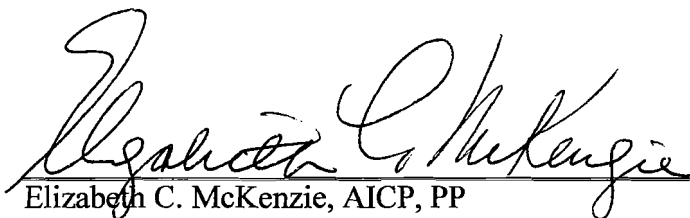


HOLLAND TOWNSHIP
Hunterdon County

Third Round
Housing Element
and
Fair Share Plan

Adopted by the Planning Board May 25, 2010
and
Endorsed by the Township Committee June 1, 2010



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License No. 33LI00229400

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HOUSING ELEMENT

HOUSING ELEMENT

Overview

This Housing Element has been prepared in accordance with the Municipal Land Use Law (MLUL) at N.J.S.A. 40:55D-28b(3) to address Holland Township's affordable housing obligations for the third round, covering the period from 2004 to 2018 (but also including the housing need generated between 2000 and 2004). This Plan includes the minimum requirements presented at N.J.S.A. 52:27D-310, the Fair Housing Act, and the information required pursuant to N.J.A.C. 5:97-2.3 and 3.2.

According to the Fair Housing Act, municipalities that choose to enact and enforce a zoning ordinance are obligated to prepare and adopt a Housing Element as part of the community's Master Plan. The Fair Housing Act established the Council on Affordable Housing (COAH) as the State agency to administer municipal implementation of municipal Housing Elements and Fair Share Plans and to create rules and regulations regarding the development of low- and moderate-income housing in the State. COAH has established both Procedural and Substantive Rules for municipalities to adhere to in addressing their affordable housing obligations. To receive certification from COAH, a municipality must not only adopt the required Housing Element of the Master Plan but also adopt a Fair Share Plan that includes all of the implementation strategies, including the specific ordinances, plans, timetables and resolutions that are needed to carry out the plan. Once certified by COAH, a municipality's Housing Element and Fair Share Plan is entitled to a *ten-year* presumption of validity against a builders remedy challenge, as long as the municipality continues to implement the plan in accordance with COAH's approval.

COAH's first round regulations covered the time period from 1987 to 1993. In 1994, COAH adopted new Substantive Rules establishing the requirements for the second round of affordable housing plans, covering the twelve year cumulative period from 1987 to 1999.

The Substantive Rules for COAH's third round were initially adopted on December 20, 2004, to cover the period from January, 2000, to December, 2013. These third round Rules were challenged, and in January of 2007, the Appellate Court invalidated large portions of the 2004 Rules. As a result, COAH went back to the drawing boards and prepared new Rules, which were introduced in December of 2007 and adopted in May of 2008. COAH received an overwhelming number of comments on the December, 2007, Rule proposals. Consequently, when COAH adopted the Rules, it simultaneously introduced a set of comprehensive amendments to the newly adopted Rules. These amendments were adopted in September of 2008. In addition, the New Jersey Legislature adopted amendments to the Fair Housing Act in June of 2008 that were signed into law by the Governor in July of 2008. The amendments to the Fair Housing Act affect, among other things, the requirement to provide very low income housing and the role of non-residential developments in providing affordable housing.

The Rules now in effect provide that municipalities address a third round fair share obligation based upon COAH's projections of growth in households and employment in each municipality during the delivery period. Municipalities are required to provide one affordable housing unit

for every four market priced housing units projected and one affordable housing unit for every 16 jobs projected.

Municipalities located within the Highlands Region, as Holland Township is, were given an extension of time in which to prepare and submit a third round Housing Element and Fair Share Plan so that the plan could be coordinated with the municipality's Highlands Regional Master Plan conformance efforts.

Holland Township submitted the documents and resolution required for Basic Plan Conformance in both the Highlands Planning Area and in the Highlands Preservation Area by the deadline of December 8, 2009. The submission for Basic Plan Conformance was determined by the Highlands Council to be complete.

The overriding policy of this Housing Element and Fair Share Plan is to ensure provision of a variety of affordable housing opportunities sufficient to address the needs of the Township and the region, while at the same time respecting the density limits of the Highlands Land Use Plan Element and the resource constraints applicable to the Highlands Area.

Goals and Objectives of the Housing Element and Fair Share Plan

In furtherance of Holland Township's efforts to ensure sound planning within the Highlands Area, this Plan incorporates the following goals and objectives with respect to the provision of affordable housing in Holland Township:

1. To the extent feasible, the plan will utilize the existing housing stock and/or previously approved developments that are already vested.
2. To provide a realistic opportunity for the provision of the municipal share of the region's present and prospective needs for housing for low- and moderate-income families.
3. To the maximum extent feasible, to incorporate affordable housing units into any new residential construction that occurs within the Highlands Area including any mixed use, redevelopment, and/or adaptive reuse projects.
4. To preserve and monitor the existing affordable housing stock in the Township.
5. To reduce long term housing costs through:
 - a. Implementation of green building and energy efficient technology in the rehabilitation, redevelopment and development of housing. Recent innovations in building practices and development regulations reflect significant energy efficiency measures, and therefore cost reductions, through building materials, energy efficient appliances, water conservation measures, innovative and alternative technologies that support conservation practices, and common sense practices such as recycling and re-use.

- b. Promotion of the use of sustainable site design, efficient water management, energy efficient technologies, green building materials and equipment, and retrofitting for efficiencies.
 - c. Maximizing the efficient use of existing infrastructure, through such means as redevelopment, infill and adaptive reuse.
6. To use a smart growth approach to achieving housing needs:
- a. To the extent feasible, to use land more efficiently to engender economically vibrant communities, complete with jobs, houses, shopping, recreation, entertainment and multiple modes of transportation.
 - b. To support a diverse mix of housing that offers a wide range of choice in terms of value, type and location. In addition, to achieve quality housing design that provides adequate light, air, and open space.
 - c. To target affordable housing units for areas with existing higher densities, free of environmental constraints, and within walking distance of schools, employment, services, transit and community facilities with sufficient capacity to support them.

Summary of Holland Township's Past Affordable Housing Activities

Holland Township received its first round Substantive Certification from COAH in 1992. At that time, the Township's fair share obligation had been determined by COAH to be a total of 28 units, comprised entirely of a 28 unit rehabilitation obligation. The Township's first round plan provided for a rehabilitation program designed to accomplish the rehabilitation of 28 units, of which 26 were successfully rehabilitated.

When COAH issued its second round fair share numbers in 1993, the Township of Holland was determined to have a cumulative fair share obligation (for both the first and second rounds) of 47 units, comprised of both a 31 unit rehabilitation obligation and an inclusionary or new construction obligation of 16 units. Since the Township had already rehabilitated 26 units, all of them after April 1, 1990, it received 26 credits against the rehabilitation obligation, leaving the Township with 5 more units to rehabilitate plus the 16 unit new construction obligation. The second round plan for Holland Township, which was certified by COAH on December 15, 2004, provided for the rehabilitation of five (5) additional units and also provided for the Township's 16 unit new construction obligation to be met in the following manner:

1. A four-unit RCA with the City of Lambertville, which was approved by COAH and executed in full (see Appendix G of the Housing Element).
2. Four (4) units of age-restricted housing to be constructed in Phase II of the Jiovino development (Huntington Knolls), which have not been constructed.

3. A 10 unit accessory apartments program, of which 7 units have been completed (see Appendix H of the Housing Element).

The foregoing methods for addressing the Township’s prior round new construction obligation had the potential to yield as many as 18 affordable units. At this time, however, there remains a six (6) unit shortfall in the fulfillment of the prior round obligation.

COAH certified the Township's second round plan on December 15, 2004, giving the Township's Housing Element and Fair Share Plan a presumption of validity for a period of six (6) years from the date of certification. This certification was subsequently determined by COAH to protect Holland against builder’s remedy lawsuits as to its prior round affordable housing obligation, but not, after May 15, 2007, as to its third round obligation. As a result, Holland adopted an Interim Third Round Housing Element in May of 2007, which it submitted to COAH just before the deadline of May 15, 2007. It did this to ensure that it would remain under COAH’s jurisdiction for the third round, even though COAH’s initially adopted third round Rules were expected to change within a matter of months, based upon the Appellate Court’s ruling.

Housing, Demographic and Employment Information

Appendices A, B and C to this Housing Element contain the Housing, Demographic and Employment background information required by COAH.

Summary of Holland’s Current Third Round Affordable Housing Obligations

COAH’s currently applicable determination of the total municipal third round fair share obligation is comprised of three components: the prior round obligation, the rehabilitation obligation and the third round “growth share” obligation. For the Township of Holland, the COAH numbers are as follows:

Third Round Total Affordable Housing Obligation

Prior Round Obligation	17
Rehabilitation Obligation	25
Third Round Growth Share Obligation	41
Total	83

COAH’s determination of the presumptive third round growth share obligation is based on its consultants’ projections of household and employment growth by municipality through the year 2018. The 41 unit third round growth share obligation for Holland Township is based upon a projected *negative* employment growth of -64 jobs and a projected *positive* household growth of 204 dwelling units, all between January 1, 2004 and December 31, 2018. COAH then divides the projected household growth by 5 and the projected employment growth by 16 and adds the

two results together to determine the third round fair share obligation. In Holland Township’s case, the negative employment projection results in a zero obligation for affordable housing related to employment; all of the 41 unit obligation is attributable to projected residential growth.

Determination of Applicable Growth Share Obligation

Municipalities that are located in the Highlands Area and that are either required to conform to the Highlands Regional Master Plan or elect to do so are subject to limitations on the amount of development that will be permitted due to the amount and capacity of vacant developable land in both wastewater and septic system service areas, utility capacity and resource based capacity (Net Water Availability).

As demonstrated in the table below (developed from Table 4 of the Municipal Build-Out Analysis prepared by the Highlands Council for Holland Township), the Highlands Council has determined that Holland Township has a full build-out potential for 262 additional dwelling units (4 in the Preservation Area and 258 in the Planning Area) and no new employment opportunities.

Municipal Build-Out Results with Resource and Utility Constraints			
	Preservation Area	Planning Area	Totals
Residential units – Sewered	0	0	0
Septic System Yield	4	258	262
Total Residential Units	4	258	262
Non-Residential Jobs – Sewered	0	0	0

Source: Table 4, Municipal Build-Out Report for Holland Township, prepared by New Jersey Highlands Council, 2009.

Based on this 262 unit full build-out number, the Township’s COAH obligation would be 52.4 (53) units (262 divided by 5 = 52.4 or 53). The full build-out number does not include developments that are exempt (from the Highlands Act) nor does it take into consideration any developments in the Planning Area that already have approvals but are not yet built. These factors, together with potential reductions in the vacant developable land calculation due to public or non-profit land acquisitions for open space and farmland preservation, will likely alter the full build out calculation over time.

Municipalities conforming in the Highlands Area may elect to use either the Highlands full build-out number or the COAH projection through 2018 as the third round growth share obligation. If a Highlands municipality elects to use the Highlands full build-out number, it is

also obligated to address the fair share obligation associated with any growth that has occurred in the municipality since January 1, 2004. Holland Township has, according to *The New Jersey Construction Reporter*, already issued a total of 53 residential Certificates of Occupancy from January 1, 2004, through July 31, 2009. Additionally the Township has issued Certificates of Occupancy for a total of 20,046 square feet of storage space and 3,085 square feet of hotel/motel space, according to the same source (although the accuracy of these data is in question). Were Holland Township to use the Highlands build-out numbers, the obligation associated with 53 new dwelling units (10.6 affordable units) plus the obligation associated with the reported non-residential floor area (1.6 affordable units) would yield a total of 12.2 (13) additional affordable units. Added to the 53 unit obligation generated by the Highlands full build-out analysis, the Township would have a third round growth share obligation of 65 units

The COAH projections, by contrast, already cover the growth anticipated for the entire period from January 1, 2004, to December 31, 2018. The 41 unit projected obligation includes the 12.2 (13) unit affordable housing obligation generated by growth within the Township from January 1, 2004, to date.

In Holland Township's case, use of the Highlands build-out analysis would result in a higher third round obligation than use of the COAH projections. The Highlands full build-out number is intended as a "forever" number although, as previously indicated, it is subject to adjustment based on exempted development as well as land acquisitions and deed restrictions for preservation purposes. It is unrealistic to expect all of that development to occur before the end of 2018, given the current economy. Consequently, ***Holland Township will be utilizing COAH's projection of the obligation through 2018 (of 41 units) rather than the Highlands full build-out number to address its Third Round obligation.*** Holland Township will not be seeking any adjustment in the obligation assigned to it by COAH, other than permitted exclusions.

Appendix D of this document presents Workbook A, COAH's calculations of the Township's third round growth share obligation, with and without the applicable exclusions.

Projected Housing, Demographic and Employment Changes and Capacity to Accommodate Growth Projections

The Highlands Build-Out Analysis projects a "full build-out" potential for Holland Township of 262 additional dwelling units (over and above what has already occurred since the beginning of 2004). Consequently, it can be concluded that there is sufficient development capacity in the Township to accommodate the COAH-projected residential growth of 204 dwelling units in a manner that will be consistent with the Highlands Regional Master Plan. Given the current slow-down in construction activity, it is not known whether the COAH projections will be achieved by 2018, but they can be achieved.

In view of the very low septic densities suggested by the nitrate dilution standards in the Highlands Regional Master Plan, achieving the calculated "full build out" potential of 262 additional residential units in the Township will require affirmative efforts on the part of the Township to encourage clustering, intra-municipal transfers of density, Highlands redevelopment and other techniques designed to facilitate Highlands-appropriate development. The Township

will be exploring these techniques as it refines its draft Highlands Land Use Element and draft Highlands Land Use Ordinance.

Appendix E of this Housing Element presents the Highlands Build-Out Analysis (Module 2 of the Basic Plan Conformance Requirements).

Rehabilitation Obligation

Holland has a 25 unit third round rehabilitation obligation, based on the 2000 Census data and COAH's current formula for determining the rehabilitation obligation. Two of these units were rehabilitated, one in 2005 and one in 2006. Both are owner occupied units; one was a low income unit and one was a moderate income unit. In both cases, at least one major system was involved, the cost of the rehabilitation in each case exceeded COAH's minimum of \$10,000 in hard costs, and the affordability controls placed on the units are for 99 years (or until the loan is repaid). These units are eligible for crediting against the 25 unit rehabilitation obligation, reducing it to 23 units.

Appendix F of this Housing Element presents the documentation required by COAH regarding the two (2) units that were rehabilitated in 2005 and 2006, although it is believed that COAH already has this information in its files.

The Township has a contract with Housing and Community Development Services, Inc., (HCDS) for the ongoing administration of its housing rehabilitation program. That contract is renewable on an annual basis as part of the Consent Agenda at the Township Committee's annual Reorganization Meeting. The Township intends to continue this practice into the future.

The Rehabilitation Manual prepared by HCDS was submitted to COAH prior to the Township's receipt of its second round Substantive Certification in 2004. That Manual will be updated if and as necessary to reflect COAH's current Rules and resubmitted.

The Township's Rehabilitation Ordinance will need to be modified to reflect that it is intended to address a 23 unit rehabilitation program rather than a 5 unit program and to amend the funding schedule and amounts to cover a 23 unit program rather than a 5 unit program. Additionally, the provisions covering the length of the affordability controls on owner occupied units must be rewritten to state that a minimum of 10 years of affordability controls is required. The Ordinance already makes the program available to units that are rented (although only the unit owner is permitted to apply for the program).

Components of the Prior Round Obligation

Out of the 17 unit prior round obligation, at least 25% is required to be satisfied with rental units, and rental bonuses are permitted to be awarded at the rate of two credits for every unit of affordable family rental housing and at the rate of one and one-third credit for every unit of affordable age-restricted housing, with a total cap on the number of units eligible for rental bonuses equal to the number of units comprising the rental obligation.

Age restricted units are permitted to be used to satisfy up to 25% of the prior round obligation.

Regional Contribution Agreements were previously permitted to be used to satisfy up to 50% of the prior round obligation, although this is no longer the case, and at this time, no new Regional Contribution Agreements are being entertained by COAH. As a regional planning entity, the Highlands Council is permitted by the New Jersey Legislature to authorize inter-municipal transfers of the affordable housing obligation among municipalities that fall within the Highlands Council's jurisdiction, but there is no program currently in place to support this mechanism.

Satisfying the Prior Round Obligation

Holland Township's prior round obligation is 17 units. The Township's second round Housing Element and Fair Share Plan received substantive certification from COAH late in 2004. That plan had addressed what had previously been determined to be the 16 unit new construction component of the second round obligation in the following manner:

1. Four (4) unit Regional Contribution Agreement (RCA) with the City of Lambertville. This RCA was fully executed. Documentation pertaining to this is included in Appendix G of this Housing Element.
2. Ten (10) units in accessory apartments. Seven (7) accessory apartments have already been created under this program. Documentation pertaining to these accessory apartments is included in Appendix H of this Housing Element.
3. Four (4) units of age-restricted housing at Huntington Knolls. These units have never been built, although the developer has now secured all of the land use approvals and permits needed from the NJDEP to proceed with the initial residential phases of the development (which provide for the construction of a total of 108 dwelling units), including an Individual Amendment to the Upper Delaware Water Quality Management Plan.

Full implementation of the foregoing second round programs would have yielded a total of 18 affordable housing units/credits and would have resulted in two (and now only one) surplus affordable housing credit to apply to the third round. However, the four (4) age-restricted units at Huntington Knolls have never been built, and three (3) of the accessory apartments have not been created, so the Township has a prior round deficit of six (6) units.

The Township will be able to address the balance of its prior round obligation as well as most of its third round growth share obligation as a result of two recent and anticipated events:

VR-A Zone

Recently, the Planning Board granted preliminary major subdivision and site plan approval for the development of an inclusionary residential project within a new VR-A (Village Residential - Affordable) zone. This development had not been anticipated at the time the Township received substantive certification from COAH of its second round Housing Element and Fair Share Plan.

Indeed, the VR-A zone did not exist and had not even been contemplated at the time the Township obtained its second round certification from COAH.

The VR-A zone is located at the northeast corner of the intersection of County Routes 519 and 614 (and also includes land at the intersection of County Route 519 and Church Road, across the street). The two parcels involved are identified on the Township's Tax Map as Block 6, Lot 61, and Block 10, Lot 47. All of the development will occur on Block 6, Lot 61. Block 10, Lot 47, will be preserved as conservation open space as part of the development.

Block 61, Lot 6, already contains an historic two-family dwelling. This will remain on its own subdivided lot, along with the existing outbuildings. The balance of Lot 6 will be developed with six (6) market-priced age-restricted housing units and six (6) affordable family rental units (a total of 12 new units).

The developer of this project is requesting a one-year extension of time in which to fulfill the conditions of approval.

The six (6) affordable family rental units that have been approved in the VR-A zone could be used to close the currently existing gap in the fulfillment of the prior round obligation or they could be applied instead to the third round obligation. However, if the Huntington Knolls/Jiovino development proceeds, its affordable units would be applied to the prior round obligation, as originally intended, and the affordable units developed in the VR-A zone would be applied to the third round obligation.

Huntington Knolls/Jiovino

Now that the NJDEP has approved the individual WQMP Amendment for Huntington Knolls, it is anticipated that the project will be able to move forward with no impediments.

Indications are that the developer of Huntington Knolls will be applying to the Township for a conversion of what had been approved as an entirely age-restricted development to a development of non-age-restricted housing. If so, the number of affordable units to be provided will have to be increased to 20 percent of the total number of units built, consistent with P.L. 2009, c. 82. This legislation specifically permits the conversion of approved age-restricted projects to non-age-restricted projects, subject to certain very specific requirements. The original Township approval had called for only ten (10) affordable units at Huntington Knolls.

Preliminary communications with the owner of the project, Vincent Jiovino, indicate that he plans to submit a conversion plan having a total of 110 units, of which 22 (or 20%) would be affordable. This would ordinarily leave him with 88 market-rate units, but there will actually be 92 market-rate units, since six (6) of the affordable "units" will be bedrooms within a supportive special needs group home that will be built on the site by the developer and one lot will be created and reserved for a second group home to be developed in the future by others (this is apparently important to the group home provider with whom the owner has been speaking). Sixteen (16) units will be family rental units with a bedroom mix consistent with COAH's requirements.

It will be critical to the proposed conversion that the footprint of the proposed buildings not be increased in any way in comparison to the previously approved plan - both for compliance with the conversion statute and, perhaps just as significantly in this case, to avoid the necessity of any additional NJDEP Land Use Permits, which, if not approved by the NJDEP, could jeopardize the likelihood of the development's ever proceeding.

In sum, Holland Township's prior round obligation is proposed to be fulfilled in the following manner:

4 credits for RCA with Lambertville, fully executed

7 credits for 7 accessory apartments already created (rentals)

6 credits for 3 of the family rental units to be constructed by Jiovino at Huntington Knolls pursuant to a conversion (yet to be requested and approved) plus 3 rental bonuses

TOTAL CREDITS: 17, including 3 rental bonuses

Under the foregoing scenario, less than 50% of the prior round obligation has been accomplished with a Regional Contribution Agreement. No age-restricted units will be used to fulfill the prior round obligation, as it is understood that the owner of Huntington Knolls will be requesting a conversion (under the statutory provisions therefor) to a non-age-restricted project. The five (5) unit rental obligation (25% of 17 units or 4.25 units, rounded to 5) is fully satisfied - even exceeded - with a combination of seven (7) accessory apartments and three (3) family rental units. The latter are eligible for rental bonuses.

Components of the Third Round Obligation

According to COAH's current Rules, together with the 2008 amendments to the Fair Housing Act, at least half of the Township's 41 unit third round growth share obligation must be provided as family housing units, meaning available to the general public (i.e. not age-restricted and not special needs units).

Also, according to the Rules, the maximum number of units that can be age-restricted in the third round is, as it was in the prior round, 25% of the total growth share obligation, or, in Holland's case, ten (10) units for the third round.

The Township has a third round rental obligation of eleven (11) units (25% or 10.25 units, rounded up, of the 41 unit growth share obligation). This rental obligation is in addition to the rental obligation for the prior round, which was five (5) units. If the third round rental obligation is fully satisfied, with at least 50% of these rental units being family rental units available to the general public, the Township will be eligible to receive rental bonuses at the rate of two credits (one being the rental bonus) for each "excess" family rental unit (over and above those counted toward fulfillment of the rental obligation) that is available to the general public.

For the third round growth share obligation, bonus credits for excess rental units and for certain other mechanisms in COAH's Rules may be used to satisfy up to 25% (or ten (10) units) of the total growth share obligation.

Based upon the 2008 amendments to the Fair Housing Act, the Township also has an obligation to provide very low income housing, defined as housing affordable to households earning 30% or less of median income for the region. At least 13% of all housing units created to satisfy the third round growth share obligation must be affordable to very low income households, and at least 50% of the very low income housing must be in the form of family units - available to the general public. In Holland Township's case, the very low income housing obligation equates to 5.33 (or 6) units, of which three (3) are required to be family units.

Satisfying the Third Round Growth Share Obligation

Huntington Knolls/Jiovino

Assuming that Huntington Knolls/Jiovino receives approval to convert what had been anticipated to be an age-restricted development to a non-age-restricted development, and assuming, as well, that the converted development will include a total of 16 affordable family rental units and one supportive special needs group home containing six (6) bedrooms, the Township will not only be able to satisfy the current 6 unit deficit in its prior round obligation (with three (3) of these units plus three (3) rental bonuses) but will also be able to accomplish the following with respect to the third round obligation:

1. Reduce the third round growth share obligation from 41 units to 37 units. Due to the exclusions permitted by COAH for previously approved second round sites, the three (3) affordable family rental units that will be used to satisfy the balance of the second round obligation and 17 of the market units (5.67 times 3 units - reflecting the 15% set-aside required in the prior round Rules for projects with rental affordable units) would be excluded from the 204 unit COAH-projected residential growth, thereby reducing the 41 unit obligation generated by 204 units to an obligation of 36.8 (37) units generated by 184 units. Appendix D of this Housing Element, which presents Workbook A, COAH's calculation of the Township's current third round growth share obligation, also presents the anticipated calculation based on applicable exclusions assuming the conversion of Huntington Knolls to a non-age-restricted project with 22 affordable rental units.
2. Satisfy 19 units out of the new 37 unit third round affordable housing obligation plus provide an opportunity for the Township to claim 9 additional credits for rental bonuses (25% of 37 units = 9.25, rounded down to 9).

Pursuant to the legislation permitting the conversions, none of the market units or affordable units in the converted project shall generate a growth share obligation, so all of the remaining 19 affordable units that are attributable to the third round (22 total affordable units minus the 3 affordable units that will be used to address the prior round obligation) can be used to shelter other growth in the Township.

3. Acknowledging the representations of the Huntington Knolls owner that 16 of the 22 proposed affordable units at Huntington Knolls will be family rental units and 6 of the 22 affordable units will be special needs bedrooms, the Township will be exceeding its minimum third round rental obligation. The third round rental obligation on 37 units is only 10 units (25% of 37 units, or 9.25 units, rounded up to 10), as compared to 11 units on a 41 unit obligation. In the Huntington Knolls development alone, 13 family rental units and 6 special needs bedrooms will be attributable to the third round obligation. Consequently, the Township will be eligible to claim rental bonuses for any “excess” family rental units, after the rental obligation has been satisfied with a minimum of 50% family rental units. However, COAH’s limit on the use of bonus credits to fulfill the third round obligation is not more than 25% of the total third round obligation or up to 9 units of the 37 unit obligation.

Thus, the affordable units in the Huntington Knolls development will not only fulfill the entire ten (10) unit third round rental obligation (with five (5) of the family rental units and five (5) of the special needs bedrooms) but will also generate eight (8) rental bonuses for the Township.

Adding the eight (8) rental bonuses to the 19 units at Huntington Knolls that will be attributed to the third round growth share obligation leaves a balance of ten (10) more units that will still be needed to complete the fulfillment of the third round obligation.

VR-A Zone

The remaining ten (10) units of the Third Round obligation will be partially addressed with six (6) credits for the six (6) affordable family rental units in the VR-A zone, plus one (1) additional rental bonus credit that can be derived from that development without exceeding the nine (9) bonus credit cap, for a total of seven (7) credits.

This leaves the Township with three (3) additional units to address.

Highlands Redevelopment

The Township has been looking at Highlands Redevelopment opportunities, and has tentatively identified the Township’s existing COM Commercial zone as an appropriate location for mixed use redevelopment with buildings containing retail uses on the ground floor and apartments on the second floor, some of which would be affordable units. The Highlands Redevelopment approach is not like redevelopment in the traditional sense (under the Local Redevelopment and Housing Law), in that it does not require municipal condemnation of properties. Instead, Holland would provide, *through its zoning*, a more intense use of selected previously developed sites (or portions of sites) so as to create affordable housing opportunities.

The Township will continue to explore Highlands Redevelopment opportunities. However, for the purpose of fulfilling the remaining three (3) unit third round growth share obligation, the Township will continue its accessory apartments program to cover another three (3) units.

Accessory Apartments

The principal issue in moving forward with any affordable housing program in the Highlands is how to address sewage treatment and disposal and how the use of additional septic systems or septic capacity to do so might impact the developability of other properties in Holland, due to the maximum septic density limitations within the Township. The Huntington Knolls/Jiovino site has already been approved by the NJDEP for an Individual Water Quality Management Plan amendment, so it will be sewered, and the Township's proposed Waste Water Management Plan includes not only the Huntington Knolls/Jiovino site but also the VR-A Zone. However, accessory apartments would be created in areas that are not served by public sewer.

The Highlands Council interprets its septic density standards as applying to the number of dwelling units permitted, not just the number of septic systems. However, if an owner of an existing single family dwelling were permitted to create an accessory apartment within that dwelling, without adding to it and without any increase in the total number of bedrooms in the dwelling, there should be no impact on septic system usage (since the size of a septic system is designed based on the number of bedrooms in the home).

Consequently, Holland Township intends to seek permission from the Highlands Council for an accessory apartment program based on amended zoning provisions that would ***limit the resulting total number of bedrooms in both the accessory apartment and the host unit to the existing number of bedrooms and would require use of the existing septic system to serve both units.*** This is not a limit on the size of the accessory apartment, which is prohibited by COAH, but it is a limit on the total number of bedrooms within the host unit and the accessory apartment unit combined, so that this type of program can work in the Highlands Region. If permitted, such an accessory apartment program could address the remaining three (3) units of the third round growth share obligation in a manner consistent with the Highlands Regional Master Plan.

The Township will have to subsidize the creation of the accessory apartments with a one-time payment of \$20,000 for each moderate income unit and \$25,000 for each low income unit. The homeowner would be permitted to choose which level of subsidy would apply, based on whether the accessory apartment unit would be restricted to a low income household or a moderate income household. The units would be restricted for a period of 10 years.

The subsidy is permitted to be used by the owner to cover the costs of construction in creating the unit or, in the alternative, to provide compensation for the reduction in the rental rate over the requisite 10 year period of affordability controls. The rental rates are limited to a rent level affordable to a household earning 60 percent of median income for the housing region for a moderate income unit and affordable to a household earning 44 percent of median income for the housing region for a low income unit.

During the 10 year affordability control period, the accessory apartment would have to be affirmatively marketed to qualified households throughout the housing region, but at the end of the 10 year period, the owner would have a legal accessory apartment that could be rented to anyone of his choosing, including a family member. The total cost to the Township of this program, assuming ten (10) homeowners apply for it, would be not more than \$250,000.

The Fair Share Plan includes revised ordinances that would permit the creation of affordable accessory apartments subject to the parameters outlined herein. The Township has had a very successful accessory apartment program in place, but the regulations need to be amended to comply not only with COAH's Rules but to create consistency with the Highlands Regional Master Plan's septic density limits.

Site Suitability Documentation

Huntington Knolls/Jiovino

The Huntington Knolls/Jiovino site is identified on the Holland Township Tax Map as Block 24, Lots 3 and 13. It is located along County Route 519 in the southern portion of the Township. Appendix I presents maps providing information as to the Highlands resources and resource protection areas found on this site. Copies of the NJDEP approval of the Individual Amendment to the Upper Delaware Water Quality Management Plan and of the Notice of the Amendment published in the New Jersey Register on April 20, 2009 (which includes comments and responses), are provided, as well.

VR-A Zone

The site in the VR-A zone that was not part of the Township's previously certified Housing Element and Fair Share Plan has nevertheless been approved by the Planning Board for an inclusionary residential development with a substantial set-aside of six (6) affordable housing units (a set-aside rate of 50% of the total number of new units proposed).

This site is identified on the Holland Township Tax Map as Block 61, Lot 6, and, as indicated previously, is being developed in conjunction with the preservation of an environmentally constrained parcel located on the west side of County Route 519 (Block 10, Lot 47). Appendix J presents maps providing information as to the Highlands resources and resource protection areas found on this site.

Third Round Rental, Family, and Very Low Income Housing Obligations

Holland Township's plan will address all of the above components of the third round growth share obligation. The ten (10) unit rental obligation would be satisfied, even exceeded, on the Huntington Knolls/Jiovino site through five (5) affordable family rental units and five (5) bedrooms in a supportive special needs group home. As a result, Holland will be eligible for rental bonuses on nine (9) of the fourteen (14) excess family rental units in its plan.

Holland Township also has to address the new requirement of the Fair Housing Act that 13% of ALL affordable housing units created to satisfy the third round obligation must be affordable to very low income households. This means that Holland has a very low income housing obligation, based on the revised 37 unit third round growth share obligation, of 4.81 or five (5) units. The Affordable Housing Ordinance will include a requirement that at least 10% of all affordable rental units shall be affordable to households earning 30% or less of median income, so two (2) of the family rental units at Huntington Knolls and one (1) of the family rental units in

the VR-A zone will have to be a very low income unit. The remaining two (2) very low income units will be addressed with two (2) of the bedrooms in the supportive special needs group home that is contemplated in the converted Huntington Knolls development. COAH requires that, to the extent feasible, at least 50% of the required very low income units be family units, and this requirement will be met.

Overall, out of the 28 units and 37 credits intended to address the third round growth share obligation, nearly 80% will be family units. At this time, the Township does not anticipate that age-restricted units will be included in its plan, and the only special needs housing contemplated for the third round growth share obligation is the supportive special needs group home contemplated to be built by the developer in the converted Huntington Knolls development.

Consideration of Other Sites for Inclusionary Residential Development

No other sites have been proposed for inclusionary development other than the sites included in the plan.

At this time, there is nothing on the horizon in the way of new development in Holland Township, due in large measure to the economy. The Township does not expect to reach the level of development forecast by COAH within the certification period unless there are major changes in the economy and in State policies regarding development in the Highlands Region.

Availability of Infrastructure

Holland Township does have a sewerage system within the central part of the Township. Sewage is collected in lines owned by the Township and carried to Milford where it is treated in the Milford Sewage Treatment Plant under an agreement that predates many of the current NJDEP regulations.

The Township has public water via American Water. It is available only within the central part of the Township and in a former industrial area near the River. Right now, most of Holland Township is considered by the Highlands Council to be in a Water Deficit condition. The only way to overcome this limitation in the immediate future will be for developers to implement plans to recharge more water than their developments will use.

Subject to the need to address the Highlands Water Deficit issue, there is sufficient capacity in each of these systems to provide sewer and water service to both the Huntington Knolls development and the development approved in the VR-A zone. The Township does not plan, and it is doubtful that the NJDEP and the Highlands Council would permit, any expansion in either the capacity or the service area of these two systems beyond the areas currently served and proposed to be served by them.

The majority of Holland Township is dependent upon individual septic systems and private wells for sewage disposal and water supply, respectively. The capacity to accommodate additional wells and septic systems is already limited in the Highlands Preservation Area by NJDEP

regulations. Assuming the Township continues on the path of opting in to conformance with the Highlands Regional Master Plan for the Planning Area, such capacity will be limited in the Planning Area, as well (this is reflected in the Highlands Build-Out Analysis). The Highlands Build-Out Analysis for Holland Township, which is presented in the Appendix to this document, demonstrates the impact of the Highlands Regional Master Plan on the Township's development capacity.

Anticipated Land Use Patterns, Anticipated Demand for Projected Growth and Economic Impact

The overall land use pattern in Holland Township is not expected to change significantly in response to this Housing Element. Most of the Township is still quite rural. The only area that takes on a more suburban/village character is the central part of the Township, where the majority of the existing development is located. Here, the development of the VR-A zone as approved and the development of the Huntington Knolls site will affect the immediately surrounding landscape. There are likely to be some economic benefits for local businesses from these developments, since they will bring more households to the neighborhood in which such businesses are located.

The plan does provide for adaptive reuse of the Township's existing housing stock in the proposed accessory apartments program. This should not have any perceptible impact on the existing land use pattern.

As a result of the development limitations imposed by the NJDEP Highlands Preservation Area regulations and the anticipated impact of municipal conformance with the Highlands Regional Master Plan throughout the Highlands Region, it is expected that the demand for housing throughout the Highlands Region will exceed the supply. The economic impacts of this are not yet known – presumably existing housing values will rise, but the speculative value of vacant and farmed land will stabilize. This is not an outcome of the Housing Element, but it is a reality that is likely to result in slower growth in the future than Holland (and other Highlands Region municipalities) have experienced in the past.

Development Constraints

Much of the Township is subject to environmental constraints of one kind or another as a result of the Highlands Regional Master Plan. The Township has prepared (but has not yet adopted) a Highlands Environmental Resource Inventory and a Highlands Master Plan Element that identify these constraints and their impact on future development in the Township. These constraints should not preclude the implementation of any the proposals contained in this Housing Element and Fair Share Plan, however.

Holland Township is located in the Highlands Region. The bulk of the Township is in the Planning Area.

The Township is not without its share of contaminated sites (two former paper mills). In both cases, the contaminated site owners elected to limit the clean-up achievement level to an industrial standard, with a deed restriction against future residential development. This serves two purposes. It keeps site clean-up costs down, and it reduces the potential for lawsuits from future residents of the site. It is possible that the two paper mills could someday be considered for Highlands Redevelopment, but such redevelopment is unlikely to include any residential uses.

Summary of Holland's Third Round Affordable Housing Plan

Holland Township will address its current cumulative third round affordable housing obligation as follows:

Rehab Obligation:

25 units

Two (2) units rehabilitated and eligible for crediting; 23 units to be rehabilitated through an ongoing housing rehabilitation program in the Township.

Prior Round Obligation:

17 units

4 credits for RCA with Lambertville, fully executed

7 credits for 7 accessory apartments already created (rentals)

6 credits for 3 of the family rental units to be constructed by Jiovino at Huntington Knolls pursuant to a conversion (yet to be requested and approved) plus 3 rental bonuses

Third Round Obligation:

41 units reduced to 37 units due to permitted exclusions

13 family rental units at Huntington Knolls

6 special needs bedrooms at Huntington Knolls

8 rental bonuses from extra family rental units at Huntington Knolls

6 family rental units in VR-A zone

1 rental bonus from extra family rental unit in VR-A zone

3 accessory apartments in existing residential buildings with no net increase in number of bedrooms and no new septic systems (3 credits)

TOTAL

79 credits/79 unit cumulative obligation

The Appendices to this Housing Element as well as to the Fair Share Plan include the mapping, support documentation and/or zoning amendments required by COAH for each of the foregoing programs and credits, in addition to a new Affordable Housing Ordinance, a new Affirmative Marketing Plan, the Township's COAH-approved Development Fee Ordinance, a new Spending Plan, and a Resolution of Intent to Fund any shortfall.

Holland Township has been using Housing and Community Development Services, Inc. (HCDS) to administer its existing accessory apartment and rehabilitation programs. It expects to continue this relationship into the future. It has also retained the services of another Administrative Agent, Piazza and Associates, for the specific purpose of administering any new affordable units created in the Township as well as rerentals of rehabilitated units and accessory apartment units. Copies of the current contracts with HCDS and with Piazza and Associates are included in the Appendices to the Fair Share Plan.

**HOUSING ELEMENT
APPENDICES**

APPENDIX A
INVENTORY OF MUNICIPAL HOUSING CONDITIONS

Appendix A:

Inventory of Municipal Housing Conditions

The primary source of information for the inventory of the Township's housing stock is the 2000 U.S. Census. While the Census data was compiled in 2000, it remains the only source of information that provides the level of detail needed for this analysis.

According to the 2000 Census, the Township had 1,942 housing units, of which 1,881 (97%) were occupied. Table 1 identifies the units in a structure by tenure; as used throughout this Plan Element, "tenure" refers to whether a unit is owner-occupied or renter-occupied. The Township largely consisted of single family detached units, (90% of the total, compared to 74% in the County). The Township had a lower percentage of renter-occupied units, 7%, than Hunterdon County (19.5%) and the State (52%).

Table 1: Units in Structure by Tenure

Units in Structure	Total Units	Vacant Units	Occupied Units		
			Total	Owner	Renter
1, detached	1,750	44	1,706	1,626	80
1, attached	90	0	90	70	20
2 or more	102	17	85	44	41
Other	0	0	0	0	0
Mobile Home	0	0	0	0	0
Total	1,942	61	1,881	1,740	141

Source: 2000 U.S. Census, QT-H5 & QT-H10 (STF-3) for Township.

Table 2 presents the data concerning the year housing units were built by tenure, while Table 3 compares the Township to Hunterdon County and the State. Approximately 58% of all the units in the Township were built prior to 1970, 56% of the owner-occupied units and 82% of the renter occupied units were built prior to 1970. The presence of an older housing stock is one of the factors which correlates highly with filtering. Filtering is a downward adjustment of housing need which recognizes that the housing requirements of lower-income groups can be served by supply additions to the higher-income sections of the housing market.

Table 2: Year Structure Built by Tenure

Year Built	Total Units	Vacant Units	Occupied Units		
			Total	Owner	Renter
1990 – 2000	260	12	248	237	11
1980 – 1989	260	0	260	260	0
1970 – 1979	297	11	286	271	15
1960 – 1969	380	9	371	364	7
1950 – 1959	324	0	324	304	20
1940 – 1949	62	0	62	48	14
Pre-1940	359	29	330	256	74

Source: 2000 U.S. Census, STF-3QT-P1 for Township.

Table 3 compares the year of construction for all dwelling units in the Township to Hunterdon County and the State. The Township had a larger percentage of units built between 1960 and 1979 than does the County or State, and a much smaller percentage of units built before 1950, which is reflected in the median year built.

Table 3: Comparison of Year of Construction for Township, County and State

Year Built	%		
	Holland Township	Hunterdon County	New Jersey
1990 – 2000	13.4	17.1	10.5
1980 – 1989	13.4	22.4	12.4
1970 – 1979	15.3	15.1	14
1960 – 1969	19.6	10.2	15.9
1950 – 1959	16.7	9.1	17.1
1940 – 1949	3.2	4.2	10.1
Pre-1940	18.5	21.9	20.1
Median Year	1966	1973	1962

Source: 2000 U.S. Census, STF-3 DP-4 for Township, County and State.

Information reported in the 2000 Census concerning occupancy characteristics includes the household size in occupied housing units by tenure, and the number of bedrooms per unit by tenure; these data are reported in Tables 4 and 5, respectively. Table 4 indicates that renter-occupied units generally house smaller households, with 62% of renter-occupied units having 2 persons or fewer compared to 55% of owner-occupied units. Table 5 indicates that renter-occupied units generally have fewer bedrooms, with 55% having two bedrooms or fewer, compared to 21% of owner-occupied units.

Table 4: Household Size in Occupied Housing Units by Tenure

Household Size	Total Units	Owner-occupied Units	Renter-occupied Units
1 person	291	252	39
2 persons	753	703	50
3 persons	302	275	27
4 persons	337	323	14
5 persons	136	128	8
6 persons	48	44	4
7+ persons	14	13	1
Total	1,881	1,738	143

Source: 2000 U.S. Census, STF-3 H-17 for Township.

Table 5: Number of Bedrooms per Unit by Tenure

Number of Bedrooms	Total Units	(%)	Vacant Units	Occupied Units		
				Total	Owner	Renter
No bedroom	4	.2	0	4	0	4
1 bedroom	60	3.1	4	56	35	21
2 bedrooms	407	21	21	386	332	54
3 bedrooms	856	44.1	15	841	788	53
4 bedrooms	493	25.4	4	489	480	9
5+ bedrooms	122	6.3	17	105	105	0

Source: 2000 U.S. Census, STF-3QT-H8 for Township.

Table 6 compares the Township's average household size for all occupied units, owner-occupied units, and renter-occupied units to those of the County and State. The Township's average household size for all units and renter occupied units was higher than those of the County and State.

Table 6: Average Household Size for Occupied Units for Township, County and State

Jurisdiction	All Occupied Units	Owner-occupied units	Renter-occupied units
Holland Township	2.72	2.75	2.43
Hunterdon County	2.69	2.82	2.03
New Jersey	2.68	2.85	2.37

Source: 2000 U.S. Census, STF-3 DP-1 for Township, County and State.

The distribution of bedrooms per unit, shown in Table 7, indicates that the Township has fewer 0 to 1 bedroom units than the County or State and more 2 or 3 bedroom units.

Table 7: Percentage of All Units by Number of Bedrooms for Township, County and State

Jurisdiction	None or one	Two or Three	Four or More
Holland Township	3.3	65.1	31.7
Hunterdon County	9.2	53.7	37.1
New Jersey	18.3	59.1	22.6

Source: 2000 U.S. Census, STF-3 QT-H10 for Township, County and State.

In addition to data concerning occupancy characteristics, the 2000 Census includes a number of indicators, or surrogates, which relate to the condition of the housing stock. These indicators are used by COAH in calculating a municipality's deteriorated units and indigenous need. The surrogates used to identify housing quality, in addition to age (Pre-1940 units in Table 2), are the following, as described in COAH's rules.

- Persons per Room* 1.01 or more persons per room is an index of overcrowding.
- Plumbing Facilities* Inadequate plumbing is indicated by either a lack of exclusive use of plumbing or incomplete plumbing facilities.
- Kitchen Facilities* Inadequate kitchen facilities are indicated by shared use of a kitchen or the non-presence of a sink with piped water, a stove, or a refrigerator.

Table 8 compares the Township, County, and State for some of the above indicators of housing quality. The Township was similar to the County and State for inadequate kitchen facilities and overcrowding but higher for inadequate plumbing facilities.

Table 8: Housing Quality for Township, County and State

Condition	%		
	Holland Township	Hunterdon County	New Jersey
Overcrowding ¹	.5	.4	11
Inadequate plumbing ²	1.3	.4	.7
Inadequate kitchen ²	.6	.2	.8

Notes: ¹The universe for these factors is occupied housing units.

²The universe for these factors is all housing units.

Source: 2000 U.S. Census, STF-3 QT-H4 for Township, County and State.

The last factors used to describe the municipal housing stock in the U.S. Census are the self-reported estimated values and rental values for residential units. The 2000 Census shows that 79% of the housing units are valued over \$150,000, with the median value of \$199,000.

Table 9: Value of Owner Occupied Residential Units

Value	Number of Units	%
\$0 – 50,000	0	0
\$50,000 – 99,999	65	4.1
\$100,000 – 149,999	266	16.8
\$150,000 – 199,999	469	29.7
\$200,000 – 299,999	584	37
\$300,000 – 499,999	184	11.6
\$500,000 – 999,999	12	.8
\$1,000,000 +	0	0

Source: 2000 U.S. Census, SF-3 for Township, County, and State, DP-4.

With regard to renter-occupied units, 89 of the 122 renter-occupied units in the Township, or 73%, rent for over \$750 per month.

Table 10: Gross Rents for Specified Renter-Occupied Housing Units¹

Monthly Rent	Number of Units	%
Under \$200	0	0
\$200 – 299	0	0
\$300 – 499	0	0
\$500 – 749	33	27
\$750 – 999	38	31.1
\$1,000 – 1,499	33	27
\$1,500 or more	0	0
No Cash Rent	18	14.8

Note: Median gross rent for Holland Township is \$905

Source: 2000 U.S. Census, SF-3 for Township, QT-H12.

The data in Table 11 indicate that there were 41 renter households with an annual income less than \$35,000, which was the approximate income threshold for a three-person, moderate-income household in Hunterdon County in 2000. At least 27 of these households are paying more than 30% of their income for rent; a figure of 30% is considered the limit of affordability for rental housing costs.

Table 11: Household Income in 1999 by Gross Rent as a Percentage of Household Income in 1999

Income	Number of Households	Percentage of Household Income					
		0 – 19%	20 – 24%	25 – 29%	30 – 34%	35% +	Not computed
< \$10,000	0	0	0	0	0	0	0
\$10,000 – 19,999	14	0	0	0	0	14	0
\$20,000 – 34,999	27	0	0	7	0	13	7
\$35,000 +	81	48	13	0	9	0	11

Note: ¹The universe for this Table is specified renter-occupied housing units.

Source: 2000 U.S. Census, STF-3 QT-H13 for Township.

APPENDIX B
ANALYSIS OF DEMOGRAPHIC CHARACTERISTICS

Appendix B:

Analysis of Demographic Characteristics

As with the inventory of the municipal housing stock, the primary source of information for the analysis of the demographic characteristics of the Township's residents is the 2000 U.S. Census. The data collected in the 2000 Census provide a wealth of information concerning the characteristics of the Township's population.

Holland Township had 5,124 persons in 2000 according to the census, or 232 more persons than in 1990, a increase of 5%. The Township's 5% increase in the 1990's compares to a 13% increase in Hunterdon County and an 8% increase in New Jersey.

The age distribution of the Township's residents is shown in Table 1. The Township's largest population falls in the 35 to 54 age range and the least population in the 0-4 age range.

Table 1: Population by Age

Age	Total Persons	%
0-4	290	5.7
5 - 19	1,079	21.1
20 - 34	666	13
35 - 54	1,750	34.1
55 - 69	792	15.5
70 +	547	10.6
Total	5,124	100

Source: 2000 U.S. Census, SF-1 for Township, QT-P1.

Table 2 compares the Township to the County and State by age categories. The principal differences among the Township, County, and State occur in the 20-34, where the Township had a lower proportion than the County and State, and the 50-84 age categories, where the Township's proportion was higher than the County and State.

Table 2: Comparison of Age Distribution for Township, County and State (% of persons)

Age	Holland Township	Hunterdon County	New Jersey
0 – 4	5.7	6.6	6.7
5 – 19	21.1	20.9	20.4
20 – 34	13	15.5	19.8
35 – 49	25.6	32.4	24.3
50 – 64	20.2	14.6	15.5
65 – 84	13	8.9	11.6
85 +	1.4	1.1	1.6
Median	41.2	38.8	36.7

Source: 2000 U.S. Census, STF-3 QT-P1 for Township, County and State.

Table 3 provides the Census data on household size for the Township, while Table 4 compares household sizes in the Township to those in Hunterdon County and the State. The Township differs from the County and State in terms of the distribution of household sizes by having fewer 1 person households and more 2 person households.

Table 3: Persons in Household

Household Size	Total Units
1 person	291
2 persons	753
3 persons	302
4 persons	337
5 persons	136
6 persons	48
7+ persons	14
Total	1,881

Source: 2000 U.S. Census, STF-3 QT-P10 for Township.

Table 4: Comparison of Persons in Household for Township, County and State (% of households)

Household Size	Township	County	State
1 person	15.5	20	24.5
2 persons	40	33.8	30.3
3 persons	16.1	17.2	17.3
4 persons	17.9	18.9	16
5 persons	7.2	7.5	7.5
6 persons	2.6	2	2.7
7 or more persons	.7	.7	1.7
Persons per household	2.72	2.69	2.68

Source: 2000 U.S. Census, STF-3 QT-P10 for Township, County and State.

Table 5 presents a detailed breakdown of the Township's households by household type and relationship. There were 1,523 family households in the Township and 358 non-family households; a family household includes a householder living with one or more persons related to him or her by birth, marriage, or adoption, while a non-family household includes a householder living alone or with non-relatives only. In terms of the proportion of family and non-family households, the Township had more family households than the State (81% for the Township, 75% for the County, and 70% for the State).

Table 5: Household Type and Relationship

	Total
In family Households:	1,523
Married	1,376
Child	662
In Non-Family Households:	358
Male householder:	147
Living alone	108
Not living alone	39
Female householder:	211
Living alone	183
Not living alone	28
In group quarters (persons):	0
Institutionalized	0
Non-institutionalized	0

Source: 2000 U.S. Census, SF-1 for Township, QT-P11 and QT-P12.

Table 6 provides 1999 income data for the Township, County and State which is the last full year of income before the 2000 Census questionnaires were distributed. The Township's per capita and median incomes were lower than the County but higher than the State.

Table 6: 1999 Income for Township, County and State

Jurisdiction	Per Capita Income	Median Income	
		Households	Families
Holland Township	\$28,581	\$68,083	\$71,925
Hunterdon County	\$36,370	\$79,888	\$91,050
New Jersey	\$27,006	\$55,146	\$65,370

Source: 2000 U.S. Census, SF-3 DP-3 for Township, County and State.

Table 7 addresses the lower end of the income spectrum by providing data on poverty levels for persons and families. The determination of poverty status and the associated income levels is based on the cost of an economy food plan and ranges from an annual income of \$8,501 for a one-person household to \$28,967 for an eight-person family for the year 1999. According to the data in Table 7, the Township proportionally had fewer persons qualifying for poverty status than did the State. However, the percentages in Table 7 translate to 111 persons, but 25 families classified in poverty status. Thus, the family households had a much larger share of the population in poverty status.

**Table 7: Poverty Status for Persons and Families for Township, County and State
(% with 1999 income below poverty)**

Jurisdiction	Persons (%)	Families (%)
Holland Township	2.2	1.6
Hunterdon County	2.6	1.6
New Jersey	8.5	19.4

Source: 2000 U.S. Census, SF-3 QT-H7 for Township, County and State.

The U.S. Census includes a vast array of additional demographic data that provides insights into an area's population. For example, Table 8 provides a comparison of the percent of persons 5 years old and older who lived in the same house as in 1995; this is a surrogate measure of the mobility/stability of a population. The data indicate that the percent of the State and County residents residing in the same house as in 1995 was less that of the Township.

Table 8: Comparison of 1995 Place of Residence for Township, County and State

Jurisdiction	Percent living in same house in 1995
Holland Township	67.2
Hunterdon County	61.8
New Jersey	59.8

Source: 2000 U.S. Census, SF-3 DP-2 for Township, County and State.

Table 9 compares the educational attainment for Township, County, and State residents over age 25. These data indicate that Township residents exceeded State in graduating from high school but fewer graduates from post secondary.

**Table 9: Educational Attainment for Township, County and State Residents
(Persons 25 years and over)**

Jurisdiction	Percent (%) high school graduates or higher	Percent (%) with bachelor's degree or higher
Holland Township	90.9	24.3
Hunterdon County	91.5	41.8
New Jersey	82.1	29.8

Source: 2000 U.S. Census, SF-3 DP-3 for Township, County and State.

The 2000 Census also provides data on the means of transportation which people use to reach their place of work. Table 10 compares the Census data for the Township, County, and State relative to driving alone, carpooling, using public transit, and using other means of transportation. The Township had a relatively high percentage of those who drive alone, and a relatively low percentage of workers who carpool or use public transit. Of the 6.8% of workers who reside in the Township and use other means of transportation to reach work, 166 workers work at home and 7 workers walked to work.

**Table 10: Means of Transportation to Work for Township, County and State Residents
(Workers 16 years old and over)**

Jurisdiction	Percent who drive alone	Percent in carpools	Percent using public transit	Percent using other means
Holland Township	84.6	7.8	.9	6.8
Hunterdon County	82.5	7.3	1.7	8.5
New Jersey	73	10.6	9.6	6.8

Source: 2000 U.S. Census, SF-3 DP-3 for Township, County and State.

APPENDIX C
SUMMARY OF EMPLOYMENT DATA

Appendix C:

Summary of Employment Data

The 2000 Census provides detailed information on a municipality's resident population regarding their means of employment. Employment characteristics are described two ways. First through occupation which is the type of work the employee performs. The second is by industry, or the type of business. The following table outlines these two characteristics for Holland Township.

Table 1: Selected Employment Characteristics of Resident Population

Employed civilian population 16 years and over	2,599	100.0
OCCUPATION		
Management, professional, and related occupations	958	36.9
Service occupations	302	11.6
Sales and office occupations	729	28.0
Farming, fishing, and forestry occupations	9	0.3
Construction, extraction, and maintenance occupations	327	12.6
Production, transportation, and material moving occupations	274	10.5
INDUSTRY		
Agriculture, forestry, fishing and hunting, and mining	14	0.5
Construction	236	9.1
Manufacturing	374	14.4
Wholesale trade	120	4.6
Retail trade	266	10.2
Transportation and warehousing, and utilities	121	4.7
Information	166	6.4
Finance, insurance, real estate, and rental and leasing	237	9.1
Professional, scientific, management, administrative, and waste management services	301	11.6
Educational, health and social services	494	19.0
Arts, entertainment, recreation, accommodation and food services	53	2.0
Other services (except public administration)	104	4.0
Public administration	113	4.3

Source: Data from the 2000 Census table DP-3 (STF-3).

The table highlights that the largest percentage of the Township's population is employed in the educational, health and social services field and the largest percentage of the employed population holds a management or professional position.

In addition to seeking information about the employment characteristics of the population, COAH requires municipalities to report on the types of industries found within the municipality. Table 2 presents data from the New Jersey Department of Labor Annual Report for 2003.

Table 2: Employment and Wages by Industry, Holland Township

HOLLAND TOWNSHIP	Average Annual Units	Average Annual Employment	Average Annual Wages
Agriculture, forestry, fishing and hunting			
Construction	4	7	\$22,214
Manufacturing			
Wholesale trade			
Retail trade			
Transportation and warehousing			
Information			
Finance and insurance			
Real estate and rental and leasing			
Professional and technical services			
Management of companies and enterprises			
Administrative and waste services			
Educational services			
Health care and social assistance			
Arts, entertainment, and recreation			
Accommodation and food services			
Other services, except public administration			
Unclassified entities			
PRIVATE SECTOR MUNICIPALITY TOTAL	10	49	\$14,037
FEDERAL GOVT MUNICIPALITY TOTAL			
LOCAL GOVT MUNICIPALITY TOTAL	2	146	\$39,967

Source: 2003 Annual Report, NJDOL.

The extremely low employment reported for Holland Township appears to be inaccurate, as there are known employment units in the agricultural, retail, finance and insurance and several of the service sectors within the Township. It may be that some of these employment units were reported as being located in Milford, since most of these places of business have a Milford address. While Holland Township does not have significant numbers of employment opportunities, more exist than have been reported in the Department of Labor's 2003 Annual Report.

APPENDIX D
WORKBOOK A – COAH’S CALCULATIONS OF GROWTH SHARE
OBLIGATION, WITH AND WITHOUT APPLICABLE EXCLUSIONS

NARRATIVE TO ACCOMPANY WORKBOOK

Three separate alternative workbooks are presented in this Appendix. The reason for the three separate alternative workbooks is that the disposition of the Huntington Knolls (Jiovino) site, which was an inclusionary site in Holland Township's prior round Housing Element and Fair Share Plan, is still up in the air.

The zoning of the Huntington Knolls site and the requirement to provide affordable housing had been negotiated with the developer and adopted by the Township based upon the Township's understanding of the number of affordable housing units it was required to provide in the prior round; that negotiation predated COAH's change to a "growth share" methodology for determining future affordable housing obligations. Consequently, the Huntington Knolls site was zoned to provide four (4) affordable age-restricted units on site, two (2) six-bedroom group homes sites (one for the prior round and one reserved for a future round), and a payment in lieu of four (4) units at the rate of \$25,000 per unit (total of \$100,000) to fund an RCA with the City of Lambertville.

Because the development of the Huntington Knolls site was not proceeding, Holland Township went ahead and funded the Lambertville RCA out of general revenues. Consequently, when Jiovino came to the Planning Board for final approval of Phase I of his plan, the Board discussed with him the possibility of providing affordable housing units in Phase I. It was agreed that in Phase I, he would, at his own election, provide either six (6) affordable housing units or a 6-bedroom group home site. In Phase II, he would provide an additional four (4) affordable housing units (and the other group home site). All of the affordable housing units (but not the group homes) would be age-restricted, as the zoning was for an age-restricted housing complex with complementary retail uses. These terms are reflected in the Planning Board's resolution approving Phase I, which is included in Appendix I to the Fair Share Plan.

As indicated in Appendix I to the Housing Element (not to be confused with the above-referenced Appendix I to the Fair Share Plan), Jiovino received approval in 2009 from the NJDEP of an Individual Areawide Water Quality Management Plan (208 Plan) Amendment so that he could be issued a Treatment Works Approval that would allow the extension of sewer service into the Huntington Knolls site, enabling that development to proceed even though the NJDEP had not completed its review of the Township's Wastewater Management Plan. A basis for the NJDEP approval, however, was that the Huntington Knolls development would include 28 affordable housing units. To date, though it has been more than a year since Jiovino received approval from the NJDEP of the 208 Plan Amendment, a revised plan showing the 28 affordable units has not been submitted to the Township or to any other agency.

What the Township has been told unofficially by Jiovino and his representatives is that Jiovino now wishes to pursue a "conversion" of his previously approved development from an age-restricted project to a non-age-restricted project, with rental housing instead of for-sale housing as had originally been proposed. Under P.L. 2009, c.82, he has the right to apply for such a conversion as long as his proposed conversion meets all of the statutory requirements therefor. If he does apply for the conversion, and does meet all of the requirements set forth in the statute,

the Planning Board would have little or no basis to turn down such an application. However, no such application has been presented to date. All that has been provided to the Board is a single sheet of paper with the number of total dwelling units and the number of affordable units that Jiovino plans to proposed under a conversion.

The three separate alternative workbook calculations are based upon three different applications of exclusions in the calculation of the third round growth share obligation.

The first assumes the construction of the Jiovino site as contemplated by the Board based on the Ordinance and the terms of the Planning Board's June, 2006, Phase I approval, but this scenario has become somewhat irrelevant in the face of the NJDEP requirement for 28 affordable housing units (though no plan for this number of units has ever been approved or even submitted to the Board). The exclusions are based on the maximum number of age-restricted affordable units permitted to be used to fulfill the prior round obligation and the corresponding number of market units. The possibility of a 6-bedroom group home as an alternative to some of the age-restricted affordable units was not considered.

The second assumes the NJDEP requirement for 28 affordable units is implemented (all of the affordable units presumably would be age-restricted; the NJDEP did not address the issue of age-restrictions). Again, the exclusions are based on the maximum number of age-restricted affordable units permitted to be used to fulfill the prior round obligation and the corresponding number of market units.

The third scenario assumes approval of a conversion along the lines of what has been informally proposed by Jiovino. Although this third scenario produces a higher growth share number for the Township than the other two scenarios, due to the way the exclusions are applied, it also provides the Township with the mechanism for addressing nearly all of that growth share obligation, which the first two scenarios do not (since there is a cap on the use of age-restricted units to meet the third round obligation). ***The third scenario forms the basis for the Township's Third Round Housing Element and Fair Share Plan.***

It should be noted that although seven (7) accessory apartments have been created, most if not all of them after 2004, these were all legalizations of existing illegal apartments (with municipal compensation to cover the cost of installing septic systems), so none of them are counted as new units for the purpose of calculating exclusions. The inclusionary development approved in the new VR-A zone, though projected to be built after January 1, 2004, was not part of the prior round plan and is not, therefore, eligible for exclusion.

WITH HUNTINGTON KWOLLS - AS APPROVED
Worksheet A: Growth Share Determination Using Published Data
 (Appendix F(2), Allocating Growth To Municipalities)

COAH Growth Projections
 Must be used in all submissions

Municipality Name: *Holland Township, Hunterdon Co.*

Enter the COAH generated growth projections form Appendix F(2) found at the back of N.J.A.C. 5:97-1 et seq. on Line 1 of this worksheet. Use the Tab at the bottom of this page or the links within the page to toggle to the exclusions portion of this worksheet. After entering all relevant exclusions, toggle back to this page to view the growth share obligation that has been calculated based on COAH's growth projections.

	Residential	Non-Residential
1 Enter Growth Projections From Appendix F(2)*	204	-64
2 Subtract the following Residential Exclusions pursuant to 5:97-2.4(a) from "Exclusions" tab COs for prior round affordable units built or projected to be built post 1/1/04 Inclusionary Development Supportive/Special Needs Housing Accessory Apartments Municipally Sponsored or 100% Affordable Assisted Living Other Market Units in Prior Round Inclusionary development built post 1/1/04	Click Here to enter Prior Round Exclusions 4 <i>see notes on exclusions page</i> 0 0 0 0 20	
3 Subtract the following Non-Residential Exclusions (5:97-2.4(b)) Affordable units Associated Jobs	0	0
4 Net Growth Projection	180	-64
5 Projected Growth Share (Conversion to Affordable Units Divide HH by 5 and Jobs by 16)	36 Affordable Units	0.00 Affordable Units
6 Total Projected Growth Share Obligation		36 Affordable Units

[Click Here to return to Workbook C Summary](#)

* For Residential Growth, See Appendix F(2), Figure A.1, Housing Units by Municipality. For Non-residential Growth, See Appendix F(2), Figure A.2, Employment by Municipality

WITH HUNTINGTON KNOLLS - AS APPROVED

Affordable and Market-Rate Units Excluded from Growth

Municipality Name: *Holland Township, Hunterdon Co.*

Prior Round Affordable Units NOT included in Inclusionary Developments Built Post 1/1/04

Development Type	Number of COs Issued and/or Projected
Supportive/Special Needs Housing	<i>1 CO - 6 bedrooms (1)</i>
Accessory Apartments	
Municipally Sponsored and 100% Affordable	
Assisted Living	
Other	
Total	<i>1 CO - 6 bedrooms (1)</i>

Market and Affordable Units in Prior Round Inclusionary Development Built post 1/1/04
N.J.A.C. 5:97-2.4(a)

(Enter Y for yes in Rental column if rental units resulted from N.J.A.C. 5:93-5.15(c)5 incentives)

Development Name	Rentals? (Y/N)	Total Units	Market Units	Affordable Units	Market Units Excluded
<i>Huntington Knolls</i>		<i>108</i>	<i>104</i>	<i>4(2)</i>	<i>20</i>
<i>Phases I & II</i>	<i>N</i>	<i>50</i>	<i>50</i>		
<i>later Phase</i>	<i>UNKN.</i>				
Total		<i>158</i>	<i>154</i>	<i>4(2)</i>	<i>20</i>

Jobs and Affordable Units Built as a result of post 1/1/04 Non-Residential Development
N.J.A.C. 5:97-2.4(b)

Development Name	Affordable Units Provided	Permitted Jobs Exclusion
		<i>0</i>
		<i>0</i>
		<i>0</i>
		<i>0</i>
Total	<i>0</i>	<i>0</i>

[When finished, click here to return to Worksheet A](#)

- (1) At the option of the developer as an alternative to providing 10 instead of 4 affordable units on site.
- (2) Out of a possible 10 affordable units or a possible 4 affordable units and one 6-bedroom group home site. Number of exclusions taken reflects age-restricted cap.

WITH HUNTINGTON KNOLLS AS MODIFIED BY NJDEP

Worksheet A: Growth Share Determination Using Published Data
 (Appendix F(2), Allocating Growth To Municipalities)

COAH Growth Projections
 Must be used in all submissions

Municipality Name: *Holland Twp., Hunterdon Co.*

Enter the COAH generated growth projections form Appendix F(2) found at the back of N.J.A.C. 5:97-1 et seq. on Line 1 of this worksheet. Use the Tab at the bottom of this page or the links within the page to toggle to the exclusions portion of this worksheet. After entering all relevant exclusions, toggle back to this page to view the growth share obligation that has been calculated based on COAH's growth projections.

	Residential	Non-Residential
1 Enter Growth Projections From Appendix F(2)*	204	- 64
2 Subtract the following Residential Exclusions pursuant to 5:97-2.4(a) from "Exclusions" tab	Click Here to enter Prior Round Exclusions	
COs for prior round affordable units built or projected to be built post 1/1/04		
Inclusionary Development	4	
Supportive/Special Needs Housing	0	
Accessory Apartments	0	
Municipally Sponsored or 100% Affordable	0	
Assisted Living	0	
Other	0	
Market Units in Prior Round Inclusionary development built post 1/1/04	20	
3 Subtract the following Non-Residential Exclusions (5:97-2.4(b))		
Affordable units	0	
Associated Jobs		0
4 Net Growth Projection	180	- 64
5 Projected Growth Share (Conversion to Affordable Units Divide HH by 5 and Jobs by 16)	36 Affordable Units	0.00 Affordable Units
6 Total Projected Growth Share Obligation		36 Affordable Units

[Click Here to return to Workbook C Summary](#)

* For Residential Growth, See Appendix F(2), Figure A.1, Housing Units by Municipality. For Non-residential Growth, See Appendix F(2), Figure A.2, Employment by Municipality

WITH HUNTINGTON KNOLLS AS MODIFIED BY NJDEP

Affordable and Market-Rate Units Excluded from Growth

Municipality Name: *Holland Twp., Hunterdon Co.*

Prior Round Affordable Units NOT included in Inclusionary Developments Built Post 1/1/04

Development Type	Number of COs Issued and/or Projected
Supportive/Special Needs Housing	
Accessory Apartments	
Municipally Sponsored and 100% Affordable	
Assisted Living	
Other	
Total	0

Market and Affordable Units in Prior Round Inclusionary Development Built post 1/1/04

N.J.A.C. 5:97-2.4(a)

(Enter Y for yes in Rental column if rental units resulted from N.J.A.C. 5:93-5.15(c)5 incentives)

Development Name	Rentals? (Y/N)	Total Units	Market Units	Affordable Units	Market Units Excluded
<i>Huntington Knolls</i>					
<i>Phases I & II</i>	<i>N</i>	<i>108</i>	<i>104</i>	<i>4 (1)</i>	<i>20</i>
<i>later phase</i>	<i>UNKN.</i>	<i>50</i>	<i>50</i>		
Total		<i>158</i>	<i>154</i>	<i>4 (1)</i>	<i>20</i>

Jobs and Affordable Units Built as a result of post 1/1/04 Non-Residential Development

N.J.A.C. 5:97-2.4(b)

Development Name	Affordable Units Provided	Permitted Jobs Exclusion
		0
		0
		0
		0
Total	0	0

[When finished, click here to return to Worksheet A](#)

(1) Out of a possible 28 affordable units. Number of exclusions taken reflects age-restricted cap.

WITH HUNTINGTON KNOLLS - CONVERSION SCENARIO
Worksheet A: Growth Share Determination Using Published Data
 (Appendix F(2), Allocating Growth To Municipalities)

COAH Growth Projections
 Must be used in all submissions

Municipality Name: *Holland Twp., Hunterdon Co.*

Enter the COAH generated growth projections form Appendix F(2) found at the back of N.J.A.C. 5:97-1 et seq. on Line 1 of this worksheet. Use the Tab at the bottom of this page or the links within the page to toggle to the exclusions portion of this worksheet. After entering all relevant exclusions, toggle back to this page to view the growth share obligation that has been calculated based on COAH's growth projections.

	Residential	Non-Residential
1 Enter Growth Projections From Appendix F(2)*	204	-64
2 Subtract the following Residential Exclusions pursuant to 5:97-2.4(a) from "Exclusions" tab	Click Here to enter Prior Round Exclusions	
COs for prior round affordable units built or projected to be built post 1/1/04		
Inclusionary Development	3 (1)	
Supportive/Special Needs Housing	0	
Accessory Apartments	0	
Municipally Sponsored or 100% Affordable	0	
Assisted Living	0	
Other	0	
Market Units in Prior Round Inclusionary development built post 1/1/04	17 (1)	
3 Subtract the following Non-Residential Exclusions (5:97-2.4(b))		
Affordable units	0	
Associated Jobs		0
4 Net Growth Projection	184	0
5 Projected Growth Share (Conversion to Affordable Units Divide HH by 5 and Jobs by 16)	36.8 (37) Affordable Units	0.00 Affordable Units
6 Total Projected Growth Share Obligation		37 Affordable Units

[Click Here to return to Workbook C Summary](#)

* For Residential Growth, See Appendix F(2), Figure A.1, Housing Units by Municipality. For Non-residential Growth, See Appendix F(2), Figure A.2, Employment by Municipality

(1) Based on number of affordable units to be applied to prior round obligation.

WITH HUNTINGTON KNOLLS - CONVERSION SCENARIO
Affordable and Market-Rate Units Excluded from Growth

Municipality Name: *Holland Twp., Hudson Co.*

Prior Round Affordable Units NOT included in Inclusionary Developments Built Post 1/1/04

Development Type	Number of COs Issued and/or Projected
Supportive/Special Needs Housing	<i>1 CO for 6 bedroom facility (part of Huntington Knolls affordable units) with one additional spl. needs facility to be constructed in future.</i>
Accessory Apartments <i>N.A.</i>	
Municipally Sponsored and 100% Affordable <i>N.A.</i>	
Assisted Living <i>N.A.</i>	
Other <i>N.A.</i>	
Total	

Market and Affordable Units in Prior Round Inclusionary Development Built post 1/1/04
N.J.A.C. 5:97-2.4(a)

(Enter Y for yes in Rental column if rental units resulted from N.J.A.C. 5:93-5.15(c)5 incentives)

Development Name	Rentals? (Y/N)	Total Units	Market Units	Affordable Units	Market Units Excluded	Aff. Units Excluded
<i>Huntington Knolls</i>	<i>YES</i>	<i>110</i>	<i>92^(*)</i>	<i>16</i> <i>+ 6 spl. needs bedrooms in 1 unit</i>	<i>17 (1)</i>	<i>3 (2)</i>
Total					<i>17 (1)</i>	<i>3 (2)</i>

()* DUE TO SECOND SPCL. NEEDS HOUSE RESERVED FOR FUTURE.
Jobs and Affordable Units Built as a result of post 1/1/04 Non-Residential Development
N.J.A.C. 5:97-2.4(b)

Development Name	Affordable Units Provided	Permitted Jobs Exclusion
		0
		0
		0
		0
Total	0	0

[When finished, click here to return to Worksheet A](#)

- (1) Pro-rated based on exclusion of 3 affordable rental units to be allocated to prior round.
- (2) Only 3 affordable rental units to be allocated to prior round (plus rental houses). Balance will be applied toward growth share obligation.

APPENDIX E
HIGHLANDS BUILD-OUT ANALYSIS
(MODULE 2 OF BASIC PLAN CONFORMANCE)



Holland Township **Municipal Build-Out Report**

Prepared by the State of New Jersey Highlands Water Protection and Planning Council in Support of the Highlands Regional Master Plan: Report on the Results of Modules 1 and 2 of the 2009 Plan Conformance Process

July 2009

HOLLAND TOWNSHIP MUNICIPAL BUILD-OUT REPORT

for
HIGHLANDS REGIONAL MASTER PLAN CONFORMANCE

Purpose and Scope

The Highlands Regional Master Plan (RMP) requires that conforming municipalities develop a local build-out analysis that incorporates the policies and objectives of the RMP. Specifically, conforming municipalities are required to “use the Highlands Build-Out Model to develop a local build-out analysis that incorporates RMP policies and objectives to evaluate land use capability and capacity planning” (Objective 6G4c). The RMP build-out process requires a Limiting Factor Analysis to examine three categories of constraints:

1. Land Based Capacity (potential developable lands);
2. Resource Based Capacity (Septic System Yield and Net Water Availability); and
3. Utility Based Capacity (public water and wastewater).

This Municipal Build-Out Report provides the results of the local build-out analysis based on potential developable lands and existing municipal conditions, including sewer and water supply capacity and Net Water Availability where relevant. It incorporates the results of the first two modules of the 2009 Plan Conformance Grants Program: Module 1 “Current Municipal Conditions and Build-Out Analysis,” and Module 2 “Land Use and Resource Capacity Analysis.” Both modules were completed through a detailed process involving a cooperative effort of the municipality and the Highlands Council. This process was designed to ensure use of the most current municipal information available and proper application of RMP requirements in the conduct of all analyses. The results for Holland Township are presented in the section “**Full Build-Out and Constraints Summary**” and tabulated in Table 4 below.

The results of the local build-out analysis are for use by conforming municipalities for other planning activities required for Plan Conformance, such as development of Fair Share Plans addressing affordable housing obligations (Module 3). They also will be useful in complying with the New Jersey Department of Environmental Protection (NJDEP) wastewater management planning requirements under the Water Quality Management Planning rules at N.J.A.C. 7:15-5. The results are intended to assess current municipal conditions as they relate to specific RMP policies and objectives. It is important to note that the build-out analysis incorporates many but not every constraint to development included in the RMP, State regulations or local zoning. Future activities under Plan Conformance will address issues such as more refined or current analyses of land availability, resource capacity, resource protection and utility capacity that may modify these results to either increase or decrease the projected build out of the municipality (e.g., reducing build-out

Municipal Build-Out Report for Holland Township

projections through land preservation, increasing build-out projections by increasing Net Water Availability or designation of Highlands Redevelopment Areas).

The results of the municipal build-out analysis are designed to be utilized at a municipal scale and are not appropriate for determining if a particular parcel or development project is consistent with the RMP. Therefore, the Highlands Build-Out Model is not intended to be applied at a parcel level to determine the development potential of that parcel, as the municipality must apply additional planning and zoning analyses to determine appropriate future sustainable development.

All of the data and figures regarding specific parcels, including, but not limited to, preserved lands and water and sewer service, are based on a review of currently available information; however, unintentional inaccuracies may occur and may be formally addressed as RMP Updates. Any request for a formal determination to address updated information may be submitted to the Highlands Council in accordance with the RMP policies and procedures for RMP Updates. In addition, this report does not address any Map Adjustments that a municipality may seek to revise the Land Use Capability Zone Map; these will be addressed at a later date.

It is critical to note that this build-out analysis was conducted based on the requirements of Plan Conformance with the RMP, as applied to parcels deemed potentially developable (vacant, oversized and redevelopable) as of early 2009. These results do not include:

- development that has been approved but not completed as of early 2009, which may yield more or less growth than the build-out results calculated for the affected parcels;
- the potential impact of some future development that may be deemed exempt from the Highlands Act, which may yield more or less growth than the build-out results calculated for those lands;¹
- the potential impact of future redevelopment that may be approved through designation of Highlands Redevelopment Areas or other approvals granted with waivers as authorized by the Highlands Act, which may yield more growth than the build-out results calculated for those lands;
- the potential impact of certain land use restrictions based on State regulations and local ordinances that could not be assessed through a municipal level of analysis; and

¹ Where such development is located in an approved wastewater service area in the RMP Existing Community Zone (not including the Environmentally-Constrained Sub-Zone) or the Lake Community Sub-Zone, the results should be similar because the build-out analysis used local zoning. Future developments that may be authorized within the Environmentally-Constrained Sub-Zones, Protection Zone or Conservation Zone that use public or community on-site wastewater systems will have significantly different yields than calculated through the RMP build-out process. Likewise, the Septic System Yields for lands that will rely on septic systems may be significantly different from what those allowed by current municipal zoning.

Municipal Build-Out Report for Holland Township

- any reductions in build-out projections due to land preservation for open space or farmland beyond those preserved lands identified by the municipality through Module 1.

Therefore, the Highlands Municipal Build-Out Report for a municipality is a result of current conditions and application of RMP requirements. It provides a critical planning tool but cannot be used as a definitive prediction of the future or as a basis for parcel-based development potential.

This is a final Municipal Build-Out Report, which supersedes the Module 1 Summary Report. The results may be used in Module 3 by the municipality in support of its Housing Element and Fair Share Plan and other relevant purposes.

Report Structure

This Highlands Council report is based on the municipal build-out results from Modules 1 and 2 performed by Holland Township and the Highlands Council, in conformance with the Highlands Regional Master Plan (RMP). These results include consideration of potential land availability, utility capacity, municipal zoning in wastewater utility service areas, Septic System Yield and Net Water Availability in accordance with the RMP. The RMP build-out analysis estimates the potential for new development in Holland Township, for the entire municipality (see **Full Build-Out and Constraints Summary**, below).

First, the analysis addressed the build-out potential of the available lands, assuming application of RMP requirements for septic system yields and utility service areas without constraints related to the available capacity of public water supply and wastewater utilities or Net Water Availability. Essentially, the land-based build out represents the maximum potential for development in conformance with the RMP if no other constraints exist. Where sewered development is in conformance with the RMP, municipal zoning is used to determine build-out potential. Where septic systems will be used, the RMP requirements apply and the resulting septic system yield is assumed to be entirely residential in nature. To the extent that septic system capacity is used for non-residential development based on a proportional reallocation from residential development, the projected growth will be different than those reported above. Any reallocations of septic system yield will be addressed in Module 3 – Housing Element and Fair Share Plan.

Second, the public water supply and wastewater demands of development projected for the utility service area are compared to the utility capacity available to the municipality, regarding both public water supply and wastewater utilities. Where capacity is insufficient to support the build-out demand, the build-out estimates are reduced.

Third, the resulting water supply demands from build out in both public water supply utility service areas and domestic well service areas are compared to the Net Water Availability for the HUC14 subwatershed. In many cases, this step required information regarding water supply demands from other municipalities, so that the full demands against each HUC14 subwatershed could be assessed. Again, where Net Water Availability is insufficient to support the build-out demand, the build-out estimates are reduced.

Finally, where a wastewater utility had available capacity for a municipality after meeting all build-out demands, the Highlands Council investigated whether sufficient Net Water Availability exists to support the use of all or part of that wastewater utility capacity for such purposes as affordable housing, TDR Receiving Zones and other purposes supported by the RMP.

This report also includes a discussion of technical methods used in the build-out process, including quality control assessments and build-out impact factors.

Full Build-Out and Constraints Summary for Holland Township

Overview

The Holland Township is located within both the Preservation Area and Planning Area. The RMP build-out analysis for Holland Township estimates the following new development results for potential developable lands for the entire municipality, which are discussed in detail in the following section and summarized in Table 4:

1. Development in Wastewater Utility Service Areas: 0 residential dwelling units and 0 square feet of non-residential development, resulting in a wastewater demand of 0 gallons per day (gpd), or 0 million gallons per day (MGD), and estimated public water supply demands of 0 gpd, or 0 MGD.
2. Development in Septic System Areas: 258 septic systems in the Planning Area for all RMP Land Use Capability Zones and HUC14 subwatersheds, and 4 septic systems in the Preservation Area.

The build-out results based on potential developable lands are not constrained by water supply utility capacity and wastewater utility capacity. The water supply demands from the build-out are not constrained by water availability. The remaining wastewater utility capacity, after all RMP build-out demands are met, may be constrained by water availability depending on the source of water supply to support such growth.

Municipal Capacity Conditions and Analysis

A summary of findings on municipal build-out capacity conditions appears in Table 1. It includes the following: potential developable vacant, over-sized and redevelopable lands in the RMP wastewater utility area; potential developable vacant, over-sized and redevelopable parcels in the septic system areas; RMP Septic System Yield; RMP Build-Out Environmentally Constrained lands; available wastewater utility capacity; and available Public Community Water Supply utility capacity.

All figures are the results of an RMP consistency analysis applied to the information supplied by the Highlands Council, as supplemented and verified by Holland Township. Each Figure shows all of the parcels that were used in the build-out process, whether for Septic System Yield or for build out of RMP wastewater utility areas.

- **Figure 1** presents the parcel-based potential developable lands and their association with HUC14 subwatersheds and Land Use Capability Zones, which relate to the RMP Septic System Yield values where the parcels will be served by septic systems.
- **Figure 2** presents the parcel-based potential developable lands and the RMP Build-Out Environmentally Constrained lands (i.e., steep slopes, flood prone areas and Highlands Open Water buffers). Some of these areas are within the RMP Environmentally-

Municipal Build-Out Report for Holland Township

Constrained Sub-Zones while others are smaller-scale environmental features outside those sub-zones.

- **Figure 3** presents the parcel-based potential developable lands and their association with the RMP utility area² for RMP HDSF³ wastewater utilities.
- **Figure 4** presents the parcel-based potential developable lands associated with the RMP utility area⁴ for RMP Public Community Water System utilities.

RMP Build-Out Developable Land, Over-Sized Lot Analysis and Redevelopable Land

Holland Township identified 1,673 acres of potential developable vacant lots and 2,581 acres of potential developable lands on over-sized lots within areas that will be served by septic systems, for a total of 4,254 acres of potential developable Septic System Yield lands. These lands were used as the basis for Septic System Yield, regardless of the extent to which any of the lands were steep slopes, flood prone areas or Highlands Open Water buffers.

In addition, there are no (0) acres of potential developable vacant lands and no (0) acres of identified potential redevelopable land (either over-sized lots or specifically identified by the municipality as being a redevelopment target) within the Existing Area Served by utilities. The municipal information for potential developable lands, over-sized lots and redevelopable land was evaluated by the Highlands Council in accordance with the RMP for the build-out analysis. The results for all report figures are summarized in Table 1.

RMP Septic System Yield Analysis

There are four (4) HUC14 subwatersheds located entirely or partially within the Planning Area of Holland Township. The RMP Septic System Yield analysis for the Planning Area determined a yield of 235 units for the Conservation Zone, 1 unit for the Existing Community Zone and 22 units for the Protection Zone. The RMP Septic System Yield analysis determined a yield of 4 units for the

² The RMP utility area for wastewater includes the Existing Areas Served based on the RMP, plus any NJDEP-approved Sewer Service Area that is within the Existing Community Zone (not including the Environmentally-Constrained Sub-Zone) or the Lake Community Sub-Zone.

³ HDSF - Highlands Domestic Sewerage Facility. These are wastewater treatment works that provide wastewater treatment primarily of sanitary sewage rather than industrial wastewater as a public utility, and may include service areas and treatment capacities sufficient to support redevelopment and regional growth opportunities. As such, they provide service to multiple parcels under different ownership, rather than to specific developments (e.g., schools, shopping centers, public institutions).

⁴ The RMP utility area for public water supply includes the Existing Areas Served based on the RMP, plus any additional properties identified by the municipality that are within the Existing Community Zone (not including the Environmentally-Constrained Sub-Zone) or the Lake Community Sub-Zone.

Municipal Build-Out Report for Holland Township

Preservation Area. The total RMP Septic System Yield for Holland Township is 262 units. Refer to Table 1 and Figure 1 for additional details.

The build out for septic systems in the Preservation Area identifies the number of septic systems that would be considered permissible under the NJDEP Preservation Area Rules at N.J.A.C. 7:38-3.4. Each vacant or over-sized lot identified through Module 1 and 2 was assessed to determine whether it was of sufficient size to accommodate one or more septic systems, based on NJDEP requirements for 1 unit per 25 acres of non-forested lands, 1 unit per 88 acres of forested lands, or some proportional combination thereof. The yield is assigned by parcel, not by aggregate acreage across multiple parcels, and is compiled for the entire Preservation Area of the municipality as shown in Table 1. Parcels that were too small to accommodate a new septic system under these provisions received no Septic System Yield.

In the Planning Area, the build out for septic systems is based on a yield evaluation for the aggregate of two areas: the acreage of vacant parcels and the net acreage of over-sized parcels. These areas are divided into HUC14 subwatershed/RMP Land Use Capability Zone combinations. Each combination of HUC14 subwatershed and Land Use Capability Zone within the municipality receives its own Septic System Yield, which is not transferable. The yield is based on RMP Policy 2L2, which establishes nitrate targets for each Land Use Capability Zone and incorporates the relevant drought recharge values for each HUC14 subwatershed.

The RMP Septic System Yield is calculated for all potential developable lands reliant on septic systems, which may include lands zoned for both residential and non-residential development. Any yields are provided in “equivalent residential units” which may later be allocated among residential and non-residential development using flow translation factors provided in the *Highlands Regional Build-Out Technical Report* (see Appendix B of this report). Therefore, Septic System Yield calculated for Holland Township would equate to 262 residential units only if no yield is allocated to non-residential development. Septic System Yield may be allocated to non-residential development by reducing the number of residential units and increasing the amount of non-residential development proportionally based on relative flows. This allocation process and the implications for affordable housing requirements will be addressed in Module 3 - Housing Element and Fair Share Plan; this analysis is not part of this report. Therefore, no estimate is made here of non-residential development. All development on septic systems is assumed to rely on domestic wells for the purposes of this analysis.

RMP Build-Out Environmentally Constrained Lands

The RMP Build-Out analysis identified portions of the potential developable lands that are environmentally constrained based on the RMP (i.e., steep slopes, flood prone areas and Highlands Open Water buffers). These constraints were used in the build-out analysis to determine, where wastewater utility service was anticipated based on conformance with the RMP and approved sewer service areas, whether specific parcels had at least 1,400 square feet of unconstrained area. In addition, the nature and extent of these lands may influence the future development of lands in the

Municipal Build-Out Report for Holland Township

septic system areas regarding the allocation of Septic System Yield to them and utility lands that are suitable for development. Out of the 4,254 gross developable acres in Holland Township, for vacant parcels there is a potential net developable area of 528 acres in the Planning Area and 20 acres in the Preservation Area; for over-sized parcels there is a potential net developable area of 822 acres in the Planning Area and 36 acres in the Preservation Area. These values are a summation of the parcel-specific analyses. Refer to Table 1 and Figure 2 for additional details. This analysis should be viewed as an indicator of the level of environmental constraints in potentially developable lands, not as a parcel-based measure of development capacity.

In certain instances, the municipal potential net developable acres may be under-reported relative to actual buildable area conditions, and may even show a zero or negative value. A zero or negative value indicates that a very high degree of environmental constraints exists on the potential developable parcels of the municipality as a whole and especially on the over-sized lots; however, some potential developable lands may still exist. This result reflects the evaluation of over-sized lots and of vacant lots that are partly included in the sewer service build-out analysis. The potential developable acres for over-sized parcels are calculated by subtracting the equivalent of a buildable area for a single unit of development (e.g., one house) under the RMP from the total parcel size. Likewise, some parcels are only partially eligible for sewer development. In both cases the environmental constrained acres for these parcels are calculated based on the entire parcel area due to GIS processing issues. This section of the Municipal Build-Out Report uses a municipal aggregate land area analysis. This information will be used in later aspects of Plan Conformance at a parcel level and not as a municipal land aggregate value. Evaluation of the relationship of septic system yield and buildable lands will be based on the build-out parcel data information and not the Table 1 municipal summary reported values.

As part of that analysis, the municipality will be able to use the database to analyze vacant parcels in septic system areas, to help identify parcels that could be considered to have some reasonable potential for development based on the amount of unconstrained land within them. Further analysis in later phases of Plan Conformance would then identify additional constraints to the realistic development potential of these parcels based on one or more of the following factors:

1. lack of a minimum one-acre contiguous, unconstrained building site;
2. the potential building site is not accessible or access will result in damage to environmentally constrained lands;
3. application of municipal zoning constraints such as those prohibiting creation of flag lots, landlocked parcels, etc.; or
4. parcel configuration or other parcel-specific issues.

This information on vacant lands with a reasonable potential for development can be used to support the evaluation of Septic System Yield assignment in later phases of Plan Conformance.

Municipal Build-Out Report for Holland Township

Available HDSF Wastewater Utility Capacity

The HDSF facility serving Holland Township is Milford STP. The current available Highlands Region capacity for the utility is 0.099 million gallons per day (MGD) (2003 data) for all municipalities served by the system. Milford STP is a utility with contracts in Holland Township and other municipalities. The current capacity available to Holland Township is approximately 0.03 MGD, based upon information developed for the build-out process. The total estimated wastewater generation from the build out for the Milford STP facility is 0 MGD for the Planning Area and Preservation Area and does not exceed the utility capacity conditions. Refer to Table 1 and Figure 3 for additional details.

Based on the current municipal available capacity minus the build-out demands for this wastewater utility, there may be capacity available for future allocation. Priority shall be given to addressing additional needs based on Objective 2K3e, such as imminent threats to public health from areas of failing septic systems, designated TDR Receiving Zones, and to infill or redevelopment projects in the Existing Community Zone (not including the Environmentally-Constrained Sub-Zone) and the Lake Community Sub-Zone that are consistent with the RMP and either address affordable housing obligations or have final municipal approval. Additional priorities include Highlands Redevelopment Areas or cluster development consistent with the RMP. Capacity may also be allocated to the Existing Area Served for redevelopment purposes.

Available Public Community Water System Utility Capacity

The public water supply utility serving Holland Township is Aqua NJ, which is shown on Table 1 and Figure 4 as Milford Water Department. The current available Highlands Region capacity for the utility is 4.11 million gallons per month (MGM). The current capacity available to Holland Township is approximately 0.11 MGM. The total estimated public water demand from the build out is 0 MGD for the Planning Area and Preservation Area and does not exceed the utility capacity conditions. Refer to Table 1 and Figure 4 for additional details.

Based on the current municipal available capacity minus the build out for this water supply utility, there may be capacity available for future allocation. Priorities are similar to those for wastewater capacity (see RMP Objective 2J4c).

Water Availability Constraints

The build-out results for Holland Township, based on developable land and utility capacity, were compared to Net Water Availability by the Highlands Council to determine if Net Water Availability posed an additional constraint on development capacity. This analysis determined the potential for Net Water Availability constraints by HUC14 subwatershed, including water demands from both Holland Township and other municipalities and water users that withdraw water from the same HUC14 subwatershed. The Highlands Council determined whether each demand was consumptive or depletive. For the purpose of this analysis, all septic system units were considered to represent a

Municipal Build-Out Report for Holland Township

residential land use in accordance with the Highlands Module 2 Build-out Impact Factors presented in Appendix B, and were addressed as consumptive water uses.

The results were compared to Net Water Availability, whether for non-deficit (surplus) subwatersheds, or deficit (Conditional Water Availability) subwatersheds. These values, whether from a deficit or surplus subwatershed, are collectively referred to as Net Water Availability. In HUC14 subwatersheds dominated by Conservation Zone lands, the water availability dedicated for agricultural purposes is not used for this analysis.

Based on this analysis, the Highlands Council determined that the following HUC14 subwatersheds, both within the municipality and in other municipalities but relied upon for municipal water supply, have insufficient Net Water Availability to support the build out demand:

Table 2 – Net Water Availability Constraints Analysis – Deficits			
HUC14 Subwatershed	Build-Out Demand (MGD)*	Net Water Availability (MGD)	Shortfall (MGD)
NA			

*Subsequent to any reductions due to utility constraints.

For the remaining HUC14 subwatersheds partially or entirely in the municipality, the Highlands Council also assessed the amount of Net Water Availability remaining after build out. The results are in Table 3, which indicates the remaining Net Water Availability for each HUC14 subwatershed (where positive) and the associated public water supply systems that rely upon the HUC14 subwatershed for supply. This information can be used by the municipality to determine whether there is water available to the public water supply system that could support development within any associated wastewater utility service area, whether within the same HUC14 subwatershed or another, for purposes consistent with the RMP as describe above. The wastewater utility must also have remaining capacity available to the municipality. (Note: this available water cannot be used to increase the Septic System Yield beyond the amount calculated by the Highlands Council, nor can it be used to justify creation or expansion of utilities in violation of RMP requirements.) A decision as to the allocation of this capacity may occur in Module 3 regarding affordable housing needs identified in the Fair Share Plan, or later in the Plan Conformance process regarding other uses. Where a HUC14 subwatershed is relied upon by more than one municipality for water supply, whether on-site or a public water supply system, coordination will be needed among the municipalities to ensure that proposals for additional use do not exceed the remaining Net Water Availability. Also, there may be additional HUC14 subwatersheds not within the municipality that supply water to the municipality, which are not assessed here.

Municipal Build-Out Report for Holland Township

Table 3 – Net Water Availability – Remaining Capacity		
HUC14 Subwatershed	Remaining Net Water Availability (MGD)	Public Water Supply System(s) Reliant Upon the HUC14 Subwatershed (w/ PWSID)
02040105160070 Musconetcong R (below Warren Glen)	0.007973	
02040105170010 Holland Twp (Hakihokake to Musconetcong)	0.005776	
02040105170020 Hakihokake Creek	0.017671	1020001 Aqua NJ (Milford Water Dept) 2119001 Aqua NJ-Phillipsburg (Consumers NJ Water Co)
02040105170030 Harihokake Creek (and to Hakihokake Ck)	0.000537	1020001 Aqua NJ (Milford Water Dept)
02040105160060 Musconetcong R (Warren Glen to I-78)	0.006046	1003001 Bloomsbury Water Dept

Final Build-Out Results

The build-out results for Holland Township are summarized in Table 4, based on land based capacity (potential developable land in both wastewater and septic system service areas), utility capacity and resource based capacity (Net Water Availability). These results are to be applied in Module 3 - Housing Element and Fair Share Plan toward the determination of affordable housing obligations. To assist in the evaluation of this information, an Excel file of the Module 2 database has been prepared by the Highlands Council for use in Module 3, where applicable. The Excel file is included on the Module 2 CD.

Table 4 – Municipal Build-Out Results With Resource and Utility Constraints			
	Preservation Area	Planning Area	Totals
Residential units – Sewered	0	0	0
Septic System Yield	4	258	262
Total Residential Units	4	258	262
Non-Residential Jobs – Sewered	0	0	0

**Figure 1: Municipal Build-out Report Septic System Yield by HUC14 and LUCM Zone *
HOLLAND TOWNSHIP**







Potential Undevelopable Lands	Potential Oversized Lots	Potential Developable Lands	Potential Redevelopable Lands
Conservation Zone	in Conservation Zone	in Conservation Zone	in Conservation Zone
Existing Community Zone	in Existing Community Zone	in Existing Community Zone	in Existing Community Zone
Protection Zone	in Protection Zone	in Protection Zone	in Protection Zone
Preservation Area	in Preservation Area	in Preservation Area	in Preservation Area
HUC14 Subwatersheds	02040105170020 HUC14 ID Number		

* Refer to Table 1 for Septic System Yield values, indexed by HUC14 ID

Highlands Council
New Jersey

Figure 2: Municipal Build-out Report Environmental Constrained Lands



	Highlands Build-out Environmental Constrained Lands
	<i>Constraints:</i>
	<i>Highlands Open Water Buffers (300ft)</i>
	<i>Flood Prone Areas</i>
	<i>Steep Slopes (Moderate and Severe)</i>
	Potential Oversized Lots
	Potential Developable Lots
	Preservation Area

HOLLAND TOWNSHIP

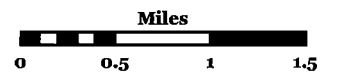
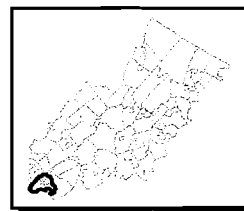


Figure 3: Municipal Build-out Report RMP HDSF Wastewater Utilities



Highlands Domestic Sewerage Facilities "2008 RMP Existing Area Served"

 *Milford STP*

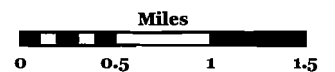
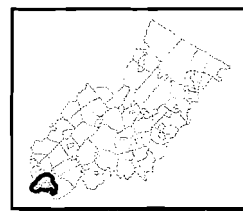
HUC14 Subwatersheds

 Potential Oversized Lots

 Potential Developable Lots

 Preservation Area

HOLLAND TOWNSHIP



Municipal Build-Out Report for Holland Township

Table 3 – Net Water Availability – Remaining Capacity		
HUC14 Subwatershed	Remaining Net Water Availability (MGD)	Public Water Supply System(s) Reliant Upon the HUC14 Subwatershed (w/ PWSID)
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Final Build-Out Results

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	Preservation Area	Planning Area	Totals
Residential units – Sewered	0	0	0
Septic System Yield	4	258	262
Total Residential Units	4	258	262
Non-Residential Jobs – Sewered	0	0	0


Figure 4: Municipal Build-out Report RMP Public Community Water System Utilities




Public Community Water Systems "2008 RMP Existing Area Served"

 *MILFORD WATER DEPARTMENT*

 HUC14 Subwatersheds

 Potential Oversized Lots

 Potential Developable Lots

 Preservation Area

HOLLAND TOWNSHIP

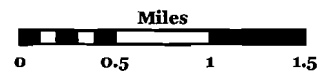


Figure 5: Municipal Build-out Report Final Build-out Results



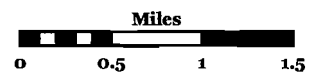
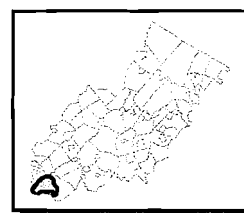
Table 4 - Municipal Build-out Results With Resource and Utility Constraints

	Preservation Area	Planning Area	Totals
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Septic System Yield	4	258	262
Total Residential Units	4	258	262
Non-Residential Jobs - Sewered	0	0	0



Preservation Area Boundary

HOLLAND TOWNSHIP



Highlands Module 2 Municipal Summary Report

Table 1: RMP Municipal Capacity Conditions based on Module 2 Potential Developable Lands- HOLLAND TOWNSHIP

RMP Build-Out WASTE WATER UTILITY Existing Areas Served (EAS) Analysis						
MUNICIPALITY	WASTEWATER UTILITY	Total Wastewater Generation (MGD) - Planning Area	Total Wastewater Generation (MGD) - Preservation Area	Municipal Assigned Percentage	Current Available Highlands Capacity (MGD)	Municipal Available Wastewater Capacity (MGD)
HOLLAND TOWNSHIP	NJ0021890 / Milford STP / HDSF	0	0	31%	0.099	0.03

RMP Build-Out POTABLE WATER UTILITY Existing Areas Served (EAS) Analysis						
MUNICIPALITY	WATER UTILITY	Total Water Demand (MGD) - Planning Area	Total Water Demand (MGD) - Preservation Area	Municipal Assigned Percentage	Water Utility Available Capacity (MGM)	Municipal Available Water Utility Capacity (MGM)
HOLLAND TOWNSHIP	1020001 / MILFORD WATER DEPARTMENT / Facility #7	0	0	3%	4.11	0.11

RMP Build-Out WASTEWATER UTILITY Existing Areas Served (EAS) Analysis Build-out Impact Results					
MUNICIPALITY	WASTEWATER UTILITY	Residential Units	Nonresidential Square Feet	People	Jobs
HOLLAND TOWNSHIP	NJ0021890 / Milford STP / HDSF	0	0	0	0

RMP Build-Out WATER UTILITY Existing Areas Served (EAS) Analysis Build-out Impact Results					
MUNICIPALITY	WATER UTILITY	Residential Units	Nonresidential Square Feet	People	Jobs
HOLLAND TOWNSHIP	1020001 / MILFORD WATER DEPARTMENT / Facility #7	0	0	0	0

RMP Build-Out Septic System Yield Analysis					
Planning Area					
MUNICIPALITY	HUC14	SUBWATERSHED NAME	PLAN CZ YIELD	PLAN EC2 YIELD	PLAN PZ YIELD
HOLLAND TOWNSHIP	02040105160070	Musconetcong R (below Warren Glen)	34	0	0
HOLLAND TOWNSHIP	02040105170010	Holland Twp (Hakihokake to Musconetcong)	29	0	11
HOLLAND TOWNSHIP	02040105170020	Hakihokake Creek	138	1	11
HOLLAND TOWNSHIP	02040105170030	Harihokake Creek (and to Hakihokake Ck)	34	0	0
totals			235	1	22
Preservation Area					
MUNICIPALITY	PRES YIELD				
HOLLAND TOWNSHIP	4				

Highlands Module 2 Municipal Summary Report

Table 1: RMP Municipal Capacity Conditions based on Module 2 Potential Developable Lands- HOLLAND TOWNSHIP

RMP Build-Out Potential Developable Lands Analysis				
POTENTIAL DEVELOPABLE VACANT LOT SEPTIC SYSTEM ACRES				
MUNICIPALITY	CZ ACRES - PLANNING	ECZ ACRES - PLANNING	PZ ACRES - PLANNING	PRESERVATION ACRES
HOLLAND TOWNSHIP	1020	25	540	88
POTENTIAL DEVELOPABLE OVERSIZED LOT SEPTIC SYSTEM ACRES				
MUNICIPALITY	CZ ACRES - PLANNING	ECZ ACRES - PLANNING	PZ ACRES - PLANNING	PRESERVATION ACRES
HOLLAND TOWNSHIP	2197	0	308	76
POTENTIAL DEVELOPABLE WASTEWATER UTILITY ACRES				
MUNICIPALITY	PLANNING ACRES	PRESERVATION ACRES		
HOLLAND TOWNSHIP	0	0		
POTENTIAL DEVELOPABLE OVERSIZED LOT WASTEWATER UTILITY ACRES				
MUNICIPALITY	PLANNING ACRES	PRESERVATION ACRES		
HOLLAND TOWNSHIP	0	0		

RMP Build-Out Environmentally Constrained Lands Analysis						
Potential Developable Lot Acres						
MUNICIPALITY	POTENTIAL FULL DEVELOPABLE ACRES - Planning Area	ENVIRONMENTAL CONSTRAINED ACRES - Planning Area	NET DEVELOPABLE ACRES - Planning Area	POTENTIAL FULL DEVELOPABLE ACRES - Preservation Area	ENVIRONMENTAL CONSTRAINED ACRES - Preservation Area	NET DEVELOPABLE ACRES - Preservation Area
HOLLAND TOWNSHIP	1585	1056	528	88	69	20
Potential Oversized Lot Acres						
MUNICIPALITY	POTENTIAL FULL DEVELOPABLE ACRES - Planning Area	ENVIRONMENTAL CONSTRAINED ACRES - Planning Area	NET DEVELOPABLE ACRES - Planning Area	POTENTIAL FULL DEVELOPABLE ACRES - Preservation Area	ENVIRONMENTAL CONSTRAINED ACRES - Preservation Area	NET DEVELOPABLE ACRES - Preservation Area
HOLLAND TOWNSHIP	2505	1683	822	76	40	36

Overview of Technical Method for Build-Out Analysis

Module 1 “Current Municipal Conditions and Build-Out Analysis” (results of which are incorporated into or modified as appropriate for this report) was based on municipal information regarding potential developable lands (including identification of preserved lands and fully developed lands) and areas currently served with public water supply and wastewater utilities. It also included the current capacity conditions of public water supply and wastewater utilities, and was evaluated for municipal Land Use Capability in accordance with the RMP. The information was initially prepared by the Highlands Council and has been edited and verified by the municipality as representing the best available information on existing potential developable lands, which include vacant, non-preserved lands, as well as partially-developed lands having potential for further development (i.e., over-sized parcels) or redevelopment. The Highlands Council performed a quality control assessment to ensure that the database was technically sufficient for the build-out process (see Appendix A – Module 1). The build-out capacity conditions represent the complete build out of potential developable lands in accordance with the RMP, assuming no constraints other than location within areas served by water supply or wastewater utilities or, for those lands not within a wastewater utility service area, the Septic System Yield based upon RMP Land Use Capability Zone Map policies (which incorporate the NJDEP Rules for the Preservation Area at N.J.A.C. 7:38-3.4). The Module 1 Summary Report was prepared by the Highlands Council and provided to the municipality, which further verified or corrected land availability and municipal zoning information in the report as the first step in Module 2.

The build-out capacity conditions in Module 1 identified the available utility capacity (in units of flow) allocated to the municipality for associated Highlands Domestic Sewerage Facilities (HDSF), on-site wastewater facilities, and Public Community Water Supply Systems. The Highlands Council initially used available capacity information from the *Utility Capacity Technical Report (2008)*, which used 2003 data for wastewater utilities (comparing permitted flows to the rolling maximum three month daily average in million gallons per day, or MGD) and 2004 data for public water supply utilities (comparing permitted flows to the maximum monthly demand, in million gallons per month, or MGM). The available capacity estimates initially assumed that the capacity for regional utilities (i.e., serving more than one municipality) would be allocated on a first-come, first-served basis; available capacity was apportioned among the municipalities based on relative land availability in the service area municipalities. In the Module 1 process, municipalities and regional utilities were requested to provide both updated flow data and any available information on contracted flows for a municipality. Where such information was provided and verified, it was used to update both utility-wide and municipal available capacity estimates.

The build-out impacts analysis within RMP utility areas was performed by the Highlands Council using build-out environmental constraints, municipal zoning and various impact factors (e.g., water demand, sewerage demand, population, jobs) as identified in the *Highlands Regional Build-Out Technical Report (2008)* and listed in Appendix B of this report. This analysis was applied only within the RMP utility service areas, defined as the lands within a NJDEP approved utility service area that are also

Municipal Build-Out Report for Holland Township

located within the Existing Community Zone or Lake Community Sub-Zone (not including the Existing Community-Environmentally-Constrained Sub-Zone). Of these lands, only parcels with at least 1,400 square feet of land that is not environmentally constrained based on the RMP (i.e., steep slopes, flood prone areas and Highlands Open Water buffers) were evaluated for build out in RMP utility service areas. Potential developable lands that did not meet the criteria of the build-out RMP utility areas were evaluated as lands contributing to Septic System Yield.

In addition, the RMP Septic System Yield was calculated for the municipality. The build out for septic system areas in the Planning Area is based on the RMP Septic System Yield Analysis and does not incorporate or evaluate the effects of environmental constraints or municipal zoning. The build-out of septic system areas in the Preservation Area is based on the NJDEP Preservation Area Rules at N.J.A.C. 7:38-3.4, as required by the RMP. The total acreage of all vacant lands, the net acreage of over-sized parcels (i.e., the total lot size minus the acreage needed for one lot under the RMP) and redevelopable lands were used in the Septic System Yield analysis. In the Planning Area, the analysis used the nitrate target for the appropriate Land Use Capability Zone and the drought recharge value for the appropriate HUC14 subwatershed. In the Preservation Area, the analysis used the forested and non-forested lands at a parcel level. In keeping with RMP policies, preserved lands (including SADC, Green Acres, federal, State, county and local lands, and land trust properties and conservation easements where known) were excluded from this analysis. Environmentally constrained lands (i.e., steep slopes, flood prone areas and Highlands Open Water buffers) were included in the septic system yield analysis because the methodology assumes a mixture of constrained and unconstrained lands, but will affect how Septic System Yield is allocated in later stages of the Plan Conformance Process.

The information from Module 1 directly supported the Module 2 Land Use and Resource Capacity Analysis, results of which are incorporated into this report. In Module 2, the Highlands Council and the municipality evaluated the build-out impacts and the associated wastewater and water supply demands within the RMP utility areas as identified in Module 1.

In Module 2, municipalities reviewed the RMP build-out impacts for RMP utility areas and verified that they reflect densities allowed by existing municipal zoning. Areas included in the build-out process for sewer service included those lands within the wastewater Existing Area Served, as defined by the RMP, and also those lands within an NJDEP-approved Sewer Service Area that is also within the Lake Community Sub-Zone or the Existing Community Zone (excluding the Existing Community-Environmentally Constrained Sub-Zone). If the existing municipal zoning conditions have changed from the 2005 data used by the Highlands Council, then the municipality provided the current zoning and the Highlands Council revised the build-out impacts accordingly. The Highlands Council performed a quality control assessment to ensure that the database was technically sufficient for the build-out process (see Appendix A – Module 2).

When the land based build out of potential developable lands in Module 1 exceeded the available utility capacity conditions, further analysis by the Highlands Council was required in Module 2 to

Municipal Build-Out Report for Holland Township

determine the extent to which the build out was constrained by the lack of utility capacity. In such cases, the land-based build-out potential is lowered proportionately for residential and non-residential development within the service area. It is important to note that no change is made to the Existing Area Served for the utility; only the build-out potential is reduced.

Where utility capacity exceeded the land-based build out of potential developable lands in Module 1, the utility capacity is potentially available for future demands. The municipality will evaluate utility capacity assignment in Module 3 where appropriate to support affordable housing, and in support of later phases of Plan Conformance.

For some HUC14 subwatersheds in the municipality, the projected consumptive or depletive water demand based on both domestic well sources (either as derived from Septic System Yield, which is assumed to be supplied by domestic wells, or within a RMP wastewater utility area served by domestic wells) and water supply utility service indicate that the complete municipal build out of potential developable lands might exceed the Net Water Availability. In such cases, the Highlands Council then calculated Net Water Availability values in Module 2 for use as a further constraint on growth, and determined the extent to which the Net Water Availability would reduce the build out. The Highlands Council also assessed the extent to which the use of remaining wastewater utility capacity (i.e., beyond full build-out), if any, would be constrained by Net Water Availability. This information can be used by the municipality to determine whether the wastewater utility capacity can reasonably be used for purposes consistent with the RMP (e.g., affordable housing projects, TDR receiving zones, Highlands Redevelopment Areas, redevelopment within the Existing Area Served) as provided for by Objective 2K3e. A decision as to the allocation of this capacity will occur in Module 3 regarding affordable housing needs identified in the Fair Share Plan, or later in the Plan Conformance process regarding other uses.

Municipal Build-Out Report for Holland Township

Appendix A: Technical Sufficiency Review

MODULE 1

The Module 1 Geodatabase (GDB) and utility capacity spreadsheet information submitted by the municipality were evaluated for technical sufficiency and quality assurance and quality control purposes by the Highlands Council staff. The Highlands Council reviewed the GDB (GDB#1 and GDB#2, with GDB#3, where relevant) to determine that all the changes that the municipality made to the GDB are technically sufficient in order to process for RMP Build-out. All revisions made to a GDB by the Highland Council are reflected in the NJHC_QA_QC_COMMENTS field of the GDB. The same Build-out QA/QC Review method is conducted for both GDB#1 and GDB#2. These results were reviewed by the municipality in Module 2 (see below). Any database issues that were not specifically responsive to the technical sufficiency review and not specific to the Module 1 Build-Out Analysis were flagged in the GDB by the Highlands Council for future reference.

When a municipality received GDB#3 (the updated public water utility database), the Council joined and updated the PWSID data from GDB#3 into GDB#1 so all the Module 1 information was in GDB#1 for build-out processing.

Before a GDB is processed for Build-out, the Highlands Council reviewed the material submitted by the municipality including cover letters and any email correspondence for additional information relevant to the build-out analysis. The Highlands Council utilizes Microsoft Access to process the GDB through the NJHC QA/QC review method to create a Technical Protocol Status (TPS) report that flags all parcels that have contradictory data, as well as a SDE check which identifies inserted, deleted and updated information in the GDB. The Highlands Council utilized the TPS Report and the GDB along with the supporting documentation to evaluate any contradictory data reported as Error Codes on the TPS Report.

The TPS report created by the Highlands Council identifies parcels that may contain contradictory data in the GDB and therefore not process correctly in the build-out. There are 11 Error Codes and 5 Data Conditions that may potentially be flagged by the Highlands Council within a GDB. The identification of an Error Code may or may not result in an edit by the Council. If an edit was required in order to technically correct the GDB for build-out processing, the edit was conducted by the Highlands Council and recorded in the GDB. The following is a list of the TPS Error Codes and Data Conditions that may be applicable to the municipality:

- **Error Code 01: Municipal Verification Field Missing** - every verifiable field and row should include the Module 1 verifier's name. If a row was blank, the NJHC QA/QC reviewer would populate the field with the verifier's name or consult with the municipality as required, and enter a comment in the NJHC_QA_QC_COMMENTS field in the GDB.

Municipal Build-Out Report for Holland Township

- **Error Code 02: Parcels identified as both a Condo and Open Space** - the Highlands Council evaluated the parcel's development and land preservation status to determine if the necessary data fields were populated correctly by the municipality.
- **Error Code 03: Parcels identified as both Developable and Open Space** - the Highlands Council evaluated the parcel's development status and land preservation status and determined if the necessary data fields were populated correctly by the municipality.
- **Error Code 04: Parcels identified as Oversized or Redevelopable and missing the oversized or redevelopable acreage value** - the Highlands Council would either consult with the municipality in order to edit the data field or utilized the GDB information to determine the missing value.
- **Error Code 05: Parcels identified as Oversized or Redevelopable that were also listed as Not Developable** - the Highlands Council evaluated the parcel and edited the PARC_STAT_DEV_STATUS data field accordingly.
- **Error Code 06: Parcels identified as connected to a wastewater utility however no System Provider was identified** - the Highlands Council would consult with the municipality and/or review the GDB and supporting documentation in order to edit the missing entry.
- **Error Code 07: Parcels identified as a "Yes" indicating they are currently both connected and not connected to a wastewater utility** - the Highlands Council edited Not Developable, oversized or redevelopable parcels in the wastewater no connect field to a "No." and if the parcel is vacant and developable then the Highlands Council edited the wastewater existing served field to a "No."
- **Error Code 08: Parcels identified as being connected to a wastewater utility and also identified as vacant or developable** - the Highlands Council evaluated these parcels to see if they are developable, redevelopable or oversized and edited and documented accordingly in the GDB.
- **Error Code 09: Parcels identified as connected to a public water utility however no System Provider was identified** - the Highlands Council would consult with the municipality and/or review the GDB and supporting documentation in order to edit the missing entry.
- **Error Code 10: Parcels identified as a "Yes" indicating they are currently both connected and not connected to a public water utility** - the Highlands Council edited Not Developable, oversized or redevelopable parcels in the public water no connect field to a "No." and if the parcel is vacant and developable then the Highlands Council edited the public water existing served field to a "No."
- **Error Code 11: Parcels identified as being connected to a public water utility and also identified as vacant or developable** - the Highlands Council evaluated these parcels to see if they are developable, redevelopable or oversized and edited and documented accordingly in the GDB.

Municipal Build-Out Report for Holland Township

- **Data Condition 1: Parcels identified as Not Developable due to Environmental Constraints or Inadequate Lot Geometry** - these parcels were evaluated in septic served areas to ensure that the environmentally constrained parcels in the GDB were not a water body and therefore not appropriate for inclusion in the RMP Septic System Area analysis. Otherwise, vacant parcels indicated to be “Not Developable” due to environmentally constrained lands were included in the Septic System Yield analysis. Parcels that were identified as an inadequate lot geometry but developable with an adjacent parcel may require further review by the municipality to ensure that the build-out process was applied correctly because the Highlands Council is not able to discern the adjacent parcel record that is in common ownership and referenced by the municipality.
- **Data Condition 2: Parcels identified as having a WW Utility with a Contractual Allocation** were flagged in the TPS Report.
- **Data Condition 3: Parcels identified for PW Utility with a Contractual Allocation** were flagged in the TPS Report.
- **Data Condition 4: Parcels containing entries as “OTHER” with associated comments** were reviewed to see if the proper data field associated with the comment had been completed correctly and to assist in the review of the GDB information.
- **Data Condition 5: Parcels with entries in any of the “Comment” data fields-** the Council reviewed this information as a means to assist in GDB technical evaluation and QA/QC review.

In addition to going through the TPS Report as described above, the Council evaluated all open space parcels to ensure they are technically correct in the GDB. The Council also reviewed parcels that have no provider listed for public water or wastewater to ensure that there are no “Yes” data fields in the utility connection status data field, as these parcels are on septic/domestic wells and not relevant regarding a utility connection status in the GDB. Lastly, the Council QA/QC reviewer initialed and dated the GDB to complete the TPS Report and QA/QC Review process.

The municipality then received a modified GDB that:

1. incorporated the results of all edits by the Highlands Council;
2. merged the final results of GDB’s #1 and, where applicable, #2 and #3 into a single GDB;
3. identified the parcels that were processed for build out as potential developable vacant, redevelopable and over-sized lots in both septic system and sewer areas; and
4. incorporated additional fields used by the Highlands Council in running the build-out process, including municipal zoning for potential developable vacant and redevelopable parcels associated with sewer service conforming with RMP requirements, and having at least 1,400 square feet of land that is not environmentally constrained. Where such parcels were associated with public water supply service, they were also evaluated for water demands.

Municipal Build-Out Report for Holland Township

The Municipal Conditions Geodatabase may include in some cases duplicate parcel records within the municipality. These duplicates derive from the process of creating a spatial representation of parcels in GIS. The Highlands Council has taken the necessary steps to avoid double counting of developable duplicate parcels, in the summary reports and in the geodatabase and any derivatives thereof.

MODULE 2

In Module 2, the municipality completed a final check on parcel information and verified the municipal zoning applicable to parcels that were processed for build out in RMP utility areas. Where edits were made and returned to the Highlands Council, the Council incorporated the edits and, where necessary, performed a revised build-out analysis, the results of which are reflected in this report.

Please note that the Type A and Type B edits conducted by the municipality were reviewed by the Highlands Council and only when an edit was relevant to the RMP Build-out analysis was it incorporated and re-processed for build-out analysis as required.

Type A Edits – Tabular

- The information will be updated in the GDB as indicated.
- The nature and extent of the information may or may not affect the build-out results.
- Type A tabular edits that require a revised build-out will be processed and reported as a Module 2 Municipal Build-out Summary Report.

Type A Edits – Spatial

- The revised spatial information will be reviewed in accordance with the Module 1 Technical Review Protocols.
- Type A spatial edits that require a revised build-out will be processed and reported as a Module 2 Municipal Build-out Summary Report.

Type B Edits – Municipal Zoning

- The information will be updated in the GDB as indicated.
- Updated zoning changes only affect parcels in RMP utility areas.
- Type B edits that require a revised build-out will be processed and reported as a Module 2 Municipal Build-out Summary Report.

Appendix B – Highlands Module 2 Build-Out Model Impact Factors

Highlands Zone Type	Comparison Zone/Unit Type	Source	Region	Density Dwelling unit (du)/acre *	Efficiency Factor % (1)	Average Household Size (2)	Average School Children in Household (2)	Percent Impervious (3)	Consumptive/Depletive Water Use Includes Indoor demand (gpd per person) plus outdoor demand as (gpd per unit) multiplied by Consumptive/Depletive Use Coefficient (4)	Public Water System Demand (5)	Public Wastewater System Generation (6)
SF Estate Residential or (PA-5)				0.05 to 0.20 (0.17 maximum)	95			0.075* acres	(75 gpd/person + 50 gpd/unit) * Consumptive/Depletive Coefficient	100 gallons per person per day	75 gallons per person per day
	Single-family Detached 4-5 BR	Statewide NJ Demographic Multipliers (2)	Northern ¹			3.809	1.072				
Single-family Detached 4-5 BR	Central ²				3.780	1.094					
SF Rural Residential, Resource Residential, or (PA-4B)				0.21 to 0.5 du/acre (0.17 maximum)	95			0.075* acres	(75 gpd/person + 50 gpd/unit) * Consumptive/Depletive Coefficient	100 gallons per person per day	75 gallons per person per day
	Single-family Detached 4-5 BR	Statewide NJ Demographic Multipliers (2)	Northern ¹			3.809	1.072				
Single-family Detached 4-5 BR	Central ²				3.780	1.094					
SF Low Density or (PA-4)				0.51 to 1.0 du/acre (1.16 maximum)	80			0.075* acres	(75 gpd/person + 50 gpd/unit) * Consumptive/Depletive Coefficient	100 gallons per person per day	75 gallons per person per day
	Single-family Detached 4-5 BR	Statewide NJ Demographic Multipliers (2)	Northern ¹			3.809	1.072				
Single-family Detached 4-5 BR	Central ²				3.780	1.094					
SF Medium Density, Suburban Residential, or (PA-3)				1.01 to 3.0 du/acre (3.81 minimum)	75			26.7	(75 gpd/person + 30 gpd/unit) * Consumptive/Depletive Coefficient	100 gallons per person per day	75 gallons per person per day
	Single-Family Detached, 2-3 BR	Statewide NJ Demographic Multipliers (2)	Northern ¹			3.137	0.607				
Single-Family Detached, 2-3 BR	Central ²				2.578	0.367					
SF High Density or (PA-2)				3.01 to 8.0 du/acre (7.04 minimum)	75			33.7	(75 gpd/person + 5 gpd/unit) * Consumptive/Depletive Coefficient	75 gallons per person per day	75 gallons per person per day
	Single-Family Attached, 2-3 BR	Statewide NJ Demographic Multipliers (2)	Northern ¹			2.477	0.296				
Single-Family Attached, 2-3 BR	Central ²				2.296	0.292					
Attached/Townhouse or (PA-1)				8.01 to 16.0 du/acre (9.78 minimum)	75			45.7	(75 gpd/person + 5 gpd/unit) * Consumptive/Depletive Coefficient	75 gallons per person per day	75 gallons per person per day

Appendix B – Highlands Module 2 Build-Out Model Impact Factors

Highlands Zone Type	Comparison Zone/Unit Type	Source	Region	Density Dwelling unit (du)/acre *	Efficiency Factor % (1)	Average Household Size (2)	Average School Children in Household (2)	Percent Impervious (3)	Consumptive/Depletive Water Use Includes Indoor demand (gpd per person) plus outdoor demand as (gpd per unit) multiplied by Consumptive/Depletive Use Coefficient (4)	Public Water System Demand (5)	Public Wastewater System Generation (6)
	Single-Family Attached, 2-3 BR	Statewide NJ Demographic Multipliers (2)	Northern ¹			2.477	0.296				
	Single-Family Attached, 2-3 BR		Central ²				2.296	0.292			
Garden Apartment or (PA-1)				16.01+ du/acre (9.78 minimum)	70			57.1	(75 gpd/person + 5 gpd/unit) * Consumptive/Depletive Coefficient	75 gallons per person per day	75 gallons per person per day
	5+ Units (Own/Rent), 2-3 BR	Statewide NJ Demographic Multipliers (2)	Northern ¹			2.262	0.308				
	5+ Units (Own/Rent), 2-3 BR		Central ²				2.342	0.373			
Mixed use/Age Restricted Housing (percent mix based on 40% residential and 60% non-residential as Office/Commercial)		Municipal Zoning		Apply zone density and FAR value Note: Use Retail/Commercial Impact factors for non-res %	70	Varies Based on zoning Du/Acre description	0.00	68.8	(75 gpd/person + 5 gpd/unit) * Consumptive/Depletive Coefficient	75 gallons per person per day	75 gallons per person per day
Mixed use (percent mix based on 40% residential and 60% non-residential as Office/Commercial)		Municipal Zoning		Apply zone density and FAR value Note: Use Retail/Commercial Impact factors for non-res %	70	Varies Based on zoning Du/Acre description	Varies Based on zoning Du/Acre description	42.0	(75 gpd/person + 5 gpd/unit) * Consumptive/Depletive Coefficient	75 gallons per person per day	75 gallons per person per day
Senior or Age restricted Housing		Municipal Zoning		Varies Based on zoning Du/Acre description	70	Varies Based on zoning Du/Acre description	0.00	60.3	(75 gpd/person + 5 gpd/unit) * Consumptive/Depletive Coefficient	75 gallons per person per day	75 gallons per person per day

Highlands Build-Out Residential Impact Factors – Sources

* Residential dwelling units generated by the build-out model include both market rate and affordable units.

(1) Source: Efficiencies are given as a percentage, between 0 and 100, where a 100 value means complete efficiency (no land lost to development), and a 0 value means no buildings will be estimated for that land use. For example an efficiency of 70% may be representative of developable land that has a 10% set aside for parks and 20% for roads (100% - 10% - 20% = 70%). Project determined values.

(2) Source: Who Lives in New Jersey Housing? New Jersey Demographic Multipliers, The Profile of Occupants of Residential and nonresidential Development. Listokin, D., Voicu, I., Dolphin, W., Camp, M. Center for Urban Policy Research. Rutgers University. November 2006. Northern NJ values were applied to Bergen, Morris, Passaic, Sussex and Warren County municipalities. Central NJ values were applied to Hunterdon and Somerset County municipalities.
1 Table II-C-1 North Region of New Jersey Total Persons and Persons by Age (2000) (p. 85) 2 Table II-D-1 Central Region of New Jersey Total Persons and Persons by Age (2000) (p. 99)

(3) Source: NCNBR, Rutgers University, April 27, 2006. The impervious surface area for new dwelling units large lot zoned areas (*) is based on an average 15% impervious surface value (per NJDEP LU/LC) and a project determined average homestead area of 0.50 acres. No impact value is attached to the remaining undeveloped area. The impact percentage factors for the other residential composite zones represent weighted averages of NJ Highlands Percent Impervious Surface for all residentially developed lands in that composite zone. The raw data was obtained by overlaying NJ Highlands Zoning and DEP 2002 LU/LC spatial data files, and extracting the calculated percent impervious surface area attached to each LU/LC residential developed land polygon and the acres of associated developed land in each intersecting municipal zone polygon. The impervious surface areas in each municipal zone within the composite zone were aggregated and then divided by the total developed residential land area, to produce a weighted IS average for each composite zone.

(4) Source: Center for Urban Policy Research (CUPR), September 2000. NJGS Consumptive Use Coefficients. For consumptive uses, a factor of 29% is utilized. For depletive uses, a factor of 100% is used

(5) Source: NJDEP N.J.A.C. 7:10 Safe Drinking Water Act Regulations Adopted November 4, 2004, 7:10-12.6 Water Volume Requirements and State Plan Impact Assessment

(6) Source: NJDEP N.J.A.C. 7:14A-23.3 Pollutant Discharge Elimination System: Technical Requirements For TWA Applications; Projected flow criteria

Appendix B – Highlands Module 2 Build-Out Model Impact Factors

Highlands Composite Zone Type	Floor Area Ratio	Efficiency Factor % (1)	Region	Jobs per 1,000 sf (2)	Percent Impervious (3)	Consumptive/Depletive Water Use multiplied by Consumptive/Depletive Use Coefficient (4)	Public Water System Demand (5)	Public Wastewater System Generation (6)
Office/Commercial	Based on zoning	80	Northeast US	2.99	78.3	0.125 gpd/sf * Consumptive/Depletive Coefficient	0.125 gallons/day/sf	0.10 gallons/day/sf
Retail	Based on zoning	80	Northeast US	1.63	72.5	0.125 gpd/sf * Consumptive/Depletive Coefficient	0.125 gallons/day/sf	0.10 gallons/day/sf
Industrial	Based on zoning	80	Northeast US	1.11	53.4	25 gpd/person * Consumptive/Depletive Coefficient	25 gallons per person per day	25 gallons per person per day

Highlands Build-Out Non-Residential Impact Factors – Sources

(1) Source: Efficiencies are given as a percentage, between 0 and 100, where a 100 value means complete efficiency (no land lost to development), and a 0 value means no buildings will be estimated for that land use. For example an efficiency of 70% may be representative of developable land that has a 10% set aside for parks and 20% for roads (100% - 10% - 20% = 70%). Project determined values.

(2) Source: Who Lives in New Jersey Housing? New Jersey Demographic Multipliers, The Profile of Occupants of Residential and nonresidential Development. Listokin, D., Voicu, I., Dolphin, W., Camp, M. Center for Urban Policy Research. Rutgers University. November 2006.

a Table II-I-3 Commercial - Office Employees per 1,000 Square Feet of Gross Floor Area (GFA) (p. 136) (Reported Northeast mean value).

b Table II-I-4 Commercial – Retail Employees per 1,000 Square Feet of Gross Floor Area (GFA) (p. 139)

(Value derived by averaging the mean number of employees per 1,000 sq. ft. of GFA for retail (excluding mall), retail (enclosed mall), and retail (strip shopping mall) space in the Northeast).

c Table II-I-6 Industrial – Warehouses Employees per 1,000 Square Feet of Gross Floor Area (GFA) (p. 143)

(Value derived by averaging the mean number of employees per 1,000 sq. ft. of GFA for Non-Refrigerated and Refrigerated space in the Northeast).

(3) Source: NCNBR, Rutgers University, April 27, 2006. The impervious surface area for new dwelling units large lot zoned areas (*) is based on an average 15% impervious surface value (per NJDEP LU/LC) and a project determined average homestead area of 0.50 acres. No impact value is attached to the remaining undeveloped area. The impact percentage factors for the other residential composite zones represent weighted averages of NJ Highlands Percent Impervious Surface for all residentially developed lands in that composite zone. The raw data was obtained by overlaying NJ Highlands Zoning and DEP 2002 LU/LC spatial data files, and extracting the calculated percent impervious surface area attached to each LU/LC residential developed land polygon and the acres of associated developed land in each intersecting municipal zone polygon. The impervious surface areas in each municipal zone within the composite zone were aggregated and then divided by the total developed residential land area, to produce a weighted IS average for each composite zone.

(4) Source: Center for Urban Policy Research (CUPR), September 2000. NJGS Consumptive Use Coefficients. For consumptive uses, a factor of 29% is utilized. For depletive uses, a factor of 100% is used

(5) Source: NJDEP N.J.A.C. 7:10 Safe Drinking Water Act Regulations Adopted November 4, 2004, 7:10-12.6 Water Volume Requirements and State Plan Impact Assessment

(6) Source: NJDEP N.J.A.C. 7:14A-23.3 Pollutant Discharge Elimination System: Technical Requirements For TWA Applications; Projected flow criteria

APPENDIX F
DOCUMENTATION OF PRIOR REHABILITATION ACTIVITY

PREFACE TO REHABILITATION PROGRAM

Since the adoption of the Housing Element and Fair Share Plan by the Planning Board on May 25, 2010, it has been learned that a total of ***seven (7) units have been rehabilitated in Holland Township since April 1, 2000, not two (2)*** as stated in both the Housing Element and Fair Share Plan.

The Appendices to the Housing Element have been updated to present the correct information about the seven (7) units rehabilitated since April 1, 2000, and the Appendices to the Fair Share Plan provide the mechanisms for the rehabilitation of eighteen (18) units, not the twenty-three (23) units originally anticipated.

The text of both the Housing Element and the Fair Share Plan, however, have not been changed. They continue to read exactly as adopted by the Planning Board.

**Council on Affordable Housing
Unit Information - Rehabilitation
HOLLAND TWP,HUNTERDON**

Project Name: Holland Rehab Program -- Project ID : 10633

Unit Address	Blk/Lot/ Qual/Unit	Final Inspection Date	Funds Expended on Hard Costs	Develop- ment Fees Expended	Funds Re- Captured	Effect. Date of Affordability Controls	Per- petual Lien	Length of Afford- ability Controls	Date Afford- ability Controls Removed	Completed /Credit worthy	Major System Repaired	Unit Categories	Unit Flags
10 Oak Lane	B: 8-02; L: 4-; Q: ; Unit:	04/03/09	\$43,473.00	\$0.00	\$0.00	10/09/09	N	0		1/1	Electrical Plumbing/Wells Roof Weatherization (Insulation, Siding, Windows/Door)	Family	Raised to Code
17 Willow Lane Milford NJ 08848	B: 4-; L: 4-; Q: ; Unit:	08/29/07	\$26,986.00	\$0.00	\$0.00	10/02/07	N	0		1/1	Lead Paint Abatement Roof Weatherization (Insulation, Siding, Windows/Door)	Completed Rehab Family	
18 Church Road	B: 10-; L: 45-; Q: ; Unit:	07/17/06	\$21,465.00	\$0.00	\$21,465.00	08/03/06	N	0	11/05/07	1/1	Lead Paint Abatement Plumbing/Wells Roof Weatherization (Insulation, Siding, Windows/Door)	Completed Rehab Family	

**Council on Affordable Housing
Unit Information - Rehabilitation**

HOLLAND TWP, HUNTERDON

Project Name: Holland Rehab Program -- Project ID : 10633

Unit Address	Blk/Lot/ Qual/Unit	Final Inspection Date	Funds Expended on Hard Costs	Develop- ment Fees Expended	Funds Re- Captured	Effect. Date of Affordability Controls	Per- petual Lien	Length of Afford- ability Controls	Date Afford- ability Controls Removed	Completed /Credit worthy	Major System Repaired	Unit Categories	Unit Flags
4 Hawkschoolhouse Road Bloomsbury, NJ 08804	B: 6-; L: 3-; Q: ; Unit:	02/08/08	\$29,822.00	\$0.00	\$0.00	02/18/08	N	0		1/1	Electrical Lead Paint Abatement Roof Weatherization (Insulation, Siding, Windows/Door)	Completed Rehab Family	
428 Millford-Mt. Pleasant Road	B: 25-; L: 77-; Q: ; Unit:	10/22/09	\$29,198.00	\$0.00	\$0.00		N	0		1/1	Lead Paint Abatement Roof Weatherization (Insulation, Siding, Windows/Door)		Raised to Code
484 Bellis Road	B: 5-; L: 23-; Q: ; Unit:	05/06/09	\$24,848.00	\$0.00	\$0.00	07/06/09	N	10	07/06/19	1/1	Electrical Plumbing/Wells Weatherization (Insulation, Siding,	Family	Raised to Code

**Council on Affordable Housing
Unit Information - Rehabilitation**

HOLLAND TWP, HUNTERDON

Project Name: Holland Rehab Program -- Project ID : 10633

Unit Address	Blk/Lot/ Qual/Unit	Final Inspection Date	Funds Expended on Hard Costs	Develop- ment Fees Expended	Funds Re- Captured	Effect. Date of Affordability Controls	Per- petual Lien	Length of Afford- ability Controls	Date Afford- ability Controls Removed	Completed /Credit worthy	Major System Repaired	Unit Categories	Unit Flags
89 Crabapple Hill Road Milford, NJ 08848	B: 20-; L: 1-01; Q: ; Unit:	02/15/06	\$24,500.00	\$0.00	\$0.00	03/10/06	N	0		1/1	Electrical Lead Paint Abatement Plumbing/Wells Roof Weatherization (Insulation, Siding, Windows/Door)	Completed Rehab Family	

APPENDIX G
DOCUMENTATION OF COMPLETED REGIONAL CONTRIBUTION
AGREEMENT WITH CITY OF LAMBERTVILLE

**Regional Contribution Agreement (RCA) between
the Township of Holland and the City of Lambertville**

THIS AGREEMENT is made on the 6th day of January, 2005, by and between the Township of Holland and the City of Lambertville.

WHEREAS, the Fair Housing Act, N.J.S.A. 52:27D-301 to 329 at 312, allows two municipalities to enter into a contractual agreement, known as a regional contribution agreement (RCA), for the transfer of up to 50 percent of a sending municipality's fair share obligation to a receiving municipality within its housing region; and

WHEREAS, both of said municipalities believe that the execution of this RCA will be beneficial to the residents of their respective communities and the housing region;

NOW THEREFORE, in consideration of the premises herein set forth, and the mutual covenants and promises herein contained, the parties do by and between themselves agree as follows:

Article 1. TRANSFER OF HOUSING OBLIGATION

The City of Lambertville hereby agrees to accept, and The Township of Holland agrees to transfer, four (4) low and moderate income units, as the first RCA undertaken by the Township of Holland. The four (4) units are less than 50 percent of Holland Township's fair share obligation. The City of Lambertville agrees to apply the funds to be paid to it hereunder so as to create at least four (4) new units of low and moderate income housing through the Habitat for Humanities Program. At least half of these units will be affordable to low income households.

Article 2. SENDING MUNICIPALITY'S RESPONSIBILITIES

Holland Township agrees to pay, and The City of Lambertville agrees to accept, the sum of \$25,000 per unit transferred in two equal payments totaling \$100,000.

2.1 Payments will be made according to the following schedule and in the following amounts:

Payment Date	Amount
1st payment on or before September 15, 2004; provided that such sum shall not be payable until three months after Holland Township receives substantive certification, and the contingencies set forth in Article 6, below, have been satisfied, if that date occurs later.	\$50,000

2nd payment on or before June 15, 2005;
provided, however, that if the date determined for
the first payment (as stated above) is later than
September 15, 2004, then this additional sum
will be paid within nine months after the date determined
for the first payment.

\$50,000

2.2 The above stated payments and payment schedule are the responsibility of Holland Township and will be paid in accordance with the above schedule regardless of the source of the funding.

2.3 Holland Township will obtain any and all financing necessary to fulfill its obligation to make the payments set forth above to The City of Lambertville.

2.4 The parties acknowledge that Holland Township's payments to The City of Lambertville as set forth above include payment on a per unit basis to defray costs of administration as allowed by the rules of the Council on Affordable Housing (COAH) and other reasonable and necessary expenses, including the cost of infrastructure, incurred by The City of Lambertville in connection with this Agreement and that said amount shall be within COAH guidelines for such costs.

2.5 Holland Township is responsible for obtaining Substantive Certification of its Housing Element and Fair Share Plan from COAH as provided under the Fair Housing Act.

2.6 Holland Township shall submit a letter to the Hunterdon County Planning Board requesting review of the RCA and the RCA project plan.

Article 3. RECEIVING MUNICIPALITY'S RESPONSIBILITIES

The City of Lambertville will prepare a project plan to implement and achieve the purposes of this Agreement to provide a realistic opportunity for low and moderate income housing within the City of Lambertville convenient to employment opportunities which will be consistent with sound regional planning. Such project plan will be submitted to the New Jersey Housing and Mortgage Finance Agency (NJHMFA), the Hunterdon County Planning Board and COAH for review and approval in accordance with COAH's regulations.

3.1 The parties hereto agree that The City of Lambertville will submit its project plan to NJHMFA on or before July 1, 2004.

3.2 The City of Lambertville will apply to the appropriate agencies for all required governmental approvals at the City, County and State levels.

3.3 The City of Lambertville may apply for appropriate grants in aid that may be available. Any monies realized through such grants will not affect the amount of Holland Township's contribution.

3.4 The funds contributed by Holland Township will be utilized by the City of Lambertville for the creation of four (4) Habitat for Humanities dwellings, which, under specified conditions, is an eligible housing activity under COAH's regulations.

3.5 The City of Lambertville will submit all semi-annual monitoring reports required by COAH in a timely manner.

3.6 The City of Lambertville will establish a separate interest-bearing escrow account for all monies received pursuant to the RCA. This escrow agreement will permit COAH to effectively monitor disbursements of the funds received pursuant to the RCA. This account will be monitored on a quarterly basis.

3.7 The City of Lambertville will submit annually to COAH and to NJHMFA its municipal audit, signed by the Mayor, showing the disbursement of all RCA funds.

3.8 All interest generated from the RCA funds and retained by The City of Lambertville may only be utilized for eligible housing activities under COAH's Rules or to offset inflation and generally may not be used to exceed the 20 percent cap on administration.

3.9 Any change in the project plan or in the administration of the program subsequent to approval by NJHMFA must be reviewed by the executive director of NJHMFA when requested by COAH, for determination as to whether a new feasibility analysis and approval is required.

3.10 The City of Lambertville must submit to the New Jersey Housing and Mortgage Finance Agency (NJHMFA) sufficient documentation acceptable to agency staff to demonstrate continued project plan feasibility.

3.11 The City of Lambertville agrees to designate an administrative entity to assure that the applicable affordability controls will be maintained on the units that result from Holland Township's RCA contribution over the requisite 30 year period.

3.12 It is agreed that The City of Lambertville's obligations pursuant to this Agreement are not limited to the above. The City of Lambertville agrees that it will complete the project pursuant to this Agreement in accordance with the regulations of COAH.

3.13 The City of Lambertville shall forward its Project Plan, and if required its Master Plan and zoning ordinances, to the Hunterdon County Planning Board along with a request for its review and approval.

Article 4. CREDIT TO HOUSING OBLIGATION

The City of Lambertville agrees that it will not claim as credits toward the fulfillment of its own affordable housing obligation any low or moderate income RCA units, as defined by the Fair Housing Act, and that all such credits will inure to the benefit of Holland Township. All RCA units will be permanently identified in the appropriate records of The City of Lambertville as having been rehabilitated or created to meet the fair share obligation of Holland Township.

Article 5. EXCESS FUNDS

Transferred funds in excess of the amount necessary to implement this Agreement will be retained and utilized by The City of Lambertville for the continued production of low and moderate income housing and/or the rehabilitation thereof and/or the construction of supporting infrastructure improvements consistent with the regulations of COAH.

Such excess funds, if available, may only be used to produce or rehabilitate additional low and/or moderate income units and/or for a capital expenditure ancillary to or benefitting low and moderate income households and/or to offset inflation. All interest generated must remain in the escrow account until expended on an eligible housing activity. The specific use of excess funds is subject to COAH approval and will require the following:

- a. Brief project description including address and number of units.
- b. Total development costs, including administration, and breakdown of financing.
- c. Amount of funds to be expended.
- d. Estimated start date.
- e. Projected date of completion.
- f. Balance of funds in the RCA account(s).

Article 6. CONTINGENCIES

This Agreement is contingent upon:

- a. Final approval by NJHMFA of the project plan of the City of Lambertville.
- b. Final approval of the project plan by the Hunterdon County Planning Board.

- c. Final substantive certification, pursuant to NJSA 52:27D-314, being issued to Holland Township, for a housing element and fair share plan which contain this RCA, as well as adoption by COAH of a final resolution approving this RCA, and the same being in full force and effect.

Article 7. EFFECTIVE DATE

This Agreement is considered a contractual agreement and will become effective upon the satisfaction of all of the contingencies set forth in Article 6, above. This Agreement is also, however, contingent upon either (i) a bond ordinance being enacted by Holland Township, pursuant to the Local Bond Law (N.J.S.A. 40A:2-1, et seq.) and the authorization of such bonds having become conclusive under N.J.S.A. 40A:2-49, or (ii) a capital funds ordinance being enacted creating an appropriation for the funds to be transferred to the City of Lambertville pursuant to this Agreement. This Agreement will be executed no later than 45 days after Holland Township receives the substantive certification from COAH pursuant to N.J.S.A. 52:27D-314, referred to in Article 6 c., above.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals, this month, day and year first above written .

ATTEST

~~Date:~~ Loretta Buckelew
LORETTA BUCKELEW, Clerk

City of Lambertville
By: David M. DelVecchio
DAVID M. DELVECCHIO, Mayor

Township of Holland

~~Date:~~ Judith A. Belardo
JUDITH A. BELARDO, Clerk

By: Bernard O'Brien
BERNARD O'BRIEN, MAYOR

ORIGINAL DOCUMENT IS PRINTED ON CHEMICAL REACTIVE PAPER WHICH HAS A MICROPRINTED BORDER

TOWNSHIP OF HOLLAND
CURRENT ACCOUNT
MILFORD, NJ 08848

SUN NATIONAL BANK
MILFORD, NJ 08848

55-642/312

002365

08/22/2005

PAY TO THE
ORDER OF

CITY OF LAMBERTVILLE

\$ *****50,000.00

FIFTY THOUSAND DOLLARS and 00 CENTS

DOLLARS

CITY OF LAMBERTVILLE
18 YORK STREET
LAMBERTVILLE, NJ 08530

Donald A. Buer
Judith A. Belardo
Michael C. Balogh

MEMO

THE REVERSE SIDE OF THIS DOCUMENT INCLUDES AN ARTIFICIAL WATERMARK. HOLD AT AN ANGLE TO VIEW.
⑈002365⑈ ⑆031206420⑆ ⑈4750241319⑈ ⑈0005000000⑈

ORIGINAL DOCUMENT IS PRINTED ON CHEMICAL REACTIVE PAPER WHICH HAS A MICROPRINTED BORDER

TOWNSHIP OF HOLLAND
CURRENT ACCOUNT
MILFORD, NJ 08848

SUN NATIONAL BANK
MILFORD, NJ 08848

55-642/312

002733

11/01/2005

PAY TO THE
ORDER OF

CITY OF LAMBERTVILLE

\$ *****50,000.00

FIFTY THOUSAND DOLLARS and 00 CENTS

DOLLARS

CITY OF LAMBERTVILLE
18 YORK STREET
LAMBERTVILLE, NJ 08530

Judith A. Belardo
Donald A. Buer
Michael C. Balogh

MEMO

THE REVERSE SIDE OF THIS DOCUMENT INCLUDES AN ARTIFICIAL WATERMARK. HOLD AT AN ANGLE TO VIEW.
⑈002733⑈ ⑆031206420⑆ ⑈4750241319⑈ ⑈0005000000⑈

APPENDIX H
DOCUMENTATION OF ACCESSORY APARTMENTS COMPLETED

**Council on Affordable Housing
Unit Information - New Construction
HOLLAND TWP, HUNTERDON**

Project Name: Accessory Apartment Program -- Project ID: 3797

Unit Address	Blk/Lot/ Qual/Unit	Building Permit Complete Date	C.O. Num/ Date	Initial Sale or Retail Sale	% of Afford- ability	Municipal Subsidy	Effect. Date of Afford- ability Controls	Sale/ Transfer Date	Per- petual Flag	Length of Afford- ability Controls	Date Afford- ability Controls Removed	Completed/ Credit worthy	Unit Categories	Unit Flags
356 Church Road	B: 13-; L: 73-; Q: ; Unit: 356	02/02/07		\$0.00	0%	\$10,000.00	10/02/07		N	0		1/1	3 Bedroom Family Rental	
358 Church Road	B: 13-; L: 73-; Q: ; Unit: 358			\$0.00	0%	\$10,000.00	09/26/08		N	10		1/1	2 Bedroom Family Rental	
360 Church Road	B: 13-; L: 73-; Q: ; Unit: 360			\$0.00	0%	\$10,000.00	10/02/07		N	10		1/1	1 Bedroom Family Rental	
362 Church Road	B: 13-; L: 73-; Q: ; Unit: 362			\$0.00	0%	\$10,000.00	10/02/07		N	10		1/1	2 Bedroom Family Rental	

**Council on Affordable Housing
Unit Information - New Construction
HOLLAND TWP, HUNTERDON**

Project Name: Accessory Apartment Program -- Project ID: 3797

Unit Address	Blk/Lot/ Qual/Unit	Building Permit Complete Date	C.O. Num/ Date	Initial Sale or Retail Sale	% of Afford- ability	Municipal Subsidy	Effect. Date of Afford- ability Controls	Sale/ Transfer Date	Per- Petual Flag	Length of Afford- ability Controls	Date Afford- ability Controls Removed	Completed/ Credit worthy	Unit Categories	Unit Flags
364 Church Road	B: 13-; L: 73-; Q: ; Unit: 364			\$0.00	0%	\$10,000.00	10/02/07		N	10		1/1	Efficiency Family Rental	
366 Church Road	B: 13-; L: 73-; Q: ; Unit: 366			\$0.00	0%	\$10,000.00	10/02/07		N	10		1/1	1 Bedroom Family Rental	
368 Church Road	B: 13-; L: 73-; Q: ; Unit: 368			\$0.00	0%	\$10,000.00	10/02/07		N	10		1/1	1 Bedroom Family Rental	

**Council on Affordable Housing
Unit Information - New Construction
HOLLAND TWP, HUNTERDON**

Project Name: Accessory Apartment Program -- Project ID: 3797

Unit Address	Blk/Lot/ Qual/Unit	Building Permit Complete Date	C.O. Num/ Date	Initial Sale or Retail Sale	% of Afford- ability	Municipal Subsidy	Effect. Date of Afford- ability Controls	Sale/ Transfer Date	Per- petual Flag	Length of Afford- ability Controls	Date Afford- ability Controls Removed	Completed/ Credit worthy	Unit Categories	Unit Flags
					Total Avg % Afford- ability	Total Municipal Subsidy						Total Completed/ Credit Worthy		
					0%	\$70,000.00						7 / 7		

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

PROPERTY OWNER ASSISTANCE AGREEMENT

Applicant: Snodd Bros LLC Case Number: _____

I am the owner of property located at: 356 Church Rd
Milford NJ 08848 BIK 13 Lot 73

I know that I am able to receive \$10,000 in Accessory Apartment Program financing under the Rules and Regulations set forth in the Township of Holland Accessory Apartment Program. I know that this assistance has to be repaid by me under the terms and conditions for the program which are as follows:

- | | |
|--|--------------------------|
| - Maximum Assistance | \$10,000 |
| - Interest Rate | 0.0% |
| - Payments | 10-Year Deferred |
| - Upon sale of or transfer of property before 10 years | 100% of principal is due |

This assistance will be secured by a deed restriction of my property for the amount and term of the loan and shall be executed and filed, along with all applicable documentation, with the Hunterdon County Register's Office. I am accepting this assistance and agree to the following:

1. The assistance will be used only for the purpose of paying for improvements necessary to make my property meet the accessory apartment standards and applicable codes in effect.
2. Housing units improved under the Accessory Apartment Program will be utilized as residential space. Owner-occupied units shall not be leased.
3. The assistance may be reduced if the actual and approved costs of the repairs and improvements are less than \$10,000. I know that the amount of money I will receive will not be more than actual and approved costs.
4. To the extent and manner specified in the Agreement, work will be completed so that at the completion, the unit will meet the NJ Rehabilitation Subcode; and I will correct all code violations which are listed in the inspection report. I will use this assistance to repair the deficiencies at my property.
5. The Township is authorized to act as agent in reviewing the completed work and materials used by the contractor in the performance of the construction to determine consistency with the program specification(s) and the program accessory apartment standards.
6. The Township will not disburse funds for work unless deemed satisfactorily completed in accordance with the accessory apartment specifications.
7. The applicant will not engage in any form of collusion or kickback with contractors, subcontractors or staff in the administration of the project.

8. I, the undersigned, do hereby agree and certify that upon acceptance of assistance, that in the amount of \$ 70,000, that in the event the property is sold, transferred or assigned before the conclusion of the 10 year deed restriction period, that the total amount of money expended to improve my property will be repaid to the Township of Holland Program Fund. I, the undersigned, also agree that this Agreement will be implemented through a property deed restriction being placed on the property, executed and filed, along with all applicable documentation, with the County of Hunterdon Register's Office upon completion of construction.
9. The Township is authorized to act as a mediator in (informally) resolving conflicts between the applicant and the contractor.
10. The applicant will not modify, delete, add or terminate the Agreement without the approval of the Township.

I certify that I have read the above and completely understand the contents of this Agreement.

Carl H. Amundson
Signature of Homeowner

4/28/05
Date

Walter C. Amundson
Signature of Homeowner

4/28/05
Date

SAMPLE



20081002000235850 1/7
10/02/2008 03:59:29 PM MT
Bk: 3291 Pg: 476
Mary H. Meiff
Hunterdon County Clerk

ACCESSORY APARTMENT PROGRAM
HOLLAND TOWNSHIP, NEW JERSEY

MORTGAGE FOR DIRECT SUBSIDY
WITH TEN YEAR LIEN

THIS MORTGAGE, made the 26th day of September, 2008 between Arnold Brothers, LLC (Mortgagor) and Holland Township Accessory Apartment Program, a Program of the Township of Holland (Mortgagee).

WITNESSETH THAT, to secure payment of an indebtedness in the sum of: Ten Thousand and no cents DOLLARS (\$ 10,000), lawful money of the United States, to be paid in the manner provided in a certain note bearing even date herewith, and in consideration of One Dollar, the Mortgagor hereby mortgages to the Mortgagee the following described lands and premises; situated, lying and being in the Hunterdon County, Holland Township and State of New Jersey, Lot No. 73, Block No. 13, commonly known as 356 Church Road, Milford NJ 08848.

AND THE MORTGAGOR COVENANTS THAT:

1. The Mortgage warrants the title to the premises.
2. No owner of the mortgaged property shall be entitled to any credit by reason of the payment of any tax thereon.
3. The Mortgagor will pay the indebtedness as hereinbefore provided.
4. The buildings on the premises shall be kept insured against loss or fire
5. The whole of the principal sum due shall, at the option of this mortgage become due and payable if any of the following shall occur:
 - a. the mortgagor goes or is put into bankruptcy.
 - b. the loan is assumed by another party or the property is sold or transferred by the mortgagor before the end of the ten year lien period.

AS USED HEREIN, the singular number includes the plural; the masculine gender includes the feminine and the neuter.

Mortgagor(s) hereby acknowledge receipt of a true copy of this mortgage referred to herein.

IN WITNESS WHEREOF, the Mortgagor has signed and sealed these presents the day and year first above written.

Signed, Sealed and Delivered
In the Presence of:

X Carl Arnold (L.S.)
(Borrower) Carl Arnold

X Walter Arnold (L.S.)
(Borrower) Walter Arnold

X _____

7. **Legal and Collection Costs:** If this Note is in default, I agree to pay reasonable legal fees, legal expenses and collections costs incurred by you in connection with the exercises of your rights and remedies, unless payment of those fees and expenses is prohibited by law.
8. **Insurance:** Credit, life, disability or health insurance is neither required nor offered for this loan. If I desire this insurance, I may obtain it from any person of my choice. If flood insurance is required for this loan, I will obtain such coverage from the person of my choice.
9. **Security:** The payment of this Note is SECURED by a security interest in the property being improved and is evidenced by a MORTGAGE which bears the same date as this Note.

I have read the provisions of the Note and Disclosure Statement and have received a completed copy before signing it.

Borrower: Carl Arnold Co-Borrower: Walter Arnold
Carl Arnold Walter Arnold

Address: 358 Church Road, Milford, New Jersey 08848

NOTICE TO APPLICANTS: This is notice to you as required by the Right to Financial Privacy Act of 1978, that the Department of Housing and Urban Development or its agents, has a right of access to financial records held by a financial institution in connection with the consideration or administration of assistance to you. Financial records involving your transaction will be available to the Department of Housing and Urban Development, or its agents, without further notice or authorization but will not be disclosed or released to another Government agency or department without your consent, except as permitted by law.

SAMPLE

ACCESSORY APARTMENT PROGRAM HOLLAND TOWNSHIP, NEW JERSEY

MANDATORY DEED RESTRICTION FOR RENTAL PROJECTS

THIS DEED RESTRICTION, entered into as of this the 26th day of September, 2008, by and between the Township of Holland and Arnold Brothers, LLC, a New Jersey [Corporation/Partnership/Limited Partnership] having offices at 804 Swift Dr., Milford, NJ 08848 the developer/sponsor (the "Owner") of a residential low- or moderate-income rental project subsidized by the State of New Jersey (the "State") in cooperation with the Administrative Agent, under the Township of Holland Accessory Apartment Project (the "Project"):

WITNESSETH

Article 1. Consideration

In consideration of the subsidies received for the Project, 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 (the Property).

Article 2. Description of Property

The Property consists of all of the land, and Improvements thereon, that is located in the municipality of Holland Township, County of Hunterdon, State of New Jersey, and described more specifically as Block No. 13 Lot. 73, and known by the street address:

356 Church Road

Milford, NJ 08848

Article 3. Affordable Housing Covenants

The following covenants (the "Covenants") shall run with the for the period of time (the "Control Period"), determined separately with respect for each dwelling unit, commencing upon the earlier of the date hereof or the date on which the first certified household occupies the unit, and shall and expire as determined under the Uniform Controls, as defined below.

- A. Sale 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 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 Administrative Agent. So long as any dwelling unit remains with the 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 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 Administrative Agent.
- D. The Owner shall notify the Administrative Agent and the State 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 Administrative Agent and the State 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. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to the Administrative Agent, to the State 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.H.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 State 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 Administrative Agent 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 the 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 Administrative Agent and the Owner have executed this Deed Restriction in triplicate as of the date first above written.

HOLLAND TOWNSHIP

By: Melissa S. Tigas, Municipal Liaison
 Title

[THE OWNER]

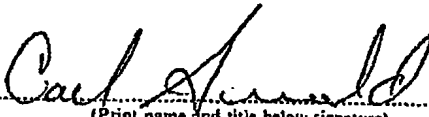
By: Carl Seald
 Title
Resident Agent

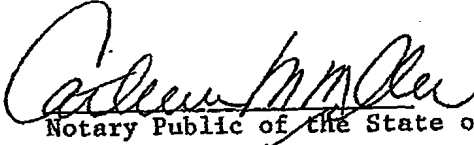
STATE OF NEW JERSEY, COUNTY OF County of Hunterdon SS.:

I CERTIFY that on September 26, 2008,

Carl Arnold
personally came before me and this person acknowledged under oath, to my satisfaction, that:

- (a) this person signed, sealed and delivered the attached document as
of Arnold Brothers, LLC the corporation named in this document;
- (b) the proper corporate seal was affixed; and
- (c) this document was signed and made by the corporation as its voluntary act and deed by virtue of
authority from its Board of Directors.

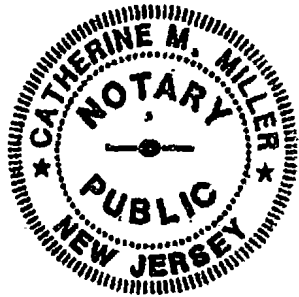

.....
(Print name and title below signature)
Carl Arnold


Notary Public of the State of New Jersey

CATHERINE M. MILLER
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 11/22/2010

Record and Return to:

Township of Holland
61 Church Road
Milford, NJ 08848

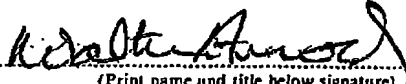


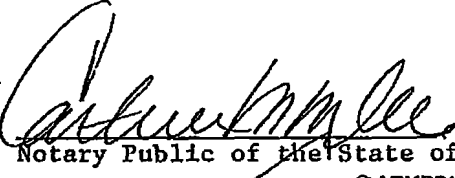
STATE OF NEW JERSEY, COUNTY OF County of Hunterdon SS.:

I CERTIFY that on September 26, 2008,

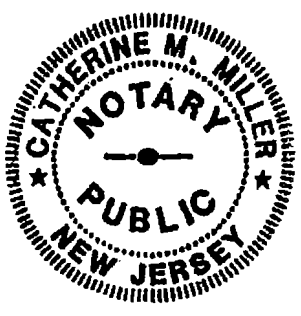
Walter Arnold
personally came before me and this person acknowledged under oath, to my satisfaction, that:

- (a) this person signed, sealed and delivered the attached document as
of Arnold Brothers, LLC
the corporation named in this document;
- (b) the proper corporate seal was affixed; and
- (c) this document was signed and made by the corporation as its voluntary act and deed by virtue of
authority from its Board of Directors.


.....
(Print name and title below signature)
Walter Arnold


Notary Public of the State of New Jersey
CATHERINE M. MILLER
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 11/22/2010

Record and Return to: Township of Holland
61 Church Road
Milford, NJ 08848



20081002000235850 7/7
10/02/2008 03:58:28 PM MT
Recording Fee: \$8.00
Tax Fee: \$.00
Consideration: \$.00
Buyers Fee: \$.00
ASB11

CONTRACT FOR PROFESSIONAL SERVICES

THIS AGREEMENT, entered into as of this 15th day of January, 2010 by and between the TOWNSHIP OF HOLLAND, NEW JERSEY (hereinafter referred to as the Township), and HOUSING & COMMUNITY DEVELOPMENT SERVICES, INC., a New Jersey corporation (hereinafter referred to as the Consultant);

WITNESSETH THAT:

WHEREAS, the Township has received New Jersey Council on Affordable Housing Substantive Certification for implementation of the existing Accessory Apartments Program for low and moderate-income households; and,

WHEREAS, the Township desires to retain the services of Housing and Community Development Services, Inc. to administer the existing Accessory Apartments Program.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

I. SCOPE OF SERVICES

~~The Consultant shall, in collaboration with appropriate Township officials and staff, at the direction and request of the Township, perform and carry out in a satisfactory and proper manner, the following:~~

A. Provision of Accessory Apartments Program Services for Six Existing Units

The Consultant shall provide services to maintain the program for six existing apartment units. The services shall include applicant/tenant unit inspection and tenant certification, affordability controls; re-rental; and, enforcement.

1. 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 rental certificates set forth in Appendix K of N.J.A.C. 5:80-26.1 et. Seq.;

(2) Affordability Controls

- (a) Furnishing to attorneys or closing agent's 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 appropriate county's register of deeds or 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.
- (3) Rental
- (a) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for rental; and
 - (b) Instituting and maintaining an effective means of communicating information to low- and moderate-income households regarding the availability of restricted units for re-rental.
- (4) Enforcement
- (a) The posing annually in all rental properties, including two-family homes, of a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent can be made;
 - (b) 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;
 - (c) Establishing a program for diverting unlawful rent payments to the municipality's affordable housing trust fund or other appropriate municipal funds approved by the DCA;
 - (d) Providing annual reports to COAH as required.

II. TIME OF PERFORMANCE

The services of the Consultant shall be undertaken in such sequence as to assure their expeditious completion in light of the purposes of the proposal.

The Consultant shall provide the services set forth herein for a period of not less than twelve (12) months. Subsequent to the twelve (12) month period, the provisions of this proposal may be extended for additional period(s) of twelve (12) months through the duration of the rehabilitation program period provided:

A. Performance

The Consultant has, in the judgment of the Township, provided the services set forth herein in a satisfactory manner.

B. Extension Agreement

The Township and the Consultant do not take action to terminate this contract, pursuant to the provisions of Article III. below.

C. Compensation

The amount of compensation to be provided as set forth in Article III. below may, at the mutual agreement of the Township and the Consultant, be revised to reflect change in the cost of the delivery of the services set forth herein.

III. COMPENSATION AND METHOD OF PAYMENT

The Township shall pay the Consultant for the agreed upon Consultant services hereunder in accordance with the fee schedules as set forth in Paragraph A of this Article III. All monies payable to the Consultant are subject to a receipt of a requisition for payment from the Consultant stating that he has performed the work under this proposal in conformance with the proposal, and that he is entitled to receive the amounts requisitioned under the terms of the proposal. Monies called for under such requisition are due and payable within 45 days of the date of said requisition.

A. Provision for Accessory Apartments Program Services for Creation of Seven Units.

The fee for the Consultant services as set forth in Article I.A., shall be in accordance with the following per case fee schedule:

--	Program Administration	\$1,000
--	Applicant Selection/Certification	\$1,000
--	Unit Inspection	<u>\$1,000</u>
		\$3,000

The Consultant's fee will be billed monthly in accordance with the above payment schedule.

It is expressly understood and agreed that the Consultant shall not be obligated under the terms of the proposal after receiving said compensation and reimbursement for the services required hereunder, unless the maximum compensation is increased pursuant to an amendment to this proposal.

IV. CANCELLATION OR TERMINATION

This proposal shall continue in force and govern all relationships and transactions between the parties until cancelled or terminated. Either party may cancel or terminate this proposal at any time for just cause, providing the party desiring to terminate and cancel this proposal gives unto the other a thirty (30) day written notice by registered mail of such intention. If this proposal is terminated, the Consultant shall be paid for all services performed to the date of termination.

V. INSURANCE AND INDEMNITY

The Township and the Consultant do mutually agree as follows:

- A. Consultant's Insurance. The Consultant shall acquire and maintain statutory workmen's compensation insurance coverage, and comprehensive general liability insurance coverage.
- B. Corporation's Insurance. The Corporation shall acquire and maintain statutory workmen's compensation insurance coverage, and comprehensive general liability insurance coverage.

VI. GENERAL

Certain general contractual provisions are set forth as follows:

- A. Extent of Agreement. This agreement represents the entire and integrated agreement between the City and the Consultant, and supersedes all prior negotiations, representations or agreements, either written or oral. This agreement may be amended only by written instrument signed by both the Township and the Consultant.
- B. Damages. Neither party shall hold the other responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the other or the other's employees and agents.
- C. Limited Warranty by Consultant. The Consultant shall render services under this agreement in accordance with generally-accepted professional practices. The Consultant shall not, however, be responsible for delays caused by employees and/or agents of the Township, nor shall the Consultant be responsible for acts or omissions of the Township's employees and/or agents, provided that the Consultant gives timely notice to the Township of any such events.
- D. Waivers. In the event any provisions of the agreement shall be held to be invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision, term, condition or covenant shall be construed by the other party as a waiver or subsequent breach of the same by the other party. No waiver shall have any effect, unless given in writing by the appropriate officer or employee and served by registered mail. Any such waiver shall be ineffective unless signed to by comment in writing and served by registered mail by either party.

VII. TOWNSHIP RESPONSIBILITIES

The Township shall provide the following assistance and services to the Consultant, as necessary, to assure effective implementation of the services as set forth in Article II of this contract.

- A. Provision of program office space and related equipment for program operation (desk, telephone, file cabinet, etc).
- B. Cooperation of Department staff relative to program implementation and data needs for documenting client records.

VIII. OTHER PROVISIONS

This agreement is subject to the provisions of Form FAP – 2010 entitled "General Terms and Conditions", a copy of which is attached hereto marked "Exhibit A" and reference thereto incorporated herein.

Upon completion of this agreement, the Consultant shall not be required to provide any additional services without being further compensated.

IN WITNESS WHEREOF, the Township and the Consultant have executed this agreement as of the date first above written.

ATTEST:

Catherine Myer

TOWNSHIP OF HOLLAND

BY: Edward De Bury

ATTEST:

Audri Cronowitz

HOUSING & COMMUNITY DEVELOPMENT
SERVICES, INC.

BY: Frank [Signature]

"EXHIBIT A"

GENERAL TERMS AND CONDITIONS

1. Extent of Agreement - This Agreement represents the entire and integrated Agreement between the Public Body and the Consultant and supersedes all prior negotiations, representations or agreements, either written or oral. This agreement may be amended only by written instrument signed by both the Public Body and the Consultant.
2. Termination of Contract for Cause - If, through any cause, the Consultant shall fail to fulfill in timely and proper manner his obligations under this Contract, or if the Consultant shall violate any of the covenants, agreements, or stipulations of the Contract, the Public Body shall thereupon have the right to terminate this Contract by giving written notice to the Consultant of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, and reports prepared by the Consultant under this Contract shall, at the option of the Public Body become its property and the Consultant shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents.

Notwithstanding the above, the Consultant shall not be relieved of liability to the Public Body for damages sustained by the Public Body by virtue of any breach of Contract by the Consultant, and the Public Body may withhold any payments to the Consultant for the purpose of setoff until such time as the exact amount of damages due the Public Body from the Consultant is determined.

3. Limited Warranty by Consultant - The Consultant shall render services under this Agreement in accordance with generally accepted professional practices. The Consultant shall not, however, be responsible for delays caused by employees and/or agents of the Public Body, nor shall the Consultant be responsible for acts or omissions of the Public Body's employees and/or agents, provided that the Consultant gives timely notice to the Public Body of any such events.
4. Consultant's Insurance - The Consultant shall acquire and maintain statutory workmen's compensation insurance coverage and comprehensive general liability insurance coverage.
5. Damages - Neither party shall hold the other responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the other or the other's employees and agents.
6. Ownership of Material - Ownership of all data, material, manuals, and documentations originated and prepared for the Public Body pursuant to this contract shall belong exclusively to the Public Body.
7. Records, Access & Retention - The Public Body, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers, and records of the Consultant which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcriptions. All such records shall be retained for seven (7) years after the Public Body makes final payment and all other pending matters are closed.

8. Audit - The Public Body, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers, and records of the Consultant which are directly pertinent to a specific program for the purpose of making audit, examination, excerpts, and transcriptions.
9. Assignability - The Consultant shall not assign any interest in this Contract; and shall not transfer any interest in the same (whether by assignment or notation) without the prior written approval of the Public Body; provided, however, that claims for money due or to become due the Consultant from the Public Body under this Contract may be assigned to a bank, or to a Trustee in Bankruptcy, without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Public Body.
10. Equal Employment Opportunity - In compliance with Federal Executive Orders 11246 and 11375, applicable Federal regulations and New Jersey State laws, in carrying out this Agreement the Consultant shall not discriminate against any employee or applicant for employment because of race, creed, color, national origin, nationality trait, liability for military service, ornamental or physical disability, subject only to conditions and limitations applicable alike to all persons. The Consultant shall take affirmative action to insure that applicants for employment are employed, and that employees are treated during employment without regard to race, creed, color, national origin, nationality, ancestry, age, sex, marital status, atypical cellular or blood trait, liability for military service, or mental or physical disability subject only to the limitations applicable alike to all persons. Such action shall include, but not be limited to: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship; and, setting of work conditions.
11. "Section 3" Compliance in the Provision of Training Employment and Business Opportunities - This Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968 (12 USC 1701u) as amended, the HUD regulations issued pursuant thereto at 24 CFR Part 135, and any applicable rules and orders of HUD issued thereunder prior to the execution of this Agreement.

The Consultant agrees to abide by the Section 3 clause set forth above and will also cause this Section 3 clause to be inserted in any subcontracts entered into with third parties for work covered by this Agreement.

12. Conflict of Interest Provision - The Consultant shall comply with the Conflict of Interest Provision as set forth in 24 CFR Part 570.611.
13. Compliance with Local Laws - The Consultant shall comply with all applicable laws, ordinances, and codes of the State and local governments.
14. Remedies - Unless otherwise provided in this Agreement, all claims, counterclaims, disputes and other matters in question between the Public Body and Consultant arising out of or relating to this Agreement or the breach of it, will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State of New Jersey.

ACCESSORY APARTMENT PROGRAM MANUAL

**PREPARED FOR:
HOLLAND TOWNSHIP
61 CHURCH ROAD
MILFORD, NEW JERSEY 08848**

**PREPARED BY:
HOUSING & COMMUNITY DEVELOPMENT
SERVICES, INC.**



DATE: JANUARY 2005

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PURPOSE

It is the purpose of this program to help meet Holland Township's fair share housing obligation through the subsidization of up to ten (10) voluntary conversions of existing single-family dwellings or accessory buildings in the Township to accommodate accessory apartments for occupancy by low income households.

DEFINITIONS

Definitions pertaining to affordable housing not found below are the same as those definitions that appear in the rules and regulations adopted by the Council on Affordable Housing in N.J.A.C. 5:91-1 or 5:93-1 et seq. As used in the Affordable Housing Ordinance:

"Applicant" means the person or persons applying for funds to create an accessory apartment in accordance with the provisions of the Affordable Housing Ordinance.

"Council on Affordable Housing" means the Council established by the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq., also known as COAH.

"Housing Administrator" means the person, agency or consultant designated by the Township Committee to perform the duties described in the Affordable Housing Ordinance.

"Inspection Officer" means a qualified inspector hired, appointed or contracted by the Housing Administrator to perform the duties described in this Ordinance.

"Low Income Household" means a household with a gross household income equal to 50 percent or less of the median gross household income for households of the same size within the housing region in which the housing is located as determined by the Council on Affordable Housing in N.J.A.C. 5:93-1 et seq. or its subsequent rules and regulations.

"Subsidized Accessory Apartment" means a portion of a single-family dwelling or an existing accessory building which has been converted through the use of public funds to create an additional dwelling unit which shall be deed-restricted for occupancy by and affordability to a qualified low income household for a period of ten (10) years as part of the Township's affordable housing program.

"Utility Allowance" means an allowance for utilities that is consistent with the personal benefit expense allowance for utilities as defined by HUD (or a similar allowance approved by COAH).

ELIGIBILITY

Only owners of existing dwelling units within the Township of Holland are eligible to apply for the accessory apartments program. Eligibility is further determined by the following criteria:

- A. The owner must agree to rent the accessory apartment unit only to a low-income household. Proof of each prospective tenant's income qualifications shall be required by the Housing Administrator.
- B. Any existing code deficiencies in the portion of the building to be devoted to the accessory apartment unit shall be corrected and the unit shall be brought up to code standard. The standard for evaluating any rehabilitation activity on an existing dwelling unit shall be N.J.A.C. 5:23-2.4 and 2.5. The valuation shall be undertaken and certified by the Inspection Officer.
- C. The owner of the accessory apartment shall agree, by written contract, to comply with all of the requirements of the Township's Affordable Housing Ordinance.

ADMINISTRATION

A. AFFIRMATIVE MARKETING PLAN

1. The accessory apartments created shall be affirmatively marketed in accordance with the Township's Affirmative Marketing Plan.
2. Notification of the availability of funds for the creation of accessory apartments shall be accomplished through the circulation of flyers describing the accessory apartments program, to be enclosed with the annual property tax bills; periodic press releases issued to the official newspaper to promote interest in the program; and making information and application packets available to interested owners upon request and free of charge.

B. HOUSING ADMINISTRATOR

The Township Committee shall designate a Housing Administrator whose duties with respect to the accessory apartments program may include all or some of the following:

1. Preparing an accessory apartments program manual consisting of the following:
 - (a) Procedures for program marketing;
 - (b) Criteria for determining eligibility of properties;
 - (c) The amount of money currently available for accessory apartment conversions or additions;
 - (d) Procedures for application intake;
 - (e) Procedures for review and approval of work, including interim inspections of work; and
 - (f) The length and terms of affordability controls.
2. Preparing information packets to be distributed to interested owners.
3. Developing the necessary application forms to be used by owners interested in applying for participation in the accessory apartments program. The application form shall clearly state that any owner who utilizes the provisions of this program shall agree to place a deed restriction and a lien on his or her property. In addition, the application form shall require proof of ownership, insurance and other general information on the property in question. The content of the forms shall be approved by the Township Committee prior to their distribution to potential applicants.
4. Determining the eligibility of each property based on the requirements of the program.
5. Providing assistance to each applicant in completing application forms, submitting required documentation, and obtaining contractor's estimates.
6. Monitoring the progress of each accessory apartment project and coordinating contractor proposals, inspections and payments under the terms of the program.

7. Monitoring and oversight of the deed restrictions placed on properties that are participating in the accessory apartments program.
8. Preparing and presenting annual monitoring reports to the Township Committee to assist in the Township's submission of annual monitoring reports to COAH.
9. Maintaining confidential files on each program applicant. The files shall be used in responding to COAH's monitoring requirements and to protect the municipality against charges of irregularity. The files shall include:
 - (a) The name of each applicant;
 - (b) If the applicant is not approved, the reasons for the disapproval, and
 - (c) If the applicant is approved:
 - (1) The initial inspection report or the Inspection Officer;
 - (2) Bids submitted by contractors;
 - (3) The final owner/contractor agreement;
 - (4) The owner/Township contract;
 - (5) Progress reports and interim inspection reports;
 - (6) A copy of the final inspection report; and
 - (7) A copy of the lien.

C. INSPECTION OFFICER

The Housing Administrator shall designate a qualified Inspection Officer who will report to the Housing Administrator. The duties of the Inspection Officer include:

1. The initial inspection of the property to determine the condition of the existing dwelling.
2. A determination of whether or not the proposed improvements and the estimated cost of the improvements needed to create the accessory apartment will meet the parameters of the accessory apartments program. The Inspection Officer's report on the nature and cost of the improvements shall be made in writing to the Housing Administrator.
3. Interim and final inspections of work in progress and the issuance of a Certificate of Occupancy for the new dwelling unit. The certification shall bear the date of the inspection and shall be submitted in a written report to the Housing Administrator.

D. FUNDING

1. The Township shall include in its annual budget sufficient funds to cover the costs of the accessory apartments program. The money expended on the accessory apartments program shall be exempt from the limitations on final appropriations imposed pursuant to P.L. 1976, c.68 (C.40A:4-45.1 et seq.).

2. The Township Committee shall appropriate money in its annual budget to provide ten (10) year forgivable loans to fund the creation of up to ten (10) accessory apartments in the amount of \$10,000 per unit. The funds shall be appropriated in accordance with the following schedule:

Year 1(*)	4 units	\$40,000
Year 2	2 units	\$20,000
Year 3	2 units	\$20,000
Year 4	2 units	\$20,000

(*) Following the grant of Substantive Certification by COAH.

3. A minimum of \$10,000 shall be provided for each accessory apartment unit to be created. The actual capital costs of creating an individual unit may be less than \$10,000 if, at the end of each two year period, the accessory apartments program as a whole has averaged at least \$10,000 per unit. The property owner shall be obligated for any additional costs. The \$10,000 subsidy shall be applied solely to the creation of the accessory apartment unit.
4. If the total amount of money budgeted in a given year is not expended as the result of insufficient eligible applications to the program for that year, the budgeted funds shall be placed in the Township reserve account and earmarked for the accessory apartments program.

E. GENERAL PROCEDURES FOR APPLICATION, REVIEW AND APPROVAL

1. Interested owners will be able to secure information and application packets from the Housing Administrator and from the Township Clerk.
2. Interested owners will submit a completed application form to the Housing Administrator. The Housing Administrator will be available to assist the owner in the completion of the application forms (See Program Compliance and Section A to end).
3. Interested owners who submit applications for the accessory apartments program shall not be required to pay application fees.
4. The Housing Administrator will review the application for completeness and, if the application is complete, determine that the applicant has signed a binding contract stating his or her willingness to rent the accessory apartment unit to a qualified low-income household.
5. The Inspection Officer will then inspect the property to rule on whether the structure which will contain the accessory apartment unit meets applicable code requirements and whether or not the proposed improvements and cost of the work needed to create the new unit will meet the parameters of the accessory apartments program. The Inspection Officer's determination will be submitted in writing to the Housing Administrator.
6. If the Inspection Officer issues a satisfactory report, the Housing Administrator will forward a copy of the application to the Township Committee for its approval. The Housing Administrator shall be available to discuss the application with the Township Committee at the time of its consideration.

APPROVALS AND PAYMENTS

- A. If the Township Committee approves the application, it shall simultaneously authorize the transfer of the required amount of the forgivable loan to a trust account to be administered by the Township Clerk for the purpose of making payments for the construction work.
- B. The project may begin as soon as the applicant and the Housing Administrator have, in the presence of the Township Attorney, signed all of the necessary agreements. The Township Attorney shall arrange for the filing of the lien and deed restriction with the property deed.
- C. The Township Committee shall only deny an application for an accessory apartment subsidy if the project will not be in conformance with COAH's requirements, the Township's Land Use Ordinance, or the Affordable Housing Ordinance. All denials shall be in writing with the reasons therefore clearly stated.
- D. After construction is completed, the Inspection Officer will inspect the unit and determine that the work has been completed in accordance with the approved work plan. If the work is incomplete, the final payment to the contractor shall be withheld until the work is completed to the satisfaction of the Inspection Officer and in accordance with the owner/contractor agreement.
- E. All payments shall be made jointly to the owner and contractor. The owner shall endorse the payment over to the contractor. Payments shall be divided into three (3) or four (4) equal parts to be made upon the signing of an agreement between the owner and the contractor, at one or more appropriate interim stages as set forth in the owner/contractor agreement, and upon final inspection of the completed improvements and the issuance of a Certificate of Occupancy for the new unit.
- F. Owners may contribute "sweat equity" toward the creation of an accessory apartment and the improvement of the existing dwelling but shall not receive financial remuneration for their efforts.

AFFORDABILITY CONTROLS

A. LIENS ON PROPERTY

An owner who receives financial assistance under the provisions of the subsidized accessory apartments program shall be required to place a lien on his or her property. The following requirements shall apply to such liens:

1. The Township shall be specified as the lien holder.
2. The lien shall specify that the value of the lien equals the amount of the monetary benefits received by the applicant under the accessory apartments program.
3. A record of the lien will be kept on the property tax record, in the County Clerk's files, in the Housing Administrator's records, with the deed and with the insurance policy, as required by this program.
4. The owner shall notify the Housing Administrator, in writing, of the intent to sell a property that has benefited from the accessory apartments program, if the accessory apartment is still under the restrictions required by this program.

5. Each time the unit is rerented, the owner must contact the Housing Administrator and verify that the unit will continue to be occupied by a qualified low income household and that the rent charged meets the affordability guidelines of the program.
6. All properties shall be checked for liens and any suspected violations of the program shall be reported to the Housing Administrator for further investigation.
7. At the termination of the affordability controls, the loan shall be forgiven.

B. LENGTH OF AFFORDABILITY

Owners who utilize the provisions of the accessory apartments program shall accept a deed restriction on the property. The deed restriction shall state that only a low-income household, as determined by the Housing Administrator, shall occupy the accessory apartment unit. The deed restriction shall be recorded and a copy of the recorded deed shall be forwarded to the Housing Administrator. The deed restriction shall go into effect as soon as a Certificate of Occupancy has been issued and shall apply for ten (10) years. Sale of the property shall not affect the length or terms of the deed restriction.

C. PRICING

The Housing Administrator and owner(s) of a deed restricted accessory apartment unit must follow the rental guidelines set forth below:

1. Gross rents, including a utility allowance consistent with the utility allowance approved by HUD for use in (30) percent of the gross monthly income for the appropriate household size and income level. Maximum rents for each household size and income level shall be calculated based on the regional weighted average of the current uncapped Section 8 income limits published by HUD and adopted by COAH.

Current rental rates by bedroom size are as follows:

<u>BEDROOM</u>	<u>RENT (INCLUDES UTILITIES)</u>
Efficiency	\$ 805.00
1 Bedroom	862.00
2 Bedroom	1,035.00
3 Bedroom	1,196.00

Current New Jersey Council on Affordable Housing income levels (2004) are as follows:

<u>HOUSEHOLD SIZE (PERSONS)</u>	<u>LOW INCOME</u>
1	\$32,200
1.5	34,500
3	41,400
4.5	47,840

2. The following criteria shall be used to calculate applicable rents for the accessory apartment units:
 - a) Efficiency units shall be affordable to one person households;

- b) One bedroom units shall be affordable to 1.5 person households;
 - c) Two bedroom units shall be affordable to three (3) person households.
3. The rent level of each subsidized accessory apartment shall be affordable to an appropriately sized household, as set forth in paragraph 2. above, earning not more than 50 percent of the regional median income for that size household. The Housing Administrator shall establish the maximum rent level for each subsidized accessory apartment based upon these criteria.

D. ANNUAL INDEXED INCREASES

The rents of the accessory apartment units may be increased annually in accordance with N.J.A.C. 5:93-9.15

PROGRAM COMPLIANCE

The provisions of this Ordinance notwithstanding, the accessory apartments program will comply with all of the regulations of the Council on Affordable Housing and with the requirements of the Township's Affordable Housing Ordinance.

A. SUBSIDIZED ACCESSORY APARTMENT

Subsidized accessory apartments shall be permitted as conditional uses in the (R-5) CA Conservation Agriculture District of the Township. The following criteria shall apply to the creation of subsidized accessory apartments in this zone:

- 1. Subsidized accessory apartments shall be as defined in Chapter 41, the Accessory Apartments Ordinance of the Township.
- 2. Each new accessory apartment created under the terms of this Section shall be affordable to and rented only by a qualified low income household for a period of at least ten (10) years from the date a Certificate of Occupancy is issued for the new unit in accordance with the terms of the Township's affordable housing compliance program and unless the accessory apartment is deed-restricted in accordance with the terms of the Affordable Housing Ordinance.
- 3. No accessory apartment shall be created under the terms of this Section unless an application has been submitted to and approved by the Housing Administrator and unless the creation of the accessory apartment is accomplished as part of the Township's affordable housing compliance program and unless the accessory apartment is deed-restricted in accordance with the terms of the Affordable Housing Ordinance.
- 4. The provisions of this Section shall expire automatically when funds are no longer available to subsidize accessory apartment conversions.
- 5. The Board of Health shall certify the adequacy of the on-site septic system to accommodate the original dwelling plus the accessory apartment. All accessory apartment units shall meet the requirements of N.J.A.C. 5:23-2.4 and 2.5 following the completion of the conversion.
- 6. The lot on which the subsidized accessory apartment will be located shall conform to the minimum lot area requirement for the [R-5] CA zoning district or for the approved form of development in the [R-5] CA zoning district.

7. The property proposed for conversion shall be able to accommodate sufficient off-street parking as approved by the Planning Board.
8. Applicants for the creation of a subsidized accessory apartment shall submit to the Housing Administrator:
 - a) A sketch of floor plan(s) showing the location, size and relationship of both the accessory apartment and the primary dwelling;
 - b) Elevations showing the modification of any exterior building façade to which changes are proposed; and
 - c) A site development sketch showing the location of the existing dwelling and other existing buildings; all property lines; any proposed addition, along with the minimum building setback lines, the locations, size and extent of all underground utilities and the length, width and function of all rights-of-ways and easements on the property; the required parking spaces for both dwelling units; and any natural or man-made conditions which might affect construction.
 - d) All plans and elevations shall be clear and concise and drawn to a scale of not less than one (1) inch equals four (4) feet for the floor plan(s) and elevation(s) and one (1) inch equals twenty (20) feet for the site development plan.
9. Additions to an existing structure designed to allow the creation of a subsidized accessory apartment shall not be permitted, except that small additions containing up to a maximum of five (5%) of the gross floor area of the existing structure or 100 square feet, whichever is less, may be permitted if the addition will facilitate the creation of the accessory apartment in a more logical manner, considering design, layout, access and safety factors. Such additions shall comply with all applicable yard, setback, coverage and other bulk requirements of the Ordinance.
10. Alterations to the exterior of the existing dwelling, other than those to improve the maintenance and attractiveness of the dwelling, shall be minimized. After the creation of the accessory apartment, the building(s) on the property shall maintain the usual appearance of a single-family detached dwelling and its appurtenant structures and shall remain compatible with the character of the surrounding neighborhood.
11. A converted dwelling shall not have more than the existing number of entrances along the front of the building. All entrances to an accessory dwelling shall be located on the side or rear of the building.
12. No new unenclosed exterior stairways shall be allowed on the front of a converted dwelling.
13. Necessary changes in the number or placement of windows to provide adequate light and air will be allowed but shall be minimized; any changes which occur must be done in a manner consistent with the architectural character of the existing dwelling.
14. An accessory apartment shall not be created on any floor above the second floor except that space above the second floor may be used for storage or sleeping rooms for a second floor apartment. No accessory apartment shall be located in

a below ground basement where the exterior grade is more than half the height of the exterior wall, unless there is at least one (1) exterior facade where the unit is at grade with the ground outside.

15. Each accessory apartment unit shall contain the following minimum gross floor area:

Efficiency	450 sq. ft.
1 bedroom	550 sq. ft.
2 bedroom	660 sq. ft.
3 bedroom	800 sq. ft.

16. Existing unauthorized accessory apartments may be legalized under this Section without penalty to the property owner and without Township subsidy provided all of the foregoing criteria as well as the following criteria can be met:

- a) The unit is currently vacant or is occupied by a qualified low or moderate-income household unrelated to the owner.
- b) If the unit is currently in substandard condition, it can be brought up to standard condition before a Certificate of Occupancy is issued in accordance with all of the requirements and procedures of Chapter 41, the Township's Accessory Apartments Ordinance, except that no Township subsidy shall be required to be paid to the owner to bring the unit up to standard condition.
- c) The unit will be affirmatively marketed pursuant to the Township's Affirmative Marketing Plan. If the unit is currently occupied by a qualified low or moderate-income household unrelated to the owner, it shall be affirmatively marketed when the current tenant vacates the unit.
- d) The unit will be deed-restricted for occupancy by and will remain affordable to a qualified low income household for a period often (10) years from the date a Certificate of Occupancy is issued for it.

MARKETING PROGRAM

The affirmative marketing plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. 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 period of deed restriction.

The affirmative marketing plan shall provide the following information:

1. The name and address of the project;
2. The number of units, including the number of rental units;
3. The price of rental units;
4. The name of the agent and/or rental manager.
5. The names of specific newspapers of general circulation within the housing region;
6. The names of specific radio and television stations broadcasting throughout the housing region;

7. The names of specific community and regional organizations that will aid in soliciting low and moderate-income applicants.

The affirmative marketing process for available affordable units shall begin at least four months prior to expected occupancy. In implementing the marketing program, the administrative agent shall undertake all of the following strategies:

1. Publication of one advertisement in a housing region newspaper;
2. Broadcast of one advertisement by a radio or television station; and
3. At least one additional regional marketing strategy using one of the

Applications For affordable housing shall be available in several locations, including, at a minimum, the county administrative building and/or the county library for each county within the housing region; the municipal building and the municipal library. Applications shall be mailed to prospective applicants upon request.

HOUSEHOLD CERTIFICATION AND REFERRAL; RELATED PROJECT INFORMATION

The administrative agent shall secure all information from applicant households necessary and appropriate to determine that restricted units are occupied by properly sized households with appropriate low-income levels. No household may be referred to a restricted unit, or may receive a commitment with respect to a restricted unit, unless that household has received a signed and dated certification.

The administrative agent shall prepare a standard form of certification and shall sign and date one for each household when certified. An initial certification shall be valid for no more than 180 days unless a valid contract for sale or lease has been executed within that time period. In this event, certifications shall be valid until such time as the lease is ruled invalid and no occupancy has occurred. Certifications may be renewed in writing at the request of a certified household for an additional period of 180 days at the discretion of the administrative agent.

1. When reviewing an applicant household income to determine eligibility, the administrative agent shall compare the applicant household's total gross annual income to the regional low and moderate-income limits then in effect, as adopted by COAH. Income includes, but is not limited to, wages, salaries, tips, commissions, alimony, regularly scheduled overtime, pensions, social security, unemployment compensation, TANF, verified regular child support, disability, net income from business or real estate, and income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds and imputed income from non-income producing assets, such as equity in real estate.
2. Except as otherwise specifically stated in this subchapter, the sources of income considered by the administrative agent shall be the types of regular income reported to the Internal Revenue Service and which can be used for mortgage loan approval. Household annual gross income shall be calculated by projecting current gross income over a 12-month period.
3. Income does not include benefits, payments, rebates or credits received under any of the following: Federal or State low-income energy assistance programs, food stamps, payments received for foster care, relocation assistance benefits, income of live-in attendants, scholarships, student loans, personal property such as automobiles, lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements, and part-time income of persons enrolled as full-time students. Income, however, does include interest and other earnings from the investment of any of the foregoing benefits, payments, rebates, or credits.

The administrative agent shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify the member's income, including income received by adults on behalf of minor children for their benefit. Household members 18 years of age or older who do not receive income must produce documentation of current status.

Income verification documentation may include, but is not limited to, the following for each and every member of a household who is 18 years of age or older:

1. Four consecutive pay stubs, not more than 120 days old, including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure;
2. Copies of Federal and State income tax returns for each of the preceding three tax years;
3. A letter or appropriate reporting form verifying monthly benefits such as Social Security, unemployment, welfare, disability or pension income (monthly or annually);
4. A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support;
5. Income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds; and
6. Evidence or reports of income from directly held assets such as real estate or businesses.

Court ordered payments for alimony or child support to another household, whether or not it is being paid regularly, shall be excluded from income for purposes of determining income eligibility.

At the discretion of the administrative agent, households may also be required to produce documentation of household composition for determining the correct unit size and applicable median income guide.

A certificate of eligibility may be withheld by the administrative agent as a result of an applicant's inability to demonstrate sufficient present assets for down payment or security deposit purposes, subject to development phasing that may provide opportunity for future savings.

A certificate of eligibility may be withheld by the administrative agent as a result of an applicant's inability to verify funds claimed as assets, household composition or other facts represented.

A certificate of eligibility shall be denied by the administrative agent as a result of any willful and material misstatement of fact made by the applicant in seeking eligibility.

The administrative agent shall screen households that apply for low-income housing for preliminary income eligibility, by comparing their total gross annual income to the regional low- and moderate-income limits adopted for that year by COAH.

PROGRAM ADMINISTRATION FORMS

Administration of the Township of Holland Accessory Apartment Rehabilitation Program requires the utilization of forms in various areas of program operation. The following represents forms to be used by program administrators for applicant file completion, reporting efforts and organizational activities.

FORM CATEGORY

Applicant
Information:

DESCRIPTION

Rental Application Form

Form of Certificate For Applicants Certified to Rental Unit,
Required by Section 5:80-26.18(c)(2)

Mandatory Deed Restriction for Rental Projects

Mortgage For Direct Subsidy with Ten Year Lien

Note and Disclosure Statement

Mortgage Modification Agreement

Notice of right of Rescission

Attention Owners of Residential Property

Application for Financial Assistance

Copy of Property Deed

Certificate of Insurance for Property Owner

Real Estate Tax Payments

Owner-Identified Home Improvement Projects

Inspection Acknowledgement

Supplemental Documentation Request

Inspection of Dwelling

Preliminary Approval Letter

Property Owner Assistance Agreement

Permit Procedure

Preconstruction Meeting Check List

Preconstruction Meeting – New Jersey Lien Law Form

Case Inspection Log

Work Completion Certificate

FORM CATEGORY

DESCRIPTION

Final Inspection Report

Notice of Deficiencies

Certificate of Completion

Evidence Permit and Certificate of Acceptance Information
Attached

Warranty Documentation

Payment Certification Affidavit

Voucher

**RENTAL APPLICANT FORM
ACCESSORY APARTMENT PROGRAM
HOLLAND TOWNSHIP, NEW JERSEY**

1. Name	2. Identification
---------	-------------------

ASSETS

Family Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets
3. Net Cash Value of Assets.....		3.	
4. Total Actual Income from Assets.....			4.
5. If line 3 is greater than \$5,000, multiply line by _____ (Passbook Rate) and enter results here; otherwise, leave blank			5.

ANTICIPATED ANNUAL INCOME

Family Members	a. Wages/ Salaries	b. Benefits/ Pensions	c. Public Assistance	d. Other Income	e. Asset Income
					Enter the greater of lines 4 or 5 from above in e.
6. Totals	a.	b.	c.	d.	e.
7. Enter total of items from 6a. through 6e. This is <i>Annual Income</i>					7.

**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 a 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 Rental 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 rental of the
property described in the Certificate and for the purposes described and set forth therein.

Sworn to and subscribed before me, _____ on the date
set forth above.

MANDATORY DEED RESTRICTION FOR RENTAL PROJECTS

THIS DEED RESTRICTION, entered into as of this the ____ day of _____, 20__, by and between the Township of Holland and _____ a New Jersey [Corporation/Partnership/Limited Partnership] having offices at _____ the developer/sponsor (the "Owner") of a residential low- or moderate-income rental project subsidized by the State of New Jersey (the "State") in cooperation with the Administrative Agent, under the Township of Holland Accessory Apartment Project (the "Project"):

WITNESSETH

Article 1. Consideration

In consideration of the subsidies received for the Project, 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 (the Property).

Article 2. Description of Property

The Property consists of all of the land, and improvements thereon, that is located in the municipality of _____, County of _____, State of New Jersey, and described more specifically as Block No. _____ Lot. _____, and known by the street address:

Article 3. Affordable Housing Covenants

The following covenants (the "Covenants") shall run with the for the period of time (the "Control Period"), determined separately with respect for each dwelling unit, commencing upon the earlier of the date hereof or the date on which the first certified household occupies the unit, and shall and expire as determined under the Uniform Controls, as defined below.

- A. Sale 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 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 Administrative Agent. So long as any dwelling unit remains with the 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 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 Administrative Agent.

- D. The Owner shall notify the Administrative Agent and the State 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 Administrative Agent and the State 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. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to the Administrative Agent, to the State 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.H.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 State 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 Administrative Agent 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 the 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 Administrative Agent and the Owner have executed this Deed Restriction in triplicate as of the date first above written.

HOLLAND TOWNSHIP

By: Title

[THE OWNER]

By: Title

APPROVED BY THE STATE OF NEW JERSEY

BY:
Title

ACKNOWLEDGEMENTS

On this the ____ day of _____, 20__ before me came _____, to me known to be the _____ of the Department of Community Affairs of the State of New Jersey, who states that (s)he has signed said Agreement on behalf of said State for the purposes stated therein.

NOTARY PUBLIC

On this the ____ day of _____, 20__ before me came _____, 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

MORTGAGE FOR DIRECT SUBSIDY
WITH TEN YEAR LIEN

THIS MORTGAGE, made the _____ day of _____, 20__, between _____ (Mortgagor) and Holland Township Accessory Apartment Program, a Program of the Township of Holland (Mortgagee).

WITNESSETH that, to secure payment of an indebtedness in the sum of: _____ DOLLARS

(\$ _____), lawful money of the United States, to be paid in the manner provided in a certain note bearing even date herewith, and in consideration of One Dollar, the Mortgagor hereby mortgages to the Mortgagee the following described lands and premises; situated, lying and being in the _____, Holland Township and State of New Jersey, Lot No. _____, Block No. _____, commonly known as _____.

AND THE MORTGAGOR COVENANTS THAT:

1. The Mortgagor warrants the title to the premises.
2. No owner of the mortgaged property shall be entitled to any credit by reason of the payment of any tax thereon.
3. The Mortgagor will pay the indebtedness as hereinbefore provided.
4. The buildings on the premises shall be kept insured against loss of fire for the benefit of the holder, and any other insurance required by the Mortgagee shall be furnished.
5. The whole of the principal sum due shall, at the option of this mortgage become due and payable if any of the following shall occur:
 - a. the mortgagor goes or is put into bankruptcy.
 - b. the loan is assumed by another party or the property is sold or transferred by the mortgagor before the end of the ten year lien period.

AS USED HEREIN, the singular number includes the plural; the masculine gender includes the feminine and the neuter.

Mortgagor(s) hereby acknowledge receipt of a true copy of this mortgage referred to herein.

IN WITNESS WHEREOF, the Mortgagor has signed and sealed these presents the day and year first above written.

Signed, Sealed and Delivered
in the Presence of: X _____ (L.S.)
(Borrower)

X _____ X _____ (L.S.)
(Witness to Signing) (Co-Borrower)

ACKNOWLEDGEMENT

State of New Jersey

SS:

County of Hunterdon

On this _____ day of _____, 20__, before me, the subscriber personally came and appeared _____

_____, to me known to be, and who I am satisfied is, the maker(s) of the person(s) described herein, and who executed the foregoing instrument, and I having made known to him (her) (them) the contents thereof, he (she) (they) did duly acknowledge to him (her) (them) the contents thereof, he (she) (they) did duly acknowledge to me that he (she) (they) executed and signed, sealed, and delivered the same as his (her) (their) voluntary act and deed for the uses and purposes therein expressed.

Notary Public of the State of New Jersey

DIRECT SUBSIDY WITH TEN YEAR LIEN
NOTE AND DISCLOSURE STATEMENT

\$ _____
Amount Date Case No.

(In this Note, the words, "I", "me", and "mine", mean each and all of those who signed it. The words "you", "your" and "yours" mean the program named below, and any person to whom this Note is assigned.)

To repay my loan (the amount financed shown in line 3 below), I promise to pay to the _____,

DOLLARS

(\$ _____), the amount financed. I will pay this amount at the time of property sale or transfer.

DISCLOSURE STATEMENT

1. Assistance Amount \$ _____

2. Other Charges:

- Interest: \$ _____
- Judgment Search: \$ _____
- Property Report: \$ _____
- Mortgage Recording \$ _____

3. Amount Financed (line 1 plus any charges in line 2 being financed): \$ _____

4. Total of Payment \$ _____

5. Prepayment. I may repay all or any part of my loan at any time without penalty.

6. Default. This Note will be in default if:

- a. I go, or am put into bankruptcy; I am the subject of any other proceeding brought under the Bankruptcy Act; I commit an Act of Bankruptcy; I make an assignment for the benefit of my creditors or a receiver is appointed of substantially all my assets;
- b. I sell or transfer the property which secures this Note as described below in Paragraph 9 before the end of the ten year lien period;
- c. This Note is assumed by another party without your prior written notice.

If this Note is in default, you can demand immediate payment of the unpaid balance of this loan without notice. However, I understand that just because I am in default, you do not have to demand payment of the whole loan and that you can delay enforcing any of your rights under this Note without losing them.

7. **Legal and Collection Costs:** If this Note is in default, I agree to pay reasonable legal fees, legal expenses and collections costs incurred by you in connection with the exercises of your rights and remedies, unless payment of those fees and expenses is prohibited by law.
8. **Insurance:** Credit, life, disability or health insurance is neither required nor offered for this loan. If I desire this insurance, I may obtain it from any person of my choice. If flood insurance is required for this loan, I will obtain such coverage from the person of my choice.
9. **Security:** The payment of this Note is SECURED by a security interest in the property being improved and is evidenced by a MORTGAGE which bears the same date as this Note.

I have read the provisions of the Note and Disclosure Statement and have received a completed copy before signing it.

Borrower: _____ Co-Borrower: _____

Address: _____

NOTICE TO APPLICANTS: This is notice to you as required by the Right to Financial Privacy Act of 1978, that the Department of Housing and Urban Development or its agents, has a right of access to financial records held by a financial institution in connection with the consideration or administration of assistance to you. Financial records involving your transaction will be available to the Department of Housing and Urban Development, or its agents, without further notice or authorization but will not be disclosed or released to another Government agency or department without your consent, except as permitted by law.

MORTGAGE MODIFICATION AGREEMENT

THIS AGREEMENT made this ____ day of _____, 20 __, by and between _____, Mortgagor, and Holland Township Accessory Apartment Program, a Program of the Township of Holland, the Mortgagee. The parties hereto agree: That whereas the said _____, executed and delivered to the said Holland Township, a mortgage on real estate known as Block _____, Lot _____, on the Tax Map of the _____ of _____, Holland Township and State of New Jersey, dated _____ and recorded in the Hunterdon County Clerk's Office for the aforesaid parcel in the Hunterdon County Book of Mortgages _____ at Page _____ and whereas said Mortgage was made to secure payment of the sum of \$_____ and the rate of interest was fixed by the parties thereto at ____% per annum and whereas said Mortgage called for repayment of the principal in full at the time of property transfer or sale.

NOW, THEREFORE, the said Mortgagor and Mortgagee have agreed to modify the above-mentioned Mortgage as follows:

The principal amount due on same is now amended to reflect the sum of \$_____. Interest will be at the yearly rate of ____%. All sums owed under this Mortgage Modification Agreement are due at time of property sale or transfer.

The Mortgage aforesaid remains unmodified and in full force and effect except as amended hereby.

IN WITNESS WHEREOF, the said parties hereunto have set their hands and seals this ____ day of _____, 20__.

Witness:

Mortgagor

Holland Township Accessory Housing Program

Witness:

Program Administrator

NOTICE OF RIGHT OF RESCISSION

CUSTOMER'S NAME(S)

DATE OF AGREEMENT

CASE NUMBER _____

Notice to Customer Required by Federal Law:

You have entered into a transaction on _____ which date 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 or any later date on which all material disclosures required under the truth in Lending Act have been given to you. If you so cancel the transaction, any lien, mortgage, or other security interest on your home arising from this transaction is automatically void. If you decide to cancel this transaction, you may do so by notifying:

Holland Township Accessory Apartment Program
61 Church road
Milford, New Jersey 08848

by mail, or telegram sent not later than midnight of _____
(Date)

You may also use any other 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)

Continued...

The undersigned customer(s) acknowledges receipt of two completed copies of this notice on this date:

_____.

(Customer's Signature)

Date

(Customer's Signature)

Date

EFFECT OF RESCISSION. When a customer exercises the right to rescind, the customer is not liable for any finance or other charge, and any security interest becomes void upon such a rescission. 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 impractical 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 obligation on his part to pay for it.

Instructions: Publish as Display Ad
Mail Notice to Attn: Judy Belardo, Clerk, Holland Township

**ATTENTION OWNERS OF RESIDENTIAL PROPERTY
HOLLAND TOWNSHIP**

Financial assistance is available for the construction of accessory apartments under the Holland Township Affordable Housing Program. The program is being administered pursuant to N.J. A. C. 5:93-5.9. Holland Township proposes to provide 10 low-income units through an accessory apartment program in its R-5 zone (the Conservation Agriculture District). The Township will impose affordability controls on the accessory apartments for a period of at least 10 years. The Township has committed to provide \$10,000 per unit in its annual budget to cover the cost of the program. Funds may be utilized to convert, expand or otherwise construct accessory apartments in existing residential dwelling units. To be eligible for assistance, property owners will be able to develop accessory apartments for tenants meeting New Jersey Council on Affordable Housing recognized property rent and tenant income guidelines:

Current rental rates by bedroom size are as follows:

<u>BEDROOM</u>	<u>RENT (INCLUDES UTILITIES)</u>
Efficiency	\$ 805.00
1 Bedroom	862.50
2 Bedroom	1,035.00
3 Bedroom	1,196.00

New Jersey Council on Affordable Housing current income levels (2004) are as follows:

<u>HOUSEHOLD SIZE (PERSONS)</u>	<u>LOW INCOME</u>
1	\$32,200
1.5	34,500
3	41,400
4.5	47,840

In addition, each accessory apartment unit shall contain the following minimum gross floor area:

Efficiency	450 Sq. Ft.
1 Bedroom	550 Sq. Ft.
2 Bedroom	660 Sq. Ft.
3 Bedroom	800 Sq. Ft.

If you would like to receive more information about the program, answer the following questions and return this ad to the address shown below:

Name: _____

Address: _____

Telephone No: _____
(Home) (Work)

Township of Holland Accessory Apartment Program
Attention: Frank Delmore
61 Church Road
Milford, New Jersey 08848
(908) 995-4847

APPLICATION FOR FINANCIAL ASSISTANCE

I. APPLICANT

A. Name of applicant (legal name without abbreviation).

Address, City, State, Zip Code: _____

Name of Contact Person and Title: _____

Project Address: _____

Business Telephone Number: _____

Home Telephone Number: _____

Tax ID No. (or SS#): _____

B. Applicant Organization:

____ Corporation ____ Partnership ____ Sole Proprietorship ____ Individual

C. 1. Name, address, and telephone number of owner(s) (all persons with ownership interest):

II. PROPOSED PROJECT

A. SUMMARY: Please provide a brief narrative description of the proposed project (attach additional sheets, if necessary). Attach a sketch or plan of the proposed project.

B. Project Site.

1. Street address and City: _____

2. Indicate approximate size of building(s): _____

3. Indicate the present ____ owner, or ____ tenant of project site if different from applicant:
Name: _____
Telephone: _____
Business Address: _____
Contact Person: _____

C. Other Information – to be submitted prior to receipt of Acceptance Letter from the Accessory Apartment Program.

1. Copy of Deed and Lease Agreement with property owner/tenant as applicable.
2. Certifications of Concurrence from site owner.
3. Certification from business tenants.
4. Subsidized accessory apartments shall be as defined in Chapter 41, the Accessory Apartments Ordinance of the Township.
5. Each new accessory apartment created under the terms of this Section shall be affordable to and rented only by a qualified low-income household for a period of at least ten (10) years from the date a Certificate of Occupancy is issued for the new unit in accordance with the terms of the Township's Affordable Housing Ordinance.
6. No accessory apartment shall be created under the terms of this Section unless an application has been submitted to and approved by the Housing Administrator and unless the creation of the accessory apartment is accomplished as part of the Township's affordable housing compliance program and unless the accessory apartment is deed-restricted in accordance with the terms of the Affordable Housing Ordinance.
7. The provisions of this Section shall expire automatically when funds are no longer available to subsidize accessory apartment conversions.
8. The Board of Health shall certify the adequacy of the on-site septic system to accommodate the original dwelling plus the accessory apartment. All accessory apartment units shall meet the requirements of N.J.A.C. 5:23-2.4 and 2.5 following the completion of the conversion.

9. The lot on which the subsidized accessory apartment will be located shall conform to the minimum lot area requirement for the [R-5] CA zoning district.
10. The property proposed for conversion shall be able to accommodate sufficient off-street parking as approved by the Planning Board.
11. Applicants for the creation of a subsidized accessory apartment shall submit to the Housing Administrator:
 - (a) A sketch of floor plan(s) showing the location, size and relationship of both the accessory apartment and the primary dwelling;
 - (b) Elevations showing the modification of any exterior building façade to which changes are proposed; and
 - (c) A site development sketch showing the location of the existing dwelling and other existing buildings; all property lines; any proposed addition, along with the minimum building setback lines, the locations, size and extent of all underground utilities and the length, width and function of all rights-of-ways and easements on the property; the required parking spaces for both dwelling units; and any natural or man-made conditions which might affect construction.
 - (d) All plans and elevations shall be clear and concise and drawn to a scale of not less than one (1) inch equals four (4) feet for the floor plan(s) and elevation(s) and one (1) inch equals twenty (20) feet for the site development plan.
12. Additions to an existing structure designed to allow the creation of a subsidized accessory apartment shall not be permitted, except that small additions containing up to a maximum of five percent (5%) of the gross floor area of the existing structure or 100 square feet, whichever is less, may be permitted if the addition will facilitate the creation of the accessory apartment in a more logical manner, considering design, layout, access and safety factors. Such additions shall comply with all applicable yard, setback, coverage and other bulk requirements of the Ordinance.
13. Alterations to the exterior of the existing dwelling, other than those to improve the maintenance and attractiveness of the dwelling, shall be minimized. After the creation of the accessory apartment, the building(s) on the property shall maintain the usual appearance of a single-family detached dwelling and its appurtenant structures and shall remain compatible with the character of the surrounding neighborhood.
14. A converted dwelling shall not have more than the existing number of entrances along the front of the building. All entrances to an accessory dwelling shall be located on the side or rear of the building.
15. No new unenclosed exterior stairways shall be allowed on the front of a converted dwelling.
16. Necessary changes in the number or placement of windows to provide adequate light and air will be allowed but shall be minimized; any changes which occur must be done in a manner consistent with the architectural character of the existing dwelling.

17. An accessory apartment shall not be created on any floor above the second floor except that space above the second floor may be used for storage or sleeping rooms for a second floor apartment. No accessory apartment shall be located in a below-ground basement where the exterior grade is more than half the height of the exterior wall, unless there is at least one (2) exterior façade where the unit is at grade with the ground outside.

18. Each accessory apartment unit shall contain the following minimum gross floor area:

Efficiency	450 Sq. Ft.
1 bedroom	550 Sq. Ft.
2 bedroom	660 Sq. Ft.
3 bedroom	800 Sq. Ft.

19. Existing unauthorized accessory apartments may be legalized under this section without penalty to the property owner and without Township subsidy provided all of the foregoing criteria as well as the following criteria can be met:

- a. The unit is currently vacant or is occupied by a qualified low or moderate-income household unrelated to the owner.
- b. If the unit is currently in substandard condition, it can be brought up to standard condition before a Certificate of Occupancy is issued in accordance with all of the requirements and procedures of Chapter 41, the Township's Accessory Apartments Ordinance, except that no Township subsidy shall be required to be paid to the owner to bring the unit up to standard condition.
- c. The unit will be affirmatively marketed pursuant to the Township's Affirmative Marketing Plan. If the unit is currently occupied by a qualified low or moderate income household unrelated to the owner, it shall be affirmatively marketed when the current tenant vacates the unit.
- d. The unit will be deed-restricted for occupancy by and will remain affordable to a qualified low income household for a period of ten (10) years from the date a Certificate of Occupancy is issued for it.

III. CERTIFICATION OF APPLICANT

PLEASE NOTE:

Eligibility for financial assistance is determined by the information presented in this application and in the required attachments. Any changes in the status of the proposed project from the facts presented herein could disqualify the project, including, but not limited to, commencement of construction prior to written approval. Please contact the staff of the Accessory Apartment Program before taking any action which would change the status of the project as reported herein.

I (WE), THE UNDERSIGNED, DO HEREBY CERTIFY:

- 1. The information contained in this application and in all attachments submitted herewith is to the best of my knowledge true and complete.

2. Understand that if such information is willfully false, the Township of Holland, Accessory Apartment Program, at its option, may terminate its financial assistance and demand return of the grant.

3. I (we) shall not in any way collude, conspire, connive or agree, directly or indirectly, with any contractor, firm or person to submit a collusive or sham estimate or bid in connection with the contracts for which the contractor shall submit and will not in any manner, directly or indirectly, seek by agreement or collusion or communication or conference with any contractor, firm or person to fix the price or prices of the estimates, quotations or bids of any contractor, or to fix any overhead, profit or cost element of an estimate or bid price or proposal of any contractor, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the Township of Holland, Accessory Apartment Program or any other person interested in the proposed contract.

Owner

Date

COPY OF PROPERTY DEED

CERTIFICATE OF INSURANCE
FOR PROPERTY OWNER

HOLLAND TOWNSHIP
ACCESSORY APARTMENT PROGRAM

REAL ESTATE TAX PAYMENTS

Municipal Records

Date: _____

Name: _____

Address: _____

Tax Map Designation: _____

Taxes Paid to Date: Yes _____ No _____

If No, explain: _____

Records Reviewed by: _____

Date: __/__/__

TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM

OWNER-IDENTIFIED HOME IMPROVEMENT PROJECT

Homeowner's Names: _____

I believe the following building/occupancy code projects are necessary to improve my property at:

_____ New Jersey

DESCRIPTION:

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

8. _____

9. _____

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

INSPECTION ACKNOWLEDGEMENT

I understand and agree to the following inspection guidelines and requirements:

1. If my application for accessory apartment program assistance is approved, a complete inspection of my premises will be performed by the Township of Holland Accessory Apartment Program.
2. All deficiencies existing at my premises will be identified at the time of the inspections.
3. I understand that none of the accessory apartment assistance may be used to correct the deficiencies existing at my premises.

Property Owner

Date

Property Owner

Date

Date _____

Dear _____

In order to complete your application file, the following items are required.

1. _____
2. _____
3. _____
4. _____
5. _____

Please submit the above to our office as soon as possible.

Very truly yours,

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

INSPECTION OF DWELLING

Owner: _____

Address: _____

Date: _____

The Holland Township Accessory Apartment Program staff has inspected the above unit to determine that the unit does not meet Housing Quality Standards and that the items presented in the attached report need to be corrected. The inspection represented a review of:

- The entire dwelling
- The emergency condition repair/replacement (_____)
- Other (_____)

Reported By: _____

The dwelling unit identified above has been provided with the required assistance and the deficiencies have been corrected.

Reported By: _____

Date: _____

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

RE: Accessory Apartment Program Project
Number _____ located at _____

New Jersey

Dear

We are pleased to advise you that the Township of Holland, Accessory Apartment Program has given preliminary approval to your request for participation in the Program.

_____ You have been found eligible to receive a grant not to exceed \$10,000 of the cost of improvements to your property as specified in your project description.

You will be contacted in the near future by _____, the Program Staff assigned to your case. The construction contracting process will be explained to you by your Program Staff who will assist you with that process.

Funds will be paid to you on a reimbursement basis upon receipt by the Township of Holland, Accessory Apartment Program of a signed contract(s) for the full scope project to be undertaken. Copies of a canceled check(s) for the full project cost must also be provided and you must comply with the Accessory Apartment Program Guidelines.

We appreciate the opportunity to work with you on this vital community development project.

If you have any questions regarding the Program, contact your Program Representative at 908-475-3989.

Very truly yours,

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

PROPERTY OWNER ASSISTANCE AGREEMENT

Applicant: _____ Case Number: _____

I am the owner of property located at: _____

I know that I am able to receive \$10,000 in Accessory Apartment Program financing under the Rules and Regulations set forth in the Township of Holland Accessory Apartment Program. I know that this assistance has to be repaid by me under the terms and conditions for the program which are as follows:

- | | |
|--|--------------------------|
| - Maximum Assistance | \$10,000 |
| - Interest Rate | 0.0% |
| - Payments | 10-Year Deferred |
| - Upon sale of or transfer of property before 10 years | 100% of principal is due |

This assistance will be secured by a deed restriction of my property for the amount and term of the loan and shall be executed and filed, along with all applicable documentation, with the Hunterdon County Register's Office. I am accepting this assistance and agree to the following:

1. The assistance will be used only for the purpose of paying for improvements necessary to make my property meet the accessory apartment standards and applicable codes in effect.
2. Housing units improved under the Accessory Apartment Program will be utilized as residential space. Owner-occupied units shall not be leased.
3. The assistance may be reduced if the actual and approved costs of the repairs and improvements are less than \$10,000. I know that the amount of money I will receive will not be more than actual and approved costs.
4. To the extent and manner specified in the Agreement, work will be completed so that at the completion, the unit will meet the NJ Rehabilitation Subcode; and I will correct all code violations which are listed in the inspection report. I will use this assistance to repair the deficiencies at my property.
5. The Township is authorized to act as agent in reviewing the completed work and materials used by the contractor in the performance of the construction to determine consistency with the program specification(s) and the program accessory apartment standards.
6. The Township will not disburse funds for work unless deemed satisfactorily completed in accordance with the accessory apartment specifications.
7. The applicant will not engage in any form of collusion or kickback with contractors, subcontractors or staff in the administration of the project.

8. I, the undersigned, do hereby agree and certify that upon acceptance of assistance, that in the amount of \$_____, that in the event the property is sold, transferred or assigned before the conclusion of the 10 year deed restriction period, that the total amount of money expended to improve my property will be repaid to the Township of Holland Program Fund. I, the undersigned, also agree that this Agreement will be implemented through a property deed restriction being placed on the property, executed and filed, along with all applicable documentation, with the County of Hunterdon Register's Office upon completion of construction.
9. The Township is authorized to act as a mediator in (informally) resolving conflicts between the applicant and the contractor.
10. The applicant will not modify, delete, add or terminate the Agreement without the approval of the Township.

I certify that I have read the above and completely understand the contents of this Agreement.

Signature of Property Owner

Date

Signature of Property Owner

Date

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

PERMIT PROCEDURE

The State of New Jersey permitting process under the rehabilitation program requires the following steps in order to achieve completion:

- Contractor bid sheet with prices for components under the rehabilitation program is to be taken to the construction official for identification of the items for which a permit is required.
- Permit application must include request for Certificate of Acceptance. The Certificate of Acceptance is provided at the conclusion of construction and indicates that all permits have been satisfied.
- Contractor is to obtain a copy of the permit information and provide a copy of same to the program administrator for inclusion in the file. This documentation is to be accomplished at the beginning of the job and not at its conclusion.
- Contractor is to obtain a copy of the Certificate of Acceptance and provide a copy of same to the program administrator for inclusion in the file. This documentation must be transmitted to the program in order for final contractor payment to be released by program staff.

This notice is to be attached to the bid package and is to be discussed at the preconstruction meeting. Contractor bids are to include the price for permits and a Certificate of Acceptance.

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

PRECONSTRUCTION MEETING CHECK LIST

OWNER'S NAME: _____

PROPERTY ADDRESS: _____

DATE OF PRECONSTRUCTION MEETING: _____

PERSONS ATTENDING:

_____ OWNER

_____ OWNER

_____ CONTRACTOR

_____ PROGRAM REPRESENTATIVE

A preconstruction meeting was held at the project site at which time the following items were discussed, reviewed and all questions answered:

_____ Content of Work Write-Up

_____ N.J. Lien Law Form

_____ Any Changes to Work Write-Up

_____ Time Schedule of Start and Completion

_____ Special Conditions, If Any

Owner

Date

Owner

Date

Program Representative

Date

**TOWSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

PRECONSTRUCTION MEETING - NEW JERSEY LIEN LAW FORM

PROPERTY OWNER NAME & ADDRESS: _____

CONTRACTOR NAME, BUSINESS NAME & ADDRESS: _____

SUBCONTRACTOR NAME, BUSINESS NAME & ADDRESS: _____

CONTRACTOR SUPPLIER(S) NAME & ADDRESS: _____

SUBCONTRACTOR SUPPLIER(S) NAME & ADDRESS: _____

CASE INSPECTION LOG

Owner Name: _____

Address: _____

Initial Inspection Date: _____

Contract Date: _____

Dates of Interim Inspections:
(Inspector, fill in each date project site visited)

_____	_____	_____
_____	_____	_____
_____	_____	_____

Comments (if any): _____

Date of Final Inspection: _____

Inspector _____ Date _____

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

WORK COMPLETION CERTIFICATE

I, _____, hereby certify that the work performed in accordance with the specifications in the contract between (Homeowner) _____ and (Contractor) _____ dated _____ is completed in a competent and workmanlike manner.

Signature of Contractor

Date

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

FINAL INSPECTION REPORT

Owner: _____

Address: _____

Inspected By: _____ on _____, 20__.

General Status of Work: (Program Comments)

General Status of Work: (Property Owner Comments)

The Contractor, _____, under the terms of the contract has completed 100% of specified work, and is hereby entitled to payment in full, less any progress payment already received.

Signature of Inspector

Date

Signature of Homeowner

Date

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

NOTICE OF DEFICIENCIES

Dear

Upon a (proposed/final) inspection of the work completed at _____
_____, it was found that the following corrective
measures are necessary before a (proposed/final) payment can be issued.

Please contact this office at (908) 475-3989 to set up an appointment at the job site to review the
above listed items.

Yours truly,

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

CERTIFICATE OF COMPLETION

Owner: _____

Address: _____

Inspected By: _____ on _____, 20__.

General Comments of Owner: _____

General Condition of Work Area: _____

Discrepancies Noted (If any): _____

General Comments by Inspector: _____

I HEREBY CERTIFY THAT, the Contractor has satisfactorily completed all the rehabilitation work in accordance with the Contract.

Property Owner

Date

Program Administrator

Date

EVIDENCE PERMIT AND CERTIFICATE OF ACCEPTANCE INFORMATION ATTACHED

I certify that the rehabilitation structure located at

Meets New Jersey Uniform Construction Code, Rehabilitation Subcode (NJAC 5:23-6) Standards.

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

WARRANTEE DOCUMENTATION

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

PAYMENT CERTIFICATION AFFIDAVIT

State of New Jersey

SS:

County of Hunterdon

I, _____,
of the _____ in
the County of _____, and State of New Jersey, of full age, being duly
sworn according to law on my oath depose and say that:

1. I am (owner, partner, representative or agent) of the firm of _____
_____ completing rehabilitation construction work at property located at _____
_____ under terms of a
construction contract dated _____, 20__.
2. Pursuant to the provisions of the construction contract and consistent with the New Jersey
Construction Lien Law (P.L. 1993, C318 (N.J.S.A. 2A:44A-1 et. seq.)), I have provided the
owner with an accurate and full list of the names and addresses of each subcontractor and
supplier who may have a right to file a lien pursuant to said Act. The list has been verified
under oath by me.
3. I have secured an accurate and full list from each of my subcontractors of the names and
addresses of each of their subcontractors and suppliers who may have a right to file a lien
pursuant to said act. The list(s) have been verified under oath by my subcontractor(s).
4. I am requesting payment for rehabilitation construction services and materials pursuant to
provisions of my contract.
 - a. The list required of me as the contractor in paragraph 2. above has been provided
and there are no changes required to maintain it as true and accurate.
 - b. The list(s) required of my subcontractor(s) referenced in paragraph 3. above have
been secured by me.
 - c. I have paid all current claims of persons identified on the contractor's list; or, will use
the proceeds of the requested payment to settle all current claims.

Continued...

- d. I have required and/or will require as a condition of payment to any of my subcontractors a certification under oath that the subcontractor has paid all current claims of persons identified on the subcontractor's list; or, will use the proceeds of the subcontractor's payment to settle all current claims.

Signature

Title

Sworn and Subscribed to Before Me
This ____ Day of _____.

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

PAYMENT CERTIFICATION AFFIDAVIT

State of New Jersey
SS:
County of Hunterdon

I, _____, of the _____
_____, in the County of _____, and State of New
Jersey, of full age, being duly sworn according to law on my oath depose and say that:

1. I am (owner, partner, representative or agent) of the firm of _____
_____, completing rehabilitation
construction work at property located at _____
_____ under terms of a construction contract dated
_____, 20__.

2. Pursuant to the provisions of the construction contract and consistent with the New Jersey
Construction Lien Law (P.L. 1993, C318 (N.J.S.A. 2A:44A-1 et. seq.)), I am providing the
owner with an accurate and full list of the names and addresses of each subcontractor and
supplier who may have a right to file a lien pursuant to said act. The list verified under oath
by me is as follows:

<u>Name</u>	<u>Address</u>	<u>Supplier/ Subcontractor</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Signature

Title

Sworn and Subscribed to Before Me
This ____ day of _____.

**TOWNSHIP OF HOLLAND
ACCESSORY APARTMENT PROGRAM**

VOUCHER

Property Owner: _____

Property Address: _____

Claimant Name: _____

Claimant Address: _____

Date	Quantity	Description of Materials or Services	Unit Price	Amount
------	----------	---	---------------	--------

Total _____

CLAIMANT'S CERTIFICATION

I, _____, certify that the above claim in the amount of \$_____ is true and correct; that the items, services and disbursements charged were rendered to or for the owner on the dates stated; that no part has been paid or satisfied; and that the amount claimed is actually due.

Claimant's Signature

Date

I, _____, owner of the property referenced above acknowledge receipt of the referenced services and/or materials claimed above.

Owner's Signature

Date

PROGRAM APPROVAL

The above services or materials were rendered or furnished to the owner on the dates stated and the charges are proper.

Housing Program

Date

APPROVAL FOR PAYMENT

This claim is approved and ordered paid from the appropriations for the above owner.

Treasurer

Housing Officer

APPENDIX I
SITE DOCUMENTATION FOR HUNTINGTON KNOLLS/JIOVINO SITE