

**City of Ventnor  
Atlantic County**

**Housing Element of the Master Plan  
Fair Share Plan**

Adopted by the Planning Board on June 30, 2025, by Resolution -----  
Endorsed by the Governing Body on ----- by Resolution -----

**DRAFT – June 20, 2025**

Ventnor City  
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Atlantic County**

**Housing Element of the Master Plan  
Fair Share Plan**

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## EXECUTIVE SUMMARY

The City of Ventnor has prepared this plan in response to the enactment of Assembly Bill 4 signed by the Governor in 2024. This legislation abolished the Council on Affordable Housing (COAH), the State agency responsible for administering and overseeing affordable housing plans. The legislation also amended affordable housing regulations as provided for in the Fair Housing Act (FHA) and set deadlines for municipalities for reporting and filing a Fourth-Round Housing Element and Fair Share Plan.

In accordance with the amendments to the FHA, Ventnor accepted the Department of Community Affairs' (DCA) calculations of the Municipality's Present Need and Prospective Need in a binding resolution 2025-070 on January 23, 2025 and on January 24, 2025 the City filed the resolution with the Affordable Housing Dispute Resolution Program ("the Program") through a Complaint for Declaratory Relief in accordance with the Administrative Office of the Courts' Directive #14-24 ("AOC Directive #14-24"). On March 27, 2025, the Court issued an Order fixing Municipal Obligations for Present Need and Prospective Need for the Fourth-Round Housing Cycle for the municipality consistent with the DCA calculations: Present Need of 24 and Prospective Need as 14.

This plan provides for the Municipality's Fourth-Round affordable housing obligation as calculated by the DCA and fixed by the Courts. It also provides for the City's Prior-Round and Third Round obligations, as the City has not prepared any prior Fair Share Plans addressing their affordable housing obligations. Despite not participating in prior affordable housing rounds, the City believes it is prudent and presents good planning to prepare a plan as part of the newly adopted Fourth-Round rules and regulations.

The City's total obligation is 60 from prior rounds and the current fourth-round. The City lacks available vacant land to accommodate their total obligation. This plan provides for a vacant land adjustment with a realistic development potential of 3 which is fully satisfied. To address the unmet need of 57 the plan identifies existing credits and proposes an affordable housing set-aside ordinance to capture affordable housing units from future developments. Additionally, the City will adopt a new Development Fee Ordinance to fund an Affordable Housing Trust Fund. Those funds will be used to fund future affordable housing opportunities.

Over the years the regulations pertaining to each Round of Affordable Housing obligations have changed. In preparing the Fourth-Round components of the Fair Share Plan, the FHA as amended (N.J.S.A. 52:27D-310, et seq.), was followed. This Plan also follows the requirements of N.J.A.C. 5:93 where appropriate, as called for by the recent FHA amendments.

## INTRODUCTION

Ventnor is one of Atlantic County's oceanfront communities, located between Atlantic City and Margate City. Incorporated in 1903 from a portion of Egg Harbor Township, the City consists of 3.5 square miles, including 1.95 square miles of land and 1.57 square miles of water. The primary land use in the City is residential including the neighborhoods of Ventnor Heights, St. Leonard's Tract, Ventnor Gardens and North Beach. Neighborhood commercial is focused along Dorset and Ventnor Avenues with larger scale commercial along Wellington Avenue as you enter the City from Route 322.

As a barrier island community, there are limited areas to accommodate any new development. The City is primarily focused on the redevelopment of existing properties and enhancing their existing neighborhoods. The City has a boardwalk, beaches, and a variety of commercial uses including the local businesses in North Beach, Downtown Ventnor, Downbeach and Dorset Avenue. These areas are balanced with the City's residential development which includes a variety of multi-family and single-family units.

In accordance with the amendments to the FHA, the City accepted the affordable housing obligations as calculated by the Department of Community Affairs (DCA) in a binding resolution 2025-070 on January 23, 2025 and filed the resolution on January 24, 2025 through a Complaint for Declaratory Relief Pursuant to AOC Directive #14-24. On March 27, 2025 the Court issued an order fixing Municipal Obligations for Present Need and Prospective Need for the Fourth-Round Housing Cycle for the City consistent with the DCA calculations: Present Need of 27 and Prospective Need as 14.

This Plan provides mechanisms to satisfy the City's cumulative affordable housing obligations.

## AFFORDABLE HOUSING HISTORY IN NEW JERSEY

Affordable Housing has been embedded in New Jersey land use regulations and policy since the 1975 New Jersey Supreme Court decision, *Southern Burlington NAACP v Mount Laurel Township*, known as “Mount Laurel I.” Following a challenge to Mount Laurel’s zoning the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide a variety and choice of housing types affordable to low- and moderate-income households. This decision formed the foundation of affordable housing planning and regulations in the State.

In 1983 New Jersey Supreme Court in *Southern Burlington County NAACP v. Mount Laurel Township*, 92 N.J. 158 (1983) or “Mount Laurel II” extended the constitutional obligation to all municipalities within a “growth area” as designated in the State Development Guide Plan. This decision also created an opportunity for builders to challenge municipal ordinances, in certain circumstances, for the right to build affordable housing on land that was not zoned to permit the use or density. This is what was termed a “Builder’s Remedy” for municipalities that did not provide for their constitutional obligation of affordable housing.

In response to Mount Laurel II, the State adopted the New Jersey Fair Housing Act in 1985 which created the Council on Affordable Housing (“COAH”) as an administrative alternative to litigation. COAH was charged with promulgating regulations to establish housing regions, estimate the state’s low- and moderate-income needs, and set criteria for municipal compliance through adopted housing elements and fair share plans.

COAH established a municipality’s first round affordable housing obligation for a period of six-years, from 1987 to 1993. The rules established by COAH created both a rehabilitation (present need) obligation and a new construction (prospective

need) obligation. In 1994, COAH adopted new regulations to address the second-round obligation for the period 1993 to 1999. These regulations also recalculated a portion of the municipal's first round obligation, creating a cumulative obligation from 1987 to 1999, and what is now called the "Prior Round" Obligation.

In 2004 COAH adopted rules and regulations for the Third Round, which defined the round from 1999 to 2014. These regulations changed the way in which COAH calculated a municipality's affordable housing obligation, moving from an absolute number based on available data to what the new regulations termed a "growth share" approach that linked affordable housing obligations to the construction of both residential and non-residential development in the municipality over the third-round time period. This was short lived as the New Jersey Appellate Division invalidated key elements of these rules, including the growth share approach to calculating affordable housing obligations, In re Adoption of N.J.A.C. 5:94 and 5:95, 390 N.J. Super 1 (App. Div. 2007). The Court ordered COAH to adopt new rules, which was completed in 2008. The new regulations maintained in large part the growth share approach and extended the third round from 2014 to 2018.

The 2008 regulations were challenged and in 2010 the Appellate Division, In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J. Super. 462, upheld the COAH Prior Round regulations which assigned rehabilitation obligations. However, the Appellate Division invalidated the regulations pertaining to growth share and directed COAH to use similar methods that were set in the First and Second rounds. This decision was reviewed and upheld by the New Jersey Supreme Court in September of 2013 and ordered that COAH adopt new regulations on or before October 22, 2014. COAH failed to adopt the new regulations, and Fair Share Housing Center (FSHC) filed a motion in aid of litigant's rights with the New Jersey Supreme Court. The New Jersey Supreme Court issued a ruling on March 10, 2015, known as "Mount Laurel IV," which set the framework for the Third-Round affordable housing plans.



Mount Laurel IV transferred the responsibility to review and approve housing elements and fair share plans from COAH to designated Mount Laurel trial judges. This meant that municipalities would need to apply to the Courts if they wish to be protected from exclusionary zoning lawsuits. A shortfall in this decision remained as to how a municipal's affordable obligation would be calculated and left that to the trial courts, with the direction that the obligations be determined in a methodology which was similar to those used in the First and Second Round rules. The decision also directed municipalities to rely on COAH's Second Round rules at N.J.A.C. 5:93 as well as the Fair Housing Act (N.J.S.A. 52:27D-301 et seq) in preparing Third Round Housing Elements and Fair Share Plans.

FSHC was permitted to serve as an interested party in every municipal Declaratory Judgement Action. In determining an affordable housing obligation, FSHC calculated municipal affordable housing obligations, as did an expert for municipalities, and offered to settle with municipalities. Many municipalities entered into Court approved Settlements with FSHC, those that did not challenged the methodology used by FSHC to determine municipal obligations.

The Third Round, which began with COAH's 2004 rules identified the time period of 1999 to 2014. However, with COAH's stalemate in adopting regulations and the associated court challenges all cumulating past the initial third round period into the 2015 "Mount Laurel IV" decision, the third round was now identified as the period 2015 to 2025. This left a "Gap Period" of 1999 to 2015. In 2017 the New Jersey Supreme Court, In Re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017), found that the "gap period," defined as 1999-2015, generates an affordable housing obligation. This obligation expanded the definition of the municipal Present Need obligation to include low- and moderate- income households

formed during the gap period as a component of the new-construction obligation rather than the rehabilitation obligation.

In 2018 an unpublished decision of the NJ Superior Court, Law Division, Mercer County was rendered I/M/O the Application of Municipality of Princeton, 480 N.J. Super 70 (Law Div. 2018), also known as the “Jacobson Decision”, which established a methodology for calculating municipal obligations in the Third Round under the Mount Laurel Doctrine. Although this decision is specific to Mercer County, Mount Laurel judges throughout the State have relied upon the Court’s decision in calculating Third Round affordable housing obligations<sup>1</sup>. The decision came after many municipalities had entered into settlement agreements with FSHC which established a municipality’s affordable housing obligation.

While the Courts were addressing affordable housing policy and regulations, the State of New Jersey adopted two important pieces of legislation which shaped affordable housing policy. In 2008, Governor Corzine signed P.L. 2008. C.46 (referred to as “A500”, or the “Roberts Bill”) which amended the FHA. Key components of this bill include:

- Eliminating Regional Contribution Agreements (“RCA”) which allowed a municipality to transfer a portion of their affordable housing obligation to an identified receiving municipality.
- Establishing a statewide 2.5% nonresidential development fee instead of requiring nonresidential developers to provide affordable housing
- Created a very low-income affordable housing category and required at least 13% of all affordable housing units be restricted as very low-income housing units
- Required municipalities to commit to spend all collected development fees for affordable housing within four years of the date of collection.

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<sup>1</sup> The Jacobson decision is also referred to in the 2024 FHA amendments providing that the decision “shall be referenced as to datasets and methodologies that are not explicitly addressed” in N.J.S.A. 52:27D-304.3 of the FHA.

The second piece of legislation was adopted in 2024. Governor Murphy signed P.L. 2024, c.2 (referred to as “A4”) which further amended the FHA and abolished COAH, transferring the oversight of a municipality’s Mount Laurel compliance to the courts. The legislation called for the establishment of “the Program” within the courts, which is an Affordable Housing Dispute Resolution Program meant to assist municipalities and interested parties in resolving their disputes prior to further litigation. Additional key components of the Act include:

- Giving responsibility to the DCA to provide non-binding calculations of municipal present and prospective need using the standards as provided for in the legislation
- Establishing monitoring deadlines for all affordable units and trust funds
- Establishing mechanisms and bonuses for a municipality to meet its affordable housing obligation
- Establishing the Fourth Round of affordable housing obligations from 2025 through 2035
- Establishing a deadline of June 30, 2025, for a municipality to file a Housing Element and Fair Share Plan in compliance with the new regulations to remain protected from an exclusionary zoning lawsuit.

This document has been completed to effectuate the requirements of the 2024 FHA amendments utilizing the affordable housing calculations as published by the DCA in October of 2024.

## HOUSING ELEMENT

The 2024 amendments to the Fair Housing Act included changes to what a Housing Element is required to address. The following is required to be part of any newly adopted Housing Element pursuant to N.J.S.A. 52:27D-310-10:

- An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated;
- A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development trends;
- An analysis of the municipality's demographic characteristics, including, but not necessarily limited to, household size, income level, and age;
- An analysis of the existing and probable future employment characteristics of the municipality;
- A determination of the municipality's present and prospective fair share of low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share of low and moderate income housing;
- A consideration of the lands most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing;

- An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission;
- An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

The following section of this report addresses each of the above referenced requirements.

*A Note on the Data: The following statistics and demographic data are derived from one of the following sources.*

**2023 American Community Survey 5-year Estimates:** The most up to date information is the American Community Survey (ACS) estimates, which are generated between the decennial censuses. ACS figures are based on data collected over a 5-year period.

**2020, 2010, 2000 and 1990 Census:** The 2020 Census is the most recent decennial census. This information is used when ACS information is unavailable, and sometimes for comparison.

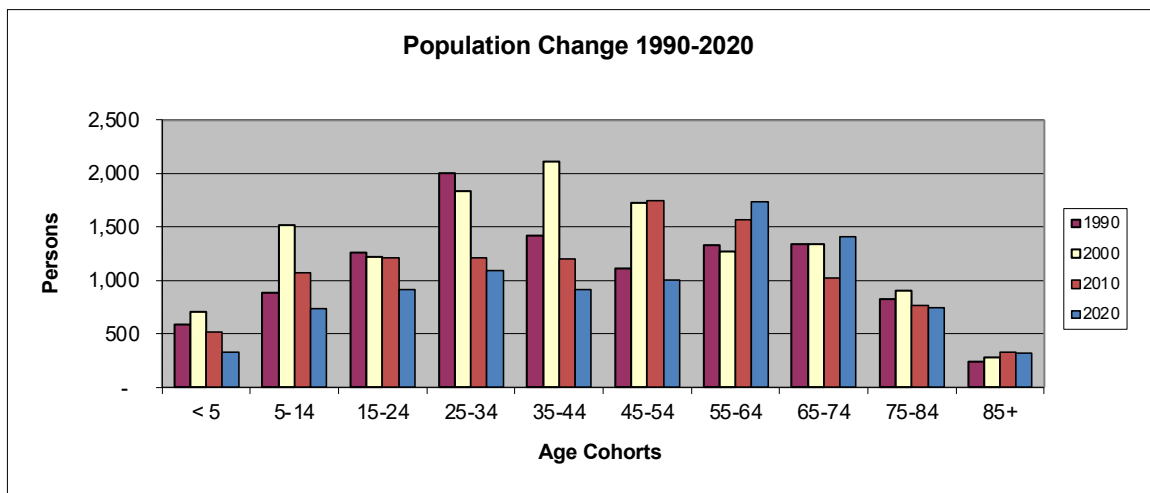
**NJ Building Permit Data:** NJ reports building permits and certificates of occupancy issued for each municipality on a monthly basis.

## Demographic Analysis

The City of Ventnor has seen a population decline over the past thirty years, with a 16% decrease in total population. The population began declining between 2000 and 2010, with a 2,260 person decrease. The City's population has continued to decline by an additional 1,440 persons from 2010 through 2020. The population numbers remain steady when reviewing the ACS 5 Year Estimate which provides a population of 9,220 persons. The decline in population does not correlate with a decline in housing units. Based on additional census data the City has seen an increase of seasonal housing units without a corresponding increase in housing units. The combination of the population decline and housing occupancy is shows a shift from year-round residents to seasonal population fluctuations and vacation rentals.

| Population Trends      |                 |                 |            |
|------------------------|-----------------|-----------------|------------|
|                        | City of Ventnor | Atlantic County | New Jersey |
| 1990                   | 11,005          | 224,327         | 7,730,188  |
| 2000                   | 12,910          | 252,552         | 8,414,350  |
| 2010                   | 10,650          | 274,549         | 8,791,894  |
| 2020                   | 9,210           | 274,534         | 9,288,994  |
| 1990 to 2000           | 17.3%           | 12.6%           | 8.9%       |
| 2000 to 2010           | -17.5%          | 8.7%            | 4.5%       |
| 2010 to 2020           | -13.5%          | 0.0%            | 5.7%       |
| 1990 to 2020           | -16.3%          | 22.4%           | 20.2%      |
| Source: US Census Data |                 |                 |            |

To see how the population has changed in terms of age it is helpful to look at the changes over time to the different age-cohorts. From 2000 to 2010 the City's young adult (Ages 25-34 and 35-44) population declined substantially with a total decline of 45% and 35% respectively over the last 30 years. The City has also seen a declines in the under 14 cohorts over the same period. Overall the City's 55-64 cohort has grown. The City's median age shows this change with an increase from 40.2 years in 1990 to 51.7 years in 2020, an increase of 11.5 years.



| 1990 to 2020 Population Profiles or Cohorts - Ventnor |            |        |       |       |                   |              |              |              |
|---|------------|--------|-------|-------|-------------------|--------------|--------------|--------------|
| Age   | Population |        |       |       |                   |              |              |              |
|   | Persons    |        |       |       | Population Change |              |              |              |
|   | 1990       | 2000   | 2010  | 2020  | 1990 to 2000      | 2000 to 2010 | 2010 to 2020 | 1990 to 2020 |
| < 5   | 592        | 703    | 521   | 334   | 18.8%             | -25.9%       | -35.9%       | -43.6%       |
| 5-14  | 883        | 1,520  | 1,075 | 740   | 72.1%             | -29.3%       | -31.2%       | -16.2%       |
| 15-24   | 1,259      | 1,217  | 1,211 | 914   | -3.3%             | -0.5%        | -24.5%       | -27.4%       |
| 25-34   | 2,001      | 1,836  | 1,212 | 1,096 | -8.2%             | -34.0%       | -9.6%        | -45.2%       |
| 35-44   | 1,417      | 2,115  | 1,206 | 917   | 49.3%             | -43.0%       | -24.0%       | -35.3%       |
| 45-54   | 1,116      | 1,730  | 1,741 | 1,007 | 55.0%             | 0.6%         | -42.2%       | -9.8%        |
| 55-64   | 1,327      | 1,267  | 1,564 | 1,734 | -4.5%             | 23.4%        | 10.9%        | 30.7%        |
| 65-74   | 1,337      | 1,336  | 1,027 | 1,405 | -0.1%             | -23.1%       | 36.8%        | 5.1%         |
| 75-84   | 827        | 908    | 765   | 743   | 9.8%              | -15.7%       | -2.9%        | -10.2%       |
| 85+   | 246        | 278    | 328   | 320   | 13.0%             | 18.0%        | -2.4%        | 30.1%        |
|   |            |        |       |       |                   |              |              |              |
| 18+   | 9,260      | 10,336 | 8,677 | 7,891 | 11.6%             | -16.1%       | -9.1%        | -14.8%       |
| 62+   | 2,883      | 2,876  | 2,549 | 3,002 | -0.2%             | -11.4%       | 17.8%        | 4.1%         |
| 65+   | 2,410      | 2,522  | 2,120 | 2,468 | 4.6%              | -15.9%       | 16.4%        | 2.4%         |
|   |            |        |       |       |                   |              |              |              |
| Median Age  | 40.2       | 39.9   | 45.5  | 51.7  | -0.7%             | 14.0%        | 13.6%        | 28.6%        |
|   |            |        |       |       |                   |              |              |              |

Unlike the decrease of population, the total housing units in the City have not declined at the same rate. Between 2000 and 2020 the total housing units increased by 112 units. The ACS 5 year estimates show a decrease of 84 new units since 2020, reporting an estimated 7,813 units. The changes in the total housing unit numbers does not correlate to the considerable population decline. This difference is better understood when looking at the changes to the occupancy of housing units over time.

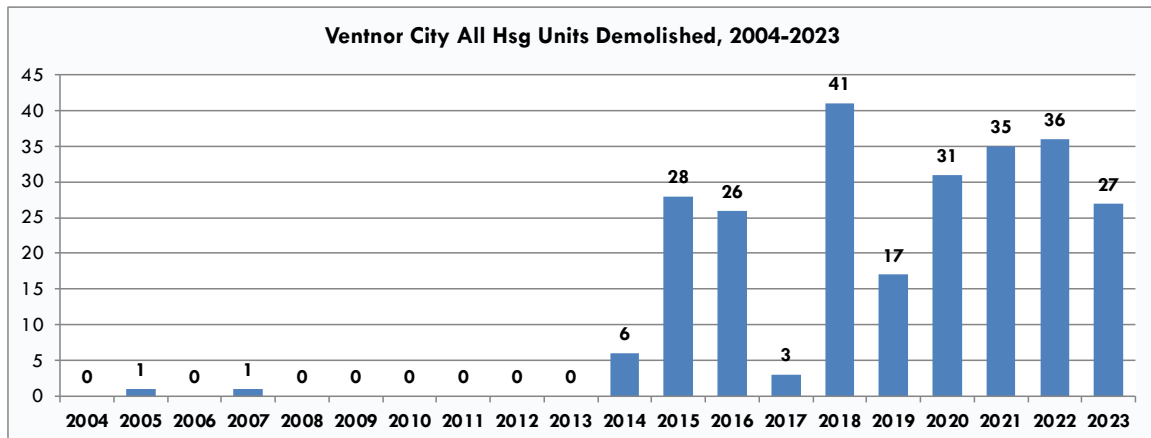
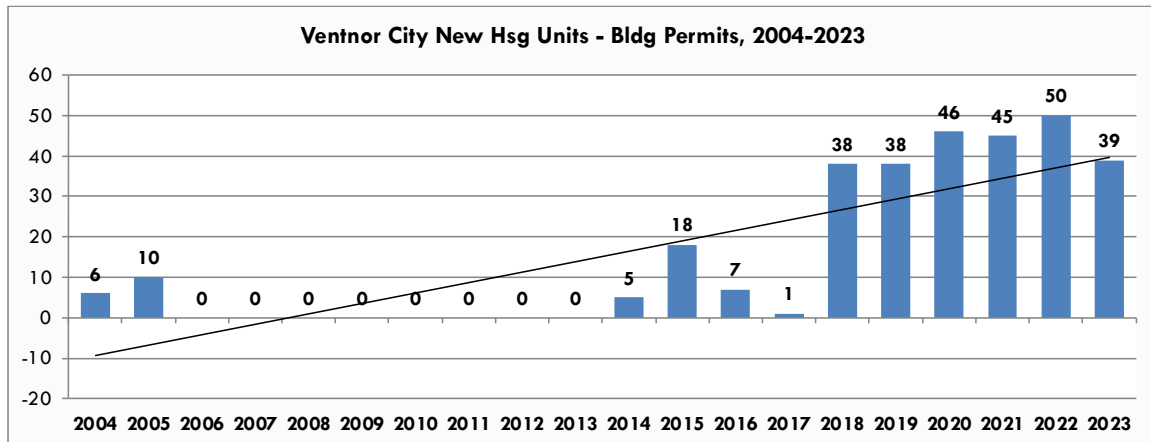
| Housing Trends/Total Housing Units |                 |                 |            |
|------------------------------------|-----------------|-----------------|------------|
|                                    | City of Ventnor | Atlantic County | New Jersey |
| 1990                               | 7,256           | 106,877         | 3,075,310  |
| 2000                               | 8,009           | 114,090         | 3,310,275  |
| 2010                               | 7,829           | 126,647         | 3,553,562  |
| 2020                               | 7,897           | 132,038         | 3,761,229  |
| 1990 to 2000                       | 10.4%           | 6.7%            | 7.6%       |
| 2000 to 2010                       | -2.2%           | 11.0%           | 7.3%       |
| 2010 to 2020                       | 0.9%            | 4.3%            | 5.8%       |
| 1990 to 2020                       | 8.8%            | 23.5%           | 22.3%      |

The table below shows the total housing units from 1900 through 2020. The total housing units remains generally the same. However, when you look at the occupied housing units and vacant housing units the reason for the population decline becomes apparent. From 1900 to 2020 the total housing units reported as vacant and used seasonal has grown by 63%.

| Ventnor Housing Trends |                     |                        |                      |  |
|------------------------|---------------------|------------------------|----------------------|--|
|                        | Total Housing Units | Occupied Housing Units | Vacant Housing Units | Percent of Vacant Reported as Seasonal Housing Units |
| 1990                   | 7,256               | 4,783                  | 2,473                | 1,838  |
| 2000                   | 8,009               | 5,480                  | 2,529                | 1,870  |
| 2010                   | 7,829               | 4,592                  | 3,237                | 2,584  |
| 2020                   | 7,897               | 4,296                  | 3,601                | 3,046  |
| 1990 to 2000           | 10.4%               | 14.6%                  | 2.3%                 | 1.7%   |
| 2000 to 2010           | -2.2%               | -16.2%                 | 28.0%                | 38.2%  |
| 2010 to 2020           | 0.9%                | -6.4%                  | 11.2%                | 17.9%  |
| <b>1900 to 2020</b>    | <b>8.8%</b>         | <b>-21.6%</b>          | <b>42.4%</b>         | <b>62.9%</b>   |



The State of New Jersey compiles reports of building permits issued for residential purposes which correlates with the census data and shows that there has not been a considerable net increase of housing units, but a rebuilding of units. Between 2014 and 2023 a total of 287 new units were built and 250 units were demolished, for a net increase of 37 new units. The tables below are sourced from the DCA Residential Development Viewer shows the total building permits and demolition permits issued for housing units in the Township from 2004 through 2023.



| 2020 Population by Categories              |         |       |                 |       |            |       |
|--|---------|-------|-----------------|-------|------------|-------|
|  | Ventnor |       | Atlantic County |       | New Jersey |       |
|  | Persons | %     | Persons         | %     | Persons    | %     |
| <b>Total</b>                               | 9,210   | 100%  | 274,534         | 100%  | 9,288,994  | 100%  |
| <b>Sex</b>                                 |         |       |                 |       |            |       |
| F  | 4,722   | 51.3% | 142,183         | 51.8% | 4,770,289  | 51.4% |
| M  | 4,488   | 48.7% | 132,351         | 48.2% | 4,518,705  | 48.6% |
| <b>Race</b>                                |         |       |                 |       |            |       |
| White                                      | 6,722   | 73.0% | 156,796         | 57.1% | 5,112,280  | 55.0% |
| Black or African American                  | 281     | 3.1%  | 41,519          | 15.1% | 1,219,770  | 13.1% |
| Asian                                      | 723     | 7.9%  | 21,784          | 7.9%  | 950,090    | 10.2% |
| American Indian and Alaska Native          | 15      | 0.2%  | 1,253           | 0.5%  | 51,186     | 0.6%  |
| Native Hawaiian and Other Pacific Islander | 5       | 0.1%  | 342             | 0.1%  | 3,533      | 0.0%  |
| Other                                      | 696     | 7.6%  | 27,192          | 9.9%  | 1,048,641  | 11.3% |
| Two or More Races                          | 768     | 8.3%  | 25,648          | 9.3%  | 903,494    | 9.7%  |
| Hispanic or Latino                         | 1,434   | 15.6% | 53,713          | 19.6% | 2,002,575  | 21.6% |
| <b>Age</b>                                 |         |       |                 |       |            |       |
| 25-64                                      | 4,754   | 51.6% | 140,922         | 51.3% | 4,927,277  | 53.0% |
| 65+  | 2,468   | 26.8% | 51,975          | 18.9% | 1,531,299  | 16.5% |
| Median Age                                 | 51.7    | n/a   | 42.5            | n/a   | 39.9       | n/a   |

## Housing Analysis

The most recent data available from the ACS 5-year estimates reflects the total housing units of 7,813, less than what was reported in the 2020 Census. The City housing stock is primarily owner-occupied at 60% and 40% are rental units. Less than half, or 37% of all households are married couples and 34% are single-female households. The median housing value is \$345,300 and the median gross rent is \$1,477.

| Ventnor Housing Units by Tenant and Occupancy Status |        |       |                |       |        |       |
|--|--------|-------|----------------|-------|--------|-------|
| Year Round Housing Units                             |        |       | Owner-occupied |       | Rental |       |
| Occupied   | Vacant | Total | No.            | %     | No.    | %     |
| 4,296  | 3601   | 7,897 | 2,584          | 60.1% | 1,712  | 39.9% |
| Source: US Census Data 2020                          |        |       |                |       |        |       |

| Summary of Household Characteristics - Ventnor |                |            |
|--|----------------|------------|
|  | No. of Persons | % of Total |
| Total Population                               | 9,210          |            |
| In Households                                  | 9,210          | 100.00%    |
| Children under 18                              | 1,098          | 11.92%     |
| Grandchildren under 18                         | 131            | 1.42%      |
| Nonrelatives                                   | 347            | 3.77%      |
|  |                |            |
| Total Households                               | 4,296          |            |
| Married Couple                                 | 1,622          | 37.76%     |
| Cohabiting Couple                              | 277            | 6.45%      |
| Single Male                                    | 955            | 22.23%     |
| Single Female                                  | 1,442          | 33.57%     |
| Source: 2020 Census                            |                |            |

| Selected Housing or Housing Related Characteristics (Occupied Units) |                                       |                   |                         |                    |                     |
|--|---------------------------------------|-------------------|-------------------------|--------------------|---------------------|
|  | Median Value Housing (owner-occupied) | Median Gross Rent | Median Household Income | Value Income Ratio | Rental Vacancy Rate |
| Ventnor  | \$345,300                             | \$1,477           | \$74,619                | 4.63               | 2.1%                |
| Atlantic County  | \$272,700                             | \$1,325           | \$76,819                | 3.55               | 4.7%                |
| Source: ACS 2023 5-year estimates                                    |                                       |                   |                         |                    |                     |

Almost half, 49%, of the City's housing stock is single-family detached units. The housing stock is older with the majority of the units constructed before 1970. More than 60% of the total housing stock is fifty years of age or older. In general, the housing stock has a median room count of 5.9 per unit and 63% have 3 or more bedrooms per unit. In part because the City has seasonal housing units, there are 12 units estimated to lack complete plumbing facilities. There are 28 units lacking complete kitchen facilities. There are 70 units (1.5%) of the occupied units have no heating source. Seventeen units or 0.3% of all occupied housing units have more than 1.51 persons per room.

| Housing Units by Number of Units in Structure |              |                  |
|---|--------------|------------------|
| Number of Units                               | Units        | Percent of Total |
| 1-unit, Detached                              | 3,837        | 49.11%           |
| 1-unit, Attached                              | 677          | 8.67%            |
| 2 units                                       | 1,207        | 15.45%           |
| 3 or 4 units                                  | 278          | 3.56%            |
| 5 to 9 units                                  | 229          | 2.93%            |
| 10 to 19 units                                | 239          | 3.06%            |
| 20 or more units                              | 1,339        | 17.14%           |
| Mobile Home                                   | 7            | 0.09%            |
| Other   | -            | 0.00%            |
| <b>Total</b>                                  | <b>7,813</b> |                  |
| Source: ACS 2023 5-year estimates             |              |                  |

| Housing Units by Age              |              |                  |
|-----------------------------------|--------------|------------------|
| Year Built                        | Units        | Percent of Total |
| 2020 or later                     | 67           | 0.86%            |
| 2010 to 2019                      | 336          | 4.30%            |
| 2000 to 2009                      | 218          | 2.79%            |
| 1990 to 1999                      | 234          | 3.00%            |
| 1980 to 1989                      | 667          | 8.54%            |
| 1970 to 1979                      | 1,127        | 14.42%           |
| 1960 to 1969                      | 1,475        | 18.88%           |
| 1950 to 1959                      | 674          | 8.63%            |
| 1940 to 1949                      | 608          | 7.78%            |
| 1939 or earlier                   | 2,407        | 30.81%           |
| <b>Total</b>                      | <b>7,813</b> |                  |
| Source: ACS 2023 5-year estimates |              |                  |

| Occupied Housing Units by Number of Rooms |               |                                |
|---|---------------|--------------------------------|
| Rooms                                     | Housing Units | Percent of Total Housing Units |
| 1   | 127           | 1.6%                           |
| 2   | 414           | 5.3%                           |
| 3   | 584           | 7.5%                           |
| 4   | 1,159         | 14.8%                          |
| 5   | 1,031         | 13.2%                          |
| 6   | 1,345         | 17.2%                          |
| 7   | 1,231         | 15.8%                          |
| 8   | 770           | 9.9%                           |
| 9+  | 1,152         | 14.7%                          |
| <b>Total</b>                              | <b>7,813</b>  | <b>100.0%</b>                  |
| Median Rooms                              | 5.9           |                                |
| Source: ACS 2023 5-year estimates         |               |                                |

| Occupied Housing Units by Number of Bedrooms |               |                                |
|--|---------------|--------------------------------|
| Bedrooms                                     | Housing Units | Percent of Total Housing Units |
| No Bedrooms                                  | 317           | 4.1%                           |
| 1-Bedroom                                    | 832           | 10.6%                          |
| 2-Bedrooms                                   | 1,766         | 22.6%                          |
| 3- Bedrooms                                  | 2,454         | 31.4%                          |
| 4-Bedrooms                                   | 1,655         | 21.2%                          |
| 5 + Bedrooms                                 | 789           | 10.1%                          |
| <b>Total</b>                                 | <b>7,813</b>  | <b>100.0%</b>                  |
| Source: ACS 2023 5-year estimates            |               |                                |

Estimated housing values show that approximately 12% of all housing units have values less than \$200,000, which would provide an opportunity for low- and moderate- income families. A large number of housing units are valued between \$300,000 and \$499,000.

| <b>Housing Value, Owner-Occupied Units</b> |                      |                                       |
|--|----------------------|---------------------------------------|
| <b>Value</b>                               | <b>Housing Units</b> | <b>Percent of Total Housing Units</b> |
| Less than \$50,000                         | 100                  | 3.5%                                  |
| \$50,000 to \$99,999                       | 51                   | 1.8%                                  |
| \$100,000 to \$149,999                     | 62                   | 2.2%                                  |
| \$150,000 to \$199,999                     | 124                  | 4.4%                                  |
| \$200,000 to \$299,999                     | 774                  | 27.4%                                 |
| \$300,000 to \$499,999                     | 1,001                | 35.5%                                 |
| \$500,000 to \$999,999                     | 486                  | 17.2%                                 |
| \$1,000,000 or more                        | 224                  | 7.9%                                  |
| <b>Total</b>                               | <b>2,822</b>         | <b>100.0%</b>                         |
| Median Housing Value                       | \$ 345,300           |                                       |
| Source: ACS 2023 5-year estimates          |                      |                                       |

## Income and Employment Analysis

The median household income in the City is \$74,619. The median family income is \$88,919. The poverty rate in the City is 10.3% for all persons and 6.1% for families.

| Income Levels                     |            |           |            |
|-----------------------------------|------------|-----------|------------|
|                                   | Ventnor    |           |            |
|                                   | Households | Families  | Non-Family |
| Median Income                     | \$74,619   | \$88,919  | \$48,623   |
| Mean Income                       | \$115,511  | \$152,160 | \$70,166   |
| Source: ACS 2023 5-year estimates |            |           |            |

| Percent Distribution Persons and Families below Poverty Level |                                |                                   |                                    |                             |
|---|--------------------------------|-----------------------------------|------------------------------------|-----------------------------|
|   | Population Below Poverty Level |                                   |                                    | Families Below Poverty Line |
|   | All Persons                    | % of All Persons 18+ Years of Age | % of All Persons 65 + Years of Age |                             |
| Ventnor   | 10.3%                          | 10.6%                             | 10.7%                              | 6.1%                        |
| Atlantic County   | 13.1%                          | 22.3%                             | 10.0%                              | 9.9%                        |
| New Jersey  | 9.8%                           | 8.8%                              | 9.5%                               | 7.0%                        |
| Source: ACS 2023 5-year estimates                             |                                |                                   |                                    |                             |

Affordable housing units are required to be priced to be affordable to low- and moderate-income families. Ventnor is located within Region 6 for the purposes of determining housing affordability. Income limits for households ranging from 1 person to 5 persons range from a household income of \$20,655 for a one-person low-income family up to an income of \$84,983 for a 5-person moderate income household. Household income reported in the City includes 35% of households with incomes which would fall into the affordable housing income levels.



| Household Income (2023 Inflation Adjusted Dollars) |                       |                            |
|--|-----------------------|----------------------------|
|  | Ventnor<br>Households | (% of Total<br>Households) |
| Total Households                                   | 4,537                 | n/a                        |
| Less than \$10,000                                 | 333                   | 7.3%                       |
| 10,000 - 14,999                                    | 144                   | 3.2%                       |
| 15,000 - 24,999                                    | 222                   | 4.9%                       |
| 25,000-34,999                                      | 424                   | 9.3%                       |
| 35,000 - 49,999                                    | 517                   | 11.4%                      |
| 50,000 - 74,999                                    | 648                   | 14.3%                      |
| 75,000 - 99,999                                    | 585                   | 12.9%                      |
| 100,000 - 149,999                                  | 698                   | 15.4%                      |
| 150,000 - 199,999                                  | 275                   | 6.1%                       |
| 200,000 +  | 691                   | 15.2%                      |
| Source: ACS 2023 5-year estimates                  |                       |                            |

| 2024 Affordable Housing Region 6 Income Limits                 |                       |                       |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 1 Person<br>Household | 2 Person<br>Household | 3 Person<br>Household | 4 Person<br>Household | 5 Person<br>Household |
| Median Income  | \$ 68,852             | \$ 78,688             | \$ 88,524             | \$ 98,360             | \$ 106,228            |
| Moderate Income(80%<br>of Median)                              | \$ 55,081             | \$ 62,950             | \$ 70,819             | \$ 78,688             | \$ 84,983             |
| Low Income (50% of<br>Median)                                  | \$ 34,426             | \$ 39,344             | \$ 44,262             | \$ 49,180             | \$ 53,114             |
| Very Low Income<br>(30% of Median)                             | \$ 20,655             | \$ 23,606             | \$ 26,557             | \$ 29,508             | \$ 31,868             |
| Source: Affordable Housing Professionals of NJ, April 12, 2024 |                       |                       |                       |                       |                       |

Of the population over the age of 16, only 56% are in the labor force and 56% of those in the civilian labor force are employed. The fields of art, entertainment and recreation and accommodation and food service employs 25% of the population. Educational services, and health care/social assistance employs 21% of the population. Over 45% of the employed population work in management, business, science and arts and 27% work in service occupations.

| <b>EMPLOYMENT STATUS</b>          |              |  |
|-----------------------------------|--------------|--|
|                                   | <b>Total</b> | <b>Percent of<br/>Population 16<br/>Years and Over</b> |
| Population 16 years and Over      | 8,244        | 100%   |
| In Labor Force                    | 4,638        | 56.26%   |
| Civilian Labor Force              | 4,638        | 56.26%   |
| Employed                          | 4283         | 51.95%   |
| Unemployed                        | 355          | 4.31%  |
| Armed Forces                      | 0            | 0.00%  |
| Not In Labor Force                | 3,606        | 43.74%   |
| Source: ACS 2023 5-year estimates |              |  |

| <b>Employment by Industry, Civilian Employed population 16 years and over</b>              |                    |             |
|--|--------------------|-------------|
| <b>Occupation</b>  | <b>No. Persons</b> | <b>%</b>    |
| Agriculture, Forestry, Fishing and Hunting, and Mining                                     | 1                  | 0.02%       |
| Construction   | 152                | 3.55%       |
| Manufacturing  | 117                | 2.73%       |
| Wholesale Trade  | 21                 | 0.49%       |
| Retail Trade   | 325                | 7.59%       |
| Transportation and Warehousing, Utilities  | 91                 | 2.12%       |
| Information  | 108                | 2.52%       |
| Finance and Insurance, and Real Estate and Rental and Leasing                              | 320                | 7.47%       |
| Professional, Scientific, and Management, and Administrative and Waste Management Services | 536                | 12.51%      |
| Educational Services, and Health Care and Social Assistance                                | 891                | 20.80%      |
| Arts, Entertainment, and Recreation, and Accommodation and Food Services                   | 1,069              | 24.96%      |
| Other Services, except Public Administration   | 373                | 8.71%       |
| Public Administration  | 279                | 6.51%       |
| <b>Total</b>   | <b>4,283</b>       | <b>100%</b> |
| Source: ACS 2023 5-year estimates  |                    |             |

| <b>Employment by Occupation Civilian Employed population 16 years and over</b> |                    |             |
|--|--------------------|-------------|
| <b>Occupation</b>  | <b>No. Persons</b> | <b>%</b>    |
| Management, Business, Science, and Arts  | 1,960              | 45.76%      |
| Service  | 1,148              | 26.80%      |
| Sales and Office   | 806                | 18.82%      |
| Natural Resources, Construction and Maintenance                                | 218                | 5.09%       |
| Production, Transportation & Material Moving                                   | 151                | 3.53%       |
| <b>Total</b>   | <b>4,283</b>       | <b>100%</b> |
| Source: ACS 2023 5-year estimates  |                    |             |

## Affordable Housing Obligation

A municipality's affordable housing obligation is spread across different time periods. The most current obligation is related to the Fourth-Round. However, a municipality must also address any prior affordable housing obligations if they have not already been fully satisfied. The following reviews all components of Ventnor's affordable housing obligation beginning in 1987 and extending through 2035.

The following table identifies the Municipality's comprehensive affordable housing obligation:

|   |           |
|---|-----------|
| Present Need (2025 Rehab Units)   | 24        |
| Prior Round (1987-1999)   | 27        |
| Round 3 (Jacobson*)   | 19        |
| Gap (1999-2015)   | 19        |
| Prospective (2015-2025)   | 0         |
| Round 4 (DCA Calculations 2025-2035)  | 14        |
| <b>Total Obligation (New Units)</b>   | <b>60</b> |
| *Jacobson represents the 2018 Legal Decision on how to calculate affordable housing obligations in Round 3 which was incorporated into the 2024 legislation. This number was calculated by Econsult Solutions |           |

### **Present Need / Rehabilitation Component**

The Present Need/Rehabilitation obligation is determined by estimating the existing deficient housing units currently occupied by low- and moderate-income households within the municipality, through the use of datasets made available through the federal decennial census and the American Community Survey, including the Comprehensive Housing Affordability Strategy dataset thereof. This figure was calculated by the Department of Community Affairs ("DCA") based upon its interpretation of the standards of the Amended FHA. The City's rehabilitation obligation is **24**.

## **Prior Round Component**

The Prior Round obligation is the City's cumulative Round 1 and 2 affordable housing obligation for the years between 1987 and 1999. The City's Prior Round obligation is **27**.

## **Round Three Component**

Pursuant to a settlement agreement dated August 4, 2017, by and between Ventnor and Fair Share Housing Center, the City's Third Round affordable housing obligation is **19** (per the Jacobson Decision as calculated by Econsult Solutions, including the "Gap Period" between 1999 and 2015). The Third Round Prospective Need includes the so-called "Gap Period Present Need," which is a measure of households formed from 1999-2015 that need affordable housing, created by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).

## **Round Four Component**

The Fourth-Round affordable housing obligation extends from 2025 through 2035. This is considered the current Prospective Need, which is a projection of housing needs based on development and growth which is reasonably likely to occur in a municipality. The Fourth-Round prospective need was determined pursuant to methodology adopted by the state pursuant to the Fair Housing Act as amended in 2024.

On October 18, 2024, the Department of Community Affairs ("DCA") issued a report estimating the Fourth-Round affordable housing obligations for all municipalities based upon its interpretation of the standards of the Amended FHA.

The City of Ventnor adopted a binding resolution #2025-070 on January 23, 2025, committing to the DCA Fourth Round Prospective Need (New Construction) Obligation of **14**.

### **Vacant Land Adjustment**

In accordance with the 2024 amendments to the FHA, the City has prepared a VLA which identifies any vacant contiguous parcels of land in private ownership which are of a size that would be suitable to accommodate five or more housing units. A VLA requires an inventory of vacant parcels, which was completed based on 2025 tax data. The municipality may exclude vacant contiguous parcels in accordance with the following as provided for under N.J.S.A. 52:27D-310.1:

- a) any land that is owned by a local government entity that as of January 1, 1997, has adopted, prior to the institution of a lawsuit seeking a builder's remedy or prior to the filing of a petition for substantive certification of a housing element and fair share plan, a resolution authorizing an execution of agreement that the land be utilized for a public purpose other than housing;
- b) any land listed on a master plan of a municipality as being dedicated, by easement or otherwise, for purposes of conservation, park lands or open space and which is owned, leased, licensed, or in any manner operated by a county, municipality or tax-exempt, nonprofit organization including a local board of education, or by more than one municipality by joint agreement pursuant to P.L.1964, c.185 (C.40:61-35.1 et seq.), for so long as the entity maintains such ownership, lease, license, or operational control of such land;
- c) any vacant contiguous parcels of land in private ownership of a size which would accommodate fewer than five housing units based on appropriate standards pertaining to housing density;
- d) historic and architecturally important sites listed on the State Register of Historic Places or National Register of Historic Places prior to the date of filing a housing element and fair share plan pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1) or initiation of an action pursuant to section 13 of P.L.1985, c.222 (C.52:27D-313);

- e) agricultural lands when the development rights to these lands have been purchased or restricted by covenant;
- f) sites designated for active recreation that are designated for recreational purposes in the municipal master plan; and
- g) environmentally sensitive lands where development is prohibited by any State or federal agency, including, but not limited to, the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), for lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities.

A review of the tax records was conducted and all vacant and city owned parcels were reviewed to determine if the parcel met any of the above criteria for exclusion. The City utilized a housing density of 10 units per acre to determine if the lot was large enough to accommodate more than 5 dwelling units. This density is appropriate for the community given its State Planning Area designation as PA1 and based on the permitted densities in the development regulations. As such, only parcels which were greater than 0.50 acres of land were considered in creating a Realistic Development Potential ("RDP"). Additionally, the municipality may eliminate sites that are environmentally sensitive/constrained, active recreational lands; conservation, parklands and open space.

After accounting for exclusions, the parcels that were non-constrained, greater than 0.5 acres of land, and vacant, were compiled and applied a density of 10 units per acre to determine the City's RDP. These parcels are included in the table below. This resulted in a total of two (2) parcels which create an RDP of 2.3 units. With a combined affordable housing obligation from the Prior, Third and Fourth Rounds of 60, this would result in the City having an RDP of 3 units (conservatively rounding upwards) and an unmet need of 57.

| CITY OF VENTNOR   |     |                    |                          |               |                                 |                                 |                     |
|---|-----|--------------------|--------------------------|---------------|---------------------------------|---------------------------------|---------------------|
| VACANT/NON-CONSTRAINED PARCELS LARGER THAN 0.5 ACRES - 2025 |     |                    |                          |               |                                 |                                 |                     |
| Block   | Lot | Location           | Owner                    | Total Acreage | Useable Land Area (Non-Wetland) | Total Units (Density of 10 u/a) | RDP - 20% Set-Aside |
| 19  | 1   | 111 S Cornwall Ave | 111 S Cornwall Assoc Llc | 0.646         | 0.646                           | 6.46                            | 1.3                 |
| 71  | 22  | 10 S Newport Ave   | City Of Ventnor          | 0.517         | 0.517                           | 5.17                            | 1.0                 |
| REALISTIC DEVELOPMENT POTENTIAL (RDP)                       |     |                    |                          |               |                                 |                                 | 2.3                 |

### Land Use Analysis

The municipality has conducted an exhaustive review of all available vacant and underutilized parcels through their approved VLA. The City has given consideration to those sites which would be suitable for affordable housing purposes. With limited vacant land available, the only opportunities arise from the reuse or redevelopment of existing parcels. Recognizing this, the City will adopt ordinances which would provide for affordable housing units on sites which redevelop and provide new multi-family housing units.

### Multigenerational Family Housing Analysis

In 2021 the FHA was amended to require an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission. Currently there are no recommendations published from the Commission. The duties of the commission are:



*“To prepare and adopt recommendations on how State government, local government, community organizations, private entities, and community members may most effectively advance the goal of enabling senior citizens to reside at the homes of their extended families, thereby preserving and enhancing multigenerational family continuity, through the modification of State and local laws and policies in the areas of housing, land use planning, parking and streetscape planning, and other relevant areas.”*

A review of 2020 Census data shows that 3.3% of the occupied housing units in the City contain three plus generations of families. The City recognizes the needs of older residents who want to age in place or continue to live independently in the City where they raised their families. The City ordinances do not prohibit the creation of extra living space for family members, provided they are part of the same housekeeping unit.

### **Regional Planning Analysis**

The Office of Planning Advocacy and the State Planning Commission are currently in the process of Cross Acceptance to adopt the 2024 State Development and Redevelopment Plan (SDRP). This is the first update to the 2001 SDRP. In both the 2001 and 2024 SDRP the developed portions of the City of Ventnor is completely within a Metropolitan State Planning Area (PA1). There are areas (primarily marshlands and water) located along the bay and the City’s western border which are within the Environmentally Sensitive (PA5) Planning Area.

The City of Ventnor is primarily built-out. The City has infrastructure for water and sewer and has approved stormwater management ordinances in accordance with the NJ DEP requirements. The City has access to public transportation through the New Jersey Transit bus services.

In the 2024 Draft SDRP the PA1 Planning Area is intended to

- *provide for much of the state's future growth in compact development and redevelopment;*
- *revitalize cities, towns and neighborhoods, and in particular overburdened neighborhoods;*
- *address existing legacy issues such as air pollution, urban heat islands, lead contamination, Brownfields, urban highways, and combined sewer systems;*
- *prevent displacement and gentrification;*
- *promote growth that occurs in Centers, other appropriate areas that are pedestrian friendly, and in compact transit-oriented forms;*
- *rebalance urbanization with natural systems;*
- *promote increased biodiversity and habitat restoration;*
- *stabilize and enhance older inner ring suburbs;*
- *redesign and revitalize auto oriented areas;*
- *protect and enhance the character of existing stable communities.*

The City does not have vacant land that can be developed, all development is rooted in the reuse and redevelopment of previously utilized properties. The City continues to look at their zoning to encourage the redevelopment and improvement of older facilities and properties while balancing the character of their community.

## FAIR SHARE PLAN

A Fair Share Plan (FSP) is prepared to address how a municipality intends to meet their constitutional affordable housing obligations. The FSP identifies the affordable housing obligations, projects that have been completed, proposed mechanisms to meet the affordable housing obligations, and addresses the requirements of the FHA and affordable housing regulations applicable to each set of obligations, including N.J.A.C. 5:93 and N.J.A.C. 5:80 where applicable.

### Affordability Requirements

Affordable housing is defined under New Jersey's Fair Housing Act as a dwelling, either for sale or rent that is within the financial means of households of low or moderate income as income is measured within each housing region. The City of Ventnor is in Region 6, which includes Atlantic, Cape May, Cumberland and Salem counties. Moderate-income households are those earning between 50% and 80% of the regional median income. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. As required by the amended FHA (Roberts bill), there is also included a very low-income category, which is defined as households earning 30% or less of the regional median income.

Through the Uniform Housing Affordability Controls (hereinafter "UHAC") at N.J.A.C. 5:80-26.3(d) and (e), which were amended by "emergency" in December 2024, the maximum rent for a qualified unit be affordable to households that earn no more than 60% of the median income for the region. The average rent must be affordable to households earning no more than 52% of the median income. The maximum sale prices for affordable units must be affordable to households that earn no more than 70% of the median income. The average sale price must be affordable to a household that earns no more than 55% of the median income.

The regional median income is defined using the federal Department of Housing and Urban Development (“HUD”) income limits on an annual basis. In the spring of each year HUD releases updated regional income limits. It is from these income limits that the rents and sale prices for affordable units are derived. These figures are updated annually.

### **Affordable Housing Plan**

The following provides for the components to satisfy the City’s Prior Round, Third-Round and new Fourth-Round affordable housing obligations. The City has prepared a VLA which identified an RDP of 3 units and an unmet need of 57. The City has also identified several existing facilities which will contribute to satisfying the City’s RDP and unmet need. These are identified below and applied to each round of affordable housing obligations in accordance with the applicable regulations.

### **Rehabilitation Obligation/Present Need:**

The City’s Present Need obligation is **24-units**. The City is located in Atlantic County and participates in the housing rehabilitation program administered by the Atlantic County Improvement Authority (“ACIA”) through their “Owner Occupied Housing Rehabilitation Program.” The ACIA uses federal Community Development Block Grant (“CDBG”) funds as well as prior rehabilitation funds paid back at the time of a home sale to operate a county-wide housing rehabilitation program.

This program provides deferred loans for property owners that meet the required income limits. To qualify property owners must also demonstrate that the home is properly insured and the municipal taxes are paid up to the current quarter. The program requires that a household’s income not exceed 80% of the median income for Atlantic County in accordance with HUD published Section 8 income

guidelines. If qualified a homeowner can use a deferred loan for basic rehabilitation needs including plumbing, heating, electric, roof, windows, doors, insulation and exterior repair and painting.

From 2010 through December of 2024, the ACIA had rehabilitated three (3) units within the City. The City's Fourth-Round rehabilitation obligation will be handled through the continued participation in the County-wide program.

**Prior Round:**

As set forth above, the City of Ventnor has a Prior Round (1987-1999) obligation of 27.

The City has an existing age-restricted rental housing community which was initially occupied in 1982, known as Shalom Towers. The property is located on the corner of Swarthmore and Burke Avenues in the southwest corner of the City. Shalom Towers contains 150 apartment units for low-income seniors. The facility receives project based financing through the U.S. Department of Housing and Urban Development (HUD) Section 202. The initial financing and use agreement was entered into in February of 1981 and included in the Appendix. In 2015 Shalom Towers entered into a Use Agreement with HUD which provided for the continued requirement to provide housing for low-income seniors through January 1, 2043, a copy of this use agreement is included in the Appendix.

The units at Shalom House meet the criteria for Prior-Cycle Credits in accordance with N.J.A.C. 5:93-3.2. Municipalities may receive credit for units constructed between April 1, 1980 and December 15, 1986, provided that the units are occupied by low- or moderate-income households and that the required controls on affordability are in place. Additionally, since the controls on the units have been

extended through 2043 the units are also eligible to provide credits in the Third and Fourth Rounds.

The following Table summarizes the Prior Round Obligation Components:

| <b>Ventnor's<br/>Prior-Round Plan<br/>Obligation - 27</b> | <b>Rental</b> | <b>Senior</b> | <b>Family</b> | <b>Units</b> | <b>Bonus<br/>Credits</b> | <b>Total<br/>Credits</b> |
|---|---------------|---------------|---------------|--------------|--------------------------|--------------------------|
| <b><i>Prior Cycle Credits</i></b>                         |               |               |               |              |                          |                          |
| Shalom Towers   | x             | x             |               | 27           |                          | 27                       |
| <b>Total</b>  |               |               |               | <b>27</b>    |                          | <b>27</b>                |

### Third Round:

The City's Third-Round obligation was determined utilizing the calculations prepared by Econsult Solutions pursuant to the March 2018 unpublished decision of the NJ Superior Court, Law Division, Mercer County In re Application of Municipality of Princeton, also known as the "Jacobson Decision". This decision established a methodology for calculating municipal obligations in the Third Round under the Mount Laurel Doctrine. Although this decision is specific to Mercer County, Mount Laurel judges throughout the State have relied upon the Court's decision in calculating Third Round affordable housing obligations.

The City's Third Round affordable housing obligation is **19**. The Third Round Prospective Need includes the so-called "Gap Period Present Need," which is a measure of households formed from 1999-2015 that need affordable housing, created by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017). According to the Econsult Solutions Report the Gap Period (1999 through 2015) obligation is 19, and the Prospective Need (2015-2025) obligation is 0, for a total obligation of 19.

Bonus credits are permitted for rental units, up to 25% of the City's Third-Round obligation in accordance with N.J.A.C. 5:93-5.15(a). As such the City is permitted to take a bonus credit for a maximum of 5 credits. Additionally, in accordance with N.J.A.C. 5:93-5.14(a)1, the City is permitted to include up to 25% of the total Third-Round obligation as age-restricted housing units, for a maximum of 5 units.

The following table addresses how the municipality will satisfy their Third-Round obligation:

| <b>Ventnor's<br/>Third Round<br/>Prospective Need Plan<br/>Obligation - 19</b> | <b>Rental</b> | <b>Senior</b> | <b>Family</b> | <b>Units</b> | <b>Bonus<br/>Credits</b> | <b>Total<br/>Credits</b> |
|--|---------------|---------------|---------------|--------------|--------------------------|--------------------------|
| <b><i>100% Affordable Development</i></b>                                      |               |               |               |              |                          |                          |
| Shalom Towers  | x             | x             |               | 5            | 1                        | 6                        |
| <b><i>Supportive Housing</i></b>   |               |               |               |              |                          |                          |
| Dakota Properties –<br>Oaks Integrated Care<br>336-338 Hampshire Drive         | x             |               | x             | 2            | 2                        | 4                        |
| Dakota Properties –<br>Oaks Integrated Care<br>312-314 N Wissahickon Avenue    | x             |               | x             | 2            | 2                        | 4                        |
| <b>Total</b>   |               |               |               | <b>9</b>     | <b>5</b>                 | <b>14</b>                |
| <b>Unmet Obligation</b>  |               |               |               |              |                          | <b>5</b>                 |

#### **Fourth Round Prospective Need:**

The Department of Community Affairs (DCA) for the State of New Jersey has calculated proposed new affordable housing obligations for each municipality for Round 4 (2025 through 2035). The City's Fourth-Round affordable housing obligation is **14**.

When a Fourth-Round plan includes a VLA, the components of the FSP are required to include an identification of parcels which are likely to redevelop over the next ten years which would provide for up to 25% of the Borough's Fourth-Round RDP (N.J.S.A. 52:27D-310.1). The City has identified five credits from existing units that would satisfy this requirement. The City also proposes to create an opportunity to address their unmet need through an affordable housing set-aside ordinance for multi-family residential developments as described below.

The amendments to the FHA for a Fourth-Round plan require a municipality provide 50% of actual affordable units, exclusive of any bonus credits, available to families with children, for a total of **7 units**. Additionally, at least 25% of actual units, exclusive of bonuses, are required to be rental units for a total of **2 units**, of which of which 50% of the rental units, or **1 unit**, to be available to families with children. (N.J.S.A. 52:27D-311.1) The Fourth-Round plan does provide for the required non-family rental units. The City has an RDP of 3 units leaving a combined unmet need of 57. Therefore, the Fourth-Round plan does not include any existing credits which will meet this requirement. This will be addressed through the zoning ordinances designed to meet the City's unmet need.

The 2024 amendments to the FHA included a new component for "Transitional Housing" which can account for up to 10% of a Fourth-Round obligation. The FHA defines "Transitional Housing" which may qualify for affordable housing credits. Within the City there are several Cooperative Sober Living Residence (Class F Rooming House) that have been licensed by the State Department of Community Affairs under N.J.S.A. 55:13B-1, et seq. While there are seven facilities with 37 total bedrooms, the City may only take credit for 1 bedroom under the 10% cap.



The following table addresses Fourth-Round credits which will address a portion of the City's Fourth-Round Obligation:

| <b>Ventnor<br/>Fourth Round<br/>Prospective Need Plan - 14</b> | <b>Rental</b> | <b>Senior</b> | <b>Family</b> | <b>Units</b> | <b>Bonus<br/>Credits</b> | <b>Total<br/>Credits</b> |
|--|---------------|---------------|---------------|--------------|--------------------------|--------------------------|
| <b><i>Transitional Housing</i></b>                             |               |               |               |              |                          |                          |
| Hansen House CSLR  | x             |               | x             | 1            |                          | 1                        |
| <b><i>100% Affordable Development</i></b>                      |               |               |               |              |                          |                          |
| Shalom Towers  | x             | x             |               | 4            | 0.5                      | 4.5                      |
|  |               |               |               |              |                          |                          |
| <b>TOTAL CREDITS</b>   |               |               |               | <b>5</b>     | <b>0.5</b>               | <b>5.5</b>               |

Bonus credits are permitted for units in the Fourth Round in accordance with the amended FHA under N.J.S.A. 52:27D-311.k. Accordingly, the City is permitted bonus credits for up to 25% of the total Fourth-Round prospective need, allowing for the 3.5 bonus credits. The City reserves the right to apply bonus credits in the future if they become available.

### Combined Obligation

The City has identified an RDP of 3 units which would apply across all affordable housing obligations from the Prior Round to the Fourth Round. The City's total affordable housing obligation for new units is 60. Therefore, the City has an unmet need of 57. The following table identifies the combined housing credits from each round with allowable bonus credits. After applying all existing credits, the City has a remaining unmet need of 10.5. This will be addressed through an overlay zoning district for any future multi-family residential development of ten or more units in the City.

| <b>Ventnor's<br/>Combined<br/>Prospective Need Plan<br/>RDP – 3<br/>Unmet Need – 57</b> | <b>Rental</b> | <b>Senior</b> | <b>Family</b> | <b>Units</b> | <b>Bonus<br/>Credits</b> | <b>Total<br/>Credits</b> |
|---|---------------|---------------|---------------|--------------|--------------------------|--------------------------|
| <b><i>100% Affordable Development</i></b>   |               |               |               |              |                          |                          |
| Shalom Towers   | x             | x             |               | 36           | 1.5                      | 37.5                     |
| <b><i>Supportive Housing</i></b>  |               |               |               |              |                          |                          |
| Dakota Properties –<br>Oaks Integrated Care<br>336-338 Hampshire Drive                  | x             |               | x             | 2            | 2                        | 4                        |
| Dakota Properties –<br>Oaks Integrated Care<br>312-314 N Wissahickon Avenue             | x             |               | x             | 2            | 2                        | 4                        |
| <b><i>Transitional Housing</i></b>  |               |               |               |              |                          |                          |
| Hansen House CSLR   | x             |               | x             | 1            |                          | 1                        |
| <b>Total</b>  |               |               |               | <b>41</b>    | <b>5.5</b>               | <b>46.5</b>              |
| <b>Remaining Unmet Need</b>   |               |               |               |              |                          | <b>10.5</b>              |

### Elements Satisfying Obligation

The City of Ventnor has existing facilities which will contribute to their affordable housing obligation. The City has also proposed an affordable housing set-aside ordinance to address their remaining unmet need obligation of 10.5. Recognizing that the City will create an AHTF and Development Fee ordinance, the City also proposes permitting a market to affordable program as funds become available. The market to affordable program is not included in the tables above, and will be used only when funding is created through the projection of development fees.

### *Shalom Towers – 36 credits*

The City has an existing age-restricted rental housing community which was initially occupied in 1982, known as Shalom Towers. The property is located on the corner of Swarthmore and Burke Avenues in the southwest corner of the City. Shalom Towers contains 150 apartment units for low-income seniors. The facility receives project-based financing through the U.S. Department of Housing and Urban Development (HUD) Section 202. The initial financing and agreement was entered into in February of 1981 and included in the Appendix. In 2015 Shalom Towers entered into a Use Agreement with HUD which provided for the continued requirement to provide housing for low-income seniors through January 1, 2043, a copy of this agreement is included in the Appendix.

The units at Shalom House meet the criteria for Prior-Cycle Credits in accordance with N.J.A.C. 5:93-3.2. Municipalities may receive credit for units constructed between April 1, 1980 and December 15, 1986, provided that the units are occupied by low- or moderate-income households and that the required controls on affordability are in place. Additionally, since the controls on the units have been extended through 2043 the units are also eligible to provide credits in the Third and Fourth Rounds.

### *Special Needs/Supportive Housing – Dakota Properties – 4 bedrooms*

In 2012 Dakota Properties maintains two group homes in the City. The first home contains two (2) bedrooms for developmentally disabled adults. This property is located at 336-338 Hampshire Drive (Block 276, Lot 85). The second home contains two (2) bedrooms for supportive housing for young adults transitioning from the Department of Youth and Family Services. This property is located at 312-314 N Wissahicken Avenue (Block 276, Lot 77).

### *Transitional Housing – 1 credit*

The 2024 amendments to the FHA included a new component for “Transitional Housing” which can account for up to 10% of a Fourth-Round obligation. The FHA defines “Transitional Housing,” which qualify for affordable housing credits. The term means temporary housing which meets the following criteria:

- Includes, but is not limited to, single-room occupancy housing or shared living and supportive living arrangements;
- Provides access to on-site or off-site supportive services for very low-income households who have recently been homeless or lack stable housing;
- Is licensed by the department (DCA); and
- Allows households to remain for a minimum of six months.

While there are nine facilities with over 37 total bedrooms, the City may only take credit for 1 bedroom under the 10% cap. The facilities are identified below. Copies of the licensing will be provided from the Department of Community Affairs.

| Transitional Housing Facilities                           | Bedrooms |
|---|----------|
| Hansen House<br>105 S Austin Avenue – Class F             | 7        |
| Surfside Recovery CSLR<br>201 N. Dorset Avenue F– Class F | 5        |
| Surfside Recovery CSLR<br>201 N. Dorset Avenue B– Class F | 2        |
| Surfside Recovery CSLR<br>27 N Oakland Avenue D – Class F | 2        |
| Surfside Recovery CSLR<br>27 N Oakland Avenue U – Class F | 4        |
| Hansen House<br>103 Austin Avenue – Class F               | 7        |
| Hansen House<br>228 N Newark Avenue – Class F             | 5        |

|   |      |
|---|------|
| Hansen House<br>1 S. Marion Avenue Unit A – Class F | N.P. |
| Hansen House<br>611 Dorset Avenue – Class F         | 5    |

### **Affordable Housing Set-aside Ordinance**

The City proposes to adopt an affordable housing set-aside ordinance requiring an affordable housing set aside for any new multi-family residential development of ten (10) units or more. The ordinance will require an affordable housing set-aside of 20% of which at least 13% would be available to very low-income households. A draft ordinance is included in the Appendix.

### ***Market to Affordable***

The City proposes to adopt a Development Fee Ordinance and create an AHTF. The funds collected from the ordinance may be used to fund market to affordable units. The City will provide for this in their Spending Plan. If sufficient funds are not collected, then the market to affordable units will not be created. Since the FSP includes an overlay zoning district, the units to satisfy the City's unmet need obligation will be addressed. The City is including this component to provide for variety of housing opportunities if funds become available. The creation of market to affordable units would reduce the requirement of new units through the overlay zoning district.

### ***Very Low-Income Units***

Very Low-income housing is affordable to those households with a gross household income of 30% or less of the median gross household income in the region. In 2008 the FHA was amended to include a requirement that at least 13% of all

affordable housing units be very low-income units<sup>2</sup>. The 2024 amendments to the FHA added a provision that at least half of the very low-income units be available to families with children.

The City is required to provide 13% of their total affordable housing units in their Third and Fourth-Round plans as very-low-income units. Accordingly, the City is required to provide for seven (7) very-low-income units based on the combined third and fourth round obligation of 51. The non-family units are addressed through the existing group homes and Shalom Towers.

The additional 3 family very low-income units are proposed to be addressed through the affordable housing set-aside ordinance. The City will use AHTF to buy-down a future unit making it a very-low-income family unit, if funds are available to assist.

### **Phasing Plan for Affordable Housing Units**

The City has unbuilt units satisfying their Third and Fourth-Round obligations. The development of these units are subject to market conditions and overlay zones which depend upon the underlying properties development plans. It is therefore impossible to project the phasing for these units.

### **Bonus Provisions**

For the Prior and Third Round, in accordance with N.J.A.C. 5:93-5.15, the municipality intends to take bonus credits for up to 25% their total obligation when units become available and qualify for bonus credits.

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<sup>2</sup> Assembly Bill A-500 adopted in 2008, also known as the Roberts Bill, created a new definition for very low-income units and a requirement that 13% of all affordable units be made available to very low-income households.

Bonus credits are permitted for units in the Fourth Round in accordance with the amended FHA under N.J.S.A. 52:27D-311.k. for up to 25% of the total Fourth-Round prospective need. The City reserves the right to apply additional bonus credits in the future if they become available.

### **Affordable Housing Trust Fund**

City of Ventnor will adopt an affordable housing trust fund ordinance in accordance with affordable housing regulations for the purposes of funding affordable housing activities. A copy of the proposed ordinance is included in the Appendix. A Spending Plan will be completed to provide for the expenditure of funds projected to be collected.

### **Cost Generation**

The City of Ventnor will provide for expediting the review of development applications containing affordable housing. Such expedition may consist of, but is not limited to, scheduling of pre-application conferences and special monthly public hearings for projects involving affordable housing. Furthermore, development applications containing affordable housing shall be reviewed for consistency with the Land Development Ordinance and Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.) The City shall comply with all requirements for unnecessary cost generating requirements under N.J.A.C. 5:93-10.

### **Monitoring**

The City of Ventnor shall complete all required annual monitoring reports for the municipality's Affordable Housing Trust Fund and of the affordable housing units and programs in accordance with the FHA regulations and requirements. Ventnor

will appoint a Municipal Housing Liaison who will have access to the AHMS and who will regularly input the required monitoring data as it becomes available.

### **Fair Share Ordinance and Affirmative Marketing**

The City of Ventnor will adopt an Affirmative Marketing and Fair Share Ordinance in accordance with the effective regulations including the UHAC regulations at N.J.A.C. 5:80-26.<sup>3</sup> The City's Fair Share Ordinance will govern the administration of affordable units in the City as well as regulating the occupancy of such units. The Fair Share Ordinance will cover the phasing of affordable units, the low/moderate income split, bedroom distribution, occupancy standards, affordability controls, establishing rents and sales prices, affirmative marketing, income qualification and the like. The costs of advertising and affirmative marketing of the affordable units (including the contract with the Administrative Agent) shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by the City.

The affirmative marketing plan will be designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the City. Additionally, the affirmative marketing plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who reside in Housing Region #6, consisting of Atlantic, Cape May, Cumberland and Salem counties.

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<sup>3</sup> At this time the State is in the process of amending the UHAC regulations and adopting new affordable housing regulations under proposed N.J.A.C. 5:99 which will potentially require amendments to the Municipal Housing Ordinances and Marketing Plan. At such time that these regulations become effective the ordinances will be completed and adopted as required by law.



The affirmative marketing plan will include regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance with N.J.A.C. 5:80-26. All newly created affordable units will comply with the affordability controls required by the FHA and UHAC. This plan must be adhered to by all private, non-profit or municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit. The costs of implementing the affirmative marketing plan (i.e., the costs of advertising the availability of affordable units, contract with the Administrative Agent, etc.) are the responsibilities of the developers of the affordable units. This requirement will be included in the City's fair share ordinances and shall be a condition of any municipal development approval.

## **Conclusion**

There are limited remaining opportunities to create affordable housing in the City given the scarcity of vacant or underutilized parcels. Despite this, the City proposes to meet its affordable housing obligations through various mechanisms as demonstrated herein. The City also recognizes there is a need to provide future opportunities for affordable housing and therefore has revised portions of the existing zoning ordinance to ensure larger residential developments provide affordable housing through a mandatory set-aside ordinance.

*APPENDIX A – Ventnor DJ Complaint*

*APPENDIX B - Order Fixing Municipal Obligation for “Present Need” and  
“Prospective Need” for the Fourth Round Housing Cycle*

*APPENDIX C –1981 Shalom Towers Use Agreement*

*APPENDIX D – 2015 Shalom Towers Use Agreement*

*APPENDIX E - Draft Affordable Housing Set-Aside Ordinance*

*APPENDIX F - Draft Development Fee Ordinance*

*APPENDIX G – Municipal Housing Liaison Resolution*

## APPENDIX A

1/24/25

Nicole J. Curio, Esq.  
Attorney ID # 017172009  
Blaney, Donohue & Weinberg, P.C.  
2123 Dune Drive, Suite 11  
Avalon, NJ 08202  
(609) 435-5368  
Attorneys for Petitioner, City of Ventnor

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IN THE MATTER OF THE  
APPLICATION OF THE CITY OF  
VENTNOR, a Municipal Corporation of  
the State of New Jersey,

Petitioner

:  
:  
SUPERIOR COURT OF NEW JERSEY  
:  
LAW DIVISION  
:  
ATLANTIC COUNTY  
:  
DOCKET NO.: ATL-L-\_\_\_\_\_  
:  
:  
CIVIL ACTION (MOUNT LAUREL)  
:  
:  
COMPLAINT FOR DECLARATORY RELIEF  
:  
PURUSANT TO THE FAIR HOUSING ACT,  
:  
N.J.S.A. 52:27D-301, ET. SEQ.  
:

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Petitioner, the City of Ventnor, County of Atlantic, State of New Jersey (hereinafter  
"Petitioner" and/or "Ventnor" and/or "City"), a municipal corporation of the State of New  
Jersey, having its principal place of business at 6201 Atlantic Avenue, Ventnor, New Jersey,  
08406, by way of Complaint for Declaratory Judgement as authorized under Directive #14-  
24 of the Administrative Office of the Courts alleges and says:

### COUNT I

1. The City of Ventnor is a municipal corporation in the County of Atlantic, in the State  
of New Jersey.

2. On March 20, 2024, Governor Philip D. Murphy signed into law P.L. 2024, c.2, which substantially amended the Fair Housing Act (N.J.S.A. 52:27D-301, et. seq.) (hereinafter “Amended FHA”).
3. The Amended FHA established a new framework for determining and enforcing municipalities’ affordable housing obligations under the New Jersey Supreme Court’s Mount Laurel doctrine.
4. The Amended FHA required the Department of Community Affairs (hereinafter “DCA”) to perform a calculation of regional need and produce non-binding estimates of municipal present and prospective affordable housing needs for the period 2025-2035 (“the Fourth Round”).
5. On or about October 18, 2024, the DCA issued this report and calculated the City of Ventnor’s Fourth Round obligations as: a Present Need or Rehabilitation Obligation of 24 and a Prospective Need or New Construction Obligation of 14. (hereinafter “Present and Prospective Obligations”)
6. The Amended FHA established a January 31, 2025 deadline for municipalities to review and accept its Fourth Round Present and Prospective Obligations in order to obtain immunity from exclusionary zoning litigation and either accept the DCA’s Present and Prospective Obligations or provide its own numbers with support for its calculation.
7. On January 23, 2025, the City of Ventnor adopted, through a binding resolution, the DCA’s Present and Prospective Obligations, a copy of which is attached hereto as **Exhibit A** and made a part hereof.

8. In addition, Administrative Directive #14-24 of the Administrative Office of the Courts, dated December 13, 2024, provides that, "A municipality seeking a certification of compliance with the FHA shall file an action in the form of a declaratory judgment complaint and Civil Case Information Statement in the County in which the municipality is located."
9. The Amended FHA further provides that "[a]ll parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by COAH unless those regulations are contradicted by statute, including P.L. 2024, c.2, or biding court decisions" (N.J.S.A. 52:27D-311(m)) of which the municipality intends to utilize in the drafting of its Fourth Round Housing Element and Fair Share Plan.
10. The City brings the within declaratory judgement proceedings pursuant to the Amended FHA and Administrative Directive #14-24 of the Administrative Office of the Courts seeking a certification of compliance, repose and immunity from exclusionary zoning laws for its Fourth Round affordable housing obligation for a period of ten (10) years based upon its present need and rehabilitation share of twenty four (24) units and prospective need of fourteen (14) units, whereupon the City commits to prepare and submit a new Fourth Round HEFSP for the Court's review and approval.
11. The City seeks the grant of temporary immunity which will facilitate the City's ability to voluntarily achieve constitutional compliance, to the extent it has not already done so (a) as quickly as possible; (b) with as little burden to the public as possible; (c) without the need for duplicitous litigation; and (d) in such manner that all the public's

attention and resources can be channeled into achieving constitutional compliance and creating affordable housing, and not expended on exclusionary zoning or builder's remedy litigation and/or other similar litigation.

12. The application of temporary immunity in such circumstances will facilitate the primary objective of the Mount Laurel doctrine, which is to foster voluntary constitutional compliance and avoid unnecessary litigation.

13. The City also seeks voluntary admission into the Affordable Housing Dispute Resolution Program.

14. The City reserves all rights to adjust its position in the event of any rulings in the Montvale case (MER-L-1778-24) or any other such relevant action that alters the deadlines and/or requirements of the Amended FHA.

15. The City reserves all rights to comply with any additional amendments to the FHA that the Legislature may enact.

16. In the event of a third-party challenge of the calculations provided for in the City's Resolution, the City reserves the right to take such position as it deems appropriate.

17. At the present time, no litigation based upon Southern Burlington County N.A.A.C.P. v. Tp. Of Mount Laurel, 92 N.J. 158 (1983) (Mount Laurel II) and/or the Fair Housing Act and/or COAH regulations is presently pending against the City.

18. The City specifically reserves the right to seek and obtain any vacant land and/or durational adjustments it may seek as part of the Housing Plan element and Fair Share Plan element it subsequently submits in accordance with the Amended FHA

and any other applicable adjustment permitted in accordance with the Amended FHA and/or applicable COAH regulations.

**PRAYERS FOR RELIEF**

WHEREFORE, Petitioner, City of Ventnor, demands judgment for an Order granting the following relief:

1. Declaring that, pursuant to N.J.S.A. 52:27D-304.1, the City of Ventnor is under the Court's voluntary compliance declaratory judgment jurisdiction.
2. Declaring and confirming that the City of Ventnor's Fourth Round Affordable Housing requirements as Present Need: Twenty-Four (24) units and Prospective Need: Fourteen (14) units and granting a Fourth Round Compliance Certification.
3. Entering an immunity order protecting the City and its Land Use Board from Mount Laurel lawsuits while (a) the Court reviews the City's HEFSP; (b) for such further period of time as the Court deems just and reasonable.
4. Establish the City's Fourth Round prospective need affordable housing obligation from 2025 to 2035 and provide the City with sufficient time to prepare a revised HEFSP to attempt to address its cumulative housing obligations.
5. The Entry of a Judgment and Compliance and Repose upon the final review and approval of the HEFSP that insulates the City and its Land Use Board from Mount Laurel lawsuits until June 30, 2035.
6. Declaring it immune from all exclusionary zoning litigation, including but not limited to the builder's remedy lawsuits, during the period of time proscribed in the Amended FHA.

7. Declaring the approval of the City's HEFSP subsequent to its adoption by the Land Use Board and its endorsement by the City's Board of Commission including, as appropriate, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); (iii) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; (iv) an adjustment based upon any future legislation that may be adopted that allows an adjustment of the affordable housing obligations (v) an adjustment based upon any ruling in litigation involving affordable housing obligations and (vi) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations.
8. The grant of such other relief as may be equitable and just.

BLANEY DONOHUE & WEINBERG, P.C.  
Attorneys for Petitioner,  
City of Ventnor

BY:   
Nicole J. Curio, Esq.

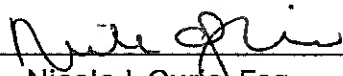
Dated: January 24, 2025



**DESIGNATION OF TRIAL COUNSEL**

Pursuant to Rule 4:25-4, Nicole J. Curio, Esq., is hereby designated as Trial Counsel for Petitioner, City of Ventnor.

BLANEY DONOHUE & WEINBERG, P.C.  
Attorneys for Petitioner,  
City of Ventnor


BY:   
Nicole J. Curio, Esq.

Dated : January 24, 2025

**CERTIFICATION**

Pursuant to Rule 4:5-1, it is hereby certified that the matter in controversy is not the subject of any other action pending in any other Court or of a pending arbitration or administrative proceeding to the best of my knowledge and belief. To the best of my knowledge and belief, no action, arbitration or administrative proceeding is contemplated. Furthermore, we know of no other parties that should be joined in this action.

BLANEY DONOHUE & WEINBERG, P.C.  
Attorneys for Petitioner,  
City of Ventnor

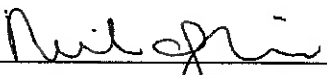
BY:   
Nicole J. Curio, Esq.

Dated: January 24, 2025

**CERTIFICATION OF COMPLIANCE WITH ADMINISTRATIVE DIRECTIVE 14-24**

I hereby certify that I caused the within Complaint for Declaratory Judgement to be filed within 48 hours after the adoption of the Municipal Resolution of Fourth Round Fair Share obligations.

BLANEY DONOHUE & WEINBERG, P.C.  
Attorneys for Petitioner,  
City of Ventnor

BY:   
Nicole J. Curio, Esq.

Dated: January 24, 2025

# EXHIBIT A

**CITY OF VENTNOR**

**RESOLUTION COMMITTING TO DCA'S FOURTH ROUND  
AFFORDABLE HOUSING PRESENT NEED AND PROSPECTIVE NEED  
NUMBERS**

**RESOLUTION #2025-070**

**WHEREAS**, on March 20, 2024, Governor Murphy signed into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 *et seq.*) (hereinafter "Amended FHA"); and

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

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

**WHEREAS**, the DCA Report calculates The City of Ventnor's Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of 24 and a Prospective Need or New Construction Obligation of 14; and

**WHEREAS**, the Amended FHA provides that the DCA Report is non-binding, thereby inviting municipalities to demonstrate that the Amended FHA would support lower calculations of Round 4 affordable housing obligations; and

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

**WHEREAS**, COAH regulations authorize vacant land adjustments as well as durational adjustments; and

**WHEREAS**, based on the foregoing, the City of Ventnor accepts the DCA calculations of its fair share obligations and commits to its fair share of 24 units present need and 14 units prospective need, subject to any vacant land and/or durational adjustments it may seek as part of the Housing Plan element and Fair Share Plan element it subsequently submits in accordance with the Amended FHA; and

**WHEREAS**, the City of Ventnor reserves the right to comply with any additional amendments to the FHA that the Legislature may enact; and

**WHEREAS**, the City of Ventnor also reserves the right to adjust its position in the event of any rulings in the *Montvale* case (MER-L-1778-24) or any other such action that alters the deadlines and/or requirements of the Amended FHA; and

**WHEREAS**, in the event that a third party challenges the calculations provided for in this Resolution, the City of Ventnor reserves the right to take such position as it deems appropriate in response thereto, including that its Round 4 Present or Prospective Need Obligations should be lower than described herein; and

**WHEREAS**, in light of the above, the Board of Commissioners of City of Ventnor finds that it is in the best interest of the City to declare its commitment to the obligations reported by the DCA on October 18, 2024 subject to the reservations set forth herein; and

**WHEREAS**, in addition to the above, the Acting Administrative Director issued Directive #14-24, dated December 13, 2024, and made the directive available later in the week that followed; and

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

**WHEREAS**, the City of Ventnor seeks a certification of compliance with the FHA and, therefore, directs its attorney to file a declaratory relief action within 48 hours of the adoption of this resolution in Atlantic County.

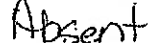
**NOW, THEREFORE, BE IT RESOLVED** on this \_\_\_\_ day of January, 2025 by the Board of Commissioners of the City of Ventnor as follows:

1. All of the above Whereas Clauses are incorporated into the operative clauses of this resolution.
2. The City of Ventnor hereby commits to the DCA Round 4 Present Need Obligation of 24 units and the Round 4 Prospective Need Obligation of 14 units described in this resolution, subject to all reservations of rights set forth above.
3. The City of Ventnor hereby directs its attorney to file a declaratory judgment complaint in Atlantic County within 48 hours after adoption this resolution, attaching this resolution.
4. The City of Ventnor authorizes its attorney to attach this resolution as an exhibit to the declaratory judgment action that is filed and to submit and/or file this resolution with the Program or any other such entity as may be determined to be appropriate.
5. This resolution shall take effect immediately, according to law.

Members of the Board of Commissioners  
of the City of Ventnor City, NJ

  
Mayor H. Timothy Kriebel

  
Commissioner Lance B. Landgraf Jr.

  
Commissioner Maria Mento

I, **LISA H. HAND**, City Clerk of the **CITY OF VENTNOR CITY**, do hereby certify that the foregoing resolution was duly adopted at a regular meeting of the **Ventnor City Board of Commissioners** held this 23<sup>rd</sup> day of January 2025 and in witness whereof I have hereunder set my hand and official seal on this date written.

|          | Motion | Second | Yes | Nay | Abstain | Absent |
|----------|--------|--------|-----|-----|---------|--------|
| Kriebel  |        | ✓      | ✓   |     |         |        |
| Landgraf | ✓      |        | ✓   |     |         |        |
| Mento    |        |        |     |     |         | ✓      |

  
**LISA H. HAND, RMC**  
CITY CLERK



**CITY OF VENTNOR**

**RESOLUTION COMMITTING TO DCA'S FOURTH ROUND  
AFFORDABLE HOUSING PRESENT NEED AND PROSPECTIVE NEED  
NUMBERS**

**RESOLUTION #2025-070**

**WHEREAS**, on March 20, 2024, Governor Murphy signed into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 *et seq.*) (hereinafter "Amended FHA"); and

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

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

**WHEREAS**, the DCA Report calculates The City of Ventnor's Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of 24 and a Prospective Need or New Construction Obligation of 14; and

**WHEREAS**, the Amended FHA provides that the DCA Report is non-binding, thereby inviting municipalities to demonstrate that the Amended FHA would support lower calculations of Round 4 affordable housing obligations; and

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

**WHEREAS**, COAH regulations authorize vacant land adjustments as well as durational adjustments; and

**WHEREAS**, based on the foregoing, the City of Ventnor accepts the DCA calculations of its fair share obligations and commits to its fair share of 24 units present need and 14 units prospective need subject to any vacant land and/or durational adjustments it may seek as part of the Housing Plan element and Fair Share Plan element it subsequently submits in accordance with the Amended FHA; and

**WHEREAS**, the City of Ventnor reserves the right to comply with any additional amendments to the FHA that the Legislature may enact; and

**WHEREAS**, the City of Ventnor also reserves the right to adjust its position in the event of any rulings in the *Montvale* case (MER-L-1778-24) or any other such action that alters the deadlines and/or requirements of the Amended FHA; and

**WHEREAS**, in the event that a third party challenges the calculations provided for in this Resolution, the City of Ventnor reserves the right to take such position as it deems appropriate in response thereto, including that its Round 4 Present or Prospective Need Obligations should be lower than described herein; and

**WHEREAS**, in light of the above, the Board of Commissioners of City of Ventnor finds that it is in the best interest of the City to declare its commitment to the obligations reported by the DCA on October 18, 2024 subject to the reservations set forth herein; and

**WHEREAS**, in addition to the above, the Acting Administrative Director issued Directive #14-24, dated December 13, 2024, and made the directive available later in the week that followed; and

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

**WHEREAS**, the City of Ventnor seeks a certification of compliance with the FHA and, therefore, directs its attorney to file a declaratory relief action within 48 hours of the adoption of this resolution in Atlantic County.

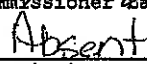
**NOW, THEREFORE, BE IT RESOLVED** on this \_\_\_\_ day of January, 2025 by the Board of Commissioners of the City of Ventnor as follows:

1. All of the above Whereas Clauses are incorporated into the operative clauses of this resolution.
2. The City of Ventnor hereby commits to the DCA Round 4 Present Need Obligation of 24 units and the Round 4 Prospective Need Obligation of 14 units described in this resolution, subject to all reservations of rights set forth above.
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4. The City of Ventnor authorizes its attorney to attach this resolution as an exhibit to the declaratory judgment action that is filed and to submit and/or file this resolution with the Program or any other such entity as may be determined to be appropriate.
5. This resolution shall take effect immediately, according to law.

Members of the Board of Commissioners  
of the City of Ventnor City, NJ

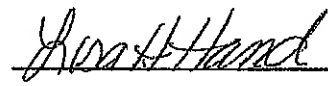
  
Mayor R. Timothy Kriebel

  
Commissioner Lance B. Landgraf Jr.

  
Commissioner Maria Mento

I, **LISA H. HAND**, City Clerk of the **CITY OF VENTNOR CITY**, do hereby certify that the foregoing resolution was duly adopted at a regular meeting of the Ventnor City Board of Commissioners held this 23<sup>rd</sup> day of January 2025 and in witness whereof I have hereunder set my hand and official seal on this date written.

|          | Motion | Second | Yes | Nay | Abstain | Absent |
|----------|--------|--------|-----|-----|---------|--------|
| Kriebel  |        | ✓      | ✓   |     |         |        |
| Landgraf | ✓      |        | ✓   |     |         |        |
| Mento    |        |        |     |     |         | ✓      |

  
LISA H. HAND, RMC  
CITY CLERK



# Civil Case Information Statement

**Case Details: ATLANTIC | Civil Part Docket# L-000160-25**

**Case Caption:** IN THE MATTER OF VENTNOR CITY  
**Case Initiation Date:** 01/24/2025  
**Attorney Name:** NICOLE J CURIO  
**Firm Name:** BLANEY, DONOHUE & WEINBERG, P.C.  
**Address:** 2123 DUNE DR STE 11  
AVALON NJ 08202  
**Phone:** 6094355368  
**Name of Party:** PETITIONER : City of Ventnor  
**Name of Defendant's Primary Insurance Company**  
(if known): None

**Case Type:** AFFORDABLE HOUSING  
**Document Type:** Complaint  
**Jury Demand:** NONE  
**Is this a professional malpractice case?** NO  
**Related cases pending:** NO  
**If yes, list docket numbers:**  
**Do you anticipate adding any parties (arising out of same transaction or occurrence)?** NO  
**Does this case involve claims related to COVID-19?** NO  
**Are sexual abuse claims alleged by: City of Ventnor?** NO

## THE INFORMATION PROVIDED ON THIS FORM CANNOT BE INTRODUCED INTO EVIDENCE

CASE CHARACTERISTICS FOR PURPOSES OF DETERMINING IF CASE IS APPROPRIATE FOR MEDIATION

**Do parties have a current, past, or recurrent relationship?** NO

**If yes, is that relationship:**

**Does the statute governing this case provide for payment of fees by the losing party?** NO

**Use this space to alert the court to any special case characteristics that may warrant individual management or accelerated disposition:**

**Do you or your client need any disability accommodations?** NO

**If yes, please identify the requested accommodation:**

**Will an interpreter be needed?** NO

**If yes, for what language:**

**Please check off each applicable category: Putative Class Action?** NO **Title 59?** NO **Consumer Fraud?** NO  
**Medical Debt Claim?** NO

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

01/24/2025  
Dated

/s/ NICOLE J CURIO  
Signed



## APPENDIX B

### PREPARED BY THE COURT:

**IN THE MATTER OF THE  
DECLARATORY JUDGMENT  
ACTION OF THE CITY OF  
VENTNOR, ATLANTIC  
COUNTY PURSUANT TO P.L.  
2024, CHAPTER 2**

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION – CIVIL PART  
ATLANTIC COUNTY  
DOCKET NO. ATL-L-160-25

Civil Action

**ORDER FIXING MUNICIPAL  
OBLIGATIONS FOR “PRESENT NEED”  
AND “PROSPECTIVE NEED” FOR THE  
FOURTH ROUND HOUSING CYCLE**

**THIS MATTER**, having come before the Court on its own motion, *sua sponte*, on the Complaint for Declaratory Judgment filed on January 24, 2025 (“DJ Complaint”) by the Petitioner, **CITY OF VENTNOR** (“Petitioner” or “Municipality”), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, *et seq.* (collectively, the “FHA”), and in accordance with Section II.A of Administrative Directive #14-24 (“Directive #14-24”) of the Affordable Housing Dispute Resolution Program (the “Program”), seeking a certification of compliance with the FHA;

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

<sup>1</sup> See [https://nj.gov/dca/dlps/pdf/FourthRoundCalculation\\_Methodology.pdf](https://nj.gov/dca/dlps/pdf/FourthRoundCalculation_Methodology.pdf)

**AND IT APPEARING** that, pursuant to the DCA's Fourth Round Report, the **present need** obligation of the Petitioner has been calculated and reported as **24** affordable units, and its **prospective need** obligation of the Petitioner has been calculated and reported as **14** affordable units, and which calculations have been deemed presumptively valid for purposes of the FHA;

**AND THE COURT**, having determined that no interested party has filed a challenge to the Petitioner's DJ Complaint by way of an Answer thereto as provided for and in accordance with Section II.B of Directive #14-24 of the Program;

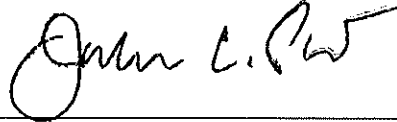
**AND THE COURT**, having found and determined, therefore, that the present need and prospective need affordable housing obligations of the Petitioner for the Fourth Round housing cycle as calculated and reported in the DCA's Fourth Round Report have been committed to by the Petitioner and are uncontested, and for good cause having otherwise been shown:

**IT IS, THEREFORE**, on this 27<sup>th</sup> day of **MARCH 2025 ORDERED AND ADJUDGED** as follows:

1. That the present need obligation of the Municipality, be, and hereby is fixed as **24** affordable units for the Fourth Round housing cycle.
2. That the prospective need obligation of the Municipality, be, and hereby is fixed as **14** affordable units for the Fourth Round Housing cycle; and
3. That the Petitioner is hereby authorized to proceed with preparation and adoption of its proposed Housing Element and Fair Share Plan for the Fourth Round, incorporating therein the present need and prospective need allocations aforesaid (and which plan shall include the elements set forth in the "Addendum" attached to Directive #14-24), by or before June 30, 2025, as provided for and in accordance with Section III.A of Directive #14-24, and without further delay.

**IT IS FURTHER ORDERED**, that a copy of this Order shall be deemed served on the Petitioner and Petitioner's counsel.

SO ORDERED:

A handwritten signature in black ink, appearing to read "John C. Porto", is written over a horizontal line.

**Hon. John C. Porto, P.J.Cv.**

(X) Uncontested.

# APPENDIX C

2637 PAGE 310

FHA FORM NO. 2460-EH December 1974

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## REGULATORY AGREEMENT HOUSING FOR THE ELDERLY - NONPROFIT (Section 202 of the Housing Act of 1959) (Section 8 Housing Assistance Payments Contracts)

Project Number 035-EH001-WAH-L8/NJ-16-1219-209

Amount of Mortgage Note \$8,721,300.00

Date February 23, 1981

Mortgage Recorded: State New Jersey County Atlantic

Date February 23, 1981

This Agreement entered into this 23rd day of February, 1981, between Shalom Towers, Inc., whose address is 5321 Atlantic Avenue, Ventnor, New Jersey, 08406 hereinafter called Mortgagor, and the undersigned Secretary of Housing and Urban Development hereinafter called HUD.

In consideration of the making of the loan by HUD and the disbursement of any part thereof, and in order to comply with the requirements of the Housing Act of 1959, and the Regulations adopted by the Secretary pursuant thereto, the Mortgagor agrees for itself, its successors and assigns, and any owner of the mortgaged property, that in connection with the mortgaged property and the project operated thereon and so long as the loan is outstanding,

- (1) Mortgagor shall promptly make all payments due under the Note and Mortgage.
- (2) (a) Mortgagor will establish and maintain a special fund to be known as the revenue fund account in a bank which is a member of the Federal Deposit Insurance Corporation into which will be deposited (i) the minimum capital investment required pursuant to the Regulations and (ii) all rentals, charges, income and revenue arising from the operation or ownership of the project. Expenditures shall be made from the revenue fund account only in accordance with the operating budget submitted to and approved by HUD.
- (3) On or before the first day of each fiscal year during which the loan is outstanding Mortgagor will submit an operating budget for that fiscal year to HUD. The budget shall include all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, taxes and special assessment levies, prorated amounts required for insurance and all other expenses incident to the operation of the project; and shall show the expected revenues to pay such expenses, including annual debt service requirements and reserve fund deposits. The expenses incurred and disbursements shall not exceed the reasonable and necessary amount thereof, and the Mortgagor will not expend any amounts or incur any obligations in excess of the amounts approved in the annual operating budget except upon written certification by the Mortgagor to HUD that such expenses were unanticipated and are necessary and provided further, that nothing in this section shall limit the amount which the Mortgagor may expend from funds obtained from some other source than project revenues or other funds required of the Mortgagor pursuant to this Agreement or the Building Loan Agreement.
- (4) As security for the loan, for the required payments under this Agreement into the reserve fund for replacements, and for all other obligations of the Mortgagor under this Agreement, the Mortgagor hereby assigns, pledges and mortgages to HUD all its rights to the income and charges of whatever sort which it may receive or be entitled to receive from the operation of the mortgaged property, subject, however, to any assignment of rents or project income in the mortgage referred to herein. Until a default occurs under this Agreement, however, permission is granted to Mortgagor to collect and retain under the provisions of this Agreement such rents, profits, income and charges, but upon default this permission is terminated, as to all rents, profits, income and charges due or collected thereafter.
- (5) Mortgagor will establish and maintain a reserve fund for replacements by the allocation to such reserve fund in a separate account in a bank which is insured by the Federal Deposit Insurance Corporation, concurrently with the beginning of payments towards amortization of the principal of the Mortgage held by HUD of an amount equal to \$2,837.25 per month unless a different date or amount is approved in writing by HUD. Such fund, whether in the form of a cash deposit or invested in obligations of, or fully guaranteed as to principal by, the United States of America shall at all times be subject to the control of HUD. Disbursements from such fund, whether for the purpose of effecting replacement of structural elements, and mechanical equipment of the project or for any other purpose, may be made only after the consent in writing of HUD. In the event of a default in the terms of the mortgage, HUD may demand the full or partial application of the balance in such fund to the amount due on the mortgage debt. The Mortgagor additionally shall deposit into the reserve fund for replacements within 60 days after the end of each fiscal year, any Residual Receipts realized from the operation of the mortgaged property.
- (6) The real property covered by the mortgage and this agreement is described in Schedule A attached hereto.

This document prepared by:  
Thomas C. Bonner, Esquire

- (7) Mortgagor shall not without the written approval of the Secretary:
- (a) Transfer, dispose of or encumber any of the mortgaged property. Any such transfer shall be only to a person or persons or corporation satisfactory to and approved by HUD, who shall, by legal and valid instrument in writing, to be recorded or filed in the same recording office in which conveyances of the property covered by the mortgage are required to be filed or recorded, duly assume all obligations under this agreement and under the Note and Mortgage;
  - (b) Assign, transfer, dispose of, or encumber any personal property, including rents or charges, and shall not disburse or pay out any funds except as provided herein and in the Building Loan Agreement;
  - (c) Remodel, reconstruct, add to, or demolish any part of the mortgaged property or subtract from any real or personal property of the project;
  - (d) Pay any compensation or make any distribution of income or other assets to any of its officers, directors or stockholders;
  - (e) Enter into any contract or contracts for supervisory or managerial services;
  - (f) Require, as a condition of occupancy or leasing of any unit in the project, any consideration or deposit other than the prepayment of the first month's rent (the gross family contribution in Section 8 units) plus a security deposit in an amount not in excess of one month's rent to guarantee the performance of the covenants of the lease. Any fund collected as security deposits shall be kept separate and apart from all other funds of the project in a trust account the amount of which shall at all times equal or exceed the aggregate of all outstanding obligations under said account;
  - (g) Permit the use of the dwelling accommodations of the project for any purpose except the use which was originally intended, or permit commercial use greater than that originally approved by HUD;
  - (h) Amend its articles of incorporation or by-laws other than as permitted under the terms of the articles of incorporation approved by HUD.
- (8) Mortgagor shall maintain the mortgaged premises, accommodations and the grounds and equipment appurtenant thereto, in good and substantial repair and condition: PROVIDED THAT, in the event all or any of the buildings covered by the mortgage shall be destroyed or damaged by fire or other casualty, the money derived from any insurance on the property shall be applied in accordance with the terms of the mortgage.
- (9) Mortgagor shall not file any petition in bankruptcy, or for a receiver, or in insolvency, or for reorganization or composition, or make any assignment for the benefit of creditors or to a trustee for creditors; or permit an adjudication in bankruptcy, the taking possession of the mortgaged property or any part thereof by a receiver, or the seizure and sale of the mortgaged property or any part thereof under judicial process or pursuant to any power of sale and fail to have such adverse actions set aside within 45 days.
- (10) Mortgagor shall from funds other than project income immediately satisfy or release any mechanic's lien, attachment, judgment lien, or any other lien which attaches to the mortgaged property or any personal property used in the operation of the project, and shall dismiss or have dismissed or vacated any receivership, or petition in bankruptcy or assignment for benefit of creditors, creditors bill or insolvency proceeding involving the project or the mortgaged property.
- (11) (a) If the Mortgagor has any business or activity other than the project and operation of the mortgaged property, it shall maintain all income and other funds of the project segregated from any other funds of the mortgagor and segregated from any funds of any other corporation or person. Income and other funds of the project shall be expended only for the purposes of the project.
- (b) Mortgagor shall contract for independent professional management of the project in a manner satisfactory to HUD. Any management contract entered into by the mortgagor involving the project shall contain a provision that it shall be subject to termination, without penalty and with or without cause, upon written request by HUD addressed to the Mortgagor and the management agent. Upon receipt of such request the Mortgagor shall immediately move to terminate the contract within a period of not more than 60 days and shall make arrangements satisfactory to HUD for continuing proper management of the project.
- (c) Neither Mortgagor nor its agents shall make any payment for services, supplies, or materials unless such services are actually rendered for the project or such supplies or materials are delivered to the project and are reasonably necessary for its operation. Payments for such services, or materials shall not exceed the amount ordinarily paid for such services, supplies, or materials in the area where the services are rendered or the supplies or materials furnished.
- (d) The mortgaged property, equipment, buildings, plans, offices, devices, books, apparatus, contracts, records, documents, and all other papers relating thereto shall at all times be maintained in reasonable condition for proper audit and subject to examination and inspection at any reasonable time by HUD and its duly authorized agents. Mortgagor and its successors, assigns or its agents shall retain copies of all written contracts or other instruments which affect the mortgaged property, all or any of which may be subject to inspection and examination by HUD or its duly authorized agents.

- (e) The books and accounts of the operations of the mortgaged property and of the project shall be kept in accordance with the requirements of HUD.
  - (f) Within 60 days following the end of each fiscal year HUD shall be furnished with a complete annual financial report based upon an examination of the books and records of mortgagor prepared in accordance with the requirements of HUD, certified to by an officer of the Mortgagor and, when required by HUD, prepared and certified by a Certified Public Accountant, or other person acceptable to HUD.
  - (g) At the request of HUD, its agents, employees, or attorneys, the Mortgagor shall give specific answers to questions upon which information is desired from time to time relative to the income, assets, liabilities, contracts, operation, and condition of the property and the status of the Mortgage and any other information with respect to the Mortgagor or the mortgaged property and of the project which may be requested.
  - (h) All receipts of the project shall be deposited in the name of the project in a bank, whose deposits are insured by the F.D.I.C. Such funds shall be withdrawn only in accordance with the provisions of this agreement for expenses of the project. Any person receiving funds of the project shall immediately deposit such funds in the project bank account and failing so to do in violation of this Agreement shall hold such funds in trust. Any person receiving property of the project in violation of this Agreement shall immediately deliver such property to the project and failing so to do shall hold such property in trust.
  - (i) Mortgagor shall at all times, if required by the laws of the jurisdiction, maintain in full force and effect a license to operate the project from the state and/or other licensing authority. Mortgagor shall lease any portion of the project only on terms approved by HUD.
  - (j) The Mortgagor shall not collect from tenants or occupants or prospective tenants or occupants of the project any admission fee, founder's fee, life-care fee, or similar payment pursuant to any agreement, oral or written, whereby the Mortgagor agrees to furnish accommodations or services in the project to persons making such payments.
  - (k) No officer, director, trustee, member, stockholder nor authorized representative of the Mortgagor shall have any financial interest in any contractual arrangement entered into by the Mortgagor in connection with rendition of services, the provision of goods or supplies, management of the project, procurement of furnishings and equipment, construction of the project, procurement of the site or other matters whatsoever.
- (12) (a) Mortgagor will limit public occupancy of the project to elderly, and handicapped persons and families as defined in Section 202 of the Housing Act of 1959 and applicable HUD Regulations. The criteria governing eligibility of tenants for admission to Section 8 units and the conditions of continued occupancy shall be in accordance with the Housing Assistance Payments contract.
- (b) Except as provided in (d) below Mortgagor will make its dwelling accommodations and services available to eligible occupants at charges established in accordance with a schedule to be approved in writing by HUD. Such accommodations shall not be rented for a period less than thirty days nor more than three years. Commercial facilities, if any, shall be rented only in accordance with a schedule of charges fixed by the Mortgagor and approved in writing by HUD. Subleasing of dwelling accommodations or commercial facilities shall be permitted only upon the terms and conditions approved by HUD in writing.
  - (c) Upon prior written approval by the Secretary, Mortgagor may charge to and receive from any tenant such amounts as from time to time may be mutually agreed upon between the tenant and the Mortgagor for any facilities and/or services which may be furnished by the Mortgagor or others to such tenant upon his request, in addition to the facilities and services included in the approved rental schedule.
  - (d) The Secretary will at any time entertain a written request for a rent increase properly supported by substantiating evidence and within a reasonable time shall:
    - (i) Approve a rental schedule that is necessary to compensate for any net increase occurring since the last approved rental schedule, in taxes (other than income taxes) and operating and maintenance cost over which Mortgagor has no effective control, or
    - (ii) Deny the increase stating the reasons therefor.
  - (e) The criteria governing eligibility of tenants for admission to Section 8 units and the conditions of continued occupancy shall be in accordance with the Housing Assistance Payments Contract.
  - (f) The maximum rent that may be charged for occupancy of a Section 8 unit shall be in accordance with the provisions of the Housing Assistance Payments Contract and adjustments in such rents shall be made in accordance with the terms of the Housing Assistance Payments Contract.
  - (g) Nothing contained in this Agreement shall be construed to relieve the Mortgagor of any obligations under the Housing Assistance Payments Contract.



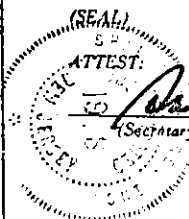
- (13) Mortgagor will comply with the provisions of any Federal, State or local law prohibiting discrimination in housing on the grounds of race, color, creed or national origin, including Title VI of the Civil Rights Act of 1964 (P.L. 88-352, 42 U.S.C. 2000d-1), Title VIII of the Civil Rights Act of 1968 (P.L. 90-284, 42 U.S.C. 3601) and Executive Order 11063 (27 F.R. 11527), and all requirements imposed by or pursuant to the regulations of the Department of Housing and Urban Development (24 CFR) issued pursuant to Title VI, Title VIII, or Executive Order 11063.
- (14) No litigation seeking the recovery of a sum in excess of \$5,000 nor any action for specific performance or other equitable relief shall be instituted nor shall any claim for a sum in excess of \$5,000 be settled or compromised by the Mortgagor unless prior written consent thereto has been obtained from HUD. Such consent may be subject to such terms and conditions as HUD may prescribe.
- (15) Upon a violation of any of the above provisions of this Agreement by Mortgagor, HUD may give written notice, thereof, to Mortgagor, by registered or certified mail, addressed to the address stated in this Agreement, or such other address as may subsequently, upon appropriate written notice thereof to HUD, be designated by the Mortgagor as its legal business address. If such violation is not corrected to the satisfaction of HUD within 30 days after the date such notice is mailed or within such further time as HUD determines it is necessary to correct the violation, without further notice HUD may declare a Default under this Agreement effective on the date of such declaration of default and upon such Default HUD may:
- (1) Take possession of the project, bring any action necessary to enforce any rights of the mortgagor growing out of the project operation, and operate the project in accordance with the terms of this Agreement until such time as HUD in its discretion determines that the mortgagor is again in a position to operate the project in accordance with the terms of this Agreement and in compliance with the requirements of the Note and Mortgage.
  - (2) Collect all rents and charges in connection with the operation of the project and use such collections to pay the mortgagor's obligations under this Agreement and under the Note and Mortgage, and the necessary expenses of preserving the property and operating the project.
  - (3) Declare the whole of said indebtedness immediately due and payable and then proceed with the foreclosure of the mortgage.
  - (4) Apply to any court, State or Federal, for specific performance of this Agreement, for an injunction against any violation of the Agreement, for the appointment of a receiver to take over and operate the property in accordance with the terms of the Agreement, or for such other relief as may be appropriate, since the injury to HUD arising from a default under any of the terms of this Agreement would be irreparable and the amount of damage would be difficult to ascertain.
- (16) (a) Mortgagor has executed an Agreement to enter into a Housing Assistance Payments Contract. The terms of the Housing Assistance Payments Contract, when executed, shall be incorporated by reference into this Regulatory Agreement;
- (b) A violation of the Housing Assistance Payments Contract may be construed to constitute a default hereunder in the sole discretion of HUD;
- (c) In the event said Housing Assistance Payments Contract expires or terminates before the expiration or termination of this Agreement, the provisions of this paragraph and any other reference to said contract, to Section 8 and to Section 8 units contained herein shall be self-cancelling shall no longer be effective as of the date of the expiration or termination of the Housing Assistance Payments Contract.
- (17) As used in this Agreement the term:
- (a) "Mortgage" includes "Deed of Trust", "Chattel Mortgage" and any other security for the Note identified herein;
  - (b) "Mortgagee" refers to the holder of the mortgage identified herein, its successors and assigns;
  - (c) "Mortgaged Property" includes property, real, personal, or mixed, covered by the mortgage or mortgages securing the note held by HUD;
  - (d) "Project" includes the mortgaged property and all its other assets or whatsoever situate, used in or owned by the business conducted on said mortgaged property;
  - (e) "Distribution" means any withdrawal or taking of cash or other assets of the project other than for mortgage payments or for payment of reasonable expenses incident to its construction, operation and maintenance;
  - (f) "Default" means a default declared by HUD when a violation of this Agreement is not corrected to its satisfaction within the time allowed by this Agreement or such further time as may be allowed by HUD after written notice;

- (g) "Residual Receipts" means any cash remaining after:
- (1) The payment of:
    - (i) All sums due or currently required to be paid under the terms of any mortgage or note held by the Secretary of Housing and Urban Development;
    - (ii) All amounts required to be deposited in the reserve fund for replacements;
    - (iii) All obligations of the project other than the mortgage held by HUD unless funds for payment are set aside or deferment of payment has been approved by HUD; and
  - (2) The segregation of:
    - (i) An amount equal to the aggregate of all special funds required to be maintained by the project;
    - (ii) All tenant security deposits held.
- (h) "Section 8 Units" refers to units assisted under Section 8 of the United States Housing Act of 1937 pursuant to a Housing Assistance Payments Contract.
- (i) "Housing Assistance Payments Contract" refers to a written contract between the Mortgagor and HUD, or the Mortgagor and a Public Housing Agency, or the Mortgagor and a Housing Finance Agency for the purpose of providing housing assistance payments to the Mortgagor on behalf of eligible families under Section 8 of the United States Housing Act of 1937.
- (18) HUD shall not be liable for any of its actions hereunder except for flagrant misfeasance.
- (19) This instrument shall bind, and the benefits shall inure to, the respective parties hereto, their legal representatives, executors, administrators, successors in office or interest, and assigns, and all owners of the mortgaged property, so long as the loan is outstanding.
- (20) The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.
- (21) Mortgagor warrants that it has not, and will not, execute any other agreement with provisions contradictory of, or in opposition to, the provisions hereof, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations set forth and supersede any other requirements in conflict therewith.

Secretary of Housing and Urban Development

By:

*James F. Sweeney*  
James F. Sweeney,  
Area Manager



*SARA SINGER*  
(Secretary) SARA SINGER

Name of Mortgagor Shalom Towers, Inc.

By:

*Morton Epstein*  
(President)  
Morton Epstein

ACKNOWLEDGEMENT

STATE OF NEW JERSEY)  
COUNTY OF ESSEX ) ss.

I, Thomas C. Bonner, an Attorney at Law of the State of New Jersey, do hereby certify that James P. Sweeney, personally known to me to be the same person whose name is as Area Manager of the Newark Area Office of the Department of Housing and Urban Development, subscribed to the foregoing instrument, appeared before me in person and acknowledged that he, being thereunto duly authorized, signed, sealed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

Given under my hand and seal, this 23rd day of February, 1981.

*Thomas C. Bonner*  
\_\_\_\_\_  
Thomas C. Bonner  
*Attorney at Law*  
*State of N.J.*

ACKNOWLEDGEMENT

STATE OF NEW JERSEY)  
COUNTY OF ESSEX ) ss.

BE IT REMEMBERED, that on this 23rd day of February, 1981, before me, the subscriber, personally appeared Sara Singer who, being by me duly sworn on her oath, deposes and makes proof to my satisfaction, that she is the Secretary of Shalom Towers, Inc. the Corporation named in the within Instrument; that Morton Epstein is the President of said Corporation; that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the Board of Directors of the said Corporation; that deponent well knows the corporate seal of said Corporation; and that the seal affixed to said Instrument is the proper corporate seal and was thereto affixed and said Instrument signed and delivered by said President as and for the voluntary act and deed of said Corporation, in presence of deponent, who thereupon subscribed her name thereto as attesting witness.

Sworn to and subscribed before  
me the date aforesaid.

Thomas C. Bonner  
Attorney at Law  
State of N.J.

Sara Singer  
Sara Singer, Sec.

1981 FEB 24 PM 2:39  
ATLANTIC COUNTY  
CLERK'S OFFICE

*John*  
Jy 17, 178 17, 00/c  
9960

Regulatory Agreement  
Housing for the Elderly-Nonprofit

Shalom Jones Ave.

*to*

HNLD

(Record in Ntgp.)

Dated 2-23-81

Received Feb 24, 19 81 at  
2:39 P.M. and recorded in the  
Clerk's Office of Atlantic County, at  
Mays Landing, N.J. in Book  
of Mortgages Page 3106c  
No. 2637

*John M. Jones* CLERK



# USE AGREEMENT

For Section 202 and 202/8 Projects that require HUD's approval to prepay their direct loan.

This Agreement entered into this 19<sup>th</sup> day of November, 2015 by and between Shalom Towers, Inc. (herein called "Owner") and the Secretary of Housing and Urban Development, acting by and through the Assistant Secretary for Housing-Federal Housing Commissioner (herein called "HUD"),

Witnesseth:

WHEREAS, HUD is directed, pursuant to Section 811 of the American Homeownership and Economic Opportunity Act of 2000 (AHEO Act), as amended by Public Law 111 - 372, to permit the Owner to prepay Section 202 direct loans; and

WHEREAS, in consideration of the promise to permit the prepayment of the direct loan, and as required by Section 811 of AHEO Act Owner agrees to implement this Use Agreement.

NOW THEREFORE, the parties agree as follows:

1. Owner, for itself, its successors and assigns, covenants with HUD that the Owner will continue to operate the project on terms at least as advantageous to existing and future tenants as the terms required by the original Section 202 direct loan agreement and, where applicable, Section 8 or any HUD rental assistance payments contract and all applicable Federal regulations for not less than the twenty years following the maturity date of the original Section 202 direct loan. Accordingly, this Use Agreement shall remain in effect until ~~{insert expiration date}~~; January 1, 2043.
2. Where applicable:
  - a. Subject to the availability of appropriations and so long as Owner is in compliance with all HUD requirements, including but not limited to this Use Agreement, HUD shall provide, and Owner shall

ATLANTIC COUNTY, NJ: EDWARD P. McGETTIGAN, COUNTY CLERK  
VOL 13988 RECORDED 11/19/2015 09:45:13 AM  
REC FEES \$110.00 RCPT# 1200266  
INST# 2015067241 RECD BY: Cathu

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accept, renewals of the Section 8 Housing Assistance Payments contract in accordance with the relevant HUD requirements related the Section 202 and 202/8 program at that time.

- b. Subject to the availability of appropriations, projects selected to receive the Senior Preservation Rental Assistance Contracts (SPRACs) or any other HUD rental assistance, shall comply with the requirements of the particular HUD rental assistance program.
- 3. In the event of a breach or a threatened breach of any of the above covenants and agreements by the Owner, HUD and/or any tenant as a third-party beneficiary shall be entitled to institute legal action to enforce performance and observance of such covenants and agreements and to enjoin any acts which violate such covenants and agreements. HUD and/or any tenant as a third-party beneficiary may also seek an award of damages and/or other relief as may be appropriate.
- 4. Owner shall not impede the reasonable efforts of tenants to organize pursuant to 24 CFR Part 245, or any successor regulations of Part 245, or unreasonably withhold the use of any community room or other available space appropriate for meetings which is part of the mortgaged property when requested by: (i) a resident tenant organization in connection with the representational purposes of the organization; or (ii) tenants seeking to organize or to consider collectively any matter pertaining to the operation of the mortgaged property.
- 5. When the 202 Direct Loan project initially refinances the 202 Direct Loan, the Owner, for itself, its successors and assigns, hereby agrees and acknowledges that this Use Agreement shall be recorded in the appropriate land records.  
[Subsequent refinancings of the 202 Project do not require a re-recording of this Use Agreement.]
- 6. Consistent with the tenancy eligibility requirements, if any, of the original Section 202 Direct Loan agreement, Owner will accept all forms of HUD rental assistance when offered for units that

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do not have section 8 or any other HUD rental assistance for the life of the Use Agreement.

7. Upon execution of the refinancing for the project, as approved by HUD, Owner must use the proceeds that result from the refinancing in a manner that is advantageous to the tenants of the project. Or, Owner must use the proceeds in the provision of affordable rental housing and related social services of elderly persons that are tenants of the project or are tenants of other HUD assisted senior housing by the nonprofit owner, private nonprofit project sponsor or private nonprofit organization project developer. The following are examples of allowable uses of the proceeds pursuant to AHEO:

- (a) for up to 15 percent of the cost of increasing the availability or provision of supportive services, which may include the financing of service coordinators and congregate services. HUD may waive the 15 percent limitation, as necessary, to better enable seniors to age in place, if a waiver is sought by a nonprofit owner, sponsor or organization.;
- (b) rehabilitation, modernization, or retrofitting of structures, common areas, or individual dwelling units, including reducing the number of units by reconfiguring units that are functionally obsolete, unmarketable, or not economically viable;
- (c) construction of an addition or other facility in the project, including assisted living facilities (or, upon the approval of the Secretary, facilities located in the community where the project sponsor refinances a project under this section, or pools shared resources from more than one such project);
- (d) rent reduction of unassisted tenants residing in the project;
- (e) rehabilitation of the project to ensure long-term viability; and
- (f) payment to the project owner, sponsor, or third-party developer of a developer's fee in an amount not to exceed or duplicate: (i) in the case of a project refinanced through a State low income housing tax credit program, the fee permitted by the low income housing tax credit program as



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calculated by the State program as a percentage of acceptable development cost as defined by that State program; or (ii) in the case of a project refinanced through any other source of refinancing, 15 percent of the acceptable development costs (includes, as applicable, the cost of acquisition, rehabilitation, loan prepayment, initial reserve deposit and transaction costs).

8. To ensure Owner's compliance with the use of proceeds requirements found in section 7, Owner shall comply with all HUD administrative requirements with respect to those proceeds.
9. Ownership of the project will at all times be controlled by a nonprofit mortgagor entity or a limited partnership entity of which the general partner is a: (1) nonprofit affordable housing provider; (2) for profit corporation wholly owned and controlled by one or more non-profit affordable housing provider; or (3) a limited liability company wholly owned and controlled by one or more non-profit affordable housing provider.
10. Owner will comply with the provisions of any Federal, State or local law prohibiting discrimination in housing on the grounds of race, color, religion or creed, sex, handicap, familial status or national origin, including the Fair Housing Act of 1968, as amended.
11. The rent charged for each unit shall not exceed the upper limit of the range shown for such type of unit on a rental schedule approved in writing by HUD, and shall include the reasonable use of all utilities shown on said schedule, but in no event shall the total gross monthly rents for all dwelling units exceed the gross monthly dwelling income for all units approved by HUD on the rental schedule.
12. No increase will be made in the amount of the gross monthly dwelling income for all units as shown on the rental schedule unless such increase is approved by HUD, who will at any time entertain a written request for an increase properly supported by

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substantiating evidence and within a reasonable time shall approve or deny such request.

13. Owner shall maintain the premises and equipment, appurtenant thereto, in good repair and condition.
14. The books and accounts of the operations of the property and of the project shall be kept in accordance with the relevant HUD requirements related to the Section 202 and 202/8 program.
15. Within ninety (90) days following the end of each fiscal year, Owner shall provide a complete annual financial report based upon an examination of the books and records of the project prepared in accordance with the requirements of HUD and certified by a Certified Public Accountant, or other person acceptable to HUD.
16. Owner further covenants and agrees that if Owner conveys title to the project prior to the Use Agreement's expiration, Owner will prior to transfer of title: (1) confirm the purchaser has been approved by HUD and (2) require the purchaser to assume the obligations of this Use Agreement.
17. Owner shall provide to HUD (or to such third party as HUD may, in its sole discretion, determine to have the monitoring function under this Agreement), promptly following receipt of a written request from HUD (or from such third party), copies of all business or any other documents regarding the Housing Project, so that HUD may evaluate Owner's compliance with the terms of this Agreement. In addition, Owner shall permit representatives of HUD (or any third party given the monitoring responsibility) following notice from the HUD (or from the third party), to examine the originals of all such documents, at the Project's office during regular business hours.
18. Owner must certify annually by December 1 of each year (insert date within 30 calendar days of the anniversary date of this Agreement), to the local HUD field office, or such other location as determined by HUD, that it is operating the Project in compliance with this Agreement and, more

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specifically, that all of the individual units, as well as the physical structure of the project as a whole, for example grounds and equipment, comply with all applicable codes and requirement of this Agreement or that a remedial program to correct any existing deficiencies has been implemented.

19. This Agreement shall run with the land and binds all subsequent owners and creditors until the date of expiration of this Agreement; and this Agreement shall survive foreclosure. Furthermore, this Agreement shall be recorded in the first position before any other mortgages or instruments unless specifically approved by HUD in writing.

20. Should any of the above covenants be held invalid in whole or in part, it shall not affect or invalidate the balance of such covenant or any other covenants.

21. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

**Should any of the above covenants be held invalid in whole or in part, it shall not affect or invalidate the balance of such covenant or other covenants.**

**[DOCUMENT EXECUTION OCCURS ON THE FOLLOWING PAGES]**

[OWNER/BORROWER SIGNATURE PAGE TO USE AGREEMENT]

In witness whereof, the parties hereto have hereunto caused these presents to be executed on their behalf and their seals affixed the day and year written below.

**OWNER/BORROWER:**

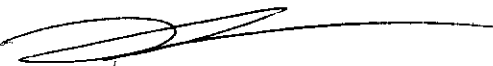
**SHALOM TOWERS, INC.**  
a New Jersey nonprofit corporation

By:   
Richard Cohen, President

STATE OF NEW JERSEY :

COUNTY OF ATLANTIC :

BE IT REMEMBERED, that on this 10<sup>th</sup> day of November, 2015, before me, the subscriber, personally appeared RICHARD COHEN, who, I am satisfied, is the President of SHALOM TOWERS, INC., the corporation named herein, and thereupon he acknowledged that he signed and delivered the within instrument as the President of such corporation, being authorized to do so.



NOTARY PUBLIC

PATRICIA A. CORBIN  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires August 7, 2018

[HUD SIGNATURE PAGE TO USE AGREEMENT]

SECRETARY OF HOUSING AND URBAN  
DEVELOPMENT acting by and through the  
FEDERAL HOUSING COMMISSIONER

By: Dean Santa

Dean Santa, Director of Multifamily Housing

ACKNOWLEDGMENT

STATE OF NEW JERSEY )

) ss

COUNTY OF ESSEX )

I hereby certify that on this 12th day of November, in the year 2015, before me the subscriber, a notary public in and for the jurisdiction aforesaid, personally appeared DEAN SANTA, known to me and to me known to be the person who, as the duly authorized Director of Multifamily Housing of the SECRETARY OF THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, ACTING BY AND THROUGH THE FEDERAL HOUSING COMMISSIONER, executed the foregoing Use Agreement on behalf of said SECRETARY OF THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, ACTING BY AND THROUGH THE FEDERAL HOUSING COMMISSIONER by virtue of the authority vested in him/her as such Authorized Agent, and he/she did acknowledge the foregoing instrument to be the act and deed of said SECRETARY OF THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, ACTING BY AND THROUGH THE FEDERAL HOUSING COMMISSIONER for the purposes therein contained.

[SEAL]

Notary Public  
JAMES M. LUBIN  
AN ATTORNEY AT LAW  
STATE OF NEW JERSEY

## Exhibit A

### Legal Description

All that certain Lot, tract or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Ventnor City, County of Atlantic, State of New Jersey, being more particularly described as follows:

BEGINNING at the intersection of the southeasterly line of Burk Avenue (50.00 ' wide) and the northeasterly line of Fredericksburg Avenue (50.00 ' wide) and extending thence;

- (1) North  $53^{\circ} 27' 35''$  east along the southeasterly line of Burk Avenue, a distance of 415.00 ' to a point in same; thence
- (2) South  $36^{\circ} 32' 25''$  seconds east and parallel with Fredericksburg Avenue a distance of 400.00 ' to a point in the northwesterly line of Marshall Avenue; thence
- (3) South  $53^{\circ} 27' 35''$  west along said line, a distance of 200.00 ' to a point; thence
- (4) North  $36^{\circ} 32' 25''$  west and parallel with Fredericksburg Avenue a distance of 200.00 feet to a point; thence
- (5) South  $53^{\circ} 27' 35''$  west and parallel with Burk Avenue a distance of 215.00 ' to a point in the aforesaid northeasterly line of Fredericksburg Avenue; thence
- (6) North  $36^{\circ} 32' 25''$  west along said line a distance of 200.00 feet to the point and place of BEGINNING.

BEING KNOWN AS a portion of Block 397 Lot 1, Block 398 Lot 1, Block 399 Lot 2, & Block 400 Lot 2 as shown on the current official tax map of the City of Ventnor.

COMMONLY KNOWN AS #7301 Marshall Avenue

NOTE: This description was made in accordance with a property survey prepared by Arthur W. Ponzio Company and Associates, Inc., dated 9/25/15, Project #32391.

# APPENDIX E

## DRAFT DEVELOPMENT FEE ORDINANCE CITY OF VENTNOR

### New Section 102-183 Affordable Housing Set-Aside Ordinance

- a. All multifamily development of ten or more multi-family residential units in the City, other than such development permitted by the City's zoning or as part of an approved Redevelopment Plan as of the date of Insert Date of Ordinance Adoption, developed through Planning Board approval, Zoning Board approval, redevelopment or rehabilitation plan, shall require that an appropriate percentage of the residential units be set aside for low- and moderate-income households.
- b. This requirement shall not apply to residential expansions, additions, renovations, replacement, or any other type of residential development that does not result in a net increase in the number of dwellings of 10 or more.
- c. For inclusionary projects in which the low- and moderate-income units are to be offered for sale, the set-aside percentage shall be 20%; for projects in which the low- and moderate-income units are to be offered for rent, the set-aside percentage should be 15%.
- d. The developer shall provide that half of the low- and moderate-income units constructed be affordable by low-income households and that the remaining half be affordable by moderate-income households. At least 13% of all restricted units shall be very-low-income units (affordable to a household earning 30% or less of median income). The very-low-income units shall be counted as part of the required number of low-income units within the development.
- e. All such affordable units, including the required bedroom distribution, shall be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls ("UHAC"), N.J.A.C. 5:80-26.1 et seq., or any successor regulation, City ordinances, and all other applicable law.
- f. Nothing in this section precludes the City from imposing an affordable housing set-aside in a development not required to have a set-aside pursuant to this section, consistent with N.J.S.A. 52:27D-311(h) and other applicable law.
- g. This requirement does not create any entitlement for a property owner or applicant for a zoning amendment, variance, or adoption of a redevelopment plan or amended redevelopment plan in areas in need of redevelopment or rehabilitation or for approval of any particular proposed project.

# APPENDIX F

## DRAFT DEVELOPMENT FEE ORDINANCE

### CITY OF VENTNOR

#### New Section 102-184 Development Fee Ordinance

##### A. Purpose

- (1) In Holmdel Builder's Association v. Holmdel Township, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985, N.J.S.A. 52:27d-301 *et seq.*, and the State Constitution.
- (2) Pursuant to P.L. 2008, c. 46, Section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), the State was authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans.
- (3) This Ordinance establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with regulations developed in response to P.L. 2008, c. 46, Sections 8 and 32-38 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7). Fees collected pursuant to this Ordinance shall be used for the sole purpose of providing low- and moderate-income housing in accordance with an approved Spending Plan.

##### B. Definitions. The following terms, as used in this Ordinance, shall have the following meanings:

“Affordable housing development” means 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 100 percent affordable housing development.

“Development fee” means money paid by a developer for the improvement of property as permitted at N.J.A.C. 5:97-8.3.

“Developer” means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

“Equalized assessed value” means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is



situated, as determined in accordance with Sections 1, 5, and 6 of P.L. 1973, c.123 (C.54:1-35a through C.54:1-35c).

“Green building strategies” means those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

C. Non-Residential Development Fees

(1) Imposition of Fees

- (a) Within all zoning districts, non-residential developers, except for developers of the types of developments specifically exempted below, shall pay a fee equal to two and one-half (2.5) percent of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.
- (b) Within all zoning districts, non-residential developers, except for developers of the types of developments specifically exempted below, shall also pay a fee equal to two and one-half (2.5) percent of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.
- (c) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of two and a half percent (2.5%) shall be calculated on the difference between the equalized assessed value of the pre-existing land and improvements and the equalized assessed value of the newly improved structure, i.e. land and improvements, and such calculation shall be made at the time a final Certificate of Occupancy is issued. If the calculation required under this Section results in a negative number, the non-residential development fee shall be zero.

(2) Eligible Exactions, Ineligible Exactions and Exemptions for Non-residential Development

- (a) The non-residential portion of a mixed-use inclusionary or market rate development shall be subject to a two and a half percent (2.5%) development fee, unless otherwise exempted below.
- (b) The two and a half percent (2.5%) development fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within the existing footprint, reconstruction, renovations and repairs.
- (c) Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), as specified in Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption". Any

exemption claimed by a developer shall be substantiated by that developer.

- (d) A developer of a non-residential development exempted from the non-residential development fee pursuant to the Statewide Non-Residential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final Certificate of Occupancy for the non-residential development, whichever is later.
- (e) If a property which was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this Section within 45 days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by the Borough of Woodbine as a lien against the real property of the owner.

D. Collection Procedures

- (1) Upon the granting of a preliminary, final or other applicable approval for a development, the approving authority or entity shall notify or direct its staff to notify the Construction Official responsible for the issuance of a Construction Permit.
- (2) For non-residential developments only, the developer shall also be provided with a copy of Form N-RDF "State of New Jersey Non-Residential Development Certification/ Exemption" to be completed as per the instructions provided. The developer of a non-residential development shall complete Form N-RDF as per the instructions provided. The Construction Official shall verify the information submitted by the non-residential developer as per the instructions provided in the Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- (3) The Construction Official responsible for the issuance of a Construction Permit shall notify the Tax Assessor of the issuance of the first Construction Permit for a development which is subject to a development fee.
- (4) Within 90 days of receipt of such notification, the Tax Assessor shall prepare an estimate of the equalized assessed value of the development based on the plans filed.
- (5) The Construction Official responsible for the issuance of a final Certificate of Occupancy shall notify the Tax Assessor of any and all requests for the scheduling of a final inspection on a property which is subject to a development fee.
- (6) Within 10 business days of a request for the scheduling of a final inspection, the Tax Assessor shall confirm or modify the previously estimated equalized assessed

value of the improvements associated with the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.

- (7) Should the City of Ventnor fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b. of Section 37 of P.L. 2008, c.46 (C.40:55D-8.6).
- (8) Except as provided in Section 5.A.3) hereinabove, fifty percent (50%) of the initially calculated development fee shall be collected at the time of issuance of the Construction Permit. The remaining portion shall be collected at the time of issuance of the Certificate of Occupancy. The developer shall be responsible for paying the difference between the fee calculated at the time of issuance of the Construction Permit and that determined at the time of issuance of the Certificate of Occupancy.
- (9) Appeal of Development Fees
  - (a) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest bearing escrow account by the Township of Maurice River. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 54:48-1, *et seq.*, within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.
  - (b) A developer may challenge non-residential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest bearing escrow account by the Township of Maurice River. Appeals from a determination of the Director may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1, *et seq.*, within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

E. Affordable Housing Trust Fund

- (1) There is hereby created a separate, interest-bearing Affordable Housing Trust Fund to be maintained by the Chief Financial Officer of the City of Ventnor for the purpose of depositing development fees collected from non-residential developers and proceeds from the sale of units with extinguished controls.
- (2) The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
  - (a) Payments in lieu of on-site construction of a fraction of an affordable unit, where permitted by Ordinance or by Agreement with the City of Ventnor;

- (b) Funds contributed by developers to make ten percent (10%) of the adaptable entrances in a townhouse or other multistory attached dwelling unit development accessible;
  - (c) Rental income from municipally operated units;
  - (d) Repayments from affordable housing program loans;
  - (e) Recapture funds;
  - (f) Proceeds from the sale of affordable units; and
  - (g) Any other funds collected in connection with Ventnor's affordable housing program.
- (3) In the event of a failure by the City of Ventnor to comply with trust fund monitoring and reporting requirements or to submit accurate monitoring reports; or a failure to comply with the conditions of the judgment of compliance or a revocation of the judgment of compliance; or a failure to implement the approved Spending Plan and to expend funds within the applicable required time period as set forth in In re Tp. of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563); or the expenditure of funds on activities not approved by the Court; or for other good cause demonstrating the unapproved use(s) of funds, the Court may authorize the State of New Jersey, Department of Community Affairs, Division of Local Government Services (LGS), to direct the manner in which the funds in the Affordable Housing Trust Fund shall be expended, provided that all such funds shall, to the extent practicable, be utilized for affordable housing programs within the Borough of Woodbine, or, if not practicable, then within the County or the Housing Region.

Any party may bring a motion before the Superior Court presenting evidence of such condition(s), and the Court may, after considering the evidence and providing the municipality a reasonable opportunity to respond and/or to remedy the non-compliant condition(s), and upon a finding of continuing and deliberate non-compliance, determine to authorize LGS to direct the expenditure of funds in the Trust Fund. The Court may also impose such other remedies as may be reasonable and appropriate to the circumstances.

- (4) Interest accrued in the Affordable Housing Trust Fund shall only be used to fund eligible affordable housing activities approved by the Court.

F. Use of Funds

- (1) The expenditure of all funds shall conform to a Spending Plan approved by the Court. Funds deposited in the Affordable Housing Trust Fund may be used for any activity approved by the State to address the Township's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls; housing rehabilitation; new construction of affordable housing units and related costs; accessory apartments; a market to affordable program; Regional Housing Partnership programs;

conversion of existing non-residential buildings to create new affordable units; green building strategies designed to be cost saving and in accordance with accepted national or State standards; purchase of land for affordable housing; improvement of land to be used for affordable housing; extensions or improvements of roads and infrastructure to affordable housing sites; financial assistance designed to increase affordability; administration necessary for implementation of the Housing Element and Fair Share Plan; and/or any other activity permitted by the State and specified in the approved Spending Plan.

- (2) Funds shall not be expended to reimburse the City for past housing activities.
- (3) At least 30 percent of all development fees collected and interest earned on such fees shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30 percent or less of the median income for Housing Region 6, in which Ventnor is located.
  - (a) Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, and assistance with emergency repairs. The specific programs to be used for affordability assistance shall be identified and described within the Spending Plan.
  - (b) Affordability assistance to households earning 30 percent or less of median income may include buying down the cost of low or moderate income units in the municipal Fair Share Plan to make them affordable to households earning 30 percent or less of median income. The specific programs to be used for very low income affordability assistance shall be identified and described within the Spending Plan.
  - (c) Payments in lieu of constructing affordable housing units on site, if permitted by Ordinance or by Agreement with Ventnor, and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- (4) The City may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including its programs for affordability assistance.
- (5) No more than 20 percent of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultants' fees necessary to develop or implement a new construction program, prepare a Housing Element and Fair Share Plan, and/or administer an affirmative marketing program or a rehabilitation program.
  - (a) In the case of a rehabilitation program, the administrative costs of the rehabilitation program shall be included as part of the 20 percent of collected development fees that may be expended on administration.

- (b) Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with affordable housing monitoring requirements. Legal or other fees related to litigation opposing affordable housing sites or related to securing or appealing a judgment from the Court are not eligible uses of the Affordable Housing Trust Fund.

G. Monitoring

The City shall provide annual reporting of Affordable Housing Trust Fund activity to the State of New Jersey, Department of Community Affairs, Local Government Services or other entity designated by the State of New Jersey, using forms developed for this purpose by the New Jersey Department of Community Affairs or Local Government Services. The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, payments in lieu of constructing affordable units on site (if permitted by Ordinance or by Agreement with the City), funds from the sale of units with extinguished controls, barrier free escrow funds, rental income from City owned affordable housing units, repayments from affordable housing program loans, and any other funds collected in connection with Ventnor's affordable housing programs, as well as an accounting of the expenditures of revenues and implementation of the Spending Plan approved by the State.

# APPENDIX G

## DRAFT

### RESOLUTION \_\_\_\_\_

#### **RESOLUTION BY THE CITY OF VENTNOR APPOINTING A MUNICIPAL HOUSING LIASON FOR THE ADMINISTRATION OF THE CITY'S AFFORDABLE HOUSING PROGRAM**

**WHEREAS**, the City of Ventnor prepared a Housing Element and Fair Share Plan on June 30, 2025; and

**WHEREAS**, The City's Fair Share Plan promotes an affordable housing program pursuant to the Fair Housing Act (N.J.S.A. 52:27D-301, et. seq.); and

**WHEREAS**, pursuant to N.J.A.C. 5:80-26.1 et. seq., Ventnor is required to appoint a Municipal Housing Liaison for the administration of the City's affordable housing program to enforce the requirements of N.J.A.C. 5:80-26.1 et. seq.; and

**WHEREAS**, the City of Ventnor has amended Chapter 102 to provide for the appointment of a Municipal Housing Liaison to administer the City of Ventnor's affordable housing program.

**NOW THEREFORE BE IT RESOLVED**, by the Governing Body of the City of Ventnor in the County of Atlantic, and the State of New Jersey that \_\_\_\_\_ is hereby appointed by the Governing Body of the City of Ventnor as the Municipal Housing Liaison for the administration of the affordable housing program, pursuant to and in accordance with the City's Development Regulations.

\_\_\_\_\_  
Municipal Clerk