

**MINUTES OF KNOWLTON TOWNSHIP
WARREN COUNTY, NEW JERSEY
PUBLIC MEETING MINUTES
September 10, 2018**

The monthly meeting of the Knowlton Township Committee was held on this date at the Municipal Building, 628 Route 94, Columbia, New Jersey. This meeting was called to order at 7:03 p.m. by Mayor Starrs.

Mayor Starrs led the public in the Pledge of Allegiance.

Mayor Starrs read the following statement: "This meeting of the Knowlton Township Committee is being held in compliance with the Open Public Meetings Act: P: 1975, Chapter 231, noting that notice of all regularly scheduled meetings has been published in the Star Gazette and/or the Express Times as well as providing said schedule in the Municipal Clerk's office."

Roll Call

Present: Deputy Mayor Cuntala, Committeeman McNinch, Committeewoman Shipp, Committeeman Van Horn and Mayor Starrs

Also present was Township Engineer Ted Rodman and Township Attorney Richard Cushing (arrived at 7:15pm)

PUBLIC COMMENT

Resident Pam Rusweiler presented the committee with the petition that she had passed around the village of Columbia. She received 78 signatures out of 50 households. The petition shows resident support for closing one end of Decatur Street to help with the ongoing problems on Decatur from motorists and truckers using the street as a detour.

DEPARTMENT REPORTS

Township Engineer Ted Rodman

Completed the tax lien list and will prepare a packet for the committee and Township Attorney to review. Packet will include pictures and Mr. Rodman's recommendations.

Polkville Road—Mr. Rodman is coordinating with DPW Supervisor Brian Peck to get the millings and paving done on schedule.

Kill/Station Road—scheduled to be paved on October 8th.

Deputy Mayor Cuntala spoke on behalf of DPW Supervisor Brian Peck

Mr. Peck wanted to let the Committee know that everything sold at the Warren County Auction except for the wood chipper, but he does have a buyer for it. Attorney Cushing advised putting the item up for bid on the township website or even on GovDeals.com. After discussion, the Committee agreed to put the wood chipper on the township website and have offers opened at a later meeting and to try GovDeals.com for any further equipment that needs to be sold.

ORDINANCE

2018-07- BOND ORDINANCE PROVIDING AN APPROPRIATION OF \$58,300 FOR ACQUISITION OF A SICKLE BAR MOWER FOR AND BY THE TOWNSHIP OF KNOWLTON IN THE COUNTY OF WARREN, NEW JERSEY AND AUTHORIZING THE ISSUANCE OF \$14,600 BONDS OR NOTES OF THE TOWNSHIP FOR FINANCING PART OF THE APPROPRIATION.

BE IT ORDAINED, BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF KNOWLTON, IN THE COUNTY OF WARREN, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1:

The improvements described in Section 3 of this bond ordinance (the "Improvements") are hereby authorized to be undertaken by the Township of Knowlton, New Jersey (the "Township") as general improvements. For the said Improvement there is hereby appropriated the amount of \$58,300, such sum includes the sum of (a) \$40,000 from the Reserve for Department of Public Works equipment and (b) \$3,700 as the down payment (the "Down Payment") required by the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended and supplemented (the "Local Bond Law"). The Down Payment is now available by virtue of provisions in one or more previously adopted budgets for down payments for capital improvement purposes.

SECTION 2:

In order to finance the cost of the Improvements not covered by application of the Down Payment, negotiable bonds of the Township are hereby authorized to be issued in the principal amount of \$14,600 pursuant to the provisions of the Local Bond Law (the "Bonds"). In anticipation of the issuance of the Bonds and to temporarily finance said improvements or purposes, negotiable bond anticipation notes of the Township are hereby authorized to be issued in the principal amount not exceeding \$14,600 pursuant to the provisions of the Local Bond Law (the "Bond Anticipation Notes" or "Notes").

SECTION 3:

(a) The Improvements authorized and the purpose for the financing of which said obligations are to be issued is for acquisition of a sickle bar mower for the Department of Public Works, including, as applicable, all work, materials, equipment and appurtenances necessary therefor and incidental thereto.

(b) The estimated maximum amount of Bonds or Notes to be issued for the purpose of financing a portion of the cost of the Improvements is \$14,600.

(c) The estimated cost of the Improvements is \$58,300 which amount represents the initial appropriation made by the Township.

SECTION 4:

All Bond Anticipation Notes issued hereunder shall mature at such times as may be determined by the chief financial officer of the Township (the "Chief Financial Officer"); provided that no Note shall mature later than one year from its date. The Notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with Notes issued pursuant to this ordinance, and the signature of the Chief Financial Officer upon the Notes shall be conclusive evidence as to all such determinations. All Notes issued hereunder may be renewed from time to time subject to the provisions of Section 8(a) of the Local Bond Law. The Chief Financial Officer is hereby authorized to sell part or all of the Notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The Chief Financial Officer is directed to report in writing to the Township Committee of the Township at the meeting next succeeding the date when any sale or delivery of the Notes pursuant to this ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the Notes sold, the price obtained and the name of the purchaser.

SECTION 5:

The capital budget of the Township is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency herewith. The resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget and capital program as approved by the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey is on file with the Township Clerk and is available for public inspection.

SECTION 6:

The following additional matters are hereby determined, declared, recited and stated:

(a) The Improvements described in Section 3 of this bond ordinance are not current expenses, and are capital improvements or properties that the Township may lawfully make or acquire as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The period of usefulness of the Improvements, within the limitations of the Local Bond Law, and according to the reasonable life thereof computed from the date of the Bonds authorized by this bond ordinance, is 15 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Township Clerk and a complete executed duplicate thereof has been filed in the office of the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such statement shows that the gross debt of the Township, as defined in the Local Bond Law, is increased by the authorization of the Bonds and Notes provided in this bond ordinance by \$14,600 and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$2,000 for items of expense listed in and permitted under Section 20 of the Local Bond Law is included in the estimated cost of the Improvements, as indicated herein.

SECTION 7:

Any funds received from time to time by the Township as contributions in aid of financing the purposes described in Section 3 of this Ordinance (including \$14,600 expected to be received from the New Jersey Department of Environmental Protection) shall be used for financing said Improvements by application thereof either to direct payment of the cost of said Improvements or to the payment or reduction of the authorization of the obligations of the Township authorized therefor by this Bond Ordinance. Any such funds received may, and all such funds so received which are not required for direct payment of the cost of said Improvements shall, be held and applied by the Township as funds applicable only to the payment of obligations of the Township authorized by this Bond Ordinance.

SECTION 8:

The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy ad valorem taxes upon all the taxable property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

SECTION 9:

The Chief Financial Officer of the Township is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Township and to execute such disclosure document on behalf of the Township. The Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Township and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 10:

This Bond Ordinance constitutes a declaration of official intent under Treasury Regulation Section 1.150-2. The Township reasonably expects to pay expenditures with respect to the Improvements prior to the date that Township incurs debt obligations under this Bond Ordinance. The Township reasonably expects to reimburse such expenditures with the proceeds of debt to be incurred by the Township under this Bond Ordinance. The maximum principal amount of debt expected to be issued for payment of the costs of the Improvements is \$14,600.

SECTION 11:

This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

Motion was made by Mayor Starrs, second by Deputy Mayor Cuntala and approved by an all-in-favor to go into public hearing.

No public comment

Motion was made by Mayor Starrs, second by Deputy Mayor Cuntala and approved by an all-in-favor to come out of public hearing

Motion was made by Mayor Starrs, second by Deputy Mayor Cuntala and approved by a roll call vote Cuntala--yes, McNinch--yes, Shipps--yes, Van Horn--yes, Starrs--yes to adopt ordinance 2018-07.

Introduction

2018-08 An Ordinance of the Township of Knowlton Amending Chapter 11 Article 53 of the Code of the Township of Knowlton Pursuant to A Settlement Agreement Between the Fair Share Housing Center and the Township of Knowlton Dated December 5, 2016 as approved by the Superior Court of New Jersey, Warren County Law Division on May 19, 2017

WHEREAS, the Township of Knowlton (the "Township") filed a Declaratory Judgment Action in the Superior Court of New Jersey, Warren County, captioned IMO Township of Knowlton, Docket No. WRN-L-215-15 (the "Declaratory Judgment Action"), in furtherance of the Supreme Court's March 10, 2015, decision in re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (the "Supreme Court Decision"); and

WHEREAS, the Township entered into a Settlement Agreement with the Fair Share Housing Center dated December 5, 2016 and authorized by Township Committee Resolution No. 2016-107, arising out of a Declaratory Judgment action that determines the Township's affordable housing obligation and the mechanisms for how the obligation will be addressed filed by the Township seeking a delineation of the Township's compliance with the Mt. Laurel doctrine and Fair Share Housing Act of 1985 ("Settlement Agreement"); and

WHEREAS, the Settlement Agreement was approved by the Superior Court of New Jersey, Somerset County Law Division at a duly noticed Fairness Hearing on May 19, 2017; and

WHEREAS, the Township Planning Board has adopted a Housing Element and Fair Share Plan in compliance with the Settlement Agreement and pursuant to the Municipal Land Use Law, N.J.S.A. 40:55D-1, et seq.; and

WHEREAS, the Settlement Agreement and the Court's approval require certain changes to the Township's ordinances to address compliance issues; and

WHEREAS, the Township Committee of the Township of Knowlton wishes to amend the Township's ordinances to comply with the requirements of the Settlement Agreement and Court's approval thereof;

BE IT ORDAINED, by the Mayor and Committee of the Township of Knowlton in the County of Warren, and State of New Jersey as follows (deletions are shown as ~~the~~ and additions are shown as *thus*):

SECTION 1. Chapter 11, Article 53 entitled, “Affordable Housing Regulations” is hereby amended as follows:

§ 11-375 Affordable housing obligation.

A. This section is intended to assure that **very low-**, low-, and moderate-income units (“affordable units”) are created with controls on affordability over time and that **very low-**, low-, and moderate-income households shall occupy these units. This section shall apply except where inconsistent with applicable law **or an order from a court of competent jurisdiction.**

B. The Knowlton Township Planning Board has adopted a Housing Element and Fair Share Plan **(the “Fair Share Plan”)** pursuant to the **Fair Housing Act and** Municipal Land Use Law ~~at~~ (N.J.S.A. 40:55D-1 et seq.). The Fair Share Plan has been endorsed by the governing body. ~~The Fair Share Plan describes the ways Knowlton Township shall address its fair share for low- and moderate-income housing as determined by the Council on Affordable Housing (COAH) and documented in the Housing Element.~~

Said Fair Share Plan provides the framework for this Article. The Fair Share Plan has been endorsed by the governing body. The Fair Share Plan describes the ways the Township of Knowlton shall address its fair share for very low-, low-, and moderate-income housing as documented in the Fair Share Plan and outlined in the terms of the settlement agreement between the Township and Fair Share Housing Center (“FSHC”) in the Matter of the Application of the Township of Knowlton, County of Warren, Docket No. WRN-215-15 (the “Settlement Agreement”). The Superior Court of the State of New Jersey, Warren County approved a settlement agreement between the Township and FSHC via a fairness hearing on May 19, 2017 in the case captioned In the Matter of the Application of the Township of Knowlton, Docket No. WRN-L-215-15. Pursuant to the Settlement Agreement, the Township must seek approval from the Court of its Fair Share Plan referenced above via a Compliance Hearing, to be held after adoption of this Fair Housing Ordinance.

~~C. This section implements and incorporates the Fair Share Plan and addresses the requirements of N.J.A.C. 5:97, as may be amended and supplemented.~~

~~D. Knowlton Township shall file monitoring reports with COAH in accordance with N.J.A.C. 5:96, tracking the status of the implementation of the Housing Element and Fair Share Plan. Any plan evaluation report of the Housing Element and Fair Share Plan and monitoring prepared by COAH in accordance with N.J.A.C. 5:96 shall be available to the public at the Knowlton Township Municipal Building, Municipal Clerk's Office, 150 Kennedy Road, Tranquility, New Jersey, or from COAH at 101 South Broad Street, Trenton, New Jersey and on COAH's website, www.nj.gov/dca/affiliates/coah.~~

C. This Ordinance shall not become effective until the Court approves the Township’s Fair Share Plan and issues a Judgement of Repose.

§ 11-376 Definitions.

The following terms when used in this section shall have the meanings given in this section:

A. All definitions contained in N.J.A.C. 5:96-1.1 et seq., as may be amended by the decision in In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (“Mount Laurel IV”) or a court of competent jurisdiction, Procedural Rules of the New Jersey Council on Affordable Housing, and N.J.A.C. 5:97-1.1. et seq., as may be amended by the decision in Mount Laurel IV or a court of competent jurisdiction, Substantive Rules of the New Jersey Council on Affordable Housing, are hereby incorporated and adopted as if set forth in full herein. For convenience, the following definitions are provided for reference purposes. In the event of any conflict or amendment to the New Jersey Administrative Code (N.J.A.C.), the definitions and rules duly promulgated pursuant to the Administrative Procedures Act shall govern this chapter.

B. As used in this chapter, the following terms shall have the meanings indicated:

ACCESSORY APARTMENT

A self-contained residential dwelling unit with a kitchen, sanitary facilities, sleeping quarters and a private entrance, which is created within an existing home, or through the conversion of an existing accessory structure on the same site, or by an addition to an existing home or accessory building, or by the construction of a new accessory structure on the same site.

ACT

The Fair Housing Act of 1985, P.L. 1985, c. 222 (N.J.S.A. 52:27D-301 et seq.).

ADAPTABLE

Constructed in compliance with the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.

ADMINISTRATIVE AGENT

The entity responsible for the administration of affordable units in accordance with this section, N.J.A.C. 5:96, N.J.A.C. 5:97 and N.J.A.C. 5:80-26.1 et seq.

AFFIRMATIVE MARKETING

A regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.15.

AFFORDABILITY AVERAGE

The average percentage of median income at which restricted units in an affordable housing development are affordable to low- and moderate-income households.

AFFORDABLE

A sales price or rent within the means of a low- or moderate-income household as defined in N.J.A.C. 5:97-9; in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.6, as may be amended and supplemented, and, in the case of a rental

unit, that the rent for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.12, as may be amended and supplemented.

AFFORDABLE DEVELOPMENT

A housing development all or a portion of which consists of restricted units.

AFFORDABLE HOUSING DEVELOPMENT

A development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a one-hundred-percent affordable development.

AFFORDABLE HOUSING PROGRAM(S)

Any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality's fair share obligation.

AFFORDABLE UNIT

A housing unit proposed or created pursuant to the Act, credited pursuant to N.J.A.C. 5:97-4, and/or funded through an affordable housing trust fund.

AGENCY

The New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (N.J.S.A. 55:14K-1, et seq.).

AGE-RESTRICTED UNIT

A housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that:

- A. All the residents of the development where the unit is situated are 62 years or older; or
- B. At least 80% of the units are occupied by one person that is 55 years or older; or
- C. The development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as "housing for older persons" as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

ASSISTED LIVING RESIDENCE

A facility licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor and that offers units containing, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

CERTIFIED HOUSEHOLD

A household that has been certified by an Administrative Agent as a low-income household or moderate-income household.

COAH

The Council on Affordable Housing, which is in, but not of, the Department of Community Affairs of the State of New Jersey, that was established under the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.).

DCA

The State of New Jersey Department of Community Affairs.

DEFICIENT HOUSING UNIT

A housing unit with health and safety code violations that require the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load-bearing structural systems.

DEVELOPER

Any person, partnership, association, company or corporation that is the legal or beneficial owner or owners of a lot or any land proposed to be included in a proposed development including the holder of an option to contract or purchase, or other person having an enforceable proprietary interest in such land.

DEVELOPMENT

The division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure, or of any mining, excavation or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to N.J.S.A. 40:55D-1 et seq.

HOUSEHOLD

A person or persons occupying a housing unit, whether the owner or tenant of the unit.

INCLUSIONARY DEVELOPMENT

A development containing both affordable units and market rate units. This term includes, but is not necessarily limited to: new construction, the conversion of a nonresidential structure to residential and the creation of new affordable units through the reconstruction of a vacant residential structure.

LOW-INCOME HOUSEHOLD

A household with a total gross annual household income equal to 50% or less of the median **gross** household income *for households of the same size within the housing region in which the household is located*.

LOW-INCOME UNIT

A restricted unit that is affordable to a low-income household.

MAJOR SYSTEM

The primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement or load-bearing structural systems.

MARKET-RATE UNITS

Housing not restricted to low- and moderate-income households that may sell or rent at any price.

MEDIAN INCOME

The median income by household size for the applicable county, as adopted annually by COAH.

MODERATE-INCOME HOUSEHOLD

A household with a total gross annual household income in excess of 50% but less than 80% of the median **gross** household income *for households of the same size within the housing region in which the household is located*.

MODERATE-INCOME UNIT

A restricted unit that is affordable to a moderate-income household.

NON-EXEMPT SALE

Any sale or transfer of ownership other than the transfer of ownership between husband and wife; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor's deed to a class A beneficiary and the transfer of ownership by court order.

PROGRAM

The administration and assistance provided under this chapter to rehabilitate housing units that are substandard, create accessory apartments, and to fund the conversion of market units to affordable units.

RANDOM SELECTION PROCESS

A process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery).

REGIONAL ASSET LIMIT

The maximum housing value in each housing region affordable to a four-person household with an income at 80% of the regional median as defined by COAH's adopted Regional Income Limits published annually by COAH.

REHABILITATION

The repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

RENT

The gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted living residences, rent does not include charges for food and services.

RESTRICTED UNIT

A dwelling unit, whether a rental unit or ownership unit, that is subject to the affordability controls of N.J.A.C. 5:80-26.1, as may be amended and supplemented, but does not include a market-rate unit financed under UHORP or MONI.

SETTLEMENT AGREEMENT

A settlement agreement between the Township and Fair Share Housing Center ("FSHC") in the Matter of the Application of the Township of Knowlton, County of Warren, Docket No. WRN-215-15.

SUBSTANDARD HOUSING UNIT

A housing unit with health and safety code violations that require the repair or replacement of a major system. A major system includes a roof, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems) and/or a load bearing structural system.

SURROGATE

A census indicator of deficient housing.

UHAC

The Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26.1 et seq.

VERY LOW-INCOME HOUSEHOLD

A household with a total gross annual household income equal to 30% or less of the median household income.

VERY LOW-INCOME UNIT

A restricted unit that is affordable to a very low-income household.

WEATHERIZATION

Building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for rehabilitation.

§ 11-377 *Municipal Fair Share Obligation; Affordable housing programs.*

As set forth in the Settlement Agreement, the fair share obligation of the Township consists of a ten (10) unit rehabilitation obligation, a fourteen (14) unit prior round obligation, and a thirty-two (32) unit prospective need obligation. The Township shall comply with the terms of the Settlement Agreement. The Township has determined that it will use the following mechanisms to satisfy its affordable housing obligations: rehabilitation, gut-rehabilitation, accessory apartments, market-to-affordable buy down, and special needs housing.

~~The Knowlton Township has determined that it will use the following mechanisms to satisfy its affordable housing obligations:~~

A. A rehabilitation program.

(1) Knowlton Township's rehabilitation program shall be designed to renovate deficient housing units occupied by low- and moderate-income households such that, after rehabilitation, these units will comply with the New Jersey State Housing Code pursuant to N.J.A.C. 5:28.

(2) ***Household Eligibility.***

(a) Only owners of houses or structures within the Township are eligible for the rehabilitation assistance provided under this chapter. Both owner-occupied and renter-occupied units shall be eligible for rehabilitation funds. ***For owner-occupied units, the owner shall be determined to be income eligible as a low- or moderate-income household as herein defined, in accordance with this chapter. For renter-occupied units, the tenant household shall be determined to be income eligible as low- or moderate-income, in accordance with this chapter.***

(b) Owners of vacant units which are found to be eligible for assistance under this chapter shall enter into an agreement or deed restriction, that the unit will either be rented or sold to a very low -, low-, or moderate-income eligible household as provided in this chapter and the rent or sales price of the unit shall be restricted for a term of years as outlined herein.

(3) ***Unit Eligibility.***

(a) A dwelling unit which is proposed to be rehabilitated under this chapter must be found to be a substandard housing unit in accordance with N.J.A.C. 5:97-1.1 et seq., as may be amended by the decision in Mount Laurel IV or a court of competent jurisdiction. A "substandard housing unit" is defined as a unit that was built prior to 1950 and is overcrowded or one with health and safety code violations that require the repair or replacement of a major system. A major system shall include a roof, plumbing (including wells), heating, electricity, weatherization, sanitary plumbing (including septic systems) and/or a load bearing structural system. Upon rehabilitation, housing deficiencies shall be corrected and the house shall be brought up to code standard. The standard for evaluating rehabilitation activity shall be the local property maintenance code or, if none is available, the BOCA National Existing Structures Code. The rehabilitation activity shall not include luxury improvements, the purchase of appliances (with the exception of stoves) or improvements that are strictly cosmetic.

~~(3) —~~ **(b) All rehabilitated units shall remain affordable to low- and moderate-income households for a period of 10 years (the control period). *Owners of units rehabilitated under this chapter shall be bound by a recorded deed or declaration of covenants and restrictions applied to the property upon which the rehabilitated unit is located running with the land and limiting its subsequent rental or sale of the unit. The form of which shall be prepared by the Township Attorney in conformance with the Act.***

~~For owner-occupied units the control period will be enforced with a lien and for renter-occupied units the control period will be enforced with a deed restriction.~~

(4) Terms of Rehabilitation Program

(a) The assistance provided under this chapter shall be available until 10 units of deficient housing (including those completed between 200 and the adoption of this ordinance) have been satisfactorily rehabilitated within the Township's period of substantive certification or Judgment of Repose.

~~(b) (4) Knowlton~~ **The Township shall dedicate a minimum of \$10,000 for each unit to be rehabilitated through this program, reflecting the minimum hard cost of rehabilitation for each unit.**

~~(5) — Knowlton Township shall adopt a resolution committing to fund any shortfall in the rehabilitation programs for Knowlton Township.~~

~~(6) — Knowlton Township shall designate, subject to the approval of COAH, one or more Administrative Agents to administer the rehabilitation program in accordance with N.J.A.C. 5:96 and N.J.A.C. 5:97. The Administrative Agent(s) shall provide a rehabilitation manual for the owner occupancy rehabilitation program and a rehabilitation manual for the rental occupancy rehabilitation program to be adopted by resolution of the governing body and subject to approval of COAH. Both rehabilitation manuals shall be available for public inspection in the Office of the Municipal Clerk and in the office(s) of the Administrative Agent(s).~~

~~(7c)~~ **Units in a rehabilitation program shall be exempt from N.J.A.C. 5:97-9 and Uniform Housing Affordability Controls (UHAC), but shall be administered in accordance with the following:**

(a) If a unit is vacant, upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the deed restriction shall

require the unit to be rented to a low- or moderate-income household at an affordable rent and affirmatively marketed pursuant to N.J.A.C. 5:97-9 and UHAC.

(b) If a unit is renter-occupied, upon completion of the rehabilitation, the maximum rate of rent shall be the lesser of the current rent or the maximum permitted rent pursuant to N.J.A.C. 5:97-9 and UHAC.

(c) Rents in rehabilitated units may increase annually based on the standards in N.J.A.C. 5:97-9.

(d) Applicant and/or tenant households shall be certified as income-eligible in accordance with N.J.A.C. 5:97-9 and UHAC, except that households in owner-occupied units shall be exempt from the regional asset limit.

(5) The Township shall adopt a resolution committing to fund any shortfall in the rehabilitation programs for Knowlton Township.

(6) The Township shall designate, subject to the approval of COAH, one or more Administrative Agents to administer the rehabilitation program in accordance with N.J.A.C. 5:96 and N.J.A.C. 5:97. The Administrative Agent(s) shall provide a rehabilitation manual for the owner occupancy rehabilitation program and a rehabilitation manual for the rental occupancy rehabilitation program to be adopted by resolution of the governing body and subject to approval of COAH. Both rehabilitation manuals shall be available for public inspection in the Office of the Municipal Clerk and in the office(s) of the Administrative Agent(s).

B. An accessory apartment program.

(1) All accessory apartments shall meet the following conditions:

(a) Accessory apartments are permitted ***in existing principal of accessory buildings in*** ~~by the Zoning Ordinance for all zoning districts, provided the units ***comply with all conditions set forth herein.*** are affordable to low- and moderate-income households.~~ Accessory apartments may be developed as low-income or moderate-income units (accessory apartments may be limited to only low- or only moderate-income units as determined in the Fair Share Plan).

(b) Accessory apartments shall comply with all applicable statutes and regulations of the State of New Jersey in addition to all building codes.

(c) At the time of initial occupancy of the unit and for at least 10 years thereafter, the accessory apartment shall be rented only to a household which is either a low- or moderate-income household.

(d) Rents of accessory apartments, ***including an allowance for utilities***, shall be affordable to low- or moderate-income households as per COAH and UHAC regulations.

(e) There shall be a recorded deed or declaration of covenants and restrictions

applied to the property upon which the accessory apartment is located running with the land and limiting its subsequent rental or sale of the unit and the accessory apartment.

(f) The appropriate utility authority must certify that there is water and sewer infrastructure with sufficient capacity to serve the proposed accessory apartment. Where the proposed location is served by an individual well and/or septic system, the additional capacity necessitated by the new unit must meet the appropriate NJDEP standards.

(g) The Knowlton Township accessory apartment program shall not restrict the number of bedrooms in any accessory apartment.

(h) No accessory apartment created as a result of this article or these regulations shall exceed the gross floor area of the existing principal dwelling on the lot.

(i) The owner of the principal dwelling shall reside in the principal dwelling or the apartment at all times.

(j) The accessory apartment shall have living and sleeping space, cooking facilities, a kitchen sink, and complete sanitary facilities for the exclusive use of its occupants.

(k) The accessory apartment shall consist of not less than two rooms, one of which shall be a bathroom containing a flush toilet, wash basin and bathroom tub or shower.

(l) All rooms shall be accessible from within the apartment.

(m) The accessory apartment shall be separate from the primary residence and private and secure from all attached units.

(n) The apartment shall have direct access to the outdoors or directly to a hall from which there is direct access to the outdoors without passing through any other unit, and the accessory apartment shall comply with all requirements of the applicable building codes.

(o) If the apartment is located on the second or third floor, there shall be at least two means of access to the outdoors, available at all times, as approved by the Construction Official. Exterior stairways for the accessory apartment shall be located at the rear or side of the structure.

(2) The maximum number of creditable accessory apartments shall be equal to no more than 10 or an amount equal to 10% of the ~~Knowlton~~-Township's fair share obligation, whichever is greater. (Additional units may be approved by COAH **or a court of competent jurisdiction** if the ~~municipality~~**Township** has demonstrated successful completion of its accessory apartment program.)

(3) ~~Knowlton~~-The Township shall designate an administrative entity **Administrative Agent** to administer the accessory apartment program that shall have the following responsibilities:

(a) The Administrative Agent shall administer the accessory apartment program, including advertising, income qualifying prospective renters, setting rents and annual rent increases, maintaining a waiting list, distributing the subsidy, securing certificates of occupancy, qualifying

properties, handling application forms, filing deed restrictions and monitoring reports and affirmatively marketing the affordable accessory apartment program in accordance with the UHAC.

(b) The ~~administrative entity~~ **Administrative Agent** shall only deny an application for an accessory apartment if the project is not in conformance with COAH's requirements and/or the provisions of this section/article. All denials shall be in writing with the reasons clearly stated.

(c) In accordance with COAH requirements, ~~know to~~ **the Township** shall provide at least \$25,000 per unit to subsidize the creation of each low-income accessory apartment or \$20,000 per unit to subsidize the creation of each moderate-income accessory apartment. Subsidy may be used to fund actual construction costs and/or to provide compensation for reduced rental rates.

(4) Property owners wishing to apply to create an accessory apartment shall submit to the administrative entity:

(a) A sketch of floor plan(s) showing the location, size and relationship of both the accessory apartment and the primary dwelling within the building or in another structure;

(b) Rough elevations showing the modifications of any exterior building facade 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; proposed addition, if any, along with the minimum building setback lines; the required parking spaces for both dwelling units; and any man-made conditions which might affect construction.

C. A market-to-affordable program.

(1) A market-to-affordable program is established to permit the purchase or subsidization of units through a written agreement with the property owner and sold or rented to low- and moderate-income households. Subject to the provisions of Subsection C(2)(c) below, the market-to-affordable programs may produce both low- and moderate-income units **and will produce at least two very-low income units** ~~(the program may be limited to only low- or only moderate-income units as per the Fair Share Plan)~~.

(2) The following provisions shall apply to market-to-affordable programs:

(a) At the time they are offered for sale or rental, eligible units may be new, pre-owned or vacant.

(b) The units shall be certified to be in sound condition as a result of an inspection performed by a licensed building inspector.

(c) The ~~municipality~~ **Township** will provide a minimum of \$25,000 per unit to subsidize each moderate-income unit and/or \$30,000 per unit to subsidize the each low-income unit, with additional subsidy depending on the market prices or rents in a municipality.

(d) The maximum number of creditable market-to-affordable units shall be equal to no more than 10 for sale units and 10 rental units or a combined total of 10% of the fair share obligation, whichever is greater. (Additional units may be approved by COAH **or a court of competent jurisdiction** if the ~~municipality~~**Township** demonstrates the successful completion of its initial market-to-affordable program.)

(3) The units shall comply with N.J.A.C. 5:97-9 and UHAC with the following exceptions:

(a) Bedroom distribution [N.J.A.C. 5:80-26.3(b) and (c)];

(b) Low/moderate income split [N.J.A.C. 5:80-26.3(a)]; and

(c) Affordability average [N.J.A.C. 5:80-26.3(d) and (e)]; however:

[1] The maximum rent for a moderate-income unit shall be affordable to households earning no more than 60% of median income and the maximum rent for a low-income unit shall be affordable to households earning no more than 44% of median income; and

[2] The maximum sales price for a moderate-income unit shall be affordable to households earning no more than 70% of median income and the maximum sales price for a low-income unit shall be affordable to households earning no more than 40% of median income.

D. A Gut-Rehabilitation Program.

E. Supportive and Special Needs Housing Unit Program

(1) All supportive and special needs housing units shall meet the following conditions:

(a) Supportive and special needs housing units shall be permitted in all zones.

Supportive and special needs housing includes, but is not limited to: residential health care facilities as licensed and/or regulated by DCA or the New Jersey Department of Health and Senior Services if the facility is located with, and operated by, a licensed health care facility; group homes for people with developmental disabilities and mental illness as licensed and/or regulated by the New Jersey Department of Health and Human Services; permanent supportive housing; and supportive share living housing. Long term health care facilities including nursing homes, and Class A, B, C, D, and E boarding homes do not qualify as special needs housing.

(b) Supportive and special needs housing shall comply with all applicable statutes and regulations of the State of New Jersey in addition to all building codes.

(c) The following provisions shall apply to permanent supportive housing, group homes, residential health care facilities and supportive shared living housing.

(i) The unit of credit shall be the unit for permanent and supportive housing, but shall be the bedroom for group homes, residential health care facilities, and supportive shared living housing.

(ii) *Housing that is age-restricted shall be included with the maximum number of units that may be age-restricted pursuant to N.J.A.C. 5:7-3.8.*

(iii) *Units/occupancy shall not be restricted to youth under 18 years of age.*

(iv) *All sites shall meet the site suitability criteria set forth in N.J.A.C. 5:97-3.13.*

(v) *The Township or developer/sponsor shall have site control or the ability to control the site(s).*

(d) *The bedroom and/or units shall comply with N.J.A.C. 5:97-9 and UHAC with the following exceptions:*

(i) *Affirmative marketing (N.J.A.C. 5:80-26.15); however, group homes, residential health care facilities, permanent supportive housing and supportive shared living housing shall be affirmatively marketed to individuals with special needs in accordance with a plan approved by the Council's Executive Director or a court of competent jurisdiction.*

(ii) *Affordability average and bedroom distribution (N.J.A.C. 5:80-26.3);*
and

(iii) *With the exception of units established with capital funding through a twenty-year operating contract with the Department of Human Services, Division of Developmental Disabilities, group homes, residential health care facilities, supportive shared living housing and permanent supportive housing shall have the appropriate controls on affordability in accordance with N.J.A.C. 5:97-9.*

(2) *The following documentation shall be submitted prior to marketing the completed units or facility:*

(a) *An affirmative marketing plan in accordance with Subsection (d)(i) above;*
and

(b) *If applicable, proof that the supportive and/or special-needs housing is regulated by the New Jersey Department of Health and Senior Services, the New Jersey Department of Human Services or another state agency in accordance with the requirements of this section, which includes validation of the number of bedrooms or units in which low- or moderate-income occupants reside.*

(3) *Municipal building permit fees shall be waived in all cases involving permanent supportive housing, group homes, residential health care facilities and supportive shared living housing development under this section.*

(4) *The service provider for the alternative living arrangement shall act as the Administrative Agent for the purposes of administering the affirmative marketing and affordability requirements for the alternative living arrangement.*

§ 11-378 Monitoring and Reporting Requirements

The Township shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its Court-approved Housing Element and Fair Share Plan:

A. Beginning on November 5, 2018, and on every anniversary of that date through November 5, 2025, the Township agrees to provide annual reporting of its Affordable Housing Trust Fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center (FSHC) and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs (NJCA), Council on Affordable Housing (COAH), or Local Government Services (NJLGS). The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

B. Beginning on November 5, 2018, and on every anniversary of that date through November 5, 2025, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by COAH or any other forms endorsed by the Special Master and FSHC.

C. By July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the Court regarding these issues.

D. By November 5, 2020, and every third year thereafter, as required by N.J.S.A. 52:27D-329.1, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very low-income requirements, including its family very low-income requirements. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very low-income and family very low-income housing obligations.

[§ 11-3789 through § 11-3801. \(Reserved\)](#)

§ 11-381 New construction.

The following general guidelines apply to all newly constructed developments that contain **very low-**, **low-**, and moderate-income housing units, including any currently unanticipated future developments that will provide **very low-**, **low-**, and moderate-income housing units.

A. Low/moderate split and bedroom distribution of affordable housing units:

(1) The fair share obligation shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low-income unit. ***At least 13 percent of all restricted rental units shall be very low-income units (affordable to a household earning 30 percent or less of regional median income by household size). The very low-income units shall be counted as part of the required number of low-income units within the development.***

(2) In each affordable development, at least 50% of the restricted units within each bedroom distribution shall be low-income units.

(3) Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:

(a) The combined number of efficiency and one-bedroom units shall be no greater than 20% of the total low- and moderate-income units;

(b) At least 30% of all low- and moderate-income units shall be two-bedroom units;

(c) At least 20% of all low- and moderate-income units shall be three-bedroom units; and

(d) The remaining units may be allocated among two- and three-bedroom units at the discretion of the developer.

(4) Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the inclusionary development. The standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.

B. Accessibility requirements:

(1) The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7 and N.J.A.C. 5:97-3.14.

(2) All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one other dwelling unit shall have the following features:

(a) An adaptable toilet and bathing facility on the first floor;

(b) An adaptable kitchen on the first floor;

(c) An interior accessible route of travel on the first floor;

(d) An interior accessible route of travel shall not be required between stories within an individual unit;

(e) An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and

(f) An accessible entranceway as set forth at P.L. 2005, c. 350 (N.J.S.A. 52:27D-311a et seq.) and the Barrier Free Subcode, N.J.A.C. 5:23-7 and N.J.A.C. 5:97-3.14, or evidence that the Knowlton Township has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:

[1] Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.

[2] To this end, the builder of restricted units shall deposit funds within the Knowlton Township's affordable housing trust fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.

[3] The funds deposited under Subsection B(2)(a)[2] above shall be used by Knowlton Township for the sole purpose of making the adaptable entrance of any affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.

[4] The developer of the restricted units shall submit a design plan and cost estimate for the conversion from adaptable to accessible entrances to the Construction Official of Knowlton Township.

[5] Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free Subcode, N.J.A.C. 5:23-7 and N.J.A.C. 5:97-3.14, and that the cost estimate of such conversion is reasonable, payment shall be made to Knowlton Township's affordable housing trust fund in care of the Municipal Treasurer who shall ensure that the funds are deposited into the affordable housing trust fund and appropriately earmarked.

[6] Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is site impracticable to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free Subcode, N.J.A.C. 5:23-7 and N.J.A.C. 5:97-3.14.

C. Design:

1. In inclusionary developments, to the extent possible, low- and moderate-income units shall be integrated with the market units.

2. In inclusionary developments, low- and moderate-income units shall have access to all

of the same common elements and facilities as the market units.

DC. Maximum rents and sales prices.

(1) In establishing rents and sales prices of affordable housing units, the administrative agent shall follow the procedures set forth in UHAC, ***utilizing the most recently published regional weighted average of the uncapped Section 8 income limits published by HUD and the calculation procedures set forth in the Consent Order entered on December 16, 2016, by the Honorable Douglas K. Wolfson, JSC, in In the Matter of the Township of East Brunswick for a Judgment of Compliance of its Third Round Housing Element and Fair Share Plan, Docket No.: MID-L-004013-15.*** ~~and in COAH, utilizing the regional income limits established by COAH.~~

(2) The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60% of median income, and the average rent for restricted low- and moderate-income units shall be affordable to households earning no more than 52% of median income.

(3) The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units, ***provided that at least 13 percent of all low- and moderate-income rental units shall be affordable to very low-income households, which very low-income units shall be part of the low-income requirement.***

~~_____ (a) At least 10% of all low- and moderate-income rental units shall be affordable to households earning no more than 30% of median income.~~

(4) The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70% of median income, and each affordable development must achieve an affordability average of 55% for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different prices for each bedroom type, and low-income ownership units must be available for at least two different prices for each bedroom type.

(5) In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units other than assisted living facilities, the following standards shall be used:

- (a) A studio shall be affordable to a one-person household;
- (b) A one-bedroom unit shall be affordable to a 1 1/2 person household;
- (c) A two-bedroom unit shall be affordable to a three-person household;
- (d) A three-bedroom unit shall be affordable to a 4 1/2 person household; and
- (e) A four-bedroom unit shall be affordable to a six-person household.

(6) In determining the initial rents for compliance with the affordability average

requirements for restricted units in assisted living facilities, the following standards shall be used:

- (a) A studio shall be affordable to a one-person household;
- (b) A one-bedroom unit shall be affordable to a 1 1/2 person household; and
- (c) A two-bedroom unit shall be affordable to a two-person household or to two one-person households.

(7) The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95% of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28% of the eligible monthly income of the appropriate-size household as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.

(8) The initial rent for a restricted rental unit shall be calculated so as not to exceed 30% of the eligible monthly income of the appropriate household size as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.

(9) The price of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

(10) The rent of low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the ~~United States~~ **Northeast Urban Area**. This increase shall not exceed 9% in any one year. Rents for units constructed pursuant to low-income housing tax credit regulations shall be indexed pursuant to the regulations governing low-income housing tax credits.

(11) Utilities. Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by DCA for its Section 8 program. ***Affordable units shall utilize the same type of heating source as market units within an inclusionary development.***

§ 11-382 Applicability.

~~The following general guidelines apply to all developments that contain low- and moderate-income housing units, including any currently unanticipated future developments that will provide low- and moderate-income housing units.~~

1. ***The provisions of this Ordinance shall apply:***

a. To all affordable housing developments and affordable housing units that currently exist within the Township;

b. To all affordable housing developments and affordable housing units that are proposed to be created pursuant to the Township's Housing Plan Element and Fair Share Plan;

c. To all unanticipated future developments that will provide affordable housing for low- and moderate-income households; and

d. To any property in the Township that is currently zoned for nonresidential uses and that is subsequently rezoned for multifamily residential purposes, and to all approvals for multifamily residential development granted by the Township Planning Board or Zoning Board of Adjustment, including approvals of use or density variances, site plans, or subdivisions, and redevelopment projects subject to a redevelopment plan adopted by the Township governing body governing the development and redevelopment of designated areas in need of rehabilitation or areas in need of redevelopment in the township, including substantial revisions to previously approved developments, where such rezoning, approval or revision results in or increases the number of residential units by five (5) or more units.

§ 11-383 Affirmative marketing requirements.

A. Knowlton Township shall adopt by resolution an Affirmative Marketing Plan, subject to approval of COAH, compliant with N.J.A.C. 5:80-26.15, as may be amended and supplemented.

B. The affirmative marketing plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The affirmative marketing plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward COAH Housing Region 2 and covers the period of deed restriction.

C. The affirmative marketing plan shall provide a regional preference for all households that live and/or work in COAH Housing Region 2 comprised of Warren, Essex, Morris and Union Counties.

D. ***The municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Program, including initial sales and rentals and resales and rerentals.*** The Administrative Agent designated by Knowlton Township shall assure the affirmative marketing of all affordable units consistent with the Affirmative Marketing Plan for the municipality.

E. In implementing the affirmative marketing plan, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

F. The affirmative marketing process for available affordable units shall begin at least four months **(120 days)** prior to the expected date of occupancy.

G. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by Knowlton Township.

H. Applications for affordable housing shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; and the municipal administration building in the municipality in which the units are located; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.

I. The affirmative marketing plan shall specifically notify the following community and regional organizations in advertisement for affordable housing:

- a. Fair Share Housing Center, Cherry Hill.**
- b. NJ State Conference of the NAACP, Trenton.**
- c. Latino Action Network, Freehold.**
- d. Supportive Housing Association, Cranford.**
- e. Central Hersey Housing Resource Center, Raritan.**
- f. NORWESCAP, Phillipsburg.**
- f. East Orange NAACP,**
- g. Newark NAACP,**
- h. Morris County NAACP**
- i. Elizabeth NAACP**

§ 11-384 Occupancy standards.

A. In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to:

- (1) Provide an occupant for each bedroom;
- (2) Provide children of different sex with separate bedrooms; ~~and~~
- (3) Prevent more than two persons from occupying a single bedroom; **and**
- (4) Provide separate bedrooms for parents and children.**

B. Additional provisions related to occupancy standards (if any) shall be provided in the municipal Operating Manual.

§ 11-385 Control periods for restricted ownership units and enforcement mechanisms.

A. Control periods for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.5, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the requirements of this section until Knowlton Township elects to release the unit from such requirements; however, and prior to such an election, a restricted ownership unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented, for at least 30 years.

B. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.

C. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the administrative agent shall determine the restricted price for the unit and shall also determine the non-restricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value.

D. At the time of the first sale of the unit, the purchaser shall execute and deliver to the Administrative Agent a recapture note obligating the purchaser (as well as the purchaser's heirs, successors and assigns) to repay, upon the first non-exempt sale after the unit's release from the requirements of this section, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.

E. The affordability controls set forth in this section shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.

F. A restricted ownership unit shall be required to obtain a continuing certificate of occupancy or a certified statement from the construction official stating that the unit meets all code standards upon the first transfer of title that follows the expiration of the applicable minimum control period provided under N.J.A.C. 5:80-26.5(a), as may be amended and supplemented.

§ 11-386 Price restrictions for restricted ownership units, homeowner association fees and resale prices.

Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, including:

A. The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.

B. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.

C. ~~The method used to determine the condominium association fee amounts and special assessments shall be indistinguishable between the low- and moderate-income unit owners and the~~

~~market unit owners.~~ ***The master deeds of inclusionary developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by low- and moderate-income purchasers and those paid by market purchasers.***

D. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom.

§ 11-387 Buyer income eligibility.

A. Buyer income eligibility for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50% of median income and moderate-income ownership units shall be reserved for households with a gross household income less than 80% of median income.

B. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 33% of the household's certified monthly income.

C. Notwithstanding the foregoing, the Administrative Agent may, upon approval by the Township Council, and subject to the Court's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there is an insufficient number of eligible low-income purchasers in the housing region to permit prompt occupancy of the unit and all other reasonable efforts to attract a low-income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit.

D. A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.

§ 11-388 Indebtedness secured by ownership unit; subordination; **Capital Improvements to Ownership Units.**

A. Prior to incurring any indebtedness to be secured by a restricted ownership unit, ***the owner shall apply to the administrative agent ~~shall determine~~ for a determination*** in writing that the proposed indebtedness complies with the provisions of this section, ***and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.***

B. With the exception of original purchase money mortgages, during a control period neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95% of the maximum allowable resale price of that unit, as such price is determined by the administrative agent in accordance with N.J.A.C. 5:80-26.6(b).

C. *The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements made since the purchase of the unit. Eligible capital improvements shall be those that render the unit suitable for a larger household or that add an additional bathroom. In no event shall the maximum sales price of an improved housing unit exceed the limits of affordability for the larger household.*

D. *Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.*

[§ 11-389 Control periods for restricted rental units.](#)

A. Control periods for restricted rental units shall be in accordance with N.J.A.C. 5:80-26.11, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of this section until Knowlton Township elects to release the unit from such requirements pursuant to action taken in compliance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, and prior to such an election, a restricted rental unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented, for at least 30 years.

B. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Warren. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a certificate of occupancy.

C. A restricted rental unit shall remain subject to the affordability controls of this section, despite the occurrence of any of the following events:

- (1)** Sublease or assignment of the lease of the unit;
- (2)** Sale or other voluntary transfer of the ownership of the unit; or

- (3) The entry and enforcement of any judgment of foreclosure.

§ 11-390 Price restrictions for rental units; leases.

A. A written lease shall be required for all restricted rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.

B. No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.

C. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this section.

D. No rent control ordinance or other pricing restriction shall be applicable to either the market units or the affordable units in any development in which at least 15% of the total number of dwelling units are restricted rental units in compliance with this Ordinance.

§ 11-391 Tenant income eligibility.

A. Tenant income eligibility shall be in accordance with N.J.A.C. 5:80-26.13, as may be amended and supplemented, and shall be determined as follows:

(1) Very-low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of median income.

(2) Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of median income.

(3) Moderate-income rental units shall be reserved for households with a gross household income less than 80% of median income.

B. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very-low-income, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35% (40% for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.16, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:

(1) The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;

(2) The household has consistently paid more than 35% (40% for households eligible for

age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;

(3) The household is currently in substandard or overcrowded living conditions;

(4) The household documents the existence of assets with which the household proposes to supplement the rent payments; or

(5) The household documents proposed third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.

C. The applicant shall file documentation sufficient to establish the existence of the circumstances in Subsection B(1) through (5) above with the Administrative Agent, who shall counsel the household on budgeting.

§ 11-392 Administration.

A. The position of Municipal Housing Liaison (MHL) for Knowlton Township is established by this section. The Knowlton Township Committee shall make the actual appointment of the MHL by means of a resolution.

(1) The MHL must be either a full-time or part-time employee of Knowlton Township.

(2) The person appointed as the MHL must be reported to COAH ***or a Court of competent jurisdiction*** for approval.

(3) The MHL must meet all COAH requirements for qualifications, including initial and periodic training.

(4) The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for Knowlton Township, including the following responsibilities which may not be contracted out to the Administrative Agent:

(a) Serving as the municipality's primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;

(b) The implementation of the Affirmative Marketing Plan and affordability controls.

(c) When applicable, supervising any contracting Administrative Agent.

(d) Monitoring the status of all restricted units in Knowlton Township's Fair Share Plan;

(e) Compiling, verifying and submitting annual reports as required by COAH ***pursuant to N.J.A.C. 5:97 and the Settlement Agreement;***

(f) Coordinating meetings with affordable housing providers and Administrative Agents, as applicable; and

(g) Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing as offered or approved by COAH.

B. Knowlton Township shall designate by resolution of the Knowlton Township Committee, subject to the approval of COAH **or a Court of competent jurisdiction**, one or more Administrative Agents to administer newly constructed affordable units in accordance with N.J.A.C. 5:96, N.J.A.C. 5:97 and UHAC. ***The fees of the Administrative Agent shall be paid by the owners of the affordable units for which the services of the Administrative Agent are required.***

C. An operating manual shall be provided by the Administrative Agent(s) to be adopted by resolution of the governing body and subject to approval of COAH. The operating manuals shall be available for public inspection in the Office of the Municipal Clerk and in the office(s) of the Administrative Agent(s).

D. The Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in UHAC and which are described in full detail in the operating manual, including those set forth in N.J.A.C. 5:80-26.14, 16 and 18 thereof, which includes:

(1) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by COAH;

(2) Affirmative marketing;

(a) Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of the Township and the provisions of N.J.A.C. 5:80-26.15; and

(b) Providing counseling or contracting to provide counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

(3) Household certification;

a. Soliciting, scheduling, conducting and following up on interviews with interested households;

b. Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;

c. Providing written notification to each applicant as to the determination of eligibility or non-eligibility;

d. Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in Appendices J and K of N.J.A.C. 5:80-26.1 et seq.;

e. Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located;

f. Employing a random selection process as provided in the Affirmative Marketing Plan of the Township when referring households for certification to affordable units; and

g. Notifying the following entities of the availability of affordable housing units in the Township: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, NORWESCAP, the Supportive Housing Association, and the Central Jersey Housing Resource Center.

(4) Affordability controls;

a. Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;

b. Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;

c. Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the Warren County Register of Deeds or Warren 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.

(5) Records retention;

(6) Resale and re-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 re-rental; and

b. Instituting and maintaining an effective means of communicating information to low- (or very low-) and moderate-income households regarding the availability of restricted units for resale or re-rental.

(7) Processing requests from unit owners; and

a. Reviewing and approving requests for determination from owners of restricted units who wish to take out home equity loans or refinance during the term of their

ownership that the amount of indebtedness to be incurred will not violate the terms of this Ordinance;

- b. Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems;*
- c. Notifying the municipality of an owner's intent to sell a restricted unit; and*
- d. Making determinations on requests by owners of restricted units for hardship waivers.*

(8) Enforcement, though the ultimate responsibility for retaining controls on the units rests with the municipality.

- a. Securing annually from the municipality a list 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. Posting annually, in all rental properties (including two-family homes), a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent or other charges can be made;*
- d. Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.18(d)4;*
- e. Establishing a program for diverting unlawful rent payments to the municipality's Affordable Housing Trust Fund; and*
- f. Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent, to be approved by the Township Committee and the Court, setting forth procedures for administering the affordability controls.*

(9) Preparation of monitoring reports for submission to the Municipal Housing Liaison in time to meet the Court-approved monitoring and reporting requirements in accordance with the deadlines set forth in this Ordinance and the Settlement Agreement.

(910) The Administrative Agent shall have authority to take all actions necessary and appropriate to carry out its responsibilities, hereunder.

§ 11-393 Enforcement of affordable housing regulations.

A. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an owner, developer or tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.

B. After providing written notice of a violation to an owner, developer or tenant of a **very low**, low- or moderate-income unit and advising the owner, developer or tenant of the penalties for such violations, the municipality may take the following action against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:

(1) The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation, or violations, of the regulations governing the affordable housing unit. If the owner, developer or tenant is found by the court to have violated any provision of the regulations governing affordable housing units the owner, developer or tenant shall be subject to one or more of the following penalties, at the discretion of the court:

(a) A fine of not more than \$1,000 or imprisonment for a period not to exceed 90 days, or both. Each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not as a continuing offense;

(b) In the case of an owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Knowlton Township Affordable Housing Trust Fund of the gross amount of rent illegally collected;

(c) In the case of an owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the court.

(2) The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low- and moderate-income unit.

C. Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.

D. The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall

be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating owner shall be personally responsible for and to the extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the owner shall make a claim with the municipality for such. Failure of the owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the owner or forfeited to the municipality.

E. Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.

F. If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the low- and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low- and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.

G. Failure of the low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the owner to accept an offer to purchase from any qualified purchaser which may be referred to the owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.

H. The owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the owner.

[§ 11-394 Appeals.](#)

Appeals from all decisions of an Administrative Agent designated pursuant to this section shall be

filed in writing with the Executive Director of COAH *or a court of competent jurisdiction*.

NUMBERING.

This ordinance may be renumbered for codification purposes.

REPEALER

All Ordinances or parts of Ordinances inconsistent herewith are repealed as to such inconsistencies.

SEVERABILITY

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

EFFECTIVE DATE

This Ordinance shall not become effective until the Court approves the Township's Housing Plan Element and issues a Judgement of Repeal.

Motion was made by Mayor Starrs, second by Deputy Mayor Cuntala and approved by an all-in-favor the introduction of ordinance 2018-018

Introduction

2018-09 An Ordinance Amending Chapter 11, Article 35.1 the Cod of the Township of Knowlton to Establish a Moratorium Prohibiting the Cultivation , Processing, or Dispensing of Marijuana within the Township

WHEREAS, the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) delegates to municipalities the power to zone and regulate development and that statute is amended from time to time by the state legislature; and

WHEREAS, the Township of Knowlton Committee requested that the Township Code be amended so as to provide a safe environment for all of the citizens of Knowlton in response to the recent legalization of the cultivation and sale of medical marijuana pursuant to the Compassionate Use of Medical Marijuana Act (N.J.S.A. 24:6I-1 et seq.; hereinafter "CUMMA"), and suggestions of legalizing the cultivation and sale of recreational marijuana in the State of New Jersey; and

WHEREAS, the Federal Controlled Substances Act (21 U.S.C. § 801 *et seq.*) prohibits, except for certain research purposes, the possession, distribution, and manufacture of marijuana and classifies

marijuana as a Schedule I Drug, which is defined as a drug or other substance that has a high potential for abuse, that has no currently accepted medical use in treatment in the United States; and

WHEREAS, various bills have been introduced by the New Jersey Legislature regarding the legalization of recreational marijuana and / or revisions to the State’s medical marijuana program, including; and

WHEREAS, certain proposed legislation allows for municipalities to specifically prohibit the cultivation, processing, sale, and / or dispensing of medical and / or recreational marijuana within their borders; and

WHEREAS, given the inconsistencies between current and proposed State laws and Federal laws, the Township has determined that it is prudent and in the best interests of the residents of the Township of Knowlton, to place a moratorium on the cultivation, processing, sale, and distribution of medical and recreational marijuana in the Township to provide time for the inconsistencies between State and Federal law to be reconciled and for the Legislature and municipal staff to prepare studies and reports required to consider a comprehensive ordinance and/or general plan amendment addressing regulation of marijuana cultivation, processing, sales, and dispensing.

NOW THEREFORE BE IT RESOLVED THAT Chapter 11 “Land Development” of the Code of the Township of Knowlton shall be amended and supplemented to add Article 35.1 entitled “Prohibited Uses”:

SECTION 1.

11-283.1. Moratorium on Marijuana Facilities

A. Definitions

“Cannabis” or “Marijuana” shall refer to all parts of the plant *Cannabis sativa Linnaeus*, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin.

"Commercial Marijuana Activity" means the activities (including, cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, packaging, transportation, delivery or sale of cannabis and cannabis products for non-medical, medical or any other purpose) licensed by the State or other government entity under Division 10 of the California Business and Professions Code or other provision of State law that regulates the licensing of a cannabis business.

“CUMMA” shall mean the Compassionate Use of Medical Marijuana Act (N.J.S.A. 24:6I-1 et seq.)

“Marijuana Facility” means any facility conducting Commercial Marijuana Activity.

B. Moratorium Declared. In order to protect the public health, safety and welfare, a moratorium is hereby placed on Commercial Marijuana Activity. Commercial Marijuana Activity,

whether or not for profit, is expressly prohibited in all zones in the Township. No person shall establish, operate, maintain, or allow Commercial Marijuana Activity in the Township. No application for a permit or entitlement that authorizes the establishment, operation, maintenance, development or construction of any use that allows Commercial Marijuana Activity in the Township shall be approved.

C. Exceptions. This ordinance shall not prohibit the following:

- (1) the transportation of marijuana or marijuana products on public roads by through the jurisdictional limits of the Township in compliance with state law, including CUMMA.
- (2) the possession of medical marijuana by a properly licensed individual pursuant to CUMMA.

D. Duration. The moratorium imposed by this ordinance shall remain in effect until the inconsistencies between State and Federal law are resolved, unless rescinded or modified sooner by ordinance.

E. Enforcement. Violations of this ordinance shall constitute a public nuisance and may be enforced by the Township Zoning Officer in accordance with the provisions of Chapter 127 of the Township Code or any other applicable law. However, any person who violates or neglects to comply with any provision of this ordinance or notice issued pursuant thereto shall, upon conviction thereof, be liable to a penalty of not less than \$1,000 for each day of the violation. Notwithstanding the above, this ordinance does not authorize a criminal prosecution, arrest, or penalty inconsistent with or prohibited by state law.

SECTION 2. All Ordinances or parts of Ordinances inconsistent herewith are repealed as to such inconsistencies.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

SECTION 4. A copy of this Ordinance shall be forwarded, after introduction, to the Knowlton Township Planning Board for a Master Plan consistency review in accordance with N.J.S.A. 40:55D-64.

SECTION 5. The within ordinance shall take effect in the time and manner provided by law and, in particular, the procedure delineated in the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. and upon filing with the Warren County Planning Board.

Committee discussed the differences between doing a moratorium ordinance or a complete ban ordinance. After a lengthy discussion, motion was made by Mayor Starrs, second by Committeewoman Shipps and approved with an all-in-favor to introduce Ordinance 2018-09.

RESOLUTIONS

2018-120- Resolution Requesting an Examination of the Traffic Problems on Decatur Street and Support for a Solution Such as Closure of One End of Decatur

WHEREAS, there are approximately 36 families living on the Decatur Street, which is a county road located in Knowlton Township; and

WHEREAS, cars and trucks from Route 80 routinely uses residential Decatur Street as a shortcut to access the Portland, PA, bridge and Route 46 East; and

WHEREAS, trucks frequently cause damage to lawns, ignore the weigh restriction of the road, and snag utility wires lining the street; and

WHEREAS, truckers frequently idle or park overnight along the route; and

WHEREAS, the Knowlton Township Committee receives frequent complaints about drivers exiting Route 80 littering along Decatur Street; and

WHEREAS, the Knowlton Township Committee receives frequent complaints that highway traffic speeds down the residential street, endangering the lives of residents, pets, and children in the area; and

WHEREAS, the Knowlton Township Committee has requested increased enforcement from the NJ State Police at multiple Township Committee meetings and made the same request in writing; and

WHEREAS, requests for increased enforcement do not appear to have been successful in deterring the speeding or associated problems; and

WHEREAS, speed humps on Decatur were evaluated and deemed to be an undesirable solution by the county; and

WHEREAS, using barricades to close Decatur at the north end of the street would enable residents to continue accessing the road while rerouting highway traffic to the interchange loops; and

WHEREAS, a petition started by a resident shows that a majority of homeowners on this and neighboring streets support the proposal; and

WHEREAS, Knowlton Fire & Rescue has indicated that the closure of the north end of Decatur will not cause any significant difficulties or delays in rescue operations.

WHEREAS, N.J.S.A. 39:4-8 requires that municipal or county regulatory actions governing traffic or traffic conditions, before they can take effect, must have Department of Transportation Commissioner approval.

NOW, THEREFORE, BE IT RESOLVED, The Knowlton Township Committee requests that the County Freeholders consider solutions to the ongoing traffic problems associated with Decatur Street and expresses its support for the petition regarding the closure of the north end of Decatur Street, provided DOT approval is given.

BE IT FURTHER RESOLVED, the Knowlton Township Committee requests that if the County finds the proposed barricade to be an undesirable solution, that County Engineers investigate other possible solutions such as

making the street one-way.

Motion was made by Mayor Starrs, second by Deputy Mayor Cuntala and approved by an all-in-favor to Resolution 2018-120 with the change that in the NOW, THEREFORE, BE IT RESOLVED, it will say, “The Knowlton Township Committee requests that the County Freeholders consider solutions to the ongoing traffic problems associated with Decatur Street and expresses its support for the petition regarding the closure of the north end of Decatur Street, provided DOT approval is given.”

2018-121- Request to the NJDOT for Public Hearing and Presentation on the Proposed Rockwall through the Delaware Water Gap

WHEREAS, on June 14, 2017, the NJDOT held a public information session at Knowlton Township Elementary School from 6:00 to 8:00 pm regarding a wall the NJDOT proposes to build on Route 80 through a portion of the Delaware Water Gap; and

WHEREAS, an information session for the officials of Knowlton, Hardwick, and the Warren County Engineer had been held prior to that on May 31, 2017;

WHEREAS, the information session for the public on June 14 lacked the detail and Powerpoint presentation offered at the May 31 meeting for officials; and

WHEREAS, the June 14 meeting for the public and was structured so that residents walked from presenter to presenter, hence receiving varying information from presenters depending on questions asked; and

WHEREAS, the Knowlton Township Committee subsequently requested, via Resolution 2017-84 on July 10, 2017, a detailed, sit-down presentation for residents that contained the visual slides and information provided to Warren County Engineer and the mayors of Hardwick and Knowlton on June 6; and

WHEREAS, it has been over a year since that request was made and no public hearing has yet been scheduled; and

WHEREAS, at the time of the previous public presentation the project was in the Concept Development phase; and

WHEREAS, the project has now advanced to the Preliminary Engineering phase; and

WHEREAS, in that year public interest in the project has grown significantly; and

WHEREAS, in that year 16 newspaper articles have been written on the subject of the proposed Rockwall* in 4 different newspapers; and

WHEREAS, WRNJ Radio and WFMZ Television have made the Delaware Water Gap Route 80 Rockwall Mitigation Project the subject of 4 separate radio and television segments; and

WHEREAS, in that year 20 governing bodies have approved resolutions or letters regarding the project on behalf of their concerned residents; and

WHEREAS, in that year federal representatives of United States Congressman Josh Gottheimer and United States Senator Cory Booker met with the NJDOT regarding the need for and future of the project; and

WHEREAS, in that year state representatives Senator Steven Oroho, Assemblyman Space, and Assemblyman Wirths have met with the NJDOT regarding the need for and future of the project; and

WHEREAS, in that year prominent organizations including the New Jersey Sierra Club, National Parks Conservation Association, and the Stockbridge Munsee Native American Tribe have taken formal positions on the project and expressed an interest in commenting at a public hearing.

NOW, THEREFORE, BE IT RESOLVED, the Knowlton Township officially requests a public hearing on the subject of the Route 80 Rockwall Mitigation Project be held at a location in Warren County before the end of 2018.

BE IT FURTHER RESOLVED, the public hearing provide detailed information in a sit-down environment that gives interested parties the opportunity to comment and that officially records those comments.

Motion was made by Deputy Mayor Cuntala, second by Committeewoman Shipps and approved by an all-in-favor to Resolution 2018-121.

2018-122- Award Contract-Survey of Block 66 Lot 1 Mazza Farms

WHEREAS, the Township of Knowlton wishes to Survey Block 66 Lot 1 (also known as Mazza Farms); and

WHEREAS, the Township has solicited quotes. L.J. Brill & Associates, P.A. of Blairstown New Jersey was the lowest quoted amount in the amount of \$6,400; and

WHEREAS, the Chief Financial Officer has certified that funds are available within the Open Space Trust Fund.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Committee of the Township of Knowlton, County of Warren, and State of New Jersey that a contract to Survey Block 66 Lot 1 (also known as Mazza Farms) be awarded to L.J. Brill & Associates, P.A. 215 Spring Valley Road Blairstown, New Jersey 07825 not to exceed \$6,400.00

Motion was made by Deputy Mayor Cuntala, second by Committeeman McNinch and approved by a roll call vote: Cuntala—yes, McNinch—yes, Shipps—yes, Van Horn—yes, Starrs—yes to Resolution 2018-122.

2018-123- Resolution Approving Settlement Agreement and General Release between the Township of Knowlton et. al. and the Estate of Patton et. al.—Tabled for a later meeting

2018-124- Resolution Approving the Issuance of a Raffle License to North Warren Lions Club to Conduct a 50/50 on November 3, 2018

WHEREAS, the North Warren Lions Club has applied for a raffle license to conduct a raffle on November 3, 2018 at the Brook Hollow Winery consisting of New Jersey Legalized Games of Chance Control Commission application #18-11; and

WHEREAS, the proper fees have been filed with the application, and the findings and determinations by the Municipal Clerk have determined that this organization is qualified to conduct raffles.

THEREFORE, BE IT RESOLVED, by the Mayor and Committee of the Township of Knowlton, Warren County New Jersey, that approval is hereby given for the issuance of raffle license#18-11 to the North Warren Lions Club.

Motion was made by Deputy Mayor Cuntala, second by Committeewoman Shipps and approved by a roll call vote: Cuntala—yes, McNinch—yes, Shipps—yes, Van Horn—abstain, Starrs—yes to Resolution 2018-124.

2018-125- Resolution Approving Payment of Vouchers

BE IT RESOLVED, by the Mayor and Committee of the Township of Knowlton, Warren County, New Jersey, that all claims attached are hereby approved as reasonable and proper claims against the Township of Knowlton.

THEREFORE, BE IT RESOLVED that approval for payment is hereby given to the Chief Financial Officer to pay said claims, subject to the availability of funds.

Motion was made by Mayor Starrs, second by Deputy Mayor Cuntala and approved by a roll call vote: Cuntala—yes, McNinch—yes, Shipps—yes, Van Horn—yes, Starrs—yes to Resolution 2018-125.

OLD BUSINESS

622 Route 94—Letter to Contractors

Motion was made by Mayor Starrs, second by Deputy Cuntala and approved by an all-in-favor vote to send out the letter to the contractors regarding 622 Route 94 with the following changes. It should read: “delays have prevention the job’s completion” and “Please consider this letter official notification on behalf of Knowlton Township to all parties to coordinate to complete the

job..."Committeeman Van Horn abstained.

Letter of Support for Delaware Watershed Conservation Fund Grant

Motion was made by Deputy Mayor Cuntala, second by Committeewoman Shipps and approved by an all-in favor to send a letter of Support for Delaware Watershed Conservation Fund Grant. Committeeman Van Horn abstained.

NEW BUSINESS

No new business

CORRESPONDENCE

Results of Energy Aggregation Auction—Township got a 7% savings at the auction. The new contract does not start until March 2019 and the current contract ends in November 2018. So there will be a period of time that residents will only see JCP&L on their bill until March. Letter will be mailed to all residents who are enrolled.

Townwide Cleanup-October 20—Committee approved posting the Townwide Clean up flyer on the township website.

Board of Adjustment Resignation—Motion was made by Mayor Starrs, second by Deputy Mayor Cuntala and approved with an all-in-favor to accept Kate McGuiness's letter of resignation with regret.

Meeting with JCP&L Vice President John Anderson—Mayor Starrs advised the committee and residents that she and Committeewoman Shipps will be meeting JCP&L Vice President John Anderson on September 17, 2018. Mayor Starrs would like to get a guarantee that Knowlton Township will be getting some improvements in their electric service or there is no sense in supporting JCP&L's application before the BPU.

APPROVAL OF MINUTES

August 13, 2018 Executive Session Minutes

Motion was made by Deputy Mayor Cuntala, second by Committeewoman Shipps and approved by an all-in-favor to approve the August 13, 2018 Executive Session Minutes. Committeeman Van Horn abstained.

August 13, 2018 Public Session Meeting Minutes

Motion was made by Deputy Mayor Cuntala, second by Committeewoman Shipps and approved by an all-in-favor to approve the August 13, 2018 Public Session Minutes.

August 23, 2018 Executive Session Minutes

Motion was made by Deputy Mayor Cuntala, second by Mayor Starrs and approved by an all-in-favor to approve the August 23, 2018 Executive Session Minutes. Committeeman Van Horn and Committeewoman Shipps abstained.

August 23, 2018 Public Session Meeting Minutes

Motion was made by Deputy Mayor Cuntala, second by Mayor Starrs and approved by an all-in-favor to approve the August 23, 2018 Public Session Minutes. Committeeman Shipps abstained.

Public Comment

Township Engineer Ted Rodman said that the state aid is due for next year and he will be getting in contact with DPW Supervisor Brian Peck.

Resident Vincent Gaeta let the township know that his electric bill went down 26% thanks to the energy aggregation co-op and he thanked the Committee.

Mr. Gaeta also asked if the Route 80 Bridge was addressed regarding the resolution for closure of Decatur St.

Mr. Gaeta also asked if there were any updates on the salt water contamination. DEP agreed to do an engineering study for Knowlton that would look at long-term solutions. The DEP did not share the report with the township yet and the report is stuck in legal review at the NJDEP. Mayor Starrs went to Washington DC and spoke with someone from the Dept. of Agriculture, Rural Utilities. She found a grant for small water systems for towns under 10,000 people.

Resident Jeff Milesky wanted to apologize for his behavior at the last meeting. Mr. Milesky also said that the online payment for taxes shows a different amount than the paper tax bill.

Resident William Clifford asked if any information was sent to the New York papers regarding the Delaware Route 80 Rockwall.

EXECUTIVE SESSION

Motion was made by Mayor Starrs, second by Deputy Mayor Cuntala and approved by an all-in-favor to go into Executive Session at 8:50pm.

Resolution 2018- 119 Authorizing an Executive Session

WHEREAS, the Open Public Meetings Act; N.J.S.A. 10:4-6 et seq., declares it to be the public policy of the State to insure the right of citizens to have adequate advance notice of and the right to attend meetings of public bodies at which business affecting the public is discussed or acted upon; and

WHEREAS, the Open Public Meetings Act also recognized exceptions to the right of the public to attend portions of such meetings; and

WHEREAS, the Mayor and Township Committee find it necessary to conduct an executive session closed to the public as permitted by the N.J.S.A. 40:4-12; and

WHEREAS, the Mayor and Township Committee will reconvene in public session at the conclusion of the executive session;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Township Committee of the Knowlton

Township, County of Warren, State of New Jersey that they will conduct an executive session to discuss the following topic (s) as permitted by N.J.S.A. 40:4-12:

- A. Potential Litigation
- B. Litigation Update

BE IT FURTHER RESOLVED that the Mayor and Township Committee hereby declare that their discussion of the subject (s) identified above may be made public at a time when the Township Attorney advises them that the disclosure of the discussion will not detrimentally affect any right, interest or duty of the Township or any other entity with respect to said discussion.

BE IT FURTHER RESOLVED that the Mayor and Township Committee, for the reasons set forth above, hereby declare that the public is excluded from the portion of the meeting during which the above discussion shall take place.

Motion was made by Mayor Starrs, second by Deputy Mayor Cuntala to return to public session at 9:00pm.

ADJOURNMENT

Motion was made by Mayor Starrs, seconded by Deputy Mayor Cuntala, and carried to adjourn tonight's Township meeting at 9:00 p.m.

Respectfully submitted,
Kristin Shipps
Acting Municipal Clerk