

RESOLUTION NO. 79-2020
AUTHORIZING THE BOROUGH OF SEA BRIGHT
TO ENTER INTO AN AGREEMENT WITH
THE AFFORDABLE HOUSING ALLIANCE

Councilmember Keeler introduced and offered for adoption the following Resolution;
seconded by Councilmember Leckstein:

WHEREAS, under the authorization of the New Jersey Fair Share Housing Act (N.J.S.A.52:27D-301, et seq., hereafter the "Act") the Borough is implementing a program to provide qualified affordable housing units to low and moderate income households desiring to live within the Borough; and

WHEREAS, a Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code, the State has promulgated affordability controls in regulations designated to implement the Act, by assuring that low and moderate income units that are created under the Act are occupied by low and moderate income households for an appropriate period of time (the "Rules"); and

WHEREAS, Section 5:80-26.14 of the Rules provides that affordability controls may be administered by an administrative agent acting on behalf of a Borough; and

WHEREAS, the Borough has selected Affordable Housing Alliance to be the Administrative Agent for the purposes of providing affordability control services for all affordable housing within the Borough as outlined in the contract attached hereto for an amount not to exceed \$10,000.00 per calendar year; and

WHEREAS, the term of said agreement shall become effective, nunc pro tunc, the 1st day of March, 2020 and shall terminate on the 31st day of December, 2021.

CERTIFICATION OF FUNDS

I, Michael J. Bascom, Chief Financial Officer of the Borough of Sea Bright, has certified that funds in the amount of \$5,000.00 will be available in 2020 Budget under General Administration, Contractual Services for the purpose stated herein.


MICHAEL J. BASCOM, CFO

NOW, THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Sea Bright, County of Monmouth, State of New Jersey, do hereby authorize the Mayor and Borough Clerk to execute an agreement with the Affordable Housing Alliance for an amount not to exceed \$10,000.00 per calendar year effective, nunc pro tunc, March 1, 2020 through December 31, 2021; and

BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to the following:

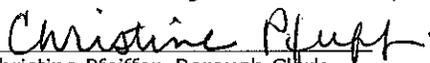
1. Affordable Housing Alliance
2. Christine Cofone, Borough Planner
3. Roger McLaughlin, Borough Attorney

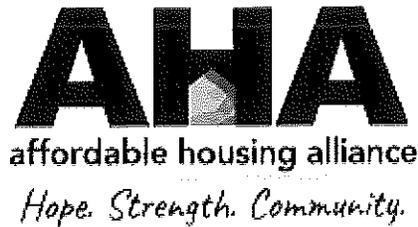
Roll Call:	Birdsall,	Catalano,	Keeler,	Leckstein,	Rooney,	Schwartz
	Yes	Yes	Yes	Yes	Yes	Yes

March 16, 2020

CERTIFICATION

I, Christine Pfeiffer, Borough Clerk, do hereby certify that the foregoing is a Resolution adopted by the Borough Council of the Borough of Sea Bright, County of Monmouth, State of New Jersey, at a Council Meeting held on March 16, 2020.


Christine Pfeiffer, Borough Clerk



THIS AGREEMENT, entered into as of this the 1st day of March, 2020,

BETWEEN

Borough of Sea Bright a Borough and instrumentality of the State, having offices at 1167 Ocean Ave, Sea Bright, NJ 07760 hereinafter called the "*Borough*"; and

Affordable Housing Alliance having offices at 3535 Route 66, Parkway 100 Building 4, Neptune, NJ 07753 hereinafter called the "*Administrative Agent*."

WITNESSETH

WHEREAS, under authorization of the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, *et seq.*, hereinafter the "Act") the Borough is implementing a program to provide qualified affordable housing units to low- and moderate-income households desiring to live within the Borough; and

WHEREAS, at Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code, the State has promulgated affordability controls in regulations designed to implement the Act, by assuring that low- and moderate-income units that are created under the Act are occupied by low- and moderate-income households for an appropriate period of time (the "Rules"); and

WHEREAS, Section 5:80-26.14 of the Rules provides that affordability controls may be administered by an administrative agent acting on behalf of a Borough; and

WHEREAS, the Borough has selected Affordable Housing Alliance to be the Administrative Agent for the purposes of providing affordability control services for all affordable housing within the Borough ~~has~~ included in this contract.

NOW THEREFORE, subject to Court's approval, the Borough and the Administrative Agent hereby agree to the following terms and conditions:

Section 1. Term

This Agreement shall become effective as of the 1st day of March, 2020, and shall have a term of *22 months*, terminating at the close of business on the 31st day of December, 2021 subject to the termination and renewal provisions set forth in *Section 4*, below.

Section 2. Applicability and Supersession

This Agreement shall define and govern all terms between the parties with respect to affordability controls for affordable housing units provided under the Act, and shall supersede all prior agreements or documents related thereto.

Section 3. Agency and Enforcement Delegation

The Borough and the Administrative Agent acknowledge that under the Rules, the Administrative Agent is acting hereunder primarily as an agent of the Borough. Anything herein to the contrary notwithstanding, however, the Borough hereby delegates to the Administrative Agent, and the Administrative Agent hereby accepts, primary responsibility for enforcing substantive provisions of the Act and the Rules. The Borough, however, shall retain the ultimate responsibility for ensuring effective compliance with the Rules and the Administrative Agent will come under the supervision of the Municipal Housing Liaison.

Section 4. Termination and Renewal

- (1) The Agreement may be terminated by either party, by giving 2 months advanced written notice to the other, to the address and in the form as set forth in *Section 8*, below, provided however, that no such termination may take effect unless and until an alternate Administrative Agent has been selected by the Borough and approved by all required governmental authorities.

- (2) Unless terminated, this Agreement shall automatically be renewed for 1 successive term of 2 years each.

Section 5. Assignment of Affordable Housing Units

For the term hereof, and without exception, this Agreement shall govern the provision of affordability control services for the following affordable housing units located within the Borough that fall under the jurisdiction of the Act:

Scattered Municipal Affordable Deed Restricted For Sales Units (Market to Affordable)

Scattered Municipal Affordable Rental Units (Market to Affordable)

Section 6. Responsibilities of the Administrative Agent

The Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in the Rules, including those set forth in Sections 5:80-26.14, 16 and 18 thereof, which includes:

- (1) Affirmative Marketing
 - (a) Conducting an outreach process to insure affirmative marketing of affordable housing units in accordance with the Affirmative Marketing Plan for the **Borough of Sea Bright** and the provisions of N.J.A.C. 5:80-26.15;

- (b) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved ; and
- (c) Providing counseling or contracting to provide counseling services to low and moderate income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

(2) Household Certification

- (a) Soliciting, scheduling, conducting and following up on interviews with interested households;
- (b) Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;
- (c) Providing written notification to each applicant as to the determination of eligibility or non-eligibility;
- (d) Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in Appendices J and K of N.J.A.C. 5:80-26.1 et. seq.;
- (e) Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located; and
- (f) Employing a random selection process as provided in the Affirmative Marketing Plan of the Borough when referring households for certification to affordable units.

(3) Affordability Controls

- (a) Furnishing to attorneys or closing agent 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.
- (4) Resale and rental
- (a) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or 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 resale or re-rental.
- (5) Processing requests from unit owners
- (a) Reviewing and approving requests from owners of restricted units who wish to take out home equity loans or refinance during the term of their ownership;
 - (b) Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the cost of central air conditioning systems;
 - (c) Notifying the Borough of an owner's intent to sell a restricted unit; and
 - (d) Processing requests and making determinations on requests by owners of restricted units for hardship waivers.
 - (e) Any and all "Alternative Living Arrangements" (i.e., Group Homes) constructed within Borough of Sea Bright after the date of this agreement; and
 - (f) Any and all dwelling units (i.e., single-family detached, 2-family side-by-side or duplex, defined "accessory apartment", townhouse and/or apartment unit) constructed or renovated within Borough of Sea Bright after the date of this agreement for occupancy by an eligible low-or-moderate income household.
- (6) Enforcement
- (a) Securing annually from the Borough lists of all affordable housing units for which tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;
 - (b) Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in

any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;

- (c) The posting 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;
 - (d) Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.18(d)4;
 - (e) Establishing a program for diverting unlawful rent payments to the Borough's affordable housing trust fund or other appropriate municipal fund approved by the DCA;
 - (f) Establishing a rent-to-equity program;
 - (g) Creating and publishing a written operating manual, as approved by the court or other designated party, setting forth procedures for administering such affordability controls; and
 - (h) Providing annual reports to the Borough, as required, so the Borough may comply with the monitoring requirements the courts may establish.
- (7) The Administrative Agent shall have authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.

Section 7. Responsibilities of the Borough

The Borough shall:

- (1) Provide to the Administrative Agent the name, title and telephone number of the municipal official designated as the Municipal Housing Liaison to the Administrative Agent on all matters related to this Agreement;
- (2) Ensure that applicable local ordinances are not in conflict with, and enable efficient implementation of, the Rules and the provisions of this Agreement;
- (3) Monitor the status of all restricted units in the Borough's Fair Share Plan;
- (4) Compile, verify, and submit annual reports as required by NJDCA, NJHMFA or the court or designee;
- (5) Coordinate meetings with affordable housing providers and Administrative Agents, as applicable;
- (6) Develop an Affirmative Marketing Plan and distribute to the Administrative Agent;

- (7) Ensure that all restricted units are identified as affordable within the tax assessor's office and any Municipal Utility Authority (MUA). The Borough and MUA shall promptly notify the Administrative Agent of a change in billing address, payment delinquency of two billing cycles, transfer of title, or institution of a writ of foreclosure on all affordable units; and
- (8) Provide all reasonable and necessary assistance to the Administrative Agent in support of efforts to enforce provisions of the Act, the Rules, deed covenants, mortgages, court decisions or other authorities governing the affordability control services to be provided under the Agreement.

Section 8. Payment for Services: The Alliance will independently bill for the following services and these fees will be in addition to those directly charged to Borough of Sea Bright in execution of this contract. Direct billing will be made to the owner or developer as follows:

- a.) New construction - rental or for sale = \$2,250 per unit paid for by the developer upon the execution of a marketing contract endorsed prior to the release of the building permit. Certified referrals are provided until all units are sold or leased up.
- b.) Resale of existing units = \$1,060 paid at closing by the seller/owner of the unit. A \$300 deposit is due from the owner in order to list the home for sale.
- c.) Rental re-lease = \$585 paid by landlord
- d.) Refinance of for sale unit = \$500 paid at loan closing by owner

The Borough agrees to enforce this policy and make it a requirement of all agreements for the construction and management of affordable units in the Borough. In addition to these fees the Borough agrees to pay the Alliance a lump sum fee of \$10,000 per year which will be billed at the signing of the contract and invoiced directly to the Borough for any consecutive years. Postage and supplies for specialized items, mailing and notices are also billed to Borough and these expenses are billed as expended but not to exceed \$250.

Section 9. Notices

All notices and other written communications between the Borough and the Administrative Agent shall be to the addresses and personnel specified below:

if to the Borough:

*Borough of Sea Bright
1167 Ocean Ave, Sea Bright, NJ 07760*

if to the Administrative Agent:

*Affordable Housing Alliance
3535 Route 66, Parkway 100 Building 4, Neptune, NJ 07753*

Section 10. Non-Waiver of Conditions

The failure of either party to insist upon strict performance of any provision of this Agreement in any one or more instances shall not constitute a consent to waiver of or excuse for any other different or subsequent breach of the same or other provision, nor as a result shall either party

relinquish any rights which it may have under this Agreement. No terms or provisions hereof shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the waiving party.

Section 11. Merger and Amendment

This written Agreement, together with its Exhibits, constitutes the sole agreement between the parties with respect to the matters covered therein, and no other written or oral communication exists which shall bind the parties with respect thereto, provided however that this Agreement may be modified by written amendments clearly identified as such and signed by both the Borough and the Administrative Agent.

Section 12. Partial Invalidation of Agreement

Should any provision of this Agreement be deemed or held to be invalid, ineffective or unenforceable, under present or future laws, the remainder of the provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the Borough and the Administrative Agent have executed this Agreement in triplicate as of the date first above written.

Section 13. Political Contribution Disclosure

This contract has been awarded to Affordable Housing Alliance based on the merits and abilities of Affordable Housing Alliance to provide the goods or services as described herein. This contract is not awarded through a "fair and open process" pursuant to N.J.S.A. 19:44A-20.4 et seq. As such, the undersigned does hereby attest that Affordable Housing Alliance, its subsidiaries, assigns or principals controlling in excess of 10% of the company has neither made a contribution, that is reportable pursuant to the Election Law Enforcement Commission pursuant to N.J.S.A. 19:44A-8 or 19:44A-16, in the one (1) year period preceding the award of the contract that would, pursuant to P.L. 2004, c.19, affect its eligibility to perform this contract, nor will it make a reportable contribution during the term of the contract to any political party committee in the Borough of Sea Bright, Monmouth County if a member of that political party is serving in an elective public office of the Borough of Sea Bright, Monmouth County when the act is awarded or to any candidate committee of any person serving in an elective public office of the Borough of Sea Bright, Monmouth County when the contract is awarded.

Borough of Sea Bright

BY _____
Brian P. Kelly, Mayor

Affordable Housing Alliance

BY _____
Donna M. Blaze, CEO

ACKNOWLEDGEMENTS

On this the ____ day of _____, 20__ before me came _____ known and known to me to be the _____ of _____, the Borough identified as such in the foregoing Agreement, who states that (s)he is duly authorized to execute said Agreement on behalf of said Borough, and that (s)he has so executed the foregoing Agreement for the purposes stated therein.

NOTARY PUBLIC

On this the ____ day of _____ before me came Donna M. Blaze, known and known to me to be the CEO of , the Affordable Housing Alliance, the Administrative Agent identified as such in the foregoing Agreement, who states that (s)he has signed said Agreement on behalf of said Administrative Agent for the purposes stated therein.

NOTARY PUBLIC



affordable housing alliance

Hope. Strength. Community.

AHPNJ ADMINISTRATIVE AGENT 2020 Certification Fee Schedule

Project Type	New Construction (For Sale & Rentals)	Re-Sale	Re-Rental	Refinance	Rehab
Billable Entity	Developer	Owner	Landlord	Owner	Municipality
Fees (per unit)	\$2,250	\$1,060	\$585	\$500	\$450