

2021 AFFORDABLE HOUSING ANNUAL MONITORING REPORT

TOWNSHIP OF MILLSTONE Monmouth County, New Jersey

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**Township of Millstone, Monmouth County
2021 Affordable Housing Annual Monitoring Report**

The purpose of this Report is to outline the status of affordable housing projects within the Township of Millstone, Monmouth County. The Township executed a settlement agreement, dated September 5, 2019, with Fair Share Housing Center (FSHC) establishing the Township's fair share obligations and mechanisms to meet said obligations. A Conditional Judgment of Compliance and Repose (JOR) was filed on November 12, 2019 and a Final JOR was filed on April 29, 2020. A Housing Element and Fair Share Plan was adopted by the Township's Planning Board on January 29, 2020. Pursuant to the Court-approved Settlement Agreement, on each anniversary of the settlement agreement, the Township shall provide annual reporting of the status of all affordable housing activity within the municipality. The following constitutes that Report. Pursuant to the Court-approved Settlement Agreement with FSHC, Millstone Township's Adjusted Affordable Housing Obligation is as follows:

Present Need/Rehabilitation Share: 38 units

Prior Round Obligation: 81 units

Third Round Obligation: 231 units

The Township of Millstone's Court-approved Housing Element and Fair Share Plan provides for 38 units of rehabilitation and 326 affordable housing credits to address its Prior and Third Round Affordable Housing Obligation, which includes 252 affordable units and 74 bonus credits.

Pursuant to the Court-approved Settlement Agreement, the Township is required to provide annual reporting of affordable housing trust fund (AHTF) activity. A Trust Fund Monitoring Report was completed separately and is attached to this Report as Appendix A.

Present Need / Rehabilitation Share: 38 Units

The Township's original intent was to participate in the Monmouth County Housing Rehabilitation Program as the County program had previously rehabilitated 7 units within the Township (as detailed in the adopted 2020 Housing Element and Fair Share Plan). The Township subsequently learned that the County permanently suspended its housing rehabilitation program. Millstone was therefore required to implement its own owner-occupied rehabilitation program. On January 2, 2020, the Township entered into an agreement with the Affordable Housing Alliance (AHA), a Monmouth County-based non-profit organization who focuses on providing housing and related relief to New Jersey residents, to manage the Township-wide rehabilitation program. The AHA began affirmatively marketing the program in the spring of 2020 pursuant to the requirements of the settlement agreement with FSHC, including publication in the Star Ledger and Asbury Park Press, as well as through notice to FSHC, the New Jersey Conference of the NAACP, the Latino Action Network, and the Supportive Housing Association.

As of August 18, 2021, the Township has received three (3) inquiries into the program, the work for two (2) of which have been completed. One applicant on Trenton Lakewood Road had a complete roof replacement and is currently awaiting payment from the Township. Another applicant on Pine Drive had a chimney cap and front steps replaced, as well as accessibility improvements to a bathroom, for which the payment is being processed. A third applicant on Cheryl Lane is awaiting reinspection for a repair of their heating and air conditioning system. The Township is working to identify additional applicants who may not be aware of the Program, such as the elderly.

Prior Round and Third Round Mechanisms

The following discussion is a status update of all affordable housing developments in Millstone, both constructed and proposed. The Township also received credit for a Regional Contribution Agreement (RCA)

with the City of Asbury Park. See the adopted Housing Element and Fair Share Plan (adopted January 29, 2020) for further information on the RCA.

Constructed and Occupied

Millstone Road Group Home & Red Valley Group Homes

Millstone Road (417 Millstone Road) and Red Valley (67 Red Valley Road) Group Homes are both existing licensed group homes with five (5) affordable units. Both developments were originally constructed in 1984 and expanded by two (2) new low-income units in 2018.

Millstone Canwright House

The Millstone Canwright House is another licensed group home, located at 29 Burnt Tavern Road. This facility has 11 units, which are deed-restricted through June 30, 2035.

Indian Path

Indian Path is an inclusionary development located on Moccasin Court. In 1990, six (6) for-sale units were created with 20-year deed controls that expired in 2010. On September 9, 2019, the owner of two (2) of the original six (6) affordable units executed a Deed to Extend Expiring Affordable Housing Restrictions for 30 years. One (1) of the units is a rental unit and the other is a for-sale unit.

Group Home I-II

Located at 31 Burnt Tavern Road, Group Home I includes six (6) low-income units with a 30-year deed restriction through 2043 as well as a concurrent 50-year lease agreement with use restriction. Group Home II, located at 8 Novad Court, is a group home with six (6) low-income units deed-restricted through 2043.

Allen House I

Allen House I is an age-restricted affordable development at 477 Stagecoach Road with five (5) very-low and five (5) low-income units. The 10 affordable units are deed-restricted for a period of 40 years through a HUD Capital Program Use Agreement executed in 2014.

Novad House

Novad House is a 100% affordable development located at 6 Novad Court. The development consists of one (1) affordable family rental unit, which is deed-restricted through June 25, 2033.

Burnt Tavern Apartments

Burnt Tavern Apartments is a 100% affordable family-rental development with four (4) affordable units deed-restricted for a period of 30 years. The development was completed in 2020 and includes two (2) very-low income and two (2) low-income units.

Ongoing

Allen House II

Allen House II is a 100% affordable age-restricted development with five (5) low-income and five (5) very-low-income units. Proposed for 17 Burnt Tavern Road, the project received planning board approval in November 2019 and is currently in the process of securing funding. Once completed, a 30-year affordable housing deed restriction will be executed. In 2021, the applicant filed a Federal Home Loan Bank application and received final approval from the Monmouth County Planning Board.

Shu Lee / Millstone Village

Shu Lee, also referred to as Millstone Village, is a proposed 100% affordable development located at 10 and 14 Novad Court. The project is proposed to consist of 30 family rental units to be deed-

restricted for a period of 30 years. Concept plans have been prepared and require NJDEP approvals before the plans can be finalized and submitted for site plan approval. The Township has engaged a wastewater engineering firm to process the required permit applications through NJDEP.

CKV / Millstone Woods

The CKV Site, also known as Millstone Woods, is a proposed 100% affordable development consisting of 46 family for-sale units. The project is proposed for Burnt Tavern Road and will be deed-restricted for a period of 30 years. Construction is anticipated to begin in early 2022. The Township is currently awaiting a determination on whether the CKV site can support a septic system for 98 units, as opposed to the 46 units included in the Township's adopted Housing Element and Fair Share Plan. The project engineer has been working with the NJ DEP. The developer intends to pursue a 9% tax credit for the project. Similar to the Shu Lee / Millstone Village development, concept plans have been prepared and require NJDEP approvals before the plans can be finalized and submitted for site plan approval. The Township has engaged a wastewater engineering firm to process the required permit applications through NJDEP.

Baldacino Apartments

Baldacino Apartments is a proposed inclusionary development on Perrineville Road. The project will include 48 affordable family rental units that will be deed-restricted for 30 years. A rezoning ordinance allowing for the development was adopted on March 18, 2020. The project was recently reduced from 272 to 170 total units but will continue to provide 48 affordable units. As of the writing of this Report, the developer is in the beginning stages of the site plan application process.

Affordable Accessory Apartments Program

The Township adopted an ordinance creating an Accessory Apartments Program on March 18, 2020. The ordinance encourages the creation of 10 accessory apartment units. As of the writing of this Report, there have been no applications for the Program.

Showplace Farms, LLC

The Township entered into negotiations with Showplace Farms, LLC, who was a party to the Court-approved settlement agreement with Fair Share Housing Center. Pursuant to that settlement agreement, the Township adopted Ordinance 20-06 on March 18, 2020, amending the Township ordinance to permit a 1.22 million square-foot warehouse and office space development at the property located on Block 23 Lot 8 along Route 33. The developers will contribute 2.5% of the assessed value to the Township's Affordable Housing Trust Fund. The money generated from the Showplace property will contribute to affordable housing development within Millstone, including the many proposed 100% affordable developments listed in this Report. The Showplace Farms property received preliminary and final major site plan approval at the Planning Board's August 12, 2020 meeting. The site was cleared and graded in early 2021 and construction is currently underway. In July of 2020, Showplace Farms, LLC contributed \$620,702.00 in development fees for the project, which accounts for 25 percent of their overall \$2,482,807.50 required contribution.

APPENDIX A

Affordable Housing Trust Fund Monitoring Report 2021

Millstone Township, Monmouth County
2021 Trust Fund Monitoring

Beginning Balance Trust 1/01/2021 \$ 783,096.67

REVENUE SUMMARY

Barrier Free Escrow		
Development Fees	\$	64,808.00
Interest		
Other Income		
Payments in-Lieu of Construction		
Total:	\$	64,808.00

EXPENDITURE SUMMARY

Administration	\$	37,787.75
Affordability Assistance		
Barrier Free Conversations		
Housing Activity	\$	102,219.45
Total:	\$	140,007.20

Ending Balance Trust 08/31/2021 \$ 707,897.47

ADMINISTRATION: 01/01/2020 - 08/31/2021

Name	Type	Amount
Affordable Housing Alliance	Admin Fee	\$ 12,000.00
Davison	Legal	\$ 407.00
Steib	Legal	\$ 216.00
Steib	Legal	\$ 126.00
Steib	Legal	\$ 5,161.75
Affordable Housing Alliance	Admin Fee	\$ 6,000.00
Steib	Legal	\$ 2,002.00
Davison	Legal	\$ 74.80
Heyer	Planning	\$ 67.50
Steib	Legal	\$ 896.00
Steib	Legal	\$ 882.00
Davison	Legal	\$ 18.70
Steib	Legal	\$ 280.00
Affordable Housing Alliance	Admin Fee	\$ 6,000.00
Steib	Legal	\$ 756.00
Affordable Housing Alliance	Admin Fee	\$ 2,900.00
Total:		\$ <u>37,787.75</u>

HOUSING ACTIVITY: 04/01/2019 - 12/31/2020

Name	Type	Amount
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Monmouth County Ban	BAN CKV	\$	14,245.13
Avakian - Engineering	Shu-Lee	\$	3,715.00
Avakian - Engineering	CKV	\$	980.00
Avakian - Engineering	CKV	\$	2,400.00
Avakian - Engineering	CKV	\$	2,178.15
Avakian - Engineering	Shu-Lee	\$	124.35
Avakian - Engineering	CKV	\$	2,577.50
Avakian - Engineering	Shu-Lee	\$	1,800.00
Avakian - Engineering	Shu-Lee	\$	1,658.75
Avakian - Engineering	CKV	\$	1,658.75
Avakian - Engineering	CKV	\$	1,443.75
Avakian - Engineering	Shu-Lee	\$	1,443.75
Davison - Legal	Allen House II	\$	104.50
Marathon - Engineering	CKV	\$	6,400.00
Avakian - Engineering	CKV	\$	990.00
Marathon - Engineering	CKV	\$	7,800.00
Marathon - Engineering	CKV	\$	6,750.00
Monmouth County	Allen House II	\$	24,844.82
Avakian - Engineering	CKV	\$	422.50
Avakian - Engineering	CKV	\$	320.00
Marathon - Engineering	CKV	\$	1,800.00
Marathon - Engineering	CKV	\$	8,350.00
Affordable Housing Alliance	Rehab	\$	9,800.00
Avakian - Engineering	Allen House II	\$	412.50
	Total:	\$	<u>102,219.45</u>