



TOWNSHIP OF TOMS RIVER

DIVISION OF COMMUNITY DEVELOPMENT

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ANNUAL STATUS OF AFFORDABLE HOUSING Per Settlement Agreement between the Township of Toms River and the Fair Share Housing Center

March 29, 2018

This is the first annual report following the anniversary of the execution of the Settlement Agreement (Agreement) entered in the Township's declaratory judgment action, In the Matter of the Township of Toms River, County of Ocean, Docket No. OCN-L- 001867-15 ("Action") on November 3, 2016 and approved by the Judge Troncone on December 31, 2016. Pursuant to the Agreement, 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 the Fair Share Housing Center using forms previously developed for this purpose by COAH or any forms endorsed by the Special Master and FSHC".

Chronology:

Since the execution of the Settlement Agreement the following activities occurred:

1. Issuance by Judge Troncone of Order on Fairness and Preliminary Compliance Hearing, entered on December 31, 2016.
2. Adoption of amended Housing Element and Fair Share Plan pursuant to the requirements of the Settlement Agreement – February 15, 2017.
3. Adoption of two inclusionary zoning ordinances (RHB-AH9 for Site No. 48 and RHB-AH-37 for Site No. 43) and amended Zoning Map, both of which were certified on March 30, 2017.
4. Adoption of Ordinance 4539-17, also certified on March 30, 2017, which amended Article XI (Affordable Housing Regulations) of Chapter 348 (Land Use and Development) in accordance with the provisions of the Settlement Agreement.

"HOMO COGITAT, DEUS INDICAT"

5. Adoption of Resolution “R” on August 8, 2017, appointing Township Planner, David G. Roberts, AICP/PP, LLA, LEED AP ND, as Municipal Housing Liaison.
6. Adoption of Resolution on September 26, 2017 that resolved to bond for any shortfall in the affordable housing program, amended the Spending Plan and amended the Housing Rehabilitation Manual pursuant to the report of the Court Master, Philip B. Caton, PP, FAICP, dated May 4, 2017.
7. Adoption of Ordinance 4556-17 on September 26, 2017, further amending Article XI (Affordable Housing Regulations) of Chapter 348 (Land Use and Development) in accordance with additional comments and recommendations of the Court Master.
8. Submission of responses to conditions of Court Master to Conditional Compliance on October 18, 2017.
9. Submission on December 20, 2017 of additional responses to Court Master regarding remaining partially satisfied conditions per status report of Court Master received on November 15, 2017.

Affordable Housing Production Activity since Execution of Settlement Agreement:

1. Habitat for Humanity – The single family dwelling was issued a C.O. on August 23, 2017. It has three bedrooms. The unit is administered by Piazza Associates (Township Administrative Agent).
2. Toms River Crescent (Site No. 29) – This 120 unit, 100% affordable project is administered by Community Investment Strategies, Inc. (CIS). It includes LIHTC funding and has a Financial Agreement for a Payment In Lieu of Taxes with the Township. The Spending Plan amendment in 2017 includes affordable housing assistance provision to assist the project with the cost of fire inspection fees by the Township’s Bureau of Fire Prevention.
3. Freedom Village (Site No. 25A)

This project is built and occupied and contains 72 units, of which 71 are deed restricted affordable units and one is a super’s unit. Of the 71 units, 18 units are restricted to Very Low, 21 units to Low and 32 units to Moderate income households. This project was completed and occupied in 2015 and has a Financial Agreement for a Payment In Lieu of Taxes with the Township.
4. Autumn Ridge (Site No. 38)

Autumn Ridge is a project operated by Homes For All, Inc. consisting of 25 family rental units and 49 for sale townhomes. There are five affordable rental units and ten affordable for sale townhomes. This project is built and received Certificates of Occupancy in 2015. It includes five Low income townhomes and five Moderate income townhomes, as well as two one-bedroom family rental units and three two-bedroom family rental units.

5. Highland Plaza

Highland Plaza is a constructed project of 110 senior rental units where there has been an extension of controls. Per the current certified Spending Plan approved with the Township's Housing Element and Fair Share Plan, the Spending Plan allocates an expenditure of \$51,047 for the extension of controls. However, the project is in the process of transfer to a new owner, who has assumed the twenty year renewal of the Section 9 subsidy contract with HUD commencing with the expiration of the original mortgage term on December 1, 2014. As such, the controls have been extended and continue to be supported by a Tax Abatement Agreement, through December 1, 2034. According to the HAP Contract, 30% of units are to be rented to very low income households, 100%, on average, occupied by households at 40% of the AMI or lower and all tenants must meet basic HUD eligibility requirements including income at or less than 80% of AMI.

6. North Pointe Hollow

This project, constructed around 1997, has been refinancing and extending affordability controls and three of the units were rehabilitated through the Township's rehabilitation program. To date the Township has 17 of the 18 units with extended affordability controls, inclusive of the three units that were rehabilitated under the Township's program. The project is administered by Piazza Associates.

7. Lotano (Legion Square Village/Riverwatch Plaza) – Site No. 35

This project was approved as a 55 unit apartment building with a set-aside of 11 affordable units. Construction is nearing completion and an affordable housing agreement has been executed that will provide 9 two-bedroom units and 2 one-bedroom units, in the following configuration:

- a. One (1) of the one-bedroom affordable units and two (2) of the two-bedroom affordable units shall be for low-income households;
- b. One (1) of the one-bedroom affordable units and two (2) of the two-bedroom affordable units shall be for very low-income households;
- c. Five (5) of the two-bedroom affordable units shall be for moderate-income households.

A Consent Order was signed by the developer and the FSHC to allow the substitution of additional Very Low units for three-bedroom units, as there are no three-bedroom units in the project. The project is being affirmatively marketed and administered by Piazza Associates and is expected to be occupied in 2018.

8. Nobility Crest (Riverwood Chase Apartments) – Site No. 36

This project was originally the 50 unit affordable housing set-aside required as part of the 200 unit townhouse development known as Riverwood Chase. The 50 unit affordable component was approved on a subdivided lot and received financing from NJHMFA, which closed in January of 2017. The project was acquired by The Ingerman Group with a closing in August of 2017 and Ingerman has completed Resolution Compliance with the Zoning Board and received a Zoning Permit on September 22, 2017 based on a signed affordable housing agreement which involves the following:

	1br	2br	3br	TOTAL
VLI (30% or Less)	3	3	2	8
Low Income (50%)	2	12	4	18
Mod Income (60%)	4	15	5	24
Total	9	30	11	50

The resolution authorizing the Mayor to execute the agreement on behalf of the Township was adopted by Township Council on September 26, 2017. The project is under construction and is expected to be completed by the end of 2018. It will be administered by the Ingerman Group.

9. JSM Route 166 – Site No. 37

This inclusionary project was facilitated by a re-zoning to an MF-8 Zone by the Township based on a Zone Change application by JSM in 2013. A site plan application was submitted and reviewed in 2014, but was withdrawn on March 30, 2015 after access through an adjacent apartment complex was rejected by the owner. A new application for site plan approval was submitted on December 7, 2017 and is currently being reviewed by staff and revisions to the site plan are anticipated in response to staff comments. The proposed plan continues to propose 132 rental units, inclusive of 27 affordable units, as well as a 10,000sf day care facility, 7,000sf retail building and a bank of 3,542sf.

10. Meadow Green Apartments – Site No. 40

Meadow Green Apartments construction was completed and Certificates of Occupancy were issued in 2017. The Township is currently implementing a Payment In Lieu of Taxes pursuant to the executed Financial Agreement that will begin in 2018. The project has 79 age-restricted rental units and a superintendent’s unit that are 100% affordable. This Project is being administered by Richman Property Services, Inc.

11. Gabrielle Run – (JSM at Hickory Street, LLC) – Site No. 32

This 340 unit family rental development is under construction and an affordable housing agreement was authorized for execution on December 12, 2017 for 68

affordable units. The agreement outlines the affordability controls, income and bedroom breakdowns. The first four multifamily buildings are nearing completion and will soon be leased upon the approval of an Affirmative Marketing Plan by the Township's Administrative Agent. The project will be administered by Edgewood Properties.

12. Colifax Street – Site No. 41

The HEFSP claims two credits for this 9 unit multifamily development based on a Use Variance, Preliminary and Final Site Plan approval from the Zoning Board of Adjustment granted on February 28, 2008. An application for amended site plan approval with bulk variance relief was approved by the Zoning Board on February 23, 2017. Construction is anticipated to begin in 2018.

13. Toms River Senior Apartments (Cornerstone) – Site No. 30

The subject project involves 101, 100% affordable age restricted apartment units. The construction of the project has been completed and the project was affirmatively marketed with open houses held in Town Hall in 2017. The project received a Certificate of Occupancy on July 19, 2017 and is leasing with 6 units under Section 811 subsidy at 34.5% median and 5 units at 30% median, for a total of 11 VL units and 40 Low Income units (51) and 50 Moderate Income units (101 units total) and a superintendent unit, for 102 total units. The Township is implementing a Payment In Lieu of Taxes to begin in 2018. The project will be administered by the Walters Development Group.

14. Dover Summit – Site No. 47

This project entails 175 multifamily units, consisting of thirteen 2-story townhouse buildings and two 3-story 55 unit apartments buildings of which 35 units are to be income restricted to low and moderate income households. The project has posted bonds and had their pre-construction conference. An affordable housing agreement was authorized for execution on November 14, 2017, which allowed for the issuance of a Zoning Permit and application for Building Permits. The project is under construction. The project is anticipated to be administered by Garden Homes, Inc.

15. 1606 Lakewood Road (Gefner) – Site No. 49

This is a Planned Unit Development involving the expansion of two existing shopping centers with another building of over 30,000 square feet and an inclusionary development of 141 units in the rear, of which 28 rental units will be affordable. The project has had three hearings with the Planning Board with the primary issue being adding more traffic congestion to Route 9, primarily from the proposed additional retail building. Revised plans have been submitted to address traffic concerns from turning movements and to defer additional commercial development on the site until a road extension project through the site improves

access and alleviates the traffic congestion on Route 9. The hearing will continue in May.

16. Arya – Site No. 44

This project involves a 35 unit townhouse development consisting of six townhouse buildings on a site of 5.09 acres on Massachusetts Avenue approved in August of 2016. Seven of the units will be required to be set aside as affordable. Bonds have been posted, but to date zoning and building permits have not yet been submitted.

17. Michael’s Development (Gateway 70/Eagle Crest) – Site No. 45

This project of 49 units was constructed as the residential component of a Planned Unit Development and is 100% affordable through the LIHTC financing through the NJHMFA. The project was completed in 2017 and a Payment In Lieu of Taxes is being implemented for 2018 by the Township pursuant to a Financial Agreement. The project is being administered by the Michaels Company (developer).

18. Kaplan (Camelot at Toms River) – Site No. 46

This development involves a multifamily residential development of 128 units on a tract of 15.16 acres, of which 12.65 acres is developable. 26 of the units will be set aside for affordable households. The application is pending before the Planning Board, with a hearing scheduled for May 2, 2018.

19. Dover Shopping Center Associates – Site No. 47

This project was proposed by an Intervenor in the Action and contained in the the Settlement Agreement approved by Judge Troncone. Their site on Route 9 was rezoned to RHB-AH9 in 2017 to enable a Planned Unit Development to proceed with more than 50% of the site devoted to the residential component, thereby enabling a 150 unit project with 30 affordable units to be constructed on the residential portion of the site. The site is located at the terminus of Clayton Road at Route 9. The bedroom breakdown of affordable units in the site plan is: 6 one-bedroom units; 18 two-bedroom units and 6 three-bedroom units. The preliminary and final major site plan approval was granted by the Planning Board on December 6, 2017. The project is now in the Resolution Compliance phase.

20. Hovnanian (Bimini Drive) – Site No. 43

Although the owner/developer of this project was not an intervenor in the Action, this project was addressed in the Settlement Agreement approved by Judge Troncone for the Township’s compliance with its affordable housing obligations through 2025. The site was also rezoned to RHB-AH37 in 2017 as part of the Township’s compliance efforts. The developer would be H. Hovnanian (Hovsons). The site would also be a PUD with more than 50% dedicated to the residential component, which is expected to include 140 units, of which 28 will be

affordable. The project is expected to be submitted for Major Site Plan Approval in 2018.

Very Low Income Requirement

The Township has contacted the operators and managers of the existing projects named in the Court Master’s Compliance Report and used recently negotiated affordable housing agreements for inclusionary projects in order to document Very Low Income units. The table below provides a preliminary accounting of VL units that are either already constructed or projected and for which documentation was provided to the Court Master. The total in the table of 271 Very Low units exceeds the 167 units estimated in the Township’s adopted Housing Element and Fair Share Plan. However, there currently is a gap of 13 units (Family VL is 48% of current projected total VLs). However we anticipate that all future inclusionary projects will be family affordables and that the 2% gap will be more than made up by 2025.

VERY LOW INCOME UNITS BY PROJECT			Type	
Project	Total Affordable Units	Total Very Low Units	Family	Age-restricted/special needs
Dover Chase	22	3	3	0
TR Crescent	120	20	20	0
Winteringham Village	182	55**	55	0
Highland Plaza	110	33**	0	33
Project Freedom/Freedom Village	72*	18	0	18
Presb. Homes/Oaks at Toms River	84	72	0	72
Toms River Apts./Cornerstone	101	11	0	11
Legion Square/Riverwatch♦	11	3	3	0
Michaels (Gateway 70)	49	5	5	0
Nobility Crest/Riverwood Chase♦	50	8	8	0
Dover Summit♦	35	5	5	0
Meadow Green	80	8	0	8
Kaplan (Seacourt Pavilion)♦	26	4	4	0
Dover Shopping Center, LLC♦	30	4	4	0
1606 Lakewood (Gefner)♦	28	4	4	0
Hovnanian (Bimini Road)♦	28	4	4	0
Arya Properties♦	8	1	1	0
Gabrielle Run♦	68	9	9	0
JSM – Rt 166♦	27	4	4	0
Preliminary Total	994	271	129	142

♦Inclusionary Project with Affordable Housing Agreement executed or pending execution (other projects are constructed 100% affordable sites)

*Based on one person household units with incomes below \$19,807 on rent roll.

** Based on HAP requirement of minimum 30% Very Low income

Spending Plan

The Township has amended its Spending Plan to incorporate the potential funding for the Housing Rehabilitation Plan and extended the table of projected expenditures and revenues from 2017 to 2023 per the tables in the COAH template.