sites commonly known as:

Name	Address	Block	Lot	Acr.	To New District
Bank of America	370 Nassau Street	32.01	171	1.430	AHO-2
7-Eleven & USPS	257 1/2 Nassau St. Alley & 259 Nassau Street	48.01	16,21	0.839	AHO-1
Jay's Cycle & Nassau East Inc.	249 Nassau Street; 245-247 Nassau Street	48.01	18, 5	1.150	AHO-1
Craft Cleaners	225-227 Nassau Street	47.02	27, 28	0.285	AHO-1
Thompson Realty	195 Nassau Street; 9-11 Charlton Street	47.01	23, 26	0.445	AHO-1
Princeton University	199-201 Nassau Street	47.01	24, 25	0.200	AHO-1
Princeton Proprietary Holdings, LLC	211-213 Nassau Street	47.02	21, 22	0.220	AHO-1
TCO Metals, LLC	215 Nassau Street	47.02	23	0.125	AHO-1
Princeton University	221-223 Nassau Street	47.02	26	0.211	AHO-1
Sunoco Gas	273 Nassau Street (at Murray Place)	51.02	41	0.424	AHO-1
The Jewish Center	457 Nassau Street	56.03	170	4.840	AHO-3
Appari, LLC	217 Nassau Street	47.02	24	0.114	AHO-1
219 Nassau St. LLC	219 Nassau Street	47.02	25	0.121	AHO-1
Craabumch & Co.	229-231 Nassau Street	47.02	29	0.104	AHO-1
Princeton Intl. Properties	360 Nassau Street	32.01	1	0.734	AHO-2
Fleet / BOA	372-374 Nassau Street	32.01	172	0.367	AHO-2
Princeton Intl. Properties	366 Nassau Street	32.01	173, 213	0.281	AHO-2
Shelpuk	364 Nassau Street	32.01	221	0.160	AHO-2
Princeton Intl. Properties	354 Nassau Street	32.01	222	0.354	AHO-2
Pang	238 Nassau Street	30.02	38	0.172	AHO-2
254-258 Nassau Street LLC	254-258 Nassau Street	30.02	78	0.182	AHO-2
252 Nassau Street LLC	252 Nassau Street	30.02	79, 80	0.211	AHO-2
Roussos Family LP	246 Nassau Street	30.02	81	0.149	AHO-2
Roussos Family LP	242 Nassau Street	30.02	82	0.120	AHO-2
Pang	240 Nassau Street	30.02	83	0.170	AHO-2
250 Nassau Street LLC	250 Nassau Street	30.02	87	0.163	AHO-2
248 Nassau Street LLC	248 Nassau Street	30.02	89	0.160	AHO-2
Roussos Family LP	244 Nassau Street	30.02	92	0.089	AHO-2

1. The ordinance implementing the area specific overlays will be in substantially the form as attached hereto as **Exhibit A**, creating three new overlay zoning districts, to be known as AHO-1, AHO-2 and AHO-3.

2. The AHO-1 and AHO-2 provisions of the proposed ordinance will incorporate the following provisions: (a) 3-story buildings will be permitted; (b) establish or utilize a required parking ratio of 1.3 spaces per dwelling unit; and (c) add a maximum front yard setback requirement.

viii. With the adoption of the set aside ordinance required by Paragraph 5.a.vi above and the area specific overlays ordinance to be adopted pursuant to Paragraph 5.a.vii above, and the requirement imposed by Paragraph 5.a.ix, the parties agree that the former Borough's unmet need obligation is adequately addressed in accordance with COAH's rules, and in particular, N.J.A.C. 5:93-4.2(f).

ix. Princeton will continue to encourage and foster new affordable housing opportunities by site specific redevelopment negotiations with developers in the former Borough on sites not specifically identified in this Agreement. Opportunities obtained as a result of such efforts within the boundaries of the former Borough shall be credited first to the former Borough's unmet need obligation, and upon satisfaction of the unmet obligation, any additional credits may be applied to Princeton's future round obligation(s).

b. Princeton Township. The prior round obligation from the former Princeton Township is 330 units. In accordance with the Township's grant of Substantive Certification from COAH on October 2, 1996, the Township addressed its Second Round obligation through the following compliance mechanisms:

Name	Address	Block	Lot	Acr.	Type	Total Units	A.H. Units	Bonus Credits	Total Credits
CIFA II, LLC	16 Gulick Road	4701	28	0.570	2 Br. Group Home + 2 Bonus completed 1994		2	2	4
Griggs Farm - PCH	Griggs Drive	802	1	26.500	140 Sale & Rental + 70 Bonus, completed 1989		140	70	210
White Farm / Calton Homes / Washington Oaks	Route 206 @ Hutchinson Drive			73.000	60 Family Sale Units, completed 1994	300	60	-	60
7 Leigh Avenue	7 Leigh Avenue	6905	21	0.110	1 Reconstr. Family Sale Unit, compl. 1994		1	-	1

West Drive / Karin Court	Karin Court	11301	1.02	2.633	16 Very low inc. rentals + 11 bonus, compl. 1999		16	11	27
RCA / Trenton					23 Units		23	-	23
Substantial Compliance Bonus - 1st to 2nd Round					6 Unit Reduction (Prev. Awarded)		6	-	6
					TOTALS:	300	**248**	83	**331**

6. Princeton has implemented or will implement the following mechanisms to address its Third Round New Construction obligation of 753 units:

Constructed Units

Name	Address	Block	Lot	Acr.	Type	Total Units	A.H. Units	Bonus Credits	Total Credits
Witherspoon Phase I	57 Witherspoon Street	27.02	76	1.280	Family Rental	24	2	2	4
Witherspoon Phase II	Spring Street	27.01	10, 12, 13, 78	0.558	Family Rental	53	10	10	20
114 Leigh Avenue	114 Leigh Avenue	13.01	4	0.069	Family Sale	5	1	-	1
100-104 Leigh Avenue	100-104 Leigh Avenue	13.01	9.01	0.210	Family Rental	5	5	5	10
135 Bayard Lane	135 Bayard Lane	13.01	1	0.227	Family Rental	4	4	4	8
Harriet Bryan House	310 Elm Road	6501	3.01, 1.01	10.193	Age Restricted	67	67	-	67
Acorn Glen	775 Mt. Lucas Road	2802	3	10.000	Assisted Living	-	5	-	5
52 Leigh Avenue	52 Leigh Avenue	6906	24	0.070	Family Sale	2	2	-	2
159 John Street	159 John Street	17.03	68	0.066	Family Sale	1	1	-	1
190-198 Witherspoon St.	194-198 Witherspoon St.	15.01	25.01	0.296	Family Rental	4	2	2	4
12-14 Vandeventer Ave.	12-14 Vandeventer Ave.	27.04	24	0.270	Family Rental	4	1	1	2
24 North Harrison St.	24 North Harrison Street	34.01	15	0.214	Group Home	-	4	4	8

246 John Street	246 John Street	15.04	76	0.041	Family Rental	1	1	1	2
76-1/2 Linden Inc. / Catholic Ch.	76-1/2 Linden Lane	33.04	104	0.219	Group Home	-	3	-	3
Community Options	24 Dorann Ave.	7308	20	0.230	Group Home	-	4	4	8
Copperwood	300 Bunn Drive	4301	3	9.264	Family Rental	153	12	-	12
Youth Consultation Serv.	9 Hilltop Drive	5401	5	0.570	Group Home	-	4	4	8
Merwick / Stanworth	Bayard Lane @ Stanworth	14.01	2	17.130	Family Rental	325	56	56	112
AvalonBay - Witherspoon Street	100 Albert Way	21.02 & 7101	1.01 & 12.01	10.553	Family Rental	280	56	56	112
255 Nassau Corp / Carnevale	255 Nassau Street	48.01	22	0.861	Family Rental	23	4	4	8
					TOTAL CONSTRUCTED UNITS:	951	**244**	153	**397**

Approved - Not Yet Constructed

Name	Address	Block	Lot	Acr.	Type	Total Units	A.H. Units	Bonus Credits	Total Credits
Princeton Maclean, LLC	30 Maclean Street	17.03	73	0.165	Family Rental	10	2	2	4
Lytle Street (Habitat for Humanity)	31 Lytle Street	15.02	71	0.062	Family Sale	2	2	-	2
					TOTAL APPROVED UNITS:	12	**4**	2	**6**

Municipally Sponsored / 100% Affordable Housing Developments

Name	Address	Block	Lot	Acr.	Type	Total Units	A.H Units	Bonus Credits	Total Credits
Princeton Community Village	Karl Light Boulevard	4401	2	35.706	Family Rental	25	25	-	25
Franklin Avenue & Maple Terrace	Franklin Avenue	21.04	26, 27	2.472	Family Rental	80	80	33	113
RPM - 900 Herrontown Road (SAVE)	900 Herrontown Road	901	21	3.000	Family Rental	65	64	-	64
Thanet Road Senior Project - Avalon Bay	100 Thanet Road	5502	p/o 4	2.500	Age Restricted Rental	80	80	-	80
Group Homes					Group Homes - 4		16	-	16
					TOTAL MUNICIPALLY SPONSORED:	250	**265**	33	**298**

Sites To Be ReZoned for Inclusionary Development

Name	Address	Block	Lot	Acr.	Type	Total Units	A.H. Units	Bonus Credits	Total Credits
Terhune & Harrison	351 Terhune Road	7401	1.02	4.509	Family Inclusionary	60	12	-	12
Princeton Shopping Center (Edens)	301 North Harrison St.	7401	1.01	29.093	Family Inclusionary	200	44	-	44
Thanet Road - Avalon Bay	100 & 101 Thanet Road	5502	4	15.021	Family Rental	221	6	-	6
					Group Homes (5 3-Br Units)		15	-	15
					TOTAL INCLUSIONARY DEVELOPMENT:	481	**77**	-	**77**

Third Round Compliance Summary

Municipal Obligation – Municipality of Princeton		753
Less:		
Constructed Units	244	
Approved – Not Yet Constructed Units	4	
Municipally Sponsored / 100% Affordable Housing Dev.	265	
Sites to be Re-Zoned for Inclusionary Development	77	
Total Bonus Credits	188	
Total Third Round Compliance Credits		778
TOTAL Third Round Satisfaction (Excess Credits)		25

7. As set forth in Paragraph 6 above, Princeton will provide a realistic opportunity for the development of affordable housing through the adoption of inclusionary zoning on the following sites:

    a. "*Terhune & Harrison*" (Block 7401, Lot 1). This vacant site will be rezoned to permit a residential density of 22 units/acre of family housing and to remove the age restriction requirement. This is anticipated to result in 60 residential units with a required 20% set-aside.

    b. "*Princeton Shopping Center.*" (Block 7401, Lot 1.01) Princeton has reached agreement with the property owner to facilitate the development, via a zoning amendment or use of the Redevelopment process, to provide a density of 6.9± units/acre over the 29.1± acre site, for the development of 200 family rental units with a 22% affordable housing set-aside (44 affordable housing family rental units). The ordinance will permit clustering to facilitate the redevelopment of the southern end of the site without significant impact on the existing commercial development (shopping center).

        i. Princeton acknowledges that the proposed rezoning or redevelopment plan ordinance will incorporate bulk standards permitting a four-story structure within approximately 50' of adjacent, existing single family residential dwellings. Development criteria will be set forth in the ordinance, including the potential need for structured parking, conceptual plan for units, etc.

        ii. The development site plan will prioritize pedestrian, bicycle and transit accessibility as well as thoughtful and creative architectural and landscape design. It will reflect good urban design that will result in the complex, and particularly the Harrison Street frontage, becoming more inviting and visually compatible with the surrounding neighborhoods and to the greater Princeton community. The owner has agreed to provide shuttle service to/from the development to downtown Princeton, and will work closely with the Planning Board and municipal staff to design an attractive and economically viable mixed-use development.

        iii. Written confirmation, by letter agreement or memorandum of understanding, between the property owner and municipality, confirming

the development plan for this site, will be provided prior to the Fairness Hearing.

c. *Thanet Circle – Avalon Bay, Block 5502, Lot 4.* This is a 15.02± acre parcel currently improved with two office buildings constructed more than 30-years ago, containing a total of 110,000± square feet. The buildings have been predominantly vacant for the past several years and the site is ripe for redevelopment. Princeton has reached agreement with the contract purchaser of the property to utilize the redevelopment process to provide for a 221-unit market rate rental complex, with six family rental affordable apartments (comprised of one (1) 1-Bedroom apartment, three (3) 2-Bedroom apartments and two (2) 3-Bedroom apartments (one of which will be designated as a very-low income unit)), and five (5) 3-Bedroom special needs apartments. In addition, the contract purchaser has agreed to subdivide a 2.5± acre parcel for Princeton to create an 80-unit, municipally sponsored, age-restricted, 100% affordable housing development (detailed in Paragraph 8.d below). During the compliance phase of this matter, at least 30 days prior to the compliance hearing, Princeton will provide an agreement with the developer of this site regarding the donation of land and terms on which the inclusionary family rental development will be developed. The 80-unit senior project is addressed further in Paragraph 8.d below.

d. *Northern S-2 Zoning District.* To advance smart growth principles, Princeton will adopt an overlay ordinance to permit as-of-right, residential uses on the second and third floor of existing or new non-residential development at a density of 15-units per acre with a 20-percent set-aside of affordable housing, creating a mixed-use zone providing residences, shopping and services within an existing corridor that is ripe for redevelopment. Affordable housing developed in accordance with this ordinance shall be credited to the consolidated municipality's prospective need for future affordable housing obligations in accordance with then applicable law.

8. As set forth in Paragraph 6 above, Princeton will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:

   a. "*Princeton Community Village.*" Princeton will sponsor the creation of 24 new affordable housing units at Princeton Community Village's existing development located off of Bunn Drive which shall include 3 very low income units, 9 low income units, and 12 moderate income units with an affordability average of 52 percent and will comply with the bedroom distribution provided for in N.J.A.C. 5:80-26.3 with each income tier proportionally distributed across each bedroom type. The proposed project will incorporate the construction of a new mid-rise building utilizing NJHMFA alternative financing (not tax credits).

      i. A zoning ordinance will be adopted during the Compliance Phase providing for the proposed development.

      ii. Princeton will commit funding from the municipal affordable housing trust fund to subsidize the project construction costs.

iii. This will not be a tax credit project. Rather, PCH will obtain tax exempt bond financing through NJHMFA.

iv. A project pro forma and required documentation for the project, including an agreement with the developer regarding funding and timing, among other issues required by this paragraph, will be provided at least 30 days prior to the Compliance Hearing.

b. "*Franklin Avenue & Maple Terrace.*" Redevelopment project being done by PCH that will create 80 new affordable family rental units which shall include 11 very low income units, 29 low income units, and 40 moderate income units with an affordability average of 52 percent and will comply with the bedroom distribution provided for in N.J.A.C. 5:80-26.3 with each income tier proportionally distributed across each bedroom type. The project was originally proposed to have 20 local preference units, but the proposal has since been modified by Princeton to eliminate the Princeton preference proposal.

i. Princeton will adopt a zoning ordinance providing for the proposed development.

ii. PCH will seek 9% tax credits. Funding is anticipated in the 2020 funding round.

iii. Construction on the project shall begin within three (3) years of the court's approval of this Agreement following a fairness hearing.

iv. Princeton will adopt a resolution committing funding from the municipal affordable housing trust fund. A project pro forma and required documentation for the project, including an agreement with the developer regarding funding and timing, among other issues required by this paragraph, will be provided at least 30 days prior to the Compliance Hearing.

v. The parties agree that the existing tenants, at their option, shall be relocated during project construction and returned to the development without need for re-certification.

c. "*900 Herrontown Road.*" This is a 3-acre vacant site that formerly housed the SAVE animal shelter. The property owner has entered into a contract with RPM Development Group / 900 Herrontown Princeton LP ("RPM") for RPM to develop a 65-unit affordable housing project (64 restricted units + 1 on-site residential property manager) which shall include 8 very low income units, 24 low income units, and 32 moderate income units with an affordability average of 52 percent and will comply with the bedroom distribution provided for in N.J.A.C. 5:80-26.3 with each income tier proportionally distributed across each bedroom type.

i. RPM has already submitted an application with NJHMFA seeking 9% tax credits in the 2019 funding round.

ii. A project pro forma and required documentation for the project, including an agreement with the developer regarding funding and timing, among

other issues required by this paragraph, will be provided at least 30 days prior to the Compliance Hearing.

iii. To facilitate the project, Princeton enacted an ordinance creating the AH-3 zoning district, providing for site specific zoning to accommodate the proposed density and bulk requirements necessary to construct the project. The ordinance was adopted on April 8, 2019.

iv. Pursuant to enactment of the AH-3 zoning ordinance, RPM submitted an application to the Princeton Planning Board seeking preliminary and final major site plan approval. By Resolution No. P1919-741P, adopted on July 18, 2019, RPM's application was granted.

d. *"Thanet Circle Senior."*

i. As detailed in Paragraph 7.c above, Princeton will acquire a 2.5± acre tract located on Thanet Road for the development of an 80-unit, municipally sponsored, age-restricted, 100% affordable housing development, which shall include 11 very low income units, 29 low income units, and 40 moderate income units with an affordability average of 52 percent.

ii. The 80-unit senior project will <u>not</u> be a 9% tax credit project. Rather, the municipality intends to fund the project with the use of 4% volume cap tax credits, its affordable housing trust fund, and/or municipal financing of the project.

iii. The Municipality recognizes that the currently estimated total cost of the project will be approximately $15-20 million. The Municipality realizes that while outside sources of funds may be available to offset part of these costs, there is no guarantee of receiving such funds. The Municipality shall provide funding through bonding or any other means necessary to the project sufficient to fully fund the project in a timely fashion to allow construction to begin in accordance with the timetable required by Paragraph 8.g of this Agreement, but in any event shall formally authorize and commit funding sufficient to fully fund the project no later than December 31, 2021, deducting only firmly committed funding from outside sources at that time from the total cost necessary to complete the project.

iv. A project pro forma and required documentation for the project, including an agreement with the developer regarding funding and timing, among other issues required by this paragraph, will be provided at least 30 days prior to the Compliance Hearing.

e. "*Supportive & Special Needs / Group Homes.*" Princeton will commit and sponsor four group home projects that will provide16 total bedroom / credits. Princeton agrees to provide a site, sponsor, and funding plan for eight bedrooms no later than June 30, 2021 and have those bedrooms ready for occupancy by June 30, 2022 and a site, sponsor, and funding plan for the remaining eight bedrooms no later than June 30, 2024 and have all 16 bedrooms ready for occupancy by June 30 2025. The plans and other information shall be provided to FSHC on or before the date they are due. Princeton will provide sufficient funding in its Spending Plan to accomplish these projects. Princeton will adopt a resolution committing funding

from the municipal affordable housing trust fund. Required documentation for the project and commitments will be provided at least 30 days prior to the Compliance Hearing.

f. In accordance with N.J.A.C. 5:93-5.5, Princeton recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments, i.e., Princeton Community Village, Franklin Avenue and Franklin/Maple Terrace, 900 Herrontown Road, Thanet Circle senior housing, and Supportive & Special Needs/Group Homes. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. These obligations will be satisfied through the submission of documentation at least 30 days prior to the compliance hearing in this matter.

g. In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process: including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor and construction. The schedule shall provide for construction to begin within two years of court approval of this Agreement, with the exception of the "Franklin Avenue & Maple Terrace" project that, pursuant to Paragraph 8.b above, will begin within three years of court approval of this Agreement, and the group homes that, pursuant to Paragraph 8.e above, will be in accordance with the schedule referenced therein. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity. These obligations will be satisfied through the submission of documentation at least 30 days prior to the compliance hearing in this matter.

h. Princeton has elected to satisfy a substantial part of its Third Round obligation using municipally-sponsored construction. In addition to the 244 units already constructed, this Agreement requires Princeton to provide a realistic opportunity through zoning for an additional 77 inclusionary units that have not yet been approved or constructed (including the five (5) 3-bedroom supportive housing apartments at Thanet). Through this Agreement, the Municipality commits itself to providing a realistic opportunity, including through its own municipal funds and bonding, for 265 affordable units that have not all been approved and are not already in existence for which other funding sources have not been fully identified and/or may not be available. Princeton acknowledges this substantial financial responsibility and agrees that it will not rely on the substantial financial costs it has assumed as a reason to delay, modify, or otherwise depart from the terms of this Agreement.

9. Princeton agrees to require 13% of all units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, to be very low income units, affordable to households earning 30% or less of area median income, with half of the very low income units being available to families. Of the units identified in this plan, 504 affordable housing units have been developed since 2008, or will be developed in accordance with this Agreement, which leads to a requirement for

66 very low income units. Princeton will comply with this requirement by requiring a minimum of 13% of all affordable units approved in any development, including units required through a set-aside ordinance, whether to address unmet need or not, whether in the former Borough or Township, to be very low income units. The affordable housing ordinance adopted in accordance with this Agreement shall provide that at least 13 percent of all restricted rental units within each bedroom distribution shall be very low-income units (affordable to a household earning 30 percent or less of median income).

Princeton's plan provides for 101 very low income units, which exceeds the 66 unit requirement. More specifically, Princeton represents that the following developments were constructed or approved since July 1, 2008, and include very low income units or shall be required to include very low income units, as follows:

Development/Compliance Mechanism	Total Units	VLI units in existence or to be required
45 Spring Street	1	0
291-293 Nassau Street	1	0
253 Nassau Street	1	0
190-198 Witherspoon	2	0
12-14 Vandeventer	1	0
24 North Harrison Street (Group Home)	4	4
246 John Street	1	0
41 Spring Street	2	0
30 Maclean Street	2	0
24 Dorann Avenue (Group Home)	4	4
Copperwood	12	0
Lytle Street	2	0
9 Hilltop (Group Home)	4	4
255 Nassau Street	4	0
Merwick- Stanworth redevelopment, 135 Bayard Lane and 100-104 Leigh Avenue	65	8
AvalonBay (Avalon Princeton)	56	8
900 Herrontown Road	64	8
Princeton Community Village	25	3
Thanet Circle –Senior 100%	80	11
Group Homes	16	16

Terhune & Harrison	12	2
Shopping Center	44	6
Thanet Circle – Avalon Bay Family and Supportive	21	1 (family); 15 (supportive)
Franklin Avenue & Maple Terrace	80	11
TOTAL:	504	**101**

10. Princeton shall meet its Third Round Obligation (New Construction) and address the remainder of the former Borough's unmet need in accordance with the following standards as agreed to by the Parties:

    a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).

    b. At least 50 percent of the units addressing the Third Round Obligation and the remainder of the former Borough's unmet need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households. The affordable housing ordinance adopted in accordance with this Agreement shall provide that at least half of all affordable units within each bedroom distribution shall be low-income units, which shall include at least 13 percent of all restricted rental units within each bedroom distribution as very low-income units (affordable to a household earning 30 percent or less of median income).

    c. At least twenty-five percent of the Third Round Obligation shall be met through rental units, including at least half in rental units available to families.

    d. At least half of the units addressing the Third Round Obligation in total must be available to families.

    e. Princeton agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation. The parties agree in view of the unique circumstances present in this matter that the age-restricted cap of 25%, in accordance with applicable law, shall be calculated for the consolidated municipality for the combined Prior Round and Third Round as follows:

Prior Round Obligation		641
Plus Third Round Obligation	+	753
Less: Former Borough Vacant Land Adjustment	-	223
Former Township RCA	-	23
Total Net Obligation		1,148
Total Age-Restricted Cap	x	0.25
Total Maximum Third Round Age-Restricted Units		287

This Agreement identifies 240 age-restricted credits, which is below the 287-unit Third Round age-restricted cap. Princeton further agrees that no more than 25%

of the unmet need obligation of the Former Borough may be satisfied through age-restricted units.

11. Princeton shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5): Fair Share Housing Center; the New Jersey State Conference of the NAACP; the Latino Action Network; the Trenton, Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold and Greater Long Branch units of the NAACP; Shiloh Baptist Church; the Supportive Housing Association of New Jersey; and the New Jersey Housing Resource Center. As part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, Princeton and/or its administrative agent shall provide notice to those organizations of all available affordable housing units, along with copies of application forms. Princeton also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.

12. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. Princeton as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied. Income limits for all units that are part of the Plan required by this Agreement and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by Princeton annually within 30 days of the publication of determinations of median income by HUD as follows:

    a. Regional income limits shall be established for the region that Princeton is located within (i.e. Region 4) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the municipality's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.

    b. The income limits attached hereto as **Exhibit B** are the result of applying the percentages set forth in Paragraph 12.a above to HUD's determination of median

income for FY 2019, and shall be utilized until the municipality updates the income limits after HUD has published revised determinations of median income for the next fiscal year.

c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by Princeton annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.

d. The resale prices 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 determined pursuant to the process outlined above. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

e. The rent levels of very-low-, low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed nine percent 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.

f. The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement.

13. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.

14. The following terms relate to the compliance phase of this matter and documentation of realistic opportunity in accordance with applicable law:

a. As an essential term of this Agreement, within one hundred and twenty (120) days of the Court's approval of this Agreement, Princeton shall introduce and adopt an ordinance or ordinances providing for the amendment of Princeton's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this Agreement and the zoning contemplated herein; shall adopt all necessary manuals and resolutions required by applicable law; and shall adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement.

b. At least 50 percent of the units addressing the Prior Round Obligation of the former Borough, including the remainder of the former Borough's unmet need, and of the former Township and at least 50 percent of the units addressing the Third Round obligation of Princeton, shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households. During the compliance phase of this matter, at least 30 days prior to the Compliance Hearing, the Municipality shall provide evidence of deed restrictions and, where appropriate, agreements demonstrating compliance with this very

low/low-income requirement in a form that is easily reviewable, including a table of information and page references to relevant documents.

15. The parties agree that if the Legislature and Governor enact an amendment to the Fair Housing Act that would result in a calculation of an obligation for Princeton for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round need obligation established in this Agreement, Princeton may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, Princeton shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of Princeton's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If Princeton prevails in reducing its prospective need for the Third Round, Princeton may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.

16. Princeton shall prepare a Spending Plan within the period referenced above, subject to the review of FSHC and approval of the Court.

    a. Princeton reserves the right to seek approval from the Court that the expenditures of funds contemplated under the Spending Plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563).

    b. The Spending Plan shall allocate funds required to demonstrate a realistic opportunity for the municipally-sponsored sites identified in Paragraph 8 above.

    c. On the first anniversary of the entry of final judgment in this matter, and on every anniversary of that date thereafter through July 1, 2025, Princeton agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

17. On the first anniversary of the entry of final judgment in this matter, and every anniversary thereafter through the end of this Agreement, Princeton agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center,

using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.

18. The Fair Housing Act includes two provisions regarding action to be taken by Princeton during the ten-year period of protection provided in this Agreement. Princeton agrees to comply with those provisions as follows:

    a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, Princeton will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of the Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented.

    b. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of the entry of final judgment in this matter, and every third year thereafter, Princeton will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein.

19. The parties will request that the Superior Court schedule hearings to review this proposed settlement and to evaluate the municipality's compliance with this Agreement as follows:

    a. This settlement agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). Princeton shall present its planner as a witness at this hearing. The parties agree to support this settlement at the fairness hearing. If the settlement agreement is rejected by the Court at a fairness hearing it shall be null and void.

    b. In the event the Court approves this proposed settlement, the parties will request that the court schedule a compliance hearing 120 days after the fairness hearing. At the compliance hearing, the municipality will present all evidence of creditworthiness of units referenced in this Agreement (including deed restrictions and agreements related to affordability) adopted ordinances, any necessary resolutions and manuals, the Housing Element and Fair Share Plan, and the Spending Plan for review and approval by the Court. As part of the order finding that the municipality has complied with the terms of this agreement and taken all necessary steps required by this Agreement, the parties contemplate the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The "accompanying protection" shall remain in effect through July 1, 2025.

20. Princeton agrees to pay FSHC's attorney fees and costs in the amount of seventy-five thousand ($75,000.00) dollars within thirty (30) days of the Court's approval of this Agreement pursuant to a duly-noticed fairness hearing. FSHC agrees that this payment will fully address any claim of attorney fees and costs that FSHC has made or could have

made against Princeton in relation to this matter from the date of the filing of this action through the entry of a final judgment in this matter in accordance with the process provided for in Paragraph 19 above.

21. If an appeal is filed of the Court's approval or rejection of this Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of this Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.

22. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in the Superior Court, Mercer County.

23. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.

24. This Agreement shall be governed by and construed by the laws of the State of New Jersey.

25. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.

26. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.

27. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.

28. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.

29. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.

30. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.

31. No member, official or employee of Princeton shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement that is prohibited by law, absent the need to invoke the rule of necessity.

32. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.

33. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

TO FSHC:

Kevin D. Walsh, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
E-mail: kevinwalsh@fairsharehousing.org

TO PRINCETON:

Kevin A. Van Hise, Esq.
Mason, Griffin & Pierson, PC
101 Poor Farm Road
Princeton, NJ 08540
Phone: (609) 436-1209
Telecopier: (609) 683-7978
Email: k.vanhise@mgplaw.com

WITH A COPY TO THE MUNICIPAL CLERK:

Delores Williams, RMC
Municipal Clerk
Municipality of Princeton
400 Witherspoon Street
Princeton, NJ 08540
Phone: (609) 924-5704
Telecopier: (609) 688-2031
Email: dwilliams@princetonnj.gov

Please sign below if these terms are acceptable.

Sincerely,

Kevin D. Walsh, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the Municipality of Princeton,
with the authorization
of the governing body:

_____

Dated:_____

EXHIBIT A

Proposed Ordinance
Creating AHO-1, AHO-2 and AHO-3 Overlay Zones
[Paragraph 5.a.vii]

BURGIS
ASSOCIATES, INC.

COMMUNITY PLANNING
LAND DEVELOPMENT AND DESIGN
LANDSCAPE ARCHITECTURE

PRINCIPALS:
Joseph H. Burgis PP, AICP
Edward Snieckus, Jr. PP, LLA, ASLA

DRAFT

MUNICIPALITY OF PRINCETON, NEW JERSEY
ORDINANCE NO. 2019 -

Draft: December 18, 2019

AN ORDINANCE TO AMEND CHAPTER 17A , ARTICLE XI OF THE PRINCETON CODE, ENTITLED "LAND USE" AND THE PRINCETON ZONING MAP, TO CREATE AN "AHO-1 AFFORDABLE HOUSING OVERLAY RESIDENTIAL/BUSINESS ZONE", AN "AHO-2 AFFORDABLE HOUSING OVERLAY RESIDENTIAL/BUSINESS ZONE", AND AN "AHO-3 AFFORDABLE HOUSING OVERLAY RESIDENTIAL-3 ZONE AND THE REGULATIONS ASSOCIATED THERETO IN THE MUNICIPALITY OF PRINCETON

Section 1. Chapter 17A, Article XI. ZONING, Section 17A-202 of the Princeton Code entitled "Districts generally Established; Enumerated" is hereby amended to add the following new zone districts to the list of zone districts:

AHO-1 Affordable Housing Overlay-1 Residential/Business District

AHO-2 Affordable Housing Overlay-2 Residential/Business District

AHO-3 Affordable Housing Overlay-3 Residential District

Section 2. Chapter 17A, Article XI, Section 17A-203 District Map is hereby amended by the depiction of the below identified properties into the zones as designated herein below on the "Zoning Map, Borough of Princeton", as amended. These overlay zones supplement the underling zone districts that encompass the properties noted herein.

(a) The following properties are hereby rezoned to include the AHO-1 Affordable Housing Overlay-1 Residential/Business District atop their underlying zone districts:

(1) Block 47.01 Lot 23, 24, 25, & 26 is rezoned to include an AHO-1 Overlay Zone atop their underlying RO Zone;

(2) Block 47.02 Lots 21 through 29 is rezoned to include an AHO-1 Overlay Zone atop their underlying RO Zone;

(3) Block 48.01 Lots 5, 16, 18, & 21 is rezoned to include an AHO-1 Overlay Zone atop their underlying SB Zone;

(4) Block 51.02 Lot 41 is rezoned to include an AHO-1 Overlay Zone atop its underlying SB and R-3 Zones.

(b) The following properties are hereby rezoned to include the AHO-2 Affordable Housing Overlay-2 Residential/Business District atop their underlying zone districts:

(1) Block 32.01 Lot 1, 171, 172, 173, 213, 221, & 222 is rezoned to include an AHO-2 Overlay Zone atop their underlying NB Zone;

(2) Block 30.02 Lots 38, 78 through 83, 87, 89, and 92 is rezoned to include an AHO-2 Overlay Zone atop their underlying NB Zone.

(c) The following property is hereby rezoned to include the AHO-3 Affordable Housing Overlay-2 Residential District atop its underlying R-2 zone district:

(1) Block 56.03 Lot 170 is rezoned to include the AHO-3 Overlay Zone atop its underlying R-2 Zone.

Section 3 Article XI Zoning is amended and supplemented by the insertion in Sec. 17A-228 Uses Permitted as of Right, a new subparagraph "c", which shall contain the following provisions, and re-lettering of existing subparagraph "c" as subparagraph "d".

(d) Affordable housing uses.

The purpose of the various affordable housing zones is to provide a realistic opportunity for the construction of affordable housing pursuant to the New Jersey Fair Housing Act and thereby comply with the Municipality's constitutional obligation to provide such housing to low-and moderate-income households. Certain affordable housing zones are exclusively residential; other such zones seek to create vibrant mixed-use developments. Affordable housing dwellings in all

affordable housing zones shall be further regulated by the Princeton Affordable Housing Ordinance, applicable state regulations and all Orders of any Court of competent jurisdiction. The AHO-1 and AHO-2 zones identified herein are established to incentivize redevelopment consisting of residential development with an affordable housing set-aside component and including at grade retail and service commercial development to reinforce the Nassau Street retail sales and service corridor development pattern. The AHO-3 Zone identified herein is established to incentivize redevelopment consisting of residential development with an affordable housing set-aside component.

Section 4 Article XI Zoning is hereby amended and supplemented by the insertion of Section 17A-268.1A Use, Bulk, and Other Development Regulations for the AHO-1 Zone.

(a) Permitted uses. Within the AH-1 zoning district the following uses shall be permitted.

(1) Principal permitted uses. Buildings may be erected or occupied and the tract may be used for multi-family housing with an affordable housing set-aside on the second floor of any building. In this zone, all first-floor occupancy shall be limited to retail sales and services, office and restaurant uses, as well as building mechanical and infrastructure purposes only. "Multi-family housing" is defined as a building containing at least three units, each unit sharing with another unit or units, one or more vertical or horizontal common walls.

(2) Accessory uses. Multi-family housing management office, common rooms, communication infrastructure, laundry rooms, maintenance and storage areas, off-street parking and loading areas, street furniture, home occupations, fences and walls, landscape amenities, pedestrian circulation elements, signs, storm water management facilities, open space and other customary uses which are clearly incidental to the principal uses and buildings.

(b) Minimum tract size. Minimum lot size in the AHO-1 zone shall be 15,000 square feet.

(c) Mandatory set aside for affordable housing. A minimum of 20 percent of all dwellings shall be deed restricted as affordable housing units.

(d) Development requirements. Developments within the AHO-1 zone shall comply with the following area and bulk requirements.

(1) Minimum yard requirements:

(a)	Front yard:	0 feet.
(b)	Side yard:	12 feet.
(c)	Rear yard:	15 feet.

(2) Maximum front yard setback: 10 feet.

(3) Maximum impervious coverage: 90%

(4) Maximum building height: 3 stories not to exceed 45 feet.

(5) Parking requirement: 1.3 parking spaces per dwelling unit shall be required. The commercial portion of the development is not required to provide additional off-street parking.

(6) Minimum landscape buffers to residential zones: 15 feet

(7) Illumination. Illumination of sites and buildings in this zone shall be regulated pursuant to Section 17A-365.1 Lighting.

(8) Signage regulations. Signage in this zone shall be regulated pursuant to Section 17A-368 Accessory Signs-Permitted in business districts.

Section 5 Article XI Zoning is amended and supplemented by the insertion of Section 17A-268.1B Use, bulk, and other development regulations for the AHO-2 Zone.

(a) Permitted Uses. Within the AHO-2 zoning district the following uses shall be permitted.

(1) Principal permitted uses. Buildings may be erected or occupied and property within the zone may be used for multi-family housing with an affordable housing set-aside on the second and third floors of any building. In this zone, all first-floor occupancy shall be limited to retail sales and services, offices and restaurants, as well as building mechanical and infrastructure purposes only. "Multi-family housing" is defined as a building containing at least three units, each unit sharing with another unit or units, one or more vertical or horizontal common walls.

(2) Accessory uses. Multi-family housing management office, common rooms, communication infrastructure, laundry rooms, maintenance and storage areas, off-street parking and loading areas, street furniture, home occupations, fences and walls, landscape amenities, pedestrian circulation elements, signs, storm water management facilities, open space and other customary uses which are clearly incidental to the principal uses and buildings.

(b) Minimum tract size. Minimum lot size in the AHO-2 zone shall be 40,000 square feet.

(c) Mandatory set aside for affordable housing. A minimum of 20 percent of all dwellings shall be deed restricted as affordable housing units if said units are offered for sale.

(d) Development requirements. Developments within the AHO-2 zone shall comply with the following area and bulk requirements.

(1) Minimum yard requirements:

a. Front yard: 0 feet.
b. Side yard: 12 feet.
c. Rear yard: 15 feet.

(2) Maximum front yard setback: 10 feet.

(3) Maximum impervious coverage: 80%

(4) Maximum building height: 3 stories not to exceed 45 feet.

(5) Maximum number of buildings: Multiple buildings per lot are permitted.

(6) Minimum landscape buffers to residential zones: 15 feet

(7) Parking requirement: 1.3 parking spaces per dwelling unit shall be required. The portion of the development that is commercial shall comply with the commercial parking standards set forth in the municipal ordinances.

(8) Illumination. Illumination of sites and buildings in this zone shall be regulated pursuant to Section 17A-365.1 Lighting.

(8) Signage regulations. Signage in this zone shall be regulated pursuant to Section 17A-368 Accessory Signs-Permitted in business districts.

Section 6 Article XI Zoning is amended and supplemented by the insertion of Section 17A-268.1B Use, bulk, and other development regulations for the AHO-3 Zone.

(a) Permitted Uses. Within the AHO-3 zoning district the following uses shall be permitted.

(1) Principal permitted uses. Buildings may be erected or occupied and property within the zone may be used for multi-family housing with an affordable housing set-aside. "Multi-family housing" is defined as a building containing at least three units, each unit sharing with another unit or units, one or more vertical or horizontal common walls.

(2) Accessory uses. Multi-family housing management office, common rooms, communication infrastructure, laundry rooms, maintenance and storage areas, off-street

parking and loading areas, street furniture, home occupations, fences and walls, landscape amenities, pedestrian circulation elements, signs, storm water management facilities, open space and other customary uses which are clearly incidental to the principal uses and buildings.

(b) Minimum tract size. Minimum lot size in the AHO-3 zone shall be two acres.

(c) Mandatory set aside for affordable housing. A minimum of 20 percent of all dwellings shall be deed restricted as affordable housing units.

(d) Development requirements. Developments within the AHO-3 zone shall comply with the following area and bulk requirements.

(1) Minimum yard requirements:

Front yard:	15 feet.
Side yard:	20 feet.
Rear yard:	25 feet.

(2) Maximum front yard setback: 10 feet.

(3) Maximum Density: 20 dwelling units per acre

(4) Maximum impervious coverage: 70%

(5) Maximum building height: 3 stories not to exceed 45 feet.

(6) Maximum number of buildings: Multiple buildings per lot are permitted.

(7) Minimum landscape buffers to residential zones: 15 feet

(8) Parking requirement: 1.3 parking spaces per dwelling unit shall be required.

(9) Illumination. Illumination of sites and buildings in this zone shall be regulated pursuant to Section 17A-365.1 Lighting.

(10) Signage regulations. Signage in this zone shall be regulated pursuant to Section 17A-368 Accessory Signs-Permitted in business districts.

Section 7. The properties in the overlay zones identified herein are entitled to be developed pursuant to their underlying zoning districts, and may also be developed pursuant to the overlay zone regulations set forth herein for the overlay zones.

Section 8. If any article, section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance and they shall remain in full force and effect.

Section 9 In the event of any inconsistencies between the provisions of this Ordinance and any prior ordinance, the provisions hereof shall be determined to govern. All other parts, portions and provisions of the general ordinances are hereby ratified and confirmed, except where inconsistent with the terms hereof.

Section 10. The Municipal Clerk is directed to give notice at least ten (10) days prior to a hearing on the adoption of this ordinance to the Mercer County Planning Board and to all other persons entitled thereto pursuant to N.J.S.A. 40:55D-15, and N.J.S.A. 40:55D-63 (if required).

Section 11. After introduction, the Municipal Clerk is hereby directed to submit a copy of the within Ordinance to the planning board for its review in accordance with N.J.S.A. 40:55D-26 and N.J.S.A. 40:55D-64. The planning board is directed to make and transmit to the governing body, within 35 days after referral, a report including identification of any provisions in the proposed ordinance which are inconsistent with the master plan and recommendations concerning any inconsistencies and any other matter as the board deems appropriate.

Section 12. This Ordinance shall be presented to the Mayor for her approval and signature, which approval shall be granted or denied within ten (10) days of receipt of same, pursuant to N.J.S.A. 40:69A-149.7. If the Mayor fails to return this Ordinance with either her approval or objection to same within ten (10) days after it has been presented to her, then this Ordinance shall be deemed approved.

Section 13. This Ordinance shall take effect immediately upon (1) adoption; (2) approval by the Mayor pursuant to N.J.S.A. 40:69A-149.7; (3) publication in accordance with the laws of the State of New Jersey; and (4) filing of the final form of adopted ordinance by the Clerk with (a) the Mercer County Planning Board pursuant to N.J.S.A. 40:55D-16, and (b) the Municipal Tax Assessor as required by N.J.S.A. 40:49-2.1.

INTRODUCED: the _____ day of _____, 2020.

ADOPTED: the _____ day of _____, 2020.

_____

Liz Lempert, Mayor

ATTEST:

_____

Delores Williams, RMC Municipal Clerk

EXHIBIT B

2019 Regional Income Limits Chart
[Paragraph 12.a]

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - May 2019

2019 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

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

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

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

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

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

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

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

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

EXHIBIT C

Resolution Authorizing Settlement Agreement
by the
Municipality of Princeton

PRINCETON

COUNTY OF MERCER **STATE OF NEW JERSEY**

RESOLUTION 2019-___

RESOLUTION AUTHORIZING THE EXECUTION OF A SETTLEMENT AGREEMENT WITH FAIR SHARE HOUSING CENTER

WHEREAS, on or about December 30, 2008, the Borough of Princeton (the "Borough") and the Township of Princeton (the "Township") petitioned the New Jersey Council on Affordable Housing ("COAH") for Third Round substantive certification of their respective Third Round Housing Element and Fair Share Plans; and

WHEREAS, before COAH acted upon the Borough's or Township's petitions, the Appellate Division invalidated COAH's revised Third Round Rules in In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J.Super. 462 (App.Div.2010) and, thereafter, in In re Adoption of N.J.A.C. 5:96 and 5:97, 215 N.J. 578 (2013), the New Jersey Supreme Court affirmed, finding that the "growth share methodology" utilized by COAH in its rules was inconsistent with the Fair Housing Act, N.J.S.A. 52:27D-301 et seq. ("FHA"), and requiring COAH to adopt new Third Round rules within five months based upon COAH's prior round rules and methodologies; and

WHEREAS, on January 1, 2013, the Borough and Township consolidated into the Municipality of Princeton ("Princeton"); and

WHEREAS, COAH failed to adopt new rules as required by the Supreme Court, and on March 10, 2015, the Supreme Court issued a decision entitled In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) ("Mount Laurel IV"), in which, inter alia, it: (1) found that COAH had violated its requirement to timely adopt new Third Round regulations; (2) held that, without new Third Round regulations, COAH could not process petitions for substantive certification for the municipalities currently under COAH's jurisdiction, (3) determined that for municipalities, such as Princeton, that had "participating status" before COAH under COAH's third round rules, court review of such municipalities' housing plans would be necessary; (4) directed trial courts to be an alternative forum to COAH, (5) authorized municipalities under COAH's jurisdiction to file a Declaratory Judgment Action along with a motion for Temporary Immunity by July 8, 2015, or risk exposure to exclusionary zoning lawsuits, and (6) ruled that municipalities would have up to five months to prepare and file a Housing Element and Fair Share Plan with the trial court for review; and

WHEREAS, on July 7, 2015, pursuant to the Court's Mount Laurel IV decision, Princeton instituted a declaratory judgment action in the Superior Court of New Jersey, entitled In the Matter of the Application of the Municipality of Princeton in Mercer County, bearing Docket No. MER-L-1550-15, seeking a judgment of immunity and repose pursuant to the Fair

Housing Act, N.J.S.A. 52:27D-301 et seq., and a judicial declaration that Princeton's housing plan is presumptively valid because it presents a realistic opportunity for providing its fair share of the regional need for low- and moderate- income housing (the "DJ Action"); and

WHEREAS, Fair Share Housing Center ("FSHC") is an interested party in the DJ Action; and

WHEREAS, Princeton and FSHC engaged in good faith negotiations in an effort to resolve the issues and claims raised by FSHC regarding Princeton's compliance with its affordable housing obligations; and

WHEREAS, initial efforts to reach a settlement were unsuccessful and the Court conducted a methodology trial, resulting in a March 8, 2018 comprehensive opinion and Order issued by the Court establishing Princeton's third round affordable housing obligations; and

WHEREAS, with Princeton's obligation established by the Court, Princeton and FSHC successfully re-engaged in settlement negotiations and participated in mediation, and were able to resolve their outstanding issues regarding Princeton's compliance plan; and

WHEREAS, settlement of the claims brought by FSHC present an opportunity to resolve the various matters pending between the parties, provides certainty regarding Princeton's ability to satisfy its affordable housing obligations, and will avoid further litigation costs associated with a compliance trial and further proceedings; and

WHEREAS, the terms of the settlement reached with FSHC have been memorialized in a Settlement Agreement dated December ____, 2019, the terms of which the Parties agree are fair and reasonable to low and moderate income households and satisfies Princeton third round affordable housing obligations.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Municipality of Princeton, on this 18th day of December, 2019, as follows:

1. The preamble to this Resolution is hereby incorporated as if more fully set forth herein.

2. Princeton is hereby authorized to enter into the December 18, 2019 Settlement Agreement with Fair Share Housing Center in resolution of the Mount Laurel Declaratory Judgment Action referenced above, upon the terms and conditions set forth in the Agreement.

3. The Mayor and Clerk are hereby authorized and directed to sign on behalf of Princeton the above-referenced Settlement Agreement, a copy of which is on file in the Municipal Clerk's Office, or such other substantially similar agreement, the terms and form of which shall have been reviewed and approved by the Municipal Attorney in consultation with the Mayor and Administrator.

4. The Mayor, Administrator, Clerk, Attorneys, Planners, and other appropriate officers, employees and professionals, are hereby authorized and directed to prepare and execute any and all such other documents and undertake any and all such further acts as may be necessary or required to effectuate the above-referenced settlement.

5. This Resolution shall take effect immediately.

FILED
CLERK VICINAGE NJ

MASON, GRIFFIN & PIERSON, P.C.
By: Kevin A. Van Hise, Esq. - ID #016382003
101 Poor Farm Road
Princeton, New Jersey 08540
Telephone: (609) 921-6543
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Attorneys for Petitioner,
Municipality of Princeton

	SUPERIOR COURT OF NEW JERSEY MERCER COUNTY - LAW DIVISION
IN THE MATTER OF THE APPLICATION OF THE MUNICIPALITY OF PRINCETON IN MERCER COUNTY	DOCKET NO.: MER-L-1550-15 CIVIL ACTION (Mount Laurel) **ORDER ON FAIRNESS HEARING AND SCHEDULING COMPLIANCE HEARING**

THIS MATTER having been opened to the Court upon the filing of a Verified Complaint for Declaratory Judgment in accordance with In re Adoption of N.J.A.C. 5:96 & 5:07 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) ("Mount Laurel IV"), filed by Mason, Griffin & Pierson, PC, attorneys for Petitioner, the Municipality of Princeton (Kevin A. Van Hise, Esquire appearing), and Fair Share Housing Center (Adam Gordon, Esquire appearing) participating in this action as an Interested Party, and 100 & 101 Thanet Circle, LLC / AvalonBay Communities, Inc. and Princeton Edens, LLC (Robert A. Kasuba, Esquire of Bisgaier Hoff, LLC appearing) as Interested Parties; and the Court having appointed Christine A. Cofone-Herbert, PP/AICP as Special Master; and the Municipality of Princeton ("Princeton") and Fair Share Housing Center ("FSHC") having entered into a Settlement Agreement dated December 18, 2019 (the "Settlement Agreement") resolving the above captioned litigation; and

the Court having conducted a Fairness Hearing on February 7, 2020 to determine whether the Settlement Agreement adequately protects, and is fair and reasonable to low and moderate income households in the municipality and in the housing region; and notice of said hearing have been served on all parties and posted and published in accordance with law; and comments and objections to the Settlement Agreement, or components thereof, having been filed by TCG 29 Thanet Holdings LLC (Neil Yoskin, Esquire of Cullen Dykman, LLP appearing), Old Orchard Village Homeowners Association, Inc. (Robert F. Simon, Esquire of Herold Law, PA appearing), 375 Terhune LLC (Arnold C. Lakind, Esquire and Christopher S. Myles, Esquire of Szaferman Lakind, Blumstein & Blader, PC appearing), Elsie Pang, Geoff Aton and Richard Ryan of the IvyInn, and the Princeton Progressive Action Group; and the Court having considered the report of Special Master Cofone-Herbert dated February 5, 2020; and the Court having heard the testimony of Princeton's Planning Consultant, Joseph H. Burgis, PP/AICP and Princeton Municipal Administrator Marc Dashield, and the testimony of Special Master Cofone-Herbert; and the Court having received oral comments made during the hearing from David Keddy of the Princeton Progressive Action Group and Galina Peterson; and the court having considered the representations and arguments of counsel; and the Court having found, upon the conclusion of said hearing, that the criteria set forth in Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J.Super. 359, 367-69 (Law Div. 1984), *aff'd o.b.*, 209 N.J.Super. 108 (App. Div. 1986) and East/West Venture vs. Borough of Fort Lee, 286 N.J.Super. 311 (App. Div. 1996) have been satisfied; and good and sufficient cause having been shown for entry of this Order; and for the reasons placed on the record during the February 7, 2020 Fairness Hearing;

IT IS on this 20th day of February, 2020,

ORDERED AND ADJUDGED as follows:

1. The Settlement Agreement reached by and between the Municipality of Princeton ("Princeton") and Fair Share Housing Center ("FSHC"), dated December 18, 2019, is fair and reasonable to the interests of low and moderate income households and is therefore approved.
2. As established by the Court's Opinion and Order entered March 8, 2018, Princeton has a cumulative 1987 – 2025 third round Mount Laurel affordable housing obligation comprised of:
    a. A Present Need / Rehabilitation Share obligation of 80 units;
    b. A Prior Round obligation of 641 units; and
    c. A Third Round (1999 - 2025) Prospective Need (including the "Gap Present Need" and "Prospective Need") obligation of 753 units.
3. The parties shall comply with the terms and conditions set forth in the Settlement Agreement approved herein.
4. Princeton shall, at least 30 days in advance of the Compliance Hearing, adopt a Housing Element and Fair Share Plan ("HEFSP"), Spending Plan and its implementing ordinances in accordance with the terms of the Settlement Agreement. More specifically and as set forth in the Settlement Agreement, Princeton shall:
    a. By February 19, 2020, enter into an agreement or memorandum of understanding with Princeton Edens LLC, confirming the development plan for the "Princeton Shopping Center" site (Block 7401, Lot 1.01). A

copy of the agreement shall be provided to the Special Master and FSHC after execution, and provided to the Court as part of the Municipality's compliance submissions in advance of the Compliance Hearing.

b. Amend or replace the existing Princeton Borough overlay ordinance with a new ordinance applicable to the entire consolidated municipality that requires an on-site affordable housing set-aside of 20% for all new multi-family residential developments of five or more additional units that are developed at a density of six or more units per acre, which developments become permissible through a use variance, a density variance increasing the permissible density at the site, a rezoning permitting multi-family residential housing where not previously permitted, or a new or amended redevelopment plan, or a new or amended rehabilitation plan.

c. Consider the comments and suggestions submitted by Elsie Pang, the Ivy Inn, the Princeton Progressive Action Group and Galina Petersen, and work with said entities and individuals on appropriate amendment(s), if any, for the adoption of the area-specific overlays ordinance attached to the Settlement Agreement as Exhibit A.

d. Prepare and adopt the necessary ordinances providing for inclusionary zoning on the "Terhune & Harrison" site (Block 7401, Lot 1), the "Princeton Shopping Center" site (Block 7401, Lot 1.01), the "Thanet

Circle – Avalon Bay" site (Block 5502, Lot 4), and the "Northern S-2 Zoning District."

e. Enter into an agreement with the developer of the "Thanet Circle – Avalon Bay" site (Block 5502, Lot 4) regarding the donation of land for the "Thanet Circle Senior" project, and the terms on which the inclusionary family rental development will be developed.

f. For each of the "municipally sponsored / 100% affordable housing" projects – "Princeton Community Village" (Block 4401, Lot 2), "Franklin Avenue & Maple Terrace" (Block 21.04, Lots 26 & 27), "RPM – 900 Herrontown Road (SAVE)" (Block 901, Lot 21) and "Thanet Circle Senior Project" (Block 5502, p/o Lot 4), Princeton shall:

   i. Prepare and adopt an ordinance or redevelopment plan providing for the proposed development;

   ii. Prepare or obtain a project proforma for the development, including total development costs and sources of funds;

   iii. Prepare and adopt a Resolution of Need;

   iv. Enter into a developers agreement or redevelopment agreement with the developer setting forth the terms on which the project will be developed, including a description of anticipated funding sources, any necessary funding commitment from the municipality, and the proposed schedule for approvals and construction;

v. Prepare and adopt a resolution committing municipal funding / intent to bond; and

vi. Prepare a construction or implementation schedule, including preparation of a site plan, anticipated timeframes for municipal approvals, applications for State and Federal permits, selection of contractor, and construction.

g. For the proposed Supportive & Special Needs / Group Homes, Princeton will provide sufficient funding for the homes in its Spending Plan and prepare and adopt a resolution committing funding for the homes from the municipal affordable housing trust fund.

h. Prepare and adopt an ordinance or ordinances providing for the amendment of Princeton's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of the settlement agreement and zoning contemplated therein.

i. Prepare and adopt all necessary manuals and resolutions required by law to effectuate the municipality's affordable housing program.

j. Prepare, adopt and endorse the municipal Housing Element and Fair Share Plan.

k. Prepare and adopt the municipal affordable housing Spending Plan.

5. Princeton shall provide a copy of the adopted HEFSP, Spending Plan and implementing ordinances to the Special Master and FSHC in advance of the Compliance Hearing.

6. The Income Limits and methodology for calculating such limits in the future contained in the Settlement Agreement (Par. 12) are hereby approved.

7. Final approval of Princeton's Housing Element and Fair Share Plan, Spending Plan, and grant of compliance and repose shall be determined following a Compliance Hearing, with said **Compliance Hearing hereby scheduled for June 11, 2020 at 9:30 a.m.**

8. The temporary immunity from Mount Laurel lawsuits previously granted to Princeton is hereby extended and shall remain in full force and effect through the date of the Compliance Hearing.

9. A copy of this Order shall be served on the Special Master, all counsel of record and the official service list within seven days of receipt by counsel for Petitioner.

Mary C. Jacobson, A.J.S.C.
HON. MARY C. JACOBSON, A.J.S.C.

As to form of order only:

[X] Unopposed.

[ ] Opposed.

MASON, GRIFFIN & PIERSON, P.C.
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Attorneys for Petitioner,
Municipality of Princeton

IN THE MATTER OF THE APPLICATION OF THE MUNICIPALITY OF PRINCETON IN MERCER COUNTY,	SUPERIOR COURT OF NEW JERSEY MERCER COUNTY - LAW DIVISION DOCKET NO.: MER-L-1550-15 CIVIL ACTION (Mount Laurel)
Petitioner.	**FINAL JUDGMENT OF COMPLIANCE AND REPOSE**

THIS MATTER having come before the court upon the filing of a Verified Complaint for Declaratory Judgment in accordance with In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) ("Mount Laurel IV"), filed by Petitioner, the Municipality of Princeton ("Princeton"); and Fair Share Housing Center ("Fair Share"), participating as a Defendant-Intervenor in this matter through settlement; and the Court having appointed Christine A. Cofone-Herbert, PP/AICP as Special Master; and

WHEREAS, by Opinion and Order entered March 8, 2018, this Court established Princeton's third round Mount Laurel affordable housing obligations; and

WHEREAS, Princeton and Fair Share entered into a Settlement Agreement, dated December 18, 2019 (the "Settlement Agreement"), setting forth Princeton's proposed plan to meet its affordable housing obligations and, if complied with, resolving all remaining matters in the case; and

WHEREAS, the Court conducted a Fairness Hearing on February 7, 2020 pursuant to East/West Venture vs. Borough of Fort Lee, 286 N.J.Super. 311 (App. Div. 1996), and finding the Settlement Agreement to be fair and reasonable to the interests of low- and moderate-income households, the Court approved the Settlement Agreement and provided Princeton with a compliance period within which to satisfy its obligations; and

WHEREAS, on November 19, 2020, the Court conducted a Compliance Hearing and reviewed Princeton's Housing Plan Element and Fair Share Plan, Spending Plan, implementing ordinances and compliance submissions, and found that Princeton's submissions were constitutionally compliant and satisfy Princeton's cumulative third round Mount Laurel affordable housing obligations, and having approved same, by judgment entered December 10, 2020, granted Princeton a Judgment of Compliance and Repose, conditioned upon completion of certain items as set forth in the judgment, which were in process, but remained outstanding at the time of the hearing; and

WHEREAS, since entry of the conditional Judgment, with regular updates to the Court, Special Master and Fair Share, Princeton has diligently worked to complete the outstanding requirements of its conditional Judgment, and at a Case Management Conference held on October 16, 2024, Princeton advised that it had successfully completed all of the conditions of its Judgment, was awaiting certain documents to be recorded with the County Clerk's Office, and would be providing the remaining items for review in accordance with the procedures set forth in the Judgment, which has since been completed; and

WHEREAS, with completion of the remaining items of its conditional Judgment, Princeton has provided same to the Special Master, Fair Share and filed them with the Court, and now seeks entry of a final Judgment of Compliance and Repose; and

WHEREAS, the Special Master has prepared a final report on Princeton's compliance efforts, dated December 17, 2024, confirming same; and

WHEREAS, Fair Share has confirmed it has reviewed Princeton's submissions and has indicated that it has no objection to the entry of final judgment; and

WHEREAS, the Court takes judicial notice of the matters of record and testimony provided during the November 19, 2020 Hearing, and having received the report and verification by the Special Master, with an opportunity to be heard accorded to Fair Share, that Princeton has completed all of the outstanding conditions set forth in Paragraph 4 of the December 10, 2020 Judgment of Compliance and Repose, and other good and sufficient cause having been shown for entry of this Final Judgment of Compliance and Repose;

IT IS on this 7th day of February, 2025,

ORDERED AND ADJUDGED as follows:

1. Judgment is hereby entered in favor of Petitioner, the Municipality of Princeton ("Princeton") for Final Judgment of Compliance and Repose ("Judgment") pursuant to East/West Venture and Mount Laurel IV, subject to the terms and conditions contained herein.
2. As set forth in the Court's prior Opinion and Order entered March 8, 2018, and reaffirmed in the Court's December 10, 2020 Judgment (the "2020 Conditional Judgment"), Princeton's cumulative 1987 – 2025 third round Mount Laurel

affordable housing obligation is comprised of: (a) a Prior Round obligation of 641 units; (b) a Present Need / Rehabilitation Share obligation of 80 units; and (c) a Third Round New Construction obligation (including the "Gap Present Need" and "Prospective Need") obligation of 753 units.

3. Pursuant to the terms of Princeton's 2020 Conditional Judgment, the Court finds and declares that based upon a review of Princeton's Housing Plan Element and Fair Share Plan, Spending Plan, implementing ordinance and other compliance submissions, Princeton has demonstrated that it has addressed its prior round obligation and has in place a plan to meet its present need / rehabilitation share obligation and its third round (gap present need and prospective need) obligations. As such, the Court finds that Princeton's Plan, Spending Plan, implementing ordinances and compliance submissions are constitutionally compliant and satisfy Princeton's cumulative third round Mount Laurel affordable housing obligations.

4. The findings, conclusions and grant of the 2020 Conditional Judgment were conditioned upon Princeton's satisfaction of the following requirements, which Princeton represents, and the Court finds, have been completed and/or complied with as follows:

    a. ***The parties shall comply with the terms and conditions set forth in the Settlement Agreement***. This is an ongoing obligation and Princeton remains in compliance.

b. ***Princeton shall fully implement its Housing Plan Element and Fair Share Plan***. This is an ongoing obligation and Princeton remains in compliance.

c. ***Adopt an amendment to its Affordable Housing Ordinance (Ordinance No. 2020-15) to address concerns received from FSHC***. Completed with the adoption of Ordinance #2121-34, adopted December 21, 2021.

d. ***Adopt an amendment to the PIRHL Senior Project (Thanet Road) agreement to specify that the units must comply with the very low/low/moderate income distribution requirements in compliance with Par. 8.d.i of the Settlement Agreement and that this project will not be reliant on 9% Low Income Housing Tax Credits***. Completed. An agreement confirming the PIRHL Senior Project's compliance with the income distribution requirements was entered into on November 18, 2021. Confirmation that the project is not reliant on 9% LIHTCs was addressed by NJHMFA Resolution No. 8052, adopted September 17, 2020, confirming NJHMFA's approval of the project using tax exempt bonds to fund the project. The project has been funded, construction is nearing completion and lease-up is currently ongoing.

e. ***Provide an agreement, an amendment to the December 18, 2019 Memorandum of Understanding, or an instrument of conveyance, providing for the conveyance of certain real property from AvalonBay Communities to Princeton for the development of the PIRHL Senior***

Project (Thanet Road). Completed. The conveyance was provided for as part of the redevelopment agreements between Princeton and AvalonBay Communities and Princeton and PIRHL, copies of which were filed with the court as part of Princeton's regular updates. Since then, the land was conveyed and the project is nearing completion, with lease-up currently ongoing.

f. ***Provide copies of the deed restrictions to the Special Master and FSHC for affordable housing units in the following communities: Copperwood, Merwick/Stanworth, Shirley Court, Washington Oaks and Witherspoon Phase I and Phase II***. Completed. The Deed Restriction for Copperwood is dated September 25, 2024, recorded in the Office of the Mercer County Clerk on October 8, 2024 in Deed Book 6570 at Page 1821; Merwick/Stanworth dated July 2, 2024, recorded on August 9, 2024 in Deed Book 6564 at Page 1621 (for 135 Bayard Lane), and dated August 19, 2024, recorded on August 26, 2024 in Deed Book 6566 at Page 1061 (100-104 Leigh Avenue); Shirley Court dated August 16, 2001, recorded on August 17, 2001 in Deed Book 4113 at Page 001; Washington Oaks dated January 26, 1993, recorded on February 26, 1993 in Deed Book 2663 at Page 188; Witherspoon Phase I and Phase II dated August 29, 2024, recorded on September 30, 2024 in Deed Book 6569 at Page 1729.

g. ***Princeton shall provide evidence to the Special Master and FSHC, within ninety (90) days of this Judgment, that it has completed each of***

the above conditions. The Special Master shall submit a letter report to the Court on or before March 1, 2021, confirming whether the above conditions have been satisfied, and if not, which conditions remain outstanding. Princeton's court supervised case management conferences and regular updates, along with the Special Master's December 17, 2024 report supersedes and satisfies this condition.

h. ***Within seven (7) months of entry of this Judgment, Princeton shall provide the following documentation / information to the Special Master and FSHC regarding the "Franklin / Maple Mixed Income Project": (i.) adopted Resolution of Need; (ii.) project financial pro forma; and (iii.) any adopted ordinance(s) necessary for modification of existing zoning or providing for a redevelopment plan, if applicable. The Special Master shall submit a letter report to the Court on or before July 1, 2021, confirming whether the above documentation/information has been provided, and if not, which items remain outstanding***. Completed. Princeton adopted the necessary zoning ordinances on July 27, 2020, providing for the project via Ordinance Nos. 2020-24, creating the AH-6 zoning district, and 2020-25, providing for the AHO-6 overlay zoning district. A resolution of need was adopted on December 11, 2023 with the adoption of Resolution 23-390. Princeton also has in place the necessary agreement (dated January 1, 2024) with Community Investment Strategies, Inc. ("CIS") providing for the construction and operation of the

project. This project remains active and on-going, and CIS is currently in the process of applying for project financing and preparing its engineering plans.

5. All other terms and conditions of the December 10, 2020 Conditional Judgment not specifically modified by the terms of this Final Judgment hereby remain in full force and effect.

6. Subject to the conditions set forth herein, Princeton is entitled to this Final Judgment of Compliance and Repose and immunity from exclusionary zoning lawsuits, including but not limited to "builder's remedy" lawsuits, for its third round Mount Laurel affordable housing obligations for a period of ten (10) years, retroactive to the date of Princeton's filing of the instant action on July 7, 2015, with said protections extending through and expiring on July 7, 2025, other than actions brought to enforce the terms of the Settlement Agreement and the court's orders.

7. A copy of this Final Judgment of Compliance and Repose shall be served on the Special Master and Fair Share within seven days of receipt by counsel for Petitioner.

/s/ Robert Lougy
HON. ROBERT LOUGY, A.J.S.C.

Through frequent case management conferences with counsel for Princeton and FSHC, and with the assistance of Special Adjudicator Christine A. Nazzaro-Cofone, the Court has monitored Princeton's completion of all outstanding requirements contained in the Conditional Judgment. The Court is satisfied based upon the representations of counsel, the concurrence of FSHC, and the report of the Special Adjudicator that entry of this Final Judgment of Compliance and Repose is warranted and appropriate.

Appendix B. Fourth Round Resolution, Declaratory Judgment Filing, Order Fixing Obligation

Mayor and Council
400 Witherspoon Street
Princeton, NJ 08540

Meeting: 01/27/25 07:00 PM
Department: Clerk

RESOLUTION 25-51

Resolution of the Mayor and Council of Princeton Committing to DCA's Fourth Round Affordable Housing Present Need and Prospective Need Numbers

WHEREAS, on March 20, 2024, P.L. 2024, c.2, was signed into law which amended the Fair Housing Act at N.J.S.A. 52:27D-301 *et seq*., (hereinafter "Amended FHA"); and

WHEREAS, the Amended FHA requires the Department of Community Affairs ("DCA") to produce non-binding estimates of fair share obligations on or before October 20, 2024; and

WHEREAS, the DCA issued a report on October 18, 2024 ("DCA Report") wherein it reported its estimates of the obligations for all municipalities based upon its interpretation of the standards in the Amended FHA; and

WHEREAS, the DCA Report calculates the Municipality of Princeton's ("Municipality" or "Princeton") Fourth Round (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of sixty (60) and a Prospective Need or New Construction Obligation of two hundred seventy six (276); and

WHEREAS, the Amended FHA provides that "[a]ll parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by COAH unless those regulations are contradicted by statute, including P.L. 2024, c.2, or binding court decisions" (N.J.S.A. 52:27D-311(m)); and

WHEREAS, COAH regulations and the Amended FHA authorize a 20% cap, vacant land adjustments as well as durational adjustments; and

WHEREAS, based on the foregoing, Princeton accepts the DCA calculations of the Princeton's fair share obligations and commits to its fair share of 60 units present need and 276 units prospective need, subject to any credits, vacant land and/or durational adjustments it may seek as part of the Housing Plan element and Fair Share Plan element it subsequently submits in accordance with the Amended FHA; and

WHEREAS, Princeton reserves the right to comply with any additional amendments to the FHA that the Legislature may enact; and

WHEREAS, in the event that the FHA is further amended or any rulings or legal precedents arise after the adoption of this Resolution, Princeton reserves the right to adjust its position in response to and in light of same, particularly if such a change alters the deadlines and/or requirements placed upon the Municipality pursuant to the Amended FHA; and

WHEREAS, in the event that a third party challenges the calculations provided for in this Resolution, Princeton reserves the right to take such position as it deems appropriate in response thereto; and

WHEREAS, in light of the above, the Mayor and Council of the Municipality of Princeton finds that it is in the best interest of Princeton to declare its commitment to the obligations reported by the DCA on October 18, 2024 subject to the reservations set forth herein; and

WHEREAS, in addition to the above, the Acting Administrative Director of the Administrative Office of the Courts issued Directive #14-24, dated December 13, 2024; and

WHEREAS, pursuant to Directive #14-24, "a municipality seeking a certification of compliance with the FHA shall file an action in the form of a declaratory judgment complaint … in the county in which the municipality is located… within 48 hours after adoption of the municipal resolution of fair share obligations, or by February 3, 2025, whichever is sooner"; and

WHEREAS, Princeton seeks a certification of compliance with the Amended FHA and, therefore, directs its Affordable Housing Counsel to file a declaratory judgment complaint and associated pleadings within 48 hours of the adoption of this resolution in the Superior Court of New Jersey - Mercer County.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of Princeton, County of Mercer, State of New Jersey, on this 27th day of January, 2025, as follows:

. All of the above Whereas clauses are incorporated into the operative clauses of this resolution.

2. Princeton hereby commits to the DCA Fourth Round Present Need Obligation of 60 units and the Fourth Round Prospective Need Obligation of 276 units described in this resolution, subject to all reservations of rights set forth above.

3. Princeton hereby authorizes and directs its Affordable Housing Counsel to file a declaratory judgment complaint in the Superior Court of New Jersey - Mercer County within 48 hours after adoption of this resolution.

4. In accordance with the Amended FHA and Directive #14-24, Princeton authorizes its Affordable Housing Counsel to attach a copy of this resolution as an exhibit to the declaratory judgment action that is filed and to submit and/or file this resolution with the Program or any other such entity as may be determined to be appropriate.

5. Princeton hereby directs its Administrator and/or Municipal Clerk to publish this resolution on the Municipality's website within 48 hours after adoption of this resolution, attaching this resolution.

6. Princeton shall undertake all acts necessary to adopt a housing element and fair share plan to address its present and prospective need obligations as provided for by the Amended FHA, for filing by June 30, 2025 as part of the declaratory judgment action authorized herein.

7. Princeton's Mayor, Administrator, Clerk, Attorneys, Planners, and other appropriate officers, employees and professionals, are hereby authorized and directed to prepare and execute any and all such other documents and undertake any and all such further acts as may be necessary or required to effectuate the actions set forth herein.

8. This resolution shall take effect immediately, according to law.

Councilperson	Absent	Present	1st	2nd	Yea	Nay	Abstain	Disqualified
Mr. McDonald		X		X	X			
Ms. Pirone Lambros		X			X			
Mr. Cohen	X							
Ms. Sacks	X							
Ms. Fraga		X	X		X			
Mr. Newlin		X			X			
Mayor Freda		X						

I, Rayna E. Harris, Municipal Clerk of Princeton, do hereby certify that the above is a true copy of a resolution adopted by the Mayor and Council of Princeton at a meeting held January 27, 2025.

Rayna E. Harris, Municipal Clerk

MASON, GRIFFIN & PIERSON, P.C.
By: Kevin A. Van Hise, Esq. - ID #016382003
Clayton R. Paley, Esq. – ID #440222023
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Attorneys for Petitioner, the Municipality of Princeton

IN THE MATTER OF THE APPLICATION OF THE MUNICIPALITY OF PRINCETON IN MERCER COUNTY, Petitioner.	SUPERIOR COURT OF NEW JERSEY LAW DIVISION – MERCER COUNTY DOCKET NO.: MER-L-_____-25 CIVIL ACTION (Mount Laurel) **COMPLAINT FOR DECLARATORY JUDGMENT**

Petitioner, the Municipality of Princeton ("Petitioner" or "Princeton"), a municipal corporation of the State of New Jersey, with its principal place of business located at 400 Witherspoon Street, Princeton, New Jersey 08540, in the County of Mercer, by way of Complaint for Declaratory Judgment, says:

1. The within action is brought by Petitioner seeking declaratory judgment granting "fourth round" compliance certification, including a judgment of compliance and repose pursuant to N.J.S.A. 52:27D-304.1, with a judicial declaration affirming Petitioner's present and prospective fair share obligation for affordable housing, finding that Petitioner's housing element and fair share plan, implementing ordinances, and compliance submissions, to be prepared and adopted pursuant to the provisions of the Fair Housing Act, N.J.S.A. 52:27D-301, et seq. (the "FHA" or "Act"), are presumptively valid because they present a realistic opportunity to satisfy Petitioner's affordable

housing obligations, and providing Petitioner with immunity and repose against "builder's remedy litigation and exclusionary zoning challenges" for a period of ten (10) years from the date of Final Judgment, as provided for by the Act.

2. Jurisdiction properly rests with the Superior Court, Law Division, Mercer County before the designated Mount Laurel Judge for Vicinage 7 pursuant to Directive #13-18 (Court Appointments in Mount Laurel Cases) and Directive #14-24 (Civil – Affordable Housing Dispute Resolution Program – Implementation of L. 2024, c.2).

BACKGROUND

3. Pursuant to the decisions of the New Jersey Supreme Court in Southern Burlington County NAACP v. Mount Laurel, 67 N.J. 151 (1975) ("Mount Laurel I") and Southern Burlington County NAACP v. Mount Laurel, 92 N.J. 158 (1983) ("Mount Laurel II"), every municipality in the state within a growth area has a constitutional obligation to provide, through its land use regulations, a realistic opportunity for a fair share of its regional need for low- and moderate-income housing.

4. Following the Mount Laurel I and Mount Laurel II decisions, in 1985, the New Jersey Legislature enacted the Fair Housing Act, N.J.S.A. 52:27D-301 to 329 ("FHA"), to ensure that municipalities meet their obligation to provide a fair share of their region's need for affordable housing.

5. To implement that goal, the FHA created the Council on Affordable Housing ("COAH"), and charged it with the responsibility for determining regional needs and certifying fair share plans.

6. COAH developed regulations governing the production, funding, and administration of affordable housing units, with its first round regulations extending from 1987 through 1993,

N.J.A.C. 5:91 and 5:92 ("First Round Rules"); its second round regulations covering a cumulative period from 1987 through 1999, N.J.A.C. 5:93 ("Second Round Rules"); its third round regulations covering a cumulative period through 2014, N.J.A.C. 5:94 and 5:95 ("Initial Third Round Rules"); and its revised third round regulations covering a cumulative period through 2018, N.J.A.C. 5:96 and 5:97 ("Revised Third Round Rules").

7. Legal challenges against COAH's Initial Third Round Rules and Revised Third Round Rules ensued, and in 2010, the Court invalidated the Revised Third Round Rules in In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J.Super. 462 (App. Div. 2010), *affirmed* 215 N.J. 578 (2013).

8. In 2015, on a motion to enforce litigants' rights, the Court held that COAH's administrative process for evaluating municipal compliance had become non-functioning and returned the courts to their role as the forum of first resort for evaluating municipal compliance by way of declaratory judgment. *See* In re Adoption of N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) ("Mount Laurel IV").

9. Through the first three affordable housing "rounds", Princeton, and its predecessors, the (former) Borough of Princeton (the "Borough") and the (former) Township of Princeton ("Township"), have made good faith efforts to meet and comply with its/their first round, second round, and third round affordable housing obligations.

a. Pursuant to N.J.S.A. 52:27D-304.2.b(1)(d), Petitioner is located in Housing Region 4, consisting of Mercer County, Monmouth County, and Ocean County.

b. By *Consent Order for Final Judgment and Judgment of Repose* entered on October 9, 1990 in Witherspoon Jackson Development Corp. vs. Borough of Princeton, et al.,

Docket No. L-37675-84, the Court found that the (former) Borough's Affordable Housing Plan and implementing ordinances met its constitutional obligations and granted the Borough repose and immunity from any litigation brought under Mount Laurel II for a period of six years, with its first round period of repose expiring in 1996.

c. The Borough remained under the court's jurisdiction for the second round, and by *Amended Order Approving Revised Affordable Housing Plan and Extending Judgment of Repose* entered on October 16, 1996 (Docket No. L-37675-84), the Court approved the Borough's Revised Affordable Housing Plan and implementing ordinances, and granted the Borough repose and immunity for a period of six years, with its second round period of repose expiring on October 16, 2002.

d. Due to COAH's delay in enactment of its third round rules, the Borough requested extended second round repose from the court, which was granted by *Order Extending Judgment of Repose*, entered on October 11, 2002 (Docket No. L-37675-84), for the period between October 16, 2002 and one year after the effective date of COAH's adoption of its third round rules.

e. By *Consent Order for Final Judgment and Judgment of Repose* entered on June 19, 1989 in Calton Homes, Inc. vs. Township of Princeton, et al., Docket No. L-019451-84, the Court found that the (former) Township's Affordable Housing Plan and implementing ordinances met its constitutional obligations and granted the Township repose and immunity from any litigation brought under Mount Laurel II for a period of six years, with its first round period of repose expiring in 1995.

f. The Township decided in 1995 to transfer jurisdiction for its Mount Laurel obligation from the Superior Court to COAH, and by *Resolution Granting Substantive Certification #53-99*, adopted October 2, 1996, COAH found that the Township's housing element and fair share plan and implementing ordinances comply with the standards set forth at N.J.S.A. 52:27D-314 and COAH's rules, and granted the Township substantive certification for a period of six years, with its second round certification expiring on October 2, 2002.

g. The Township received extended second round substantive certification from COAH in 2002 on the condition that a third round housing element and fair share plan be adopted and submitted to COAH by December 20, 2005.

h. On December 20, 2005, following COAH's adoption of its Initial Third Round Rules, N.J.A.C. 5:94 and 5:95, both the Borough and the Township submitted petitions to COAH for third round substantive certification.

i. Before COAH acted upon the Borough's and Township's petitions, the Appellate Division invalidated COAH's Initial Third Round Rules in In re Adoption of N.J.A.C. 5:94 and 5:95, 390 N.J.Super. 1 (App. Div. 2007), causing COAH to adopt its Revised Third Round Rules, N.J.A.C. 5:96 and 5:97 in 2008.

j. On or about December 30, 2008, pursuant to COAH's Revised Third Round Rules, both the Borough and the Township submitted amended petitions for third round substantive certification to COAH.

k. Before COAH acted upon the Borough's 2008 petition and the Township's 2008 petition, the Appellate Division invalidated COAH's Revised Third Round Rules in In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J.Super. 462 (App. Div. 2010).

l. On January 1, 2013, Petitioner, the Municipality of Princeton, was formed by the municipal consolidation of the Borough and the Township.

m. In accordance with the Court's directives in Mount Laurel IV, on July 7, 2015, Petitioner filed a Declaratory Judgment action entitled In the Matter of the Application of the Municipality of Princeton In Mercer County, Docket No. MER-L-1550-15.

n. On November 19, 2020, the Court conducted a Compliance Hearing and reviewed Princeton's Housing Element and Fair Share Plan, Spending Plan, implementing ordinances and compliance submissions, and found that Princeton's submissions were constitutionally compliant and satisfy Princeton's cumulative third round Mount Laurel affordable housing obligations, and having approved same, by judgment entered December 10, 2020, granted Princeton a *Judgment of Compliance and Repose*, conditioned upon completion of certain items as set forth in the judgment, which were in process, but remained outstanding at the time of the hearing.

o. On December 19, 2024, having previously confirmed that Petitioner successfully completed all of the conditions of its Conditional Judgment, Petitioner filed with the Court the December 17, 2024 report of the Special Master confirming same, along

with a request seeking entry of a Final Judgment of Compliance and Repose (Trans ID: LCV20243251459).

10. On March 20, 2024, P.L.2024, c.2. was signed into law, which amended the FHA, abolished COAH, established a new framework for determining and enforcing municipal compliance with Mount Laurel affordable housing obligations, and created a new "Affordable Housing Dispute Resolution Program" (the "Program") within the Judiciary for the purpose of efficiently resolving disputes involving the FHA.

11. Pursuant to N.J.S.A. 52:27D-304.1(d) and (e), the New Jersey Department of Community Affairs ("DCA") is responsible for providing a report setting forth non-binding calculations of regional and municipal affordable housing need based upon the provisions of N.J.S.A. 52:27D-304.2 and 304.3.

12. Pursuant to N.J.S.A. 52:27D-304.1(f)(1)(b), each municipality must adopt a binding resolution no later than January 31, 2025, determining its present and prospective fair share obligations for the Fourth Round.

13. P.L.2024 c.2 also established the Program, tasked with overseeing disputes and issuing recommendations to the courts relative to whether present and prospective need calculations determined by municipalities are in compliance with the Fair Housing Act.

14. The New Jersey DCA issued its Report, "Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background (the "DCA Report") on or about October 18, 2024. A copy of the DCA Report is attached hereto as **EXHIBIT A**.

15. Pursuant to the DCA Report, the Fourth Round affordable housing obligations for Princeton were calculated to be:

Present Need: 60

Prospective Need: 276

16. On January 27, 2025, Princeton adopted a Resolution accepting the obligations for Princeton set forth in the DCA Report as its affordable housing obligations for the Fourth Round. A copy of the Resolution is attached hereto as **EXHIBIT B**.

17. Princeton desires that the Court review, accept and affirm the municipal fair share obligation of Princeton be and is as set forth in its Resolution attached hereto as **EXHIBIT B**.

18. In accordance with N.J.S.A. 52:27D-304.1, Princeton shall timely prepare, adopt and file a Housing Element and Fair Share Plan, implementing ordinances, and compliance submissions demonstrating compliance with its Fourth Round affordable housing obligations.

19. After such filing, Petitioner desires that the Court review, approve and affirm its Housing Element and Fair Share Plan, implementing ordinances, and compliance submissions, and issue a compliance certification, including a judgment of compliance and repose pursuant to N.J.S.A. 52:27D-304.1.

COUNT ONE
(DECLARATORY RELIEF, CONSTITUTIONAL COMPLIANCE)

20. Princeton repeats and realleges each and every allegation set forth in Paragraphs 1 through 19 of this Complaint as if set forth at length herein.

21. Pursuant to the Declaratory Judgments Act, N.J.S.A. 2A:16-51 *et seq.*, the Fair Housing Act, including section 3 of P.L. 2024, c.2 (N.J.S.A. 52:27D-304.1) and section 13 of P.L. 1985, c.222 (N.J.S.A. 52:27D-313), and Administrative Directive #14-24, Princeton has a right to a declaratory judgment granting "fourth round" compliance certification, including a judgment of compliance and repose pursuant to N.J.S.A. 52:27D-304.1, with a judicial declaration affirming

Petitioner's present and prospective fair share obligation for affordable housing, finding that Petitioner's Housing Element and Fair Share Plan, implementing ordinances and compliance submissions, to be prepared and adopted pursuant to the provisions of the FHA, are presumptively valid because they present a realistic opportunity to satisfy Princeton's affordable housing obligations, and providing Princeton with immunity and repose against "builder's remedy litigation and exclusionary zoning challenges" for a period of ten (10) years from the date of Final Judgment, as provided for by the FHA.

WHEREFORE, Petitioner, the Municipality of Princeton, respectfully requests that the Court enter judgment as follows:

a. Declaring and establishing continuing immunity for Princeton against any and all exclusionary zoning lawsuits, including but not limited to "builder's remedy" suits, from the date of the filing of the within Complaint and extending up to and including the court's determination that Princeton's Housing Element and Fair Share Plan, implementing ordinances and compliance submissions are compliant with Princeton's fourth round Mount Laurel affordable housing obligations, or for such other time period as the court may direct;

b. In accordance with N.J.S.A. 52:27D-304.1(f), declaring and establishing Princeton's fourth round Mount Laurel affordable housing obligations, including Princeton's present need and prospective need obligations, to be and are as set forth in the Resolution adopted by Princeton, dated January 27, 2025, attached to this Complaint as Exhibit B;

c. Declaring and finding Princeton's Housing Element and Fair Share Plan, implementing ordinances and compliance submissions, to be prepared and adopted pursuant to the

provisions of the FHA, are presumptively valid because they present a realistic opportunity to satisfy Princeton's fourth round affordable housing obligations, with judgment approving same;

d. Granting Princeton "fourth round" compliance certification, including a judgment of compliance and repose pursuant to N.J.S.A. 52:27D-304.1, for a period of ten (10) years from its date of entry;

e. Granting Princeton immunity and repose against "builder's remedy litigation and exclusionary zoning challenges" for a period of ten (10) years from its date of entry; and

f. Awarding such other and further relief as the Court may deem equitable and just.

MASON, GRIFFIN & PIERSON, PC

By:
Kevin A. Van Hise

Dated: January 28, 2025.

RULE 1:38-7 CERTIFICATION

I hereby certify that confidential personal identifiers have been redacted from the documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with Rule 1:38-7(b).

MASON, GRIFFIN & PIERSON, PC

By: _____
Kevin A. Van Hise

Dated: January 28, 2025.

RULE 4:5-1(b)(2) CERTIFICATION

Pursuant to Rule 4:5-1(b)(2), I hereby certify that to the best of my knowledge, information and belief, the matter in controversy is not the subject of any other action currently pending or contemplated in any court or arbitration proceeding, and that I know of no other party or parties at this time who should be joined, pursuant to Rule 4:28, or who are subject to joinder pursuant to Rule 4:29-1(b), in this action. I further acknowledge that I have a continuing obligation during the course of this litigation to file and serve on all other parties and with the court an amended certification if there is a change in the facts stated in this certification.

MASON, GRIFFIN & PIERSON, PC

By: _____
Kevin A. Van Hise

Dated: January 28, 2025.

DESIGNATION OF TRIAL COUNSEL

Pursuant to the provisions of Rule 4:5-1(c) and Rule 4:25-4, Kevin A. Van Hise, Esquire is hereby designated as trial counsel for Petitioner, the Municipality of Princeton.

MASON, GRIFFIN & PIERSON, PC

By: _____
Kevin A. Van Hise

Dated: January 28, 2025.

PREPARED BY THE COURT:

IN THE MATTER OF THE DECLARATORY JUDGMENT ACTION OF PRINCETON TOWNSHIP, MERCER COUNTY PURSUANT TO P.L. 2024, CHAPTER 2 Petitioner.	SUPERIOR COURT OF NEW JERSEY LAW DIVISION – CIVIL PART MERCER COUNTY DOCKET NO. MER-L-207-25 Civil Action *Mt. Laurel Program* **ORDER FIXING MUNICIPAL OBLIGATIONS FOR "PRESENT NEED" AND "PROSPECTIVE NEED" FOR THE FOURTH ROUND HOUSING CYCLE**

THIS MATTER, having come before the Court on its own motion, *sua sponte*, on the Complaint for Declaratory Judgment filed on ("DJ Complaint") by the Petitioner, ("Petitioner" or "Municipality"), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, *et seq.* (collectively, the "FHA"), and in accordance with Section II.A of Administrative Directive #14-24 ("Directive #14-24") of the Affordable Housing

Dispute Resolution Program (the "Program"), seeking a certification of compliance with the FHA;

AND IT APPEARING, that on October 18, 2024, pursuant to the FHA (as amended), the New Jersey Department of Community Affairs ("DCA") issued its report entitled "*Affordable Housing Obligations for 2025-2035 (Fourth Round)*",[1] therein setting forth the "present need" and prospective need" obligations of all New Jersey municipalities for the Fourth Round housing cycle (the "DCA's Fourth Round Report");

AND IT APPEARING that, pursuant to the DCA's Fourth Round Report, the "**present need**" obligation of the Petitioner has been calculated and reported as sixty affordable units, and its "**prospective need**" obligation of the Petitioner has been calculated and reported as 276 affordable units, and which calculations have been deemed "presumptively valid" for purposes of the FHA;

AND THE COURT, having determined that no "interested party" has filed a "challenge" to the Petitioner's DJ Complaint by way of an Answer thereto as provided for and in accordance with Section II.B of Directive #14-24 of the Program;

AND THE COURT, having found and determined, therefore, that the "present need" and "prospective need" affordable housing obligations of the Petitioner for the Fourth Round housing cycle as calculated and reported in the

[1] *See* https://nj.gov/dca/dlps/pdf/FourthRoundCalculation_Methodology.pdf.

DCA's Fourth Round Report have been committed to by the Petitioner and are uncontested, and for good cause shown;

IT IS on this 25th day of March 2025 **ORDERED** that:

1. That the "present need" obligation of the Municipality, be, and hereby is fixed as sixty affordable units for the Fourth Round housing cycle.

2. That the "prospective need" obligation of the Municipality, be, and hereby is fixed as 276 affordable units for the Fourth Round Housing cycle.

3. That the Petitioner is hereby authorized to proceed with preparation and adoption of its proposed Housing Element and Fair Share Plan for the Fourth Round, incorporating therein the "present need" and "prospective need" allocations aforesaid (and which plan shall include the elements set forth in the "Addendum" attached to Directive #14-24), by or before June 30, 2025, as provided for and in accordance with Section III.A of Directive #14-24, and without further delay.

4. Any and all "challenges" to the Petitioner's housing element and fair share plan as adopted pursuant to Paragraph 3 above must be filed by August 31, 2025, by way of Answer/Objection filed in the eCourts case jacket for this Docket No. L-207-25, and as provided for and in accordance with Section III.B of Directive #14-24.

5. A copy of this Order shall be deemed served on the Petitioner, Petitioner's counsel and the Program Chair upon its posting by the Court to the eCourts case jacket for this matter pursuant to R. 1:5-1(a) and R. 1:32-2A.

/s/ Robert Lougy
ROBERT LOUGY, A.J.S.C.
Designated Mount Laurel Judge

Appendix C. Rehabilitation Manual

RESOLUTION 20-225

Resolution of the Council of the Municipality of Princeton Adopting the Princeton Home Improvement Program Operating Manual for the Municipality of Princeton

WHEREAS, in accordance with applicable Council on Affordable Housing ("COAH") regulations, the New Jersey Uniform Housing Affordability Controls ("UHAC")(N.J.A.C. 5:80-26., et seq.), and the terms of a Settlement Agreement between the Municipality of Princeton and Fair Share Housing Center ("FSHC"), which was entered into as part of the City's Declaratory Judgment action entitled In the Matter of the Application of the Municipality of Princeton in Mercer County, Docket No. MER-L-1550-15, which was filed in response to Supreme Court decision In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015) ("Mount Laurel IV"), the Municipality of Princeton is required to adopt a rehabilitation program manual to assist in the administration of Princeton's Home Improvement Program to serve as a guide to the program staff and applicants.

WHEREAS, the Princeton Home Improvement Program Operating Manual describes the basic content and operation of the program, the program purpose and guidelines for implementing the program, the steps in the Home Improvement Program process, eligibility requirements to participate in the program, funding terms and conditions, cost estimating, contract payments, record keeping and overall program administration.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Council of the Municipality of Princeton, County of Mercer, State of New Jersey, do hereby adopt The Princeton Home Improvement Program Operating Manual.

BE IT FURTHER RESOLVED that this Resolution shall take effect pursuant to law.

Mayor, Municipality of Princeton

I, Delores A. Williams, Municipal Clerk of the Municipality of Princeton, do hereby certify that the above is a true copy of a resolution adopted by the Council at a meeting held on July 13, 2020.

Delores A. Williams, RMC, Municipal Clerk

The Princeton Home Improvement Program

Operating Manual

Prepared by Maureen Fullaway
Princeton Affordable Housing Manager

This Program Helps Eligible Homeowners Go From

Before To After

July 2020

Operating Manual
The Princeton Home Improvement Program

Prepared by Maureen Fullaway

OPERATING MANUAL CHECKLIST

The Princeton Home Improvement Program Operating Manual must clearly describe the procedures and policies for the following:

	Eligible Participants
X	Categories of Participants –Owners/Renters
X	Income Limits (Appendix F)
X	Certification of Substandard – List Major Systems
	Available Benefits
X	Program Financing – Owners/Renters
X	Program Affordability Controls
X	Program Affordability Controls – Owner-occupied - Lien
X	Program Affordability Controls – Renter-occupied – Deed restriction and lien
	Eligible Property Improvements
X	Eligible property improvements - Sample related work
X	Ineligible property improvements
X	The Princeton Home Improvement Program Standard
	Overview of Administrative Procedures
X	Income Eligibility and Program Certification – Documents to be submitted Owners/Renters – period of eligibility
X	Housing Inspection/Substandard Certification
X	Ineligible Properties – The total debt must be less than the appraised price.
X	Work Write-up and Cost Estimate
X	Contractor Bidding Negotiations – Min 3 Bids
X	Contractor Signing/Pre-Construction Conference
X	Progress Inspections
X	Change Orders
X	Payment Schedule
X	Appeal Process – Property Improvements
X	Final Inspection
X	Recorded Mortgage, Mortgage Note, Deed Restriction for rental units
	Income Eligibility Certification
X	Verification documentation required
X	Eligible Income/Ineligible Income
X	Appeal Process – Income Eligibility
	Contractor Related Procedures

X	Standards for contractor selection –Licenses, worker's compensation, minimum $1,000,000 minimum liability insurance
X	Contractor Requirements – Start date and signed agreement
	Maintenance of Records
X	List documents to be filed
X	The Princeton Home Improvement Program Waiting List
X	Monitoring Information required
	Program Marketing
X	Program Flyer Appendix
	Rental Units
X	Include overview of local rental process
X	**Affirmative Marketing**
X	Modified Affirmative Marketing Plan included
X	How will re-rentals be marketed?
X	The Princeton Rehabilitation Administrative Agent to market re-rentals
	Random Selection & Applicant Pool
X	Verification before lottery process
X	Pool of applicants will be not be randomized each time a unit is available
	Matching Households to Available Units
X	All rental applicants must be low income and matched with appropriate number of bedrooms per COURT guidelines.
	Household Certification
X	Standards for reviewing applicant household eligibility and certifying applicant households
X	Verification documentation required
X	Eligible Income/Ineligible Income
X	Maximum Monthly Payment
X	Basis for Dismissing Applications
X	Appeals – Income Eligibility
	Determining Affordable Rents
X	Determining Initial Rents
X	Determining Rent Increases
	Maintenance of Records for Rental Program
X	List documents to be filed
X	Monitoring information required
X	**Appendices**

Appendix

A. Model Documents for Single Family Owner-Occupied Units
B. Model Documents for Two-Family Rental Units (where the owner must occupy one of the units)
C. Model Flyer
D. Application for The Princeton Home Improvement Program Assistance
E. Program Description for Single Family Owner-Occupied Units
F. Income Limits

INTRODUCTION

This Operating Manual has been prepared to assist in the administration of Princeton's Home Improvement Program. It will serve as a guide to the program staff and applicants. This manual describes the basic content and operation of the program, examines program purposes and provides the guidelines for implementing the program. It has been prepared with a flexible format allowing for periodic updates of its sections, when required, due to revisions in regulations and/or procedures. This manual explains the steps in the Princeton Home Improvement Program process. It describes the eligibility requirements for participation in the program, program criteria, funding terms and conditions, cost estimating, contract payments, record keeping and overall program administration.

The following represents the procedures developed to offer an applicant the opportunity to apply to the program.

A. Fair Housing and Equal Housing Opportunities

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

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

SECTION I. ELIGIBLE PARTICIPANTS

A. Categories of Participants

Owner-occupied single-family homes, condominiums, and duplexes where the owner occupies one unit and rents out the other, are eligible to receive funding from the Princeton Home Improvement Program. In order to assist the rental unit, the renters must income-qualify as low or moderate income. The program is open to both owner-occupied and rental units so long as the occupants income-qualify as a very-low, low or moderate income household. In the case of owner-occupied units, the unit to be improved must be the owner's principal place of residence and the owner must not own any other real estate. The program is open only to homes where a housing inspector has determined code violations or other substandard conditions. Rents must be affordable to low- or moderate-income households.

B. Income Limits for Participation

The occupants of the units must have incomes that fall within the income guidelines established for Princeton by the Administrative Agent utilizing the most recently published regional weighted

average of the uncapped Section 8 income limits published by HUD and the calculation procedures as approved by the Court. These limits are revised periodically can be found in Appendix G.

The program will strive to provide that low-income households occupy at least 50 percent of the units rehabilitated.

C. Program Area

This is a municipal-wide program. The property to be improved must be located in Princeton.

D. Certification of Substandard

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

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

Code violations will be determined by an onsite inspection.

SECTION II. AVAILABLE BENEFITS

A. Program Financing

Up to $20,000 per unit may be available for improvements to eligible owner-occupied and renter-occupied units. An average of $10,000 per unit on hard costs for major system repairs is required for Princeton to receive credit for the rehabilitation unit.

B. Owner-occupied Affordability Controls

The Princeton Home Improvement Program is designed as a forgivable loan program. Any homeowner who participates in the program will be required to execute a Mortgage and Mortgage Note which will place a conditional lien on the home for ten years. The lien will be held by Princeton. If the owner remains in the home for 10 (ten) years, the loan is forgiven and the lien is removed from the property. If the title is transferred before then, repayment of the loan will be pro-rated depending on the number of years the loan has been in use. The table below describes the terms of repayment:

Repayment Amounts Owed If Loan Is Terminated

Years Loan Was Active	Percentage Owed
1 year:	90%
2 years:	80%
3 years:	70%
4years:	60%
5 years:	50%
6 years	40%
7 years	30%
8 years	20%
9 years	10%
10 years	0 %

Should the owner pass away or decide to sell the property or transfer title before the terms of the lien have expired, the heirs, executors, or representatives must notify Princeton. The heirs would be obligated to repay the loan based on the prorated schedule. The only exception is if the beneficiary inherits the home and meets the required income-eligibility guidelines and resides in the unit. In this case the loan would remain forgiven.

C. Renter-occupied Affordability Controls

For rental units, the controls on affordability shall be in the form of a 10-year deed restriction and will also include a 10-year lien. If a unit is vacant upon initial rental subsequent to The Princeton Home Improvement Program, 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 - income households at an affordable price and affirmatively marketed to the Ocean, Monmouth and Mercer region. Rents in rehabilitated units may increase annually based on the standard set forth in Municipality's Affordable Housing Ordinance, Section 10B-340.

Both the renters and the rents must be approved by Princeton.

Repayment Amounts Owed If Loan Is Terminated

Years Loan Was Active	Percentage Owed
1 year:	90%
2 years:	80%
3 years:	70%
4years:	60%
5 years:	50%
6 years	40%
7 years	30%
8 years	20%
9 years	10%

10 years 0 %

Should the owner pass away or decide to sell the property or transfer title before the terms of the lien have expired, the heirs, executors, or representatives must notify Princeton. The heirs would be obligated to repay the loan based on the prorated schedule above. In this case, loan repayment must occur, with no interest, upon a transfer of title. The only exception is if a beneficiary inherits the home and meets the required income-eligibility guidelines and resides in the owner-occupied unit. In this case, the loan would remain forgiven.

D. **Loan Subordination** The municipality may agree to the subordination of a loan if the mortgage company supplies an appraisal showing that the new loan plus the balance on the old loan does not exceed 95% of the appraised value of the unit.

SECTION III. ELIGIBLE PROPERTY IMPROVEMENTS

A. Eligible Improvements

Princeton Home Improvement Program funds may be used only for repairs or system replacements necessary to bring a substandard unit into compliance with municipal health, safety and building codes, or to increase weatherization efficiency.

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

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

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

- Interior trim work,
- Interior and/or exterior doors, including storm doors
- Interior and/or exterior hardware
- Interior stair repair

- Exterior step repair or replacement
- Porch repair
- Wall surface repair
- Painting
- Exterior rain carrying system repair or replacement

B. Ineligible Improvements

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

C. The Princeton Home Improvement Program Standards

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

D. Certification of Standard

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

SECTION IV. OVERVIEW OF ADMINISTRATIVE PROCEDURES

A. Application

Property owners interested in participating in The Princeton Home Improvement Program may call:

Maureen Fullaway
The Princeton Affordable Housing Office
609-688-2029

The program staff will review a preliminary phone application. If an owner-occupant appears to be income eligible, a formal application requiring written documentation, will be mailed to the applicant. The applicant will be given three weeks to send in all required documentation. If an application is incomplete, the program staff will work with the applicant to help complete the application.

Applicants for rehabilitation of rental units must provide information on the tenant household, including the rent paid. The program staff will send applications to the owner and the tenant to provide evidence of income eligibility of the occupants of the units. If the rental unit is unoccupied at the time of rehabilitation, the rehabilitated rental unit must be affirmatively marketed to the Ocean, Monmouth and Mercer County areas for re-rental.

B. Processing of Applications

Names for the waiting list will be accepted on an ongoing basis. Verbal information will be obtained to pre-qualify applicants. Owners will be served on a first come first serve basis.

C. Income Eligibility and Program Certification

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

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

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

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

Upon confirmation of income eligibility of the applicant or the applicant's tenants, the program staff will schedule a housing inspection. Income eligibility will remain valid for six months. If the applicant has not signed a contract for The Princeton Home Improvement Program within six months of the date of the letter of certifying eligibility, the applicant will be required to update his/her file.

D. Housing Inspection/Substandard Certification

Once determined eligible, the program staff will arrange for a qualified inspector to inspect the entire residential property.

The inspector will inspect the house, take photographs, and certify that at least one major system is substandard. All required repairs will be identified.

E. Ineligible Properties

If after review of the property, the program staff will send a letter delineating the reasons for the determination of ineligibility. An applicant's property may be determined ineligible for any one of the following reasons:

- Property does not need sufficient repairs to meet eligibility requirements.
- Real estate taxes and/or mortgage are in arrears.
- Property is listed for sale.
- Property is in foreclosure.
- Total debt on the property will exceed the value of the property.

F. Cost Estimate

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

Only required repairs to units occupied by income eligible households will be funded through The Princeton Home Improvement Program. If the property owner desires work on a non-eligible rental unit in a multi-unit building or improvements not covered by the program, such work may be added to the work write-up if the property owner provides funds to be deposited in the municipality's Housing Trust Fund prior to the commencement of the home improvements. Such deposited funds not expended at the time of the issuance of a certificate of completion/occupancy will be returned to the property owner.

G. Contractor Bidding

After the unit and the unit occupant have been certified as eligible, the program staff will advertise the project through a legal advertisement. The staff will send bid packages to interested contractors. The project will be scheduled for a bid opening. The program staff will then review these bids. The lowest responsible bidding general contractor shall then be selected.

H. Contract Signing/Pre-Construction Conference

Program staff will review the bids with the property owner. The program staff will conduct a loan closing. Documents to be executed include among others: Contractors Agreement(s), Mortgage and Mortgage Note. Rental properties will include a deed restriction. The property owner, program staff representative, and contractor will execute the appropriate documents and copies will be provided as appropriate. A staff member will outline project procedures to which property owner must adhere. A Proceed to Work Order, guaranteeing that the work will commence within thirty (30) calendar days of the date of the contract signing and be totally completed within ninety (90) days from the start of work, will be issued to each contractor.

I. Progress Inspections

The program staff will make periodic inspections to monitor the progress of property improvements. This is necessary to ensure that the ongoing improvements are in accordance with the scope of work outlined in the work write-up. It is the contractor's responsibility to notify the Building Inspector before closing up walls on plumbing and electrical improvements. Any work item requiring a municipal permit must be inspected by the municipal construction official. The item must pass inspection before a payment will be issued.

J. Change Orders

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

K. Payment Schedule

The contract will permit a maximum of three progress payments. First payment is made when the project is one-third completed. Second payment is made when the project is one-half completed. Final payment will be made upon completion.

The contractor will submit a payment request. The applicant will sign a payment approval if both the applicant and housing/building inspector are satisfied with the work performed. The municipality will then release the payment.

Final payment will be released once all final inspections are made and a Certificate of Approval is issued.

L. Appeal Process

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

M. Final Inspection

Upon notification by the contractor that all work is complete and where required a Certificate of Approval has been issued, a final inspection shall be conducted. The program staff (or a representative) and the property owner, shall be present at the final inspection. If required a punch list will be prepared and forwarded to the contractor for completion.

N. Record Deed Restriction and Mortgage Documentation

Princeton will file the executed Mortgage with the County Clerk. If the property is a rental property, a deed restriction will also be recorded.

O. File Closing

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

SECTION V. PROCEDURE FOR INCOME-ELIGIBILITY CERTIFICATION

A. Complete a Household Eligibility Determination Form

The program staff shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify their income, pursuant to the Uniform Housing Affordability Controls at N.J.A.C. 5:80-16.1 et seq. (except for the asset test).[1] Income verification documentation should include, but is not limited to the following for each and every member of a household who is 18 years of age or older:

- Four current consecutive pay stubs [including both the check and the stub], including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.

- Copies of most recent Federal and State income tax returns. A Form 1040 Tax Summary can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.

- A letter or appropriate reporting form verifying monthly benefits such as

    - Social Security or SSI – Current award letter or computer printout letter

    - Unemployment – verification of Unemployment Benefits

    - Welfare -TANF[2] current award letter

    - Disability - Worker's compensation letter or direct deposit.

    - Pension income (monthly or annually) – a pension letter or end of year statement.

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[1] Asset Test – N.J.A.C. 5:80-26.16(b)3 which provides that if an applicant household owns a primary residence with no mortgage on the property valued at or above the regional asset limit as published annually by the Court, a certificate of eligibility shall be denied by the administrative agent, unless the applicant's existing monthly housing costs exceed 38 percent of the household's eligible monthly income.

[2] TANF – Temporary Assistance for Needy Families

- A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support (copy of Court order or original Court award letter). If the owner can show proof that child support or alimony is not being paid regularly, the unpaid income will not be counted.

- Current reports of savings and checking accounts (bank statements and passbooks) and income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, or stocks or bonds (in brokerage accounts, the most recent statements, and/or in certificate form, a photocopy of certificates).

- Evidence or reports of income from directly held assets, such as real estate or businesses.

- Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.

- Current reports of assets – Market Value Appraisal or Realtor Comparative Market Analysis and bank/mortgage company statement indicating current mortgage balance. For rental property, attach copies of all leases.

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

Income

1. Wages, salaries, tips, commissions
2. Verified regular alimony
3. Regularly scheduled overtime
4. Pensions
5. Social security
6. Unemployment compensation (verify the remaining number of weeks they are eligible to receive)
7. TANF
8. Verified regular child support
9. Disability
10. Net income from business or real estate
11. Interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds

12. Imputed interest (using a current average annual rate of .06 percent) from non-income producing assets, such as equity in real estate. Rent from real estate is considered income, after deduction of any mortgage payments, real estate taxes, property owner's insurance.

13. Rent from real estate is considered income

14. Any other forms of regular income reported to the Internal Revenue Service

Not Income

1. Rebates or credits received under low-income energy assistance programs

2. Food stamps

3. Payments received for foster care or adoption of special needs children

4. Relocation assistance benefits

5. Income of live-in attendants

6. Scholarships

7. Student loans

8. Personal property such as automobiles

9. Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements

10. Part-time income of dependents enrolled as full-time students

11. Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income

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

Student Income

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

Income from Real Estate

If real estate owned by an applicant for affordable housing is a rental property, the rent is considered income. After deduction of any mortgage payments, real estate taxes, property owner

insurance and reasonable property management expenses as reported to the Internal Revenue Service, the remaining amount shall be counted as income.

B. **Records Documenting Household Composition and Circumstances**

The following are various records for documenting household information:

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

C. Certify the income eligibility of low- and moderate-income households by completing the application form. Keep the original in the project files. Appeals on income eligibility can be made to The Princeton Rehabilitation Administrative Agent.

SECTION VI. CONTRACTOR RELATED PROCEDURES

A. Contractor Selection

The Contractor shall carry, or require that there be carried, full and complete Worker's Compensation Insurance for all of his or her employees and those of his or her subcontractors engaged in work on the contract premises in accordance with all local, state and federal laws governing same. This insurance shall include Comprehensive Liability Insurance protection with a limit of liability not less than $1,000,000 per occurrence for bodily injury and $1,000,000 per occurrence for property damage, $2,000,000 aggregate limit. Comprehensive general liability insurance for the benefit of the Contractor and any subcontractors shall be written as broad as the standard coverage form currently in use in this State, which shall not be circumscribed by any endorsement limiting the breadth of coverage. The policy shall include an endorsement of contractual liability insurance, an endorsement for completed operations insurance, and an endorsement eliminating the explosion, collapse and underground exclusion. Contractor shall also maintain comprehensive automobile liability coverage covering owned, non-owned, and hired vehicles, and the limits of liability shall not be less than $500,000 combined single limit.

Only licensed tradesmen will be permitted to perform specialty work such as plumbing, heating and electrical. Contractors and sub-contractors must submit their Business Registration Certificates.

B. Contractor Proposals

The approved work write-up will be submitted to the interested contractors by the program staff. Contractors must visit the property and submit bids as specified in a legal notice published by Princeton. The contract will be awarded to the lowest bidder[3], provided that the housing/building inspector or the professional who drafted the work write-up certify that the work can be completed at the price bid and that the bid is reasonably close to the cost estimate. Bids should fall within 15% percent of the cost estimate, however, bidding 15% under or over the estimate will not lead to automatic rejection of a bid.

C. Contractor Requirements

As part of the bid submission, the contractor shall submit all required insurance certification to the program staff. The contract must be signed by both the contractor and homeowner.

SECTION VII. MAINTENANCE OF RECORDS

A. Files To Be Maintained on Every Applicant

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

- Application Form
- Tenant Information Form (Rental Units Only)
- Income Verification
- Letter of Determination of Ineligibility, if applicable

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

- Housing Inspection Report
- Proof of Homeowners Insurance
- Copy of Deed to Property
- Proof that property taxes are paid up to date
- Proof that mortgage payment is current

[3] If the property owner wishes to use a contractor other than the lowest responsible bidder, the property owner shall pay the difference between the lowest bid price and the bid price of the selected contractor.

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

- Work Write-Up/Cost Estimate
- Copies of Bids
- Applicant/Contractor Contract Agreement
- Recorded Mortgage/Lien Documents
- Copies of All Required Permits
- Progress Payment Inspection Reports
- Progress Payment Vouchers
- Change Orders (If needed)
- Final Inspection Report
- Certification of Approval
- Product Warranties

Individual files will be maintained throughout the process and submitted to the municipality.

The Princeton Home Improvement Program Waiting List

The Princeton Home Improvement Program waiting list will be maintained by the Rehabilitation Administrative Agent that depicts the status of all applications in progress.

A. Monitoring

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

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

SECTION VIII. PROGRAM MARKETING

Program flyers will be available at the municipal building, library, and senior center and on the municipal website. If such advertisement does not produce enough applicants, flyers will be sent out by the municipality in tax bills.

RENTAL PROCEDURES

RENTAL PROCEDURES REHABILITATED UNITS

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

A. Fair Housing and Equal Housing Opportunities

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

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

B. Overview of the Affordable Housing Administration Process for Rental Units

- The Princeton Rehabilitation Administrative Agent will income qualify current residents of rental units where the owner seeks Princeton Home Improvement Program assistance.
- The Princeton Rehabilitation Administrative Agent serves as an initial point of contact for unsolicited calls to the municipality about affordable housing.
- The Princeton Rehabilitation Administrative Agent oversees the municipality's Affirmative Marketing Plan.
- The Princeton Rehabilitation Administrative Agent serves as the initial point of contact for all inquiries generated by the affirmative marketing efforts and pre-qualifies all interested callers unless the rental unit has been rehabilitated and is vacant.
- The Princeton Rehabilitation Administrative Agent will accept returned applications for a 30-day period of time for the vacant rehabilitated units.
- The Princeton Rehabilitation Administrative Agent will pre-qualify applicants in the applicant pool for the rehabilitated rental unit for income eligibility and send either a rejection letter to those over income or a preliminary approval letter to those who appear income-eligible.
- When a unit becomes available, The Princeton Rehabilitation Administrative Agent will proceed with the income qualification process.

- The Princeton Rehabilitation Administrative Agent must notify applicant households in writing of certification or denial within 20 days of the determination.

- Once certified, households are further screened to match household size to bedroom size.

- Certified households that are approved for a rehabilitated rental affordable housing unit will sign Appendix K and any other applicable documents, which are held in the applicant file. Applicants then make an appointment with the owner. Applicant households seeking rental units proceed with a credit check, which is generally conducted by the landlord. If there are multiple eligible applicants for the rental unit, the landlord will select the renter. If approved, the applicant will sign the lease, pay the first month's rent and the security deposit and receive the keys.

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

C. Roles and Responsibilities

Responsibilities of the Princeton Rehabilitation Administrative Agent

The Princeton Rehabilitation Administrative Agent is responsible for coordinating all the activities of the Home Improvement Program for the municipal government affordable housing, in conjunction with the Municipal Attorney (see the section **Responsibilities of the Municipal Attorney**). The primary purpose of The Princeton Rehabilitation Administrative Agent is to ensure that all affordable housing projects are established and administered according to the Regulations as outlined in the Operating Manual. The duties of the Affordable Home Improvement Administrative Agent include the following:

Serve as the municipality's primary point of contact for all inquiries regarding the Home Improvement program.

Compile, verify and submit annual reporting. The Princeton Rehabilitation Administrative Agent is responsible for collecting much of the data that is ultimately included in an annual monitoring report. However, it is the Princeton Rehabilitation Administrative Agent responsibility to collect and verify this data and consolidate it into the annual report. Any requests for additional information or corrections will be directed to the Princeton Administrator.

Create and adhere to an Operating Manual. The Princeton Rehabilitation Administrative Agent is required to follow the policies and procedures of the Operating Manual, as applicable to the scope of services they have been contracted to perform.

Accept applications from interested households. In response to marketing initiatives, interested households will contact The Princeton Rehabilitation Administrative Agent who will supply applicants with applications, provide additional information on available units and accept completed applications.

Conduct random selection of applicants for rental of restricted units. The Princeton Rehabilitation Administrative Agent is responsible for conducting the random selection in accordance with the Affirmative Marketing Plan and any related local ordinances, and as described in the Operating Manual. However, the landlord has the final say as to who rents the rehabilitated unit.

Create and maintain a pool of applicant households. This includes reaching out to households in the applicant pool to determine continued interest and/or changes in household size and income.

Determine eligibility of households. The task of collecting application materials and documentation from applicant households and analyzing it for eligibility is the responsibility of The Princeton Rehabilitation Administrative Agent. A written determination on a household's eligibility must be provided within twenty (20) days of the determination of non-eligibility. Whether or not the household is determined to be eligible for a unit, it is The Princeton Rehabilitation Administrative Agent's responsibility to secure all information provided by the household in individual files and to maintain strict confidentiality of all information regarding that household. The Princeton Rehabilitation Administrative Agent is required to ensure that all certified applicants execute a certificate acknowledging the rights and requirements of renting an affordable unit, in the form of Appendix K of UHAC.

Establish and maintain effective communication with property landlords. Landlords of rehabilitated restricted units should be instructed and regularly reminded that The Princeton Rehabilitation Administrative Agent is their primary point of contact.

Landlords should be instructed to immediately contact The Princeton Rehabilitation Administrative Agent

- Immediately upon learning that an affordable rental unit will be vacated.

- For review and approval of annual rental increases.

Provide annual notification of maximum rents. Each year when very-low-, low- and moderate-income limits are adopted, rental households must be notified of the new maximum rent that may be charged for their unit. The Princeton Rehabilitation Administrative Agent's contact information must be included on such notification in case the tenant is being overcharged.

Serve as the custodian of all legal documents. The Princeton Rehabilitation Administrative Agent is responsible for maintaining originals of all legal instruments for the units in their portfolio. Throughout the duration of a control period, The Princeton Rehabilitation Administrative Agent must maintain a file containing its affordability control documents. This includes, but is not limited to, the recorded Deed Restrictions, Deeds, Repayment Mortgages, Repayment Mortgage Notes, Leases and Appendix K from UHAC. See Appendix

Responsibilities of the Municipal Attorney

The Municipal Attorney assists the municipality with developing, administrating, and enforcing affordability controls, including but not limited to:

- Providing all reasonable and necessary assistance in support of **The Princeton Rehabilitation Administrative Agent** efforts to ensure compliance with the housing affordability controls.
- Approve of legal documents in Operating Manual.

Responsibilities of Owners of Rental Units

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

Responsibilities of Landlords and Property Affordable Housing Managers

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

D. Affirmative Marketing

Overview of the Requirements of an Affirmative Marketing Plan

All affordable units are required to be affirmatively marketed using the affirmative marketing plan as adopted by the Municipal Council. An Affirmative Marketing Plan is a regional marketing strategy designed to attract households 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 The Princeton Rehabilitation Administrative Agent or a developer, sponsor, owner or property Affordable Housing Manager of affordable housing. The primary objectives of an Affirmative Marketing Plan are to target households who are least likely to apply for affordable housing, and to target households throughout the entire housing region in which the units are located.

Implementation of the Affirmative Marketing Plan

The affirmative marketing process for affordable units shall begin at least four months prior to expected occupancy. In implementing the marketing program, **The Princeton Rehabilitation Administrative Agent** shall undertake all of the strategies outlined in Princeton's Affirmative Marketing Plan. Advertising and outreach shall take place during the first week of the marketing program and each month thereafter until all the units have been rented. Applications for affordable housing shall be available in several locations in accordance with the Affirmative Marketing Plan. The time period when applications will be accepted will be posted with the applications. Applications shall be mailed to prospective applicants upon request.

An applicant pool will be maintained by **The Princeton Rehabilitation Administrative Agent** for re-rentals.

When a re-rental affordable unit becomes available **The Princeton Rehabilitation Administrative Agent** applicants will be selected from the applicant pool and, if necessary, the unit will be affirmatively marketed as described above.

The selection of applicants from the applicant pool is described in more detail in this manual under the section **Random Selection & Applicant Pool(s)**.

B. Randomization after Certification

Random selection is conducted when a unit is available, and only certified households seeking the type and bedroom size of the available unit are placed in the lottery. The process for random selection is identified in the Municipal Council approved Affirmative Marketing Plan.

F. Matching Households To Available Units

In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to implement the following policies:

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

The Princeton Rehabilitation Administrative Agent cannot require an applicant household to take an affordable unit with a greater number of bedrooms, as long as overcrowding is not a factor.

A household can be eligible for more than one unit category, and should be placed in the applicant pool for all categories for which it is eligible.

F. Maximum Monthly Payments

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

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

- The household currently pays more than 35 percent (40 percent for households eligible for age-restricted units) of its gross household income for rent and the proposed rent will reduce the household's housing costs;

- The household has consistently paid more than 35 percent (40 percent for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;

- The household is currently in substandard or overcrowded living conditions;

- The household documents the existence of assets, with which the household proposes to supplement the rent payments; or

- The household documents proposed third party assistance from an outside source such as a family member in a form acceptable to The Princeton Rehabilitation Administrative Agent and the Owner of the unit; and

I. Housing Counseling

The Princeton Home Improvement Program Affordable Housing Manager is responsible for providing housing counseling, or providing referrals for counseling, as a part of the Affirmative Marketing Plan and during the application process. Although housing counseling is

recommended, a household is only required to attend counseling if their monthly housing expense exceeds UHAC standards. A HUD-approved housing counseling agency, or a counseling agency approved by the NJ Department of Banking and Insurance, meets UHAC's requirements for an experienced Housing Counseling Agency. If the Princeton Rehabilitation Administrative Agent is not approved by HUD or by the NJ Department of Banking and Insurance, the Agent will make referrals to one of the HUD-approved housing counseling agencies in New Jersey. This counseling to very-low-, low- and moderate-income housing applicants will focus on subjects such as budgeting, credit issues, and mortgage qualification, and is free of charge. A list of non-profit counselors approved by HUD and/or the New Jersey Department of Banking and Insurance is included on COURT's website and is available from The Princeton Rehabilitation Administrative Agent.

J. The Applicant Interview

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

- Confirm and update all information provided on the application.

- Explain program requirements, procedures used to verify information, and penalties for providing false information. Ask the head of household, co-head, spouse and household members over age 18 to sign the Authorization for Release of Information forms and other verification requests.

- Review the applicant's identification and financial information and documentation, ask any questions to clarify information on the application, and obtain any additional information needed to verify the household's income.

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

K. PROCEDURE FOR INCOME-ELIGIBILITY CERTIFICATION

1. Complete a Household Eligibility Determination Form

The program staff shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify their income, pursuant to the Uniform Housing Affordability Controls at N.J.A.C. 5:80-16.1 et seq. Income verification documentation should

include, but is not limited to the following for each and every member of a household who is 18 years of age or older:

- Four current consecutive pay stubs [including both the check and the stub], including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.

- Copies of Federal and State income tax returns for most recent year - A Form 1040 Tax Summary can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.

- A letter or appropriate reporting form verifying monthly benefits such as

    - Social Security or SSI – Current award letter or computer printout letter

    - Unemployment – verification of Unemployment Benefits

    - Welfare -TANF[4] current award letter

    - Disability - Worker's compensation letter or

    - Pension income (monthly or annually) – a pension letter

- A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support – copy of Court order or recent original letters from the Court or education scholarship/stipends – current award letter.

- Current reports of savings and checking accounts (bank statements and passbooks) and income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds (In brokerage accounts – most recent statements and/or in certificate form – photocopy of certificates).

- Evidence or reports of income from directly held assets, such as real estate or businesses.

- Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.

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

[4] TANF – Temporary Assistance for Needy Families

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

Income

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

Not Income

1. Rebates or credits received under low-income energy assistance programs
2. Food stamps
3. Payments received for foster care or the adoption of special needs children
4. Relocation assistance benefits
5. Income of live-in attendants
6. Scholarships

7. Student loans

8. Personal property such as automobiles

9. Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements

10. Part-time income of dependents enrolled as full-time students

11. Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income

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

Student Income

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

Real Estate Asset Limit

Except for federal programs, if an applicant's primary residence, which is to be sold upon rental of an affordable unit, has no mortgage debt and is valued at or above the regional asset limit as calculated by Princeton annually pursuant to the Affordable Housing Ordinance, Section 10B-340, the household must be determined ineligible for certification.

However, if the applicant's existing monthly housing costs including taxes, homeowner insurance, and condominium or homeowner association fees exceed 38 percent of the household's eligible monthly income, the household will be exempt from the asset limit.

An applicant must provide a recent, Market Value Appraisal or Realtor Comparative Market Analysis, on the home they own unless the applicant has mortgage debt on the home or can demonstrate that the existing monthly housing costs exceed 38 percent of the household's eligible monthly income, in which case the applicant is exempt from the asset limit.

Before obtaining a professional appraisal, the applicant should review the property's tax appraisal and the current market value and compare it to the asset limit to avoid any unnecessary expense.

Income from Real Estate

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

2. **Records Documenting Household Composition and Circumstances**

The following are various records for documenting household information:

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

3. Certify the income eligibility of low- and moderate-income households by completing the application form. Provide the household with the original and keep a copy in the project files.

L. Approving or Rejecting an Applicant Household

The Princeton Rehabilitation Administrative Agent must notify applicant households of their income eligibility within twenty (20) days of determination.

Households with a verified total household income that exceeds 80 percent of the regional income limit for the appropriate family size are ineligible for rental of restricted units. A letter rejecting the household's application shall be mailed to the household.

Similarly, households with a verified total household income that is within the income limits, but too low to afford any of the units administered by The Princeton Rehabilitation Administrative Agent shall be sent a letter rejecting the household's application, and/or referring them to housing counseling.

Households with a verified total household income of less than 80 percent shall be issued a letter certifying eligibility. This certification is valid for 180 days. If the Princeton Rehabilitation Administrative Agent is unable to place the household in a restricted unit at the conclusion of 180 days, an extension may be granted once the household's eligibility is verified.

Once the applicant is certified and matched to an available unit, The Princeton Rehabilitation Administrative Agent must secure from the applicant a signed and notarized acknowledgement of their requirements and responsibilities in renting a restricted unit. UHAC's Appendix K shall be forwarded to the applicants.

In addition to non-eligibility based on income, The Princeton Rehabilitation Administrative Agent may deny a certification because of the household's failure or inability to document household composition, income, assets, sufficient funds for down payment, or any other required facts and information. A household may also be denied certification if The Princeton Rehabilitation Administrative Agent determines that there was a willful or material misstatement of fact made by the applicant.

M. Dismissal of Applications

Applications can be dismissed for the following reasons:

1. The application is not signed or submitted on time.

2. The applicant commits fraud, or the application is not truthful or complete.

3. The applicant cannot or does not provide documentation to verify their income or other required information when due.

4. The household income does not meet the minimum or maximum income requirements for a particular property.

5. The applicant owns assets that exceed the Asset Limit.

6. The applicant fails to respond to any inquiry in a timely manner.

7. The applicant is non-cooperative or abusive with the staff, property Affordable Housing Manager or landlord.

8. The applicant changes address or other contact information without informing The Princeton Rehabilitation Administrative Agent in writing.

9. The applicant does not meet the credit standard or other requirement set forth by owner of the rental unit.

10. The applicant fails to verify attendance in a credit counseling program when required to do so by the program rules.

11. The applicant does not respond to periodic update inquiry in a timely fashion.

12. The applicant fails to sign the Compliance Certification, Certificate for Applicant, Lease Document, as may be required.

13. The applicant, once approved, fails to sign the lease in a timely manner.

14. Applicants will also be removed from all lists held by The Princeton Rehabilitation Administrative Agent once they have been approved for an affordable unit. However, these

applicants may re-apply for other opportunities in that municipality once they have occupied their unit.

Applicants who are dismissed must re-apply. A minimum time period of six months applies in most situations where the applicant has been withdrawn for fraud, poor credit, uncooperative behavior or other serious matters.

Applicants are not automatically removed from rental lists if they do not respond to a Notice of Availability.

Applications may be held in abeyance for a period not to exceed 60 days if there is an error on the credit report, so that the applicant can correct the error and re-apply. Units will not be held open for that applicant. However, once the credit report is corrected, the applicant will be given a priority for the next opportunity at that property.

N. Appeals

Appeals from all decisions of a The Princeton Rehabilitation Administrative Agent shall be made in writing to the Municipal Affordable Housing Attorney. The written decision, which shall be made within 15 days of receipt of an appeal, shall be a final administrative action.

O. Determining Affordable Rents

To determine the initial rents The Princeton Rehabilitation Administrative Agent shall utilize the method outlined in the Affordable Housing Ordinance, Section 10B-340.

Pricing by Household Size. Initial rents are based on targeted "model" household sizes for each size home as determined by the number of bedrooms. Initial rents must adhere to the following rules. These maximum sales prices and rents shall be calculated based on the method outlined in the Affordable Housing Ordinance, Section 10B-340. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted developments, the following standards shall be used:

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

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

- A four-bedroom unit shall be affordable to a six-person household.

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

Split Between Low- and Moderate-income Rental Units. The program will limit rentals to very-low and low-income renters.

Affordability Average. The program will strive to make sure the average rent for all affordable units cannot exceed 52 percent of the regional median income.

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

P. Determining Rent Increases

Annual rent increases are permitted in affordable units. Rents in rehabilitated units may increase annually based on the standards as set forth in the Affordable Housing Ordinance, Section 10B-340. These increases must be filed with and approved by The Princeton Rehabilitation Administrative Agent. Property Affordable Housing Managers or landlords who have charged less than the permissible increase may use the maximum allowable rent with the next tenant with permission of The Princeton Rehabilitation Administrative Agent. The maximum allowable rent would be calculated by starting with the rent schedule approved as part of initial lease-up of the development, and calculating the annual Court-approved increase from the initial lease-up year to the present. Rents may not be increased more than once a year, may not be increased by more than one Court-approved increment at a time, and may not be increased at the time of new occupancy if this occurs less than one year from the last rental. No additional fees may be added to the approved rent without the express written approval of The Princeton Rehabilitation Administrative Agent.

Program Financing:

If the renter resides in his/her unit for the 10-year period after completion, the deferred loan held by the owner will be forgiven. If the renter decides to vacate the home prior to the completion of the term, the unit should be affirmatively marketed to be re-tenanted with an affordable household. If the unit is re-tenanted with a market-rate household the loan shall become payable in full upon the date of such lease in accordance with the proration schedule in the Mortgage Note. In the event of the death of the homeowner, the loan is an immediate obligation of the beneficiary unless the beneficiary continues to rent the unit to an income-eligible household.

Appendix A

Model Loan Documents for Single Family Owner-Occupied Units

PRINCETON HOME IMPROVEMENT PROGRAM

Mortgage Note

FOR VALUE RECEIVED, the undersigned BORROWER(S) _____ promises to pay in accordance with this Mortgage Note to the order of Princeton located at the Princeton Municipal Building, 400 Witherspoon Street, Princeton, NJ 08540 (LENDER), the sum of (Loan Amount): **_____ ($_____)** at no interest which LENDER has loaned to the BORROWER(S) under the LENDERS Princeton Program, to make home improvement repairs to the BORROWER(S') property located at **_____ more specifically known as Block _____, Lot _____ as shown on the current tax map of the Municipality of Princeton, New Jersey 08540** and described in the Mortgage signed on the same date as this Mortgage Note, and to spend on this rehabilitation the total sum of: **_____ ($_____)** which is comprised of the following:

A) A Homeowner's share in the amount of **Zero Dollars ($0.00)** which must be paid to the contractor(s) before LENDER makes any payments on BORROWER(S) behalf from the proceeds of the loan.

B) A forgivable loan of **_____ ($_____)** which shall be forgiven ten (10) years from the date of the Mortgage Note provided BORROWER(S) continues to own and occupy the property as BORROWER(S') primary residence for this ten (10) year period and complies with all terms and conditions of this Mortgage Note, the Rehabilitation Deferred Loan Agreement and the Princeton Home Improvement Program guidelines and procedures.

1) BORROWER(S) agrees to be responsible for any unforeseen costs for change orders necessary in order to rehabilitate or repair BORROWER'S (S') property and understands that any additional monies will be added to the deferred payment loan.

2) BORROWER(S) will promptly pay all taxes, levies and assessments on the property.

3) In accordance with this loan, BORROWER(S) is responsible to pay the full amount of the loan at no interest to him/her, depending on the number of years the loan was active. If the BORROWER (S) should die, BORROWER(S) or his/her heirs, executors or representatives must notify the LENDER within ten (10) days by certified mail at the above address. Payment must be made to the LENDER within thirty (30) days after the settlement of the estate. If the BORROWER(S) transfers title or rents it to someone for any reason, BORROWER(S) or his/her representatives must notify the LENDER within ten (10) days by certified mail at the above address. Payment must be made to the LENDER within thirty (30) days of the transfer of title or rental of the property. Payment shall be payable to the order of the COUNTY OF MERCER (HUD). Repayment of the loan will be pro-rated depending on the number of years the loan has

been in use. If you remain in the home for 10 (ten) years, the loan is forgiven and the lien is removed from your property.

Repayment Amounts Owed If Loan Is Terminated

Years Loan Was Active	**Percentage Owed**
1 year:	90%
2 years:	80%
3 years:	70%
4years:	60%
5 years:	50%
6 years	40%
7 years	30%
8 years	20%
9 years	10%
10 years	0 %

4) BORROWER(S) agrees that, during the term of this Mortgage Note, BORROWER(S) will keep the property in good repair while monies are still owing on the loan and will not permit deterioration of the property.

5) BORROWER(S) agrees to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting this property.

6) The LENDER or his/her agent may make reasonable inspection of the property provided that the LENDER gives notice to the BORROWER(S) prior to the inspection.

7) The BORROWER(S) agrees to comply with the terms of the Mortgage Note, Mortgage and Princeton Program guidelines and procedures. Should BORROWER(S) fail to comply with any term of the Mortgage Note or the accompanying Mortgage, the BORROWER(S) will be in default and the entire loan shall be immediately due and payable. The LENDER may also foreclose on the Mortgage. In the event of a foreclosure, BORROWER(S) shall be responsible for all legal fees, costs of the suit and expenses of the foreclosure.

8) The Undersigned, if more than one, agree to be liable jointly and severally for the payment of all monies due under this loan.

BORROWER(S) acknowledges that LENDER has furnished BORROWER(S) with a true copy of this document.

WITNESS: BORROWER(S)

_____ _____

_____ _____

DATED: _____

MORTGAGE
PRINCETON HOME IMPROVEMENT PROGRAM

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

THIS MORTGAGE made this _____ 2020 between: **_____ residing at _____ in the Municipality of Princeton, New Jersey 08540** the BORROWER(S), in the COUNTY OF MERCER, and Princeton having offices at the Princeton Municipal Building, 400 Witherspoon Street, Princeton, NJ 08540the LENDER.

The BORROWER(S) has applied for monetary assistance under the LENDER'S Program for the purpose of correcting defects in the house and satisfying local and state building codes. The LENDER has agreed to grant the BORROWER(S) a loan with deferred payments in the amount of: **_____ ($_____)** which shall constitute the total amount of the loan on which no interest shall be charged. Receipt of the loan is hereby acknowledged and is evidenced by a Mortgage Note which will be signed at the same time as this document. The loan is to be repaid by the BORROWER(S) in accordance with this Mortgage and subject to all the terms and conditions as listed in the Mortgage Note. The Mortgage will secure that the LENDER will be repaid the monies loaned and any other costs or charges incurred for the repair of the BORROWER (S') property. To insure that BORROWER(S) performs its obligations as called for by the Mortgage and Mortgage Note, the BORROWER(S) hereby mortgages to the LENDER, its successors and assigns the tract of land and premises located in the **County of Mercer, State of New Jersey, at (street address) _____ more specifically known as Block _____, Lot _____ as shown on the current tax map of Princeton. This premises was conveyed to BORROWER(S) by _____ dated _____ and recorded in the Mercer County Clerk's Office on _____ in Book _____ Page _____.**

The BORROWER(S) agrees:

1) Ownership. BORROWER(S) owns the property in fee simple and will defend his/her ownership against all claims.

2) Payments. He/she will make all payments required by the Mortgage Note and Mortgage.

3) Insurance. He/she will maintain extended coverage insurance on the property in an amount at least equal to the amount of the mortgage. Insurance companies, policies, amounts and types of coverage must be acceptable to the LENDER. He/she will notify the LENDER in the event of any substantial loss or damage. The LENDER may then settle the claim on his/her behalf if he/she fails to do so.

4) Repairs. He/she will keep the property in good repair, neither damaging nor abandoning it. He/she will allow the LENDER to inspect the property upon reasonable notice.

5) Mortgage and Mortgage Note. He/she will comply with all of the terms of the Mortgage, Mortgage Note and the Princeton guidelines and procedures. If any provision of this Mortgage is found to be inconsistent with the Mortgage Note, the terms of the Mortgage Note shall control.

6) Lawful Use. Use of the property shall be in compliance with all the laws, ordinances and other requirements of any governmental authority.

7) The LENDER shall have all rights and remedies to ensure repayment of the debt and to protect the LENDER'S security interest in the property.

The LENDER may declare BORROWER(S) in default on the Mortgage Note and this Mortgage if:

a) BORROWER(S) fails to make any payment required by the Mortgage Note and this Mortgage within 30 days after its due date;

b) BORROWER(S) fails to keep any other promise he/she makes in the Mortgage Note or this Mortgage;

c) BORROWER(S) transfer ownership of the property or rents it to someone for any reason;

d) The holder of any lien (debt) on the property starts foreclosure proceedings; or

e) Bankruptcy, insolvency or receivership proceedings are started by or against any of the BORROWERS;

f) There is a default under a senior mortgage; or

g) BORROWER(S) fails to comply with any term or condition set forth in the Princeton Home Improvement Deferred Loan Agreement, the Mortgage Note, this Mortgage or the Princeton Home Improvement Program guidelines and procedures.

8) Rights Given to the Lender. BORROWER(S) mortgage the property to the LENDER. This means that he/she gives the LENDER those rights stated in this Mortgage, also those rights the law gives to lenders of mortgages on real property. When he/she pays all amounts due to the LENDER under this Mortgage Note and Mortgage, LENDER'S rights under this Mortgage will end. The LENDER will then cancel this Mortgage at BORROWER(S) expense.

9) Term. This Mortgage shall be due and payable 10 years from the date hereof unless the loan has been forgiven as provided for in the Mortgage Note.

10) The LENDER may, in its discretion, subordinate the lien of this Mortgage to the lien of any home equity loan, secondary mortgage or refinancing to be procured by the BORROWER(S). The LENDER reserves the right to deny any such request for the subordination of this Mortgage. A $250 non-refundable document preparation fee will be charged by Princeton Counsel at the time of the request for subordination of the mortgage.

11) No Waiver by Lender. LENDER may exercise any rights under this Mortgage even if LENDER has delayed in exercising that right or has agreed to an earlier instance not to exercise that right. LENDER does not waive its rights to declare that BORROWER(S) is in default by making payments or incurring expenses on BORROWER(S) behalf. THE BORROWER(S) HEREBY DECLARES AND ACKNOWLEDGES THAT THE BORROWER(S) HAS RECEIVED, WITHOUT CHARGE, A TRUE COPY OF THIS MORTGAGE.

IN WITNESS WHEREOF, BORROWER(S) acknowledges that he/she has signed and sealed the agreement and that LENDER has furnished BORROWER(S) with a true copy of this document.

WITNESS: BORROWER(S)

_____ _____

_____ _____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF NEW JERSEY (
ss.
COUNTY OF MERCER (

On this _____ 2020, by me Maureen Fullaway, personally appeared _____who I am satisfied is the person(S) named in and who executed this document, and who signed, sealed and delivered the same as his/her voluntary act and deed, for the purpose herein specified.

_____
NOTARY PUBLIC

REHABILITATION CONSTRUCTION CONTRACT
PRINCETON HOME IMPROVEMENT PROGRAM

THIS AGREEMENT, made this _____ 2020 between **_____ residing at _____ in Princeton, County of Mercer, New Jersey** (hereinafter referred to as the "Owner") and **_____ having its office and principal place of business at _____**(hereinafter referred to as the "Contractor").

WITNESSETH

WHEREAS, the Owner wishes to rehabilitate his/her principal residence located at the above address through participation in the Princeton Home Improvement Program; and

WHEREAS, the owner has been determined to be eligible for said program; and

WHEREAS, the Princeton has awarded the Owner a deferred loan in the amount of **$_____** to pay for all or a portion of the rehabilitation costs as set forth in deferred loan agreement dated **_____; and**

WHEREAS, the starting date for the project is no later than _____; and

WHEREAS, the Owner has secured additional funding in the amount of **$0.00** to meet his/her obligations under the terms and conditions of said Agreement; and

WHEREAS, Contractor is ready, willing and able to perform such construction work as shall be required of Contractor under this Contract to effect such rehabilitation.

NOW THEREFORE, the Contractor and the Owner, for the consideration hereinafter named, agree as follows:

ARTICLE I Contract Documents

The following documents shall be deemed to be a part of this Contract.

1. Work write-up and specifications;

2. Bid/proposal form;

3. Schedule of progress payments (if applicable); and

4. Notice to Proceed

ARTICLE II - Definitions

The following words and expressions, or pronouns used in their stead, shall wherever they appear in this Contract be construed as follows, unless a different meaning is clear from the context:

1. "PHIP" means the Princeton Home Improvement Program operated by the Princeton Affordable Housing Office.

2. "Princeton" means the Municipality and its designee for the administration of this Program, which currently is The Princeton Affordable Housing Office

4. "Contract" or "Contract Documents" means this Construction Contract and each of the various documents referred to in Article I hereof, both as a whole and separately.

ARTICLE III - Consideration

The Contractor shall furnish all the labor, material and equipment and do all the work described herein in accordance with the provisions of this Contract, for the lump sum of: **_____ ($_____).**

ARTICLE IV - Commencement and Completion of Work

Section 1. Commencement and Completion of Work. The Contractor shall commence the work to be performed under this Contract in accordance with the provisions set forth in their contract. The Contractor shall diligently pursue and execute the work in strict compliance with the plans, specifications, work write-up and drawings annexed to and forming part of this Contract and shall complete the work on or before _____ . The time for completion may be extended in accordance with the provisions of Section 2 herein.

Section 2. Extensions. The Contractor shall be entitled to an extension of time for delay in completion of work caused solely by: (1) acts or omissions of the Owner or (2) supervening conditions entirely beyond the control of the Contractor, provided that the Contractor shall file in writing a Request for Extension with the Princeton within Five days (5) days after the commencement of any condition which is causing or may cause delay in completion. The determination of the Princeton on the Contractor's request for an extension shall be final and binding on the parties.

ARTICLE V - Performance During Construction

Section 1. Permit; compliance with Law. The Contractor shall obtain and pay for all permits, inspections and licenses necessary for the undertaking, execution and completion of the work and labor to be performed, and shall comply with all applicable federal, state and local laws, rules, regulation, codes and ordinances. No contractor payments will be issued until all appropriate permits are on file with the Program Administrator.

Section 2. Owner Cooperation. The Owner shall take all necessary steps to protect and secure all property on or adjacent to the work area. The Owner shall assure that the Contractor has access to those premises necessary for the performance of the work described herein.

Section 3. Clean Premises. The Contractor shall keep the premises clean and orderly during the course of the work and remove all debris and shall make the job site broom clean within Five (5) working days after completion of the work specified in this Contract.

Section 4. Inspection of Books and Records. During the progress of the work and for a period of three (3) years after final payment, the Contractor shall preserve the Princeton records, correspondence, construction documents, receipts, vouchers, payrolls and agreements, if any, with subcontractors, relating to this contract and to be performed under this Contract. The Contractor expressly covenants and agrees to preserve all such records for a period of three (3) years after initial payment.

Section 5. Inspection of Work. During the performance of the work and up to the date of final payment, the Contractor shall at all times afford the Owner and the Princeton every reasonable, safe and proper opportunity for inspection of the work in progress. Inspection and approval by the Owner and the Princeton of finished work being performed, shall not relieve the Contractor from the obligation of correcting or replacing all defective work or equipment constructed under this Contract.

Section 6. Disputes. The determination of the Princeton or its designee shall be final and binding upon the parties in the event of dispute between the Owner and Contractor.

Section 7. Disputes; Owner at Fault. If, as a result of a dispute, the Princeton determines that the acts, omissions or neglect of the Owner are of such a nature as to render performance by the Contractor or Subcontractors, if any, impossible, the Princeton may terminate the Contract by finding the Owner in default and the Owner shall pay the Contractor for the value of work performed and materials supplied.

Section 8. Disputes; Contractor at Fault. In the event of a dispute between the Owner and the Contractor concerning the proper performance of the work, or the quality of materials or supplies provided by the Contractor or any Subcontractor, the determination of the Princeton shall be final and binding on the parties. If the Princeton rejects any such performance, materials or supplies, the Princeton shall notify the Contractor of its disapproval or rejection and may order the replacement or repair of any finished or unfinished work.

Section 9. Rejected Work and Materials. All rejected work, materials or equipment shall be promptly taken down and removed from the premises. All such rejected materials shall belong to the Contractor. The Princeton will notify the contractor when the rejected material can be removed from the premises if the material impacts weatherization and/or structural needs. If the material is not removed by the established date, the material shall become the property of the Princeton.

Section 10. Protection of Property. During the performance of this Contract, and up to the date of final payment, the Contractor shall take all reasonable precautions to protect persons, property and materials of the Owner, and of others on or adjacent to the site, from damage, loss or injury resulting from the Contractor's or Subcontractor's operations under legal duty to protect. Furthermore, the Contractor agrees to indemnify and hold the Owner and the Princeton harmless against any and all claims, demands or legal proceedings which may result from the Contractor's failure to comply with the provisions of this section. As used herein "Princeton" means the Municipality of Princeton and its officials, employees, agents and representatives.

Section 11. Insurance. The Contractor agrees to provide and pay Comprehensive General Liability and Automobile Insurance with minimum aggregate limits of $ 1,000,000 each, naming the Princeton as an additional insured on both policies. The Contractor shall also maintain statutory workmen's compensation insurance. The Contractor shall maintain such insurance in force until the final completion or termination of all work and services hereunder. The Contractor shall submit an insurance certificate to the Princeton consistent with the provisions of this Paragraph upon signing of this agreement.

The Owner shall assume liability for his own negligent acts or omissions which result in bodily injury, death, or property damage.

Section 12. Indemnification. The Contractor agrees to indemnify and hold the Owner and the Princeton harmless against any and all claims, demands, or legal proceedings, including costs and attorney fees, which may arise in connection with or on account of the work, operations, maintenance, or supervision by the Contractor of the construction work which is the subject of this Contract. As used herein "Princeton" means the Municipality of Princeton, its officials, employees, agents and representatives.

Section 13. Damages to Property. The Contractor shall be responsible for damage, as a result of his operations, to existing sidewalks, streets, curbs, pavements, utilities (except those which are to be replaced or removed), adjoining property, and shall, at his own expense, completely repair any damage thereto caused by his operations.

The Contractor shall shore up, brace, underpin, secure and protect as may be necessary, all foundations and other parts of existing structures adjacent to, adjoining and in the immediate vicinity of the site, which may be in any way affected by the excavations or other operations connected with the construction of this Contract.

Section 14. Change in the Work. The Princeton may make changes in the work required to be performed by the Contractor under this Contract by making additions thereto, or by omitting work therefor, without invalidating the Contract. All changes in the work must be authorized in writing on a Change Order by both the Princeton and the Owner prior to the Contractor commencing any work other than what is contained in this Contract. Neither the Princeton nor the Owner will accept responsibility or liability for any claim or charge for extra work made by the Contractor that has not been previously approved in writing by both the Princeton and the Owner.

If the changed work is more costly to the Contractor than the original contract work, an adjustment of the Contract payment provisions will be made to compensate the Contractor for such additional cost. If such change is less costly to the Contractor than the original work, an adjustment of the Contract payment provisions will be made to credit the Owner with such decreased cost.

ARTICLE VI - Labor Provisions Applicable During Construction

Section 1. Equal Employment Opportunities. During the performance of this Contract, the Contractor agrees that he/she will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status or sex, affectional or sexual orientation. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination rate of pay or the forms of compensation; and selection for training, including apprenticeship.

Section 2. Anti-Kickback Provisions. The Contractor shall comply with the applicable regulation of the Secretary of Labor, United States Department of Labor, made pursuant to the Copeland "Anti-Kickback Act: of June 13, 1984 (48 Stat. 948; 62 Stat. 8962; Title 18 U.S.C. 874; and Title 40 U.S.C. 276c) and any amendments or modifications thereof.

ARTICLE VII - Contractor's Default; Princeton Right to Terminate the Contractor

Section 1. Owner's Acts on Default. The Owner hereby specifically authorizes and delegates to the Princeton the right to declare the Contractor in default of the whole or any part of the work required to be performed pursuant to this Contract with or without consent of the Owner at the time of default. The Owner, however, retains the right to request the Princeton to declare a default. All requests must be in writing to the Princeton.

Section 2. Princeton Right to Declare Default and Substitute Contractor. The Princeton may declare the Contractor in default for any of the following reasons or for other good cause:

A. The Contractor becomes insolvent;

B. The Contractor makes an assignment for the benefit of creditors pursuant to the laws of the State of New Jersey;

C. A voluntary or involuntary petition in bankruptcy is filed by or against the Contractor;

D. A receiver is appointed to take charge of the Contractor's property or affairs;

E. The Contractor fails to commence work by the designated start date.

F. The Contractor abandons the work;

G. The Contractor refuses to proceed with the work when and as directed by Princeton;

H. The Contractor, without just cause, reduces his working force to a number which, if maintained, would be insufficient in the opinion of the Princeton to complete the work in accordance with the approved progress schedule, and fails or refuses to increase such working force sufficiently when ordered to do so by the Princeton;

I. The Princeton determines that the Contractor is unnecessarily, unreasonably or willfully delaying the performance and completion of this work, the award of necessary subcontractors, or the placing of necessary material and equipment orders;

J. The Princeton determines that the Contractor is not performing its obligations under this Contract in accordance with its terms, including, but not limited to, the performance of all work required under the terms of this Contract in a workmanlike manner;

K. The work is not complete on or before the completion date set forth herein and the Contractor has not received an extension of the completion date as permitted in Article IV, Section 2.

L. The Contractor fails to maintain insurance coverage as required by Article V, Section 11 of this Contract;

M. No mechanics lien, material liens, or notice of intent shall be filed with the office of the Princeton Clerk where payment has been made in full or pursuant to a settlement for the work, services, material or equipment provided by the Contractor in accordance with the work write-up pertaining to this Agreement. Violations of this provision shall be deemed an act of default pursuant to this Agreement.

Section 3. Declaration of Default, Substitute Contractor. After declaring the Contractor in default, the Owner with Princeton approval shall secure a replacement Contractor to complete the work. The deferred loan, mortgage, and mortgage notes shall be modified accordingly.

Section 4. Contractor Probation. Where a Contractor fails to comply with the provisions set forth in the construction contract, the Princeton, upon recommendation from the Program Administrator, may place a contractor on probation. Probation removes a Contractor from the qualified bidding list for a six (6) month period, after which the Contractor's name will return to the qualified bidding list on a probationary status for an additional six (6) month period. During this period, the Contractor will be eligible to bid on projects under the Princeton Home Improvement Program. However, the Contractor will be eligible for an award of no more than one (1) project at a time over this period. At the conclusion of this period, if the Contractor's progress on a project is determined by the Program Administrator to be in compliance with the requirements of this program, the Contractor's name will be returned to the qualified bidding list on a

nonprobationary status. If the Contractor's performance is not in compliance with the requirements of this program, as determined by the Princeton, the Contractor will be ineligible to bid on any future Princeton Home Improvement Program projects.

Contractor probation shall be implemented for the following reasons:

A. Late start or late completion without an approved extension by the Program Administrator.

B. Lack of expedient repair of the one (1) year, ten (10) day warranty period from the date of final payment.

C. Failure to comply with all terms of the construction contract.

D. Inability to cooperate with the applicant, Program Administrator, and/or Princeton personnel and/or the lack of professionalism as determined by the Princeton and the Program Administrator.

E. Performing work outside the work write-up and change orders

F. Unacceptable workmanship

Before a Contractor is placed on probation, he/she will be sent a certified mail, return receipt requested, that the contractor is not satisfying the terms of the construction contract. If the contractor does not respond in writing to the letter within seven (7) days from his/her receipt of same, he/she will be declared in default. If the Contractor timely responds to the letter in writing to the Princeton, a deadline will be established by the Princeton and the Program Administrator by which the Contractor must satisfy the terms of the Construction Contract.

If the Contractor does not satisfy the terms of the construction contract by the established deadline, the Princeton will send the Contractor a notice via certified mail, return receipt requested, stating that the Contractor is in default and breach of contract.

Any Contractor who has not completed a contract under this program is automatically given a six (6) month probationary period, during which the Contractor will be eligible for an award of no more than one (1) project. This probationary period is designed to provide the Contractor with an opportunity to demonstrate the use of satisfactory procedures in completing the initial project. If the contract is completed according to the provisions set forth in the construction contract, the contractor will be eligible to accept a maximum of three (3) awarded projects. If the work is not completed satisfactorily, the Contractor will be ineligible to participate in this program.

Section 5. Contractor Removal From Program. The Princeton, through the recommendation of the Program Administrator, has the authority to remove and forbid a contractor from bidding in the Princeton's rehabilitation program for the following reasons:

A. Unacceptable workmanship.

B. Failure to complete the job on time as designated by the completion date in the construction contract.

C. Failure to comply with the construction contract and/or program guidelines.

The Princeton will provide notice to the Contractor in writing by certified mail of the action and the reason for the action. After Five (5) years from the date of contractor removal from the program, the contractor may apply to the Princeton for reinstatement into the program. The contractor must present to the Princeton a written corrective plan that addresses prior deficiencies and banning. The Princeton will review the plan and may reinstate the contractor on probationary status. If a contractor is banned a second time from the program, the contractor will be ineligible to bid on any future Princeton Home Improvement Program projects and cannot apply for reinstatement.

ARTICLE VIII - Payment

Section 1. Payment Generally. All amounts due and payable to the Contractor, including the Final Payment, for the work performed under this Contract, shall be paid within thirty (30) days after the work is satisfactorily completed and approved by the Princeton. Payment shall be made by the Princeton directly to the Contractor from the proceeds of the Owner's project account. In no event shall the Princeton be liable to make payments to the Contractor in an amount greater than **$**_____ as appropriated under the Owner Deferred Loan Agreement with the Princeton. All payments must be approved by the Princeton Affordable Housing Manager.

Section 2. Progress Payment. The Contractor may make application to the Princeton for Progress Payments as soon as those portions of the work described in the "Schedule of Progress Payments" have been completed or at the discretion of the Princeton when partial payments must be made to insure continuation of the Contract.

Section 3. Conditions Precedent to Final Payment. Final Payment to the Contractor shall not become due and payable until the Contractor furnishes the Owner and the Princeton with the following:

A. An appropriate release of liens if an intent to file a lien has been filed;

B. A permanent certificate of occupancy, if required by law;

C. Copies of all warranties and guarantees governing performance of work and equipment during the course of the Contract. Contractor is to provide manuals and clear title to all equipment installed during the course of this Contract. Final payment will not be issued until all warranties are in place.

Section 4. Final Payment. Upon completion of all the conditions described in Section 3 above, the Contractor shall be entitled to the Final Payment. Upon final payment, the Princeton

and its agent are no longer responsible for work performed under this agreement. In the event there are defects in the quality of workmanship, for which the Contractor is responsible, the Princeton reserves the right to retain up to twenty (20%) percent of the total contract price. All such defects shall be cured by the Contractor within thirty (30) days of receipt of written notification of said defects.

The balance of the Final Payment shall be payable to the Contractor upon the correction of work or materials found to be defective by the Princeton.

Section 5. Correction of Work After Final Payment. The Contractor shall promptly repair, replace or rebuild any finished work or materials or equipment in which defects of materials or workmanship may appear within one (1) year after Final Payment. This warranty is exclusive of normal wear and tear or mistreatment of rehabilitated items. The Contractor shall furnish the Owner with all manufacturers and suppliers' written guarantees and warrantees covering materials and equipment furnished by this Contract.

Notice by the Princeton to the Contractor to repair, replace or rebuild such defective work shall be deemed timely if given not later than ten (10) days after the expiration of the one (1) year period.

If the Contractor fails to repair, replace or rebuild such defective or damaged work promptly after receiving such notice, the Owner shall have the right to have the work done by others, and the Contractor shall be liable to reimburse the actual cost thereof to the Owner upon demand.

Section 6. Payments in Event of Failure to Complete. Where the Contractor is declared in default by the Princeton pursuant to the provision of Article VII hereunder, and the work is completed by a Substitute Contractor, the Contractor in default shall be liable to the Princeton for the following amount: the difference between the amount payable to the Substitute Contractor and the amount set forth in Article III of this contract. The Princeton shall deduct this amount from any payments to be made to the Contractor. Any payments made to the Contractor in default shall only be made after the Substitute Contractor has received a final payment. The payments to the Contractor in default shall be accepted by the Contractor as full and final payment under this contract.

ARTICLE IX - Miscellaneous Provisions

Section 1. The Contractor agrees that all construction/rehabilitation shall be executed in accordance with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821, et. seq.) and subject to 24 CFR Part 35.

Section 2. Interest of Princeton Officials. No elected or appointed official or employee of the Princeton shall receive or participate, either directly or indirectly, in the benefits of this Contract.

Section 3. Interest of Local Government Officials. No officer or employee of the municipal government who exercises any functions or responsibilities in connection with the carrying out of the program to which this Contract pertains shall have any private interest, direct or indirect, in the proceeds of this loan.

Section 4. Governing Law; Amendment. This Contract shall be construed in accordance with the laws of the State of New Jersey. It may be modified or amended only by a written instrument executed by the Owner and Contractor with the written approval of the Princeton.

Section 5. Authority of the Princeton. The Princeton shall determine the amount, quality, acceptability, and fitness of the several kinds of work and materials which are to be paid for under this Contract and construction thereof. The Princeton's estimates and decisions shall be final and conclusive, except as herein otherwise expressly provided. In case any question shall arise between the parties hereto relative to said Contract to specifications, the determination or decision of the Princeton shall be final and binding on the rights of the Contractor and the Owner.

Section 6. Princeton Determination Final. If any provisions of this Contract require the Princeton to approve or take other appropriate action, the Princeton shall confer with Owner. In the event of any disagreement between the Princeton and Owner, or where Owner refuses to approve any action taken or omitted by the Contractor or the Princeton, the determination of the Princeton shall be final.

Section 7. Severability. If this Contract contains any unlawful provision, not an essential part of the Contract and which shall not appear to have been a controlling or material inducement to the making thereof, the same shall be deemed of no effect and shall, upon notice from either party be deemed stricken from the Contract without affecting the binding force of the remainder.

IN WITNESS WHEREOF, the Owner and the Contractor have executed this Contract as of the date first above written.

ATTEST:
WITNESS: BORROWER(S)

_____ _____

_____ _____

_____ _____
Contractor

Appendix **B**

Model Loan Documents for Duplex in which Owner Occupies One Unit

PRINCETON HOME IMPROVEMENT PROGRAM
Mortgage Note for a Duplex

FOR VALUE RECEIVED, the undersigned BORROWER(S) _____ promises to pay in accordance with this Mortgage Note to the order of the Princeton located at the Princeton Municipal Building, 400 Witherspoon Street, Princeton, NJ 08540(LENDER), the sum of (Loan Amount): _____ **($_____)** at no interest which LENDER has loaned to the BORROWER(S) under the LENDERS Princeton Program, to make home improvement repairs to the BORROWER(S') property located at **_____ more specifically known as Block _____, Lot _____ as shown on the current tax map of the Municipality of Princeton, New Jersey 08540** and described in the Mortgage signed on the same date as this Mortgage Note, and to spend on this rehabilitation the total sum of: _____**($_____)** which is comprised of the following:

A) A Homeowner's share in the amount of **Zero Dollars ($0.00)** which must be paid to the contractor(s) before LENDER makes any payments on BORROWER(S) behalf from the proceeds of the loan.

B) A forgivable loan of _____ **($_____)** which shall be forgiven ten (10) years from the date of the Mortgage Note provided BORROWER(S) continues to own and occupy the property as BORROWER(S') primary residence for this ten (10) year period and complies with all terms and conditions of this Mortgage Note, the Rehabilitation Deferred Loan Agreement and the Princeton Home Improvement Program guidelines and procedures.

1) BORROWER(S) agrees to be responsible for any unforeseen costs for change orders necessary in order to rehabilitate or repair BORROWER'S (S') property and understands that any additional monies will be added to the deferred payment loan.

2) BORROWER(S) will promptly pay all taxes, levies and assessments on the property.

3) In accordance with this loan, BORROWER(S) is responsible to pay the full amount of the loan at no interest to him/her, depending on the number of years the loan was active. If the BORROWER (S) should die, BORROWER(S) or his/her heirs, executors or representatives must notify the LENDER within ten (10) days by certified mail at the above address. Payment must be made to the LENDER within thirty (30) days after the settlement of the estate. If the BORROWER(S) transfers title or rents it to someone for any reason, BORROWER(S) or his/her representatives must notify the LENDER within ten (10) days by certified mail at the above address. Payment must be made to the LENDER within thirty (30) days of the transfer of title or rental of the property. Payment shall be payable to the order of the County of Mercer (HUD). Repayment of the loan will be pro-rated depending on the number of years the loan has been in use. If you remain in the home for 10 (ten) years, the loan is forgiven and the lien is removed from your property.

Repayment Amounts Owed If Loan Is Terminated

Years Loan Was Active	**Percentage Owed**
1 year:	90%
2 years:	80%
3 years:	70%
4years:	60%
5 years:	50%
6 years	40%
7 years	30%
8 years	20%
9 years	10%
10 years	0 %

4) BORROWER(S) agrees that, during the term of this Mortgage Note, BORROWER(S) will keep the property in good repair while monies are still owing on the loan and will not permit deterioration of the property.

5) BORROWER(S) agrees to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting this property.

6) The LENDER or his/her agent may make reasonable inspection of the property provided that the LENDER gives notice to the BORROWER(S) prior to the inspection.

7) The BORROWER(S) agrees to comply with the terms of the Mortgage Note, Mortgage and Princeton Program guidelines and procedures. Should BORROWER(S) fail to comply with any term of the Mortgage Note or the accompanying Mortgage, the BORROWER(S) will be in default and the entire loan shall be immediately due and payable. The LENDER may also foreclose on the Mortgage. In the event of a foreclosure, BORROWER(S) shall be responsible for all legal fees, costs of the suit and expenses of the foreclosure.

8) The Undersigned, if more than one, agree to be liable jointly and severally for the payment of all monies due under this loan.

BORROWER(S) acknowledges that LENDER has furnished BORROWER(S) with a true copy of this document.

WITNESS: BORROWER(S)

_____ _____

_____ _____

DATED: _____

MORTGAGE
PRINCETON HOME IMPROVEMENT PROGRAM

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

THIS MORTGAGE made this _____ 2020 between: **_____ residing at _____ in the Municipality of Princeton, New Jersey 08540 (**the BORROWER(S)), in the COUNTY OF MERCER, and Princeton having offices at the Princeton Municipal Building, 400 Witherspoon Street, Princeton, NJ 08540 (the LENDER).

The BORROWER(S) has applied for monetary assistance under the LENDER'S Program for the purpose of correcting defects in the house and satisfying local and state building codes. The LENDER has agreed to grant the BORROWER(S) a loan with deferred payments in the amount of: **_____ ($_____)** which shall constitute the total amount of the loan on which no interest shall be charged. Receipt of the loan is hereby acknowledged and is evidenced by a Mortgage Note which will be signed at the same time as this document. The loan is to be repaid by the BORROWER(S) in accordance with this Mortgage and subject to all the terms and conditions as listed in the Mortgage Note. The Mortgage will secure that the LENDER will be repaid the monies loaned and any other costs or charges incurred for the repair of the BORROWER (S') property. To insure that BORROWER(S) performs its obligations as called for by the Mortgage and Mortgage Note, the BORROWER(S) hereby mortgages to the LENDER, its successors and assigns the tract of land and premises located in the **County of Mercer, State of New Jersey, at (street address) _____ more specifically known as Block _____, Lot _____ as shown on the current tax map of Princeton. This premises was conveyed to BORROWER(S) by _____ dated _____ and recorded in the Mercer County Clerk's Office on _____ in Book _____ Page _____.**

The BORROWER(S) agrees:

1) Ownership. BORROWER(S) owns the property in fee simple and will defend his/her ownership against all claims.

2) Payments. He/she will make all payments required by the Mortgage Note and Mortgage.

3) Insurance. He/she will maintain extended coverage insurance on the property in an amount at least equal to the amount of the mortgage. Insurance companies, policies, amounts and types of coverage must be acceptable to the LENDER. He/she will notify the LENDER in the event of any substantial loss or damage. The LENDER may then settle the claim on his/her behalf if he/she fails to do so.

4) Repairs. He/she will keep the property in good repair, neither damaging nor abandoning it. He/she will allow the LENDER to inspect the property upon reasonable notice.

5) Mortgage and Mortgage Note. He/she will comply with all of the terms of the Mortgage, Mortgage Note and the Princeton guidelines and procedures. If any provision of this Mortgage is found to be inconsistent with the Mortgage Note, the terms of the Mortgage Note shall control.

6) Lawful Use. Use of the property shall be in compliance with all the laws, ordinances and other requirements of any governmental authority.

7) The LENDER shall have all rights and remedies to insure repayment of the debt and to protect the LENDER'S security interest in the property.

The LENDER may declare BORROWER(S) in default on the Mortgage Note and this Mortgage if:

a) BORROWER(S) fails to make any payment required by the Mortgage Note and this Mortgage within 30 days after its due date;

b) BORROWER(S) fails to keep any other promise he/she makes in the Mortgage Note or this Mortgage;

c) BORROWER(S) transfer ownership of the property or rents it to someone for any reason;

d) The holder of any lien (debt) on the property starts foreclosure proceedings; or

e) Bankruptcy, insolvency or receivership proceedings are started by or against any of the BORROWERS;

f) There is a default under a senior mortgage; or

g) BORROWER(S) fails to comply with any term or condition set forth in the Princeton Home Improvement Deferred Loan Agreement, the Mortgage Note, this Mortgage or the Princeton Home Improvement Program guidelines and procedures.

8) Rights Given to the Lender. BORROWER(S) mortgage the property to the LENDER. This means that he/she gives the LENDER those rights stated in this Mortgage, also those rights the law gives to lenders of mortgages on real property. When he/she pays all amounts due to the LENDER under this Mortgage Note and Mortgage, LENDER'S rights under this Mortgage will end. The LENDER will then cancel this Mortgage at BORROWER(S) expense.

9) Term. This Mortgage shall be due and payable 10 years from the date hereof unless the loan has been forgiven as provided for in the Mortgage Note.

10) The LENDER may, in its discretion, subordinate the lien of this Mortgage to the lien of any home equity loan, secondary mortgage or refinancing to be procured by the BORROWER(S). The LENDER reserves the right to deny any such request for the subordination of this Mortgage. A $250 non-refundable document preparation fee will be charged by Princeton Counsel at the time of the request for subordination of the mortgage.

11) No Waiver by Lender. LENDER may exercise any rights under this Mortgage even if LENDER has delayed in exercising that right or has agreed to an earlier instance not to exercise that right. LENDER does not waive its rights to declare that BORROWER(S) is in default by making payments or incurring expenses on BORROWER(S) behalf. THE BORROWER(S) HEREBY DECLARES AND ACKNOWLEDGES THAT THE BORROWER(S) HAS RECEIVED, WITHOUT CHARGE, A TRUE COPY OF THIS MORTGAGE.

IN WITNESS WHEREOF, BORROWER(S) acknowledges that he/she has signed and sealed the agreement and that LENDER has furnished BORROWER(S) with a true copy of this document.

WITNESS: BORROWER(S)

_____ _____

_____ _____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF NEW JERSEY (
ss.
COUNTY OF MERCER (

On this _____ 20__, by me Maureen Fullaway, personally appeared _____who I am satisfied is the person(S) named in and who executed this document, and who signed, sealed and delivered the same as his/her voluntary act and deed, for the purpose herein specified.

NOTARY PUBLIC

_____

FORM OF CERTIFICATE FOR APPLICANTS CERTIFIED TO RENTAL UNIT, REQUIRED BY SECTION 5:80-26.18(c)(2)

CERTIFICATE FOR APPLICANT

CERTIFIED TO A RENTAL UNIT SUBJECT TO

AFFORDABLE HOUSING RESTRICTIONS

My name is _____ and I am making this certificate in connection with my certification to rent the Affordable Housing unit located at:

_____.

I am aware, as the renter of an Affordable unit, that from this date until _____, 20__ as long as I am renting the unit described above, my renting the apartment is subject to the requirements that are listed below:

1. I am required to pay all rent set forth in my lease on time and in the manner provided for in my lease.

2. I know that I am required to live in my apartment, and that I cannot sublease it or rent it out to any other person, not even to members of my family.

3. I know that the maximum rent I am supposed to pay to my landlord is limited by law, that it is announced each year by _____, and that I can call _____ at any time if I have any questions about what rent I am supposed to be paying.

4. I know that I am not allowed to make any improvements to my apartment unless they have been approved in writing by _____.

BE IT REMEMBERED, that on this the _____ day of _____, 20___ the signer of this Certificate _____ appeared personally before me and who, being duly sworn by me, deposed and made proof to my satisfaction (i) that he/she is the renter of the Affordable unit that is identified as said renter in the foregoing Certificate, and (ii) and that he/she has executed said Certificate with respect to the lease of the property described in the Certificate and for the purposes described and set forth therein.

_____ _____
Applicant Signature Date

_____ _____
Applicant Signature Date

Sworn to and subscribed before me, _____ on the date set forth above.

_____
NOTARY PUBLIC

Deed Restriction

DEED-RESTRICTED AFFORDABLE HOUSING PROPERTY WITH RESTRICTIONS ON RESALE AND REFINANCING

To Rehabilitated Rental Property
With Covenants Restricting Rentals, Conveyance and Improvements
And Requiring Notice of Foreclosure and Bankruptcy

THIS DEED RESTRICTION, entered into as of this the ___ day of _____, 20___, by and between the [The Princeton Rehabilitation Administrative Agent] ("The Princeton Rehabilitation Administrative Agent"), or its successor, acting on behalf of _____[Municipality], with offices at _____, and _____ [a New Jersey [Corporation / Partnership / Limited Partnership having offices] at _____ the owner (the "Owner") of a residential low- or moderate-income rental property (the "Property"):

WITNESSETH

Article 1. Consideration

In consideration of the subsidies received by the Owner from the Municipality regarding this rental Property, the Owner hereby agrees to abide by the covenants, terms and conditions set forth in this Deed restriction, with respect to the land and improvements more specifically described in Article 2, hereof (Description of Property).

Article 2. Description of Property

The Property consists of all of the land, and improvements thereon, that is located in the Municipality of Princeton, County of Mercer, State of New Jersey, and described more specifically as Block No. _____ Lot No. _____, and known by the following street address:

(Attach Schedule A with a detailed description of the Rental Property)

Article 3. Affordable Housing Covenants

The following covenants (the "Covenants") shall run with the land for a period of ten (10) years, determined separately with respect for each restricted unit, beginning on the date the restricted unit has undergone final inspection as set forth in the contract entered into by and between the Owner and Municipality in consideration of the subsidy received by Owner for said improvements and ending after the Property occupied by an income eligible household shall become vacant, (the "Control Period).

A. Sale, rental and use of the Property is governed by regulations known as the Uniform Housing Affordability Controls, which are found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, *et seq*, the "Uniform Controls").

B. The Property shall be used solely for the purpose of providing rental dwelling units for very-low, low- or moderate-income households, and no commitment for any such dwelling unit shall be given or implied, without exception, to any person who has not been certified for that unit in writing by The Princeton Rehabilitation Administrative Agent. So long as any dwelling unit remains within its Control Period, sale of the Property must be expressly subject to these Deed Restrictions, deeds of conveyance must have these Deed Restrictions appended thereto, and no sale of the Property shall be lawful, unless approved in advance and in writing by The Princeton Rehabilitation Administrative Agent.

C. No improvements may be made to the Property that would affect the bedroom configuration of any of its dwelling units, and any improvements to the Property must be approved in advance and in writing by The Princeton Rehabilitation Administrative Agent.

D. The Owner shall notify The Princeton Rehabilitation Administrative Agent and the Municipality of any foreclosure actions filed with respect to the Property within five (5) business days of service upon Owner.

E. The Owner shall notify The Princeton Rehabilitation Administrative Agent and the Municipality within three (3) business days of the filing of any petition for protection from creditors or reorganization filed by or on behalf of the Owner.

Article 4. Foreclosure

A. This Agreement shall not be terminated in the event of a Judgment of Foreclosure on the properties that include Affordable Housing Units that are designated as rental units.

B. The terms and restrictions of this Agreement shall be subordinated only to the First Purchase Money Mortgage lien on the Affordable Housing Property and in no way shall impair the First Purchase Money Mortgagee's ability to exercise the contract remedies available to it in the event of any default of such mortgage as such remedies are set forth in the First Purchase Money Mortgage documents for the Affordable Housing Unit.

An Execution of Foreclosure sale by any other class of creditor or mortgagee shall not result in a release of the Affordable Housing unit from the provisions and restrictions of this Agreement

Article 5. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to The Princeton Rehabilitation Administrative Agent, to the Municipality and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing.

A. In the event of a threatened breach of any of the Covenants by the Owner, or any successor in interest of the Property, the Administrative Agent and the Municipality shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.

B. Upon the occurrence of a breach of any Covenants by the Grantee, or any successor in interest or other owner of the Property, The Princeton Rehabilitation Administrative Agent and the Municipality shall have all remedies provided at law or equity including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry on the premises, those provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code and specific performance.

IN WITNESS WHEREOF, The Princeton Rehabilitation Administrative Agent and the Owner have executed this Deed Restriction in triplicate as of the date first above written.

[The Princeton Rehabilitation Administrative Agent]

BY: _____

xxxxxxxxxxxxx

Title

[THE OWNER]

BY: _____

xxxxxxxxxxxxx

Title

APPROVED BY_____[Municipality]

BY: _____

xxxxxxxxxxxxx

Title

ACKNOWLEDGEMENTS

On this the day of , 20 before me came _____, to me known and known to me to be The Princeton Rehabilitation Administrative Agent for Princeton who states that (s)he has signed said Agreement on behalf of said Municipality for the purposes stated therein.

_____

NOTARY PUBLIC

On this the day of , 20 before me came _____, to me known and known to me to be _____ , the Owner of the Property, who states that (s)he has signed said Agreement for the purposes stated therein.

_____
NOTARY PUBLIC

On this the day of , 20 before me came _____ known and known to me to be _____ of _____, the Municipality identified as such in the foregoing Agreement, who states that (s)he is duly authorized to execute said Agreement on behalf of said Municipality, and that (s)he has so executed the foregoing Agreement for the purposes stated therein

_____
NOTARY PUBLIC

REHABILITATION CONSTRUCTION CONTRACT
PRINCETON HOME IMPROVEMENT PROGRAM

THIS AGREEMENT, made this _____ 20__ between **_____ residing at _____ in Princeton, County of Mercer, New Jersey** (hereinafter referred to as the "Owner") and **_____ having its office and principal place of business at _____**(hereinafter referred to as the "Contractor").

WITNESSETH

WHEREAS, the Owner wishes to rehabilitate his/her principal residence located at the above address through participation in the Princeton Home Improvement Program; and

WHEREAS, the owner has been determined to be eligible for said program; and

WHEREAS, the Princeton has awarded the Owner a deferred loan in the amount of **$_____** to pay for all or a portion of the rehabilitation costs as set forth in deferred loan agreement dated **_____; and**

WHEREAS, the starting date for the project is no later than _____; and

WHEREAS, the Owner has secured additional funding in the amount of **$0.00** to meet his/her obligations under the terms and conditions of said Agreement; and

WHEREAS, Contractor is ready, willing and able to perform such construction work as shall be required of Contractor under this Contract to effect such rehabilitation.

NOW THEREFORE, the Contractor and the Owner, for the consideration hereinafter named, agree as follows:

ARTICLE I Contract Documents

The following documents shall be deemed to be a part of this Contract.

1. Work write-up and specifications;

2. Bid/proposal form;

3. Schedule of progress payments (if applicable); and

4. Notice to Proceed

ARTICLE II - Definitions

The following words and expressions, or pronouns used in their stead, shall wherever they appear in this Contract be construed as follows, unless a different meaning is clear from the context:

2. "PHIP" means the Princeton Home Improvement Program operated by the Princeton Planning Department.

3. "Princeton" means the Municipality and its designee for the administration of this Program, which currently is The Princeton Affordable Housing Office

4. "Contract" or "Contract Documents" means this Construction Contract and each of the various documents referred to in Article I hereof, both as a whole and separately.

ARTICLE III - Consideration

The Contractor shall furnish all the labor, material and equipment and do all the work described herein in accordance with the provisions of this Contract, for the lump sum of: **_____ ($_____).**

ARTICLE IV - Commencement and Completion of Work

Section 1. Commencement and Completion of Work. The Contractor shall commence the work to be performed under this Contract in accordance with the provisions set forth in their contract. The Contractor shall diligently pursue and execute the work in strict compliance with the plans, specifications, work write-up and drawings annexed to and forming part of this Contract and shall complete the work on or before _____**.** The time for completion may be extended in accordance with the provisions of Section 2 herein.

Section 2. Extensions. The Contractor shall be entitled to an extension of time for delay in completion of work caused solely by: (1) acts or omissions of the Owner or (2) supervening conditions entirely beyond the control of the Contractor, provided that the Contractor shall file in writing a Request for Extension with the Princeton within Five days (5) days after the commencement of any condition which is causing or may cause delay in completion. The determination of the Princeton on the Contractor's request for an extension shall be final and binding on the parties.

ARTICLE V - Performance During Construction

Section 1. Permit; compliance with Law. The Contractor shall obtain and pay for all permits, inspections and licenses necessary for the undertaking, execution and completion of the work and labor to be performed, and shall comply with all applicable federal, state and local laws, rules, regulation, codes and ordinances. No contractor payments will be issued until all appropriate permits are on file with the Program Administrator.

Section 2. Owner Cooperation. The Owner shall take all necessary steps to protect and secure all property on or adjacent to the work area. The Owner shall assure that the Contractor has access to those premises necessary for the performance of the work described herein.

Section 3. Clean Premises. The Contractor shall keep the premises clean and orderly during the course of the work and remove all debris and shall make the job site broom clean within Five (5) working days after completion of the work specified in this Contract.

Section 4. Inspection of Books and Records. During the progress of the work and for a period of three (3) years after final payment, the Contractor shall preserve the Princeton records, correspondence, construction documents, receipts, vouchers, payrolls and agreements, if any, with subcontractors, relating to this contract and to be performed under this Contract. The Contractor expressly covenants and agrees to preserve all such records for a period of three (3) years after initial payment.

Section 5. Inspection of Work. During the performance of the work and up to the date of final payment, the Contractor shall at all times afford the Owner and the Princeton every reasonable, safe and proper opportunity for inspection of the work in progress. Inspection and approval by the Owner and the Princeton of finished work being performed, shall not relieve the Contractor from the obligation of correcting or replacing all defective work or equipment constructed under this Contract.

Section 6. Disputes. The determination of the Princeton or its designee shall be final and binding upon the parties in the event of dispute between the Owner and Contractor.

Section 7. Disputes; Owner at Fault. If, as a result of a dispute, the Princeton determines that the acts, omissions or neglect of the Owner are of such a nature as to render performance by the Contractor or Subcontractors, if any, impossible, the Princeton may terminate the Contract by finding the Owner in default and the Owner shall pay the Contractor for the value of work performed and materials supplied.

Section 8. Disputes; Contractor at Fault. In the event of a dispute between the Owner and the Contractor concerning the proper performance of the work, or the quality of materials or supplies provided by the Contractor or any Subcontractor, the determination of the Princeton shall be final and binding on the parties. If the Princeton rejects any such performance, materials or supplies, the Princeton shall notify the Contractor of its disapproval or rejection and may order the replacement or repair of any finished or unfinished work.

Section 9. Rejected Work and Materials. All rejected work, materials or equipment shall be promptly taken down and removed from the premises. All such rejected materials shall belong to the Contractor. The Princeton will notify the contractor when the rejected material can be removed from the premises if the material impacts weatherization and/or structural needs. If the material is not removed by the established date, the material shall become the property of the Princeton.

Section 10. Protection of Property. During the performance of this Contract, and up to the date of final payment, the Contractor shall take all reasonable precautions to protect persons, property and materials of the Owner, and of others on or adjacent to the site, from damage, loss or injury resulting from the Contractor's or Subcontractor's operations under legal duty to protect. Furthermore, the Contractor agrees to indemnify and hold the Owner and the Princeton harmless against any and all claims, demands or legal proceedings which may result from the Contractor's failure to comply with the provisions of this section. As used herein "Princeton" means the Princeton and its officials, employees, agents and representatives.

Section 11. Insurance. The Contractor agrees to provide and pay Comprehensive General Liability and Automobile Insurance with minimum aggregate limits of $ 1,000,000 each, naming the Princeton as an additional insured on both policies. The Contractor shall also maintain statutory workmen's compensation insurance. The Contractor shall maintain such insurance in force until the final completion or termination of all work and services hereunder. The Contractor shall submit an insurance certificate to the Princeton consistent with the provisions of this Paragraph upon signing of this agreement.

The Owner shall assume liability for his own negligent acts or omissions which result in bodily injury, death, or property damage.

Section 12. Indemnification. The Contractor agrees to indemnify and hold the Owner and the Princeton harmless against any and all claims, demands, or legal proceedings, including costs and attorney fees, which may arise in connection with or on account of the work, operations, maintenance, or supervision by the Contractor of the construction work which is the subject of this Contract. As used herein "Princeton" means the Municipality of Princeton, its officials, employees, agents and representatives.

Section 13. Damages to Property. The Contractor shall be responsible for damage, as a result of his operations, to existing sidewalks, streets, curbs, pavements, utilities (except those which are to be replaced or removed), adjoining property, and shall, at his own expense, completely repair any damage thereto caused by his operations.

The Contractor shall shore up, brace, underpin, secure and protect as may be necessary, all foundations and other parts of existing structures adjacent to, adjoining and in the immediate vicinity of the site, which may be in any way affected by the excavations or other operations connected with the construction of this Contract.

Section 14. Change in the Work. The Princeton may make changes in the work required to be performed by the Contractor under this Contract by making additions thereto, or by omitting work therefor, without invalidating the Contract. All changes in the work must be authorized in writing on a Change Order by both the Princeton and the Owner prior to the Contractor commencing any work other than what is contained in this Contract. Neither the Princeton nor the Owner will accept responsibility or liability for any claim or charge for extra work made by the Contractor that has not been previously approved in writing by both the Princeton and the Owner.

If the changed work is more costly to the Contractor than the original contract work, an adjustment of the Contract payment provisions will be made to compensate the Contractor for such additional cost. If such change is less costly to the Contractor than the original work, an adjustment of the Contract payment provisions will be made to credit the Owner with such decreased cost.

ARTICLE VI - Labor Provisions Applicable During Construction

Section 1. Equal Employment Opportunities. During the performance of this Contract, the Contractor agrees that he/she will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status or sex, affectional or sexual orientation. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination rate of pay or the forms of compensation; and selection for training, including apprenticeship.

Section 2. Anti-Kickback Provisions. The Contractor shall comply with the applicable regulation of the Secretary of Labor, United States Department of Labor, made pursuant to the Copeland "Anti-Kickback Act: of June 13, 1984 (48 Stat. 948; 62 Stat. 8962; Title 18 U.S.C. 874; and Title 40 U.S.C. 276c) and any amendments or modifications thereof.

ARTICLE VII - Contractor's Default; Princeton Right to Terminate the Contractor

Section 1. Owner's Acts on Default. The Owner hereby specifically authorizes and delegates to the Princeton the right to declare the Contractor in default of the whole or any part of the work required to be performed pursuant to this Contract with or without consent of the Owner at the time of default. The Owner, however, retains the right to request the Princeton to declare a default. All requests must be in writing to the Princeton.

Section 2. Princeton Right to Declare Default and Substitute Contractor. The Princeton may declare the Contractor in default for any of the following reasons or for other good cause:

A. The Contractor becomes insolvent;

B. The Contractor makes an assignment for the benefit of creditors pursuant to the laws of the State of New Jersey;

C. A voluntary or involuntary petition in bankruptcy is filed by or against the Contractor;

D. A receiver is appointed to take charge of the Contractor's property or affairs;

E. The Contractor fails to commence work by the designated start date.

F. The Contractor abandons the work;

G. The Contractor refuses to proceed with the work when and as directed by the Municipality of Princeton;

H. The Contractor, without just cause, reduces his working force to a number which, if maintained, would be insufficient in the opinion of the Princeton to complete the work in accordance with the approved progress schedule, and fails or refuses to increase such working force sufficiently when ordered to do so by the Princeton;

I. The Princeton determines that the Contractor is unnecessarily, unreasonably or willfully delaying the performance and completion of this work, the award of necessary subcontractors, or the placing of necessary material and equipment orders;

J. The Princeton determines that the Contractor is not performing its obligations under this Contract in accordance with its terms, including, but not limited to, the performance of all work required under the terms of this Contract in a workmanlike manner;

K. The work is not complete on or before the completion date set forth herein and the Contractor has not received an extension of the completion date as permitted in Article IV, Section 2.

L. The Contractor fails to maintain insurance coverage as required by Article V, Section 11 of this Contract;

M. No mechanics lien, material liens, or notice of intent shall be filed with the office of the Princeton Clerk where payment has been made in full or pursuant to a settlement for the work, services, material or equipment provided by the Contractor in accordance with the work write-up pertaining to this Agreement. Violations of this provision shall be deemed an act of default pursuant to this Agreement.

Section 3. Declaration of Default, Substitute Contractor. After declaring the Contractor in default, the Owner with Princeton approval shall secure a replacement Contractor to complete the work. The deferred loan, mortgage, and mortgage notes shall be modified accordingly.

Section 4. Contractor Probation. Where a Contractor fails to comply with the provisions set forth in the construction contract, the Princeton, upon recommendation from the Program Administrator, may place a contractor on probation. Probation removes a Contractor from the qualified bidding list for a six (6) month period, after which the Contractor's name will return to the qualified bidding list on a probationary status for an additional six (6) month period. During this period, the Contractor will be eligible to bid on projects under the Princeton Home Improvement Program. However, the Contractor will be eligible for an award of no more than one (1) project at a time over this period. At the conclusion of this period, if the Contractor's progress on a project is determined by the Program Administrator to be in compliance with the requirements

of this program, the Contractor's name will be returned to the qualified bidding list on a nonprobationary status. If the Contractor's performance is not in compliance with the requirements of this program, as determined by the Princeton, the Contractor will be ineligible to bid on any future Princeton Home Improvement Program projects.

Contractor probation shall be implemented for the following reasons:

A. Late start or late completion without an approved extension by the Program Administrator.

B. Lack of expedient repair of the one (1) year, ten (10) day warranty period from the date of final payment.

C. Failure to comply with all terms of the construction contract.

D. Inability to cooperate with the applicant, Program Administrator, and/or Princeton personnel and/or the lack of professionalism as determined by the Princeton and the Program Administrator.

E. Performing work outside the work write-up and change orders

F. Unacceptable workmanship

Before a Contractor is placed on probation, he/she will be sent a certified mail, return receipt requested, that the contractor is not satisfying the terms of the construction contract. If the contractor does not respond in writing to the letter within seven (7) days from his/her receipt of same, he/she will be declared in default. If the Contractor timely responds to the letter in writing to the Princeton, a deadline will be established by the Princeton and the Program Administrator by which the Contractor must satisfy the terms of the Construction Contract.

If the Contractor does not satisfy the terms of the construction contract by the established deadline, the Princeton will send the Contractor a notice via certified mail, return receipt requested, stating that the Contractor is in default and breach of contract.

Any Contractor who has not completed a contract under this program is automatically given a six (6) month probationary period, during which the Contractor will be eligible for an award of no more than one (1) project. This probationary period is designed to provide the Contractor with an opportunity to demonstrate the use of satisfactory procedures in completing the initial project. If the contract is completed according to the provisions set forth in the construction contract, the contractor will be eligible to accept a maximum of three (3) awarded projects. If the work is not completed satisfactorily, the Contractor will be ineligible to participate in this program.

Section 5. Contractor Removal From Program. The Princeton, through the recommendation of the Program Administrator, has the authority to remove and forbid a contractor from bidding in the Princeton's rehabilitation program for the following reasons:

A. Unacceptable workmanship.

B. Failure to complete the job on time as designated by the completion date in the construction contract.

C. Failure to comply with the construction contract and/or program guidelines.

The Princeton will provide notice to the Contractor in writing by certified mail of the action and the reason for the action. After Five (5) years from the date of contractor removal from the program, the contractor may apply to the Princeton for reinstatement into the program. The contractor must present to the Princeton a written corrective plan that addresses prior deficiencies and banning. The Princeton will review the plan and may reinstate the contractor on probationary status. If a contractor is banned a second time from the program, the contractor will be ineligible to bid on any future Princeton Home Improvement Program projects and cannot apply for reinstatement.

ARTICLE VIII - Payment

Section 1. Payment Generally. All amounts due and payable to the Contractor, including the Final Payment, for the work performed under this Contract, shall be paid within thirty (30) days after the work is satisfactorily completed and approved by the Princeton. Payment shall be made by the Princeton directly to the Contractor from the proceeds of the Owner's project account. In no event shall the Princeton be liable to make payments to the Contractor in an amount greater than **$**_____ as appropriated under the Owner Deferred Loan Agreement with Princeton. All payments must be approved by the Affordable Housing Manager.

Section 2. Progress Payment. The Contractor may make application to the Princeton for Progress Payments as soon as those portions of the work described in the "Schedule of Progress Payments" have been completed or at the discretion of the Princeton when partial payments must be made to insure continuation of the Contract.

Section 3. Conditions Precedent to Final Payment. Final Payment to the Contractor shall not become due and payable until the Contractor furnishes the Owner and the Princeton with the following:

A. An appropriate release of liens if an intent to file a lien has been filed;

B. A permanent certificate of occupancy, if required by law;

C. Copies of all warranties and guarantees governing performance of work and equipment during the course of the Contract. Contractor is to provide manuals and clear title to all equipment installed during the course of this Contract. Final payment will not be issued until all warranties are in place.

Section 4. Final Payment. Upon completion of all the conditions described in Section 3 above, the Contractor shall be entitled to the Final Payment. Upon final payment, the Princeton and its agent are no longer responsible for work performed under this agreement. In the event there are defects in the quality of workmanship, for which the Contractor is responsible, the Princeton reserves the right to retain up to twenty (20%) percent of the total contract price. All such defects shall be cured by the Contractor within thirty (30) days of receipt of written notification of said defects.

The balance of the Final Payment shall be payable to the Contractor upon the correction of work or materials found to be defective by the Princeton.

Section 5. Correction of Work After Final Payment. The Contractor shall promptly repair, replace or rebuild any finished work or materials or equipment in which defects of materials or workmanship may appear within one (1) year after Final Payment. This warranty is exclusive of normal wear and tear or mistreatment of rehabilitated items. The Contractor shall furnish the Owner with all manufacturers and suppliers' written guarantees and warrantees covering materials and equipment furnished by this Contract.

Notice by the Princeton to the Contractor to repair, replace or rebuild such defective work shall be deemed timely if given not later than ten (10) days after the expiration of the one (1) year period.

If the Contractor fails to repair, replace or rebuild such defective or damaged work promptly after receiving such notice, the Owner shall have the right to have the work done by others, and the Contractor shall be liable to reimburse the actual cost thereof to the Owner upon demand.

Section 6. Payments in Event of Failure to Complete. Where the Contractor is declared in default by the Princeton pursuant to the provision of Article VII hereunder, and the work is completed by a Substitute Contractor, the Contractor in default shall be liable to the Princeton for the following amount: the difference between the amount payable to the Substitute Contractor and the amount set forth in Article III of this contract. The Princeton shall deduct this amount from any payments to be made to the Contractor. Any payments made to the Contractor in default shall only be made after the Substitute Contractor has received a final payment. The payments to the Contractor in default shall be accepted by the Contractor as full and final payment under this contract.

ARTICLE IX - Miscellaneous Provisions

Section 1. The Contractor agrees that all construction/rehabilitation shall be executed in accordance with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821, et. seq.) and subject to 24 CFR Part 35.

Section 2. Interest of Princeton Officials. No elected or appointed official or employee of the Princeton shall receive or participate, either directly or indirectly, in the benefits of this Contract.

Section 3. Interest of Local Government Officials. No officer or employee of the municipal government who exercises any functions or responsibilities in connection with the carrying out of the program to which this Contract pertains shall have any private interest, direct or indirect, in the proceeds of this loan.

Section 4. Governing Law; Amendment. This Contract shall be construed in accordance with the laws of the State of New Jersey. It may be modified or amended only by a written instrument executed by the Owner and Contractor with the written approval of the Princeton.

Section 5. Authority of the Princeton. The Princeton shall determine the amount, quality, acceptability, and fitness of the several kinds of work and materials which are to be paid for under this Contract and construction thereof. The Princeton's estimates and decisions shall be final and conclusive, except as herein otherwise expressly provided. In case any question shall arise between the parties hereto relative to said Contract to specifications, the determination or decision of the Princeton shall be final and binding on the rights of the Contractor and the Owner.

Section 6. Princeton Determination Final. If any provisions of this Contract require the Princeton to approve or take other appropriate action, the Princeton shall confer with Owner. In the event of any disagreement between the Princeton and Owner, or where Owner refuses to approve any action taken or omitted by the Contractor or the Princeton, the determination of the Princeton shall be final.

Section 7. Severability. If this Contract contains any unlawful provision, not an essential part of the Contract and which shall not appear to have been a controlling or material inducement to the making thereof, the same shall be deemed of no effect and shall, upon notice from either party be deemed stricken from the Contract without affecting the binding force of the remainder.

IN WITNESS WHEREOF, the Owner and the Contractor have executed this Contract as of the date first above written.

ATTEST:
WITNESS: BORROWER(S)

_____ _____

_____ _____

_____ _____
Contractor

Lead Paint Report Receipt

I hereby acknowledge receipt of a copy of the lead paint inspection that was performed on my property by a certified lead inspection company.

_____Homeowner Signature Date: _____

Date:

HOMEOWNER ACKNOWLEDGMENT
(WORKMANSHIP, INSPECTIONS, CONTRACTOR PAYMENTS)

I, _____, acknowledge:

That I have been directed to contact The Princeton Rehabilitation Administrative Agent in the event that I encounter problems in workmanship during the course of construction work performed under this Deferred Loan.

I also acknowledge that I have been instructed to be present, if possible, at all progress and final inspections, and if present, I must sign all Inspection Reports and Release of Payment Authorizations.

I further acknowledge that I am fully aware that my signature on the Deferred Loan Agreement authorizes the following:

Princeton shall have the ultimate authority to resolve all disputes arising out of or in any way connected to the performance of work under this deferred loan agreement. The determination by Princeton, shall be final and binding. If Princeton rules in favor of the contractor, but the homeowner declines payment, Princeton has the right to overrule the homeowner's refusal to pay the contractor.

_____

Applicant's Signature Date

_____

Applicant's Signature Date

THE PRINCETON HOME IMPROVEMENT PROGRAM
MORTGAGE POSTPONEMENT
REQUEST FOR REFINANCING/SECONDARY FINANCING

Homeowner Name _____

Address _____

Effective Period of Deferred Loan : _____ to _____

I, _____ , understand that as a participant in The Princeton Home Improvement Program that I will continue to reside in the residence described above as my primary residence and that **any** transfer of property ownership is prohibited. All renters must be income qualified and the initial rent and annual increases in rent are subject to limits established by the Court for the duration of the ten-year lien. The property will be monitored annually for program compliance.

Failure to comply with this provision will result in **full repayment** of the deferred loan amount. In addition, if I intend to apply for any type of loan such as a home equity loan, secondary mortgage or refinancing during the **effective time period of the deferred loan**, then I must notify the:

The Princeton Affordable Housing Office
1 Monument Drive
Princeton, NJ 08540
609-688-2029

Procedure for Postponement of Mortgage by Princeton:

1. The homeowner or financial institution submits a written request for a postponement of mortgage from Princeton. The letter is directed to Affordable Housing Affordable Housing Manager.

2. Supporting documentation must include:

Current property appraisal, survey, title binder with judgment search, Schedule A&B from Title Search, signed mortgage commitment letter, name and address of homeowner, amount of loan or credit line, letter from homeowner requesting the Mortgage Subordination.

4. This material is forwarded Affordable Housing Affordable Housing Managers for review. The request will be approved or denied based on an evaluation of the supporting documentation.

5 The postponement of mortgage is officially signed by Affordable Housing Affordable Housing Managers and forwarded to the Office of the Princeton Clerk for recording.

6. The recorded postponement document will be forwarded to the homeowner and financial institution.

- IMPORTANT -

- PLEASE BE ADVISED THAT PROCESSING MAY TAKE 4 TO 6 WEEKS -

_____

Homeowner Signature

_____

Date

RIGHT OF RESCISSION

DEFERRED LOAN
(Identification of Transaction)

Notice to Customer required by Federal Law: _____ (Date Notice Given)

You have entered into a transaction on _____ which may result in a lien, mortgage, or other security interest on your home. You have a legal right under federal law to cancel this transaction, if you desire to do so, without any penalty or obligation within three business days from the above date. If you so cancel the transaction, any lien, mortgage, or other security interest on your home arising from this transaction is automatically void. You are also entitled to receive a refund of any down payment or other consideration if you cancel. If you decide to cancel this transaction, you may do so by notifying:

Maureen Fullaway
Affordable Housing Manager
400 Witherspoon Street
Princeton, NJ 08540
609-688-2029

by mail or telegram sent not later than midnight of _____. You may also use any other (Date)
form of written notice identifying the transaction if it is delivered to the above address not later than that time. This notice may be used for that purpose by dating and signing below. I hereby cancel this transaction.

_____ _____
(Date) (Customer's Signature)

SEE REVERSE SIDE FOR IMPORTANT INFORMATION ABOUT YOUR RIGHT OF RESCISSION

Receipt is herewith acknowledged of the foregoing NOTICE, each of the undersigned CUSTOMERS having received two copies thereof. Undersigned warrant that they are all Customers obligated under this transaction who own or use as their principal residence the real property securing said obligation; this _____day of _____2020.

_____ _____
(Each Customer Must Sign) (Each Customer Must Sign)

EFFECT OF RESCISSION. When a customer exercises his right to rescind under paragraph (a) of this section, he is not liable for any finance or other charge, and any security interest becomes void upon such a recession. Within 10 days after receipt of a notice of rescission, the creditor shall return to the customer any money or property given as earnest money, down payment, or otherwise, and shall take any action necessary or appropriate to reflect the termination of any security interest created under the transaction. If the creditor has delivered any property to the customer, the customer may retain possession of it. Upon the performance of the creditor's obligations under this section, the customer shall tender the property to the creditor, except that if return of the property in kind would be impracticable or inequitable, the customer shall tender its reasonable value. Tender shall be made at the location of the property or at the residence of the customer, at the option of the customer. If the creditor does not take possession of the property within 10 days after tender by the customer, ownership of the property vests in the customer without any obligation on his part to pay for it.

Appendix C

Model Flyer for Advertising

The Princeton Home Improvement Program

Princeton is accepting names for participation in its municipally sponsored home improvement program for low and moderate-income families. Your name can be added to the waiting list by calling our Program Administrator, Maureen Fullaway, at 609-688-3029.

Eligible home improvements include roofing, windows, electrical upgrades, heating systems, insulation, plumbing and any other code violations. The program is structured as a forgivable loan. There are no monthly payments and no interest. The loan is forgiven at the rate of 10 percent per year over ten years. If you stay in your home for ten years, you will owe nothing to Princeton.

The program is available for owner-occupied single-family homes, condominiums, townhomes and duplexes in which the owner occupies one of the units. To be eligible to participate, your gross annual income (meaning pre-tax income) for all household members must be less than:

1 person household	$ 61,175
2 person household	$ 69,915
3 person household	$ 78,654
4 person household	$ 87,393
5 person household	$ 94,385
6 person household	$ 101,376
7 person household	$108,368
8 person household	$115,359

By order of the Princeton Council

Appendix D

Program Application

Princeton Home Improvement Program Application

Date_____

Applicant's Name_____

Co-Applicant's Name _____

Mailing Address_____

Municipality: Princeton, NJ 08540

Email Address: _____

Block_____ Lot_____

Telephone Numbers:

Work_____ Home_____ Cell_____

Have you ever received assistance through the Princeton Housing The Princeton Home Improvement Program or any other publicly funded housing The Princeton Home Improvement Program ? Yes_____ No____

Do you own this property? Yes___No___ Is this your principle place of residence? Yes_____

Is this a single family residence? Yes_____ No_____

Is this a two-family residence where the owner occupies one of the units? Yes_____ No_____

Are your quarterly property taxes up to date? Yes____ No____

During the past year did applicant or any household member file:

Federal Income Tax Return? Yes____ No____

NJ State Income Tax Return? Yes___ No_____

How many people reside in your household? _____

Applicant's marital status: Single_____ Married_____ Widowed_____ Divorced _____
(If widowed, please include copy of death certificate)

Lead Based Paint Data:
Was the home built prior to 1978? Yes____ No_____ What year was the house built? _____
Do children under the age of six years reside in the household? Yes____ No_____

Is the home in an age-restricted community? _____

Disabled data: Is anyone in your household disabled? Yes____ No_____ Please provide documentation

List all household members:

Full Name Age Relationship Social Security Number

1._____

2._____

3._____

4._____

5._____

6._____

7._____

8._____

Required documentation: **Check to make sure the following documentation has been submitted: If one does not apply to you, do please indicate by placing the symbol "N/A" next to the item.**

_____ Social Security Numbers for all household members
_____ Signed copies of the most recent (2019) federal income tax return and State Income Tax return for applicant and all other household members who filed them
_____ The latest W-2 forms for applicant and all other household members
_____ Copies of 4 most recent pay stubs (showing year to date earnings for applicant and all other household members)
_____ Copies of pensions, annuities, disability, etc. that are most current
_____ If receiving Social Security payments, copy of form SSA1099 Social Security Benefit Statement for **2020**. You can substitute direct deposit statement from most recent bank statement, if necessary.
_____ Last **six months** of bank statements from which we will calculate interest
_____ Copy of recorded deed (that includes date recorded, book, page number and Princeton stamp)
_____ Do you have a mortgage? Provide proof of the current balance and that all payments are up to date.
_____ Do you have a home equity loan? Provide proof of the current balance and that all payments are up to date.
_____ Are there any other liens against your property? (Such as a tax lien) If yes, please provide the lien amount and proof of the lien.
_____ In cases of separation, divorce or death, where property is listed in both names and only one spouse resides on the premises, the program requires a copy of the separation/divorce agreement or death certificate
_____ Proof of flood insurance ***if*** property is located in a flood zone
_____ Copy of current homeowner policy declarations page

_____ Proof of paid quarterly property taxes showing block and lot numbers

The information provided is true and complete to the best of my/our knowledge and belief. I/We consent to the disclosure of such information for purposes of income and verification related to my/our application for financial assistance. I/We understand that any willful misstatement of material fact will be grounds for disqualification.

Please sign

Applicant: _____ Date:_____

Co-applicant_____ Date:_____

Do not write below: AHA office use only

Source	Applicant	Co-applicant	Other members	Grand total
Gross wages				
Interest/dividends				
Business Income				
Rental Income				
Capital Gains				
Social Security				
Supplemental SS				
Pensions				
Retirement funds				
Annuities				
Unemployment				
Disability				
Alimony/child support				
Welfare payments				
Other				
Total Income	**$**	**$**	**$**	**$**

Size:_____ Total Yearly Household Income:_____
Income Limits for Household Size_____

___Income Approved ____Income Rejected Date_____

Appendix E

Program Description

The Princeton Home Improvement Program (PHIP)
Program Description

Princeton has established a Home Improvement Program to provide funds to eligible low and moderate-income homeowners to make repairs to their residence.

You are eligible if:

1. You are a resident of Princeton.

2. You own a single-family home or a duplex where you reside in one of the units.

3. You have enough equity in the home to cover the amount of the forgivable loan.

4. You legally own the property.

5. Your mortgage and local quarterly property taxes are current.

6. If your home is in a flood zone you have flood insurance.

7. The gross annual income of all persons residing in your household must not exceed the Affordable Housing Income Eligibility Limits outlined below:

1 person household	$ 61,175
2 person household	$ 69,915
3 person household	$ 78,654
4 person household	$ 87,393
5 person household	$ 94,385
6 person household	$ 101,376
7 person household	$108,368
8 person household	$115,359

The above income limits are subject to modifications according to Court revisions.

You are <u>not</u> eligible if:

1. Your home is a mobile home or cooperative

2. If you have previously received assistance through the Princeton Home Improvement Program.

3. If you own or have an interest in any property other than your principal place of residence

13. If you have a reverse mortgage

14. If there is not enough equity in your home to cover the cost of repairs

14. If you have more than one lien against the property, you are ineligible for assistance. Princeton will not hold a third lien position. Note: A home equity loan or line of credit is a lien.

II. ***How does the program work?***

The Princeton Home Improvement Program is designed as a deferred loan program. This means that any homeowner who participates will be required to execute a Mortgage and Mortgage Note, which will place a conditional lien on the home for ten years. If you remain in the home for 10 (ten) years, the loan is forgiven and the lien is removed from your property. If the title is transferred before then, repayment of the loan will be pro-rated depending on the number of years the loan has been in use. The table below describes the terms of repayment:

Repayment Amounts Owed If Loan Is Terminated

Years Loan Was Active	Percentage Owed
1 year:	90%
2 years:	80%
3 years:	70%
4years:	60%
5 years:	50%
6 years	40%
7 years	30%
8 years	20%
9 years	10%
10 years	0 %

Should the owner pass away or decide to sell the property, transfer title, or rent it to someone for any reason **before the terms of the lien have expired**, the owner or heirs, executors, or representatives would be obligated to repay the loan.

If your home contains a rental unit, you will also be required to sign a 10-year deed restriction to ensure the affordability of the unit as low or moderate income.

III. ***What Would I Be Able To Fix On My House?***

MAJOR CODE VIOLATIONS REPAIRS/REPLACEMENTS

- ✓ Structural Improvements
- ✓ Roof
- ✓ Heating System and Hot Water Heaters
- ✓ Repairs to Central Air Conditioning
- ✓ Driveway Repairs
- ✓ Plumbing System (includes sewer and water connections or septic systems)
- ✓ Replacement Windows
- ✓ Electric System
- ✓ Weatherization (to reduce energy consumption)
- ✓ Handicap Improvements (documentation required)
- ✓ Stove (only when a safety hazard)
- ✓ Lead Paint Hazard Reduction

MINOR REPAIRS

- ✓ Interior Painting
- ✓ Masonry
- ✓ Gutters and Leaders
- ✓ Drywall and Flooring
- ✓ Fixtures
- ✓ Carpentry

IV. Provisions for Disabled Persons

If your application documents that a member(s) of your household is disabled by a permanent medical condition that could be improved by more suitable housing conditions, you may be eligible for home improvements that reasonably accommodate his/her needs. The intent of the program is to increase mobility for the disabled person by relying on low-tech designs and reliable non-mechanical technologies.

ELIGIBLE DISABLED ACCESSIBILITY IMPROVEMENTS

- ✓ Installation of Handrails
- ✓ Air Conditioning for Certified Respiratory or other Ailments
- ✓ Exterior Ramp to Enter/Exit Housing Unit
- ✓ Retrofit of Door Size for Wheelchair Access
- ✓ Handicap Toilet
- ✓ Handicapped Showers

V. *How Does The Program Work?*

Once we have determined that you meet Affordable Housing Income Eligibility Limits, you will be scheduled for a Property Inspection, which will be conducted by a Housing Inspector. The purpose of the inspection is to detail any health, safety or code violations which exist on your property.

The inspector will create Work Specifications and a Cost Estimate for your home, based upon the Comprehensive Property Inspection, as well as an Electrical Inspection conducted by Princeton. We will obtain your approval of the work specifications before the project goes out for bid.

We will solicit bids from interested contractors by 1) Advertising in the Princeton Packet and/or 2) sending Bid Proposal Packages to contractors on our active list of contractors and (3) sending Bid Proposal Packages to the contractor of your choice (if you have one).

The lowest priced qualified contractor will be awarded the contract to renovate your home

If you have any further questions, please call Princeton Affordable Housing at 609-688-2029 between the hours of 9:00 a.m. – 5:00 p.m.

EQUAL HOUSING OPPORTUNITY

Appendix F

Regional Income Limits
Region 4

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ)
2020 Affordable Housing Regional Income Limits

Region 4
Mercer, Monmouth and Ocean

	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Median	$ 76,469	$ 87,393	$ 98,317	$ 109,242	$ 117,981	$ 126,720	$ 135,460	$ 144,199
Moderate	$ 61,175	$ 69,915	$ 78,654	$ 87,393	$ 94,385	$ 101,376	$ 108,368	$ 115,359
Low	$ 38,235	$ 43,697	$ 49,159	$ 54,621	$ 58,990	$ 63,360	$ 67,730	$ 72,099
Very Low	$ 22,941	$ 26,218	$ 29,495	$ 32,772	$ 35,394	$ 38,016	$ 40,638	$ 43,260

Max Sales Increase: 5.96%

Regional Asset Limit: $205,486

Max Rent increase: 1.6 %

Appendix D. 108 Stockton Street Redevelopment Plan

Redevelopment Plan for Princeton Theological Seminary Properties

Block 35.01, Lots 25 & 26
Block 36.01, Lots 15, 16 & 17

July 1, 2024

MUNICIPALITY OF PRINCETON

Prepared by:
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Municipality of Princeton, NJ

Mayor and Council

Mayor Mark Freda
Council President Mia Sacks
Leticia Fraga
David Cohen
Eve Niedergang
Michelle Pirone Lambros
Leighton Newlin

Planning Board

Louise Wilson, Chair
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Mia Sacks
Nat Bottigheimer
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Alvin McGowen
Pallavi Nuka
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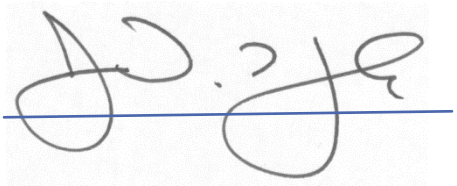
Claudia Wilson Anderson



James T. Kyle, PP, AICP
Licensed NJ Professional Planner Number 05667
The original of this document was signed and sealed
in accordance with N.J.S.A. 45:14A-12

This redevelopment plan was written in collaboration with the Council Committee on Affordable Housing, Planning and Redevelopment, municipal staff and the contract purchaser and their professional team.

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I INTRODUCTION

I.A Statutory Basis for the Redevelopment Plan

The Mayor and Council of Princeton directed the Princeton Planning Board by resolution adopted June 25, 2018 to conduct an investigation as to whether certain properties, all owned by Princeton Theological Seminary, qualified as a non-condemnation area in need of redevelopment under the Local Redevelopment and Housing Law ("LRHL"), NJSA 40A:12A-1 et seq. The properties in question are identified as Block 35.01, Lots 25, 26 and 29; Block 36.01, Lots 15, 16, 17 and 20; and Block 36.02, Lots 5, 6 and 7.

The Planning Board completed its investigation of the properties in question, held a public hearing on September 27, 2018, and recommended in a memorandum to the Mayor and Council dated September 28, 2018 that the properties be declared a non-condemnation area in need of redevelopment. On October 8, 2018, the Mayor and Council concluded that the area met the criteria of the LRHL and designated the properties as a non-condemnation redevelopment area.

I.B Parcels Included in this Redevelopment Plan

The Redevelopment Plan Area ("Plan Area") includes some but not all of the properties/tax lots that were determined to be in need of redevelopment by the Mayor and Council as referred to above. These are depicted in Table 1 below and shown in Figure 1.

Table 1. Lots Designated within Redevelopment Area and Lots Subject to the Redevelopment Plan

	Lots within Designated Redevelopment Area	Lots Subject to Redevelopment Plan
Block 35.01	Lot 25	Lot 25
	Lot 26	Lot 26
	Lot 29	--
Block 36.01	Lot 15	Lot 15
	Lot 16	Lot 16
	Lot 17	Lot 17
	Lot 20	--
Block 36.02	Lot 5	--
	Lot 6	--
	Lot 7	--

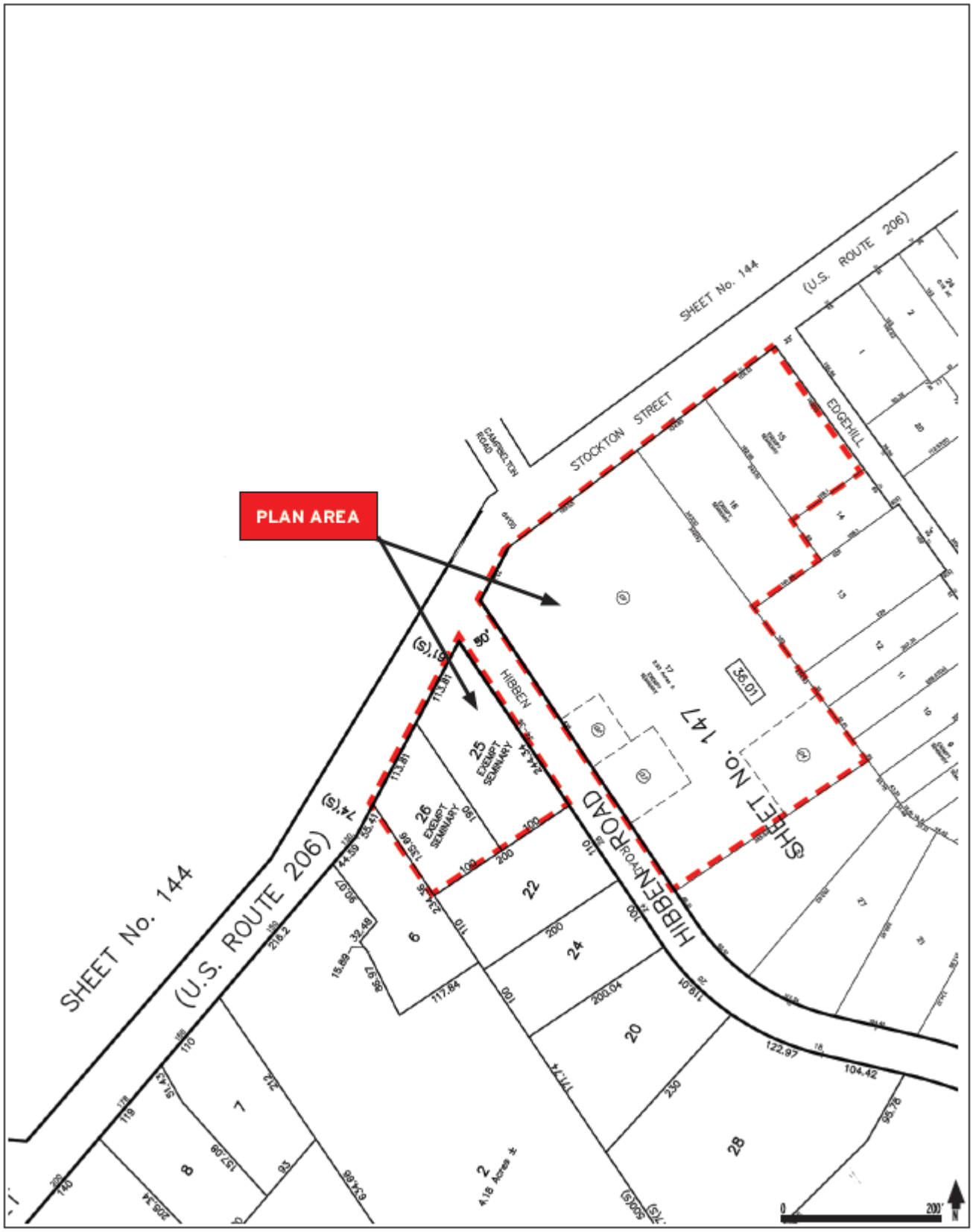


Figure 1: Tax Map

The lots that are subject to this Redevelopment Plan are located on both sides of Hibben Road in the area south of Stockton Street/US Route 206. The Redevelopment Plan area totals 4.84 acres and includes the following properties:

- Block 35.01, Lots 25 and 26 formerly contained the Whiteley Gymnasium on the west side of Hibben Road, south of Stockton Street/US Route 206. Together they comprise approximately 0.87 acres of what is now vacant land.

- Block 36.01 extends from Hibben Road to Edgehill Street. Within this block, three lots are included in the Redevelopment Plan Area historically known as the Tennent-Roberts property:
  - Block 36.01, Lot 17 is located on the east side of Hibben Road. This parcel is 2.93 acres in size and contained Tennent Hall. It is currently vacant.
  - Block 36.01, Lot 16 is located mid-block and is 0.58 acres. It at one time contained Roberts Hall but is now vacant.
  - Block 36.01, Lot 15 is 0.46 acres and extends to the corner of Edgehill Street. It contains a large single-family house with an address of 92 Stockton Street. The residence is a part of the Mercer Hill Historic District.

II EXISTING CONDITIONS AND CONTEXT

The Redevelopment Plan Area is depicted in Figures 2 and 3 and includes several parcels located along Stockton Street northwest of and apart from the main Princeton Theological Seminary campus. As described in the Area in Need of Redevelopment Study (September 6, 2018), the Seminary was established in Princeton in the early 1800's and expanded during that century as a Presbyterian school for the education of ministers. In the 1930's, the Seminary expanded northwest into what was known as the "Tennent-Roberts campus" on land and buildings acquired from the Hun Preparatory School. The Tennent-Roberts campus was disconnected from the Seminary's main campus. Later in the 20th century, the Seminary expanded with a satellite campus in West Windsor Township. In recent years, however, the school has experienced declining enrollment and has sought to consolidate its land holdings. While at one time the properties within the Plan Area were exempt from property taxes, five of the six properties were reassessed as vacant and currently pay property taxes.

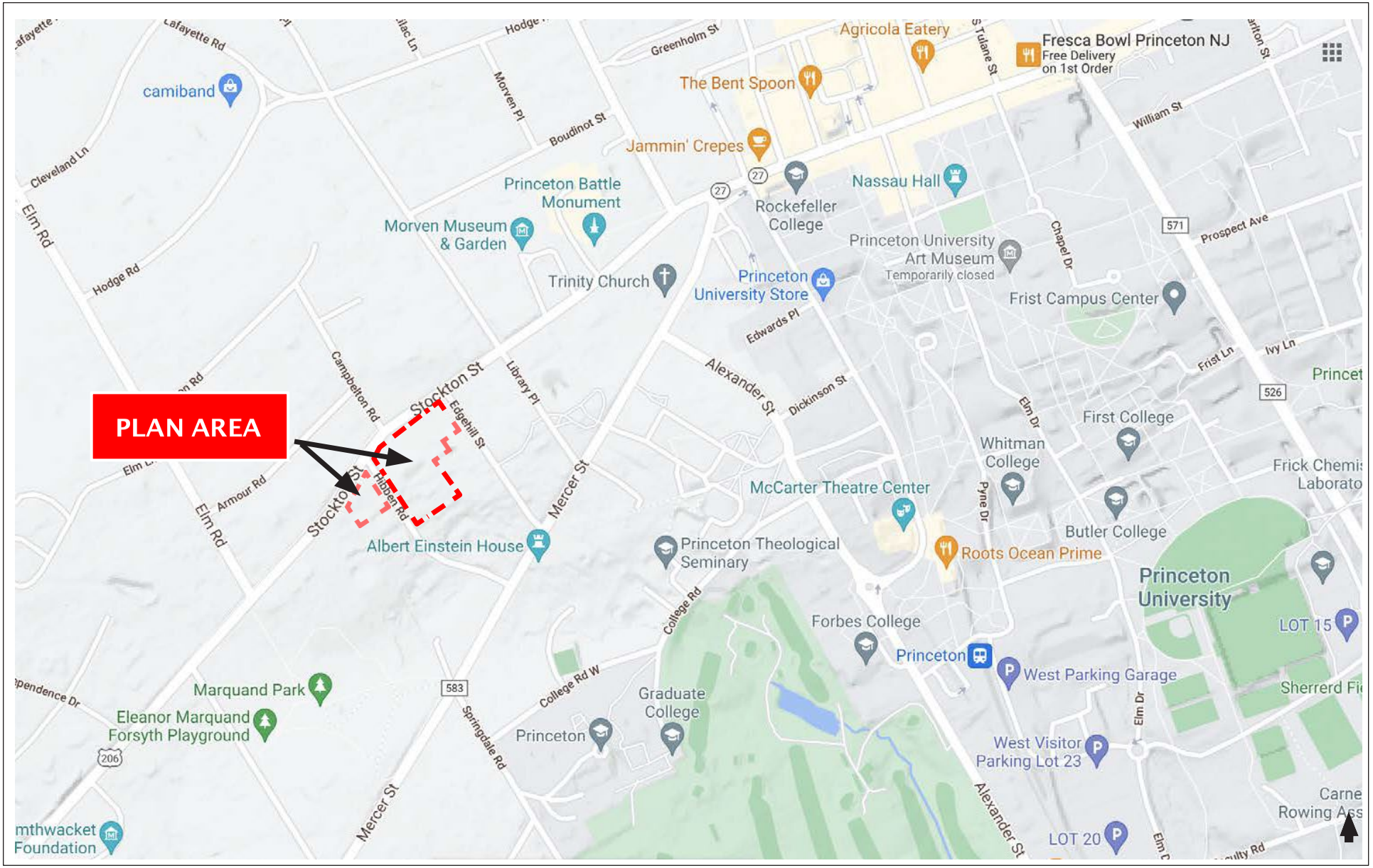


Figure 2: Site Location and Context

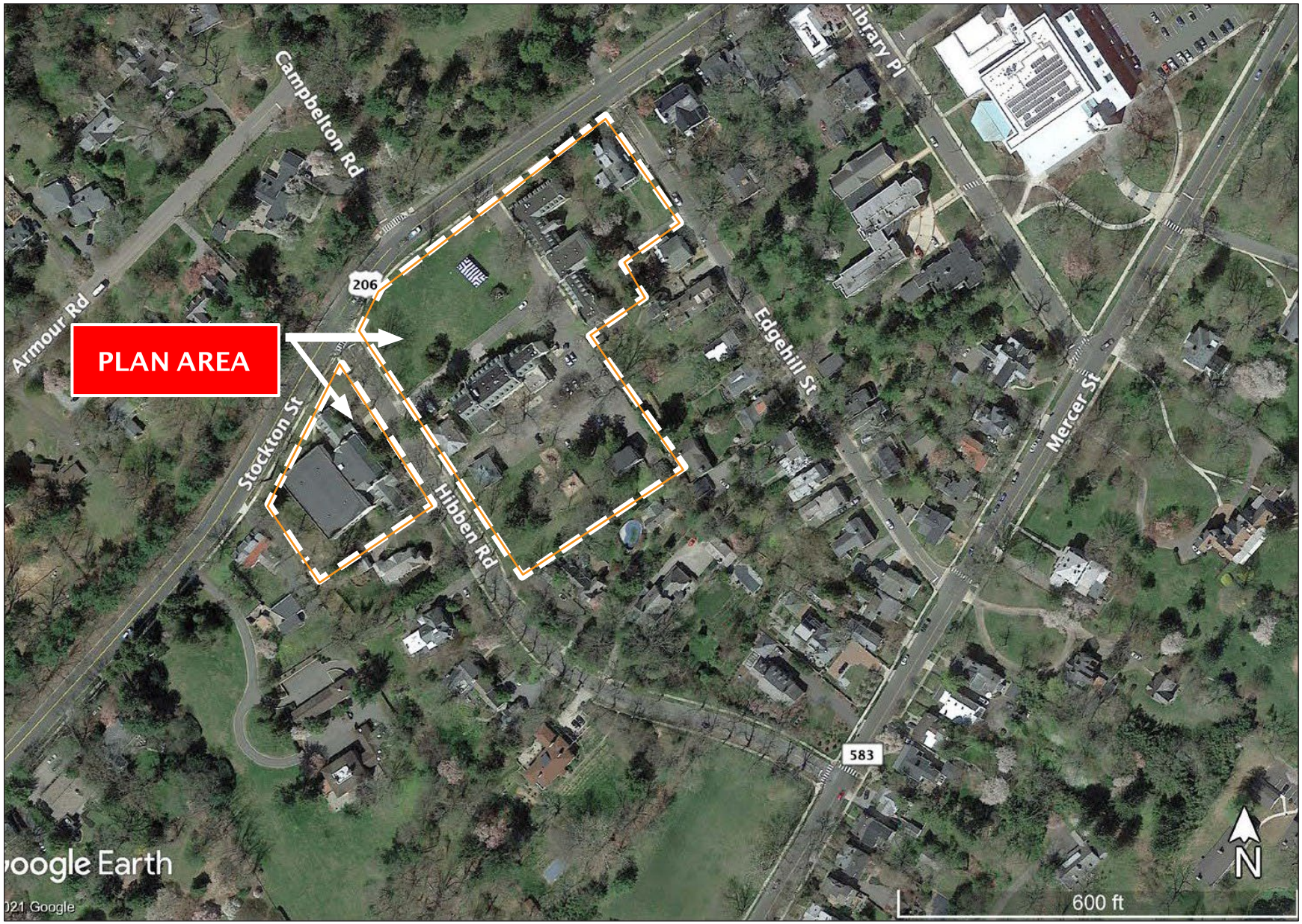


Figure 3: Site Aerial Photo

The Redevelopment Plan Area was characterized by institutional buildings including Whiteley Gymnasium (Block 35.01, Lots 25 and 26), Tennent Hall (Block 36.01, Lot 17) and Roberts Hall (Block 36.01, Lot 16), all of which have been demolished. Lot 17 contained two smaller-scale residential buildings, which were also demolished. In considering potential redevelopment options, the mass and scale of the former institutional buildings is important, as they represented a significant departure from the traditional single family homes along Hibben Road and Edgehill Street. The structures along Hibben Road were closer to the street than most of the single family dwellings to the south, creating a more intimate and enclosed feeling on the north end of the street. Figures 4 through 7 on the following pages show Google Street View images of the former buildings.

Figure 4: Whiteley Gymnasium along Hibben Road.

Figure 5: Whiteley Gymnasium along Stockton Street.

Figure 6: Roberts Hall along Stockton Street.

Figure 7: Tennent Hall as seen from Stockton Street.

Another important element of the former campus was a large open green in front of Tennent Hall, which covered 0.8 acres and spanned the entire Stockton Street frontage from Hibben Road to Roberts Hall (see Figure 7). Although readily visible from Stockton Street and a critical part of the western gateway to downtown, this space was part of the campus and generally not available to the public for use.

Block 36.01, Lot 15 contains a single-family dwelling occupying a nearly half-acre lot that lies within the Mercer Hill Historic District. The house is in average condition and is two and a half stories in height. Figure 8, below, shows a Google Street View image of the structure located at 92 Stockton Street.

Figure 8: 92 Stockton Street as seen from Stockton Street.

The adjacent neighborhood consists of largely older homes with traditional features, including light-colored clapboard siding, dark shutters and pitched roofs with deep eaves. Both Hibben Road and Edgehill Street are lined with large mature trees within narrow grass planting strips. The two streets have their own distinct characteristics, however. Hibben Road is dominated by the tree canopy with larger homes that are set farther back from the street. These homes have extensive front landscaping and lengthy or circular driveways. Edgehill Street has a very different feel/rhythm. The homes are smaller and have less separation. They are also very close to the street.

Campbelton Road creates a “T” intersection with Stockton Street approximately in line with the center of the front lawn. Campbelton Road serves as the access for the residential neighborhood along Armour and Alison Roads, including the residence of the President of Princeton University, known as Lowrie House. All of the residences are set well back from Stockton Street and screened with landscaping and greenery.

III PLAN GOALS AND RELATIONSHIP TO LOCAL OBJECTIVES

III.A Plan Goals

The specific goals of the Redevelopment Plan are as follows*:*

- Utilize smart-growth principles to achieve better planning outcomes for the community.
- Provide higher density, compact development in close proximity to downtown and transit to reduce auto dependence and support greenhouse gas reductions consistent with the Princeton Climate Action Plan.
- Provide a new opportunity for multi-family residential development within walking distance of downtown and the Princeton University campus.
- Increase the supply of affordable housing on the west side of downtown.
- Create a cohesive development plan with a unified network of outdoor spaces and pedestrian-friendly streetscapes.
- Enhance the viewshed along Stockton Street, one of several important gateways to the downtown.
- Improve visibility and enhance safety for drivers, cyclists and pedestrians along Stockton Street, Edgehill Street and Hibben Road.
- Provide enhanced on-site stormwater management through the use of green infrastructure to reduce stormwater runoff volume flowing to adjacent properties.
- Ensure an appropriate and graceful transition to neighboring residences through appropriate setbacks, inset of upper floors, variation in building massing, accentuating human scale elements, employing appropriate architectural styles and materials, creating parks and sitting areas for residents of the project and the surrounding neighborhood and providing appropriate buffering along the perimeter of the Plan Area.
- Promote high-quality design for new multi-family structures as well as outdoor spaces.
- Provide opportunity for an enhanced tax ratable that will benefit the larger Princeton community.

III.B Relationship to Local Objectives

III.B.1 Master Plan

The Princeton Planning Board adopted a Master Plan and Reexamination Report on November 30, 2023 ("2023 Master Plan"). This Redevelopment Plan is substantially consistent with the 2023 Master Plan, not only in terms of its overall vision, assumptions and goals, but also in relation to the new Land Use Plan Element. More particularly, among the Master Plan objectives that this Redevelopment Plan will advance are the following: providing for a broad variety of housing, including affordable housing; welcoming new residential growth that will infuse new life into the downtown; addressing Princeton's current housing shortage; removing barriers to increased residential density; focusing higher residential density within and around the downtown; reducing stormwater runoff and flood risk; guiding growth away from natural resources; preserving and enhancing existing visual resources; integrating open

space into private development; and promoting smart growth, sustainability and resilient development. Further, the Land Use Plan Element shows the entirety of the Redevelopment Plan Area within close proximity to what is considered "Downtown" Princeton and specifically designates same under the Multi-Family Neighborhood classification, which includes planned developments consisting of single-family development on small lots, townhouses, and multi-family apartment buildings (see Figure 9, below).

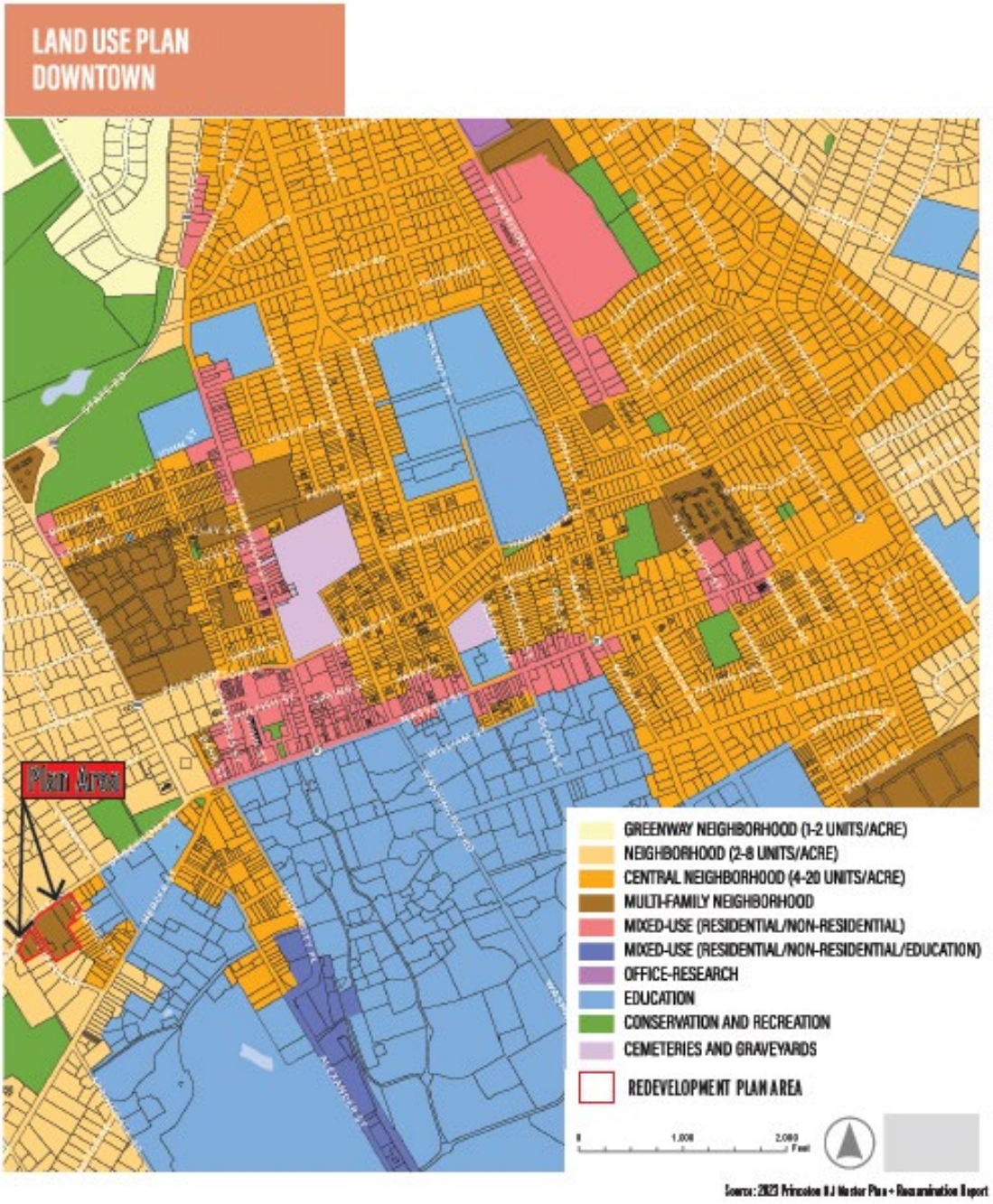


Figure 9: Classification of Redevelopment Plan Area in the 2023 Princeton Master Plan and Reexamination Report

This Redevelopment Plan is also consistent with the goals and objectives of the 1996 Princeton Community Master Plan[1]. This Redevelopment Plan will advance Princeton's housing objectives by providing more market-rate housing and more opportunities for low- and moderate-income households in a location that is within walking distance to retail services and educational facilities. The Plan provides design guidelines that ensure that the resulting development will be compatible with the historic character of the surrounding neighborhoods.

The 1996 Princeton Community Master Plan (Appendix D, Historic Preservation) further describes Stockton Street/US Route 206 as one of the earliest roads through the Princeton area. A series of historic gateways mark the transition into the downtown along this and other major roadways. Just west of the Redevelopment Plan Area, the Master Plan states that the "inner gateway" from the west starts around Stockton Street at Lovers Lane, where: "the open space of Marquand Park is succeeded by a density of development, which, although still small- scale, becomes distinctly urban rather than suburban" (Appendix D, page 203). In this context, the Redevelopment Plan seeks to reinforce the aforementioned gateway concept through appropriate development and building design standards/guidelines.

Previous Master Plan Reexaminations were prepared in 2001, 2007, and 2017. The 2017 Master Plan Reexamination Report noted several planning issues and challenges facing the community that are relevant to this Redevelopment Plan, including:

- A shortage of vacant developable land to meet the many competing needs in the community.
- Providing affordable housing.
- Providing opportunities for middle-income housing.
- Maintaining a range of housing opportunities to ensure a diverse population at all age and economic levels.
- Ensuring an economically healthy downtown and shopping center.
- Balancing institutional needs with neighborhood protection and protecting the community's tax base.
- Limiting traffic impacts from regional traffic.
- Ensuring that redevelopment is compatible with existing development.
- Promoting sustainable development practices.

III.B.2 Historic Preservation

The easternmost lot in the Redevelopment Area, Block 36.01, Lot 15, is located within the western edge of the Mercer Hill Historic District (see Figure 10). The boundaries of this Local Historic District have not changed since the 1996 Princeton Community Master Plan. The Historic Preservation section of the 2023 Master Plan provides an overview of the Mercer Hill Historic District as follows:

[1] The Princeton Community Master Plan dates to 1996 and was followed by three re-examinations (i.e., 2001, 2007 and 2017). In 2013 Princeton Borough and Princeton Township consolidated into the municipality of Princeton. As such, the Regional Planning Board of Princeton no longer exists, and the newly organized Princeton Planning Board readopted the existing Princeton Community Master Plan as the Princeton Planning Board's Master Plan.

Mercer Hill Historic District – Primarily residential in character, this elegant district includes two National Historic Landmarks, clusters of Victorian houses and several homes designed by noted Princeton architect/builder, Charles Steadman. Key historic buildings include Palmer House, Trinity Church, Ivy Hall, the Sheldon House on Mercer Street and Breckenridge House on Library Place. Many historic sites within the district are located on the Princeton Theological Seminary's campus: Alexander Hall, Miller Chapel, Stuart Hall and Springdale. Several architectural periods are represented in the district, with houses executed in the Federal, Greek Revival, Gothic Revival, Italianate, Second Empire, Queen Anne and Colonial Revival styles. This district is also part of the Princeton Historic District.

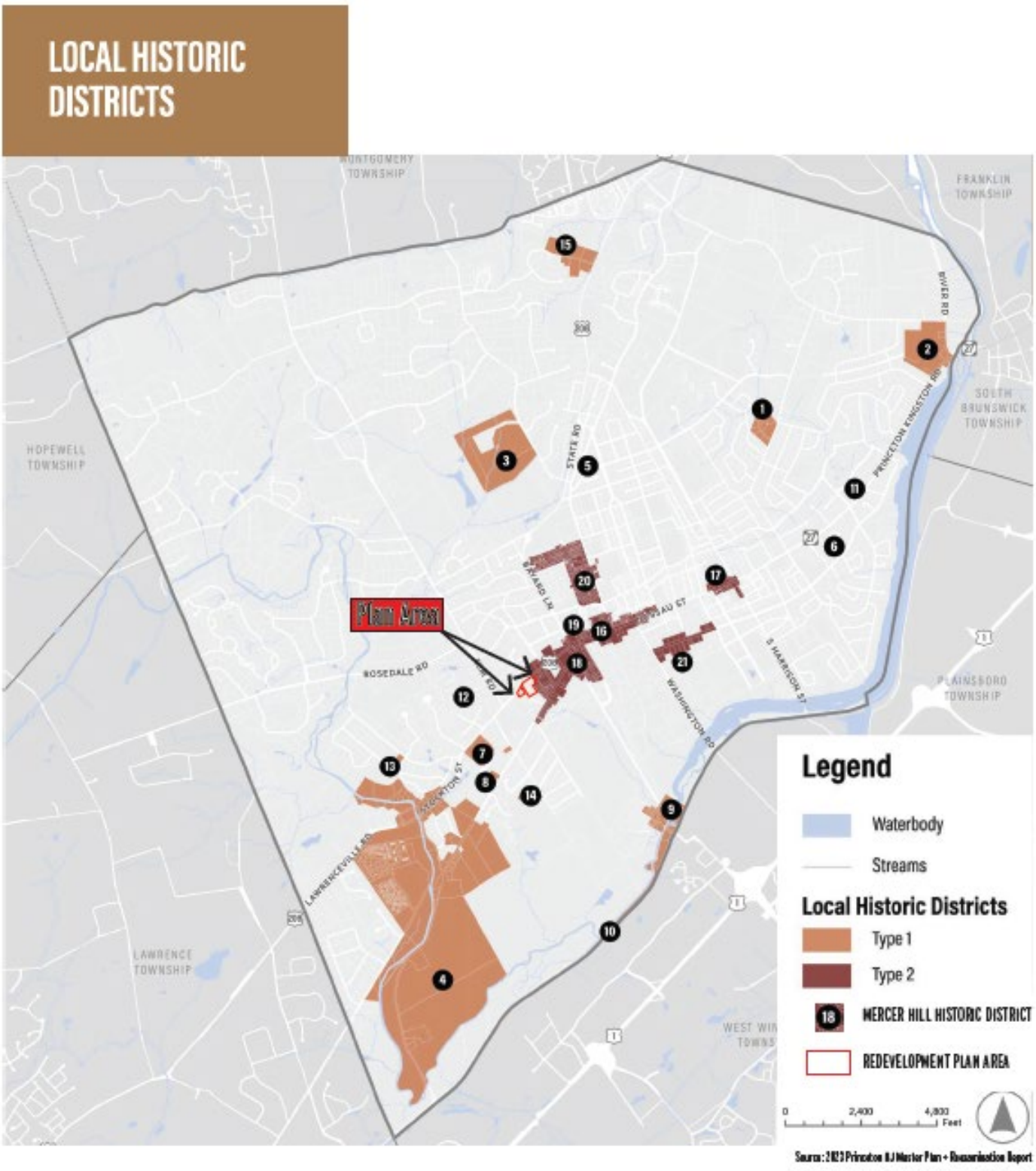


Figure 10: Princeton Local Historic Districts

III.B.3 Existing Zoning

The Redevelopment Plan Area is located in the former Borough of Princeton, which merged in 2013 with surrounding Princeton Township to create the Municipality of Princeton. The Borough and the Township had different zoning codes prior to merging, and both zoning codes continue to be in force separately. The Plan Area is governed by the Borough Zoning. Although the provisions of this Redevelopment Plan supersede the existing zoning, for informational purposes such zoning is described below.

The Plan Area is zoned E-4B, an educational use zone which reflects the historical use of the property on the part of the Princeton Theological Seminary (see Figure 11), although the previously existing buildings predated the first municipal zoning ordinance. The municipality of Princeton's Borough Code, Chapter B17A Land Use and Zoning, Division 5 Education Districts, allows in E-4B zones the following: one-family and two-family dwellings, educational uses such as classrooms and offices, parks and playgrounds, and day care centers. Conditional uses include attached and multiple dwellings, conversion of a house built before 1968 to a multiple dwelling of not more than four units or to a rooming house, and various educational facilities including dormitories, laboratories, athletic facilities, and theaters.

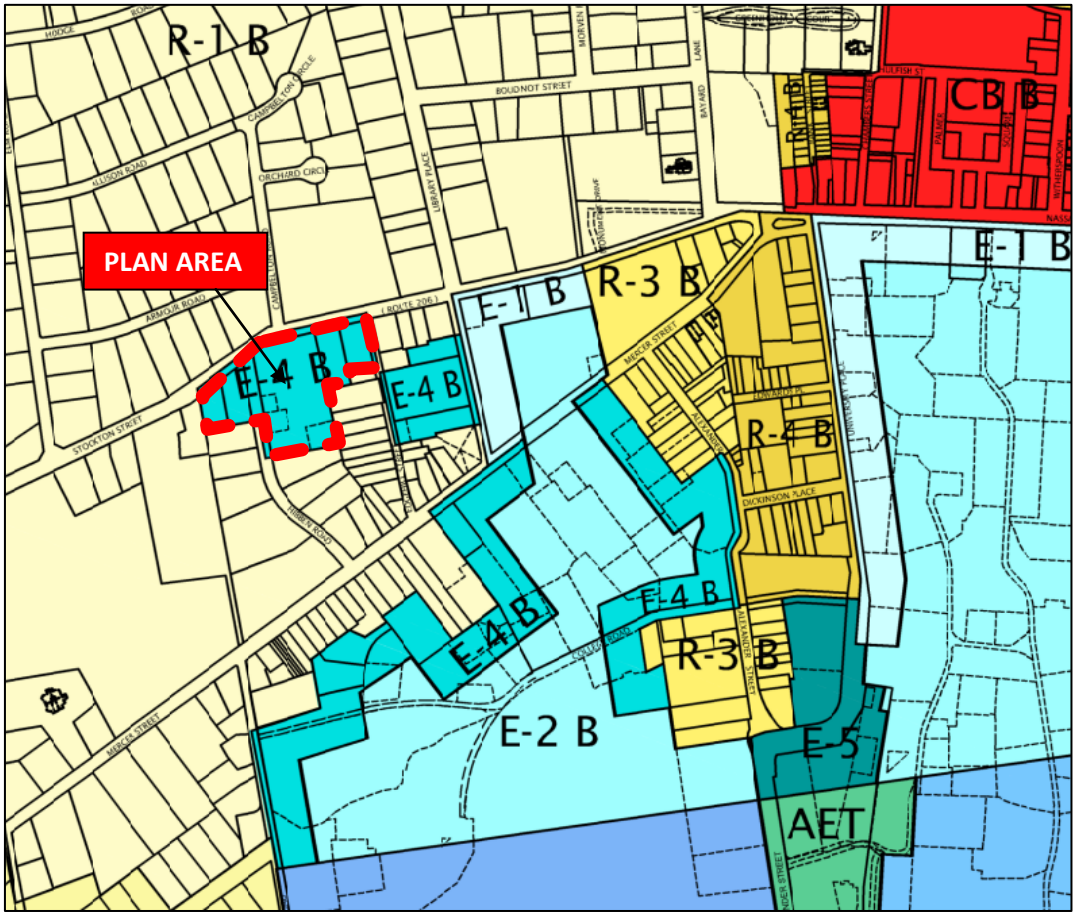


Figure 11: Current Zoning Map

IV PLAN CONSISTENCY

IV.A Other Municipalities

The municipality of Princeton is bordered by the following municipalities: West Windsor to the south, Plainsboro and South Brunswick to the southeast, Franklin to the east, Montgomery to the north, Hopewell and Lawrence to the west. The Redevelopment Plan Area is not near the boundary of any of these other municipalities.

IV.B Mercer County Master Plan

The Mercer County Master Plan was adopted by the Mercer County Planning Board on September 8, 2010 and amended in May of 2016. It consists of five elements, each of which have been independently updated on a periodic basis.

The County Plan advocates for balanced growth which:

> *…favors redevelopment of existing built areas and relies on the preservation of open and agricultural land for the success of both new compact, mixed-use centers and linear growth corridors developed with context-rich designs.*

The Mercer County Master Plan promotes the following broad policies to guide its balanced growth concept:

- Promote appropriate location and design of new development with opportunities for transit, regional equity, and preservation.
- Promote redevelopment.
- Promote desirable compact design that supports transit and promotes walking.
- Promote land use patterns that limit stormwater runoff and increase green infrastructure.
- Direct growth to transit corridors and centers.
- Mix land uses to promote walkable communities.

Additionally, Mercer County's vision for balanced growth throughout its geographic limits relies on the following outcomes:

- Provide for an adequate level of housing choice and affordability that makes it possible for residents to live in the County throughout their lives.
- Promote adequate transportation and housing choice to maintain an educated workforce and stable economy.
- Enhance core transportation corridors through the implementation of access management, connectivity and wise land use decisions.

In consideration of the above, the Redevelopment Plan is consistent with several of the broad policies and

desired outcomes of the Mercer County Master Plan. This Redevelopment Plan promotes redevelopment activities as part of a compact design within an existing mixed-use area that encourages walkability. The Plan Area is located less than a half mile from the edge of downtown Princeton or roughly a 10-minute walk. The Princeton Train Station is about a three-quarter mile or 15-minute walk southeast of the site and offers the "Dinky" Train shuttle for connection to Princeton Junction Station on the Northeast Corridor. There are also bus lines that stop at the intersection of Stockton Street and Hibben Road that provide service to New Brunswick and New York City. New residential construction will provide multi-family housing opportunities for a variety of age and income levels intended to serve the needs of Princeton residents as well as residents of Mercer County.

IV.C State Development and Redevelopment Plan

The purpose of the 2001 New Jersey State Development and Redevelopment Plan (SDRP) is to:

> *Coordinate planning activities and establish Statewide planning objectives in the following areas: land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination.*

As depicted on the SDRP's Policy Map, the Redevelopment Plan Area is located within the PA-2 Suburban Planning Area, wherein development and redevelopment is intended to be encouraged and directed. Specifically, the intent of this Planning Area is to:

- Provide for much of the state's future development;
- Promote growth in Centers and other compact forms;
- Protect the character of existing stable communities;
- Protect natural resources;
- Redesign areas of sprawl;
- Reverse the current trend toward further sprawl, and;
- Revitalize cities and towns.

Accordingly, by encouraging redevelopment within an area where same is encouraged, this Redevelopment Plan furthers several of the policy goals/objectives of the State Plan as expressed for PA-2.

V LAND USE AND DEVELOPMENT PLAN

V.A Overarching Parameters

V.A.1 Relationship to Princeton Municipal Land Use Regulations

This Redevelopment Plan supersedes the Land Use Ordinance of the Municipality of Princeton, except where specific provisions are expressly indicated as being applicable. In all instances where land use and zoning standards are not specifically addressed in this Redevelopment Plan, the Land Use Ordinance shall remain in effect. This Redevelopment Plan also constitutes an amendment of the municipality's Zoning Map to remove the E4 Zone designation from the Plan Area.

V.A.2 Required and Recommended Items

This Redevelopment Plan distinguishes from required items, as indicated by "shall," "must," or "required to," and recommended but optional approaches, as indicated by "should," "may," or "encouraged to." The recommended items are desirable, and their addition would enhance the project, but they are not mandatory as part of this Redevelopment Plan. A Redeveloper is permitted to advance alternatives that meet the overall objectives of this Redevelopment Plan.

V.A.3 Illustrative Concept

Three major development areas are envisioned in the Plan Area. A multi-family building is proposed on Lots 25 and 26. An additional multi-family building is proposed on Lot 17, extending toward the south, together with a smaller multi-family building on Lot 16. Finally, two single-family detached structures are envisioned on Lot 15, along with the preservation of the existing residence at 92 Stockton Street.

Figure 12 depicts the illustrative concept plan and shows the intended layout, configuration and massing of the buildings. The final design shall be subject to the requirements of this Redevelopment Plan.

Examples of preferred architectural styles to be employed as part of the Redevelopment Plan are provided in the Appendix.

Figure 12: Illustrative Concept Plan

V.B Allowable Land Uses

V.B.1 Permitted Uses and Locations

Multi-family buildings are permitted on Block 35.01, Lots 25 and 26, and Block 36.01, Lots 16 and 17. Detached single-family dwellings are permitted on Block 36.01, Lot 15, inclusive of the existing residence located at 92 Stockton Street.

V.B.2 Accessory Uses

Permitted accessory uses shall include off-street parking, both surface and structured, pocket parks and plazas to serve the buildings, community open spaces and pedestrian and bicycle trails. Accessory uses shall also include the following:

- Residential management office
- Common rooms/areas, including for co-working, meetings, a business center, recreation, fitness, laundry and storage
- Swimming pool
- Communications infrastructure including small cell antennas and antennas associated with indoor and outdoor distributed antenna systems but not including “macro” antenna installations
- Maintenance and storage areas related to residential units
- Off-street parking and loading, including structured and surface parking
- Street/site furnishings including but not limited to bicycle racks, benches, chairs and tables
- Fences and walls
- Green roofs
- Electric vehicle charging stations and make-ready infrastructure
- Solar panels mounted to a roof structure
- Landscape amenities and open space, including water features and artwork such as statues or sculptures
- Pedestrian circulation elements
- Signs
- Stormwater management facilities and other utilities including but not limited to transformers and meter pits
- Other uses and structures that are customarily incidental and subordinate to principal permitted uses

V.C Site Access

V.C.1 Central Circulation Drive for Lot 17

The preferred access to Lot 17 should be at a mid-block location along Stockton Street between Hibben Road and Edgehill Street. If the access point is not immediately opposite Campbelton Road, NJDOT intersection offset requirements must be met. This mid-block access may lead to a central circulation drive located on Lot 17. Parallel parking spaces are permitted along this circulation drive. The circulation drive should generally follow the existing grade and gradually descend to the lowest level at the south end of the parcel and should provide connections to structured parking areas under the new building(s) on Lot

17. A turnaround loop or cul-de-sac is permitted on Lot 17 at the terminus of the circulation drive.

V.C.2 Driveway Access for Lots 25, 26, 15 and 16

Access to Lots 25 and 26 West of Hibben Road

Access to Lots 25 and 26 shall be from a curb cut along Hibben Road, offset at least 125 feet from the intersection of Stockton Street. The driveway access should be located to avoid existing trees within the public right-of-way along Hibben Road.

Access to Lots 15 and 16 at the Eastern End of the Plan Area

Access to Lots 15 and 16 should be from the central circulation drive located on Lot 17. This driveway may lead under or behind a new multi-family building on Lot 16 and then to a surface parking lot. The existing driveway and detached garage serving the residence at 92 Stockton Street and providing access to Edgehill Street are permitted to remain but shall serve only the existing residence and up to two new detached single-family dwellings. This driveway may also serve as emergency access to the Plan Area.

V.C.3 Mid-Block Pedestrian Passage Through Lot 17

Due to the extensive depth of Lot 17, a mid-block pedestrian passage is encouraged through the building on Lot 17, running roughly west to east, perpendicular to Hibben Road. The passage should be open and accessible to the general public. It is recommended the passage have a generous height and width and be open or fully-glazed at both ends in order to create an airy, welcoming space. Doors and windows from adjoining residential units, hallways, lobbies and the like should overlook the passage to provide "eyes on the street."

V.C.4 Pedestrian Paths

Walking paths or sidewalks shall be provided along at least one side of all internal circulation drives and surface parking lots. Existing public sidewalks shall be maintained and if necessary, improved to meet standards of the municipality along Hibben Road and Edgehill Street. Along Stockton Street, existing sidewalks shall be replaced with a multi-use path designed to accommodate both bicycles and pedestrians with a minimum width of 10 feet and consisting of asphalt or similar material that does not require expansion joints.

V.D Parking Requirements

V.D.1 Required Minimum Parking Ratio

The minimum parking requirement shall be 1.1 spaces per unit. Up to 25 percent of indoor structured parking spaces may be tandem (behind other spaces) or stacked mechanical parking. All parking shall be provided on-site within the Plan Area, however parking for individual buildings may be located on a different lot or lots within the Plan Area. No on-street parking is permitted on Stockton Street, Hibben Road or Edgehill Street.

V.D.2 Parking Location and Configuration

Parking for Lots 25 and 26 West of Hibben Road

Parking on Lots 25 and 26, west of Hibben Road, shall be provided on the ground level and the façades for such indoor parking should be treated in a manner similar to the residential façade to screen parking from adjacent properties. Parking should be located behind apartments, lobbies or stairwells.

Parking for Lot 17 at the Center of the Plan Area

Parking on Lot 17 should be located along the central circulation drive (i.e., parallel parking) and underneath the building fully-below-grade at the facade closest to Stockton Street. Due to the grade of Lot 17, which falls from Stockton Street downhill to the south, the parking level is permitted to have up to half of its *floor area* partially or fully above the adjoining grade and same shall not be considered a story consistent with Section V.E.5, Building Height and Required Stepbacks. Any portion of the parking level partially or fully above the adjoining grade should be treated in a manner similar to the residential façade to screen parking from adjacent properties.

Parking for Lots 15 and 16 at the Eastern End of the Plan Area

Parking on Lot 16 may be located internally as surface parking or structured parking underneath residential floors and/or within the central circulation drive on Lot 17. Access to parking on Lot 16 should be from the central circulation drive on Lot 17. Parking on Lot 15 shall be surface parking. Access to parking on Lot 15 may be from the central circulation drive on Lot 17 (via Lot 16) or directly from the existing driveway off Edgehill Street.

Any surface parking spaces on Lots 15 and 16 should be screened from view from Edgehill Street to the extent practicable by the existing 92 Stockton Street house and any new residential structure(s) to be built south of 92 Stockton Street.

V.E Bulk and Yield

V.E.1 Residential Yield

The maximum permitted residential yield is 238 units, excluding any existing residence to remain on Lot 15 as well as up to 2 new detached single-family dwellings on Lot15.

V.E.2 Affordable Housing Units

A minimum of twenty (20) percent of all dwelling units, rounded up to the next whole dwelling unit, shall be provided as affordable dwelling units and deed restricted for occupancy by low and moderate income households and shall comply with the following:

- Affordable dwelling units shall be constructed and sold or rented in accordance with the Council on Affordable Housing rules at N.J.A.C. 5:93-1 et seq. and the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-26.1 et seq.
- Pursuant to N.J.A.C. 5:80-26.5 and N.J.A.C. 5:80-26.11, all affordable dwelling units shall be and remain subject to the affordability controls until Princeton elects to release the units from the affordability controls requirements, with such control period extending for a period of at least 30 years.
- At least 13% of the affordable dwelling units shall be affordable to very-low-income (VLI) households earning 30% or less of the median income for Region 4 based on the most recent regional income limits by household size.
- At least 50% of the affordable dwelling units shall be affordable to low-income households earning 50% or less of the median income for Region 4 based on the most recent regional income limits by household size. This 50% requirement shall include units addressing the 13% very-low-income requirement above.
- The remaining 50% of the affordable dwelling units shall be affordable to moderate income households based on the most recent regional income limits by household size for Region 4.
- Affordable dwelling bedroom distribution: Bedroom distribution shall be in accordance with the Council on Affordable Housing rules at N.J.A.C. 5:93-1 et seq., the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-26.1 et seq., the Fair Housing Act (FHA) and all other applicable laws.
- The range of affordability, pricing and rent of units, affirmative marketing, 30-year minimum affordability controls and construction phasing with market rate units developed in the Plan Area shall also be in accordance with the Council on Affordable Housing rules at N.J.A.C. 5:93-1 et seq. the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-26.1 et seq., the Fair Housing Act (FHA) and all other applicable law.
- Developer, if properly qualified, or a qualified, experienced administrative agent contracted by the Developer (the "Administrative Agent"), shall be responsible for the administration of the affordable dwelling units, including but not limited to affirmatively marketing the units, administering the units, certifying the occupant of each affordable unit, and completing all reporting requirements to the municipality, with all administrative costs to be paid by the Developer.
- All affordable dwelling units shall comply with the applicable provisions of Chapter T10B of the Township Code, Land Use, Article XII entitled Affordable Housing, or any succeeding Code section adopted in the future.

V.E.3 Maximum Coverages

Maximum building coverage within the entirety of the Redevelopment Plan Area shall be 50% and shall include the footprint of the building as well as covered porches attached to the structure. Maximum impervious coverage within the entirety of the Redevelopment Plan Area shall be 75% and shall include all impervious surfaces on-site and shall not include any exemptions noted in Princeton's Land Use and Zoning Code, Chapter B17A.

V.E.4 Setbacks

Building Setbacks

Required minimum principal building setbacks are as follows:

- From Stockton Street: 20 feet for buildings east of the central circulation drive on Lots 15 and

16; 10 feet for buildings west of the circulation drive, including the area west of Hibben Road.

- From Edgehill Street: 15 feet.
- From Hibben Road: 15 feet for buildings on the west side of Hibben Road; 30 feet for buildings on the east side of Hibben Road.
- From the southerly boundary of the Plan Area on Lot 16: 15 feet.
- From the southerly boundary of the Plan Area on Lots 25 and 26: 30 feet.
- From the southerly boundary of the Plan Area on Lot 15: 15 feet.
- From the southerly boundary of the Plan Area on Lot 17: 25 feet.
- From the westerly boundary of the Plan Area on Lot 26: 25 feet.
- From the easterly boundary of the Plan Area on Lot 17: 40 feet.
- From the easterly boundary of the Plan Area on Lot 16: 20 feet.

Parking and Driveway Setbacks

Parking provided within or under buildings shall meet the same minimum setbacks defined above for principal buildings. Any surface parking on Lots 15 and 16 shall have a minimum setback of 4 feet.

Parallel parking provided along the circulation drive shall have a minimum setback of 5 feet from the residential parcels in Block 36.01 that are outside of and adjoin the Plan Area. A cul-de-sac or turnaround circle is permitted at the back (southeast end) of the circulation drive and shall have a 2-foot minimum lot line setback at the edge of pavement.

Setbacks and Open Spaces to Enhance Gateway

Two generously proportioned open spaces shall be provided along the north side of Lots 25, 26 and 17 in order to improve and preserve the viewshed from Route 206/Stockton Street and enhance this important gateway to downtown. The open space west of Hibben Road on Lots 25 and 26 should be at least 5,000 square feet in area. The open space on Lot 17 should adjoin Hibben Road and be roughly square in shape with a minimum dimension of 70 feet along each side and a total area of at least 7,500 square feet.

Requirements for design of the open spaces are provided below in Section V.G.2, Viewshed Open Space Areas.

V.E.5 Building Heights and Required Stepbacks

Building Height

No building shall exceed 4 stories in height as established herein, except as otherwise specified for Lot 15. A garage level wholly or partially below grade used primarily for parking of automobiles shall not be considered a story. The maximum building height shall be 56 feet measured from the average finished grade to the deck level of a flat roof or to the mid-point of a pitched roof (i.e., between the eave and ridgeline). Average finished grade shall be calculated from the four outermost corners of the building. Additionally, no primary building façade shall exceed 50 feet in height from the adjacent finished grade to the deck level of a flat or mansard roof or to the mid-point of a pitched roof. Where a building fronting on a public street steps back along the length of the street, the façade closest to the public street shall be considered the "primary façade" and all façades set further back shall be considered "secondary façades".

Exceptions to Building Height

Decorative architectural features such as parapets, cornices, gables, railings and the like intended to screen mechanical equipment on a flat roof may exceed the building height by a maximum of 9 feet. Stairwells providing access to a roof may exceed the building height by a maximum of 12 feet and elevator shafts designed to provide access to a roof may exceed the building height by a maximum of 18 feet.

Roof Form and Required Stepbacks

- For Lots 25 and 26, flat or pitched roofs or a combination of flat and pitched roofs are permitted. A 10 foot minimum stepback should be provided above the third story on the south side. Stepback areas may be landscaped and hardscaped as private or shared rooftop terraces for use by building residents, as discussed below in Section V.G.1, Private Open Space. No fourth story portion of the building shall be located within 40 feet of the southern boundary of these lots.
- For Lot 17, flat or pitched roofs or a combination of flat and pitched roofs are permitted. The southernmost portion of the building shall consist of three residential levels and may comprise duplex townhomes on the first two levels with a flat located on the third level. The first residential level shall wrap the parking so that no parking within the building will be visible from the adjacent property to the south. The first residential level shall not be considered a story. The duplex townhomes may have a stoop or porch that provides direct access from the adjacent sidewalk. Such stoop or porch may encroach into the required setback by a maximum of 6 feet. The building mass should stepback horizontally from the south façade by at least 20 feet above the third level and by at least an additional 5 feet horizontally above the fourth level such that at that level the building setback shall be a minimum of 50 feet from the southerly property line. Stepback areas may contain private or shared-use terraces as discussed below in Section V.G.1, Private Open Space.
- For Lot 16, flat or pitched roofs or a combination of flat and pitched roofs are permitted. A 5 foot minimum stepback should be provided above the third story. No fourth story portion of the building shall be located within 20 feet of the southern boundary of this lot. The stepback area may contain private or shared-use terraces as discussed below in Section V.G.1, Private Open Space. For Lot 15, pitched roofs are required for new buildings (and for any buildings that straddle both Lots 15 and 16).
- Maximum height for new buildings on Lot 15 shall be three (3) stories and 40 feet measured from

the average finished grade to the mid-point of the pitched roof (i.e., between the eave and ridgeline). Average finished grade shall be calculated from the four outermost corners of the building.

V.E.6 Requirements for Detached Single-Family Dwellings on Lot 15

- Minimum lot size: 3,700 square feet.
- Minimum lot frontage on Stockton Street: 45 feet.
- Minimum building setback to Lot 16: 7 feet.
- Minimum building setback to any other lot line not identified under Section V.E.4 Setbacks: 10 feet.

Figures 13 through 16 depict illustrative views of the building on Lot 17 from key vantage points along Hibben Road, Edgehill Street and the central circulation drive in accordance with the building stepback requirements contained herein. Figures 17 through 19 are cross sections illustrating the height, setback and stepback requirements in relation to adjacent residential properties for buildings on Lots 25 and 26, Lot 17 and Lot 16.

Figure 13: Hibben Road Concept View

View looking northeast from the southern property line of Lot 17 along Hibben Road. This illustrates the required building stepbacks at the upper floors on Lot 17 that are intended to appropriately transition the building mass and scale to adjacent residential property.

Figure 14: Hibben Road Concept View Without Transparent Trees

Figure 15: Edgehill Road Concept View

View looking west towards Lot 17 from the rear yards of neighboring property on Edgehill Road. This illustrates the required building stepbacks at the upper floors on Lot 17 that are intended to break down the building mass and scale. This further illustrates the level of detailing and material treatment of the building façade as required in accordance with the design standards contained in this plan.

Figure 16: Edgehill Road Concept View

Figure 17: 17 Hibben Road Cross Section

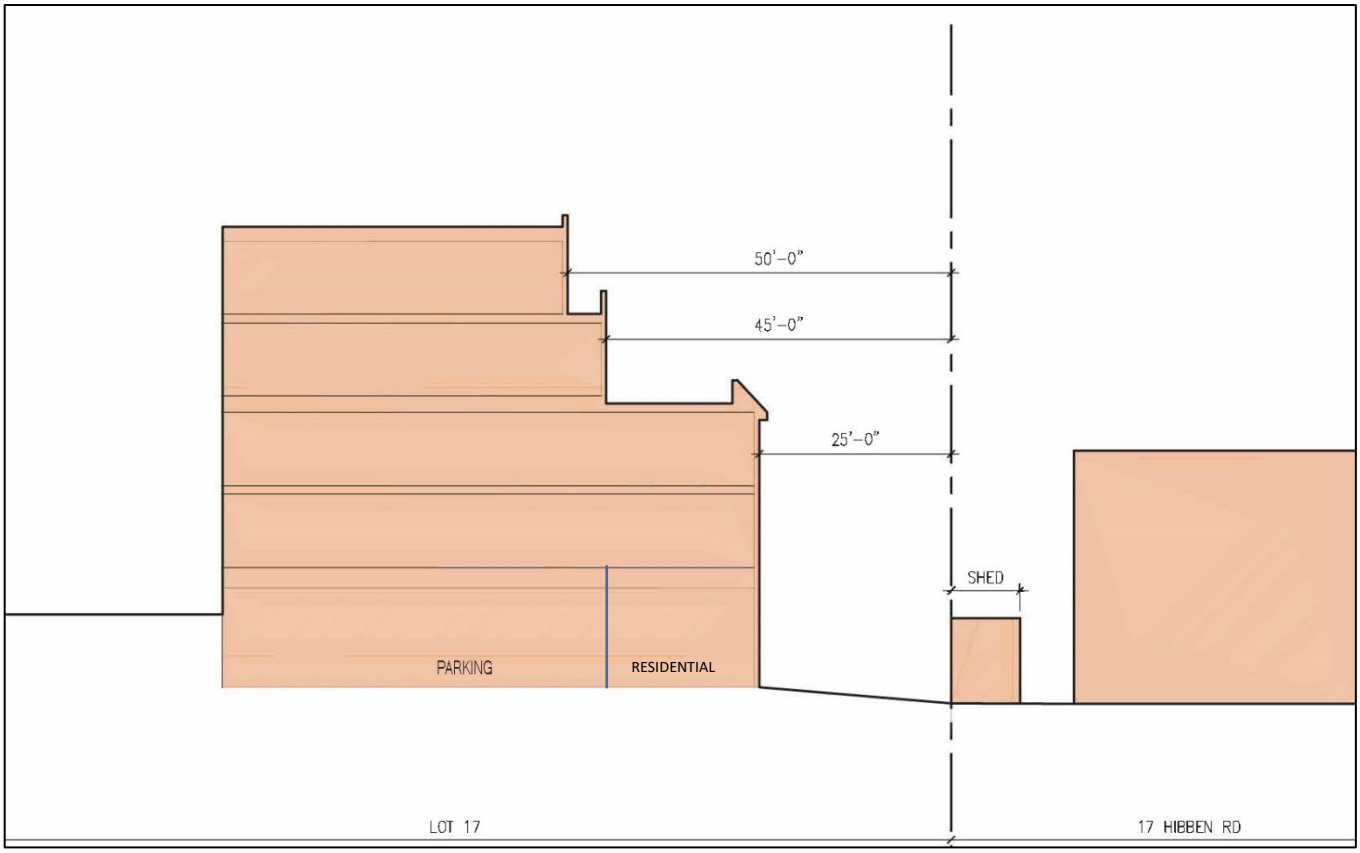


Figure 18: 28 Hibben Road Cross Section

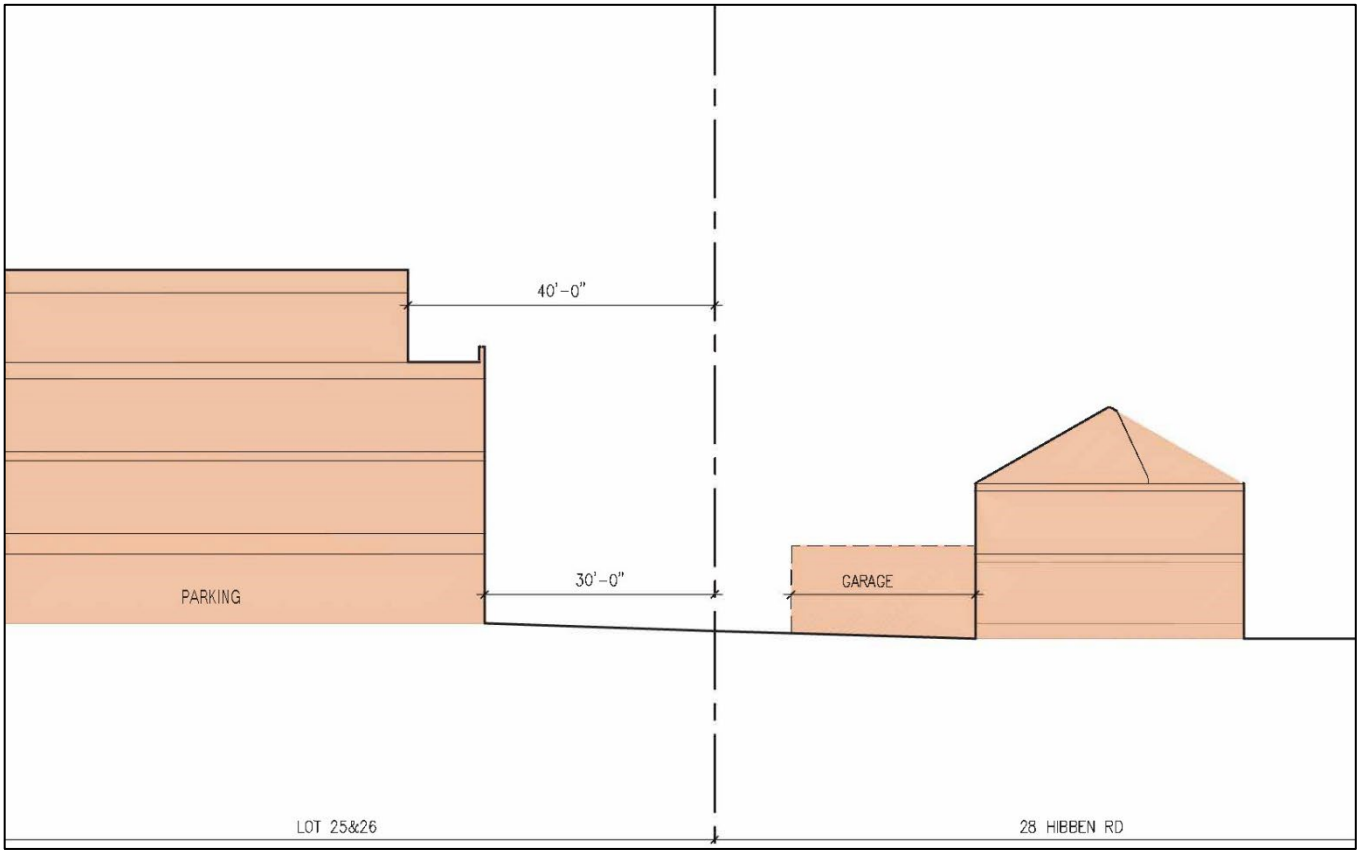
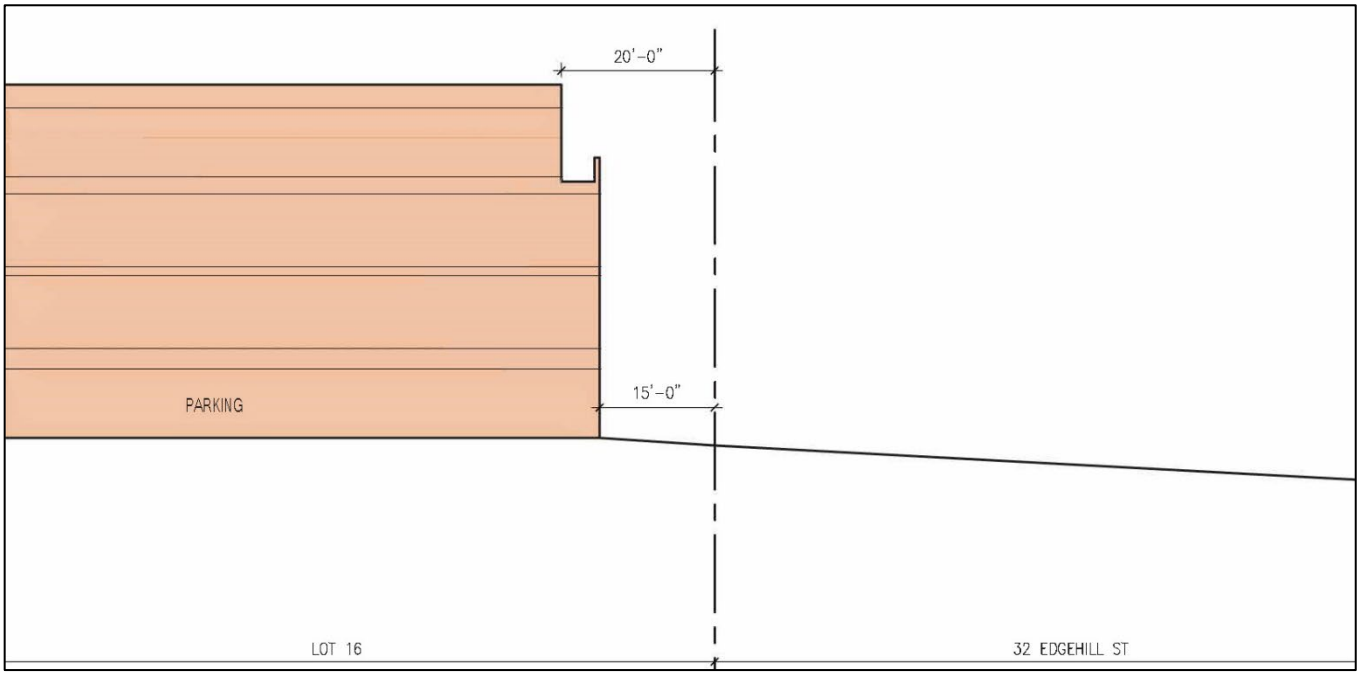


Figure 19: 32 Edgehill Street Cross Section



V.E.7 Electric Vehicle Charging Stations

Development in the Plan Area shall comply with the requirements of New Jersey's Electric Vehicle Charging Station Law (P.L. 2021, c.171).

V.E.8 Bicycle Parking

Both long-term and short-term bicycle parking shall be provided at a rate of one bicycle parking space per 1.6 bedrooms. Eighty percent (80%) of the required spaces shall be for long-term bicycle parking and twenty percent (20%) shall be for short-term bicycle parking. Short-term bicycle parking shall be provided in a publicly accessible space near pedestrian entrances to buildings throughout the Plan Area and shall consist of the inverted U, post and ring or wheelwell secure racks. Long-term bicycle parking shall consist of weather-protected facilities such as rooms within buildings, bicycle lockers or covered bicycle cages. Where long-term bicycle parking is covered, the cover shall be permanent, designed to protect bicycles from the elements and be at least seven feet in height. All bicycle parking areas shall be sufficiently separated from motor vehicle parking and accessible by way of at least one route that is no less than five feet in width. Bicycle racks shall be securely anchored to the ground and appropriately spaced to accommodate a full-size bicycle and space for access and maneuvering.

V.E.9 Lighting Requirements

Lighting shall comply with the requirements of the Borough Code, Chapter B17A, Land Use and Zoning, Division 6, Supplementary District Regulations, §B17A-365.1, Lighting, or any succeeding Code section adopted in the future.

V.F Building Design

V.F.1 Building Orientation and Pedestrian Entries

The primary entry and lobby for each building shall face directly onto a public street or onto a publicly-accessible open space that in turn adjoins a public street. The building on Lot 17 should have a secondary entry and lobby located at any mid-block passage (see Section V.C.3, Mid-Block Pedestrian Passage, above).

Pedestrian building entries should be clearly visible and highlighted within the overall facade by being located in a prominent bay or mass, having a higher proportion of glazing and transparency, and/or being accented by flat canopies, overhangs, porches, stoops, facade-mounted lighting or similar features.

V.F.2 Active Uses

The ground floor of buildings should be lined with active uses, particularly along facades adjoining public streets and pedestrian walkways and near building entries. Active uses include residential apartments and shared common use spaces such as fitness centers, building management offices, community rooms,

pools, other amenity spaces and lobbies.

Individual entries to ground-level residential apartments are encouraged in multi-family buildings in order to increase pedestrian activity along the building perimeter. Individual unit entries should be highlighted with e, where practical and such features may encroach into the required setback by a maximum of 6 feet.

Where possible, mechanical, trash and service rooms should be located at the interior of the building, not along exterior walls, or should otherwise be screened by opaque walls.

V.F.3 Façade Transparency

Windows should occupy at least 25 percent of the facade area at all floors and on all facades. Variation in window size, style, and placement is encouraged to further highlight different building bays. On the ground floor, windows should occupy a larger area of the facade around the entryway doors, lobbies, and common areas to create a more open and friendly appearance. Placement and sizing of windows in ground-level residential units should strike a balance between maintaining privacy and providing a visual transition between indoor private space and outdoor public spaces. Elements such as raised sill heights, frosted lower panes or multi-paned sashes are encouraged to provide some ground-level privacy while still permitting a high degree of transparency.

The top floor of larger buildings, particularly floors that areas are stepped back from the façade of lower floors, should have a higher proportion of glazing and transparency along with visually-lighter materials to deemphasize the mass of the top floor.

Balconies, including Juliet balconies, are permitted. Balcony railings should be configured to maximize views through the balcony. Residential facades adjoining balconies, patios and terraces should have doors and windows with large areas of glazing to enhance transparency and maximize light into the units.

Where service and mechanical rooms must be located along an exterior building wall, the room should include windows that echo the pattern, size, and placement of those along active common use areas or residential units. Where necessary, translucent, opaque, or spandrel glass may be installed in these service area windows to provide privacy, security, and screening.

Large expanses of blank walls should be avoided on all facades.

V.F.4 Screening of Parking

Garages for Single-Family Detached Dwellings

Single-family detached dwellings, as permitted on Lot 15, are permitted to have garage parking. Generally, all garage spaces shall be in an enclosed space with garage doors. Open-style, tuck-under garage parking is prohibited except facing the interior of a lot. Garage doors should be paneled and have a row of lites. Individually-operable garage doors separated by structural piers are preferred over double-

wide doors.

Garages in Multi-Family Buildings

The preferred location for structured parking in multi-family buildings is fully below grade or hidden from the facade behind active uses. However, due to the slope and size of the Plan Area lots, some structured parking will be visible above grade. Any partially or fully exposed parking and first-level parking levels should use the following measures to soften their frontages.

- Where a multi-family parking level is exposed along the facade and is of sufficient height above grade to accommodate punched openings, garage window openings are encouraged in order to enhance transparency and visibility. For traditionally detailed buildings, garage window openings should have a similar size and spacing as apartment windows elsewhere in the building. For modern buildings with curtain-wall massing, garages may have fully open walls around garages or glazed facades with opaque, translucent, or spandrel glass. Any open garage facades or garage window opening should include a high-quality metal mesh panel or grille with a decorative pattern or texture in a dull or black metal finish. Each panel of mesh or grille should be recessed relative to the surrounding building façade plane, in order to create shadow lines and dimensionality.
- To soften the ground-level facades where multi-family garage levels are exposed, raised planter beds are encouraged along the building base. Planter beds also soften the height difference between grade and the first level of residences. Raised planters should have a planting area at least three (3) feet deep (i.e., measured horizontally outwards from the façade) and one (1) to two (2) feet high (i.e., above grade). The outer edge of the planter bed should incorporate a wide, flat top that can serve as a seating wall.
- Openings for garage levels shall not face single family residences to the south of Lots 16, 17, 25 and 26.

V.F.5 Massing and Articulation

For Single-Family Detached Dwellings

For single-family detached dwellings, facades shall be articulated so as to create a series of smaller, human-scale, traditional forms.

For Multi-Family Buildings

For multi-family buildings, building mass should be broken down by means of vertical bays and horizontal differentiation, as follows.

All building facades should be vertically divided into bays, as follows:

- Facades should be divided into a series of major bays at all levels. Each bay should not exceed 60 feet in width, and variation in the width of bays along a facade is encouraged. Such division should

be provided by a recess, projection, vertical transition (such as bay windows, vertical line of balconies, scuppers and downspouts), changes in materials, change in vertical plane or variation in architectural style.

- Within each of the major bays, the building should be further divided into a series of minor bays. Each minor bay should be distinguished from the adjacent bays by different materials or textures, variation in fenestration area or pattern, use of varied parapets or roofline accents, and/or other means.

All buildings should be visually divided along horizontal lines into a base, middle, and top.

- The base should be distinguished by such means as: contrasting materials and textures; different bay massing; taller floor height; a larger degree of fenestration at entry lobbies, common rooms, and other more-public areas; flat canopies over doorways; and signage and lighting.
- The middle of the building should be delineated by elements such as belt cornices or trim lines, variation in materials, bay massing, recessions or projections, and different fenestration patterns and proportions.
- A portion of the top of the building should be highlighted by such means as a larger proportion of glazing, visually lighter materials and colors, prominent parapets, deep cornices, and projecting overhangs such as sunshades. Varied, stepped rooflines are encouraged. On pitched roofs, parapets, cornices, dormer windows, cross-gables, and mansard roofs are encouraged where appropriate to the overall architectural style.

V.F.6 Building Materials

Building materials shall be varied to help reinforce the rhythm of vertical bays, break down the perceived mass of the building, and to visually reinforce the ground floor and roofline. Recommended primary materials for facade cladding are cementitious siding, masonry, stucco, wood, metal panels, and glass.

The level of materials, detailing, and articulation should be consistent around all facades, not just street-facing facades. Materials should be extended around corners and extensions to a logical break in plane to avoid a “pasted on” appearance.

V.F.7 Service Areas, Trash and Recycling

Areas for trash and recycling materials shall be located inside buildings where possible. Where provided outdoors, the area shall be surrounded with a minimum 6-foot-tall solid enclosure utilizing materials consistent with the architecture of the building. The enclosure shall be setback a minimum of 20 feet from public rights-of-way and 20 feet from adjoining residential parcels that are outside the Plan Area.

V.F.8 Green Building Design

To further aid Princeton in achieving its Climate Action Plan, the following green building design and sustainability features should be incorporated into the redevelopment project:

- Use of regionally sourced materials for construction, where possible
- Provision of Energy Star appliances in all units
- Use of low VOC paints and adhesives
- Implementation of a construction waste management plan focused on recycling to minimize construction waste
- Use of LED light fixtures and smart lighting control systems, including motion activation
- Use of low-flow plumbing fixtures
- Use of high-efficiency mechanical and HVAC systems with programmable thermostats
- Use of drip irrigation
- Use of New Jersey native and drought tolerant plants
- Non-smoking buildings
- Provision of bike storage areas
- Provision of electric vehicle charging
- Use of electric heating, if feasible
- Use of architectural features to shade buildings against solar gain, such as sunshades and deep overhangs
- Solar panels
- Use of green roofs, if possible, to absorb rainwater and provide thermal insulation
- Use of high albedo white roofs and light color materials to reduce heat island effects

V.G Open Space and Landscaping

V.G.1 Private Open Space

Patios at-Grade

Individual ground-floor entries and adjoining patios or gardens are permitted for ground-level units to increase pedestrian activity and foster a relationship with surrounding areas. Patios should include planters, hedges, low fencing, railings or other means to provide separation and privacy from the surroundings.

Balconies on Upper Floors

Balconies are permitted for upper-level residential units, but not where the balcony would directly face an existing single-family home that directly abuts the Redevelopment Plan Area. Fully or partially recessed balconies that are logically located within an architectural bay are preferred over fully projected balconies. Balconies may encroach into the required setback by a maximum of 6 feet.

Terraces at Stepback Areas

Where a horizontal building stepback is provided, it may be enhanced as a private or shared-use terrace. Terraces should include high-quality, attractive surfacing, landscape planters, seating, and attractive

railings or fencing. Adjacent residential units should have large areas of glazed doors and windows overlooking terraces for a portion of the stepback.

V.G.2 Viewshed Open Space Areas

Section V.E.4, Setbacks, above, describes the two required open spaces at Hibben Road and Stockton Street. These open spaces shall provide large areas of lawn, interspersed with attractively appointed plaza areas composed of a variety of decorative elements including, but not limited to pavers, seating walls, planters, artwork, fountains, hedges and planting areas. Accent plantings providing year-round visual interest and areas with fixed or moveable seating are encouraged. Shade trees and street trees are permitted, provided they do not interfere with the gateway/viewshed along eastbound Stockton Street. Open spaces shall be accessible to the public.

V.G.3 Other Open Spaces

In addition to the viewshed open space areas described above, open space shall be provided along the east side of Hibben Road and be framed by proposed buildings to form a central green. Such open space should have at least 140 feet of frontage along Hibben Road and a depth of at least 90 feet. This required open space area shall include pedestrian pathways connecting to the sidewalk along Hibben Road and must be attractively landscaped and include seating areas. Subsurface stormwater management facilities may be constructed in this required open space area.

Areas around buildings shall be attractively landscaped with lawn areas, shade trees, accent plantings, and walking paths. Larger open space areas should be enhanced with features such as decorative paving, gazebos or other shade structures and fixed and/or moveable seating to serve as passive open space sitting areas. Spaces farther from Stockton Street may be designed more for building residents but should not be gated off from the surroundings; spaces closer to Stockton Street should have a more inviting design.

To accommodate any sloping terrain, use of stepped, terraced areas of plantings and/or lawns is encouraged, with transitions in grade defined by low retaining walls that serve as seating walls.

V.G.4 Tree Preservation and New Trees

Existing trees along public rights-of-way, in required setback areas adjoining public rights-of- way, and along adjacent properties should be protected during construction and preserved. Additional trees should be planted to fill gaps in the existing street tree spacing along Stockton Street, Hibben Road and Edgehill Street, either within the public rights-of-way or within setback areas.

Street trees should also be planted along the center circulation drive on Lot 17, with a regular spacing not to exceed 50 feet on center for large trees, 40 feet on center for medium trees and 30 feet on center for smaller trees. Spacing shall be approved by the Planning Board at the time of site plan approval

depending on the types of trees proposed.

Where possible, existing trees within the site should be retained as part of open space areas around buildings. Where existing trees must be removed, new trees should be planted as needed to create visual buffering and areas of shade. The redeveloper shall submit an inventory of trees within the redevelopment plan area, identifying the species, caliper and condition.

V.G.5 Buffer Plantings

Along internal lot lines with adjacent parcels outside the Plan Area except as otherwise established herein, a planted buffer of a minimum depth of 10 feet shall be provided. The buffer should include a mix of deciduous and evergreen plantings of varying heights, including trees, shrubs, and low plantings.

V.G.6 Parking Lot Landscaping

Surface parking lots should include trees for shade and visual screening.

V.G.7 Green Landscape Design

Open spaces should use a variety of native and drought-tolerant plants, both deciduous and evergreen. Use of porous paving in hardscape areas is encouraged to help infiltrate stormwater.

V.G.8 Fences and Walls

Fences, if used, shall be constructed of metal PVC, or wood. Chain link fences are prohibited. Walls, if used, shall be constructed of stone, brick, or similar high-quality masonry material that complements the architectural style of the buildings.

Fences and walls, if used, shall be limited to six (6) feet along side and rear lot lines and four (4) feet along street-facing lot lines. Solid fencing shall not be constructed within required front yard setback areas. Fencing shall not obstruct sight lines at the street intersections and driveway accesses.

V.H Signage

V.H.1 Monument Signs

Two monument identification signs are permitted. The area of any such sign shall not exceed 30 square feet and the height shall not exceed 6 feet. Signs shall be set back a minimum of 5 feet from the property line. Monument signs shall be externally illuminated. Monument signs may be incorporated into low level decorative walls that are set back less than 5 feet from the street line. Monument signs shall not obstruct sight lines at street intersections and driveway accesses.

V.H.2 Façade Signs

One façade sign is permitted per building. The area of any such sign shall not exceed 50 square feet and the lighting shall be either halo or external-type illumination. Letters or numbers mounted to the façade of a building for emergency service identification purposes shall not be considered façade signs.

V.H.3 Directional Signs

Directional signage is permitted subject to the requirements of the Princeton Signage Ordinance.

VI REDEVELOPMENT ACTIONS

VII.A Non-Condemnation Plan / No Properties to be Acquired

In keeping with its designation as a Non-Condemnation Area in Need of Redevelopment, no properties shall be acquired through condemnation or eminent domain as part of this Redevelopment Plan.

VII.B Relocation

No temporary or permanent relocation of residents or businesses is required as a result of the implementation of this Redevelopment Plan.

VI.A Redevelopment Agreement

Any redeveloper of the Plan Area shall be required to enter into a Redevelopment Agreement with the Mayor and Council acting as the Redevelopment Entity pursuant to the LRHL for purposes of implementing this Redevelopment Plan and further setting forth such details as the municipality and redeveloper may agree regarding the redevelopment of the Redevelopment Plan Area. No application for development of property subject to this Redevelopment Plan may be filed with the Planning Board until the applicant has been designated by the municipality as the redeveloper and the applicant has entered into a Redevelopment Agreement with the municipality. Further, any application filed with the Planning Board regarding development of property subject to this Redevelopment Plan shall be subject to the condition that the applicant be so designated and enter into such Redevelopment Agreement.

VII GENERAL PROVISIONS

VII.C Site Plan and Subdivision Review

Any site plan for the construction of improvements within the Redevelopment Plan Area shall be submitted to the Planning Board in accordance with Land Use Ordinance of the Municipality of Princeton. As part of the site plan application, the redeveloper shall be permitted to divide the redevelopment project into discrete phases. Should the proposed redevelopment project include phases, the site plan application shall graphically delineate each discrete phase and detail all improvements proposed within each phase, including both public and private improvements. Each phase proposed must include all improvements required for the phase to function independently of future phases, although as part of phased development there can be common improvements provided that all improvements required for the combined phases can function independently of any future phase(s).

Any subdivision or re-subdivision of land within the Redevelopment Plan Area and any new construction shall require the prior approval of the Municipality of Princeton Planning Board and shall be in accordance with the requirements of this Redevelopment Plan and the requirements set forth in the Land Use Ordnance. Where a provision of the Redevelopment Plan conflicts with a provision of the Land Use Ordinance, the Redevelopment Plan shall control. Additionally, the Redevelopment Plan Area may be subdivided into two or more component parts and there shall be no minimum lot area, depth, width or yard requirements other than as contained in the Redevelopment Plan herein.

VII.D Adverse Influences

No use within the Redevelopment Plan Area shall be permitted which when conducted under proper and adequate conditions and safeguards will produce corrosive, toxic or noxious fumes, glare, electromagnetic disturbance, radiation, smoke, cinders, odors, dust or waste, undue noise or vibration, or other objectionable features so as to be detrimental to the public health, safety or general welfare.

VII.E Non-Discrimination Provisions

No covenant, lease, conveyance or other instrument shall be affected or executed by the Mayor and Council of the Municipality of Princeton or by a developer or any of his successors or assignees, whereby land within the Redevelopment Plan Area is restricted by the Mayor and Council, or the developer, upon the basis of race, creed, color, or national origin in the sale, lease, use or occupancy thereof. Appropriate covenants, running with the land forever, will prohibit such restrictions and shall be included in the disposition instruments. There shall be no restrictions of occupancy or use of any part of the redevelopment area on the basis of race, creed, color or national origin.

VII.F Duration of the Redevelopment Plan

The provisions of this Redevelopment Plan shall be in effect for a period of thirty
(30) years from the date of approval of this Plan by the Mayor and Council of the Municipality of Princeton,

except that the use, bulk and design criteria set forth in Section V, Land Use and Development Plan**,** of this Plan shall continue to control development or redevelopment within the Redevelopment Plan Area until such time as amended or repealed by the Mayor and Council.

VII.G Deviations from Plan Requirements

The Planning Board shall be allowed to grant deviations from the requirements of this Redevelopment Plan in accordance with N.J.S.A. 40:55D-70c. No deviations shall be granted that would permit any of the following: a use or principal structure that is not otherwise permitted by this Redevelopment Plan; an increase in density above the maximum allowed under this Redevelopment Plan; or an increase in the maximum permitted height of a principal structure by more than 10 feet or 10 percent, whichever is less. No site plan application pursuant to this Redevelopment Plan shall be under the jurisdiction of the Princeton Zoning Board of Adjustment. An application requesting a deviation from the requirements of this Redevelopment Plan shall provide public notice of such application in accordance with N.J.S.A. 40:55D-12(a) and (b).

VII.H Severability

Should any section, paragraph, division, subdivision, clause or provision of this Redevelopment Plan be adjudged by the Courts to be invalid, such adjudication shall only apply to the section, paragraph, division, subdivision, clause or provision so judged, and the remainder of this Redevelopment Plan shall be deemed valid and effective.

VIII OTHER PROVISIONS

In accordance with N.J.S.A. 40A:12A-1 et seq., known as The Local Redevelopment and Housing Law, the following statements are made:

- The Redevelopment Plan herein has delineated a definite relationship to local objectives as to appropriate land uses, density of population, and improved traffic and public transportation, public utilities, recreation and community facilities and other public improvements. The Plan has laid out various programs and strategies needed to be implemented in order to carry out the objectives of this Plan.
- The Redevelopment Plan lays out the proposed land uses and building requirements for the Redevelopment Plan Area.
- No displacement and/or relocation of businesses in the Redevelopment Plan Area is anticipated on the part of the Municipality of Princeton.
- No acquisition of privately owned lots is anticipated on the part of the Municipality of Princeton. Specifically, no condemnation or use of eminent domain shall occur within the Redevelopment Plan Area.
- This Redevelopment Plan is consistent with the Master Plan for the Municipality of Princeton. The Plan also complies with the goals and objectives of the New Jersey State Development and Redevelopment Plan.
- This Redevelopment Plan shall supersede all provisions of the Land Use Ordinance of the Municipality of Princeton regulating development in the area addressed by this Redevelopment Plan. In all situations where zoning issues are not specifically addressed herein, the Princeton Land Use Ordinance shall, however, remain in effect. No variance from the requirements herein shall be cognizable by the Zoning Board of Adjustment. The Planning Board alone shall have the authority to grant deviations from the requirements of this Plan, as provided herein. Final adoption of this Plan by the Mayor and Council of the Municipality of Princeton shall be considered an amendment of the Municipality of Princeton Zoning Map.
- If any section, paragraph, division, subdivision, clause or provision of this Redevelopment Plan shall be adjudged by the courts to be invalid, such adjudication shall only apply to the section, paragraph, division, subdivision, clause or provision so judged, and the remainder of this Redevelopment Plan shall be deemed valid and effective.

IX PROCEDURE FOR AMENDING THE REDEVELOPMENT PLAN

This Redevelopment Plan may be amended from time to time as provided by the Local Redevelopment and Housing Law (N.J.S.A. 40A-12A et seq.). Any party requesting a future amendment shall submit such request to the Mayor and Council and, unless the request is issued by an agency of the municipality, shall pay a fee of $5,000. The Mayor and Council and/or Planning Board may require that the party requesting the amendment prepare a study of the impact of such amendments, which study shall be prepared by a professional planner licensed in the State of New Jersey, together with such other professionals licensed in the State of New Jersey (e.g., traffic engineer) as may be appropriate. In addition, the Mayor and Council in its sole discretion may require that the party requesting the amendment establish an escrow account adequate to allow the municipality and/or Planning Board to use the services of a professional planner and other necessary professionals licensed in the State of New Jersey to identify, review and/or prepare proposed further amendments that might be needed, together with any and all necessary documentation related thereto.

X APPENDIX: EXAMPLES OF PREFERRED ARCHITECTURAL STYLES

Example 1

Example 2

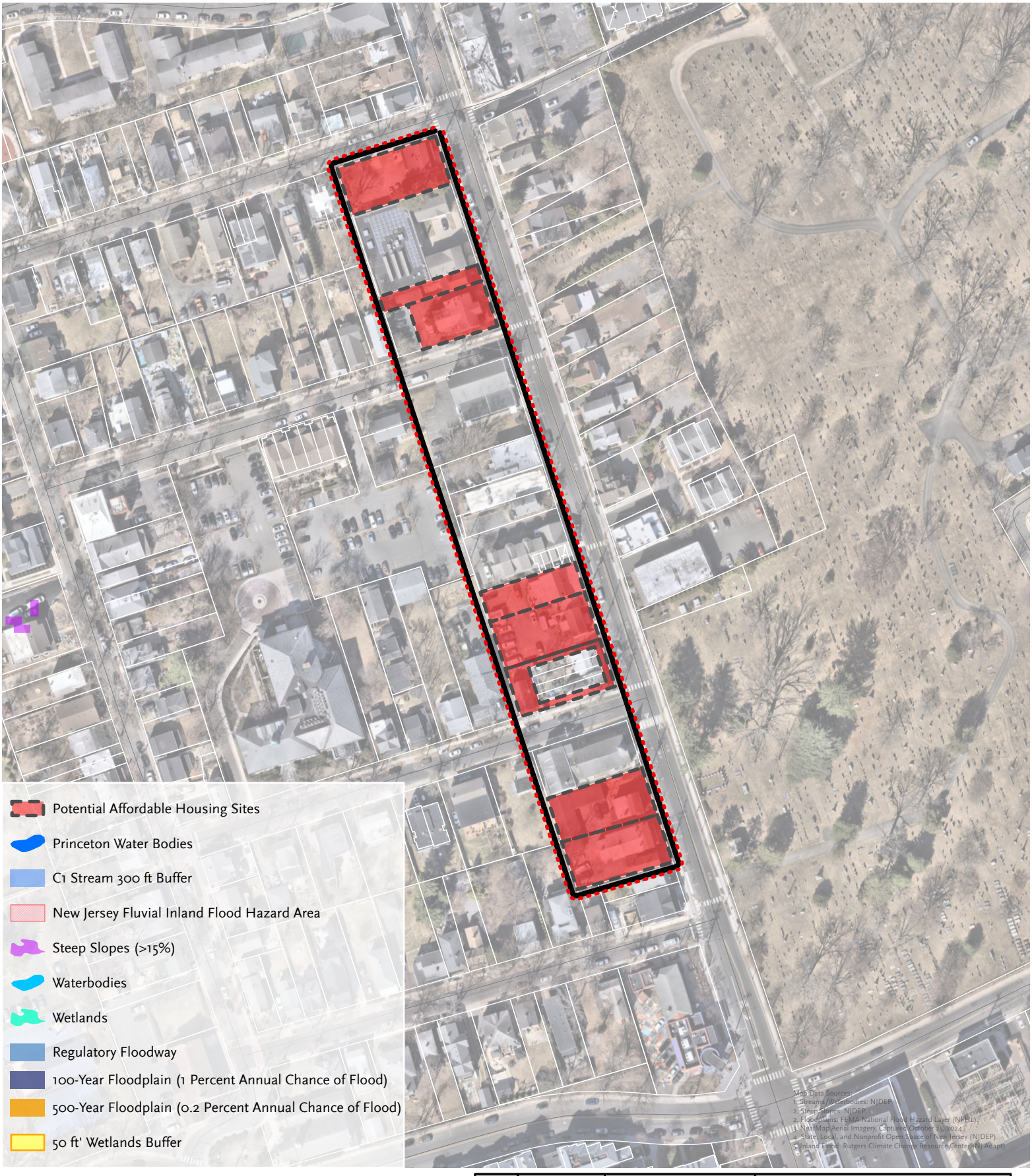
Example 3

Example 4

Example 5

Example 6

Appendix E. Hillier Properties Documentation



SITE #	BLOCK	LOT	SITE ADDRESS
1	15.01 ; 17.02 ; 17.03	24, 27, 28 ; 53, 54 ; 85.01, 86, 87.01	WITHERSPOON ST (114-120; 136-150; 184-188; and 204-206)

0 25 50 100 150
Feet

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

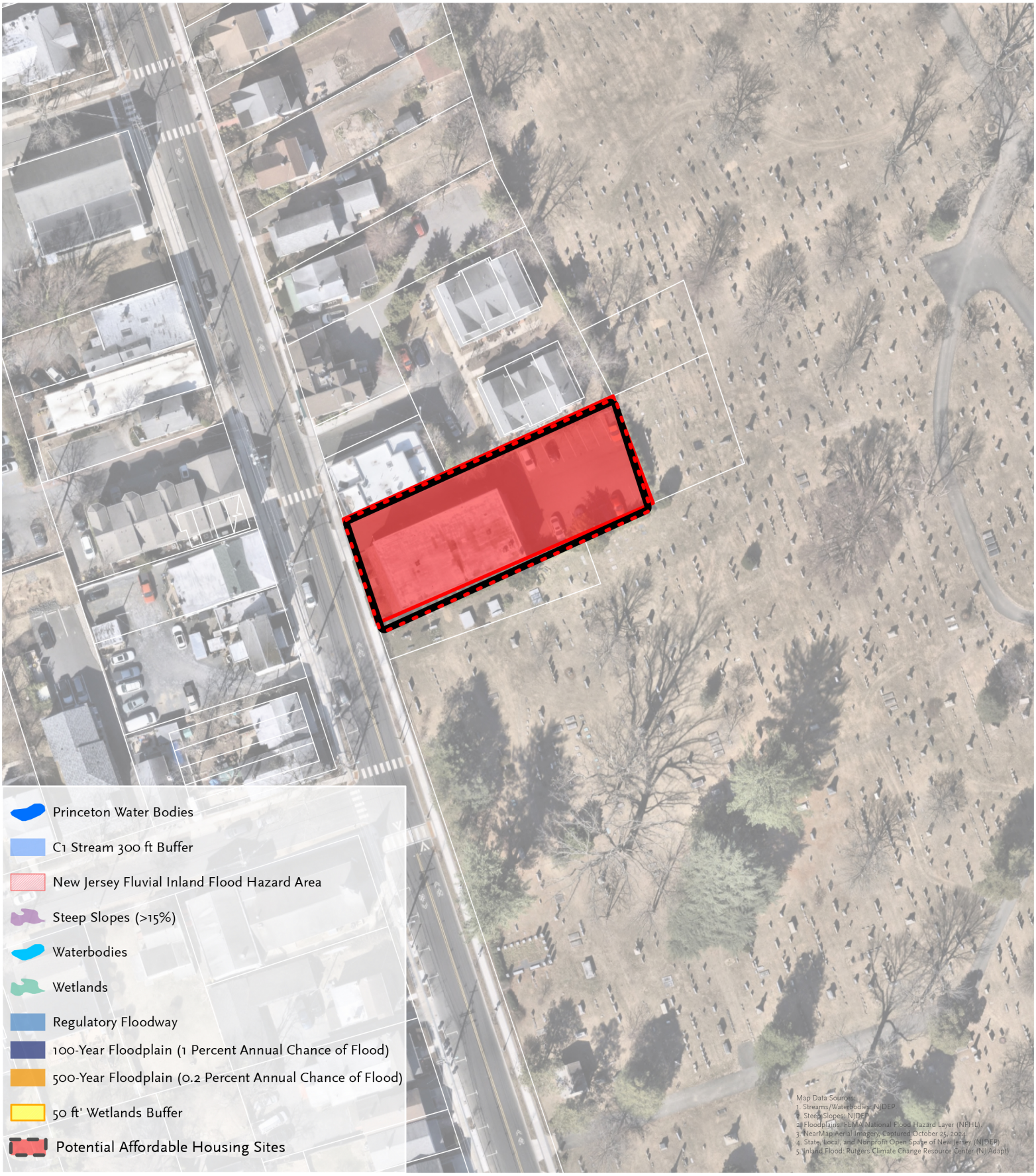
Potential Sites for Affordable Housing Development

Site 1: Hillier Witherspoon Street

LOCATION:
Princeton, Mercer County, NJ

DATE:
June 2025

Appendix F. 145 Witherspoon Street Documentation



0 25 50 100 Feet

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

Potential Sites for Affordable Housing Development

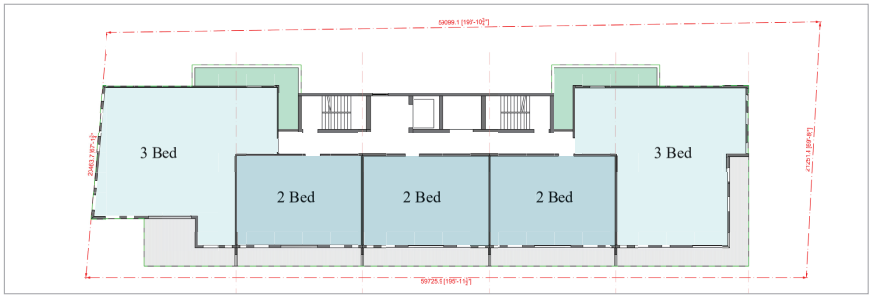
Site 13: 145 Witherspoon

LOCATION:
Princeton, Mercer County, NJ

DATE:
June 2025

145 WITHERSPOON ST
UNIT MIX (06.06.25)

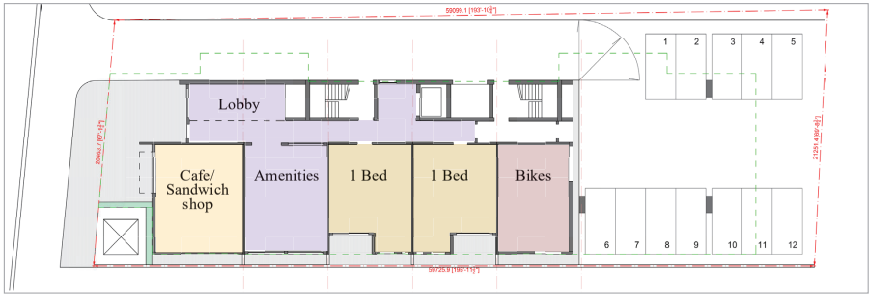
4th Floor

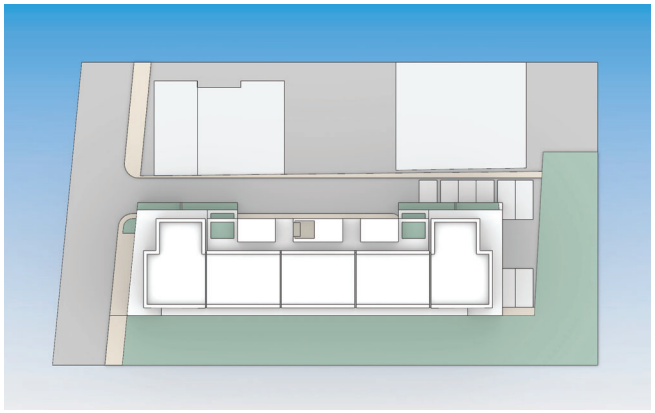


3rd Floor

2nd Floor

1st Floor

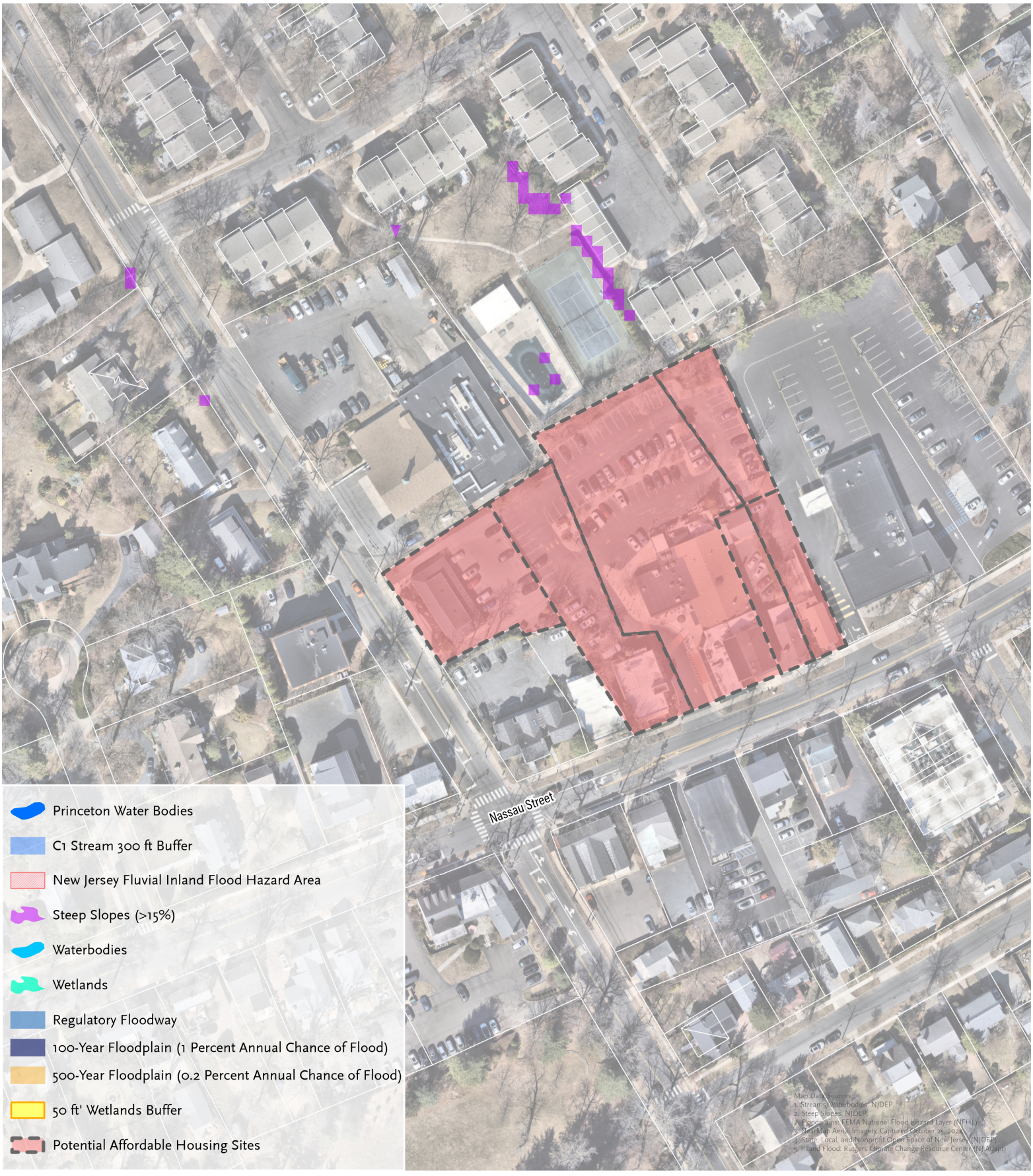




TOTAL No OF UNITS : 25	
Affordable Units:	5
Market Units :	20

	1 Bed (small)
	1 Bed
	2 Bed
	3 Bed
	Lobby
	Amenities
	Bike Storage
	Cafe / Sandwich Shop

Appendix G. Whole Earth Center Documentation



Site #	Block	Lot	Site Address
11	32.01	1, 173, 213, 221 - 223	86-88, 92-94-96 Spruce Street

0 25 50 100
Feet

Potential Sites for Affordable Housing Development

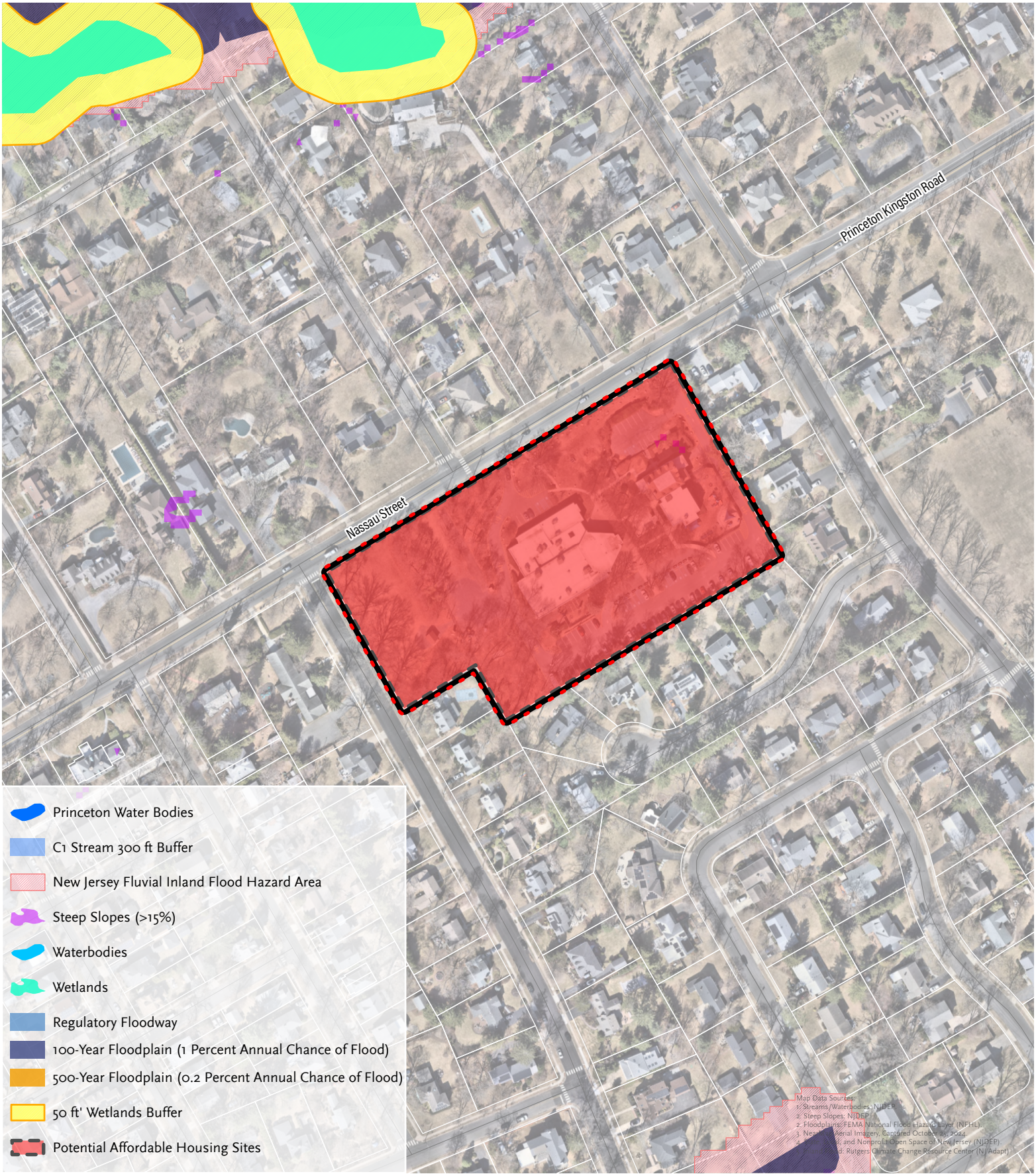
Site 11: Whole Earth Center and Princeton Foot & Ankle

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

LOCATION:
Princeton, Mercer County, NJ

DATE:
May 2025

Appendix H. The Jewish Center Documentation



SITE #	BLOCK	LOT	SITE ADDRESS
10	56.03	170	457 NASSAU STREET

0 25 50 100 150 200
Feet

Potential Sites for Affordable Housing Development

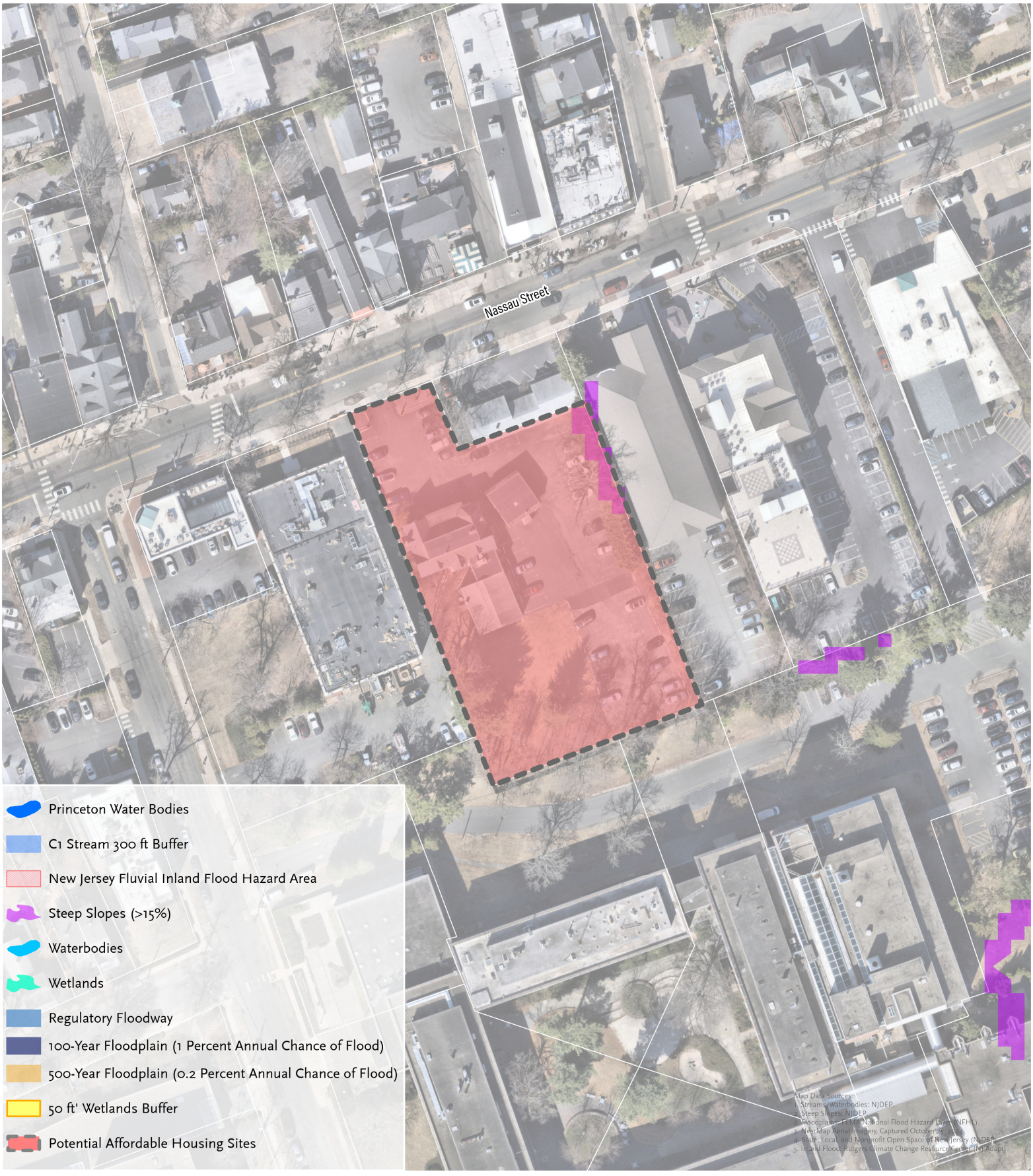
Site 10: Jewish Center of Princeton

LOCATION:
Princeton, Mercer County, NJ

DATE:
May 2025

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

Appendix I. 245 Nassau Street Documentation



SITE #	BLOCK	LOT	SITE ADDRESS
8	48.01	5	245-247 NASSAU STREET

0 25 50 100
Feet

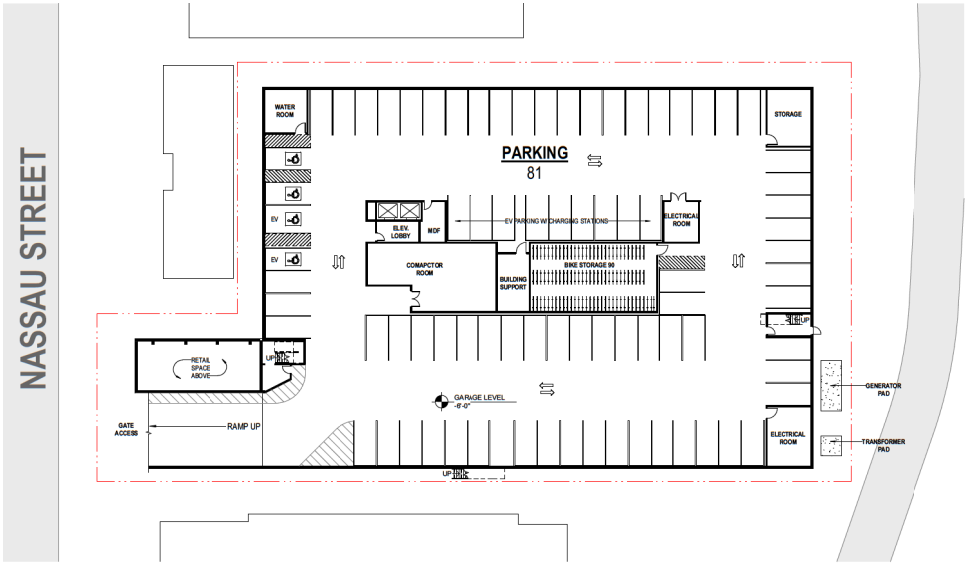
Potential Sites for Affordable Housing Development

Site 8: 245 Nassau Street

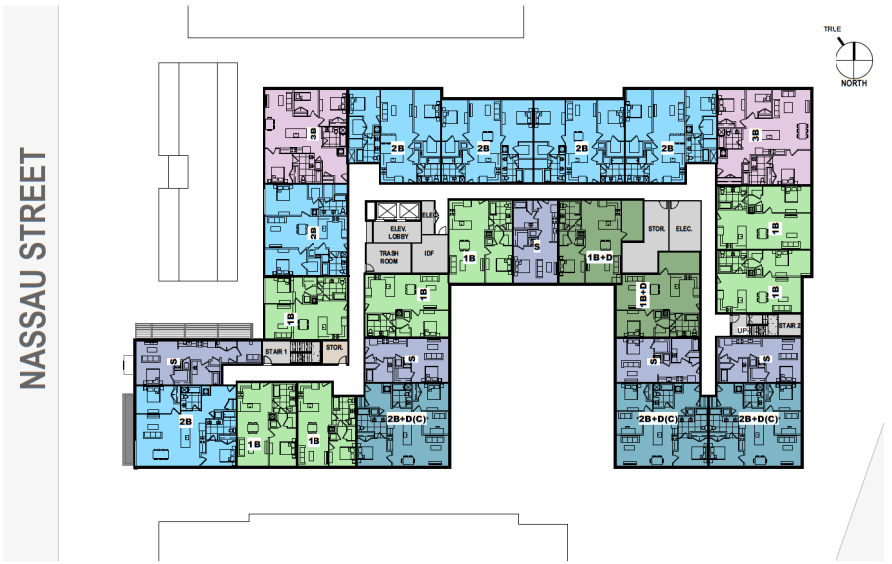
Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

LOCATION:
Princeton, Mercer County, NJ

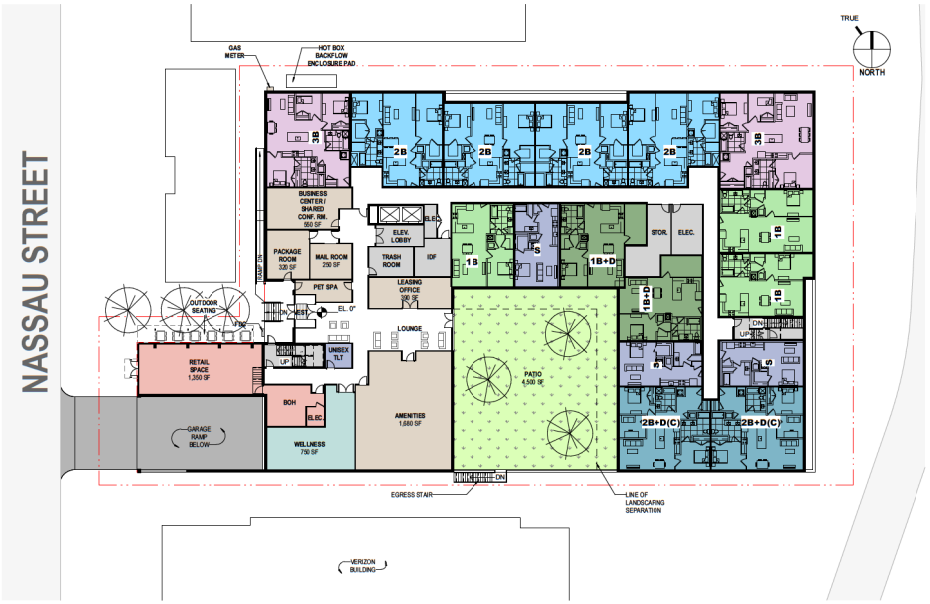
DATE:
June 2025



1 GARAGE LEVEL PLAN
1" = 20'-0"



3 TYPICAL RESIDENTIAL FLOOR PLAN - 2ND-4TH FLOORS
1" = 20'-0"



2 FLOOR PLAN -1ST FLOOR
1" = 20'-0"

4 PARTIAL 4TH FLOOR PLAN - END UNIT
1" = 20'-0"

COLOR LEGEND:

- STUDIO [TOTAL 17] 20%
- 1-BEDROOM UNIT [TOTAL 24] 25%
- 1-BEDROOM + DEN UNIT [TOTAL 8] 10%
- 2-BEDROOM UNIT [TOTAL 21] 25%
- 2-BEDROOM + DEN UNIT [TOTAL 11] 10%
- 3-BEDROOM UNIT [TOTAL 9] 10%
- AMENITIES
- PATIO
- RETAIL SPACE
- LEASING OFFICE

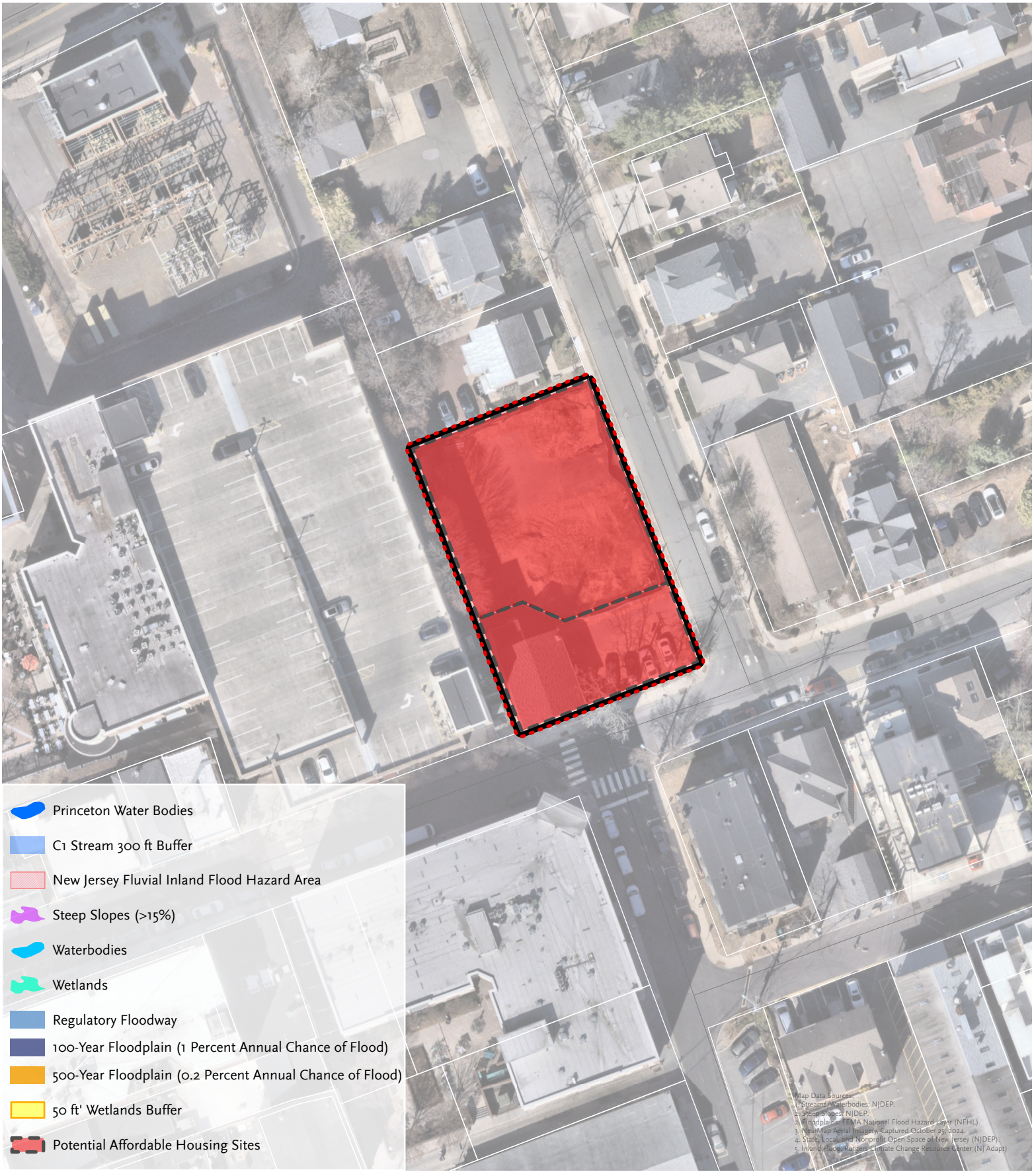
BUILDING DATA:

TOTAL UNITS: 90
TOTAL PARKING:81
AFFORDABLE UNIT COUNT: 18 [20% MIN. OF TOTAL UNITS]

AFFORDABLE UNIT TYPE BREAKDOWN:
REQ'D 20% MAX. - PROVIDED (3) 1-BED [13%]
REQ'D 30% MIN. - PROVIDED (11) 2-BED [52%]
REQ'D 20% MIN. - PROVIDED (4) 3-BED [44%]

C:\Revit Local Files\10688.0001A_245_Nassau_r25_smrcts.rvt
5/20/2025 4:17:03 PM

Appendix J. 40-42 Tulane Street Documentation



SITE #	BLOCK	LOT	SITE ADDRESS
7	27.02	47, 49	32 SPRING ST ; 40-42 NORTH TULANE ST

0 25 50 100
Feet

Potential Sites for Affordable Housing Development

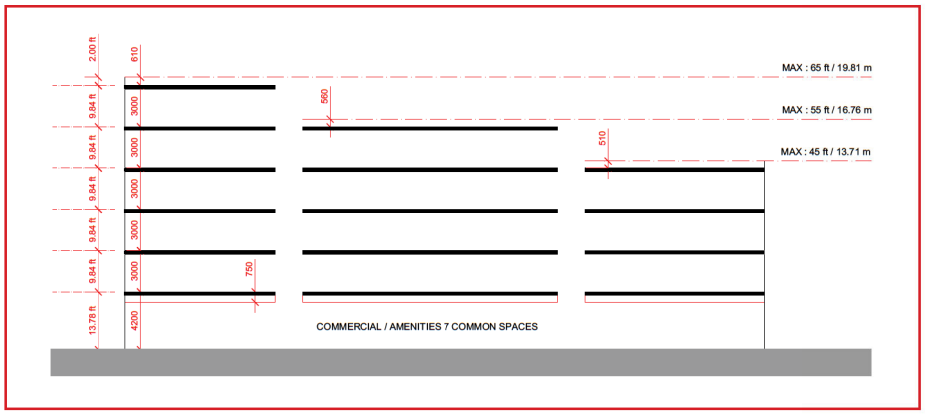
Site 7: 40-42 N. Tulane Street/32 Spring Street

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

LOCATION:
Princeton, Mercer County, NJ

DATE:
May 2025

INITIAL MASSING & UNIT MIX (21.05.25)

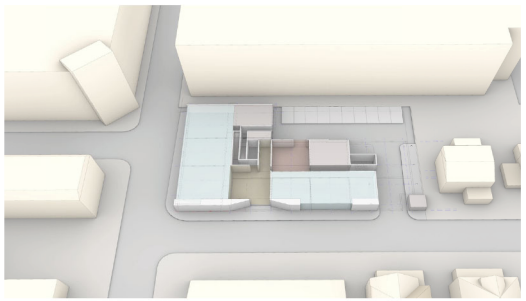


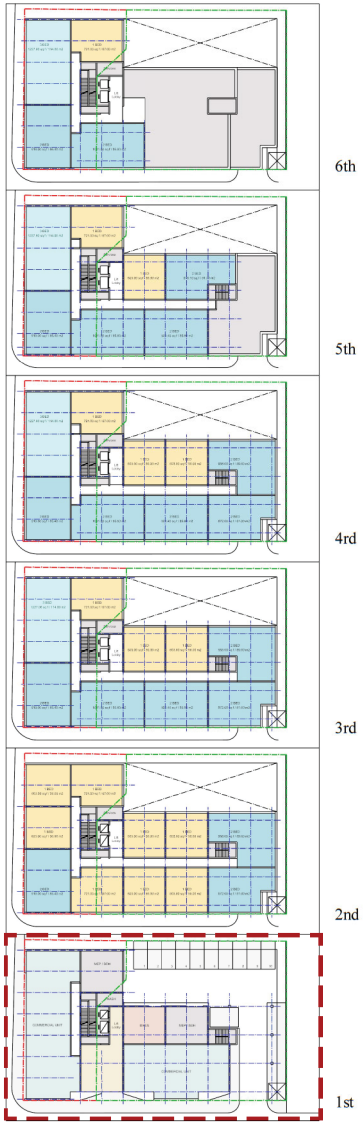
TOTAL No OF UNITS : 40

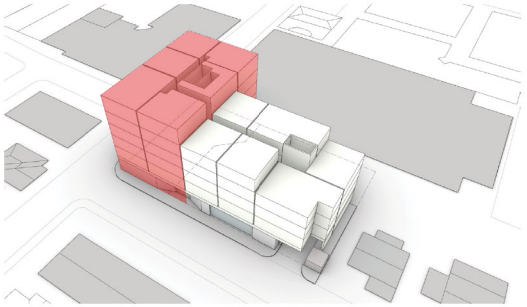
AFFORD. UNITS:	8
MARKET UNITS :	32

1 Bed
2 Bed
3 Bed

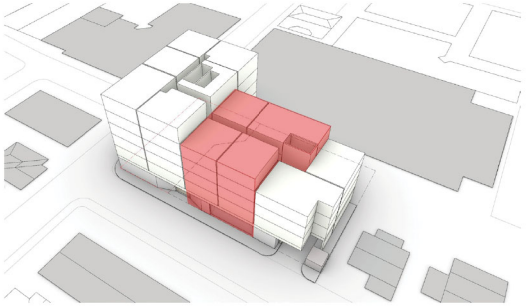
Lobby
Bike Storage
Commercial



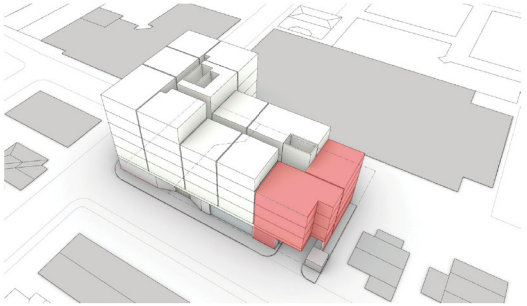




65 Feet Zone

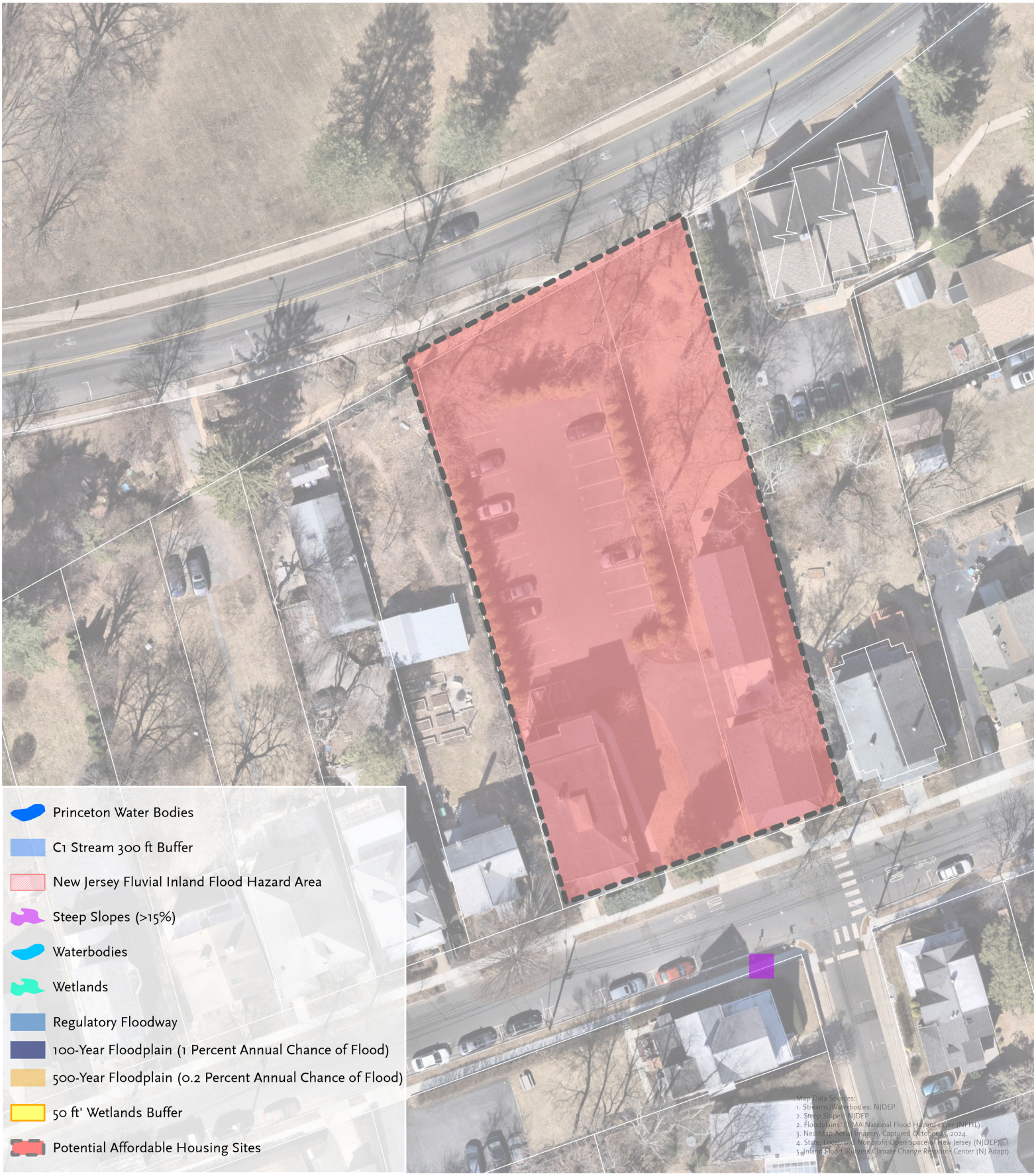


55 Feet Zone



45 Feet Zone

Appendix K. 86-96 Spruce Street Documentation



0 100
Feet

Site #	Block	Lot	Site Address
3	30.03	64, 100	86-88, 92-94-96 Spruce Street

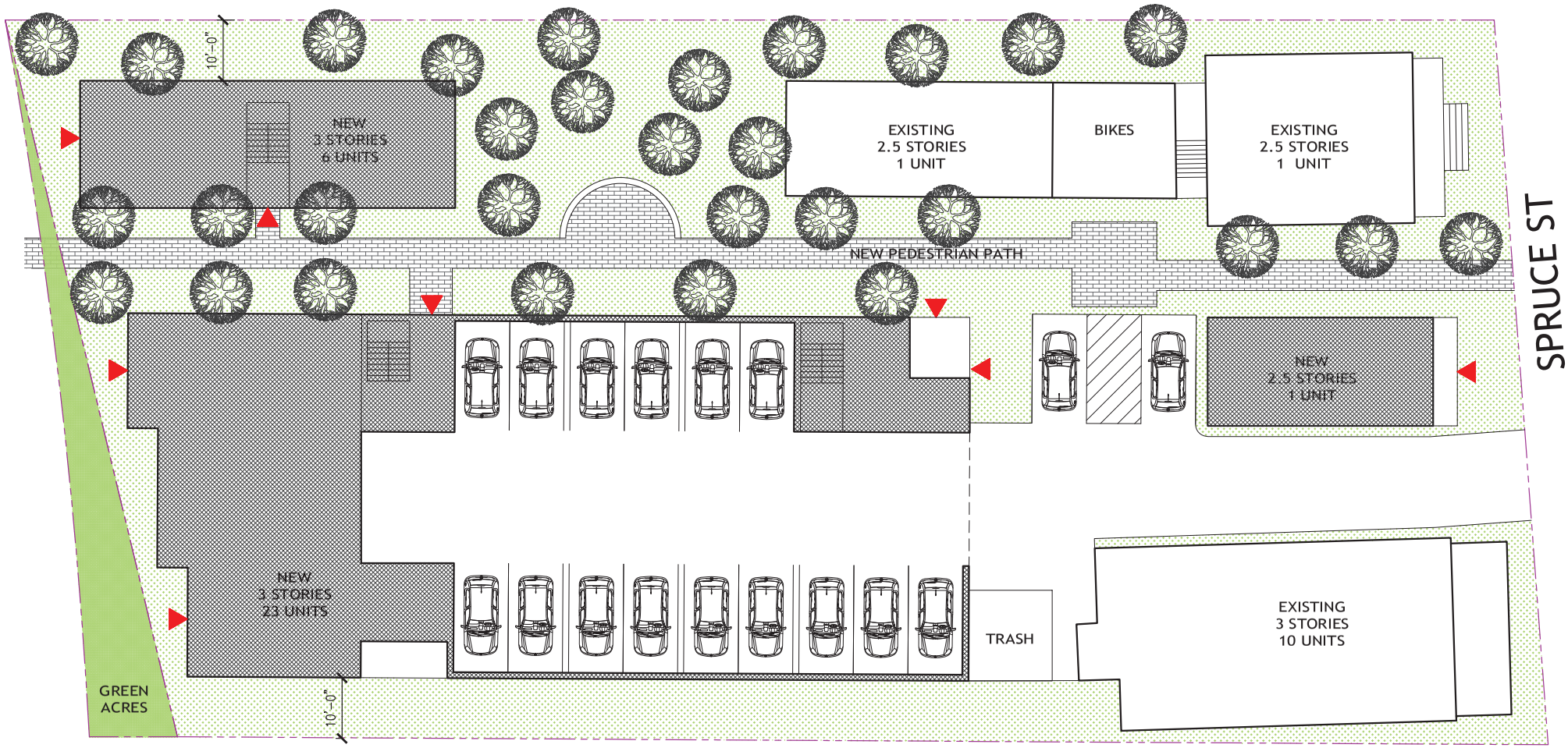
Potential Sites for Affordable Housing Development

Site 3: Spruce Street

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

LOCATION:
Princeton, Mercer County, NJ

DATE:
June 2025



SPRUCE PATH

Ground Floor Plan

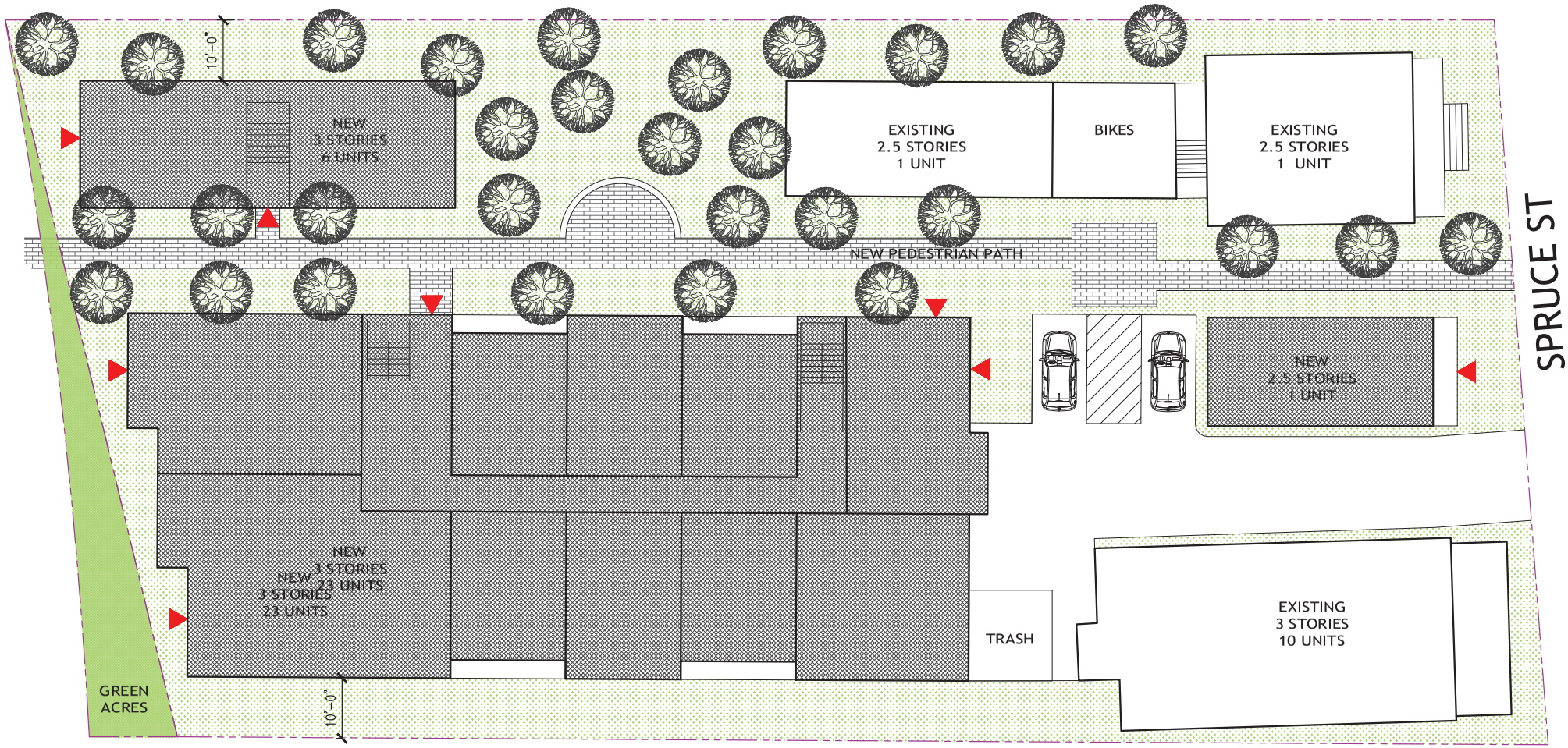
30 RESIDENTIAL UNITS

17 PARKING SPACES

05.30.2025

MARINA RUBINA, ARCHITECT

WWW.MRUBINA.COM



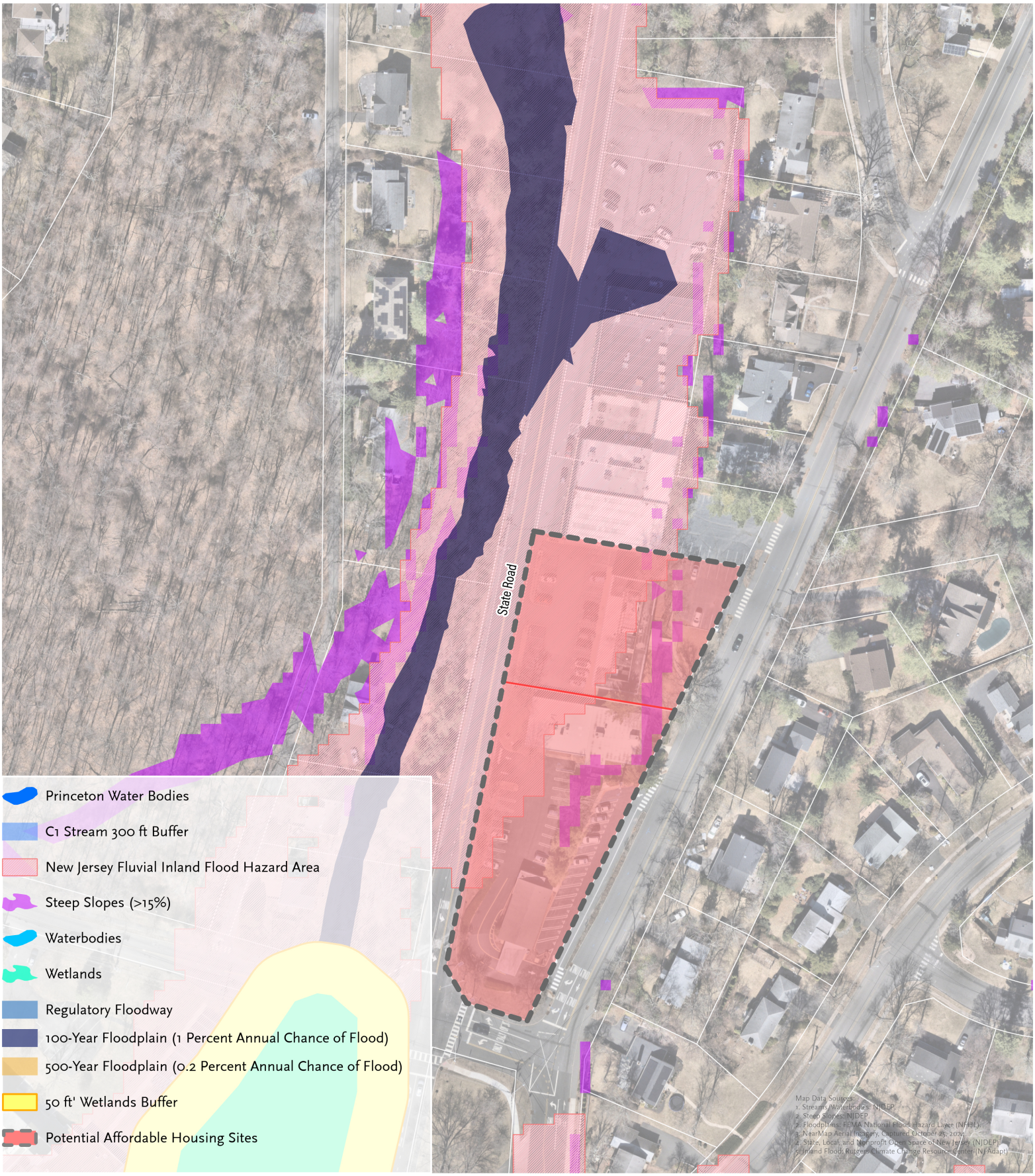
SPRUCE PATH

Upper Residential Floor Plan
30 RESIDENTIAL UNITS
17 PARKING SPACES

05.30.2025

MARINA RUBINA, ARCHITECT
WWW.MRUBINA.COM

Appendix L. 11 State Road Documentation



Site #	Block	Lot	Site Address
6	7004	1, 2	11 State Road/ 33 State Road/ 60 Mt. Lucas Road

0 25 50 100 150
Feet

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

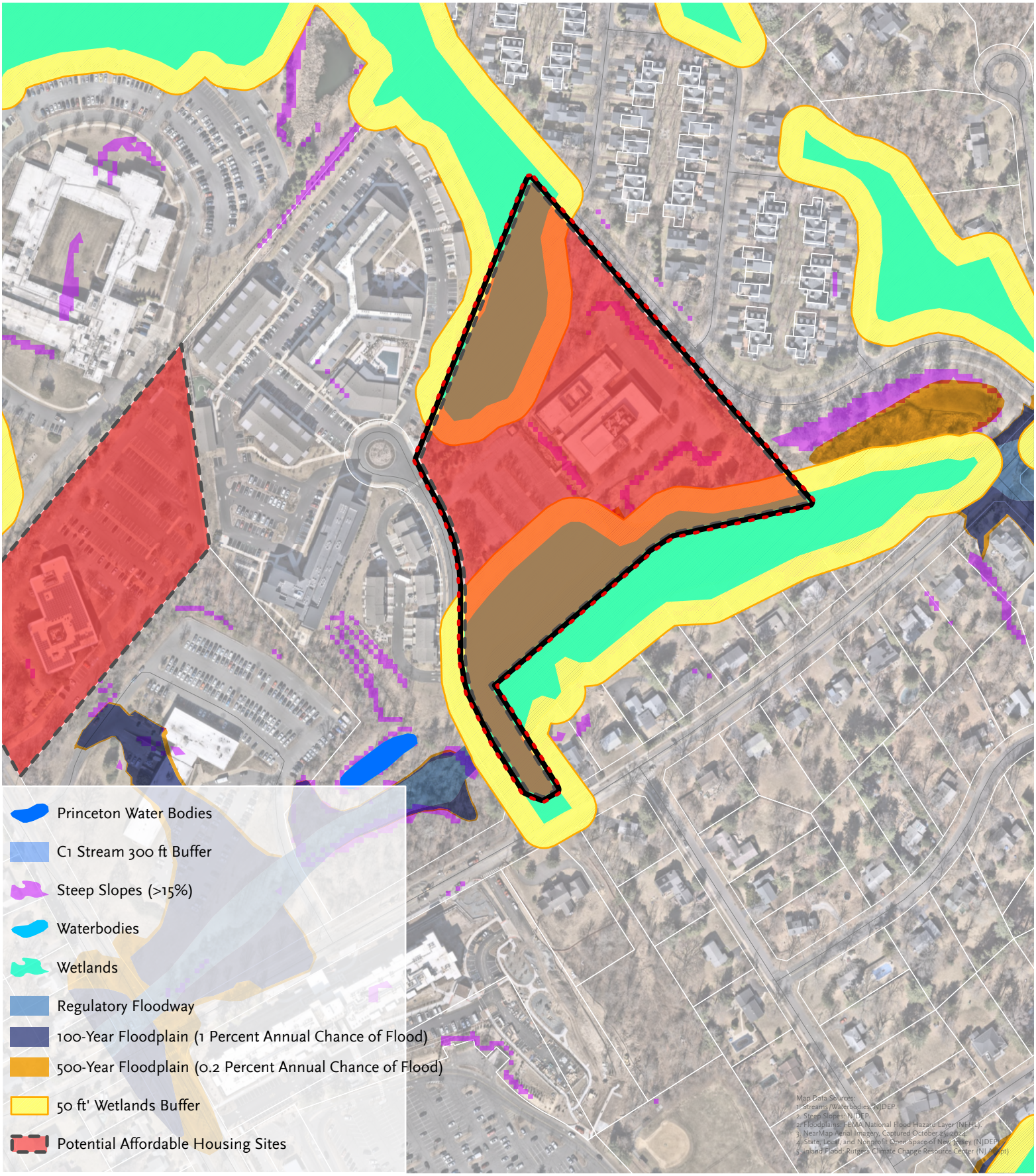
Potential Sites for Affordable Housing Development

Site 6: 11 State Road/33 State Road/60 Mt. Lucas Road

LOCATION:
Princeton, Mercer County, NJ

DATE:
June 2025

Appendix M. 29 Thanet Documentation



0 120 240 480 Feet

SITE #	BLOCK	LOT	SITE ADDRESS
5	5502	5	29 THANET CIRCLE

Potential Sites for Affordable Housing Development

Site 5: 29 Thanet Circle

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

LOCATION:
Princeton, Mercer County, NJ

DATE:
May 2025

ESE PLANNING

29 THANET CIRCLE

PRINCETON BOROUGH, MERCER COUNTY, NEW JERSEY

CONCEPT "I" REV-1 (85 UNITS)

68 MARKET RATE + 17 COAH

GRAPHIC SCALE

1 inch = 60 ft.

NORTH

FEET 0 30 60 120

PLAN SUMMARY:

(17) COAH UNITS
(68) 22' x 50' STACKED UNITS
(85) TOTAL UNITS

* DENOTES DEDICATED SPACE FOR AFFORDABLE UNIT WITHOUT A GARAGE SPACE

SITE DATA:

ADDRESS: 29 THANET CIRCLE
PRINCETON, NJ 08540

PARCEL(S): BLOCK 5502 LOT 5

SITE AREA: ± 9.2 ACRES

CURRENT ZONING: OR-2T (OFFICE RESEARCH RESIDENCE DISTRICT)

PROPOSED ZONING:

OFFICE DATA:

PROJECT NUMBER: 9130
DATE: APRIL 18, 2025
SCALE: 1" = 60'
DRAWN BY: HRM

GOVERNOR'S LANE (PRIVATE WAY)

TERHUNE ROAD

GROVER AVE

THANET CIRCLE

12 MARKET-RATE UNITS

10 COAH UNITS

7 COAH UNITS

10 MARKET-RATE UNITS

6 MARKET-RATE UNITS

6 MARKET-RATE UNITS

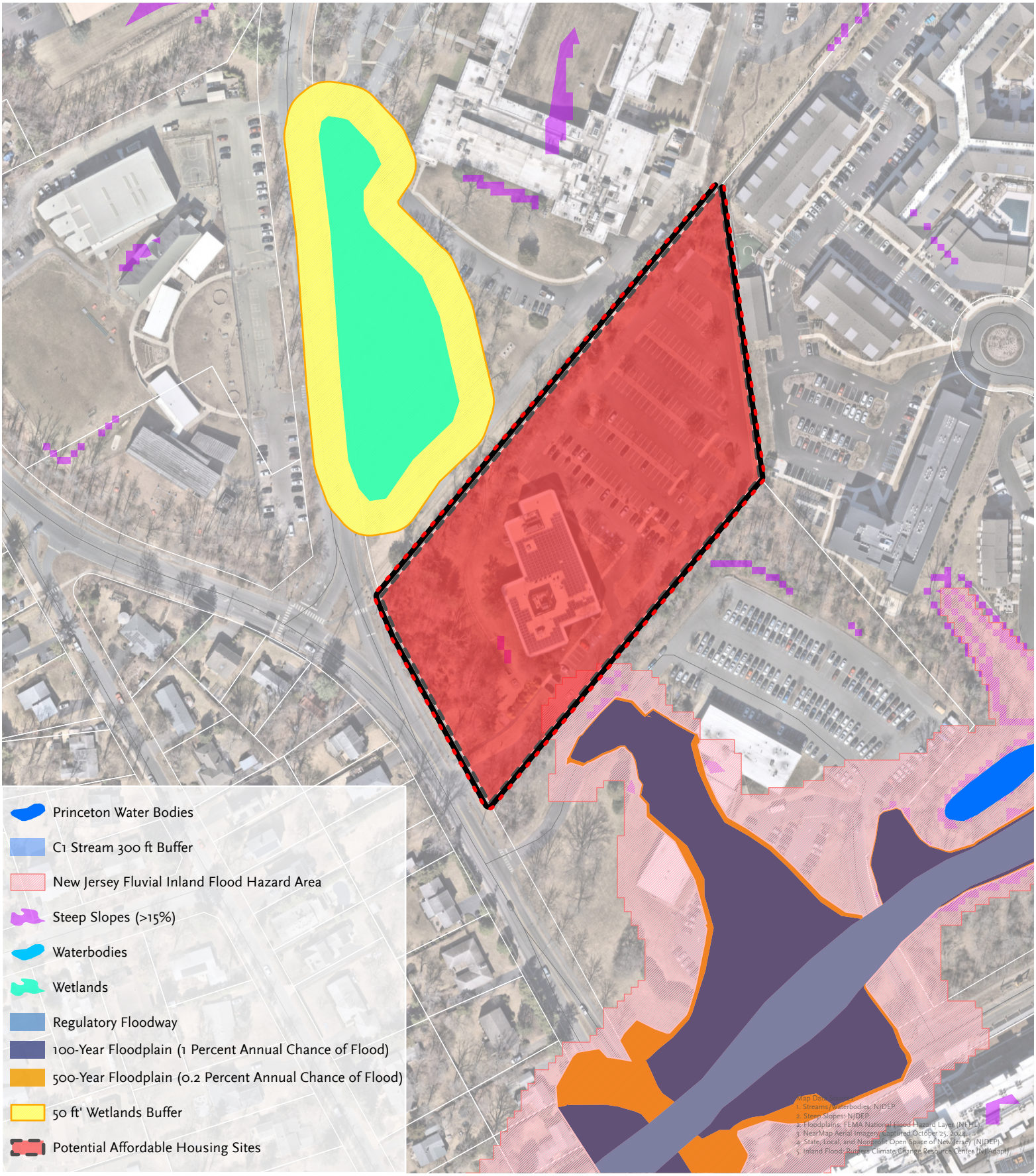
12 MARKET-RATE UNITS

14 MARKET-RATE UNITS

4 MARKET-RATE UNITS

4 MARKET-RATE UNITS

Appendix N. Princeton Executive Center Documentation



SITE #	BLOCK	LOT	SITE ADDRESS
4	5502	2	457 NORTH HARRISON STREET

0 25 50 100 150 200
Feet

Potential Sites for Affordable Housing Development

Site 4: Princeton Executive Center/Niksun Building

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

LOCATION:
Princeton, Mercer County, NJ

DATE:
May 2025

PROGRAM SUMMARY

TOTAL RESIDENTIAL: 191 DU

- AVERAGE UNIT: 1,050 SF

TOTAL AMENITY: 14,180 SF

TOTAL PARKING: 287 SPACES
(1.5 SP/DU)

- GARAGE: 240 SP
- SURFACE: 47 SP

BUILDING HEIGHT: 4 STORIES RESIDENTIAL OVER 1 LEVEL PARKING

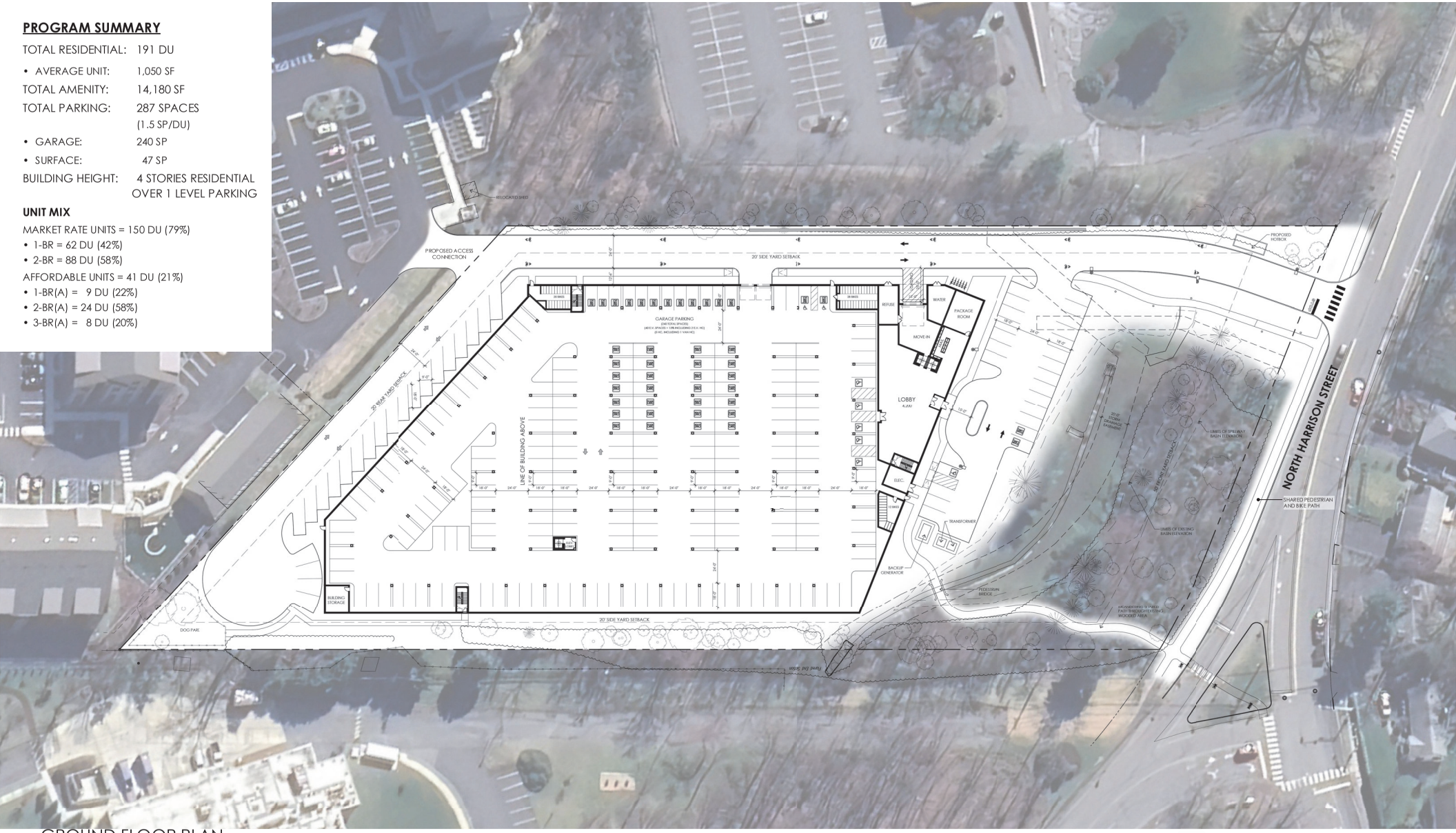
UNIT MIX

MARKET RATE UNITS = 150 DU (79%)

- 1-BR = 62 DU (42%)
- 2-BR = 88 DU (58%)

AFFORDABLE UNITS = 41 DU (21%)

- 1-BR(A) = 9 DU (22%)
- 2-BR(A) = 24 DU (58%)
- 3-BR(A) = 8 DU (20%)



GROUND FLOOR PLAN

SCALE: 1" = 30' - 0"

CONCEPTUAL PLANS

DATE: 04/23/2025

MINNO WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530 MINNOWASKO.COM
TWO GATEWAY CENTER, SUITE 1700, NEWARK, NEW JERSEY 07102

PREPARED FOR:
PRINCETON EXECUTIVE CENTER ASSOCIATES

457 N. HARRISON STREET

PRINCETON,NEW JERSEY

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PROGRAM SUMMARY

TOTAL RESIDENTIAL: 191 DU

- AVERAGE UNIT: 1,050 SF

TOTAL AMENITY: 14,180 SF

TOTAL PARKING: 287 SPACES (1.5 SP/DU)

- GARAGE: 240 SP
- SURFACE: 47 SP

BUILDING HEIGHT: 4 STORIES RESIDENTIAL OVER 1 LEVEL PARKING

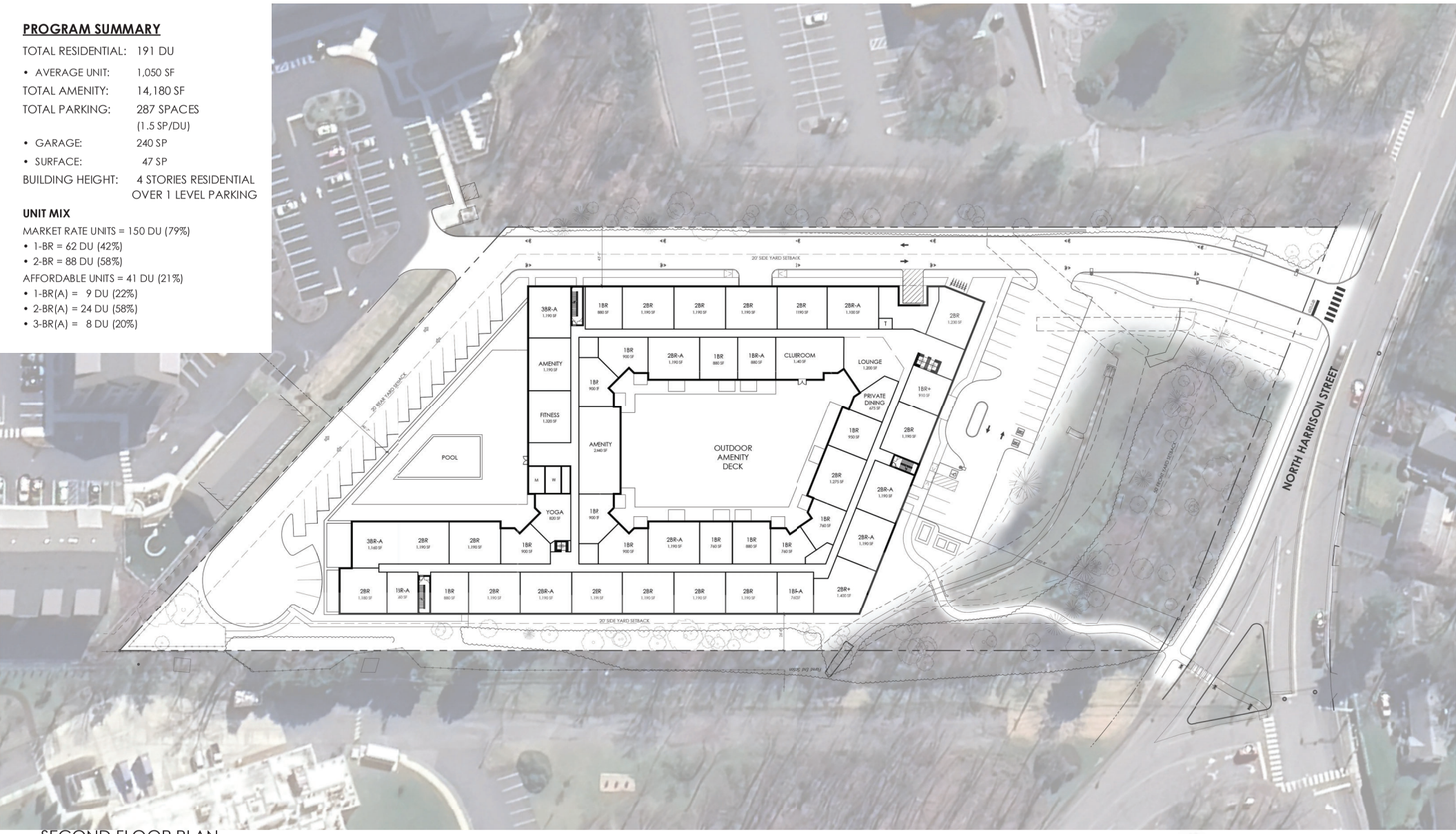
UNIT MIX

MARKET RATE UNITS = 150 DU (79%)

- 1-BR = 62 DU (42%)
- 2-BR = 88 DU (58%)

AFFORDABLE UNITS = 41 DU (21%)

- 1-BR(A) = 9 DU (22%)
- 2-BR(A) = 24 DU (58%)
- 3-BR(A) = 8 DU (20%)



SECOND FLOOR PLAN

SCALE: 1" = 30' - 0"

CONCEPTUAL PLANS

DATE: 04/23/2025

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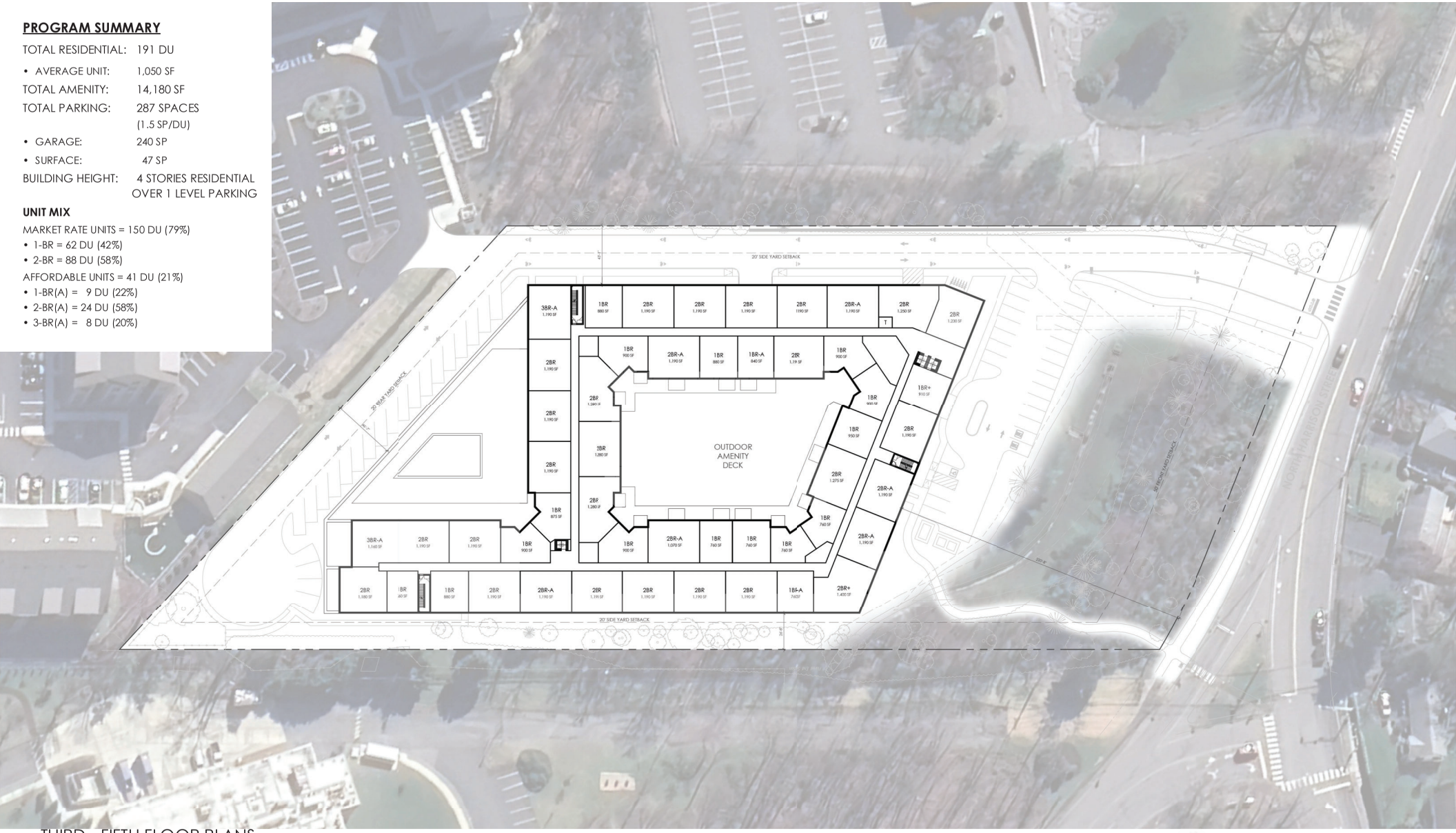

THIRD - FIFTH FLOOR PLANS

SCALE: 1" = 30' - 0"

CONCEPTUAL PLANS

DATE: 04/23/2025

MINNO WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530 MINNOWASKO.COM
TWO GATEWAY CENTER, SUITE 1700, NEWARK, NEW JERSEY 07102

PREPARED FOR:
PRINCETON EXECUTIVE CENTER ASSOCIATES

457 N. HARRISON STREET

PRINCETON,NEW JERSEY

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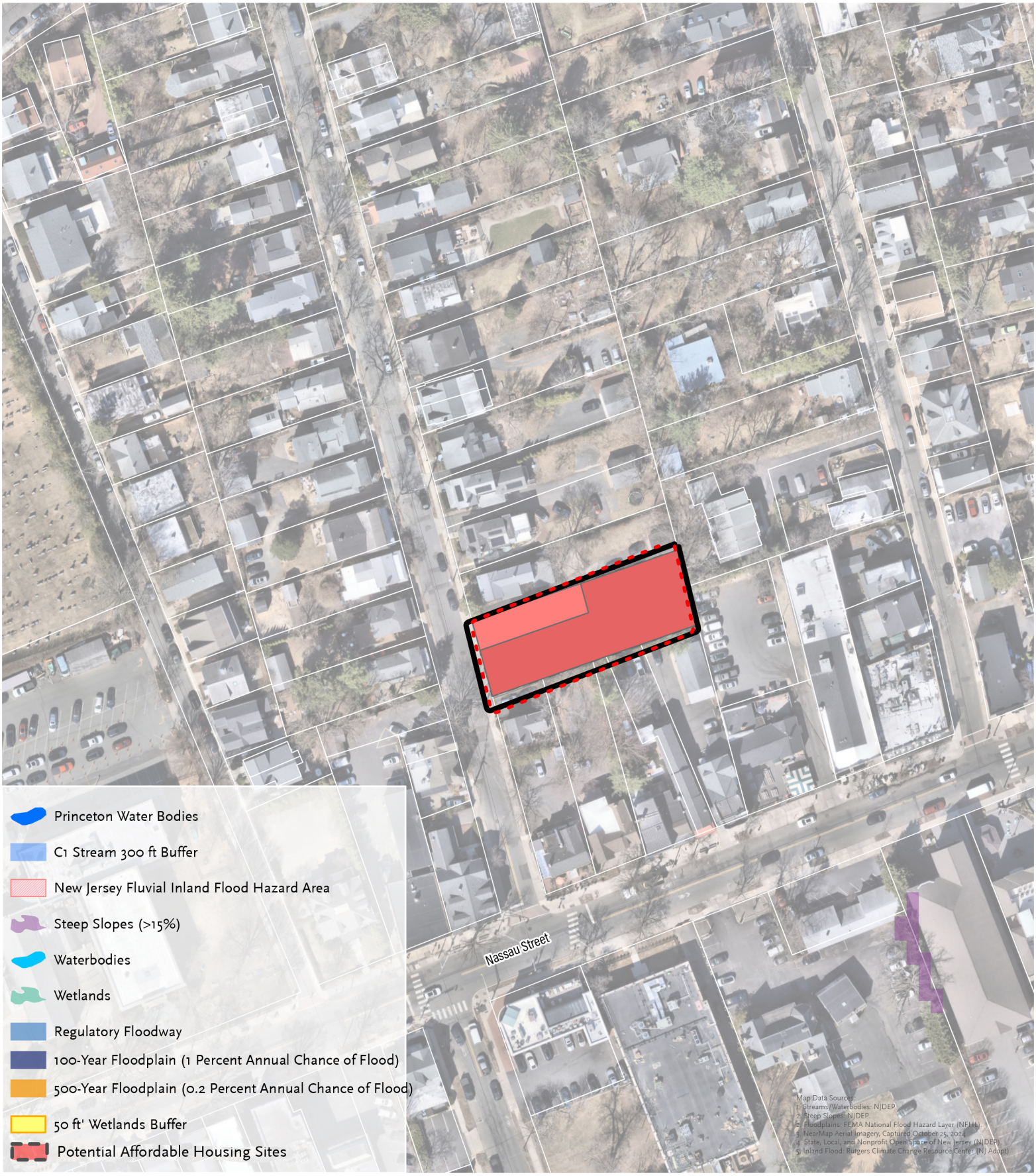
Appendix O. Chestnut Street Firehouse Documentation



SITE #	BLOCK	LOT	SITE ADDRESS
12	30.02	39.01, 39.02	13 CHESTNUT STREET

0 25 50 100
Feet

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

Potential Sites for Affordable Housing Development

Site 1: Chestnut Street Firehouse

LOCATION:
Princeton, Mercer County, NJ

DATE:
May 2025

13 Chestnut Street Firehouse Remodel and Addition for Princeton Community Housing
07.19.2024
Marina Rubina, Architect

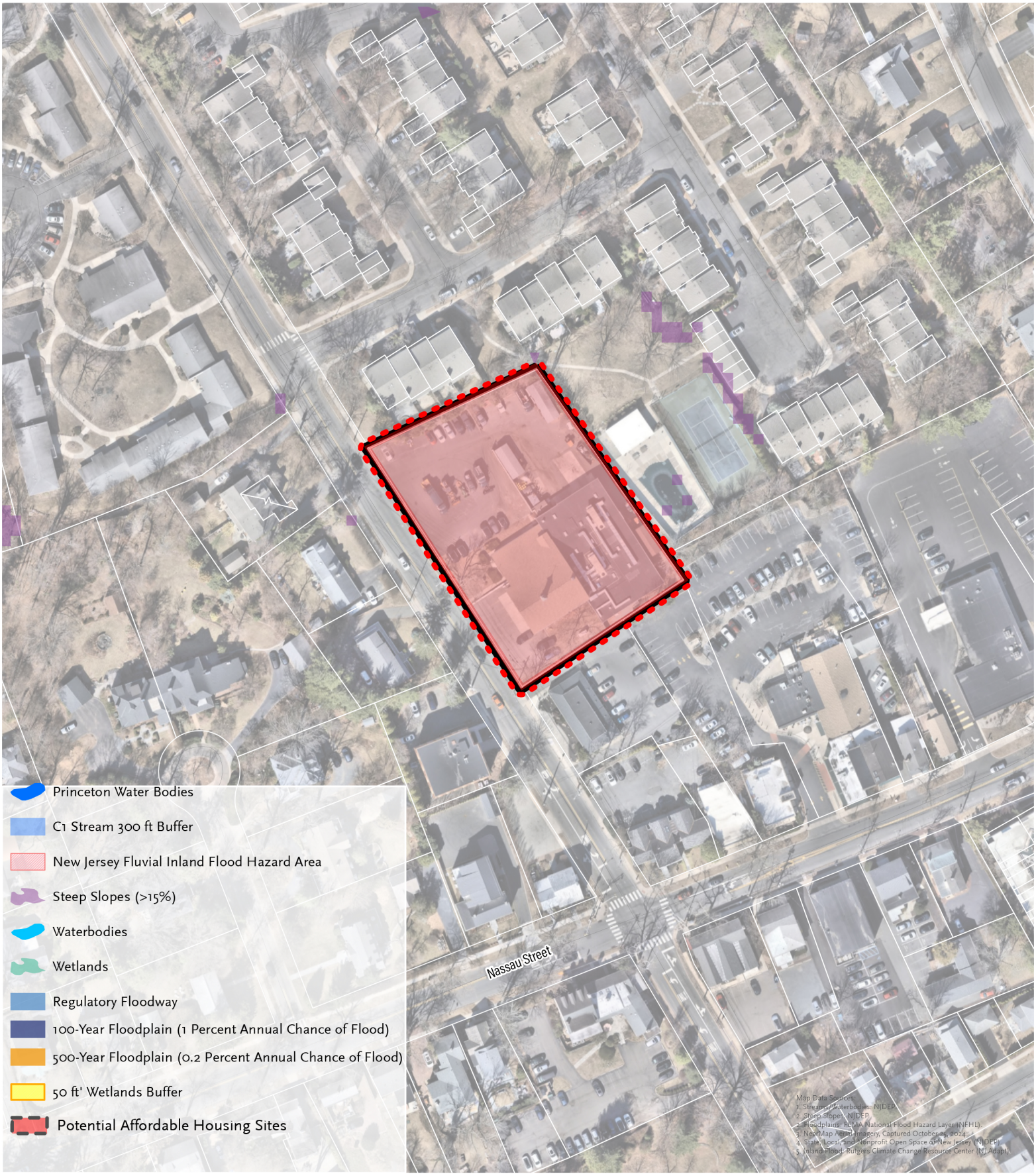
Details:

- Community Room provides neighborhood amenity TBD
- 16 affordable rental apartments meeting Uniform Affordable Housing Controls and COAH requirements
- Eligible for 3 types of bonus credit. One credit yields 16 units while two other credits yield 8 units. Only one credit may be taken.
- Preliminarily conforms to most AHO-1 overlay zone requirements.

Adaptive Reuse – Concept Plans

PRINCETON COMMUNITY HOUSING

Appendix P. Harrison Street Firehouse Documentation



SITE #	BLOCK	LOT	SITE ADDRESS
9	32.01	167	27 NORTH HARRISON STREET

0 25 50 100 150 Feet

Potential Sites for Affordable Housing Development

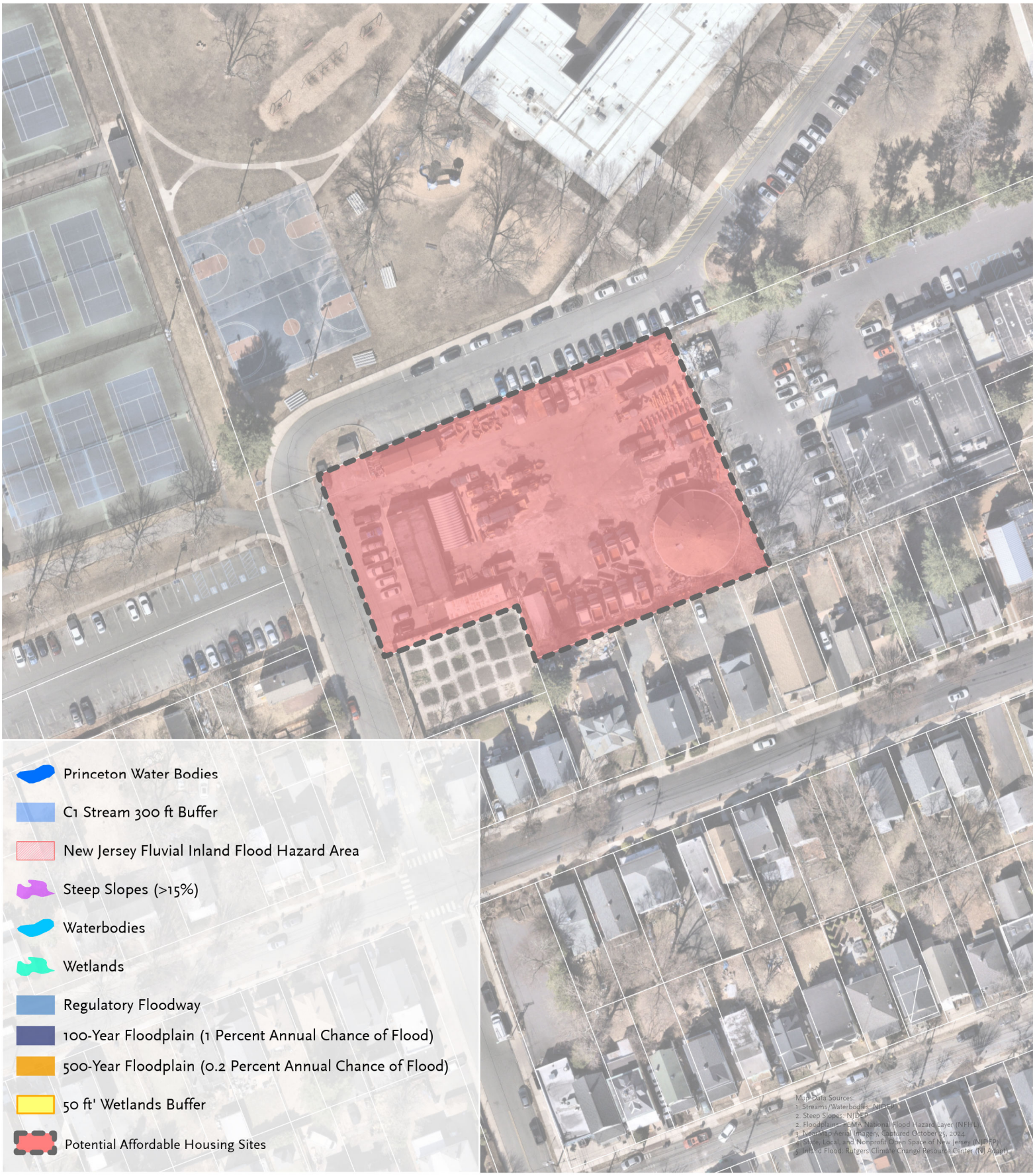
Site 9: Harrison Street Garage and Firehouse

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

LOCATION:
Princeton, Mercer County, NJ

DATE:
May 2025

Appendix Q. 303 John Street Documentation



0 25 50 100
Feet

SITE #	BLOCK	LOT	SITE ADDRESS
2	6902	29	303 JOHN ST

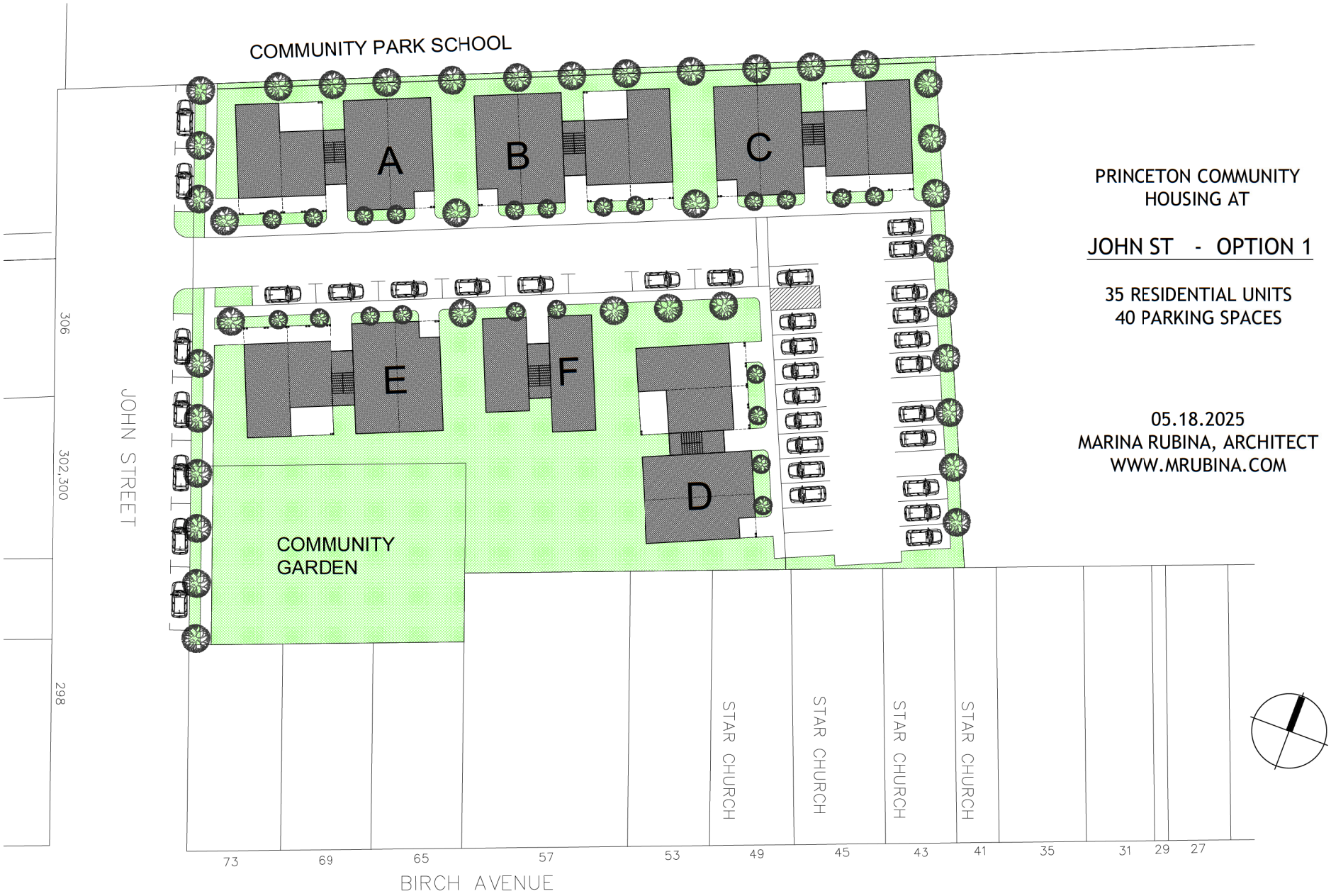
Potential Sites for Affordable Housing Development

Site 2: John Street DPW Facility

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

LOCATION:
Princeton, Mercer County, NJ

DATE:
May 2025

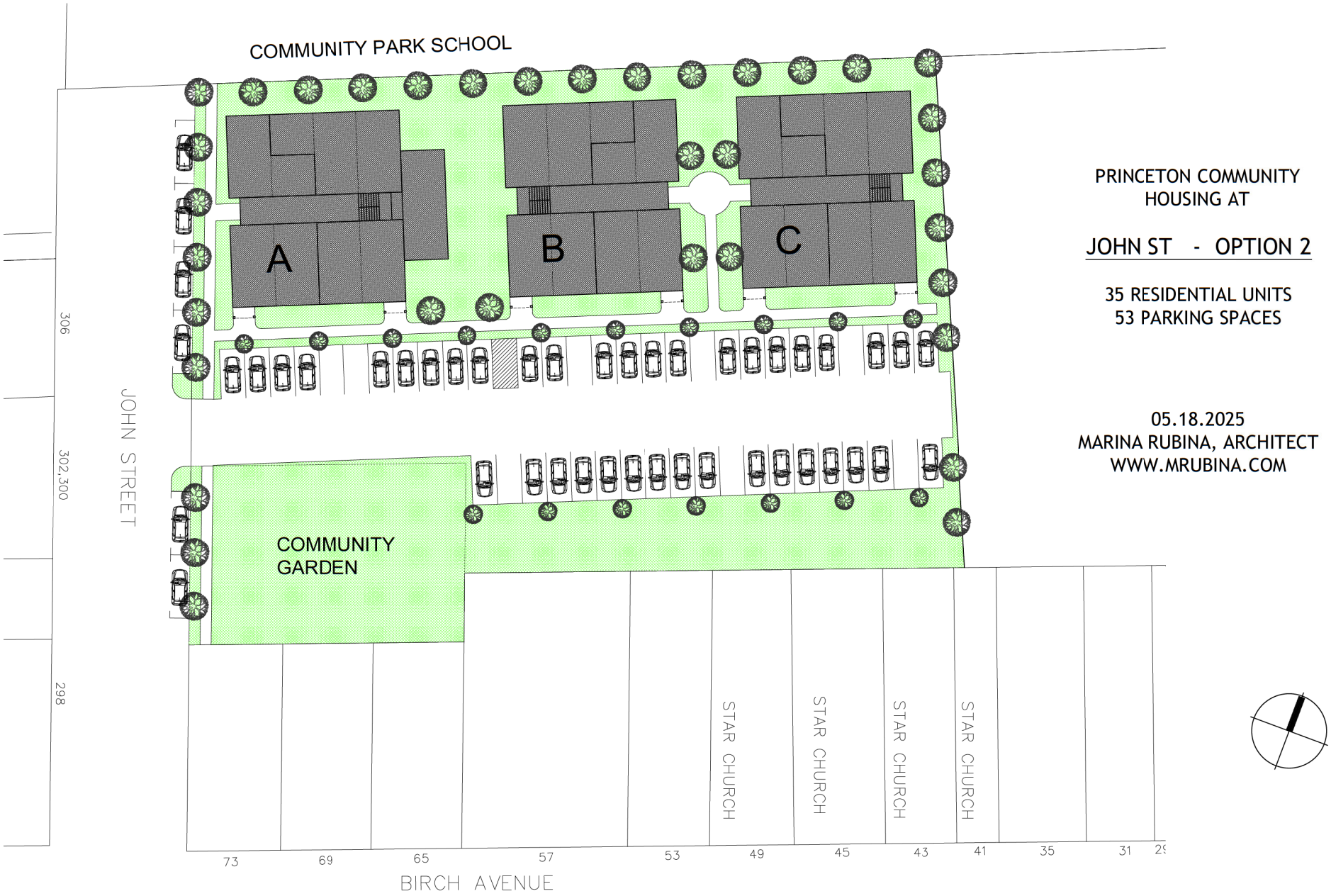


PRINCETON COMMUNITY
HOUSING AT

JOHN ST - OPTION 1

35 RESIDENTIAL UNITS
40 PARKING SPACES

05.18.2025
MARINA RUBINA, ARCHITECT
WWW.MRUBINA.COM



PRINCETON COMMUNITY
HOUSING AT

JOHN ST - OPTION 2

35 RESIDENTIAL UNITS
53 PARKING SPACES

05.18.2025
MARINA RUBINA, ARCHITECT
WWW.MRUBINA.COM

100% Affordable

PRINCETON COMMUNITY HOUSING

303 John Street
35 Family Rental Units

6/2/2025

DEVELOPMENT BUDGET

ACQUISITION					Per Unit
	Building			-	
	Land			-	
	Sub-total			$0	$0
CONSTRUCTION COSTS					
	Residential Construction			$7,629,000	
	General Conditions		6%	$472,700	
	Overhead/Profit		8%	$630,500	
	Environmental Clearances			$50,000	
	Performance Bond			$129,470	
	Permits		1%	$75,000	
		Sub-total		$8,986,670	$256,762
CONTINGENCY	Hard Cost Contingency		5%	$449,334	$12,838
	Soft Cost Contingency		3%	$65,297	$1,866
PROFESSIONAL FEES					
	Appraisal & Market Study			$15,000	
	A&E		3.5%	$314,533	
	Civil Engineer			$50,000	
	Surveyor/Geotech			$22,000	
	Environmental Consultant				
	Legal			$250,000	
	Accounting/Cost Certification			$30,000	
	Energy Rater			$65,000	
		Sub-total		$746,533	$21,330
FINANCING & RELATED CHARGES					
		$8,667,597		50% outstanding	outstanding balance 24 mos
	Interest During Const.			$520,056	6.00%
	Financing Fees		1.0%	$132,576	2.00%
	HMFA application fees			$10,000	
	Negative Arbitrage			$50,000	
	LIHTC allocation fees			$229,595	
	Bank Expenses			$50,000	
	Title and Recording Expenses			$75,000	
	LIHTC Syndicator			$50,000	
	Utility Connection Fees			$273,455	
	Insurance			$150,000	
		Sub-total		$1,540,682	$44,019
SUB TOTAL: DEVELOPMENT COSTS				$11,788,516	$336,815
	Working Capital			$129,156	4 mo
	Insurance escrow			$9,625	6 mos
	Syndicator reserve			$100,000	
	Social service reserve			$225,000	
	Tax escrow and DS for 1 mon			$24,938	
	Developer fee		15.00%	$1,764,500	
	FF&E			$25,000	
	Marketing Expense			$25,000	
TOTAL PROJECT COSTS				**$14,091,735**	$402,621

FINANCING SOURCES

TOTAL PROJECT COSTS Total $14,091,735

PROJECTED FINANCING

	Per Unit		%	
First Mortgage (HMFA)	$65,571	$2,295,000	16%	
LIHTC Equity	$313,522	$10,973,286	78%	
Deferred Fee	$23,527	$823,449		
TOTAL SOURCES:	$402,621	**$14,091,735**	94%	$0

Construction Funds:

	30%	$3,291,986	LIHTC Equity

Funds available during construction **$3,291,986**

Non financed Development Costs

Developer Fee	$1,235,150
Escrows	$488,719
Other costs	$408,284
	$2,132,153

Construction loan required: **$8,667,597**

Appendix R. Affordable Housing Ordinance, Mandatory Inclusionary Set-aside Ordinance, Development Fee Ordinance

[Adopted June 29, 2020]

Ordinance #2020-15
Affordable Housing Ordinance
Municipality of Princeton, Mercer County

AN ORDINANCE AMENDING, OR REPEALING AND REPLACING, CERTAIN SECTIONS, AS SPECIFIED BELOW, OF THE BOROUGH OF PRINCETON CODE AND THE CODE OF THE TOWNSHIP OF PRINCETON TO ADDRESS THE REQUIREMENTS OF THE FAIR HOUSING ACT AND THE UNIFORM HOUSING AFFORDABILITY CONTROLS (UHAC) REGARDING COMPLIANCE WITH THE MUNICIPALITY'S AFFORDABLE HOUSING OBLIGATIONS

BE IT ORDAINED by the Council of the Municipality of Princeton, Mercer County, New Jersey, that the following Articles of the "Code of the Borough of Princeton, New Jersey, 1974" and the "Code of the Township of Princeton, New Jersey, 1968" are hereby amended, or repealed and replaced with the applicable provisions of this Ordinance, in order to address the Municipality of Princeton's constitutional obligation to provide for its fair share of very low-, low- and moderate-income housing, as directed by the Superior Court and consistent with *N.J.A.C.* 5:93-1, et seq., as amended and supplemented, *N.J.A.C.* 5:80-26.1, et seq., as amended and supplemented, and the New Jersey Fair Housing Act of 1985. This Ordinance is intended to provide assurances that very low-, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very low-, low- and moderate-income households shall occupy those units. This Ordinance shall apply except where inconsistent with applicable law.

SECTION 1: THE FOLLOWING ARTICLES OF THE "CODE OF THE BOROUGH OF PRINCETON, NEW JERSEY, 1974" ARE HEREBY REPEALED AND REPLACED WITH THE PROVISIONS SET FORTH IN SECTION 5 OF THIS ORDINANCE BELOW:

Chapter 16 Housing
Article VIII Trust Fund for Affordable Housing
Article IX Affordable Housing Board
Article X Low and Moderate Income Housing Regulations
Article XI Affordable Housing Utility
Article XII Municipal Housing Liaison

Chapter 17A Land Use
Article XI Zoning
Section 17A-202.1 Affordable Housing Overlay Zone
Section 17A-202.2 Affordable Housing Contribution for development of 4 or less units
Section 17A-202.3 Nonresidential required growth share
Section 17A-202.5 Payment in lieu of construction
Section 17A-202.6 Cost of Administration of AH units
Section 17A-205.2 Development Fees – Purpose
Section 17A-205.3 Definitions

Section 17A-205.4 Development Fees
Section 17A-205.5 Eligible exactions, ineligible exactions and exemptions
Section 17A-205.6 Collection of fees
Section 17A-205.7 Development Fee escrow account
Section 17A-205.8 Use of Funds
Section 17A-205.9 Monitoring and enforcement
Section 17A-205.10 Penalties
Section 17A-205.11 Expiration of development fee ordinance

SECTION 2: ARTICLE XII. AFFORDABLE HOUSING, DIVISION 7, R-1/AH AND R-2/AH ZONING DISTRICTS OF THE "CODE OF THE TOWNSHIP OF PRINCETON, NEW JERSEY, 1968" ("TOWNSHIP CODE") SHALL BE RELOCATED TO ARTICLE XI ZONING, DIVISION 2. ZONING DISTRICTS AND ARE HEREBY AMENDED AS FOLLOWS:

Division 7. R-1/AH and R-2/AH Zoning Districts shall be renamed as Subdivision XXIV R-1/AH and R-2/AH Zoning Districts

Section 10B-355 Establishment shall be renumbered as to Section 10B-272.70

Section 10B-356. Permitted Uses and computation of permitted number of units shall be renumbered as to Section 10B-272.71

Section 10B-357. Mandatory provisions governing development shall be renumbered as to Section 10B-272.72

Section 10B-358. Residential cluster requirements for the R-1AH and R-2/AH districts shall be renumbered as to Section 10B-272.73

SECTION 3: ARTICLE XII. AFFORDABLE HOUSING, DIVISION 8, RESIDENTIAL SENIOR MARKET (R-SM) PROGRAM OF THE TOWNSHIP CODE SHALL BE RELOCATED TO ARTICLE XI ZONING, DIVISION 2. ZONING DISTRICTS AND ARE HEREBY AMENDED AS FOLLOWS:

Division 8. Residential Senior Market (R-SM) Program shall be renamed as Subdivision XXV. Residential Senior Market (R-SM)

Section 10B-360. Establishments shall be renumbered as Section 10B-272.74

Section 10B-361. Permitted uses shall be renumbered as Section 10B-272.75

Section 10B-362. Mandatory set-aside/comprehensive development shall be renumbered as Section 10B-272.76

Section 10B-363. Provisions applicable to moderate income units shall be renumbered as Section 10B-272.77

Section 10B-364. Residential cluster requirements for developments including moderate income housing in the R-SM district shall be renumbered as Section 10B-272.78

SECTION 4: ARTICLE XII. AFFORDABLE HOUSING, DIVISION 9, RESIDENTIAL SENIOR COMMUNITY ZONED 3 (RSC-3) OF THE TOWNSHIP CODE SHALL BE RELOCATED TO ARTICLE XI ZONING, DIVISION 2. ZONING DISTRICTS AND ARE HEREBY AMENDED AS FOLLOWS:

Division 9. Residential Senior Community Zoned 3 (RSC-3) shall be renamed as Subdivision XXVI. Residential Senior Community Zoned 3 (RSC-3)

Section 10B-365. Establishments shall be renumbered as Section 10B-272.79

Section 10B-366. Regulations shall be renumbered as Section 10B-272.80

Section 10B-362. Mandatory set-aside/comprehensive development shall be renumbered as Section 10B-272.81

Section 10B-363. Provisions applicable to moderate income units shall be renumbered as Section 10B-272.82

Section 10B-364. Residential cluster requirements for developments including moderate income housing in the R-SM district shall be renumbered as Section 10B-272.83

SECTION 5: CHAPTER 10B LAND USE, ARTICLE XII AFFORDABLE HOUSING AND ARTICLE XIIA MUNICIPAL HOUSING LIAISON OF THE TOWNSHIP CODE ARE HEREBY REPEALED AND REPLACED WITH THE APPLICABLE PROVISIONS BELOW:

Division 1. General

Section 10B-332 Purpose

1. This Ordinance sets forth regulations regarding the very low-, low-, and moderate-income housing units in the Municipality consistent with the provisions known as the "Substantive Rules of the New Jersey Council on Affordable Housing", *N.J.A.C.* 5:93 et seq., the Uniform Housing Affordability Controls ("UHAC"), *N.J.A.C.* 5:80-26.1 et seq., except where modified by the requirements for very low-income housing as established in P.L. 2008, c.46 (the "Roberts Bill," codified at *N.J.S.A.* 52:27D-329.1) as reflected in the terms of a Settlement Agreement between the Municipality and Fair Share Housing Center ("FSHC") such that the statutory requirement to provide very low-income units

equal to 13% of affordable units approved and constructed after July 17, 2008, to be affordable households at 30% of the regional median income, overrides the UHAC requirement that 10% of all low- and moderate-income units must be affordable at 35% of the regional median income, and the Municipality's constitutional obligation to provide a fair share of affordable housing for very low-, low-, and moderate-income households.

2. This Ordinance is intended to assure that very low-, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very low-, low- and moderate-income households shall occupy these units. This Ordinance shall apply to all inclusionary developments and 100% affordable developments (including those funded with low-income housing tax credit financing) except where inconsistent with applicable law.

3. This Ordinance implements and incorporates the Fair Share Plan and addresses the requirements of *N.J.A.C.* 5:93, as may be amended and supplemented.

4. The Municipal Council, to implement the goals and objectives of the Princeton Community Master Plan, has determined that an affordable housing program shall be established in the municipality in order to:

    a. Provide housing opportunities for very low-, low-, and moderate-income families in order to meet the existing and anticipated housing needs of such persons, maintain a socio-economic mix in the community, provide a range of housing types dispersed throughout the community in a suitable living environment, and satisfy the community's obligation to provide a fair share of the region's housing needs;
    b. Assure that the very low-, low-, and moderate-income units constructed under this program continue to remain available to very low-, low-, and moderate-income households through controls on rental and resale prices to be exercised by the Affordable Housing Board under the guidance of the Municipality's housing manager;
    c. Provide for housing opportunities for those who work in Princeton and provide the community with essential services, but who cannot currently afford to live in the community; and
    d. Provide that developments that create affordable housing demand within Princeton share in the burden of providing such affordable housing, including commercial and institutional developments.

Section 10B-333 Monitoring and Reporting Requirements

The Municipality shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its Court-approved Housing Plan Element and Fair Share Plan:

1. Beginning on the first anniversary of the final Judgment of Repose and on every anniversary of that date thereafter through July 1, 2025, the Municipality agrees to provide annual reporting of its Affordable Housing Trust Fund activity to the New Jersey Department of Community Affairs ("NJDCA"), Council on Affordable Housing ("COAH"), or Local Government Services ("NJLGS"), or other entity designated by the State of New Jersey, with a copy provided to FSHC and posted on the municipal website, using forms developed for this purpose by the NJDCA, COAH, or NJLGS. The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

2. Beginning on the first anniversary of the final Judgment of Repose and on every anniversary thereafter of that date through July 1, 2025, the Municipality agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC, using forms previously developed for this purpose by COAH or any other forms endorsed by the Special Master and FSHC.

3. By July 1, 2020, as required pursuant to *N.J.S.A*. 52:27D-313, the Municipality will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented.

4. By May 22, 2021, and every third year thereafter, as required by *N.J.S.A.* 52:27D-329.1, the Municipality will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very low income requirements, including its family very low income requirements.

Section 10B-334 Definitions

Act. The Fair Housing Act of 1985, P.L. 1985, c. 222 (*N.J.S.A*. 52:27D-301 et seq.)

Adaptable. Constructed in compliance with the technical design standards of the Barrier Free Subcode, *N.J.A.C.* 5:23-7.

Administrative agent. The entity designated by the Municipality to administer affordable units in accordance with this Ordinance, *N.J.A.C.* 5:93, and UHAC (*N.J.A.C.* 5:80-26.1).

Affirmative marketing. A regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to *N.J.A.C*. 5:80-26.15.

Affordability average. The average percentage of median income at which new restricted units in an affordable housing development are affordable to low- and moderate-income households.

Affordable. A sales price or rent level that is within the means of a low- or moderate-income household as defined within *N.J.A.C.* 5:93-7.4, and, 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 housing. Very low-, low- and moderate-income housing as defined by the Uniform Housing Affordability Controls, *N.J.A.C*. 5:80-26.1 *et seq*. (Ord. No 2018-11 §2), with one exception to UHAC, pursuant to the 2008 amendments to the Fair Housing Act, P.L. 2008, c. 46 (codified as N.J.S.A. 52:27D-329.1), municipalities must provide very low-income units equal to 13% of all affordable units approved and constructed after July 17, 2008 at 30% of the regional median income instead of the UHAC standard of 10% at 35% of the regional median income.

Affordable housing development. A development included in or approved pursuant to the Housing Plan Element and Fair Share Plan or otherwise intended to address the Municipality's fair share obligation, and includes, but is not limited to, an inclusionary development, a municipal construction project or a one hundred percent (100%) affordable housing development.

Affordable housing program(s). Any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality's fair share obligation.

Affordable unit. A housing unit proposed or created pursuant to the Act and approved for crediting by the Court and/or funded through an affordable housing trust fund.

Agency. The New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (N.J.S.A. 55:14K-1, et seq.).

Age-restricted unit. A housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that: 1) all the residents of the development wherein the unit is situated are 62 years of age or older; or 2) at least 80 percent of the units are occupied by one person who is 55 years of age or older; or 3) the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as "housing for older persons" as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

Alternative living arrangement. A building in which households live in distinct bedrooms, yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangements include, but are not limited to: transitional facilities for the homeless; Class A, B, C, D and E boarding homes as regulated by the State of New Jersey Department of Community Affairs; residential health care facilities as regulated by the New Jersey Department of Health; group homes for the developmentally disabled and mentally ill as licensed and/or regulated by the New Jersey Department of Human Services; and congregate living arrangements.

Certified household. A household that has been certified by an Administrative Agent as a very-low, low-income household or moderate-income household.

COAH or the Council. The New Jersey Council on Affordable Housing, as established by the New Jersey Fair Housing Act (*N.J.S.A.* 52:27D-301 et seq.) which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the State.

DCA. The State of New Jersey Department of Community Affairs.

Deficient housing unit. A housing unit with health and safety code violations that requires 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.

Development fee. Money paid by a developer for the improvement of property as permitted in *N.J.A.C.* 5:93-8.8.

Equalized assessed value. The assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with sections 1, 5, and 6 of P.L.1973, c.123 (C.54:1-35a through C.54:1-35c).

Exempt sales. See *Non-exempt sales.*

Fair market value. The unrestricted price of a low- or moderate-income housing unit if sold at a current real estate market rate.

Green building strategies. Those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

Inclusionary development. A development containing both affordable units and market rate units. This term includes, but is not limited to: new construction, the conversion of a non-residential building to residential use and the creation of new affordable units through the gut rehabilitation or reconstruction of a vacant residential building.

Intensity of use. Either: (a) an increase in residential density, i.e., the number of dwelling units per acre, (b) an increase in floor area ratio (FAR) for nonresidential development, or (c) conversion of an existing structure that uses the structure more intensely, and which results in an increase in the equalized assessed value of the improved structure, as demonstrated by, but not limited to: (1) an increase in employees, (2) an increase in customers, (3) an increase in visitors, (4) an increase in parking spaces, (5) an increase in hours of operation, or (6) a change of existing nonhabitable space to habitable space.

Judgment of repose. A judgment issued by the Superior Court approving a municipality's plan to satisfy its fair share obligation.

Low-income household. A household with a total gross annual household income equal to 50 percent or less of the regional median household income by household size.

Low-income unit. A restricted unit that is affordable to a low-income household.

Major system. The primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and load bearing structural systems.

Market-rate units. Housing not restricted to low- and moderate-income households that may sell or rent at any price.

Median income. The median income by household size for the applicable housing region, as adopted annually by the Municipality pursuant to this ordinance, by COAH or a successor entity approved by the Court.

Moderate-income household. A household with a total gross annual household income in excess of 50 percent but less than 80 percent of the regional median household income by household size.

Moderate-income unit. A restricted unit that is affordable to a moderate-income household.

Non-exempt sale. Any sale or transfer of ownership other than the transfer of ownership between spouses; 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.

Price differential. The difference between the controlled unit sales price and the fair market value as determined at the date of the proposed contract of sale, after reasonable real estate broker fees have been paid.

Random selection process. A process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery).

Regional asset limit. The maximum housing value in each housing region affordable to a four-person household with an income at 80 percent of the regional median as defined by duly adopted Regional Income Limits published annually by COAH or a successor entity.

Rehabilitation. The repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, *N.J.A.C.* 5:23-6.

Rent. The gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted living residences, rent does not include charges for food and services.

Repayment clause. The obligation of a seller exercising a repayment option to pay 95 percent of the price differential to a municipality at closing for use in the municipal housing plan.

Repayment option. The option of a seller of a low- or moderate-income unit to sell a unit pursuant to *N.J.A.C.* 5:92-12.7 at fair market value subject to compliance with the terms of a repayment clause.

Restricted unit. A dwelling unit, whether a rental unit or an ownership unit, that is subject to the affordability controls of *N.J.A.C*. 5:80-26.1, as amended and supplemented, but does not include a market-rate unit financed under UHORP or MONI.

Set-aside. The percentage of housing units devoted to low- and moderate-income households within an inclusionary development. (Ord. No. 90-33, §1; Ord. No. 91-32, §1.)

Spending plan. A plan approved by the governing body of the Municipality as part of its housing element and fair share plan pursuant to N.J.A.C. 5:93-8.2, and approved by COAH or the Court.

Student housing. Nonprofit housing owned and operated by an accredited academic institution for full-time undergraduate and graduate students who are currently registered and enrolled in a degree-granting program at the same academic institution located within the Municipality of Princeton.

UHAC. The Uniform Housing Affordability Controls set forth in *N.J.A.C*. 5:80-26.1, et seq.

Very low-income household. A household with a total gross annual household income equal to 30 percent or less of the regional median household income by household size.

Very low-income unit. A restricted unit that is affordable to a very low-income household.

Weatherization. Building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for purposes of a rehabilitation program.

Section 10B-335 Applicability

1. The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created within the Municipality of Princeton pursuant to Princeton's most recently adopted Housing Plan Element and Fair Share Plan.

2. Moreover, this Ordinance shall apply to all developments that contain very low-, low-and moderate-income housing units, including any currently unanticipated future developments that will provide very low-, low- and moderate-income housing units.

3. Projects receiving Federal Low Income Housing Tax Credit financing shall comply with the income and bedroom distribution requirements of UHAC at *N.J.A.C.* 5:80-26.3 (with the exception that the UHAC requirement for 10 percent of the affordable units in rental projects being required to be at 35 percent of median income be modified as required by the statutory requirement, *N.J.S.A.* 52:27D-329.1 to 13 percent of affordable units in such projects shall be required to be at 30 percent of median income) and the length of the affordability controls applicable to such projects shall be not less than a thirty (30) year compliance period plus a 15 year extended use period.

Section 10B-336 Municipality-wide Mandatory Set-Aside

1. A multi-family development providing a minimum of five (5) new housing units at a density of six (6) or more units per acre, created through a municipal rezoning permitting multi-family residential housing where not previously permitted; a use variance; a density variance increasing the permissible density at the site; or a new or amended redevelopment plan or rehabilitation plan, is required to include in the development a minimum affordable housing set-aside of 20%, except as noted below:

    a. This section shall not apply to student housing as defined in Article I, Section 10B-2, above.

    b. This provision shall not apply to sites zoned for inclusionary residential development or for which an inclusionary residential redevelopment plan has been adopted consistent with the Municipality's Court-approved Housing Plan Element and Fair Share Plan adopted in accordance with the settlement agreement with Fair Share Housing Center, which sites shall comply with the applicable adopted zoning.

2. In the event the number of affordable housing units to be provided incudes a fraction, the number shall be rounded up if the fractional amount is 0.5 or greater and rounded down if the fractional amount is less than 0.5. The developer shall provide a payment in lieu of constructing affordable units for the fraction of a unit less than 0.5. If the number of market-rate units permitted includes a fraction, the number shall be rounded down.

3. At least 50% of the affordable units in each development shall be affordable to low-income housing. At least 13% of all affordable units in rental developments shall be affordable to very-low-income households.

4. All affordable units, including bedroom distribution thereof, shall be governed by the controls on affordability and affirmatively marketed in conformance with UHAC, *N.J.A.C.* 5:80-26.1 et seq., or any successor regulation, and all other applicable law.

5. No subdivision shall be permitted or approved for the purpose of avoiding compliance with this requirement. A developer may not, for example, subdivide a project into two lots and then plan each of them to produce a number of units just below the threshold.

6. This requirement shall not give any developer the right to any such rezoning, variance, redevelopment designation or redevelopment or rehabilitation plan approval, or any other such relief, or establish any obligation on the part of the Municipality to grant such rezoning, variance, redevelopment designation, redevelopment or rehabilitation plan approval, or other such or further relief.

7. No developer may make a payment in lieu of constructing affordable units on site, except for fractional units as noted in Paragraph 2, above.

8. Affordable housing developed in accordance with this section within the boundaries of the former Borough of Princeton shall be credited to the unmet need obligation of the former Borough.

9. Affordable housing developed in accordance with this section within the boundaries of the former Township of Princeton shall be credited to the consolidated Municipality's prospective need for future affordable housing obligations in accordance with then-applicable law.

Section 10B-337 Resolution of Conflicting Provisions

Notwithstanding the provisions of any other ordinance to the contrary, the provisions of this article shall apply to developments containing affordable housing units. (Ord. No. 90-33, §I.)

Division 2. Affordable Housing Regulations

Section 10B-338 Alternative Living Arrangements

1. The administration of an alternative living arrangement shall be in compliance with *N.J.A.C.* 5:93-5.8 and UHAC, with the following exceptions:

   a. Affirmative marketing (*N.J.A.C.* 5:80-26.15), provided, however, that the units or bedrooms may be affirmatively marketed by the provider in accordance with an alternative plan approved by the Court;

   b. Affordability average and bedroom distribution (*N.J.A.C.* 5:80-26.3).

2. With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, alternative living arrangements shall have at least 30 year controls on affordability in accordance with UHAC, unless an alternative commitment is approved by the Court.

3. The service provider for the alternative living arrangement shall act as the Administrative Agent for the purposes of administering the affirmative marketing and affordability requirements for the alternative living arrangement.

Section 10B-339 Phasing Schedule for Inclusionary Zoning

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

This schedule shall refer to the issuance of the certificates of occupancy by the municipal building officer.

Section 10B-340 New Construction

1. Low/Moderate Split and Bedroom Distribution of Affordable Housing Units:

   a. The fair share obligation shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low income unit. At least 13 percent of all restricted rental units shall be very low income units (affordable to a household earning 30 percent or less of regional median income by household size). The very low income units shall be counted as part of the required number of low income units within the development.

   b. In each affordable development, at least 50 percent of the restricted units within each bedroom distribution shall be very low- or low-income units.

   c. Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:

      i. The combined number of efficiency and one-bedroom units shall be no greater than 20 percent of the total low- and moderate-income units;

      ii. At least 30 percent of all low- and moderate-income units shall be two bedroom units;

      iii. At least 20 percent of all low- and moderate-income units shall be three bedroom units; and

iv. The remaining units may be allocated among two and three bedroom units at the discretion of the developer.

d. 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. This standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.

2. Accessibility Requirements:

a. The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free SubCode, *N.J.A.C.* 5:23-7 and the following:

b. All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one other dwelling unit shall have the following features:

i. An adaptable toilet and bathing facility on the first floor; and

ii. An adaptable kitchen on the first floor; and

iii. An interior accessible route of travel on the first floor; and

iv. 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

v. If not all of the foregoing requirements in b.1) through b.4) can be satisfied, then an interior accessible route of travel must be provided between stories within an individual unit, but if all of the terms of paragraphs b.1) through b.4) above have been satisfied, then an interior accessible route of travel shall not be required between stories within an individual unit; and

vi. 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, or evidence that the Municipality has collected funds from the developer sufficient to make 10 percent 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 Municipality of Princeton's Affordable Housing Trust Fund

sufficient to install accessible entrances in 10 percent of the affordable units that have been constructed with adaptable entrances.

3. The funds deposited under paragraph 6)b) above shall be used by the Municipality of Princeton for the sole purpose of making the adaptable entrance of an 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 to the Construction Official of the Municipality for the conversion of adaptable to accessible entrances.

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 that the cost estimate of such conversion is reasonable, payment shall be made to the Municipality's Affordable Housing Trust Fund in care of the Municipality's Director of Finance, or their designee, who shall ensure that the funds are deposited into the Affordable Housing Trust Fund and appropriately earmarked.

vii. 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.

3. Design:

a. In inclusionary developments, to the extent possible, low- and moderate-income units shall be integrated with the market units, and not situated so as to be in less desirable locations than the other units in the development.

b. In inclusionary developments, low- and moderate-income units shall be no less accessible to the common open space, public facilities, public transportation, and shopping facilities than the market units.

4. Maximum Rents and Sales Prices:

a. In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC, utilizing the most recently published regional weighted average of the uncapped Section 8 income limits published by HUD and the calculation procedures as approved by the Court and detailed herein, as follows:

i. Regional income units shall be established for the region that Princeton is located within (i.e. Region 4) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in Princeton's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80% of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50% of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low-income unit for a household of four shall be 30% of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.

ii. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to *N.J.A.C.* 5:80-26.16(b)3 shall be calculated by Princeton annually by taking the percentage increase of the income limits calculated pursuant to paragraph (i) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.

b. The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60% of median income, and the average rent for restricted rental units shall be affordable to households earning no more than 52% of median income.

c. The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units, provided that at least 13 percent of all low- and moderate-income rental units shall be affordable to very low-income households, which very low-income units shall be part of the low-income requirement.

d. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70 percent of median income, and each affordable development must achieve an affordability average of 55 percent for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different sales prices for each bedroom type, and low-income

ownership units must be available for at least two different sales prices for each bedroom type.

e. In determining the initial sales prices and rent levels for compliance with the affordability average requirements for restricted units other than assisted living facilities and age-restricted developments, the following standards shall be used:

i. A studio shall be affordable to a one-person household;

ii. A one-bedroom unit shall be affordable to a one and one-half person household;

iii. A two-bedroom unit shall be affordable to a three-person household;

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

v. A four-bedroom unit shall be affordable to a six-person household.

f. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted developments, the following standards shall be used:

i. A studio shall be affordable to a one-person household;

ii. A one-bedroom unit shall be affordable to a one and one-half person household; and

iii. A two-bedroom unit shall be affordable to a two-person household or to two one-person households.

g. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95 percent 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 percent of the eligible monthly income of the appropriate size household as determined under *N.J.A.C.* 5:80-26.4, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of *N.J.A.C.* 5:80-26.3, as may be amended and supplemented.

h. The initial rent for a restricted rental unit shall be calculated so as not to exceed 30 percent of the eligible monthly income of the appropriate size household, including an allowance for tenant paid utilities, as determined under *N.J.A.C.* 5:80-26.4, as may be amended and supplemented; provided, however, that the

rent shall be subject to the affordability average requirement of *N.J.A.C.* 5:80-26.3, as may be amended and supplemented.

i. The price of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region determined pursuant to the process outlined in paragraph (i) above. In no event shall the maximum resale price established by the Administrative Agent be lower than the last recorded purchase price.

j. The rents of very low-, low- and moderate-income units may be increased annually based on the permitted percentage increase in the Housing Consumer Price Index for the Northeast Urban Area. This increase shall not exceed 9% in any one year. Rent increases for units constructed pursuant to low income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.

Section 10B-341 Utilities

1. Affordable units shall utilize the same type of heating source as market units within an inclusionary development.

2. Tenant-paid utilities included in the utility allowance shall be set forth in the lease and shall be consistent with the utility allowance approved by HUD for the Section 8 program.

3. All applicable utilities shall be included in the calculation of initial rents.

Section 10B-342 Occupancy Standards

In referring certified households to specific restricted units, the Administrative Agent shall, to the extent feasible and without causing an undue delay in the occupancy of a unit, strive to:

1. Provide an occupant for each bedroom;

2. Provide children of different sexes with separate bedrooms;

3. Provide separate bedrooms for parents and children; and

4. Prevent more than two persons from occupying a single bedroom.

Division 3. Owner Occupied Unit Standards

Section 10B-343 Control Periods for Restricted Ownership Units and Enforcement Mechanisms

1. Control periods for restricted ownership units shall be in accordance with *N.J.A.C.* 5:80-26.5, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the requirements of this Ordinance for a period of at least thirty (30) years, until Princeton takes action to release the unit from such requirements; prior to such action, a restricted ownership unit must remain subject to the requirements of *N.J.A.C.* 5:80-26.1, as may be amended and supplemented.

2. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.

3. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the non-restricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.

4. At the time of the initial sale of the unit, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obligating the purchaser (as well as the purchaser's heirs, successors and assigns) to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.

5. 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.

6. 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 following the removal of the restrictions provided under *N.J.A.C.* 5:80-26.5(a), as may be amended and supplemented.

Section 10B-344 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:

1. The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.

2. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.

3. The master deeds of inclusionary developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by low- and moderate-income purchasers and those paid by market purchasers.

4. 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 anticipated capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom. See Section 10B-347.

Section 10B-345 Buyer Income Eligibility

1. 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.

2. Notwithstanding the foregoing, the Administrative Agent may, upon approval by the Governing Body, and subject to the Court's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there is an insufficient number of eligible low-income purchasers in the housing region to permit prompt occupancy of the unit and all other reasonable efforts to attract a low income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit.

3. A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.

4. 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 eligible monthly income.

Section 10B-346 Limitations on Indebtedness Secured by Ownership Unit; Subordination

1. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Administrative Agent for a determination in writing that the proposed indebtedness complies with the provisions of this Section, and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.

2. With the exception of First Purchase Money Mortgages, 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 percent of the maximum allowable resale price of the unit, as such price is determined by the Administrative Agent in accordance with *N.J.A.C.* 5:80-26.6(b).

Section 10B-347 Capital Improvements to Ownership Units

1. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements made since the purchase of the unit. Eligible capital improvements shall be those that render the unit suitable for a larger household or that add an additional bathroom. In no event shall the maximum sales price of an improved housing unit exceed the limits of affordability for the larger household.

2. Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

Division 4. Renter Occupied Unit Standards

Section 10B-348 Control Periods for Restricted Rental Units

1. Control periods for restricted rental units shall be in accordance with *N.J.A.C.* 5:80-26.11, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of this Ordinance for a period of at least 30 years, until Princeton takes action to release the unit from such requirements. Prior to such action, a restricted rental unit must remain subject to the requirements of *N.J.A.C.* 5:80-26.1, as may be amended and supplemented.

2. 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 Mercer. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a Certificate of Occupancy.

3. A restricted rental unit shall remain subject to the affordability controls of this Ordinance despite the occurrence of any of the following events:

   a. Sublease or assignment of the lease of the unit;

   b. Sale or other voluntary transfer of the ownership of the unit; or

   c. The entry and enforcement of any judgment of foreclosure on the property containing the unit.

Section 10B-349 Rent Restrictions for Rental Units; Leases

1. A written lease shall be required for all restricted rental units 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.

2. 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.

3. 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.

4. No rent control ordinance or other pricing restriction shall be applicable to either the market units or the affordable units in any development in which at least 15% of the total number of dwelling units are restricted rental units in compliance with this Ordinance.

Section 10B-350 Tenant Income Eligibility

1. 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:

   a. Very low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of the regional median household income by household size.

   b. Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of the regional median household income by household size.

c. Moderate-income rental units shall be reserved for households with a gross household income less than 80% of the regional median household income by household size.

2. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income household, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35 percent (40 percent 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:

a. The household currently pays more than 35 percent (40 percent for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;

b. The household has consistently paid more than 35 percent (40 percent for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;

c. The household is currently in substandard or overcrowded living conditions;

d. The household documents the existence of assets with which the household proposes to supplement the rent payments; or

e. The household documents reliable anticipated 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.

3. The applicant shall file documentation sufficient to establish the existence of the circumstances in 1.a. through 2.e. above with the Administrative Agent, who shall counsel the household on budgeting.

Division 5. Administration

Section 10B-351 Affordable Housing Board

1. Purpose. The purpose of this subsection is to create an advisory board, the Affordable Housing Board of the Municipality of Princeton, to monitor the compliance of the municipality in providing housing for very low-, low-, and moderate-income families under its Mount Laurel obligation.

2. Membership; Terms of Office.

a. The Affordable Housing Board (hereinafter referred to as "Board") shall consist of seven voting members, and two alternate members, all of whom shall be

appointed by the Mayor with the advice and consent of council, providing, however, that:

i. All members of the Affordable Housing Board shall be residents of Princeton during their tenure on said Affordable Housing Board unless the enabling legislation or ordinance creating said Affordable Housing Board permits non-residents to serve.

ii. The Mayor selects one Council liaison to the Affordable Housing Board each year with the advice and consent of Council. The Council member has full voting rights on the Affordable Housing Board.

iii. Persons employed by the municipality may not serve on the Affordable Housing Board unless so provided in the enabling legislation.

iv. Members are free to resign at any time.

v. All members of the Affordable Housing Board shall regularly attend the meetings of the Affordable Housing Board upon which they are serving. Failure to do so may lead to the member's removal. Any Affordable Housing Board member is entitled to request a public hearing to contest their removal.

b. Attendance by four voting members shall constitute a quorum.

c. The term of the member of the Municipal Council shall correspond to his or her official tenure. The terms of the remaining regular and alternate members shall be three years, computed from the first day of January of the year of appointment, provided that the terms of such members are staggered so that no more than two terms expire each year. If a vacancy occurs among such members, it shall be filled for the unexpired term only. Members shall serve after the expiration of their terms until their successors have been appointed and qualified.

d. The Board shall elect a chairperson and a vice-chairperson from among its members. Their terms of office shall be one year, and they shall be eligible for re-election. The Board shall also elect a secretary, who may but need not be a member of the Board, and it may create and fill such other offices as it shall determine.

e. All members shall serve without salary, but may be paid expenses incurred in the performance of duties. Expenses of and reimbursements for the Board will be included in appropriations made for the housing department. The Municipal Council may employ or assign at the request of the board such personnel of experts and other staff as the Board deems necessary, provided such obligations do not exceed the municipal budgetary allocation available to the Board for such use.

3. Vacancies; Removal for Cause. Any voting member of the Board who has been absent without excuse from three successive regular meetings shall be removed from office by the Mayor after notice and an opportunity to explain the absences.

4. Powers.

   a. Review, with the assistance of the housing manager, regulations pertaining to the sale, rental, resale and re-renting of affordable housing units.

   b. With the assistance of the housing manager, prepare recommendations for amendments and additions to regulations as it deems necessary or appropriate to implement the purpose of the affordable housing program.

   c. With the assistance of the housing manager, make recommendations to the Municipal Council for approval of buyers of affordable housing units.

   d. With the assistance of the housing manager, make recommendations to the Municipal Council regarding how municipal funds or housing trust funds should be spent and propose priorities for such expenditures.

   e. Review all affirmative marketing plans for all housing in the affordable housing program.

   f. Provide annual reports of all activity pursuant to the approved Settlement Agreement to the Municipal Council, courts, Fair Share Housing Center, and federal, state and local agencies as required.

Section 10B-352 Affordable Housing Utility

1. Pursuant to the "Local Budget Law", N.J.S.A. 40A:4-1 et seq., an affordable housing utility is established in the Municipality of Princeton and the same shall be known and cited as the "Princeton Affordable Housing Utility".

2. The affordable housing utility shall commence as of August 3, 1989 and the same shall be retroactive to that date.

3. The affordable housing utility budget shall set forth the appropriations in the form and detail prescribed by the regulations of the local governing body and may include:

   a. Operations;

   b. Interest and debt retirement, and

   c. Deferred charges and statutory expenditures

4. The municipal officers and employees are directed and empowered to adopt accounting procedures consistent with this article and the aforesaid statutes in the creation of the affordable housing utility.

5. The affordable housing utility shall be governed by the governing body of the Municipality of Princeton.

6. All matters with respect to the operation and conduct of the affordable housing utility not determined by this article shall be determined by resolutions to be hereafter adopted.

7. Upon completion of the affordable housing units and the appropriate sales of those units, after all required debt service payments are made this utility will terminate.

Section 10B-353 Municipal Housing Liaison

1. Princeton shall appoint a specific municipal employee to serve as a Municipal Housing Liaison responsible for overseeing the Municipality's affordable housing program, including overseeing the administration of affordability controls on the affordable units and the affirmative marketing of available affordable units in accordance with Princeton's Affirmative Marketing Plan; fulfilling monitoring and reporting requirements; and supervising Administrative Agent(s). The Municipality of Princeton shall adopt this Ordinance which creates the position of Municipal Housing Liaison and the Municipality of Princeton shall adopt a Resolution which appoints the person to fulfill the position of Municipal Housing Liaison. The Municipal Housing Liaison shall be appointed by the governing body and may be a full- or part-time municipal employee. The Municipal Housing Liaison shall be approved by the Court and shall be duly qualified through a training program sponsored by Affordable Housing Professionals of New Jersey before assuming the duties of Municipal Housing Liaison.

2. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for the Municipality of Princeton, including the following responsibilities, which may not be contracted out to the Administrative Agent:

    a. Serving as The Municipality of Princeton’s primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;

    b. Monitoring the status of all restricted units in the Municipality’s Fair Share Plan;

    c. Compiling, verifying, submitting and posting all monitoring reports as required by the Court and by this Ordinance;

    d. Coordinating meetings with affordable housing providers and Administrative Agents, as needed;

e. Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing at least annually and more often as needed; and

f. Maintaining and updating as needed the list of entities to be notified of the availability of affordable housing units in the Municipality pursuant to sections 10B-354.2.g. and 10B-355.9 below, which shall include all of the entities listed in said section together with any other entities deemed reasonably necessary or appropriate for the effective marketing of the availability of affordable housing units in the Municipality.

3. Subject to the approval of the Court, the Municipality shall designate one or more Administrative Agent(s) to administer and to affirmatively market the affordable units constructed in the Municipality in accordance with UHAC and this Ordinance. An Operating Manual for each affordable housing program shall be provided by the Administrative Agent(s) to be adopted by resolution of the governing body and subject to approval of the Court. The Operating Manual(s) shall be available for public inspection in the office of the Municipal Clerk, in the office of the Municipal Housing Liaison, and in the office(s) of the Administrative Agent(s). The Municipal Housing Liaison shall supervise the work of the Administrative Agent(s).

Section 10B-354 Administrative Agent

An Administrative Agent shall be an independent entity serving under contract to and reporting to the Municipality. ***The fees of the Administrative Agent shall be paid by the owners of the affordable units for which the services of the Administrative Agent are required.*** The Administrative Agent shall perform the duties and responsibilities of an Administrative Agent as set forth in UHAC, including those set forth in Sections 5:80-26.14, 16 and 18 thereof, which includes:

1. Affirmative Marketing:

   a. Conducting an outreach process to affirmatively market affordable housing units in accordance with the Municipality's Affirmative Marketing Plan and the provisions of *N.J.A.C.* 5:80-26.15; and

   b. Providing counseling or contracting to provide counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

2. Household Certification:

   a. Soliciting, scheduling, conducting and following up on interviews with interested households;

b. Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;

c. Providing written notification to each applicant as to the determination of eligibility or non-eligibility;

d. Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in Appendices J and K of *N.J.A.C.* 5:80-26.1 et seq.;

e. Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located;

f. Employing a random selection process as provided in the Municipality's Affirmative Marketing Plan when referring households for certification to affordable units; and

g. Notifying the following entities of the availability of affordable housing units in the Municipality: Fair Share Housing Center; the New Jersey State Conference of the NAACP; the Latino Action Network; the Trenton, Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch chapters of the NAACP; Shiloh Baptist Church; the Supportive Housing Association; the New Jersey Housing Resource Center; and any other entities on the list maintained by the Municipal Housing Liaison pursuant to section 10B-353.2.f. above, as said list may be updated or modified from time to time.

3. Affordability Controls:

a. Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;

b. Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;

c. Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the Mercer County Register of Deeds or Mercer County Clerk's office after the termination of the affordability controls for each restricted unit;

d. Communicating with lenders regarding foreclosures; and

e. Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to *N.J.A.C.* 5:80-26.10.

4. Resales and Re-rentals:

   a. Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or re-rental; and

   b. Instituting and maintaining an effective means of communicating information to low- (or very low-) and moderate-income households regarding the availability of restricted units for resale or re-rental.

5. Processing Requests from Unit Owners:

   a. Reviewing and approving requests for determination from owners of restricted units who wish to take out home equity loans or refinance during the term of their ownership that the amount of indebtedness to be incurred will not violate the terms of this Ordinance;

   b. Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems;

   c. Notifying the municipality of an owner's intent to sell a restricted unit; and

   d. Making determinations on requests by owners of restricted units for hardship waivers.

6. Enforcement:

   a. Securing annually from the municipality a list of all for-sale affordable housing units for which tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;

   b. Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;

   c. Posting annually, in all rental properties (including two-family homes), a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent or other charges can be made;

d. Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in *N.J.A.C.* 5:80-26.18(d)4;

e. Establishing a program for diverting unlawful rent payments to the municipality's Affordable Housing Trust Fund; and

f. Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent, to be approved by the Governing Body and the Court, setting forth procedures for administering the affordability controls.

7. Records Retention

8. Additional Responsibilities:

a. The Administrative Agent shall have the authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.

b. The Administrative Agent shall prepare monitoring reports for submission to the Municipal Housing Liaison in time to meet the Court-approved monitoring and reporting requirements in accordance with the deadlines set forth in this Ordinance.

c. The Administrative Agent shall attend continuing education sessions on affordability controls, compliance monitoring, and affirmative marketing at least annually and more often as needed.

Section 10B-355 Affirmative Marketing Requirements

1. The Municipality shall adopt by resolution an Affirmative Marketing Plan, subject to approval of the Court, which is compliant with *N.J.A.C.* 5:80-26.15, as may be amended and supplemented.

2. 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, gender identity and expression, 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 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 marketing activities toward Housing Region 4 and is required to be followed throughout the period of restriction.

3. The Affirmative Marketing Plan shall provide a regional preference for all households that live and/or work in Housing Region 4, comprising Mercer, Monmouth and Ocean counties. Pursuant to the New Jersey Fair Housing Act (C.52:27D-311), a preference for very low, low and moderate income veterans duly qualified under N.J.A.C. 54:4-8.10

may also be exercised, provided an agreement to this effect has been executed between the developer or landlord and the Municipality prior to the affirmative marketing of the units.

4. The Municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Program, including initial sales and rentals and resales and re-rentals. The Administrative Agent designated by the Municipality shall implement the Affirmative Marketing Plan to assure the affirmative marketing of all affordable units.

5. 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.

6. The Affirmative Marketing Plan shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Plan, the Administrative Agent shall consider the use of language translations where appropriate.

7. The affirmative marketing process for available affordable units shall begin at least four months (120 days) prior to the expected date of occupancy.

8. Applications for affordable housing shall be available in several locations, including, at a minimum, the county Administration Building and/or the county Library for each county within the housing region; the municipal administration building and the municipal library in the municipality in which the units are located; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.

9. In addition to other affirmative marketing strategies, the Administrative Agent shall provide specific notice of the availability of affordable housing units in the Municipality, and copies of the application forms, to the following entities: Fair Share Housing Center; the New Jersey State Conference of the NAACP; the Latino Action Network; the Trenton, Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch chapters of the NAACP; Shiloh Baptist Church; the Supportive Housing Association; the New Jersey Housing Resource Center; and any other entities on the list maintained by the Municipal Housing Liaison pursuant to section 10B-353.2.f. above, as said list may be updated or modified from time to time.

10. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner.

Section 10B-356 Enforcement of Affordable Housing Regulations

1. Upon the occurrence of a breach of any of the regulations governing an 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, a requirement for household recertification, acceleration of all sums due under a mortgage, recuperation of any funds from a sale in violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.

2. After providing written notice of a violation to an owner, developer or tenant of a low- or moderate-income unit and advising the owner, developer or tenant of the penalties for such violations, the Municipality may take the following action(s) against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:

   a. The Municipality may file a court action pursuant to *N.J.S.A*. 2A:58-11 alleging a violation or violations of the regulations governing the affordable housing unit. If the owner, developer or tenant is adjudged 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:

      i. A fine of not more than $500.00 per day or imprisonment for a period not to exceed 90 days, or both, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;

      ii. In the case of an owner who has rented a low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Municipality's affordable housing trust fund of the gross amount of rent illegally collected;

      iii. In the case of an owner who has rented a low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.

   b. The municipality may file a court action in the Superior Court seeking a judgment that would result in the termination of the owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any such 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- or moderate-income unit.

      i. The 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 his right to possession terminated as well as his title conveyed pursuant to the sheriff's sale.

ii. 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 the full 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.

iii. 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.

iv. 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.

v. 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.

vi. 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.

Section 10B-357 Appeals

Appeals from all decisions of an Administrative Agent appointed pursuant to this Ordinance shall be filed in writing as an action in lieu of prerogative writ in the Superior Court, Law Division in the County with jurisdiction over the Municipality's affordable housing proceedings, or in such other manner as the Superior Court may direct.

Division 6. Development Fees

Section 10B-358 Purpose

1. In Holmdel Builder's Association v. Holmdel Township, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), *N.J.S.A*. 52:27D-301 et seq., and the State Constitution, subject to COAH's adoption of rules.

2. COAH was authorized by P.L. 2008, c. 46, Section 8 (*N.J.S.A*. 52:27D-329.2), and the Statewide Nonresidential Development Fee Act (*N.J.S.A*. 40:55D-8.1 through 40:55D-8.7) to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of COAH or a court of competent jurisdiction and have a COAH- or court-approved spending plan may retain fees collected from nonresidential development.

3. In Re: Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015), also known as the "Mount Laurel IV" decision, the Supreme Court remanded COAH's duties to the Superior Court. As a result, affordable housing development fee collections and expenditures from the municipal affordable housing trust funds to implement municipal Third Round Fair Share Plans through July 7, 2025 are under the Court's jurisdiction and are subject to approval by the Court.

4. This section establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH's regulations and in accordance with P.L. 2008, c. 46, Sections 8 and 32 through 38. Fees collected pursuant to this section shall be used for the sole purpose of providing low- and moderate-income housing. This chapter shall be interpreted within the framework of COAH's rules on development fees, codified at *N.J.A.C*. 5:93-8.

Section 10B-359 Basic Requirements

1. COAH had previously approved ordinances which established both the former Township's and former Borough's affordable housing trust funds. The Municipality's development fee ordinance, which has been further amended, remains effective pursuant to the Superior Court's jurisdiction in accordance with *N.J.A.C.* 5:93.8.

2. At such time that the Court approves the Municipality's Third Round Housing Plan Element and Fair Share Plan and the Third Round Spending Plan, Princeton may begin spending development fees in conformance with *N.J.A.C.* 5:93-8 for the new 2020 Plan activities.

Section 10B-360 Residential Development Fees

1. Imposed fees.

    a. Within all Zoning Districts, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5% of the equalized assessed value for residential development, provided no increased density is permitted.

    b. When an increase in residential density pursuant to *N.J.S.A.* 40:55D-70d(5) (known as a density variance) has been permitted, developers may be required to pay a development fee of 6% of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application. Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal 1.5% of the equalized assessed value on the first two units; and the specified higher percentage up to six percent of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

2. Eligible exactions, ineligible exactions and exemptions for residential development.

    a. Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the Municipality, and developments where the developer has made a payment in lieu of on-site construction of affordable units for a fractional of an affordable housing unit less than 0.5 shall be exempt from development fees.

    b. Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval.

Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.

c. Owner-occupied residential buildings demolished as a result of a fire, flood, or natural disaster and replaced with a substantially similar residence shall be exempt from paying a development fee. If the new owner-occupied residential building is not substantially similar to the prior, demolished building, then the owner shall pay a development fee based on the net increase in equalized assessed value.

d. Residential development of student housing, as defined in Article I, Section 10B-2, shall be exempt from paying development fees. Examples of this type of construction would be dormitories and other types of student housing.

e. In addition to the construction of new principal and/or accessory buildings, development fees shall be imposed and collected for the construction of additions or expansions to existing buildings, and/or for the change or conversion of an existing building to accommodate a more intense use, and/or for the demolition and replacement of an existing building except as a result of a natural disaster as covered under subsection c., above, provided that the development fee shall be calculated on the increase in the equalized assessed value of the improved building.

Section 10B-361 Nonresidential Development Fees

1. Imposed fees.

a. Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2.5% of the equalized assessed value of the land and improvements for all new nonresidential construction on an unimproved lot or lots.

b. Nonresidential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing buildings to be used for nonresidential purposes.

c. Development fees shall be imposed and collected when an existing building is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the preexisting land and improvement and the equalized assessed value of the newly improved building, i.e., land and improvement, at the time final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the nonresidential development fee shall be zero.

2. Eligible exactions, ineligible exactions and exemptions for nonresidential development.

   a. The nonresidential portion of a mixed-use inclusionary or market rate development shall be subject to the two-and-one-half-percent (2.5%) development fee, unless otherwise exempted below.

   b. The two-and-one-half-percent (2.5%) fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.

   c. Nonresidential developments shall be exempt from the payment of nonresidential development fees in accordance with the exemptions required pursuant to P.L. 2008, c. 46, as specified in the Form N-RDF, "State of New Jersey Nonresidential Development Certification/Exemption" form. Any exemption claimed by a developer shall be substantiated by that developer.

   d. A developer of a nonresidential development exempted from the nonresidential development fee pursuant to P.L. 2008, c. 46, shall be subject to it at such time the basis for the exemption no longer applies and shall make the payment of the nonresidential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the nonresidential development, whichever is later.

   e. If a property which was exempted from the collection of a nonresidential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid nonresidential development fees under these circumstances may be enforceable by the Municipality as a lien against the real property of the owner.

Section 10B-362 Collection Procedures

1. Upon the granting of a preliminary, final or other applicable approval for a development, the applicable approving authority shall direct its staff to notify the construction official responsible for the issuance of a building permit.

2. For nonresidential developments only, the developer shall also be provided with a copy of Form N-RDF, "State of New Jersey Nonresidential Development Certification/ Exemption," to be completed as per the instructions provided. The developer of a nonresidential development shall complete Form N-RDF as per the instructions provided. The construction official shall verify the information submitted by the nonresidential developer as per the instructions provided in the Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.

3. The Construction Official responsible for the issuance of a building permit shall notify the local tax assessor of the issuance of the first building permit for a development which is subject to a development fee.

4. Within 90 days of receipt of that notice, the tax assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development.

5. The construction official responsible for the issuance of a final certificate of occupancy shall notify the tax assessor of any and all requests for the scheduling of a final inspection on property which is subject to a development fee.

6. Within 10 business days of a request for the scheduling of a final inspection, the tax assessor shall confirm or modify the previously estimated equalized assessed value of the improvements of the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.

7. Should the Municipality of Princeton fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b of Section 37 of P.L. 2008, c. 46 (*N.J.S.A*. 40:55D-8.6).

8. Fifty percent (50%) of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at issuance of certificate of occupancy.

9. Appeal of development fees.

    a. A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by the Municipality of Princeton. Appeals from a determination of the Board may be made to the Tax Court in accordance with the provisions of the State Uniform Tax Procedure Law, *N.J.S.A*. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

    b. A developer may challenge nonresidential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest-bearing escrow account by the Municipality of Princeton. Appeals from a determination of the Director may be made to the Tax Court in accordance with the provisions of the State Uniform Tax Procedure Law, *N.J.S.A*. 54:48-1 et seq., within 90 days after the

date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

Section 10B-363 Affordable Housing Trust Fund

1. There is hereby created a separate, interest-bearing affordable housing trust fund, to be maintained by the Director of Finance, or their designee, for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.

2. The following additional funds shall be deposited in the affordable housing trust fund and shall at all times be identifiable by source and amount:

   a. Payments in lieu of on-site construction of affordable units;

   b. Developer-contributed funds to make 10% of the adaptable entrances in a townhouse or other multistory attached development accessible;

   c. Rental income from municipally operated units;

   d. Repayments from affordable housing program loans;

   e. Recapture funds;

   f. Proceeds from the sale of affordable units; and

   g. Any other funds collected in connection with the Municipality of Princeton's affordable housing program.

3. The Borough of Princeton and the Township of Princeton previously provided COAH with written authorization, in the form of three-party escrow agreements between the municipality, Bank of Princeton, and COAH, to permit COAH to direct the disbursement of the funds as provided for in *N.J.A.C.* 5:93-8. The Superior Court shall now have such jurisdiction to direct the disbursement of the Municipality's trust funds per *N.J.A.C.* 5:93-8.

4. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by the Court.

Section 10B-364 Use of Funds

1. The expenditure of all funds shall conform to a spending plan approved by the Court. Funds deposited in the housing trust fund may be used for any activity approved by the Court to address the Municipality's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to, preservation or purchase of housing for the purpose of maintaining or implementing affordability

controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing nonresidential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Plan Element and Fair Share Plan, or any other activity as permitted pursuant to *N.J.A.C.* 5:93-8.16 and specified in the approved spending plan.

2. Funds shall not be expended to reimburse the Municipality of Princeton for past housing activities.

3. At least 30% of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30% or less of median income by region.

    a. Affordability assistance programs may include down payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners' association or condominium fees and special assessments, infrastructure assistance, and assistance with emergency repairs.

    b. Affordability assistance to households earning 30% or less of median income may include buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income.

    c. Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.

4. The Municipality of Princeton may contract with a private or public entity to administer any part of its Housing Plan Element and Fair Share Plan, including the requirement for affordability assistance, in accordance with *N.J.A.C.* 5:93-8.16.

5. No more than 20% of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Plan Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with the monitoring requirements set

forth in the Court-approved December 8, 2018 executed Settlement Agreement with Fair Share Housing Center. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

Section 10B-365 Monitoring

On the anniversary of the final Judgment of Repose each year through 2025, the Municipality of Princeton shall provide annual reporting of trust fund activity to the DCA, COAH, or NJLGS, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the DCA, COAH, or NJLGS. This reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

Section 10B-366 Ongoing Collection of Fees

The ability of the Municipality of Princeton to impose, collect and expend development fees shall expire with its Court-issued Judgment of Compliance and Repose unless the Municipality has filed an adopted Housing Plan Element and Fair Share Plan with the Court or other appropriate jurisdiction, has filed a Declaratory Judgment Action, and has received the Court's approval of its development fee ordinance. If the Municipality fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance and Repose, it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to Section 20 of P.L. 1985, c. 222 (N.J.S.A. 52:27D-320). The Municipality shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its Judgment Compliance and Repose, nor shall the Municipality impose a development fee retroactively on such a development. The Municipality shall not expend development fees after the expiration of its Judgment Compliance and Repose.

Section 10B-367 through Section 10B-372 Reserved

SECTION 6: A COPY OF THIS ORDINANCE SHALL BE REFERRED TO THE PRINCETON PLANNING BOARD FOLLOWING ITS INTRODUCTION FOR REVIEW PURSUANT TO N.J.S.A. 40A:55D-26A.

SECTION 7: ANY ARTICLE, SECTION, PARAGRAPH, SUBSECTION, CLAUSE, OR OTHER PROVISION OF THE CODE OF THE TOWNSHIP OF PRINCETON AND THE CODE OF BOROUGH OF PRINCETON INCONSISTENT WITH THE PROVISIONS OF THIS ORDINANCE IS HEREBY REPEALED TO THE EXTENT OF SUCH INCONSISTENCY.

SECTION 8: IF ANY SECTION, PARAGRAPH, SUBSECTION, CLAUSE, OR PROVISION OF THIS ORDINANCE SHALL BE ADJUDGED BY A COURT OF COMPETENT JURISDICTION TO BE INVALID, SUCH ADJUDICATION SHALL APPLY ONLY TO THE SECTION, PARAGRAPH, SUBSECTION, CLAUSE, OR PROVISION SO ADJUDGED, AND THE REMAINDER OF THIS ORDINANCE SHALL BE DEEMED VALID AND EFFECTIVE.

SECTION 9: THIS ORDINANCE SHALL TAKE EFFECT UPON ITS PASSAGE AND PUBLICATION, FILING WITH THE MERCER COUNTY PLANNING BOARD, AND AS OTHERWISE PROVIDED FOR BY LAW.

SECTION 10. THE PROVISIONS OF THIS ORDINANCE SHALL BE APPLICABLE WITHIN THE ENTIRE MUNICIPALITY OF PRINCETON UPON FINAL ADOPTION AND SHALL BECOME A PART OF THE NEW PRINCETON CODE ONCE COMPLETED AND ADOPTED.

_____ _____

Delores Williams, RMC, Clerk Hon. Liz Lempert, Mayor

Introduced: June 15, 2020

Reviewed by Planning Board: June 18, 2020

Adopted: June 29, 2020

Appendix S. Affirmative Marketing Plan

RESOLUTION 20-200

Resolution of the Mayor and Council of Princeton Adopting An "Affirmative Marketing Plan" For The Municipality Of Princeton

WHEAREAS, in accordance with applicable Council on Affordable Housing ("COAH") regulations, the New Jersey Uniform Housing Affordability Controls ("UHAC")(N.J.A.C. 5:80-26., et seq.), and the terms of a Settlement Agreement between the Municipality of Princeton and Fair Share Housing Center ("FSHC"), which was entered into as part of the City's Declaratory Judgment action entitled In the Matter of the Application of the Municipality of Princeton in Mercer County, Docket No. MER-L-1550-15, which was filed in response to Supreme Court decision In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015) ("Mount Laurel IV"), the Municipality of Princeton is required to adopt an Affirmative Marketing Plan to ensure that all affordable housing units created, including those created by the rehabilitation of rental housing units within the Municipality of Princeton, are affirmatively marketed to low and moderate income households, particularly those living and/or working within Housing Region 4, the COAH Housing Region encompassing the Municipality of Princeton.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Council of the Municipality of Princeton, County of Mercer, State of New Jersey, do hereby adopt the following Affirmative Marketing Plan:

Affirmative Marketing Plan

A. All affordable housing units in the Municipality of Princeton shall be marketed in accordance with the provisions herein.

B. The Municipality of Princeton is unique in that as a municipality, it has no COAH-calculated Prior Round obligation due to the fact that the Municipality of Princeton was created on January 1, 2013 by the consolidation of the former Borough of Princeton and the former Township of Princeton. As such, Princeton's Prior Round obligation has been established as 641 based on the separate obligations of the two former municipalities. The Municipality of Princeton has a Third Round obligation of 753.

C. This Affirmative Marketing Plan shall apply to all developments that contain or will contain low and moderate income units, including those that are part of the Municipality's current Fair Share Plan and those that may be constructed in future developments not yet anticipated by the Fair Share Plan. This Affirmative Marketing Plan shall also apply to any rehabilitated rental units that are vacated and re-rented during the applicable period of controls for rehabilitated rental units.

D. The Affirmative Marketing Plan shall be implemented by the Administrative Agent under contract to the Municipality of Princeton, or the Administrative Agent of any specific developer. All of the costs of advertising and affirmatively marketing affordable

housing units shall be borne by the developers/sellers/owners of affordable unit(s), and all such advertising and affirmative marketing shall be subject to approval and oversight by the designated Municipality Administrative Agent. All applications forms, flyers and marketing materials will be available in English, Spanish and any other language spoken by at least 5% of Region 4's population.

E. The implementation of the Affirmative Marketing Plan for a development that includes affordable housing shall commence at least 120 days before the issuance of either a temporary or permanent certificate of occupancy. The implementation of the Affirmative Marketing Plan shall continue until all very low, low and moderate income housing units are initially occupied and for as long as the affordable units remain deed restricted such that qualifying new tenants and/or purchasers continues to be necessary.

F. In implementing the Affirmative Marketing Plan, the Administrative Agent, whether acting on behalf of the Municipality of Princeton or on behalf of a specific developer, shall undertake, at the minimum, all of the following strategies:

1. Publication of an advertisement in one or more newspapers of general circulation within the housing region.

2. Broadcasting of an advertisement by a radio or television station broadcasting throughout the housing region.

3. At least one additional regional marketing strategy using one of the other sources listed below including at least two online social media and/or Real Estate platforms (Facebook, Nextdoor, Instagram, Zillow, Realtor, etc.).

G. 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, gender identity, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. The Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the COAH Housing Region in which the municipality is located and covers the entire period of the deed restriction for each restricted housing unit. The Municipality of Princeton is located in COAH Housing Region 4, consisting of Mercer, Monmouth and Ocean Counties.

H. The Affirmative Marketing Plan is a continuing program intended to be followed throughout the entire period of restrictions and shall meet the following requirements:

1. All newspaper articles, announcements and requests for applications for very low, low and moderate income units shall appear in the *Trenton Times, Asbury Park Press* and the *Ocean County Observer.*

2. The primary marketing shall take the form of at least one press release and a paid display advertisement in the above newspapers once a week for four consecutive weeks. Additional advertising and publicity shall be on an "as needed" basis. The developer/owner shall disseminate all public service announcements and pay for display advertisements. The developer/owner shall provide proof of all publications to the Administrative Agent. All press releases and advertisements shall be approved in advance by the Administrative Agent.

3. The advertisement shall include a description of the:

   a. Location of the units;

   b Directions to the units;

   c. Range of prices for the units;

   d. Size, as measured in bedrooms, of units;

   e. Maximum income permitted to qualify for the units;

   f. Location of applications;

   g. Business hours when interested households may obtain an application; and

   h. Application fees.

4. Newspaper articles, announcements and information on where to request applications for very low, low and moderate income housing shall appear at least once a week for four consecutive weeks in at least three locally oriented newspapers serving the housing region, one of which shall be circulated primarily in Mercer County and the other two of which shall be circulated primarily outside of Mercer County but within the housing region.

5. The following regional cable television stations or regional radio stations shall be used during the first month of advertising. The developer must provide satisfactory proof of dissemination:

   a. WKXW (101.5 FM)
   b. WOR (710 AM)
   c. WTTM (1680 AM)

d. Comcast of Mercer County, Southeast Pennsylvania
e. Comcast of Monmouth County
f. Comcast of Central New Jersey

I. Applications, brochure(s), sign(s) and/or poster(s) used as part of the affirmative marketing program shall be available/posted in the following locations:

1. Princeton Municipal Building

2. Princeton Monument Hall

3. Municipality of Princeton Website

4. Princeton Public Library

5. Developer's Sales/Rental Offices

6. Mercer County Administration Building

7. County of Monmouth Hall of Records

8. Ocean County Administration Building

9. Mercer County Library (all branches).

10. Monmouth County Library (all branches).

11. Ocean County Library (all branches).

Applications shall be mailed by the Municipality's Administrative Agent and Municipal Housing Liaison, or by the Administrative Agent of any specific developer, to prospective applicants upon request. Also, applications shall be available at the developer's sales/rental office and multiple copies of application forms shall be mailed to Fair Share Housing Center (FSHC); the New Jersey State Conference of the NAACP; the Latino Action Network; the Trenton, Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch units of the NAACP; Shiloh Baptist Church; the Supportive Housing Association; the New Jersey Housing Resource Center, Latin American Legal Defense and Education Fund (LALDEF), El Centro de Recursos para Familias of Catholic Charities, Mercer County Hispanic Association, Casa Freehold, Latino Merchants Association of NJ, Guatemalan Civic Association of Mercer County, Latino Pastors Association of Trenton, Assembly of God Pentecostal Church of Trenton, Arm in Arm, HomeFront, Dress of Success, Womanspace, and Housing Initiatives of Princeton for dissemination to their respective constituents.

J. The Administrative Agent shall develop, maintain and update a list of community contact person(s) and/or organizations(s) in Mercer, Monmouth and Ocean Counties that will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region, including major regional employers identified in Exhibit A, Part III, Marketing, Section 3e of COAH's ***Affirmative Fair Housing Marketing Plan for Affordable Housing in Region 4*** (attached to and hereby made part of this Resolution).

1. Quarterly informational flyers and applications shall be sent to each of the following agencies for publication in their journals and for circulation among their members:

   Mercer County Board of Realtors
   Monmouth County Board of Realtors
   Ocean County Board of Realtors

2. Quarterly informational circulars and applications shall be sent to the administrators of each of the following agencies within the counties of Mercer, Monmouth and Ocean Counties:

   Welfare or Social Service Board (via the Director)
   Rental Assistance Office (local office of DCA)
   Office on Aging
   Housing Authority (municipal or county)
   Community Action Agencies
   Community Development Departments
   Salvation Army, Trenton Office

3. Quarterly informational circulars and applications shall be sent to the chief personnel administrators of all of the major employers within the region, as listed on Attachment A, Part III, Marketing, Section 3e.

4. In addition, specific notification of the availability of affordable housing units in the Municipality of Princeton (along with copies of the application form) shall be provided to the following entities: Fair Share Housing Center (FSHC); the New Jersey State Conference of the NAACP; the Latino Action Network; the Trenton, Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch units of the NAACP; Shiloh Baptist Church; the Supportive Housing Association; and the New Jersey Housing Resource Center.

K. A random selection method to select occupants of very low, low and moderate income housing will be used by the Municipality's Administrative Agent, or the Administrative Agent of any specific developer, in conformance with N.J.A.C. 5:80-26.16 (l). This Affirmative Marketing Plan provides a regional preference for very low, low and

moderate income households that live and/or work in COAH Housing Region 4, comprised of Mercer, Monmouth and Ocean Counties. Pursuant to the New Jersey Fair Housing Act (C.52:27D-311), a preference for very low, low and moderate income veterans duly qualified under N.J.A.C. 54:4-8.10 may also be exercised, provided an agreement to this effect has been executed between the developer or landlord and the Municipality prior to the affirmative marketing of the units.

L. The Municipality's Administrative Agent, or the Administrative Agent of any specific developer, shall administer the Affirmative Marketing Plan. The Administrative Agent has the responsibility to income qualify very low, low and moderate income households; to place income eligible households in very low, low and moderate income units upon initial occupancy; to provide for the initial occupancy of very low, low and moderate income units with income qualified households; to continue to qualify households for re-occupancy of units as they become vacant during the period of affordability controls; to assist with outreach to very low, low and moderate income households; and to enforce the terms of the deed restriction and mortgage loan as per N.J.A.C. 5:80-26-1, et seq.

M. The Municipality's Administrative Agent, or the Administrative Agent of any specific developer, shall provide or direct qualified very low, low and moderate income applicants to counseling services on subjects such as budgeting, credit issues, mortgage qualifications, rental lease requirements and landlord/tenant law and shall develop, maintain and update a list of entities and lenders willing and able to perform such services.

N. All developers/owners of very low, low and moderate income housing units shall be required to undertake and pay the costs of the marketing of the affordable units in their respective developments, subject to the direction and supervision of the Municipality's Administrative Agent.

O. The Municipality's Administrative Agent, or the Administrative Agent of any specific developer, shall provide the Affordable Housing Liaison with the information required to comply with monitoring and reporting requirements pursuant to N.J.A.C. 5:80-26-1, et seq.

BE IT FURTHER RESOLVED that the appropriate Municipal officials and professionals are authorized to take all actions required to implement the terms of this Resolution and attached Exhibit A.

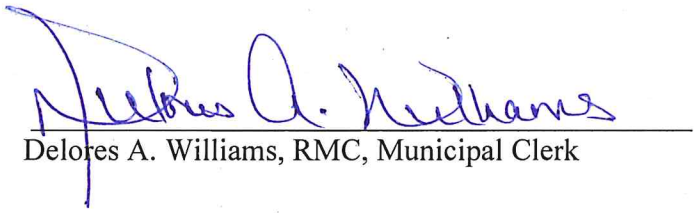
BE IT FURTHER RESOLVED that this Resolution shall take effect pursuant to law.

Mayor, Municipality of Princeton

I, Delores A. Williams, Municipal Clerk of the Municipality of Princeton, do hereby certify that the above is a true copy of a resolution adopted by the Council at a meeting held on June 15, 2020.

Councilperson	Absent	Present	1st	2nd	Yea	Nay	Abstain	Disqualified
Mr. Cohen		X			X			
Ms. Fraga		X			X			
Ms. Niedergang		X	X		X			
Ms. Pirone Lambros		X			X			
Ms. Sacks		X			X			
Mr. Williamson		X		X	X			
Mayor Lempert		X						

I, Delores A. Williams, Municipal Clerk of Princeton, do hereby certify that the above is a true copy of a resolution adopted by the Mayor and Council of Princeton at a meeting held on June 15, 2020.



Delores A. Williams, RMC, Municipal Clerk

ATTACHMENTS:

- 20.06.11_Rev1.Final_Exhibit A Affirmative Marketing Plan (DOC)

AFFIRMATIVE FAIR HOUSING MARKETING PLAN
For Affordable Housing in **(REGION 4)**

I. APPLICANT AND PROJECT INFORMATION
(Complete Section I individually for all developments or programs within the municipality.)

1a. Administrative Agent Name, Address, Phone Number		1b. Development or Program Name, Address
1c. Number of Affordable Units: Number of Rental Units: Number of For-Sale Units:	1d. Price or Rental Range From To	1e. State and Federal Funding Sources (if any)
1f. ☐ Age Restricted ☐ Non-Age Restricted	1g. Approximate Starting Dates Advertising:	Occupancy:
1h. County **Mercer, Monmouth, Ocean**		1i. Census Tract(s):
1j. Managing/Sales Agent's Name, Address, Phone Number		
1k. Application Fees (if any):		

(Sections II through IV should be consistent for all affordable housing developments and programs within the municipality. Sections that differ must be described in the approved contract between the municipality and the administrative agent and in the approved Operating Manual.)

II. RANDOM SELECTION

2. Describe the random selection process that will be used once applications are received.

1. Rental Process

A. An initial deadline date, no less than 60 days after the start of the marketing process, will be established. All of the preliminary applications received by the Administrative Agent, on or before the initial deadline date, shall be deemed received on that date.
B. Households that apply for very-low income housing will be prescreened by the Administrative Agent for preliminary income eligibility by comparing their total income and household size to the very-low income limits pursuant to the Fair Housing Act, N.J.S.A. 52:27D-304 ("NJFHA"). Households that apply for low and moderate income housing will be prescreened by the Administrative Agent for preliminary income eligibility by comparing their total income and household size to the low and moderate income limits pursuant to the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. ("UHAC"). All households will be notified as to their preliminary status. Incomplete applications will be returned immediately upon receipt with a letter highlighting the missing items.
C. A drawing will be held under the direction of the Administrative Agent to determine the priority order of the pre-qualified applications received on or before the initial deadline date. All preliminary applications received after the initial deadline will be processed on a "first come, first served" basis. The date and time of the drawing will be made public at least 10 days prior, and will be open to the public.

D. In order to ensure an adequate supply of qualified applicants, the advertising phase will continue until there are at least ten (10) pre-qualified applicants for each low and moderate income unit available, or until all of the low and moderate income units within the development have been rented.
E. Final applications will be mailed by the Administrative Agent to an adequate number of pre-qualified applicants, in priority order, for each available very-low, low and moderate income unit. The final application will require the applicants to supply documents to verify their identity and household composition as well as their income and assets.
F. Completed final applications will be forwarded to the Administrative Agent. The Administrative Agent will make a determination as to their eligibility for a low or moderate income unit. Applicants will receive a letter from the Administrative Agent with respect to the status of their applications each time a review is performed. A letter stating the reason why an applicant has been deemed ineligible, and the procedure for appeal, will be mailed within 48 hours of the determination.
G. Subsequent to the initial rent-up period, a list of pre-qualified applicants will be maintained by the Administrative Agent for each type of very-low, low and moderate income unit.

2. Sale Process

A. An initial deadline date, no less than 60 days after the start of the marketing process, will be established. All of the preliminary applications received by the Administrative Agent, on or before the initial deadline date, shall be deemed received on that date.
B. Households that apply for low and moderate income housing will be prescreened by the Administrative Agent for preliminary income eligibility by comparing their total income and household size to the low and moderate income limits adopted by the Affordable Housing Professional of New Jersey ("AHPNJ") or their successors or other program restrictions that may apply. All households will be notified as to their preliminary status.
C. A drawing will be held under the direction of the Administrative Agent to determine the priority order of the pre-qualified applications received on or before the initial deadline date. All preliminary applications received after the initial deadline will be processed on a "first come, first served" basis.
D. In order to ensure an adequate supply of qualified applicants, the advertising phase will continue until there are at least ten (10) pre-qualified applicants for each low and moderate income unit available, or until all of the low and moderate income units within the development have been sold.
E. Final applications will be mailed by the Administrative Agent to an adequate number of pre-qualified applicants, in priority order, for each available very-low, low and moderate income unit. The final application will require the applicants to supply documents to verify their identity and household composition as well as their income and assets.
F. Completed final applications will be forwarded to the Administrative Agent. The Administrative Agent will make a determination as to their eligibility for a low or moderate income unit. Applicants will receive a letter from the Administrative Agent with respect to the status of their applications each time a review is performed.
G. When submitting final applications, applicants will also be asked to provide a pre-qualification letter from a qualified lending institution.
H. Certified applicants will be given 15 days to sign a sales agreement with the developer. Mortgage contingencies may not be an acceptable term of this agreement.
I. The sales agreement may also limit closing to a reasonable time to be approved by the Administrative Agent in advance of the process.

3. Resale Process

A. The Seller submits a Preliminary Notice with a copy of their recorded deed in order to determine the maximum resale price.
B. The Administrative Agent will respond to the Seller in writing, explaining some of the details of the process and informing the Seller of the Maximum Sales Price (based on the change in median income as set for by HUD) as well as the Maximum Income allowed for potential purchasers, as adjusted for family size.
C. The Administrative Agent will also send a "Notice of Availability" to households on the waiting list for an affordable housing home of the same size and income category. The Administrative Agent will include about 20 copies of the Preliminary Applications, specifically marked with the address of the affordable home at the top, to the Seller. The Notice will ask interested households to contact the Seller or their agent, directly, to make an appointment to see the affordable home within a two-week timeframe. The Seller may want to prepare a flyer for us to distribute with the notice of availability. The Administrative Agent reserves the right to limit the number of notices that are mailed, based on the chronological order in which the prequalified applications were received. If the notices are limited in this way, applicants receiving notices will have a priority over those who do not.
D. With permission of the Seller, the Administrative Agent will automatically place a notification of the

availability on NJHRC.gov. The Seller or their agent may also want to advertise. Ads should include the "Equal Housing Opportunity" logo and should be sent to the Administrative Agent for review prior to distribution. Notification of availability will also be advertised in at least two online Real Estate sales platforms (Realtor, Zillow, Trulia, etc.).

E. The Seller of their agent, upon showing the home, provides potential buyers with a copy of the Preliminary Application (which may be duplicated if necessary). All interested parties must receive a specially marked Preliminary Application, whether or not they have already submitted an application to the Administrative Agent or are on the waiting list. Also, the Seller or their agent must keep a record of the name, address and telephone number of everyone who viewed the home.

F. At the end of the two-week time period, the Administrative Agent collects all of the Preliminary Applications submitted for a particular home. They are prioritized on the basis of a blind selection process or lottery. Preference may be given to households that can utilize all of the bedrooms, as well as handicap accommodations, when applicable.

G. The first two applicants on the prioritized list are sent a letter which requires them to complete a final application within seven days.

H. When an applicant is approved, the Seller may begin to negotiate a contract with the potential Buyer at this time, but there must be a contingency clause in the contract which voids the contract, without penalty to the buyer, if the potential buyer is not able to obtain financing within 30 days.

I. The remaining applicants are maintained on the waiting list for this home or other homes in the same size and income categories. In the event that the potential buyer is not able and/or willing to purchase the affordable home, the next applicant on the prioritized list is notified pursuant to the process described above.

J. The Seller must sell the affordable home with the same or comparable appliances and amenities that were in the home when it was first sold as an affordable home.

K. The Seller may NOT charge more than the Maximum Selling Price for any reason, except the addition of a room, the installation of central air conditioning (where there was none before) or comparable upgrade, but ONLY with prior written approval from the Administrative Agent. For the most part, condominiums in this project are NOT eligible for such upgrades and/or adjustments to the selling price. The cost of broker fees; municipal inspections and required repairs that may be necessary to receive a Certificate of Occupancy; new appliances, carpeting or other flooring upgrades; and decorating and remodeling projects are NOT eligible costs for an increase in the Maximum Sales Price.

L. A copy of the Sales Contract must be submitted to the Administrative Agent prior to closing.

M. During the final stages of the process, it will be necessary for the Buyer to make arrangement for the Affordable Housing Agreement and Mortgage Note to be satisfied with respect to the Seller and new documents filed with respect to the Buyer. The Administrative Agent typically provides the Buyer's attorney with the name and phone number of the attorney who can address these issues.

N. A copy of the HUD Closing Statement or Closing Disclosure form required by the TILA-RESPA Integrated Disclosure Rule, as appropriate, must be submitted to the Administrative Agent after the sale of the home.

O. Note: The Administrative Agent does not guarantee that the Buyer can sell an affordable home for the Maximum Sales Price. An affordable home is also susceptible to market conditions, and the Fair Market Value of an affordable home may be lower than the Maximum Selling Price. In this case, the Seller may not be able to sell the home for more than its Fair Market Value.

P. This outline is meant to describe the process utilized prior to the expiration of the deed restriction. It is not mean to be a legal representation of the rights or responsibilities of any party, nor is it meant to modify the Affordable Housing Agreement, Mortgage Note or other Deed Restrictions. Buyers and Sellers are encouraged to seek legal counsel for specific questions in this regard.

Q. The Administrative Agent is available to both the Buyer and the Seller throughout the process to answer any questions that they may have.

III. MARKETING

3a. Direction of Marketing Activity: (indicate which group(s) in the housing region are least likely to apply for the housing without special outreach efforts because of its location and other factors)

☐ White (non-Hispanic X Black (non-Hispanic) X Hispanic ☐ American Indian or Alaskan Native

☐ Asian or Pacific Islander ☐ Other group:

3b. Websites

HOUSING RESOURCE CENTER (www.njhrc.gov) A free, online listing of affordable housing X

MUNICIPALITY OF PRINCETON (https://www.princetonnj.gov) A link from the municipal website X

3c. Commercial Media (required) (Check all that applies)

	Duration & Frequency of Outreach	**Names of Regional Newspaper(s)**	**Circulation Area**
TARGETS PARTIAL HOUSING REGION 4			
Daily Newspaper			
X	Once at the start of the affirmative marketing process and as needed.	Trenton Times	Mercer
☐		Trentonian	Mercer
X	Once at the start of the affirmative marketing process and as needed.	Asbury Park Press	Monmouth, Ocean
X	Once at the start of the affirmative marketing process and as needed.	Ocean County Observer	Ocean
Weekly Newspaper			
☐		Ewing Observer	Mercer
☐		Hopewell Valley News	Mercer
☐		Lawrence Ledger	Mercer
☐		Pennington Post	Mercer
☐		Princeton Town Topics	Mercer
☐		Tempo Mercer	Mercer
☐		Trenton Downtowner	Mercer
☐		Windsor Heights Herald	Mercer
☐		West Windsor-Plainsboro News	Mercer, Middlesex
☐		Princeton Packet	Mercer, Middlesex, Somerset
☐		Messenger-Press	Mercer, Monmouth, Ocean
☐		Woodbridge Sentinel	Middlesex
☐		Atlanticville	Monmouth
☐		Coaster	Monmouth
☐		Courier	Monmouth
☐		Examiner	Monmouth
☐		Hub, The	Monmouth
☐		Independent, The	Monmouth
☐		News Transcript	Monmouth

☐		Two River Times	Monmouth
☐		Coast Star, The	Monmouth, Ocean
☐		Beach Haven Times	Ocean
☐		Beacon, The	Ocean
☐		Berkeley Times	Ocean
☐		Brick Bulletin	Ocean
☐		Brick Times	Ocean
☐		Jackson Times	Ocean
☐		Lacey Beacon	Ocean
☐		Manchester Times	Ocean
☐		New Egypt Press	Ocean
☐		Ocean County Journal	Ocean
☐		Ocean Star, The	Ocean
☐		Tri-Town News	Ocean
☐		Tuckerton Beacon	Ocean
☐		Atlantic Highlands Herald	Monmouth

	DURATION & FREQUENCY OF OUTREACH	**NAMES OF REGIONAL TV STATION(S)**	**CIRCULATION AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE**
TARGETS ENTIRE HOUSING REGION 4			
☐		2 WCBS-TV CBS Broadcasting Inc.	
☐		4 WNBC NBC Telemundo License Co. (General Electric)	
☐		5 WNYW Fox Television Stations, Inc. (News Corp.)	
☐		7 WABC-TV American Broadcasting Companies, Inc (Walt Disney)	
☐		9 WWOR-TV Fox Television Stations, Inc. (News Corp.)	
☐		10 WCAU NBC Telemundo License Co. (General Electric)	
☐		11 WPIX WPIX, Inc. (Tribune)	
☐		13 WNET Educational Broadcasting Corporation	

☐		58 WNJB New Jersey Public Broadcasting Authority	
TARGETS PARTIAL HOUSING REGION 4			
☐		25 W25AW WZBN TV, Inc.	Mercer
☐		39 WLVT-TV Lehigh Valley Public Telecommunications Corp.	Mercer
☐		60 WBPH-TV Sonshine Family Television Corp	Mercer
☐		63 WMBC-TV Mountain Broadcasting Corp.	Mercer
☐		69 WFMZ-TV Maranatha Broadcasting Company, Inc.	Mercer
☐		41 WXTV WXTV License Partnership, G.P. (Univision Communications Inc.)	Mercer, Monmouth
☐		3 KYW-TV CBS Broadcasting Inc.	Mercer, Ocean
☐		6 WPVI-TV American Broadcasting Companies, Inc (Walt Disney)	Mercer, Ocean
☐		12 WHYY-TV WHYY, Inc.	Mercer, Ocean
☐		17 WPHL-TV Tribune Company	Mercer, Ocean
☐		23 WNJS New Jersey Public Broadcasting Authority	Mercer, Ocean
☐		29 WTXF-TV Fox Television Stations, Inc. (News Corp.)	Mercer, Ocean
☐		35 WYBE Independence Public Media Of Philadelphia, Inc.	Mercer, Ocean
☐		48 WGTW-TV Trinity Broadcasting Network	Mercer, Ocean
☐		52 WNJT New Jersey Public Broadcasting Authority	Mercer, Ocean
☐		57 WPSG CBS Broadcasting Inc.	Mercer, Ocean
☐		61 WPPX Paxson Communications License Company, LLC	Mercer, Ocean
☐		65 WUVP-TV Univision Communications, Inc.	Mercer, Ocean
☐		25 WNYE-TV New York City Dept. Of Info Technology & Telecommunications	Monmouth
☐		31 WPXN-TV Paxson Communications License Company, LLC	Monmouth
☐		47 WNJU NBC Telemundo License Co. (General Electric)	Monmouth

☐		50 WNJN New Jersey Public Broadcasting Authority	Monmouth
☐		68 WFUT-TV Univision New York LLC	Monmouth, Ocean (Spanish)
☐		62 WWSI Hispanic Broadcasters of Philadelphia, LLC	Ocean

	Duration & Frequency of Outreach	**Names of Cable Provider(s)**	**Broadcast Area**
TARGETS PARTIAL HOUSING REGION 4			
☐		Cablevision of Hamilton	Partial Mercer, Monmouth
X	Once at the start of the affirmative marketing.	Comcast of Central NJ,	Partial Mercer, Monmouth
☐		Patriot Media & Communications, CNJ	Partial Mercer
☐		Cablevision of Monmouth, Raritan Valley	Partial Monmouth
X	Once at the start of the affirmative marketing.	Comcast of Mercer County, Southeast Pennsylvania	Partial Middlesex
X	Once at the start of the affirmative marketing.	Comcast of Monmouth County	Partial Monmouth, Ocean
☐		Comcast of Garden State, Long Beach Island, Ocean County, Toms River	Partial Ocean

	Duration & Frequency of Outreach	**Names of Regional Radio Station(s)**	**Broadcast Area and/or Racial/Ethnic Identification of Readers/Audience**
TARGETS ENTIRE HOUSING REGION 4			
AM			
☐		WWJZ 640	
X	Once at the start of the affirmative marketing.	WOR 710	
☐		WABC 770	
☐		WCBS 880	
☐		WBBR 1130	
☐		WPST 94.5	
FM			
X	Once at the start of the affirmative marketing.	WKXW-FM 101.5	
☐		WPRB 103.3	
TARGETS PARTIAL HOUSING REGION 4			
AM			
☐		WFIL 560	Mercer, Monmouth
☐		WMCA 570	Monmouth, Ocean

☐		WFAN 660	Mercer, Monmouth
☐		WNYC 820	Mercer, Monmouth
☐		WWBD 860	Mercer
☐		WPHY 920	Mercer
☐		WNTP 990	Mercer
☐		WCHR 1040	Mercer
☐		WOBM 1160	Monmouth, Ocean
☐		WWTR 1170	Mercer
☐		WPHT 1210	Mercer, Monmouth
☐		WBUD 1260	Mercer, Monmouth
☐		WIMG 1300	Mercer
☐		WADB 1310	Monmouth, Ocean
☐		WHTG 1410	Monmouth
☐		WCTC 1450	Mercer, Monmouth
☐		WBCB 1490	Mercer
X	Once at the start of the affirmative marketing.	WTTM 1680	Mercer, Monmouth
FM			
☐		WNJT-FM 88.1	Mercer
☐		WWFM 89.1	Mercer, Monmouth
☐		WRDR 89.7	Monmouth, Ocean
☐		WRTI 90.1	Mercer
☐		WBJB-FM 90.5	Monmouth
☐		WWNJ 91.1	Ocean
☐		WTSR 91.3	Mercer
☐		WBGD 91.9	Ocean
☐		WFNY-FM 92.3	Mercer, Monmouth
☐		WXTU 92.5	Mercer
☐		WOBM-FM 92.7	Ocean
☐		WPAT-FM 93.1	Mercer, Monmouth
☐		WMMR 93.3	Mercer
☐		WNYC-FM 93.9	Mercer, Monmouth

☐		WYSP 94.1	Mercer
☐		WJLK-FM 94.3	Monmouth, Ocean
☐		WFME 94.7	Mercer, Monmouth
☐		WZZO 95.1	Mercer
☐		WPLJ 95.5	Mercer, Monmouth
☐		WBEN-FM 95.7	Mercer
☐		WRAT 95.9	Monmouth, Ocean
☐		WCTO 96.1	Mercer
☐		WQXR-FM 96.3	Mercer, Monmouth
☐		WRDW-FM 96.5	Mercer
☐		WQHT 97.1	Mercer, Monmouth
☐		WSKQ-FM 97.9	Mercer, Monmouth
☐		WOGL 98.1	Mercer
☐		WMGQ 98.3	Mercer, Monmouth
☐		WRKS 98.7	Mercer, Monmouth
☐		WUSL 98.9	Mercer, Monmouth
☐		WAWZ 99.1	Mercer, Monmouth
☐		WBAI 99.5	Mercer, Monmouth
☐		WJRZ-FM 100.1	Ocean
☐		WHTZ 100.3	Mercer, Monmouth
☐		WCBS-FM 101.1	Mercer, Monmouth
☐		WQCD 101.9	Mercer, Monmouth
☐		WIOQ 102.1	Mercer
☐		WNEW 102.7	Mercer, Monmouth
☐		WMGK 102.9	Mercer
☐		WKTU 103.5	Mercer, Monmouth
☐		WAXQ 104.3	Mercer, Monmouth
☐		WWPR-FM 105.1	Mercer, Monmouth
☐		WDAS-FM 105.3	Mercer, Monmouth
☐		WCHR-FM 105.7	Ocean

☐		WJJZ 106.1	Mercer, Monmouth
☐		WHTG-FM 106.3	Monmouth, Ocean
☐		WLTW 106.7	Mercer, Monmouth
☐		WKDN 106.9	Mercer
☐		WWZY 107.1	Monmouth, Ocean
☐		WBLS 107.5	Mercer, Monmouth
☐		WWPH 107.9	Mercer

3d. Other Publications (such as neighborhood newspapers, religious publications, and organizational newsletters) (Check all that applies)

		NAME OF PUBLICATIONS	**OUTREACH AREA**	**RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE**
TARGETS ENTIRE HOUSING REGION 4				
Weekly				
		Reporte Hispano	New Jersey	Spanish-Language
TARGETS PARTIAL HOUSING REGION 4				
Weekly				
☐		New Jersey Jewish News	Northern and Central New Jersey	Jewish
☐		El Hispano	Camden and Trenton areas	Spanish-Language
☐		Ukrainian Weekly	New Jersey	Ukrainian community

3e. Employer Outreach (names of employers throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing) (Check all that applies)

DURATION & FREQUENCY OF OUTREACH		**NAME OF EMPLOYER/COMPANY**	**LOCATION**
Mercer County			
X	Once at the start of the affirmative marketing.	Mercer County Board of Education	1075 Old Trenton Rd, Trenton, NJ
X	Once at the start of the affirmative marketing.	Penn Medicine Princeton Medical Center	One Plainsboro Road, Plainsboro, NJ 08536
X	Once at the start of the affirmative marketing.	Mercer County Board of Realtors	1482 Brunswick Ave., Trenton, NJ
X	Once at the start of the affirmative marketing.	Robert Wood Johnson – Rehab	1400 Lower Ferry Road, Ewing, NJ 08638
X	Once at the start of the affirmative marketing.	Bristol-Myers Squibb	100 Nassau Park Blvd, Princeton, NJ and 3401 Princeton Pike, Lawrence Twp., NJ 08648
X	Once at the start of the affirmative marketing.	St. Lawrence Rehabilitation Center	2381 Lawrenceville Rd, Lawrenceville, NJ
X	Once at the start of the affirmative marketing.	McGraw-Hill	120 Windsor Center Dr, East Windsor, NJ

X	Once at the start of the affirmative marketing.	Conair Corporation	150 Milford Rd, Hightstown, NJ
X	Once at the start of the affirmative marketing.	Shiseido America, Inc.	366 Princeton Hightstown Rd, East Windsor, NJ
X	Once at the start of the affirmative marketing.	NJ Manufacturers Insurance Company	301 Sullivan Way, Trenton, NJ
X	Once at the start of the affirmative marketing.	Homasote	932 Lower Ferry Rd, Trenton, NJ
X	Once at the start of the affirmative marketing.	Robert Wood Johnson University Hospital	1 Hamilton Health Pl, Trenton, NJ
X	Once at the start of the affirmative marketing.	Congoleum Corp.	3500 Quakerbridge Rd, Mercerville, NJ
X	Once at the start of the affirmative marketing.	Coca-Cola Foods	480 Mercer St, Hightstown, NJ
X	Once at the start of the affirmative marketing.	Peddie School	111 Armellino Ct, Hightstown, NJ
□		Dana Communications	2 E Broad St, Hopewell, NJ
□		Merrill Lynch	410 Scotch Rd, Hopewell, NJ
X	Once at the start of the affirmative marketing.	Janssen Pharmaceutical	1125 Trenton Harbourton Rd, Titusville, NJ
X	Once at the start of the affirmative marketing.	St. Francis Medical Center	601 Hamilton Avenue Trenton NJ 08629-1986
X	Once at the start of the affirmative marketing.	The Trenton Times	413 River View Plaza, Trenton, NJ
X	Once at the start of the affirmative marketing.	Gaum. Inc.	1080 US Highway 130, Robbinsville, NJ
X	Once at the start of the affirmative marketing.	Capital Health Regional Medical Center	750 Brunswick Ave., Trenton, NJ 08638
X	Once at the start of the affirmative marketing.	Princeton University	33 Washington Road, Princeton, NJ 08544
X	Once at the start of the affirmative marketing.	ETS	660 Rosedale Road, Princeton, NJ 08540 and 225 Philips Blvd., Ewing, NJ 08628
X	Once at the start of the affirmative marketing.	Amazon Fulfillment Center	50 New Canton Way, Robbinsville, NJ 08691
X	Once at the start of the affirmative marketing.	Capital Health Hopewell	One Capital Way, Pennington, NJ 08534

Monmouth County			
X	Once at the start of the affirmative marketing.	Meridian Health System	1350 Campus Parkway Neptune
X	Once at the start of the affirmative marketing.	US Army Communications Electronics Command Fort Monmouth	CECOM Bldg 901 Murphy drive Fort Monmouth
□		County of Monmouth Hall of Records	1 East Main Street Freehold
X	Once at the start of the affirmative marketing.	Central State Healthcare Systems	West Main Street Freehold
X	Once at the start of the affirmative marketing.	Monmouth Medical Center	300 Second Ave Long Branch
X	Once at the start of the affirmative marketing.	Asbury Park Press	3601 Route 66 Neptune, NJ
X	Once at the start of the affirmative marketing.	Food Circus Super Markets, Inc.	835 Highway 35 PO BOX 278 Middletown, NJ
X	Once at the start of the affirmative marketing.	Monmouth University	Cedar Ave West Long Branch
X	Once at the start of the affirmative marketing.	Naval Weapons stations Earle	State Highway 34 Colts Neck, NJ

X	Once at the start of the affirmative marketing.	Norkus Enterprises, Inc.	505 Richmond Ave Point Pleasant, NJ
X	Once at the start of the affirmative marketing.	Horizon Blue Cross Blue Shield	1427 Wyckoff Road Farmingdale, NJ
X	Once at the start of the affirmative marketing.	RiverView Medical	1 Riverview Plaza, Red Bank, NJ
X	Once at the start of the affirmative marketing.	K.Hovnanian Hospital	1945 Rte. 33, Neptune, NJ 07753
X	Once at the start of the affirmative marketing.	Bayshore Community Hospital	725 N. Beers St., Holdel, NJ

Ocean County			
X	Once at the start of the affirmative marketing.	Saint Barnabas Health Care System	300 2nd Ave Long Branch, NJ 07740
X	Once at the start of the affirmative marketing.	Six Flags Theme Parks Inc	Route 537 Jackson, NJ 08527
X	Once at the start of the affirmative marketing.	Ocean Medical	425 Jack Martin Blvd, Brick, NJ
X	Once at the start of the affirmative marketing.	Southern Ocean County Hospital	1140 Route 72 West, Manahawkin, NJ
X	Once at the start of the affirmative marketing.	Jackson Premium Outlets	537 Monmouth Rd., Jackson, NJ
X	Once at the start of the affirmative marketing.	Jenkinsons	300 Ocean Ave Pt. Pleasant Beach, NJ 08742

3f. Community Contacts (names of community groups/organizations throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing)

Name of Group/Organization	Outreach Area	Racial/Ethnic Identification of Readers/Audience	Duration & Frequency of Outreach
Fair Share Housing Center	Statewide	All	Once at the start of the affirmative marketing.
New Jersey State Conference of the NAACP	Statewide	All	Once at the start of the affirmative marketing.
Latino Action Network	Statewide	Latin American Community	Once at the start of the affirmative marketing.
Trenton NAACP	Trenton, Mercer County	All	Once at the start of the affirmative marketing.
Greater Red Bank NACCP	Red Bank, Monmouth County	All	Once at the start of the affirmative marketing.
Asbury Park/Neptune NAACP	Asbury Park/Neptune, Monmouth County	All	Once at the start of the affirmative marketing.
Bayshore NAACP	Matawan, Monmouth County	All	Once at the start of the affirmative marketing.
Greater Freehold NAACP	Freehold, Monmouth County	All	Once at the start of the affirmative marketing.
Greater Long Branch NAACP	Lang Branch, Monmouth County	All	Once at the start of the affirmative marketing.
Shiloh Baptist Church	Statewide	All	Once at the start of the affirmative marketing.
Supportive Housing Association	Statewide	All	Once at the start of the affirmative marketing.
New Jersey Housing Resource Center	Statewide	All	Once at the start of the affirmative marketing.
Latin American Legal Defense and Ed. Fund (LALDEF)	Mercer County	Latin American community	Once at the start of the affirmative marketing.
El Centro de Recursos para	Mercer County	Latin American	Once at the start of the

Familias of Catholic Charities (Trenton)		community	affirmative marketing.
Mercer County Hispanic Association	Mercer County	Latin American community	Once at the start of the affirmative marketing.
Casa Freehold	Monmouth County	Immigrant community	Once at the start of the affirmative marketing.
Latino Merchants Association of NJ	City of Trenton	Latino Business Community	Once at the start of the affirmative marketing.
Guatemalan Civic Association of Mercer County	Mercer County	Latin American community	Once at the start of the affirmative marketing.
Latino Pastors Association of Trenton	City of Trenton	Latin American community	Once at the start of the affirmative marketing.
Assembly of God Pentecostal Church of Trenton	City of Trenton	Latin American community	Once at the start of the affirmative marketing.
Arm in Arm	Mercer County	All	Once at the start of the affirmative marketing.
HomeFront NJ	Central NJ	All	Once at the start of the affirmative marketing.
Dress for Success	Central NJ	Women	Once at the start of the affirmative marketing.
Womanspace	Statewide	Women	Once at the start of the affirmative marketing.
Housing Initiatives of Princeton	Princeton	All	Once at the start of the affirmative marketing.

IV. APPLICATIONS

Applications for affordable housing for the above units will be available at the following locations:

4a. County Administration Buildings and/or Libraries for all counties in the housing region (list county building, address, contact person) (Check all that applies)

	BUILDING	LOCATION
X	Mercer County Library Headquarters	2751 Brunswick Pike, Lawrenceville, NJ 08648
X	Monmouth County Headquarters Library	125 Symmes Drive, Manalapan, NJ 07726
X	Ocean County Library	101 Washington Street, Toms River, NJ 08753
X	Mercer County Administration Building	640 South Broad Street, PO BOX 8068, Trenton, NJ 08650-0068
X	Ocean County Administration Building	101 Hooper Ave., Toms River, NJ 08753
X	County of Monmouth Hall of Records	33 Mechanic Street, Freehold, NJ 07728
X	Princeton Public Library	65 Witherspoon Street, Princeton, NJ 08542

4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)

Municipal Building, 400 Witherspoon Street, Princeton, NJ 08540

Monument Hall, 1 Monument Drive, Princeton, NJ 08540

Princeton Public Library, 65 Witherspoon Street, Princeton, NJ 08542

4c. Sales/Rental Office for units (if applicable)

V. CERTIFICATIONS AND ENDORSEMENTS

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the (select one: Municipality's substantive certification or DCA Balanced Housing Program funding or HMFA UHORP/MONI/CHOICE funding).

_____

Name (Type or Print)

_____

Title/Municipality

_____

Signature Date

Appendix T. Municipal Housing Liaison Resolution, Administrative Agent Agreement

RESOLUTION 25-16

Resolution of the Mayor and Council of Princeton Appointing a Municipal Housing Liaison for the Princeton Affordable Housing Program

WHEREAS, Princeton has established an affordable housing program to provide for ownership and rental units for very low, low and moderate, income household in order to satisfy its constitutional obligation under Southern Burlington County NAACP vs. Mount Laurel, 67 N.J. 151 (1975); and

WHEREAS, *N.J.A.C.* 5:96-17.1 permits municipalities who have created affordable housing programs to designate a Municipal Housing Liaison ("MHL") to administer the Municipal Affordable Housing Program in accordance with all applicable state and local regulation including the Housing Affordability Control, *N.J.A.C.* 5:80-26.1 et seq.; and

WHEREAS, Princeton wishes to designate a MHL for the continued implementation of its affordable housing program; and

WHEREAS, said designee has completed an educational program for a MHL as required by *N.J.A.C.* 5:96-20.

NOW, **THEREFORE**, **BE IT RESOLVED**, by the Municipality of Princeton, County of Mercer, State of New Jersey that the Princeton Council hereby designates Rhodalynn Jones as the Municipal Housing Liaison for the Princeton Affordable Housing Program.

Councilperson	Absent	Present	1st	2nd	Yea	Nay	Abstain	Disqualified
Mr. McDonald		X			X			
Ms. Pirone Lambros		X		X	X			
Mr. Cohen		X			X			
Ms. Sacks		X			X			
Ms. Fraga		X	X		X			
Mr. Newlin		X			X			
Mayor Freda		X						

I, Rayna E. Harris, Municipal Clerk of Princeton, do hereby certify that the above is a true copy of a resolution adopted by the Mayor and Council of Princeton at a meeting held January 7, 2025.

Rayna E. Harris, Municipal Clerk

ATTACHMENTS:

- MHL Resolution Memo 2025 (PDF)

PROFESSIONAL SERVICES AGREEMENT
Proposal for Administrative Agent Services

THIS AGREEMENT by and between the Princeton (hereinafter referred to as “”), a Municipal Corporation of the State of New Jersey and CGP&H LLC, 1249 South River Road, Suite 301, Cranbury, NJ 08512 (hereinafter referred to as “CGP&H”); and

WHEREAS, both the and CGP&H desire to set forth the various duties, terms and responsibilities of the parties hereto;

WHEREAS, CGP&H submitted its proposal on the 18th day of June, 2024 and was awarded this contract based upon the recommendation of the RFP Review Committee; and

WHEREAS, the Council hereby desires to approve of this Contract that was presented for the provision of said services.

WITNESSETH, that the parties hereto, for and in consideration of the mutual agreements herein contained, promise and agree as follows:

1. The term of the Agreement shall become effective as of the _____ day of _____, 2024 for a period of twelve (12) months terminating at the close of business on the _____ day of _____, 2025. The term of this Agreement shall become effective as of the date this Agreement is executed by the for a period of twelve (12) months. The Agreement may be terminated by either party, by giving one (1) month advanced written notice to the other.
2. CGP&H shall perform to the ’s satisfaction all services as required by the during the term of this Agreement as authorized and specifically in accordance with the proposal submitted by CGP&H which is incorporated herein by reference and made a part hereof as though more fully set forth herein at length.
3. The “contract” shall consist of the following:
    a. This Agreement and all Schedules annexed thereto.
    b. Resolution of appointment made by the Mayor and Council.
    c. All other terms required by law to be inserted in this contract, whether actually inserted or not.
    d. The Affirmative Action Requirements annexed hereto, applicable to this contract, as Schedule B.

4. CGP&H hereby represents to the that CGP&H is qualified to fulfill the position set forth herein with applicable requirements. CGP&H further represents that CGP&H is familiar with all applicable statutes, laws, regulations, procedures and requirements in connection with this appointment.

5. CGP&H hereby agrees to perform the services set forth under the attached proposal, Schedule A, for the Princeton during the period set forth herein above.

6. The Contractor shall be compensated in accordance with the fee schedule included in its Professional Services Proposal for Affordable Housing Services submitted on the 18th day of June, 2024 to the Princeton, and attached here as Schedule A.

7. CGP&H shall not assign this contract or any of its rights or monies due hereunder without the previous written consent of the Princeton as evidenced by a duly adopted Resolution.

8. CGP&H represents that they currently have professional liability insurance in a minimum amount of $1,000,000 per occurrence and $2,000,000 aggregate, and that they shall supply a certificate to the showing said coverage. CGP&H further covenants and agrees to protect, keep and hold the Princeton harmless against any and all actions, claims or demands for damages, which may be caused by the negligent error, act or omission of CGP&H or by the improper performance of the contract.

9. Payment to CGP&H shall be made in strict accordance with the terms of this contract. It is understood and agreed that in the event CGP&H is required to perform services that are not contemplated and are not within the subject matter of this contract and are extraordinary and are of a kind which would not ordinarily be performed in the normal course of providing services, that CGP&H shall be paid additional sums of money based upon change orders duly approved by Resolution of the Council.

AND IT IS FURTHER UNDERSTOOD AND AGREED that the covenants, conditions and agreements herein contained are binding of the parties hereto, their successors, assigns and legal representatives.

IN WITNESS WHEREOF, the parties hereto have caused their presents to be signed by the respective authorized officers and the proper corporate and/or municipal seals affixed hereto, the date and year first written above.

WITNESS:	Princeton
BY: _____	BY:_____
NAME: _____	NAME: _____
TITLE: _____	TITLE: _____
	DATE:_____
WITNESS:	CGP&H, LLC
_____	_____
NAME: _____	NAME: Randall Gottesman, PP
TITLE: _____	TITLE: President
	DATE:_____

SCHEDULE A:

CGP&H will provide municipality with professional services for the purposes described in this proposal. CGP&H will only bill for services performed, and therefore, the actual amount billed may be considerably less than the budgets presented below depending on the breadth of services requested by municipality.

SUMMARY OF ALL FEES	
ADMINISTRATIVE AGENT GENERAL SERVICES	**$12,800**
TOTAL CONTRACT NOT-TO-EXCEED	**$12,800**

The fee tables on the following pages delineate the fee structure for each fee category above. CGP&H may invoice above an individual fee category budget amount or individual fee line item budget amount without additional authorization, however CGP&H will not perform professional services or bill for services that would exceed the total contract not-to-exceed amount without prior authorization from the municipality. While $10,000 is CGP&H's minimum not-to-exceed for our smaller projects, we do not necessarily anticipate that we will reach the not-to-exceed amount.

See the following pages for a detailed breakdown of all fees.

ADMINISTRATIVE AGENT GENERAL SERVICES paid by Municipality	
1. First Year Initial Setup	Flat fee of $2,500 for importing existing waiting list to our system, payable upon completion of waiting list import.
2. Municipal Services	Not-to-exceed $10,000 billed hourly at a rate of $165 per hour for senior staff which include planners and department supervisors
3. Applicant Services	Monthly flat fee of $0 per month for a total of $0 per year. *This line item is not anticipated to be required and therefore will not be implemented without additional written authorization and change order.*
4. Administrative Agent Resale Fee	$2,000 flat fee payable by Municipality for each sale unit when home gets listed for sale. *A fee of 3% of the resale price will be paid from the seller at the closing to CGP&H.*
5. Subordination Requests	$175 flat fee to process refinancing requests. **This fee is paid by the homeowner.**
6. Direct Costs	Reimbursement for expenses. Not to exceed $300 per contract year.
TOTAL PAID BY MUNICIPALITY	**Not-to-exceed $12,800 including up to 0 units listed for sale.**

1. **First Year Initial Setup:** This may include, but is not limited to:
    - Creating/developing a unit database
    - Developing and/or transferring the applicant waiting list. This often includes notifying applicants of new Administrative Agent. When no email is available, we will notify by phone or via mail.
    - Physical transition of files for each applicant and unit, and when applicable, the accompanying development master deed, and all other relevant documents.
    - CGP&H can take over any units currently in midst of sale process, however if a current Administrative Agent has been handling the sale, they may complete that sale.

2. **Municipal Services:** This may include, but is not limited to:
    - Implementing Affirmative Marketing Plan postings and other compliance requirements
    - Creation/Updates to the Administrative Agent Operating Manual and Affirmative Marketing Plan, when required
    - Distressed Properties follow up activities
    - Responding to initial private developer inquiries
    - Advising Municipality on affordable housing requirements for new developments
    - Foreclosure prevention activities
    - CTM entry of trust fund or unit information

- Enforcing affordability controls, including annual mailings to homeowners
- Program setup for Accessory Apartment program
- Program setup for Affordability Assistance Programs
- Trust Fund Monitoring and Unit Monitoring
- Assisting with Spending Plan revisions
- Extension of Controls
- Releasing controls at end of control period
- Calculating annual tax assessments for affordable homeowners
- Midpoint Review
- Group home research to document creditworthiness

If the municipality requires additional services above this line item's budgetary cap, CGP&H will request permission to proceed before invoicing further.

CGP&H will strive to comply with all aspects of S2527 affirmative marketing legislation. However, CGP&H cannot ensure that other administrative agents administering affordable housing units in the Municipality are meeting the regulations until further direction is provided by the State of New Jersey.

3. **Applicant Services:** *This line item is not anticipated to be required and therefore will not be implemented without additional written authorization and change order.*
This may include, but is not limited to:

- Affordable Housing Waitlist Management for existing Sales and Rental units
- Responding to general affordable housing inquiries from pre-applicants, applicants, and existing affordable housing owners
- Unit Administration
- Management of general inquiries
- Responding to existing homeowners' inquiries (intent to sell requests, etc.)
- Processing requests for loan subordinations/approval of equity loans and refinancing
- Answering Affordability Assistance Questions
- Advising on annual increases for Market to Affordable, Accessory Apartment, and other units

4. **Administrative Agent Resale Fee:** This includes but is not limited to:

- Facilitation of the resale of any affordable sales unit that is put up for sale by current owner
- Certifying a buying household(s) as eligible
- Sending potential purchasers to the unit
- Facilitating an agreement between buyer and seller
- Preparing and filing closing documents.

The flat fee that is paid by the Municipality will be billed once a notice of intent to sell is signed by the seller. In the event that the seller cancels the sale during the sale process, and the unit does not go to closing, this flat fee is still applicable and will not be returned or cancelled.

5. **Subordination Requests:** includes the cost of processing mortgage Subordination Requests during the affordability control period.

6. **Direct Costs:** this includes, but is not limited to:
    - Reimbursement for direct costs for large scale printing jobs; postage; affirmative marketing mailing, mailings to affordable housing homeowners; poster production; expedited mailings or messenger services, etc.

SCHEDULE B

N.J.S.A. 10-5-31 et seq., (N.J.A.C. 17-27)
MANDATORY AFFIRMATIVE ACTION LANGUAGE
GOODS PROFESSIONAL SERVICES AND GENERAL SERVICE CONTRACTS

During the performance of this contract, the contractor agrees as follows:

a. The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex. Except with respect to affectional or sexual orientation, the contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

b. The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex.

c. The contractor or subcontractor, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The contractor or subcontractor, where applicable, agrees to comply with the regulations promulgated by the Treasurer pursuant to **N.J.S.A. 10:5-31 et seq.** as amended and supplemented from time to time and the American with Disabilities Act.

e. The contractor or subcontractor agrees to make good faith efforts to employ minority and women workers consistent with the applicable county employment goals established in accordance with N.J.A.C 17:-5.2. or a binding determination of the applicable county employment goals determined by the Division pursuant to N.J.A.C.17:27-5.2.

f. The contractor or subcontractor agrees to inform in writing appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or

sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

g. The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal Law and applicable Federal Court decisions.

h. In conforming with the applicable employment goals, the contractor or subcontractor agrees to review all procedures to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex, consistent with the statues and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions

i. The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval

Certificate of Employee Information Report

Employee Information Report Form AA302

j. The contractor and its subcontractor shall furnish such reports or other documents to the Division of Contract Compliance and EEO as may be requested by the Division from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Contract Compliance and EEO for conducting a compliance investigation pursuant to **Subchapter 10 of the Administrative Code at N.J.A.C.17:27.**

COMPANY CGP&H, LLC

SIGNATURE _____

TITLE PRESIDENT

DATE _____

Appendix U. Spending Plan

2025

Spending Plan

Adopted:

Municipality of Princeton, Mercer County, New Jersey

Prepared by:

Clarke Caton Hintz | 100 barrack street | Trenton, NJ | 08608

INTRODUCTION

The Municipality of Princeton, Mercer County, was established as of January 1, 2013, through the consolidation of the former Borough of Princeton and the former Township of Princeton.

The former Borough received a Consent Order for Final Judgment of Repose for the First Round on October 9, 1990. The Court granted repose for the Second Round to October 16, 2002. The former Borough sought and was granted a limited extension of repose to cover the period between October 16, 2002, and one year after the effective date of COAH's adoption of its Third Round obligation.

The former Township received a Judgment of Repose for the First Round in 1989. The former Township petitioned COAH for Second Round substantive certification on June 13, 1995, and received substantive certification from COAH for the Second Round on October 2, 1996. In 2002, the Township applied for an extension of its Prior Round substantive certification from COAH, which it received on May 11, 2005, on the condition that a Third Round Housing Plan Element and Fair Share Plan be adopted and submitted by December 20, 2005. The Township complied fully, but had to make substantial revisions to its 2005 adopted Third Round plan in order to comply with the new Third Round rules adopted by COAH. The revised plan never received certification because of ongoing challenges to COAH's Third Round rules.

Subsequent to the 2015 Mount Laurel IV decision, the Municipality filed a Declaratory Judgment action on July 7, 2015, and its Third Round obligations were established after trial by Court order on March 8, 2018. After negotiation, the Municipality and Fair Share Housing Center (FSHC) executed a Settlement Agreement on December 18, 2019. The Municipality's adopted Third Round Housing Element and Fair Share Plan was approved by the Court on December 20, 2020, and the Municipality received its final Third Round Judgment of Repose on February 7, 2025.

Pursuant to the 2024 amendment to the state's Fair Housing Act, codified at P.L. 2024 c.2, Princeton adopted a binding resolution on January 21, 2025, stipulating to the New Jersey Department of Community Affairs' calculation of the Municipality's Fourth Round Present and Prospective Need obligations. Through negotiation with FSHC, the

parties agreed to bring forward a remaining Prior Round Unmet Need obligation from the former Borough, and combine it with its stipulated Fourth Round obligation.

The former Princeton Borough first established an affordable housing trust fund in 1985. It was administered by the mayor and council, and accepted voluntary contributions from both the Borough and from private entities. When the former Borough's affordable housing overlay ordinance was adopted in 1990, it allowed developers to make payments into the trust fund in lieu of constructing affordable units, and it required developers of four or fewer units to make such payments. When the former Borough passed its development fee ordinance in 1995, development fees were also deposited into the trust fund. (The Municipality repealed the former Borough's original development fee ordinance in 2015, and extended the former Township's 2010 development fee ordinance to the entire Municipality.)

The former Princeton Township had an affordable housing trust fund as far back as 2007, and adopted its development fee ordinance in 2010. As noted above, this ordinance was extended to the entire Municipality in 2015. The ordinance authorizes the collection of residential development fees equal to 1.5% of the equalized assessed value of new residential construction and additions, and mandatory non-residential development fees equal to 2.5% of the equalized assessed value of new non-residential construction and additions. The Municipality will update its development fee ordinance again as part of this Housing Plan Element and Fair Share Plan to eliminate references to COAH's invalidated third round regulations, instead citing COAH's second round regulations and to provide references to the Superior Court's jurisdiction instead of COAH's.

The Municipality designates all development fees as affordable housing trust funds. It disburses those funds for rehabilitation and affordability assistance and for the purchase of deed-restricted units, and it credits as affordable housing trust fund income any proceeds from the sale of those units or repayment of rehabilitation or affordability assistance loans. It pays up to the permissible 20% of development fees to cover administrative costs.

As of December 31, 2024, Princeton had a balance of $673,740.64 in available trust funds. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units, repayments of eligible loans made from trust funds, and

interest generated by development fees are reserved for the purposes of affordable housing. These funds will be spent in accordance with *N.J.A.C.* 5:93-8.16 as described in the sections that follow.

This spending plan is submitted to the Superior Court of New Jersey for approval to expend affordable housing trust fund monies that will contribute to the development of new affordable housing units in the Municipality. Additionally, the Municipality will expend funds on affordability assistance, including expenditures to create very low-income units or to render existing units more affordable, and toward administrative expenses.

REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated during the period of Third Round Judgment of Repose, Princeton considered the following:

(a) Development fees: $9,000,000

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

(b) Payments in lieu (PIL): $0

The ability for a municipality to collect payments in lieu of constructing affordable units was repealed as part of the 2024 amendment to the Fair Housing Act; therefore Princeton predicts no revenue from payments in lieu of construction.

(c) Other funding sources: $1,675,000

Funds from other sources include, but are not limited to the sale of units with extinguished controls, repayment of affordable housing program loans, and proceeds from the sale of affordable units purchased out of foreclosure or for rehabilitation. The projected amount is based on the annual average over the past five years.

(d) Projected interest: $20,235

Based on historical interest rates and projected rates of development fee revenue less anticipated expenditures, Princeton anticipates collecting $20,235 in interest through 2035.

Table SP-1 indicates the anticipated revenue to be generated from development impact fees, other sources of funds, and interest. Princeton projects a subtotal of $10,695,235 to be collected between January 1, 2025, and June 30, 2035, to be used for affordable housing purposes. The total, after adding the money currently in the account, is projected to be $11,368,976. All interest earned on the account will accrue to the account and will be used only for the purposes of affordable housing.

Table SP-1: Source of Funds – Housing Trust Fund 2025 through June 30, 2035

Year Source of Funds		2025-2026	2027-2028	2029-2030	2031-2032	2033-2034	Jan-June 2035	2025-2035 Total
Projected Development Fees	$673,741 Starting Balance (December 31, 2024)	$1.72m	$1.72m	$1.72m	$1.72m	$1.72m	$400k	$9m
Projected Other Sources of Funds		$320k	$320k	$320k	$320k	$320k	$75k	$1.675k
Interest		$3.85k	$3.85k	$3.85k	$3.85k	$3.85k	$985	$20.235k
Total		***$2,043,850***	***$2,043,850***	***$2,043,850***	***$2,043,850***	***$2,043,850***	***$475,985***	***$10,695,235***

Projected development fees are based on historical collection of development fees since the establishment of the Municipality, and in particular over the past five years.

ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Municipality of Princeton:

Collection of development fee revenues:

All collection of development fee revenues will be consistent with local regulations, which follow COAH administrative models for both residential and non-residential developments and in accordance with *N.J.S.A.* 40:55D-8.1 through 8.7.

Distribution of development fee revenues:

Requests for disbursements of affordable housing trust funds are presented to the governing body. The Affordable Housing, Planning, and Redevelopment Committee, the Finance Committee, the Municipal Administrator and the Chief Financial Officer review each request for consistency with this Spending Plan and the governing body adopts the recommendation by resolution.

Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the governing body's resolution.

Princeton Affordable Housing also has the authority to make improvements to affordable units that Princeton owns without requiring resolutions by the governing body. These improvements may be necessary to bring the affordable units up to code so that they can be sold. Depending on the scope of work, the improvements may be counted toward the satisfaction of the rehabilitation obligation or as affordability assistance.

ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

(a) Rehabilitation: $967,500

The Municipality will work with the Princeton Housing Authority (PHA) on the rehabilitation of at least 60 PHA units, at a minimum per-unit expenditure of $10,000 to replace at least one major system and bring the unit up to code.

In addition, the Municipality will continue to fund its municipal rehabilitation loan program, which currently has approximately $175,000 in outstanding rehabilitation loans, and anticipates lending at the rate of approximately $35,000 per year, for a total of $367,500. (When the loans are repaid, they are credited to Other Income, discussed above.)

(b) Affordability Assistance (N.J.A.C. 5:93-8.16(c)): $3,097,540

Princeton is required to spend a minimum of 30% of development fee revenue to render affordable units more affordable and at least one-third of that amount must be dedicated to very low-income households (i.e. households with incomes less than 30% of the regional median income) or to create very low-income units. The actual affordability assistance minimums should be calculated based on actual revenues.

Projected Minimum Affordability Assistance Requirement		
Actual Development Fees Collected through 12/31/24		$8,432,954
Actual Interest earned through 12/31/24	+	$75,956
Development Fees Projected 2025-6/30/2035	+	$9,000,000
Interest Projected 2025-6/30/2035	+	$20,235
Less Housing Activity Expenditures through 6/2/2008	-	$0
Total	=	**$17,529,145**
30 Percent Requirement	x 0.30 =	$5,258,744
Less Affordability Assistance through 12/31/24	-	$2,161,204
Projected Minimum Affordability Assistance Requirement	=	***$3,097,540***

Projected Minimum Very Low-Income Affordability Assistance Requirement		
Actual Development Fees Collected 7/17/2008 through 12/31/24		$8,432,954
Actual Interest earned 7/17/2008 through 12/31/24	+	$75,956
Development Fees Projected 2025-6/30/2035	+	$9,000,000
Interest Projected 2025-6/30/2035	+	$20,235
Less Housing Activity Expenditures through 6/2/2008	-	$0
Total	**=**	**$17,529,145**
30 Percent Requirement	x 0.30 =	$5,258,744
Projected Minimum Very Low-Income Requirement	÷ 3 =	***$1,752,915***
Less: Very Low-Income Expenditures through 12/31/24	-	$1,675,640
Projected Very Low-Income Affordability Assistance Requirement	=	***$77,275***

Based on fees and interest collected to date and projected revenues, Princeton must dedicate at least $3,097,540 from the affordable housing trust fund to render units more affordable, including $77,275 to render units more affordable to households with incomes at 30% or less of regional median income. It may use a variety of vehicles to do this including, but not limited to the following:

- Emergency repair program;
- Mortgage payment assistance for owners of affordable units who are two months or less in arrears;
- Assistance with homeowners' association or condominium fees and special assessments;
- Down payment assistance;
- Closing cost assistance;
- Rental assistance; and/or
- Subsidies to create very low-income units.

The Municipality is committing affordable housing trust funds to providing affordability assistance for the following projects and programs:

- **Municipal Affordability Assistance: $275,000**

  The Municipality will continue to offer its affordability assistance program, which provides down-payment assistance to purchasers of affordable units, subsidies to cover repairs and homeowner association assessments for owner-occupied affordable units, and rental assistance to tenants of affordable rental units.

- **Group Homes: $640,000**

  The Municipality will commit $640,000 in affordable housing trust funds toward the creation of a total of eight special-needs group home bedrooms, including identifying a sponsor or sponsors and finding suitable facilities that can be deed-restricted.

- **Princeton Community Housing: At least $2,182,540**

  The Municipality will commit at least $2,182,540 in affordable housing trust funds toward the creation of very low-income units at the proposed 100% affordable housing sites listed in the Municipality's Fourth Round Housing Element and Fair Share Plan. The sites, which Princeton Community Housing has proposed to develop, will yield a total of 85 affordable units, of which at least 11 must be very low-income.

(c) Housing Activity: $6,303,936

- **Bond Repayment: $6,303,936**

  The Municipality will dedicate $6,303,936 from the affordable housing trust fund toward repayment of bonds issued during the course of the Third Round to fund municipally sponsored 100% affordable housing developments.

(d) Administrative Expenses (N.J.A.C. 5:93-8.16(e)): $1,000,000

The Municipality of Princeton may use affordable housing trust fund revenue for related administrative costs up to a 20% limitation pending funding

availability after programmatic and affordability assistance expenditures. The actual administrative expense maximum is calculated on an ongoing basis based on actual revenues.

Projected Administrative Expenses		
Actual Development Fees Collected 7/17/2008 through 12/31/24		$8,432,954
Actual Interest earned 7/17/2008 through 12/31/24	+	$75,956
Development Fees Projected 2025-6/30/2035	+	$9,000,000
Interest Projected 2025-6/30/2035	+	$20,235
Less Payments in Lieu of Construction through 6/2/2008	-	$0
Total	**=**	**$17,529,145**
20 Percent Maximum Permitted Administrative Expenses	x 0.20 =	$3,505,829
Less Administrative Expenditures through 12/31/19	–	$1,646,763
Projected Allowed Administrative Expenditures	**=**	***$1,859,066***

Although Princeton estimates that it will have up to $1,859,066 to allocate to administrative expenditures, it intends to allocate only $1,000,000 over the course of the Fourth Round. Actual available funds will be calculated based on actual revenues collected.

Permitted administrative expenditures, subject to the 20% cap, are as follows:

- Municipal Attorney, Engineer, and Planner fees related to plan preparation and implementation, and to obtaining Judgment of Compliance and Repose;
- Administrative fees related to rehabilitation, purchase and sale of affordable units, affordability assistance programs, and municipally-sponsored construction programs;
- Affirmative marketing; and
- Income qualification of households.

EXPENDITURE SCHEDULE

Princeton intends to use affordable housing trust fund revenues for its rehabilitation program, construction of a municipally-sponsored 100% affordable age-restricted development, purchase of units with expiring controls, and affordability assistance, including the creation of very low-income units and making existing units more affordable. The expenditure schedule below shows that the Municipality is meeting the requirement that trust fund revenues are expended within four years of their collection.

Projected Expenditure Schedule 2025 Through June 30, 2035

Program	Units	2025-2027	2028-2030	2031-2033	2034-June 30, 2035	Total
Rehabilitation						
Princeton Housing Authority	60	$175,000	$175,000	$175,000	$75,000	$600,000
Municipal Program		$100,000	$100,000	$100,000	$67,500	$367,500
Affordability Assistance						
Group home bedrooms	8	$160,000	$160,000	$160,000	$160,000	$640,000
Princeton Community Housing	85	$1,000,000	$1,000,000	$182,540		$2,182,540
Municipal Program		$75,000	$75,000	$75,000	$50,000	$275,000
Housing Activity: Bond Repayment		$1,800,000	$1,800,000	$1,800,000	$903,936	$6,303,936
Administration		$400,000	$100,000	$100,000	$400,000	$1,000,000
TOTAL	***153***	***$3,710,000***	***$3,410,000***	***$2,592,540***	***$1,656,436***	***$11,368,976***

EXCESS OR SHORTFALL OF FUNDS

While the Municipality does not anticipate any shortfall in available funds, in the event of such a shortfall, Princeton will bond to satisfy the gap in funding (see Attachment A). In the event that funds exceed projected expenditures, the Municipality will devote any excess funds to additional affordability assistance as required, in particular to the proposed municipally sponsored 100% affordable developments detailed in its Housing Element and Fair Share Plan, and to the repayment of bonds issued for affordable housing purposes. Alternatively, the Municipality reserves the opportunity to amend its Housing Element and Fair Share Plan, as well as this Spending Plan, to create additional affordable housing opportunities.

SUMMARY

The Municipality of Princeton intends to spend affordable housing trust funds pursuant to the extant regulations governing such funds and consistent with the housing programs outlined in its 2025 Fourth Round Housing Plan Element and Fair Share Plan. Princeton had a balance of $673,741 as of December 31, 2024, and anticipates an additional $10,695,235 in revenues before the expiration of the Fourth Round, for a total of $11,368,976.

At this time, the Municipality estimates that approximately $967,500 will be spent on rehabilitation of substandard units, $3,097,540 of trust funds will be spent to create very low-income units and to make units more affordable, and an additional $6,303,936 will be spent on repayment of municipal bonds issued for affordable housing purposes.

Spending Plan Summary		
Revenues		
Balance as of December 31, 2024		$673,741
Projected Revenue from 2025 through 6/30/2035		
1. Development Fees	+	$9,000,000
3. Other Funds	+	$1,675,000
Interest	+	$20,235
Total Projected Balance	=	***$11,368,976***
Expenditures		
Rehabilitation	-	$967,500
Affordability Assistance	-	$3,097,540
Housing Activity: Bond Repayment	-	$6,303,936
Administration	-	$1,000,000
Total Projected Expenditures	=	***$11,368,976***