

June 7, 2024

Erin E. Simone, Esq.
Maley Givens
1150 Haddon Avenue
Suite 210
Collingswood, New Jersey 08108

Re: In the Matter of the Application of the Township of Galloway,
Docket No. ATL-L-1442-15

Dear Ms. Simone:

This letter shall memorialize the terms of an amended agreement reached between the Township of Galloway (the "Township"), the declaratory judgment plaintiff, and Fair Share Housing Center ("FSHC"), a Supreme-Court designated interested party in the above referenced matter, in accordance with In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015)(Mount Laurel IV) and, through this settlement, a defendant in this proceeding.

The Parties previously entered into an Amended Settlement Agreement, March 24, 2023 ("Amended Settlement Agreement"), which superseded and replaced in its entirety the original Settlement Agreement dated December 18, 2017. The Amended Settlement Agreement is attached hereto as **Exhibit AA**. During compliance, it became necessary to amend the Amended Settlement Agreement to remove the following credits from the Prior Round and Third Round: a) 3 bonus credits from Arc of Atlantic County – 527 Forest Brook Road in the Third Round; (b) 5 bonus credits for Caring 611 A Sixth Avenue in the Third Round; (c) one overcounted unit at Aloe Village in the Prior Round; (d) 10 units from Country Side Meadows in the Prior Round because the Township exceeded the senior cap; (e) the Trocki, BANR Mixed Use, and BANR Supportive Needs from the Third Round because those projects are not ready to proceed; and (f) 9 units at Smithville from the Third Round; and to add the following credits to the Third Round: (i) Bayview Cottages I & II to the Third Round; (ii) 2 units to Country Side Meadows in the Third Round; and (iii) 9 units at Smithville from the Third Round to the Prior Round. This Amendment to the Amended Settlement Agreement ("Second Amended Settlement Agreement") shall amend and supersede the Amended Settlement Agreement only to the extent set forth herein.

Amended Settlement Terms

1. Paragraph 6 of the March 24, 2023 Settlement Agreement is deleted and replaced in its entirety by the following:

As noted above, the Township has a total Prior Round Obligation and Third Round Obligation of 1,212 units, which the Township proposes to satisfy through a mixture of special needs housing, credits without controls, existing and proposed municipal sponsored 100% affordable housing, existing market-to-rental housing and existing and proposed inclusionary development. The Township proposed to satisfy its 328 unit Prior

Round Obligation through the compliance mechanisms listed in the following table. The changes from the March 24, 2023 Settlement Agreement are highlighted in yellow.

Table 1: Prior Round Compliance

Development	Special Needs	Family-Rental	Senior	Units	Bonus Credits	Total Credits	Notes
Credits without Controls				60	0	60	
ARC of Atlantic County – 371 Odessa	3			3	3	6	
Bayview Cottage III	3			3	3	6	
Hansen House - Men	10			10	10	20	
Habitat for Humanity sites				5		5	100% affordable
Aloe Village			67	67		67	100% affordable Changed from 68 to 67
Mary's Manor – 122 S. Odesa			0	0		0	MOVED TO 3 RD ROUND
Countryside Meadows			0	0		0	ELIMINATED Exceeded Senior cap
Society Hill Galloway				40		40	Inclusionary Development
Wrangleboro Road (41 of 198)		41		41	41	82	100% affordable
Nantucket (Smithville PUD)		22		22		22	Inclusionary Development CHANGED From 7 to 22
Seashore Elder Living – Supportive Needs	10			10	10	20	
Total	26	63	67	261	67	328	

The Township has implemented or will implement the mechanisms set forth in the following table to address its Third-Round prospective need of 884 units. The changes from the March 24, 2023 Settlement Agreement are highlighted in yellow.

Table II: Third Round Compliance

Development	Special Needs	Family Rental	Senior	Units	Bonus Credits	Total Credits	Notes
ARC of Atlantic County – 527 Tenth Ave	4			4	4	8	
ARC of Atlantic County II – 527A Tenth Ave	4			4	4	8	
ARC of Atlantic County III – 529 Tenth Ave	4			4	4	8	
ARC of Atlantic County – 527 Forest Brook	3			3	0	3	REMOVED BONUS CREDITS
Career Opportunity Dev Inc I – 106 W. Jimmie Leeds Road	3			3	3	6	
Career Opportunity Dev Inc II – 233 W. White Horse Pike	5			5	5	10	
Caring Inc I (Block 1164, Lot 37.06)	4			4	4	8	
Caring Inc II (Block 939, Lot 13)	4			4	4	8	
Caring Inc III (Block 979, Lot 7)	4			4	4	8	
Caring Inc IV (Block 997.02, Lot 19.02)	6			6	6	12	
Caring - 611 A Sixth Avenue	5			5	0	5	REMOVED BONUS CREDITS
Collaborative Support Programs	3			3	3	6	
Community Options Inc	3			3	3	6	

Development Resource Center	4			4	4	8	
Hansen House Women	10			10	10	20	
Bayview Cottage I (10 Years)	7			7		7	ADDED
Bayview Cottage II (10 Years)	7			7		7	ADDED
Mary's Manor (Mary's Family) – 122 S. Odessa	4			4		4	MOVED From Prior Round
BANR Supportive Needs (formerly Bayview Cottage II)	0			0		0	REMOVED Moved to Round 4
BANR Mixed Use		0		0		0	REMOVED Moved to Round 4
Society Hill Galloway				17		17	Inclusionary Development
CIS Heron Pines/Heritage Village			99	99		99	100% Affordable
Seashore Housing – Independent Living			46	46		46	100% Affordable
Countryside Meadows/Presbyterian Homes (76 of 84)			76	76		76	100% Affordable ADDED 2 Units
Aloe Village			0	0		0	100% Affordable REMOVED
Habitat for Humanity Holly Ave (Block 786, Lots 5.02 and 5.03)		0		0		0	100% Affordable REMOVED
Wrangleboro Road (157 of 198)		157		157	157	314	100% Affordable
Nantucket (Smithville PUD) (8 of 30)		8		8		8	Inclusionary Development Reduced from 17 to 8

Trocki		0		0		0	REMOVED Moved to Round 4
Pinelands Inclusionary Zoning		169		169		169	Inclusionary Development
Society Hill Galloway/Ruskin		7		7	7	14	
Total	84	341	221	663	221	884	

2. Paragraph 7 of the March 24, 2023 Settlement Agreement is hereby amended to deleted in its entirety and replaced with the following:

- (a) The Township agrees to provide a realistic opportunity for the development of affordable sites through the following inclusionary sites:

The Nantucket project – This site is located on Block 460, Lots 1-3; Block 461, Lots 1, 2, 3, 4, 5, 6, 6.01, 6.02., 6.03, 6.04, 6.05, & 6.06; and was a part of the Township’s original compliance plan as a residential development. A Redevelopment Agreement has been executed that will result in the construction of a commercial development with 150 residential units and a 20% set-aside, or 30 units of affordable family rentals. The Township has adopted Resolution #115-15 designating the property as a Non-Condensation Redevelopment Area and Ordinance #2065-2021 adopting a Redevelopment Plan for the Redevelopment Area. The Township agrees to enforce Section 233-94.C(2) of the Township Code, which requires newly constructed affordable units to be integrated with market rate units pursuant to the regulations of the Council on Affordable Housing.

The Pinelands Zoning reflects a portion of the unbuilt units in the Township’s R and R1 zones in the Regional Growth Area not including the Blue Heron Pines site. The Township already has in place an ordinance requiring 20% of all new development in these zones to be affordable. It will continue to enforce this ordinance through at least July 1, 2025 so that these zones provide a realistic opportunity for the units reflected above.

- (b) In addition, the Township has adopted a Redevelopment Plan entitled “Redevelopment Plan, White Horse Pike East, Galloway Manor Redevelopment District, Block 918, Lot 1 & Block 923, Lot 1.01,” dated November 9, 2023 and adopted by way of Ordinance #2122-2023 on December 12, 2023, which establishes the zoning for the Trocki Project (“Trocki Redevelopment Plan”). The Township agrees to maintain the zoning established in the Trocki Redevelopment Plan until the beginning of the Fourth Round, at which time the Township agrees to evaluate whether the Trocki Project constitutes a realistic opportunity for the production of affordable housing within the Fourth Round.
- (c) There currently exists a thirty (30) year deed restriction the 613 South New York Road (Block 1007.03, Lot 38) and on 615 South New York Road (Block 1007.03, Lot 39). The Township agrees that it will not lift the deed restriction prior to the expiration of the thirty (30) years and agrees to evaluate whether a project could be constructed on these properties along with the adjacent property of 611 South New York Road (Block 1007.03, Lot 37), that constitutes a realistic opportunity for the production of affordable housing within the Fourth Round.

3. Paragraph 8 of the March 24, 2023 Settlement Agreement is hereby amended to deleted in its entirety and replaced with the following:

The Township will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through the following 100% affordable housing project:

Wrangleboro Road – This project, located on Block 988.01, Lots 38-41; Block 988.12, Lots 33-36 & 42; Block 988.13, Lot 37; Block 988.14, Lot 42; Block 988.15, Lot 43; Block 989, Lot 1; Block 990, Lot 1; Block 991, Lot 1; Block 992, Lot 1; Block 993, Lot 1; Block 994, Lots 1 & 2; Block 995, Lot 1. Walters Group will construct a 198-unit Affordable Housing Site. There are existing wetlands on the property, though all development is proposed on the upland portion of the site. Due to the wetlands on the tract, the net density is 6 dwelling units per acre. The Township adopted an Amendment to the Redevelopment Plan on December 13, 2022 by way of Ordinance 2096-2022 and has entered into a Redevelopment Agreement with an affiliate of the Walters Group, Galloway Family Apartments, LLC on March 28, 2023.

In accordance with N.J.A.C. 5:93-5.5, the Township has provided an updated construction or implementation schedule which is attached hereto as **Exhibit AB**. Site Plan approval for the Wrangleboro Road Project was obtained on February 29, 2024 and memorialized in a Resolution adopted on March 7, 2024. The schedule shall provide for construction to begin on or before July 1, 2025. Pursuant to the Redevelopment Agreement, the Township has the right to obtain progress reports and attend progress meetings to oversee the status of the construction and overall development activity.

Pursuant to N.J.A.C. 5:93-5.5, the Township has provided evidence of adequate and stable funding for the Wrangleboro Road Project as follows: (i) attached hereto as **Exhibit AC** are the three resolutions from HMFA approving a "Declaration of Intent" to fund Phase 1, Phase 2 and Phase 3 of the Wrangleboro Road Project; (ii) in addition, attached hereto as **Exhibit AD** is Resolution #219-23, which is a resolution of intent to fund any shortcomings in financing for the Wrangleboro Road Project.

4. Paragraph 9 of the March 24, 2023 Settlement Agreement is hereby amended to deleted in its entirety and replaced with the following:

The Township agrees to require 13% of all units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, to be very low-income units for households earning thirty percent (30%) or less of the median income pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301, et seq. ("FHA"), with half of the very low-income units being available to families. The proposed inclusionary zoning sites will require a 13% set aside for very low-income units. The municipality will comply with those requirements set forth in the table below. The changes from the March 24, 2023 Settlement Agreement are highlighted in yellow.

Table 4: Sites Constructed after July 1, 2008

Site	Total Affordable Units	Very Low-income units (13%)	Notes
Nantucket (Smithville PUD)	30	4	
Wrangleboro Road	198	26	
Pinelands Inclusionary Zoning	169	22	
Seashore Housing Independent Living	46	5	Per Deed Restriction
CIS Heron/Heritage Village	99	11	
Trocki	0	0	REMOVED (4 th Round)
BANR Inclusionary	0	0	REMOVED (4 th Round)
BANR Supportive Needs (formerly Bayview Cottage II)	0	0	REMOVED (4 th Round)
Society Hill/Ruskin	7	3	
Caring Inc IV (Block 997.02, Lot 19.02)	6	1	
Caring 611A Sixth Avenue	5	5	ADDED
ARC of Atlantic County - 527 Tenth, 527A Tenth, & 529 Tenth	12	0	
TOTAL	572	77	

5. Paragraph 11.b. shall be amended to include the following:

Notwithstanding the foregoing, the parties acknowledge and agree that pursuant to N.J.A.C. 5:93-5.8(d), affordability controls for Bayview Cottage I, Bayview Cottage II, and Caring 611A Sixth Avenue, need only need to remain in effect for ten (10) years, so long as the Township does not seek rental bonuses for the same.

6. Paragraph 17 of the March 24, 2023 Settlement Agreement is hereby amended to deleted in its entirety and replaced with the following:

The Township prepared and adopted a Spending Plan on May 8, 2018 by way of Resolution #151-18. The Parties acknowledge and agree that this Spending Plan was previously approved by the Court pursuant to the prior Settlement Agreement dated December 12, 2017. In addition, on April 20, 2023, the Township prepared and adopted an Amendment to the Spending Plan ("First Amendment to the Spending Plan") by way of Resolution #129-23. Nothing in this Settlement Agreement is intended to affect the validity of the prior approval granted to the Spending Plan and the First Amendment to the Spending Plan and the Township shall be entitled to continue to collect and expend funds in accordance with the approved Spending Plan, except that the Parties acknowledge and agree that the Spending Plan may be amended by the Township pursuant to N.J.A.C. 5:97-8.11(a), for both new construction projects and affordability assistance. The Parties agree that all amendments to the Spending Plan may be accomplished by adoption of a Resolution by the Governing Body and entry of a Consent Order approving the same. The Parties specifically agree that the Township may immediately adopt an amendment to the Spending Plan to remove spending for affordability assistance to the BANR Supportive

Needs Project and to replace it with an authorization for spending for affordability assistance for Caring 611A Sixth Avenue ("Proposed Second Amendment to the Spending Plan"). Adoption of the Proposed Second Amendment to the Spending Plan may be accomplished by adoption of a Resolution by the Governing Body and entry of a Consent Order approving the same. Any subsequent amendments to the Spending Plan may be accomplished by adoption of a Resolution by the Governing Body and entry of a Consent Order approving the same. The expenditure of funds contemplated under the Proposed Second Amended Spending Plan constitute a "Commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and 329.3, with the expenditure period beginning to run from the date of entry of a Consent Order. On the first anniversary of the execution of this Agreement, which shall be established by the date on which it is executed by a representative of the Township, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the Township agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

7. **In the event the court approves this Amended Agreement and the Amendments to the Township's HEFSP at Compliance Hearing, the Parties agree that Galloway will receive the "judicial equivalent of substantive certification and accompanying protection as provided under the FHA" as set forth in the New Jersey Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The accompanying protection shall remain in effect through July 1, 2025.**
8. **All terms of the Amended Settlement Agreement dated March 24, 2023, which have not been specifically amended herein shall remain in full force and effect.**
9. **This Second Amended Settlement Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.**

This Second Amended Settlement Agreement, together with the Amended Settlement Agreement dated March 24, 2023, as amended herein, shall constitute the entire agreement between the Parties hereto and shall supersede all prior oral and written agreements between the Parties with respect to the subject matter hereof, except as otherwise provided herein.

TO FSHC:

Adam M. Gordon, Esq.
Fair Share Housing Center
Cherry Hill, NJ 08002
Phone: (856) 665-5444
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TO THE TOWNSHIP:

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Galloway Township Municipal Building
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**WITH A COPY TO THE
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OR CURRENT TOWNSHIP SOLICITOR

**WITH A COPY TO THE
TOWNSHIP REDEVELOPMENT
COUNSEL:**

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OR CURRENT TOWNSHIP REDEVELOPMENT COUNSEL

Please sign below if these terms are acceptable.

Sincerely,

Adam M. Gordon, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the Township of _____, with the authorization
Of the governing body:

Dated: _____

EXHIBIT AA

FAIR SHARE HOUSING CENTER

Adam M. Gordon, Esq.
Laura Smith-Denker, Esq.
Joshua D. Bauers, Esq.
Rachel N. Lokken, Esq.
Zoey Chenitz, Esq.
Tanushree Bansal, Esq.
Esmé Devenney, Esq.
Will Fairhurst, Esq.

March 24, 2023

Erin E. Simone, Esq.
Maley Givens
1150 Haddon Avenue
Suite 210
Collingswood, New Jersey 08108

**Re: In the Matter of the Application of the Township of Galloway, Docket
No. ATL-L-1442-15**

Dear Ms. Simone:

This letter memorializes the terms of an agreement reached between the Township of Galloway (the "Township" or "Galloway"), the declaratory judgment plaintiff, and Fair Share Housing Center (FSHC), a Supreme Court-designated interested party in this matter in accordance with In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015)(Mount Laurel IV) and, through this settlement, a defendant in this proceeding.

This Settlement Agreement is subject to review and approval by the Court following a duly-noticed fairness hearing and, if approved, shall supersede and replace in its entirety the December 18, 2017, Settlement Agreement between Galloway and FSHC, which is attached hereto as **Exhibit A**, and was previously approved by the Court following a duly-noticed fairness hearing.

Background

In accordance with Mount Laurel IV, on June 22, 2015, Galloway filed a complaint seeking a declaration of its compliance with the Mount Laurel doctrine and the Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq.

Through the declaratory judgment process, the Township and FSHC agreed, in December 2017, to settle the litigation and to present an agreement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it ends delays and the expense of trial and results more quickly in the construction of homes for very- low-, low- and moderate-income households.

This Amended Settlement Agreement was necessitated by several updates and changes to Galloway's Compliance Plan following a Mid-Point review. These changes include removing the Blue Heron Pines project, substituting the Nantucket site for the Smithville project, rearranging several credits between Prior Round and the Third Round, adding the Wrangleboro Road 100% affordable project, the Trochi Project, as well as additional special needs projects, and replacing two (2) of the Bayview Cottage projects.

This Settlement Agreement supersedes all prior writings between the parties, including the December 2017 Settlement Agreement and once implemented, will create a realistic opportunity for the construction of a substantial number of new affordable homes for very-low-, low-, and moderate-income households.

Settlement terms

The Township and FSHC hereby agree to the following terms:

1. FSHC agrees that the Township, through the adoption of a Housing Element and Fair Share Plan conforming with the terms of this Agreement (hereafter "the Plan") and through the implementation of the Plan and this Agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.
3. FSHC and Galloway hereby agree that Galloway's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report ¹)	180
Prior Round Obligation (pursuant to <u>N.J.A.C. 5:93</u>)	328
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this Agreement)	884

4. For purposes of this Agreement, the Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).
5. The Township will continue to address the 180-unit present need, or rehabilitation share, through the Atlantic County Improvement Authority rehab program. However, in addition, the Township will establish its own program and effective marketing to encourage application to and engagement in the rehabilitation process. This is sufficient to satisfy the Township's present need obligation of 180 units.
6. As noted above, the Township has a total Prior Round Obligation and Third Round Obligation of 1,212 units, which the Township proposes to satisfy through a mixture of special needs housing, credits without controls, existing and proposed municipal sponsored 100% affordable housing, existing market-to-rental housing and existing and

¹ David N. Kinsey, PHD, FAICP, New Jersey Low- and Moderate-Income Housing Obligations For 1999-2025 Calculated Using The NJ COAH Prior Round (1987-1999) Methodology, July 2016, and Gap Present Need, April 2017.

proposed inclusionary development. The Township proposed to satisfy its 328 unit Prior Round Obligation through the compliance mechanisms listed in the following table:

Table 1: Prior Round Compliance

Development	Special Needs	Family-Rental	Senior	Units	Bonus Credits	Total Credits	Notes
Credits without Controls				60	0	60	
ARC of Atlantic County – 371 Odessa	3			3	3	6	
Bayview Cottage III	3			3	3	6	
Hansen House - Men	10			10	10	20	
Habitat for Humanity sites				5		5	100% affordable
Aloe Village			68	68		68	100% affordable
Mary's Manor – 122 S. Odesa			4	4		4	100% affordable
Countryside Meadows			10	10		10	100% affordable
Society Hill Galloway				40		40	Inclusionary Development
Wrangleboro Road (41 of 198)		41		41	41	82	100% affordable
Nantucket (Smithville PUD)		7		7		7	Inclusionary Development
Seashore Elder Living – Supportive Needs	10			10	10	20	
Total	26	48	82	261	67	328	

The Township has implemented or will implement the following mechanisms to address its Third-Round prospective need of 884 units:

Table II: Third Round Compliance

Development	Special Needs	Family Rental	Senior	Units	Bonus Credits	Total Credits	Notes
ARC of Atlantic County – 527 Tenth Ave	4			4	4	8	
ARC of Atlantic County II – 527A Tenth Ave	4			4	4	8	
ARC of Atlantic County III – 529 Tenth Ave	4			4	4	8	
ARC of Atlantic County – 527 Forest Brook	3			3	3	6	
Career Opportunity Dev Inc I – 106 W. Jimmie Leeds Road	3			3	3	6	
Career Opportunity Dev Inc II – 233 W. White Horse Pike	5			5	5	10	
Caring Inc I (Block 1164, Lot 37.06)	4			4	4	8	
Caring Inc II (Block 939, Lot 13)	4			4	4	8	
Caring Inc III (Block 979, Lot 7)	4			4	4	8	
Caring Inc IV (Block 997.02, Lot 19.02)	6			6	6	12	
Caring - 611 A Sixth Avenue	5			5	5	10	
Collaborative Support Programs	3			3	3	6	

Community Options Inc	3			3	3	6	
Development Resource Center	4			4	4	8	
Hansen House Women	10			10	10	20	
BANR Supportive Needs (formerly Bayview Cottage II)	7			7		7	
BANR Mixed Use		6		6		6	
Society Hill Galloway		17		17		17	Inclusionary Development
CIS Heron Pines/Heritage Village			99	99		99	100% Affordable
Seashore Housing – Independent Living			46	46		46	100% Affordable
Countryside Meadows/Presbyterian Homes (74 of 84)			74	74		74	100% Affordable
Aloe Village			1	1		1	100% Affordable
Habitat for Humanity Holly Ave (Block 786, Lots 5.02 and 5.03)		2		2		2	100% Affordable
Wrangleboro Road (157 of 198)		157		157	148	305	100% Affordable
Nantucket (Smithville PUD) (23 of 30)		23		23		23	Inclusionary Development
Trochi		14		14		14	
Pinelands Inclusionary Zoning		169		169		169	Inclusionary Development
Society Hill Galloway/Ruskin		7		7	7	14	
Total	73	395	220	688	221	909	

7. The Township agrees to provide a realistic opportunity for the development of affordable housing through the adoption of inclusionary zoning on the following sites:

The Nantucket project – This site is located on Block 460, Lots 1-3; Block 461, Lots 1, 2, 3, 4, 5, 6, 6.01, 6.02., 6.03, 6.04, 6.05, & 6.06; and was a part of the Township's original compliance plan as a residential development. commercial development with 150 residential units a 20% set-aside, or 30 units, of affordable family rentals. Redevelopment Agreement has been executed that will result in the construction of a commercial development with 150 residential units and a 20% set-aside, or 30 units of affordable family rentals. The Township has adopted Resolution #115-15 designating the property as a Non-Condemnation Redevelopment Area and Ordinance #2065-2021 adopting a Redevelopment Plan for the Redevelopment Area. The Township agrees to enforce Section 233-94.C(2) of the Township Code, which requires newly constructed affordable units to be integrated with market rate units pursuant to the regulations of the Council on Affordable Housing.

The Pinelands Zoning reflects a portion of the unbuilt units in the Township's R and R1 zones in the Regional Growth Area not including the Blue Heron Pines site. The Township already has in place an ordinance requiring 20% of all new development in these zones to be affordable. It will continue to enforce this ordinance through at least July 1, 2025 so that these zones provide a realistic opportunity for the units reflected above.

Trochi Project – This is a project proposed on a 14.2 acre site located on Block 918, Lt 1 and Block 923, Lot 1.01. The property was designated as a Non-Condemnation Redevelopment Area pursuant to Resolution #215-18 and a Redevelopment Plan was adopted for this property by Ordinance #2039-2020, which authorized the construction of a 2-story, 40,000 square foot commercial structure and a 48-unit apartment complex with a 15% affordable housing set aside which would have yielded at least 7 affordable units. The property owner has recently approached the Township about revising the Redevelopment Plan to allow construction of a 3-story mixed-use building consisting of 10,000 square feet of commercial space and approximately 44 apartment units (also subject to the 15% set aside) instead of the 2 story commercial structure. The Project, as revised will yield 14 affordable units. The Township is currently in the process of negotiating a Redevelopment Agreement with the property owner, and will revise the Redevelopment Plan to permit the revised project as an additional overlay option. It is anticipated that this site will yield 7 to 14 affordable units.

BANR Inclusionary – A property investment group has recently acquired the Bayview Cottage I Property located at 613 South New York Road (Block 1007.03, Lot 38) and an adjacent property located at 611 South New York Road. Currently, the Bayview Cottage 1 Property contains a deed restriction limiting its use to affordable housing. The property investment group is seeking to construct a 20 unit apartment complex consisting of 14 market rate units and 6 affordable housing units on both properties. The Township is currently in the process of negotiating a Redevelopment Agreement with the property owner, and will revise the Redevelopment Plan to permit the revised project as an additional overlay option. It is anticipated that this site will yield 7 to 14 affordable units.

8. The Township will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:

Wrangleboro Road – This project, located on Block 988.01, Lots 38-41; Block 988.12, Lots 33-36 & 42; Block 988.13, Lot 37; Block 988.14, Lot 42; Block 988.15, Lot 43; Block 989, Lot 1; Block 990, Lot 1; Block 991, Lot 1; Block 992, Lot 1; Block 993, Lot 1; Block 994, Lots 1 & 2; Block 995, Lot 1. Walters Group will construct a 198 Affordable Housing Site. There are existing wetlands on the property, though all development is proposed on the upland portion of the site. Due to the wetlands on the tract, the net density is 6 dwelling units per acre. The Township adopted an Amendment to the Redevelopment Plan on December 13, 2022 by way of Ordinance 2096-2022 and will enter into a Redevelopment Agreement with the Walters Group, or its affiliate, by March 17, 2023. The anticipate schedule for undertaking the project is attached hereto as **Exhibit B**.

Habitat for Humanity – Holly Avenue – anticipated to create 2 family units.

In accordance with N.J.A.C. 5:93-5.5, the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. The Township will describe further in their fair share plan how they meet this obligation as to the Wrangleboro Road and Habitat for Humanity – Holly Avenue sites.

In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process: including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor and construction. The schedule shall provide for construction to begin within two years of court approval of this settlement. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity. Township will describe further in their fair share plan how they meet this obligation as to the Wrangleboro Road and Habitat for Humanity – Holly Avenue sites.

9. The Township agrees to require 13% of all units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, to be very low-income units for households earning thirty percent (30%) or less of the median income pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301, et seq. ("FHA"), with half of the very low-income units being available to families. The proposed inclusionary zoning sites will require a 13% set aside for very low-income units. The municipality will comply with those requirements as follows:

Table 4: Sites Constructed after July 1, 2008

Site	Total Affordable Units	Very Low-income units (13%)
Nantucket (Smithville PUD)	30	4
Wrangleboro Road	198	26
Pinelands Inclusionary Zoning	169	22
Seashore Housing Independent Living	46	0
CIS Heron/Heritage Village	99	11
Trochi	14	2
BANR Inclusionary	6	1
BANR Supportive Needs (formerly Bayview Cottage II)	7	7
Society Hill/Ruskin	7	3
Caring Inc IV (Block 997.02, Lot 19.02)	6	1
ARC of Atlantic County - 527 Tenth, 527A Tenth and 529 Tenth	12	0
TOTAL	594	77

10. The Township shall meet its Third Round Prospective Need in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 6 above:

- a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
- b. At least 50 percent of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
- c. At least twenty-five percent of the Third Round Prospective Need shall be met through rental units, including at least half in rental units available to families.
- d. At least half of the units addressing the Third Round Prospective Need in total must be available to families.
- e. The Township agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation in the prior round or the third round for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
- f. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.

11. In all developments that produce affordable housing constructed after or granted preliminary or final site plan approval prior to July 1, 2008, the Township agrees that the following terms shall apply:

- a. All of the affordable units shall fully comply with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, et seq. ("UHAC"), including but not limited to the required bedroom and income distribution, with the sole exception that thirteen percent (13%) of the affordable units within each bedroom distribution shall be required to be for very low income households earning thirty percent (30%) or less of median income pursuant to the Fair Housing Act and special needs housing units are not required to comply with the bedroom distribution requirements. Where compliance with the 13% requirement overall results in more than 13% of the total apartment units within the Project being Very Low Income Units, the strict compliance with this obligation will not be required so long as: (1) at least 13% of the total apartments within the Project are Very Low Income Units; (2) at least 10% of the total number of bedrooms within each bedroom type are Very Low Income Units; and (3) the number of Very Low Income Units within each bedroom type is as close to 13% as possible.
- b. All of the affordable units shall be subject to affordability controls of at least thirty (30) years from the date of initial occupancy and affordable deed restrictions as provided for by UHAC, with the sole exception that very low income shall be defined as at or below thirty percent (30%) of median income pursuant to the Fair Housing Act, and the affordability controls shall remain unless and until the Township, in its sole discretion, takes action to extend or release the unit from such controls after at least thirty (30) years. If the Township acts to release the unit from such controls, affordability controls shall remain in effect until the date on which a rental unit shall become vacant due the voluntary departure of the income-eligible occupant household in accordance with N.J.A.C. 5:80-26.11(b).
- c. In inclusionary developments, the affordable units shall be integrated with the market-rate units, and the affordable units shall not be concentrated in separate building(s) or in separate(s) or floor(s) from the market-rate units. In buildings with multiple dwelling units, this shall mean that the affordable units shall be generally distributed within each building with market units. The residents of the affordable units shall have full and equal access to all of the amenities, common areas, and recreation areas and facilities as the residents of the market-rate units.
- d. Construction of the affordable units in inclusionary developments shall be phased in compliance with N.J.A.C. 5:93-5.6(d).
- e. The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law. The affirmative marketing shall include the community and regional organizations identified in this agreement, and it shall also include posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.

12. The Township and/or its Administrative Agent shall add the following entities to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5):

- a. Fair Share Housing Center, Inc. (510 Park Boulevard, Cherry Hill, New Jersey 08002); the New Jersey State Conference of the NAACP, the Latino Action Network, the Mainland/Pleasantville, Mizpah, Atlantic City, and Cape May County Branches of the NAACP, and Supportive Housing Association and other appropriate non-profits and Civil Rights organizations that request to be notified of available units, and shall, as part of its regional affirmative marketing strategies during its implementation of any affirmative marketing plan, provide direct notice to those organizations of all available affordable housing units, along with copies of application forms. The Township also agrees to require any other entities, including developers, persons or companies retained to do affirmative marketing, to comply with these notice requirements.
- b. As part of its regional affirmative marketing strategies during implementation of its fair share plan, the Township and/or its Administrative Agent shall also provide notice of all available affordable housing units to the above-reference organizations and shall ensure all affordable units are posted on the New Jersey Housing Resource Center website in accordance with applicable law.

13. All units constructed after or granted preliminary or final site plan approval prior to July 1, 2008, shall be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. Income limits for all units that are part of the Plan required by this Agreement and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by the Township annually within 30 days of the publication of determinations of median income by HUD as follows:

- a. Regional income limits shall be established for the region that the Township is located within (i.e. Region 6) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low-income unit for a household of four

shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.

- b. The regional income limits The Regional Income Limits set forth in attached hereto as **Exhibit C** attached hereto are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2022 and shall be utilized until the Township updates the income limits after HUD has published revised determinations of median income for the next fiscal year. The Township may utilize such tables as prepared by the Affordable Housing Professionals of New Jersey, unless Fair Share Housing Center has notified the Township that this organization no longer utilizes the processes and procedures contained herein in calculating the Regional Income Limits.
 - c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
 - d. The Regional Asset Limit set forth in **Exhibit C** attached hereto are the result of applying the formula set forth in paragraph (c) above. In lieu of applying the percentages set forth in paragraph (c) above, the Township may utilize such tables as prepared by the Affordable Housing Professionals of New Jersey, unless Fair Share Housing Center has notified the Township that this organization no longer utilizes the processes and procedures contained herein in calculating the Regional Asset Limits.
 - e. The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement.
14. The Parties acknowledge and agree that on August 14, 2018, the Township previously adopted Ordinance #1993-2018 all in conformance with the terms of this Agreement. The Parties acknowledge and agree that no further amendments to the Township's Affordable Housing Ordinance are necessary. As an essential term of this Amended Settlement Agreement, within ninety (90) days of Court's approval of this Agreement, the Township shall adopt an amended Housing Element and Fair Share Plan in conformance with the terms of this Agreement.
15. Upon full execution of this Agreement, Galloway shall notify the Court so that a Fairness Hearing and Final Compliance Hearing shall be scheduled to approve the Agreement and review the Township's Compliance package. The Final Compliance Hearing may be separate from the Fairness Hearing.
16. The parties agree that if a decision of a court of competent jurisdiction in Atlantic County, or a determination by an administrative agency responsible for implementing the Fair

Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Township for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round need obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of any one hundred percent (100%) affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.

17. The Township prepared and adopted a Spending Plan on May 8, 2018 by way of Resolution #151-18. The Parties acknowledge and agree that this Spending Plan was previously approved by the Court pursuant to the prior Settlement Agreement dated December 12, 2017. Nothing in this Settlement Agreement is intended to affect the validity of the prior approval granted to the Spending Plan and the Township shall be entitled to continue to collect and expend funds in accordance with the approved Spending Plan, except that the Parties acknowledge and agree that the Spending Plan may be amended by the Township pursuant to N.J.A.C. 5:97-8.11(a), for both new construction projects and affordability assistance. The Parties agree that all amendments to the Spending Plan that conform with N.J.A.C. 5:97-8.11(a) and other applicable law may be accomplished by adoption of a Resolution by the Governing Body and entry of a Consent Order approving the same. The Parties specifically agree that the Township may immediately adopt an amendment to the Spending Plan to authorize spending for the Wrangleboro Road Project for both new construction and affordability assistance, and to authorize spending for affordability assistance to the BANR Supportive Needs Project to satisfy the Township's very low income unit requirements, which may be accomplished by adoption of a Resolution by the Governing Body and entry of a Consent Order approving the same. Any subsequent amendments to the Spending Plan that conform with N.J.A.C. 5:97-8.11(a) and other applicable law may be accomplished by adoption of a Resolution by the Governing Body and entry of a Consent Order approving the same. The parties agree to ask the court to enter an order providing that expenditure of funds contemplated under the amended Spending Plan consistent with this Agreement constitute "Commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and 329.3, with the expenditure period beginning to run from the date of entry of a Consent Order. On the first anniversary of the execution of this Agreement, which shall be established by the date on which it is executed by a representative of the Township, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the Township agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to

Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

18. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC. The Parties agree that the form attached hereto as **Exhibit D** is an approved form for this purpose.
19. For the review of very low-income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of execution of this Agreement and every third year thereafter, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low-income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low-income housing obligation under the terms of this settlement.
20. FSHC is hereby deemed to have party status in this matter and to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading. The parties to this Agreement agree to request the Court to enter an order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.
21. This Agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The Township shall present its planner and/or planning consultant as a witness at this hearing. FSHC agrees to support this Agreement at the fairness hearing. In the event the Court approves this proposed settlement, the parties contemplate the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The "accompanying protection" shall remain in effect through July 1, 2025. If this Agreement is rejected by the Court at a fairness hearing it shall be null and void.
22. In light of the additional time and resources expended since then by FSHC, including to review compliance documents, negotiate and enter into this amended agreement, and to conduct an additional fairness and compliance hearing, the Township agrees to pay FSHC's additional attorney's fees and costs of (ten thousand dollars) \$10,000.00 to be used at the discretion of FSHC for the provision of affordable housing opportunities/assistance within sixty (60) days after entry Court of an Order approving this Agreement pursuant to a duly-noticed fairness hearing. The Parties agree that neither

shall request or otherwise make a claim against the other for payment or reimbursement of any legal fees and/or costs incurred in connection with the within Declaratory Judgment Action and/or any related actions or proceedings other than as stated below in paragraph 24.

23. If an appeal is filed of the Court's approval or rejection of this Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and, unless a stay is ordered, to continue to implement the terms of this Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
24. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Atlantic County. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney's fees.
25. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
26. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
27. This Agreement may not be modified, amended, or altered in any way except by a writing signed by each of the Parties.
28. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
29. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
30. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.
31. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or

in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.

32. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.
33. No member, official or employee of the Township shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
34. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.
35. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

TO FSHC:

Adam M. Gordon, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
E-mail: adamgordon@fairsharehousing.org

TO THE TOWNSHIP:

Chris Johansen, Township Manager
Galloway Township Municipal Building
300 East Jimmie Leeds Road
Galloway, New Jersey 08205
Telecopier: (609) 652-1967
Email: manager@gtnj.org

OR CURRENT TOWNSHIP MANAGER

**WITH A COPY TO THE
MUNICIPAL CLERK:**

Kelli Danielli, Township Clerk
Galloway Township Municipal Building
300 East Jimmie Leeds Road
Galloway, New Jersey 08205
Telecopier:
Email: kdanielli@gtnj.org

OR CURRENT TOWNSHIP CLERK

**WITH A COPY TO THE
MUNICIPAL SOLICITOR:**

Marc J. Nehmad, Esq.
1200 W. Mill Road, Suite B
P.O. Box 302
Northfield, NJ 08225
Telecopier: (609) 677-8143
Email: marc@nehmadlaw.com
OR CURRENT TOWNSHIP SOLICITOR

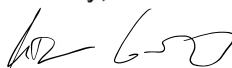
**WITH A COPY TO THE
TOWNSHIP REDEVELOPMENT
COUNSEL:**

M. James Maley,
Maley Givens, P.C.
1150 Haddon Avenue, Suite 210
Collingswood, New Jersey 08108
Telecopier: (856) 858-2944
Email: jmaley@maleygivens.com

OR CURRENT TOWNSHIP REDEVELOPMENT COUNSEL

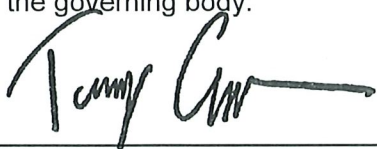
Please sign below if these terms are acceptable.

Sincerely,



Adam M. Gordon, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the Township of Gallatin with the authorization
of the governing body:



Mayor

Dated: 3/28/23

EXHIBIT “A”



Peter J. O'Connor, Esq.
Kevin D. Walsh, Esq.
Adam M. Gordon, Esq.
Laura Smith-Denker, Esq.
David T. Rammler, Esq.
Joshua D. Bauers, Esq.

December 12, 2017

Michael J. Fitzgerald
Fitzgerald McGroarty
747 Shore Road
Linwood, New Jersey 08221

#327-17 - BKUP

Re: In the Matter of the Application of the Township of Galloway, County of Atlantic, Docket No. ATL-L-1442-15

Dear Mr. Fitzgerald:

This letter memorializes the terms of an agreement reached between the Township of Galloway (the Township or "Galloway"), the declaratory judgment plaintiff, and Fair Share Housing Center (FSHC), a Supreme Court-designated interested party in this matter in accordance with In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015)(Mount Laurel IV) and, through this settlement, a defendant in this proceeding.

Background

Galloway filed the above-captioned matter on June 22, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq. in accordance with In re N.J.A.C. 5:96 and 5:97, supra. Through the declaratory judgment process, the Township and FSHC agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

Settlement terms

The Township and FSHC hereby agree to the following terms:

1. FSHC agrees that the Township, through the adoption of a Housing Element and Fair Share Plan conforming with the terms of this Agreement (hereafter "the Plan") and through the implementation of the Plan and this Agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.
3. FSHC and Galloway hereby agree that Galloway's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report ¹)	180
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	328
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this Agreement)	884

4. For purposes of this Agreement, the Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).
5. The Township's efforts to meet its present need include the following: the Township of Galloway works with the Atlantic County Improvement Authority to rehabilitate properties, and will continue to do so through 2025. Given the estimated rehabilitation obligation the Township will amend their spending plan to include a revolving loan program from money in the Housing Trust Fund for existing units meeting the rehabilitation criteria. This is sufficient to satisfy the Township's present need obligation of 180 units.
6. As noted above, the Township has a Prior Round prospective need of 328 units, which is met through the following compliance mechanisms:

Development	Special Needs	Family	Senior	Units	Bonus Credits	Total Credits
Prior Round Compliance with 328 Unit Fair Share						
Credits without Controls		60		60		60
Aloe Village			67	67		67
ARC of Atlantic County - 371 Odessa Avenue	3			3	3	6
Alternative Living Arrangements	64			64	64	128
ARC of Atlantic County II	4			4	4	8
ARC of Atlantic County III	4			4	4	8
Career Opportunity Development Inc I	3			3	3	6
Career Opportunity Development Inc II	5			5	5	10
Community Options, Inc.	3			3	3	6
Caring, Inc. I	4			4	4	8
Caring, Inc II	6			6	6	12
Caring, Inc III	4			4	4	8
Development Resource Center	4			4	4	8
Collaborative Support Programs	3			3	5	6
Hansen House	5			5	5	10
Bayview Cottage 1	7			7	7	14

¹ David N. Kinsey, PhD, PP, FAICP, NEW JERSEY LOW AND MODERATE INCOME HOUSING OBLIGATIONS FOR 1999-2025 CALCULATED USING THE NJ COAH PRIOR ROUND (1987-1999) METHODOLOGY, July 2016, and Gap Present Need, April 2017.

Bayview Cottage 2	7			7	7	14
Bayview Cottage 3	3			3	3	6
Existing Units		57		57	0	57
Society Hill Galloway/Wrangleboro Estates		57		57		57
Proposed Zoning - Smithville PUD		10		10		10
Total	67	127	67	261	67	328

7. The Township has implemented or will implement the following mechanisms to address its Third Round prospective need of 884 units:

Third Round Obligation = 884	Special Needs	Family	Senior	Units	Bonus Credits	Total Credits
Surplus Credits - Round 2			74	74		74
Countryside Meadows/Presbyterian Homes			74	74		74
Proposed Zoning - Smithville PUD		50		50		50
Alternative Living Arrangements	27		0	27	24	51
Seashore Gardens Supportive Housing Units	12			12	12	24
Hansen House Men	5			5	2	7
Hansen House Women	10			10	10	20
Existing Units		9	46	55	4	59
Habitat for Humanity Homes		5		5		5
Seashore Gardens Independent Living			46	46		46
Market to Rental Society Hill		4		4	4	8
Proposed Units/Zoning	4	360	100	464	193	657
Habitat for Humanity Homes - Holly Avenue		2		2		2
ARC of Atlantic County	4			4	4	8
CIS Heron Pines			100	100		100
Blue Heron Pines		189		189	189	378
Pinelands 20% Zoning in Regional Growth Area		169		169		169
Total	31	419	220	670	221	891

8. The Township will provide a realistic opportunity for the development of affordable housing through the adoption of inclusionary zoning on the following sites:

The Blue Heron Pines site is already the subject of approved zoning and a developers agreement.

The Pinelands Zoning reflects a portion of the unbuilt units in the Township's R and R1 zones in the Regional Growth Area not including the Blue Heron Pines site. The

Township already has in place an ordinance requiring 20% of all new development in these zones to be affordable. It will continue to enforce this ordinance through at least July 1, 2025 so that these zones provide a realistic opportunity for the units reflected above.

The Township fully understands their affordable housing obligation as it relates to the 61 units from the Smithville PUD, which were intended to be provided through a RCA prior to the Legislature's elimination of RCAs as a compliance mechanism. The Township is ultimately responsible for ensuring that the total affordable units constructed include an additional 61 units, in addition to the mechanisms already reflected in the chart above/zoning already in place, to address this obligation. In order to do so, the Township shall demonstrate as part of its Housing Element and Fair Share Plan, with the agreement of FSHC and the Special Master, how it will provide a realistic opportunity for 61 family units through a municipally sponsored project and/or inclusionary zoning to replace the Smithville PUD units.

9. The Township will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:

- **Two additional Habitat for Humanity Homes**
- **Four ARC of Atlantic County Homes**
- **CIS Heron Pines (Awarded NJ HMFA Funding in August 2017)**

In accordance with N.J.A.C. 5:93-5.5, the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved.

In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process: including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor and construction. The schedule shall provide for construction to begin within two years of court approval of this settlement. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity.

The Township will provide additional information on how it is meeting these requirements as part of its Housing Element and Fair Share Plan.

10. The Township agrees to require 13% of all units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, to be very low income units, with half of the very low income units being available to families. The municipality will comply with those requirements as follows:

The Township will amend its affordable housing ordinance so that 13% of affordable units in all future rental development in the Township will be required to be very low

income units. The units in Caring Homes and ARC of Atlantic County II and III also help meet the very low income requirement.

11. The Township shall meet its Third Round Prospective Need in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 6 above:
 - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
 - b. At least 50 percent of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
 - c. At least twenty-five percent of the Third Round Prospective Need shall be met through rental units, including at least half in rental units available to families.
 - d. At least half of the units addressing the Third Round Prospective Need in total must be available to families.
 - e. The Township agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
12. The Township shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, and the Mainland/Pleasantville, Mizpah, Atlantic City, and Cape May County Branches of the NAACP and shall, as part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, provide notice to those organizations of all available affordable housing units. The Township also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.
13. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. The Township as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied. Income limits for all units that are part of the Plan required by this Agreement and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by the Township annually within 30 days of the publication of determinations of median income by HUD as follows:

- a. Regional income limits shall be established for the region that the Township is located within (i.e. Region 6) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
 - b. The income limits attached hereto as Exhibit A are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2017, and shall be utilized until the Township updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
 - c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
 - d. The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement.
14. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
15. As an essential term of this Agreement, within one hundred and twenty (120) days of Court's approval of this Agreement, the Township shall introduce an ordinance or ordinances providing for the amendment of the Township's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this Agreement and the zoning contemplated herein and adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement.
16. The parties agree that if a decision of a court of competent jurisdiction in Atlantic County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Township for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round need obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend the judgment in this matter to reduce

its fair share obligation accordingly. Notwithstanding any such reduction, the Township shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.

17. The Township shall prepare a Spending Plan within the period referenced above, subject to the review of FSHC and approval of the Court, and reserves the right to seek approval from the Court that the expenditures of funds contemplated under the Spending Plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and - 329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of this Agreement, which shall be established by the date on which it is executed by a representative of the Township, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the Township agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.
18. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
19. The Fair Housing Act includes two provisions regarding action to be taken by the Township during the ten-year period of protection provided in this Agreement. The Township agrees to comply with those provisions as follows:
 - a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of the Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such

posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the court regarding these issues.

- b. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of this Agreement, and every third year thereafter, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
20. FSHC is hereby deemed to have party status in this matter and to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading. The parties to this Agreement agree to request the Court to enter an order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.
 21. This Agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Township of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The Township shall present its planner as a witness at this hearing. FSHC agrees to support this Agreement at the fairness hearing. In the event the Court approves this proposed settlement, the parties contemplate the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The "accompanying protection" shall remain in effect through July 1, 2025. If this Agreement is rejected by the Court at a fairness hearing it shall be null and void.
 22. If an appeal is filed of the Court's approval or rejection of this Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of this Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
 23. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Atlantic County.
 24. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If

any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.

25. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
26. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
27. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
28. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
29. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.
30. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.
31. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.
32. No member, official or employee of the Township shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
33. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.
34. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

Fitzgerald McGroarty
747 Shore Road
Linwood, New Jersey 08221

Telecopier: (609) 926-2104
Email: MFitzgerald@FMLNJ.com

**WITH A COPY TO THE
MUNICIPAL CLERK:**

Kelli Danieli
300 East Jimmie Leeds Road
Galloway, New Jersey 08205

Telecopier: (609) 652-3233
Email: kdanieli@gtmj.org

Please sign below if these terms are acceptable.

Sincerely,



Adam M. Gordon, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the Township of Galloway, with the authorization
of the governing body:

Dated: _____

TO FSHC:

Adam M. Gordon, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
E-mail: adamgordon@fairsharehousing.org

TO THE TOWNSHIP:

Michael J. Fitzgerald
Fitzgerald McGroarty
747 Shore Road
Linwood, New Jersey 08221

Telecopier: (609) 926-2104
Email: MFitzgerald@FMLNJ.com

**WITH A COPY TO THE
MUNICIPAL CLERK:**

Kelli Danieli
300 East Jimmie Leeds Road
Galloway, New Jersey 08205

Telecopier: (609) 652-3233
Email: kdanieli@gtmj.org

Please sign below if these terms are acceptable.

Sincerely,

Adam M. Gordon, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the Township of Galloway, with the authorization
of the governing body:


Donald Purdy
Mayor


Kelli Danieli, RMC
Township Clerk

Date: 12/12/17

EXHIBIT A: 2017 INCOME LIMITS

an	\$60,271	\$64,576	\$68,882	\$77,492	\$86,102	\$89,546	\$92,990	\$99,878	\$106,766	\$113,655	
rate	\$48,217	\$51,661	\$55,105	\$61,993	\$68,882	\$71,637	\$74,392	\$79,903	\$85,413	\$90,924	
LOW	\$30,136	\$32,288	\$34,441	\$38,746	\$43,051	\$44,773	\$46,495	\$49,939	\$53,383	\$56,827	1.7%
LOW	\$18,081	\$19,373	\$20,664	\$23,248	\$25,831	\$26,864	\$27,897	\$29,963	\$32,030	\$34,096	
an	\$65,953	\$70,663	\$75,374	\$84,796	\$94,218	\$97,987	\$101,755	\$109,293	\$116,830	\$124,368	
rate	\$52,762	\$56,531	\$60,299	\$67,837	\$75,374	\$78,389	\$81,404	\$87,434	\$93,464	\$99,494	
LOW	\$32,976	\$35,332	\$37,687	\$42,398	\$47,109	\$48,993	\$50,878	\$54,646	\$58,415	\$62,184	1.7%
LOW	\$19,786	\$21,199	\$22,612	\$25,439	\$28,265	\$29,396	\$30,527	\$32,788	\$35,049	\$37,310	
an	\$73,780	\$79,050	\$84,320	\$94,860	\$105,400	\$109,616	\$113,832	\$122,264	\$130,696	\$139,128	
rate	\$59,024	\$63,240	\$67,456	\$75,888	\$84,320	\$87,693	\$91,066	\$97,811	\$104,557	\$111,302	
LOW	\$36,890	\$39,525	\$42,160	\$47,430	\$52,700	\$54,808	\$56,916	\$61,132	\$65,348	\$69,564	1.7%
LOW	\$22,134	\$23,715	\$25,296	\$28,458	\$31,620	\$32,885	\$34,150	\$36,679	\$39,209	\$41,738	
an	\$66,022	\$70,738	\$75,454	\$84,885	\$94,317	\$98,090	\$101,862	\$109,408	\$116,953	\$124,498	
rate	\$52,817	\$56,590	\$60,363	\$67,908	\$75,454	\$78,472	\$81,490	\$87,526	\$93,562	\$99,599	
LOW	\$33,011	\$35,369	\$37,727	\$42,443	\$47,158	\$49,045	\$50,931	\$54,704	\$58,476	\$62,249	1.7%
LOW	\$19,807	\$21,221	\$22,636	\$25,466	\$28,295	\$29,427	\$30,559	\$32,822	\$35,086	\$37,349	
an	\$58,240	\$62,400	\$66,560	\$74,880	\$83,200	\$86,528	\$89,856	\$96,512	\$103,168	\$109,824	
rate	\$46,592	\$49,920	\$53,248	\$59,904	\$66,560	\$69,222	\$71,885	\$77,210	\$82,534	\$87,859	
LOW	\$29,120	\$31,200	\$33,280	\$37,440	\$41,600	\$43,264	\$44,928	\$48,256	\$51,584	\$54,912	1.7%
LOW	\$17,472	\$18,720	\$19,968	\$22,464	\$24,960	\$25,958	\$26,957	\$28,954	\$30,950	\$32,947	
an	\$51,085	\$54,734	\$58,383	\$65,681	\$72,979	\$75,898	\$78,817	\$84,655	\$90,494	\$96,332	
rate	\$40,868	\$43,787	\$46,706	\$52,545	\$58,383	\$60,718	\$63,054	\$67,724	\$72,395	\$77,066	
LOW	\$25,543	\$27,367	\$29,192	\$32,840	\$36,489	\$37,949	\$39,409	\$42,328	\$45,247	\$48,166	1.7%
LOW	\$15,326	\$16,420	\$17,515	\$19,704	\$21,894	\$22,769	\$23,645	\$25,397	\$27,148	\$28,900	

Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

Calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).

Calculating the pricing for rent increases for units as per N.J.A.C. 5:97-9.3. The increase for 2015 was 2.3%, the increase for 2016 was 1.1% and the increase for 2017 was 1.7%. Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015 shall be combined percentage from their last rental increase for that unit. In no case can rent for any particular apartment be increased more than one percent for calculating the pricing for resale increases for units as per N.J.A.C. 5:97-9.3. As per 5:97-9.3(b), The price of owner-occupied low and moderate income units shall be based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the regional purchase price.

Developments may increase based on the low income tax credit regulations.

Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.

Income limits for Region 6 in 2016 were higher than the 2017 calculations, the 2016 income limits will remain in force for 2017. See N.J.A.C. 5:97-9.3.

Exhibit D
Project Schedule

EXHIBIT “B”

100% Affordable Project

The following is an anticipated implementation schedule for Galloway Township's Redevelopment Activities. Please note that these are only estimates and subject to change based on various factors influencing the redevelopment process. The Township is in discussions about a potential project with a current developer of affordable housing and may not need to issue an RFB.

Activity	Anticipated Completion Date	Approximate Completion Date
Adoption of Resolution Designating Redevelopment Area	Resolution #307-15 (Borough Wide Rehabilitation) adopted September 27, 2016	9/27/2016
Adoption of a Redevelopment Plan	Ordinance #1952-206 (Borough Wide Redevelopment Plan) adopted December 13, 2016	12/13/2016
Adoption of the Ordinance adopting an Amendment to the Redevelopment Plan	Ordinance # 2096-2022 (Wrangleboro Road Redevelopment Plan) adopted December 13, 2022	12/13/2022
Redeveloper Selection/Execution of Redevelopment Agreement	As soon as possible (anticipated to be within one (1) month)	03/31/2023
Land Assemblage by Township	Now – anticipated to take approximately four (4) months	03/31/2023
Institute Eminent Domain	If needed - within 3 months of completion of bona fide negotiations in accordance with the Eminent Domain Law	03/31/2023
Site Plan Preparation	In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 2 months of execution of the Redevelopment Agreement)	05/31/2023
Land Assemblage by Redeveloper	In accordance with the schedule set forth in the Redevelopment Agreement (simultaneously with Tax Credit Financing)	03/15/2024
Applying for Construction Permits	In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 2 months of receipt of all unappealable governmental approvals or Closing, whichever is later)	05/15/2024
Commencement of Construction	In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 30 days of receipt of Construction Permits)	06/15/2024
Completion of Construction	In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 1 year of Commencement of Construction)	07/15/2025

* All dates set forth above are approximately and subject to change based on factors, including but not limited to pandemic related delays, economic delays, supply chain delays, the needs and schedule of the redeveloper, the calendar of the Court and legal challenges from third parties.

EXHIBIT “C”

2022 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Income limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNJ income limits is posted on AHPNJ.org

		1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents**	Sales***	Regional Asset Limit****
Region 1 Bergen, Hudson, Passaic and Sussex	Median	\$80,954	\$86,737	\$92,519	\$104,084	\$115,649	\$120,275	\$124,901	\$134,153	\$143,405	\$152,657			
	Moderate	\$64,764	\$69,390	\$74,016	\$83,267	\$92,519	\$96,220	\$99,921	\$107,323	\$114,724	\$122,126	2.9%	11.13%	\$223,637
	Low	\$40,477	\$43,368	\$46,260	\$52,042	\$57,825	\$60,138	\$62,451	\$67,077	\$71,703	\$76,329			
	Very Low	\$24,286	\$26,021	\$27,756	\$31,225	\$34,695	\$36,083	\$37,470	\$40,246	\$43,022	\$45,797			
Region 2 Essex, Morris, Union and Warren	Median	\$80,634	\$86,394	\$92,154	\$103,673	\$115,192	\$119,800	\$124,407	\$133,623	\$142,838	\$152,053			
	Moderate	\$64,507	\$69,115	\$73,723	\$82,938	\$92,154	\$95,840	\$99,526	\$106,898	\$114,270	\$121,643	2.9%	7.04%	\$220,995
	Low	\$40,317	\$43,197	\$46,077	\$51,836	\$57,596	\$59,900	\$62,204	\$66,811	\$71,419	\$76,027			
	Very Low	\$24,190	\$25,918	\$27,646	\$31,102	\$34,558	\$35,940	\$37,322	\$40,087	\$42,851	\$45,616			
Region 3 Hunterdon, Middlesex and Somerset	Median	\$94,920	\$101,700	\$108,480	\$122,040	\$135,600	\$141,024	\$146,448	\$157,296	\$168,144	\$178,992			
	Moderate	\$75,936	\$81,360	\$86,784	\$97,632	\$108,480	\$112,819	\$117,158	\$125,837	\$134,515	\$143,194	2.9%	10.06%	\$258,203
	Low	\$47,460	\$50,850	\$54,240	\$61,020	\$67,800	\$70,512	\$73,224	\$78,648	\$84,072	\$89,496			
	Very Low	\$28,476	\$30,510	\$32,544	\$36,612	\$40,680	\$42,307	\$43,934	\$47,189	\$50,443	\$53,698			
Region 4 Mercer, Monmouth and Ocean	Median	\$85,831	\$91,962	\$98,092	\$110,354	\$122,615	\$127,520	\$132,425	\$142,234	\$152,043	\$161,852			
	Moderate	\$68,665	\$73,569	\$78,474	\$88,283	\$98,092	\$102,016	\$105,940	\$113,787	\$121,635	\$129,482	2.9%	12.24%	\$230,643
	Low	\$42,915	\$45,981	\$49,046	\$55,177	\$61,308	\$63,760	\$66,212	\$71,117	\$76,022	\$80,926			
	Very Low	\$25,749	\$27,888	\$29,428	\$33,106	\$36,785	\$38,256	\$39,727	\$42,670	\$45,613	\$48,556			
Region 5 Burlington, Camden and Gloucester	Median	\$73,780	\$79,050	\$84,320	\$94,860	\$105,400	\$109,616	\$113,832	\$122,264	\$130,696	\$139,128			
	Moderate	\$59,024	\$63,240	\$67,456	\$75,888	\$84,320	\$87,693	\$91,066	\$97,811	\$104,557	\$111,302	2.9%	9.11%	\$195,337
	Low	\$36,890	\$39,525	\$42,160	\$47,430	\$52,700	\$54,808	\$56,916	\$61,132	\$65,348	\$69,564			
	Very Low	\$22,134	\$23,715	\$25,296	\$28,458	\$31,620	\$32,885	\$34,150	\$36,679	\$39,209	\$41,738			
Region 6 Atlantic, Cape May, Cumberland, and Salem	Median	\$60,768	\$65,108	\$69,449	\$78,130	\$86,811	\$90,283	\$93,756	\$100,701	\$107,646	\$114,591			
	Moderate	\$48,614	\$52,087	\$55,559	\$62,504	\$69,449	\$72,227	\$75,005	\$80,561	\$86,117	\$91,672	2.9%	5.76%	\$162,586
	Low	\$30,384	\$32,554	\$34,724	\$39,065	\$43,405	\$45,142	\$46,878	\$50,350	\$53,823	\$57,295			
	Very Low	\$18,230	\$19,532	\$20,835	\$23,439	\$26,043	\$27,085	\$28,127	\$30,210	\$32,294	\$34,377			

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

* These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).

**This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3 (Consumer price index for All Urban Consumers (CPI-U)): Regions by expenditure category and commodity and service group). Landlords who did not increase rents between 2015 through 2021 because of the lack of authority to do so, may increase rent by up to the applicable combined percentage including 2022 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

*** This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

Low income tax credit developments may increase based on the low income tax credit regulations.

**** The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.

EXHIBIT “D”

AFFORDABLE HOUSING TRUST FUND MONITORING

1. GENERAL INFORMATION AND AFFORDABLE TRUST FUND MONITORING

MUNICIPALITY NAME:	Galloway Township
COUNTY:	Atlantic County
Date through which funds reported:	
Name of person filling out form and affiliation/role:	Chris Dochney, PP, AICP, Township Planning Consultant
Date of filing out form:	30-Jun-20
Email:	cdochney@cmesa1.com
Municipal Housing Liaison for municipality:	Linda A. McDevitt
Email:	lmcdvitt@gtm1.gov
Income Limits Year Being Used by Municipality*:	2020

TRUST FUND INFORMATION (Note: Date in Approved Spending Plan = date through which revenues/expenditures are shown in the approved spending plan; if no approved spending plan, show revenues/expenditures through June 30, 2015 in Column B and beginning July 1, 2015 in Column C.)

	Inception - December 31, 2017	January 1, 2018 to Present	Total
REVENUE SUMMARY			
Barrier Free Escrow			\$0
Development Fees	\$	2,141,561.07	\$2,141,561
Interest Earned	\$	553,629.42	\$553,629
Other Income		199,076.02	\$199,076
Payments-in-Lieu of Construction		4,270,000.00	\$4,270,000
TOTAL	\$	1,449,120	\$ 7,164,267

EXPENDITURE SUMMARY			
Administration**		\$	\$549,191
Affordability Assistance***		\$	\$214,151
Very Low-Income Affordability Assistance		\$	\$0
Barrier Free Conversions		\$	\$5,549,271
Housing Activity			\$0
TOTAL	\$	-	\$ 6,312,613

ADMINISTRATION: Date in Approved Spending Plan to Present		
Name	List types of administrative expenses	Amount
TOTAL		\$0

AFFORDABILITY ASSISTANCE: Date in Approved Spending Plan to Present		
Name	List affordability assistance projects and programs	Amount
TOTAL		\$0

HOUSING ACTIVITY: Date in Approved Spending Plan to Present		
Type of Housing Activity	Specific Site or Program	Amount
TOTAL		\$0

Comments:

2. REHABILITATION

Please list below all units rehabilitated towards the municipality's Third Round rehabilitation obligation

Comments

Comments

PRIOR ROUND AND THIRD ROUND MONITORING

3. PRIOR AND THIRD ROUND MONITORING

Site / Program Name:	Prior Cycle Credits / Credits	Society Hill / Wrangefboro	Aloe Village	Countryside Meadows	Seashore Gardens	302 Orange Tree Ave	430 Tulip Ave
Project developer:	Various	K. Hovnanian	Municipally Developed	Presbyterian Homes	Seashore Gardens Non Profit	Habitat for Humanity	Habitat for Humanity
Compliance Mechanism:	Other	Inclusionary zoning	100% Affordable	100% Affordable	100% Affordable	100% Affordable	100% Affordable
Compliance Mechanism #2 (if project has multiple):							
Round:	Prior Round	Prior Round	Prior Round	Prior Round	Third Round	Third Round	Third Round
Block (if multiple separate by commas):		978		561		775	716
Lot (if multiple separate by commas):		2		44.05		8.01	2
Address:					22 East Jimmie Leeds Road	302 Orange Tree Ave	430 Tulip Ave
Construction required to begin by (for mechanisms other than inclusionary development):							
Status:	Built	Built	Built	Built	Built	Built	Built
If project has site plan /or subdivision approval, date building permits received (DD/MM/YYYY):							
If "approved not built" or "under construction," date of site plan and/or subdivision approval:							
If "under construction," expected date of completion:							
Date of issuance of C.O.:							
If "built," date controls began:						9/4/2003	11/30/2007
Length of Affordability Controls (years):						30	30
Administrative Agent or other entity responsible for affirmative marketing:							
Contribution (for payments in lieu)						Habitat for Humanity	Habitat for Humanity
Total Affordable Housing Units Proposed	60	57	67	84	58	1	1
Total Affordable Housing Units Completed to Date	60	57	67	84	58	1	1
Type of Affordable Units:							
Family	0	57	0	0	0	1	1
Family For-Sale	0	57				1	1
Family Rental	0		67	84	46	0	0
Senior	0	0					
Senior For-Sale	0		67	84	46	0	0
Senior Rental	0		67	84	46		
Supportive/Special needs	0	0	0	0	12	0	0
Supportive For-Sale	0						
Supportive Rental	0				12		

Bedroom/Income Splits:

1 BR/for Efficiency Affordable Units	0	0	84	0	0	0	0
Very Low-Income:							
Low-Income:			84				
Moderate-Income:							
2 BR Affordable Units	0	57	0	0	0	0	0
Very Low-Income:							
Low-Income:		28					
Moderate-Income:		29					
3+ BR Affordable Units	0	0	0	0	0	0	0
Very Low-Income:							
Low-Income:							
Moderate-Income:							
Supportive/Special Needs Units:	0	0	0	0	0	0	0
Very Low-Income:							
Low-Income:							
Moderate-Income:							

PRIOR ROUND AND THIRD ROUND MONITORING

3. PRIOR AND THIRD ROUND MONITORING

Site / Program Name:	444 Tulip Ave	421 Upas Ave	300A Yam Ave	Market to Affordable	371 S. Odessa Dr	527 10th Ave	Bayview Cottage 1	Bayview Cottage 2
Project developer:	Habitat for Humanity	Habitat for Humanity	Habitat for Humanity	Ron Rukenstein	Arc of Atlantic County	Arc of Atlantic County		
Compliance Mechanism:	100% Affordable	100% Affordable	100% Affordable	Market-to-Affordable	Support and special needs	Support and special needs	Support and special needs	Support and special needs
Compliance Mechanism #2 (if project has multiple):								
Round:	Third Round	Third Round	Third Round	Third Round	Prior Round	Prior and Third Round	Prior Round	Prior Round
Block (if multiple separate by comma):	715	615	9	606 varies	467/02	5/25.01, 25.02	948	1007/03
Lot (if multiple separate by comma):	2			for reference only, 2				38
Address:	444 Tulip Ave	421 Upas Ave	300A Yam Ave	Iroquois Court, 16 Iroquois Court, 71 Iroquois Court, 64	371 S. Odessa Drive	527-529 Tenth Avenue	613 South New York Road	615 South New York Road
Construction required to begin by (for mechanisms other than inclusionary development):								
Status:	Built	Built	Built	Built	Built	Built	Built	Built
If project has site plan /or subdivision approval, date building permits received (DD/MM/YYYY):								
If "approved not built" or "under construction," date of site plan and/or subdivision approval:								
If "under construction," expected date of completion:								
Date of issuance of C.O.:								
If "built," date controls began:	1/6/2009	8/12/2010	9/18/2012	varies	6/21/1985	5/27/2011	7/28/1998	7/28/1998
Length of Affordability Controls (years):	30	30	30		30		30	30
Administrative Agent or other entity responsible for affirmative marketing:								
Contribution (for payments in lieu)	Habitat for Humanity	Habitat for Humanity	Habitat for Humanity	Ron Rukenstein & Associates	The Arc of Atlantic County	The Arc of Atlantic County		
Total Affordable Housing Units Proposed	1	1	1	7	3	8	7	7
Total Affordable Housing Units Completed to Date	1	1	1	7	3	8	7	7
Type of Affordable Units:								
Family	1	1	1	7	0	0	0	0
Family For-Sale								
Family Rental	1	1	1	7				
Senior	0	0	0	0	0	0	0	0
Senior For-Sale								
Senior Rental								
Supportive/Special needs	0	0	0	0	3	8	7	7
Supportive For-Sale								
Supportive Rental					3	7	7	7

Bedroom/Income Splits:

1 BR/for Efficiency Affordable Units	0	0	0	0	0	0	0	0
Very Low-Income:								
Low-Income:								
Moderate-Income:								
2 BR Affordable Units	0	0	0	0	0	0	0	0
Very Low-Income:								
Low-Income:								
Moderate-Income:								
3+ BR Affordable Units	0	0	0	0	0	0	0	0
Very Low-Income:								
Low-Income:								
Moderate-Income:								
Supportive/Special Needs Units:	0	0	0	0	0	0	0	0
Very Low-Income:								
Low-Income:								
Moderate-Income:								

PRIOR ROUND AND THIRD ROUND MONITORING

3. PRIOR AND THIRD ROUND MONITORING

Site / Program Name:	Bayview Cottage 3	CODI 1	CODI 2	East Summerwood Ave	506 Second Ave	406 First Ave	513 Pitney Road	Community Options
Project developer:		Development, Inc	Development, Inc.	Caring Inc.	Caring Inc.	Caring Inc.	Caring Inc.	Community Options Inc.
Compliance Mechanism:	Support and special needs.	Support and special needs	Support and special needs	Support and special needs	Support and special needs	Support and special needs	Support and special needs	Support and special needs.
Compliance Mechanism #2 (if project has multiple):								
Round:	Prior Round	Prior Round	Prior Round	Prior Round	Prior Round	Prior Round	Prior Round	Prior Round
Block (if multiple separate by comma):	1007/03	638	563	1164	939	919	997.02	1260.01
Lot (if multiple separate by comma):	36	5	15	37.06	13	7	19.02	45
Address:	609 South New York Road	106 West Jimmie Leeds Road	233 West White Horse Pike	East Summerwood Ave	506 Second Ave	406 First Ave	513 Pitney Road	711 East Osprey Court
Construction required to begin by (for mechanisms other than inclusionary development):								
Status:	Built	Built	Built	Built	Built	Built	Built	Built
If project has site plan /or subdivision approval, date building permits received (DD/MM/YYYY):								
If "approved not built" or "under construction," date of site plan and/or subdivision approval:								
If "under construction," expected date of completion:								
Date of issuance of C.O.:								
If "built," date controls began:	7/28/1998	12/7/1994	3/2/1995	11/26/2002	3/26/2009	6/12/2012	3/31/2015	7/8/1997
Length of Affordability Controls (years):	30							
Administrative Agent or other entity responsible for affirmative marketing:		Career Opportunity Development, Inc.	Career Opportunity Development, Inc.	Caring Inc.	Caring Inc.	Caring Inc.	Caring Inc.	Community Options Inc.
Contribution (for payments in lieu)								
Total Affordable Housing Units Proposed	3	3	5	4	4	4	4	6
Total Affordable Housing Units Completed to Date	3	3	5	4	4	4	4	6
Type of Affordable Units:								
Family	0	0	0	0	0	0	0	0
Family For-Sale								
Family Rental								
Senior	0	0	0	0	0	0	0	0
Senior For-Sale								
Senior Rental								
Supportive/Special needs	3	3	5	4	4	4	4	6
Supportive For-Sale								
Supportive Rental	3	3	5	4	4	4	4	6

Bedroom/Income Splits:

1 BR/for Efficiency Affordable Units	0	0	0	0	0	0	0	0
Very Low-Income:								
Low-Income:								
Moderate-Income:								
2 BR Affordable Units	0	0	0	0	0	0	0	0
Very Low-Income:								
Low-Income:								
Moderate-Income:								
3+ BR Affordable Units	0	0	0	0	0	0	0	0
Very Low-Income:								
Low-Income:								
Moderate-Income:								
Supportive/Special Needs Units:	0	0	0	0	0	0	0	0
Very Low-Income:								
Low-Income:								
Moderate-Income:								

PRIOR ROUND AND THIRD ROUND MONITORING

3. PRIOR AND THIRD ROUND MONITORING

Site / Program Name:	Collaborative Support Programs	Development Resource Center	Hansen House M	Hansen House W	Heritage Village	Nantucket at Galloway	Blue Heron Pines	Pinelands RGA Zoning
Project developer:	Non-Profit	Non-Profit			Strategies, Inc.			
Compliance Mechanism:	Support and special needs	Support and special needs	Support and special needs	Support and special needs	100% Affordable	Inclusionary zoning	Inclusionary zoning	Inclusionary zoning
Compliance Mechanism #2 (if project has multiple):					Redevelopment	Redevelopment		
Round:	Prior Round	Prior Round	Third Round	Third Round	Third Round	Third Round	Third Round	Third Round
Block (if multiple separate by comma):	943	1101	457	457	457		457	
Lot (if multiple separate by comma):	1.01	17	3.03	3.03	3.03		3.02	
Address:	303 East Crestview Ave	343 S. New York Road	411 Aloe Street	411 Aloe Street	White Horse Pike	White Horse Pike	Aloe Street / Tilton Road	
Construction required to begin by (for mechanisms other than inclusionary development):								
Status:	Built	Built	Built	Built	Under Construction	No approvals	Approved not built	
If project has site plan /or subdivision approval, date building permits received (DD/MM/YYYY):								
If "approved not built" or "under construction," date of site plan and/or subdivision approval:							1/1/2013	
If "under construction," expected date of completion:					8/1/2020			
Date of issuance of C.O.:								
If "built," date controls began:	5/1/2002	1/10/2002	10/12/2004	11/29/2005				
Length of Affordability Controls (years):			30	30				
Administrative Agent or other entity responsible for affirmative marketing:					Community Investment Strategies, Inc.			
Contribution (for payments in lieu)								
Total Affordable Housing Units Proposed	3	4	10	10	100	60	189	169
Total Affordable Housing Units Completed to Date	3	4	10	10	0	0	0	0
Type of Affordable Units:								
Family	0	0	0	0	0	0	0	0
Family For-Sale								
Family Rental								
Senior	0	0	0	0	100	0	0	0
Senior For-Sale								
Senior Rental					100			
Supportive/Special needs	3	4	10	10	0	0	0	0
Supportive For-Sale								
Supportive Rental	3	4	10	10				

Bedroom/Income Splits:

1 BR/for Efficiency Affordable Units	0	0	0	0	86	0	0	0
Very Low-Income:					9			
Low-Income:					34			
Moderate-Income:					43			
2 BR Affordable Units	0	0	0	0	13	0	0	0
Very Low-Income:					2			
Low-Income:					5			
Moderate-Income:					6			
3+ BR Affordable Units	0	0	0	0	0	0	0	0
Very Low-Income:								
Low-Income:								
Moderate-Income:								
Supportive/Special Needs Units:	0	0	10	10	0	0	0	0
Very Low-Income:								
Low-Income:			10	10				
Moderate-Income:								

PRIOR ROUND AND THIRD ROUND MONITORING

3. PRIOR AND THIRD ROUND MONITORING

Site / Program Name:	Arce of Atlantic County	Habitat for Humanity
Project developer:		Habitat for Humanity
Compliance Mechanism:	Support and special needs:	Support and special needs
Compliance Mechanism #2 (if project has multiple):		
Round:	Third Round	Third Round
Block (if multiple separate by commas):	948	768
Lot (if multiple separate by commas):	25.03	5.02, 5.03
Address:	Tenth Avenue	Holly Avenue
Construction required to begin by (for mechanisms other than inclusionary development):		
Status:	No approvals	No approvals
If project has site plan for subdivision approval, date building permits received (DD/MM/YYYY):		
If "approved not built" or "under construction," date of site plan and/or subdivision approval:		
If "under construction," expected date of completion:		
Date of issuance of C.O.:		
If "built," date controls began:		
Length of Affordability Controls (years):		
Administrative Agent or other entity responsible for affirmative marketing:		
Contribution (for payments in lieu)		Habitat for Humanity
Total Affordable Housing Units Proposed	4	2
Total Affordable Housing Units Completed to Date	0	0
Type of Affordable Units:		
Family	0	2
Family For-Sale		2
Family Rental		
Senior	0	0
Senior For-Sale		
Senior Rental		
Supportive/Special needs	4	0
Supportive For-Sale		
Supportive Rental	4	

Bedroom/Income Splits:

1 BR/for Efficiency Affordable Units	0	0
Very Low-Income:		
Low-Income:		
Moderate-Income:		
2 BR Affordable Units	0	0
Very Low-Income:		
Low-Income:		
Moderate-Income:		
3+ BR Affordable Units	0	0
Very Low-Income:		
Low-Income:		
Moderate-Income:		
Supportive/Special Needs Units:	0	0
Very Low-Income:		
Low-Income:		
Moderate-Income:		

VERY LOW INCOME REPORTING

4. VERY LOW INCOME REPORTING

Please note that the Very Low Income reporting is not due until January of 2021.

[illegible]

This tab provides reporting required on very low income units, i.e. units affordable to and reserved for households at or below 30% of reg See N.J.S.A. 52:27D-329.1.

EXHIBIT AB

Wrangleboro Road 100% Affordable Project

The following is an anticipated implementation schedule for Galloway Township's activities regarding the 100% Affordable Project updated as of March 18, 2024. Please note that, unless it is marked "COMPLETED," the dates are only estimates and subject to change based on various factors influencing the redevelopment process.

Activity	Anticipated Completion Date	Approximate Completion Date
Adoption of Resolution Designating Redevelopment Area	Resolution #307-15 (Borough Wide Rehabilitation) adopted September 27, 2016	9/27/2016 COMPLETED
Adoption of a Redevelopment Plan	Ordinance #1952-206 (Borough Wide Redevelopment Plan) adopted December 13, 2016	12/13/2016 COMPLETED
Redeveloper Selection	Resolution #100-22 designating Galloway Residential Development, LLC (now Galloway Family Apartments, LLC)	3/22/2022 COMPLETED
Execution of Redevelopment Agreement	Executed with Galloway Family Apartments, LLC	3/28/2023 COMPLETED
Adoption of the Ordinance adopting an Amendment to the Redevelopment Plan	Ordinance #2096-2022 Ordinance #2119-2023	12/13/2022 12/12/2023 COMPLETED
Land Assemblage by Township	Deed from Lynette Land Co., Inc. and Universal Recovery Corporation	8/29/2023 COMPLETED
Site Plan Approval	Planning Board Resolution No. 1-24 (approval granted 2/29/2024)	3/7/2024 COMPLETED
Land Assemblage by Redeveloper	In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 2 months of receipt of all unappealable governmental approvals or upon closing of HMFA financing)	01/01/2025
Applying for Construction Permits	In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 2 months of acquiring the property)	3/01/2025
Commencement of Construction	In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 60 days of receipt of Construction Permits)	04/01/2025
Completion of Construction	In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 1 year of Commencement of Construction)	04/01/2026

* All dates set forth above are approximately and subject to change based on factors, including but not limited to pandemic related delays, economic delays, supply chain delays, the needs and schedule of the redeveloper, the calendar of the Court and legal challenges from third parties.

EXHIBIT AC

RESOLUTION OF THE NEW JERSEY HOUSING AND MORTGAGE
FINANCE AGENCY REGARDING APPROVAL OF A DECLARATION OF
INTENT FOR THE PROJECT KNOWN AS GALLOWAY FAMILY
APARTMENTS, HMFA #07882

WHEREAS, the Members of the New Jersey Housing and Mortgage Finance Agency have been presented and considered a Request for Action in the form attached hereto as Exhibit A; and

WHEREAS, the Request for Action requested the Members to adopt a resolution authorizing certain actions by the New Jersey Housing and Mortgage Finance Agency, as outlined and explained in said Request for Action.

NOW, THEREFORE, ON THIS 19th OF OCTOBER 2023 BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY AS FOLLOWS:

Section 1. The actions set forth in the Action Requested section of the Request for Action, attached hereto as Exhibit A, are hereby approved, subject to any conditions set forth as such in said Request for Action.

Section 2. The Request for Action, attached hereto as Exhibit A, is hereby incorporated and made part of this resolution as though set forth at length herein.

Section 3. This resolution shall take effect immediately upon expiration of the ten (10) day period following the delivery of a true copy of this resolution accompanied by a summary of the action taken at the meeting by the Board to the Governor or immediately upon the approval of the minutes by the Governor within the said ten (10) day period.

Board Member	Aye	Nay	Abstained	Recusal	Not Present
Robert Long	X				
Aimee Manocchio-Nason	X				
Robert Tighue	X				
Paulette Sibblies – Flagg	X				
Eric Kaufmann	X				
Dorothy Blakeslee	X				
Stanley Weeks	X				

I, Laura Shea, Assistant Secretary of the New Jersey Housing and Mortgage Finance Agency, do hereby certify that the foregoing is a true and correct copy of a resolution duly adopted and approved by the Members of the Agency at a meeting duly called and held on the 19th day of October, 2023 and that not less than five Members of the Agency were present and voted in favor of said resolution.

IN WITNESS WHEREOF, I have here unto set my hand and impressed the seal of the Agency this 19th day of October 2023.



Laura Shea
Assistant Secretary

**Galloway Family Apartments
Galloway Township, Atlantic County
HMFA #07782**

October 19, 2023

**Developer: Walters-Cornerstone Development LLC
of Units: 66 units including 5 units set aside for
individual with mental illness.
Population: Family**

**REQUEST FOR ACTION BY MEMBERS OF
THE NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**

Action Requested:

Approval of a "Declaration of Intent" stating the intention of the Agency, subject to the availability of volume cap, to issue tax- exempt bonds in an estimated amount not to exceed \$14,532,000 in permanent financing for a project known as Galloway Family Apartments, HMFA #07882 (the "Project"). Approval of this "Declaration of Intent" is intended to establish for tax purposes the eligibility for reimbursement with the proceeds of the Bonds of certain costs paid prior to the issuance of the Bonds (the "Original Expenditures") associated with pre-bond sale and development work on the Project. By this action, the Board expresses its present intent to issue the Bonds for the Project and its reasonable expectation that it will reimburse Original Expenditures with proceeds of the Bonds, and declares its intent that the Declaration of Intent be determined to be a declaration of official intent under Treas. Reg. Section 1.150-2 (the "Reimbursement Regulations") promulgated under the Internal Revenue Code of 1986, as amended (the "Code").

1. The Project will be a qualified residential rental project within the meaning of Code Sections 142(a)(7) and 142(d) and related Treasury Regulations. A brief, general description of the Project is set forth below.
2. The Original Expenditures to be reimbursed with the proceeds of the Bonds will be "capital expenditures" as defined in Treas. Reg. Section 1.150-1(b), costs of issuance for the Bonds, and/or expenditures described in Treas. Reg. Section 1.148-6(d)(3)(ii)(B) (relating to certain extraordinary working capital items).
3. Pursuant to the Reimbursement Regulations, with respect to each Original Expenditure to be reimbursed with proceeds of the Bonds, either (i) the date of the declaration of official intent is not later than sixty (60) days after the payment of the Original Expenditure, or (ii) if the date of the declaration of official intent is more than 60 days after the payment of the Original Expenditure, the Original Expenditure must be a preliminary, pre-construction expenditure as described in Treas. Reg. Section 1.150-2(f)(2) and the total amount of such preliminary expenditures to be

Exhibit A

reimbursed with proceeds of the Bonds cannot exceed 20% of the proceeds of the Bonds.

4. This Request for Action expresses the Board's declaration of intent only. It does not authorize the Agency to issue the Bonds, which issuance may only be authorized by subsequent action adopted in accordance with law. The ability of the Project to conform to the Agency Multifamily Underwriting Guidelines and Financing Policy (the "Guidelines") as well as compliance with federal tax and other laws, has not yet been determined. This approval does not obligate the Agency to take any further action in connection with this Project, including any approval to allocate tax-exempt bond volume cap, to issue bonds or to provide first mortgage financing, gap financing or a tax credit allocation. This approval for a Declaration of Intent is not intended to give this Project any preference over any other project.

5. The following is a brief, general description of the Project based on current expectations regarding the Project:

The Project

The Project is a new construction sixty-six (66)-unit family affordable development located in Galloway Township, Atlantic County. The Project is being developed by Walters-Cornerstone Development LLC, (the "Developer"). The Project will be located on Wrangleboro Road, Block: 988.01 and Lot:3. (the "Property"). The Project will be the first phase of three-phases to be developed on this site. The Sponsor will reserve five (5) units for individuals with mental illness. The Project will have approximately 14,500 sq. ft. in commons space which would feature amenities such as a fitness center, a club room and management offices. There are one hundred and twenty (120) planned parking spaces representing roughly 1.82 parking spaces per dwelling unit.

The Project will feature five (5) three-story townhouses. The Project proposes thirteen (13) one-bedroom units at an average of 600 sq. ft., thirty-nine (39) two-bedroom units at an average of 850 sq. ft., and fourteen (14) three-bedroom units at an average of 1,150 sq. ft.

The proposed net rents for the thirteen (13) one-bedroom units range from \$217 to \$843, thirty-nine (39) two-bedroom units range from \$245-\$996, and fourteen (14) three-bedroom units range from \$268-\$1,137.

The Sponsor is proposing to include the following in-unit amenities: Energy Star-rated appliances with frost-free refrigerator, gas oven and range hood, washer & dryer, dishwasher, and private outdoor space. The Project will use gas heat and gas hot water, gas cooking and electric air conditioning; these utility services along with electricity will be individually metered and paid for by the tenant.

Near the project, there are pharmacies, stores, parks, recreational activities, and transportation within driving distance. The Project is also in close proximity to Stockton

Exhibit A

University, AtlantiCare Regional Medical Center, and Edwin B. Forsythe National Wildlife Preserve.

For Special Needs purposes, the Project will have five (5) units for individuals with mental illness.

The Project is in a Smart Growth area and is in the Suburban Planning Area. It will be managed by RW Property Management, Inc.

The Project is applying for 4% Low Income Housing Tax Credits. For tax credit purposes, the Sponsor has elected 40% at 60% average median income.

Agency Financing

The Agency will provide permanent only loan financing in the estimated amount of \$12,109,493. This loan will be evidenced by two mortgage notes. Both notes will be secured by a first mortgage lien on the Property. Note I is anticipated to be in the amount of \$1,360,002, at an estimated annual interest rate of 5.90%, for an estimated term of thirty (30) years. In order to meet the 55% aggregate basis test, as required by the Agency's underwriting guidelines, Note II must be funded through bond proceeds in an amount anticipated to be \$10,749,491, at an estimated interest rate of 4.55%, with a maturity date of eleven (11) months from the date of loan closing. Note II will be additionally secured by an assignment of syndication proceeds, SNHTF and AHPF.

The Agency will provide a permanent loan from the SNHTF in an estimated amount of \$750,000, at an estimated annual interest rate of 1%, with an estimated term of 30 years. This loan will be repaid with twenty-five percent (25%) of the Project's available cash flow remaining after the payment of operating expenses, required reserves and amortized mortgage debt and at the earlier of ten (10) years or the repayment of deferred developer's fee. This mortgage will be secured by a subordinate lien on the Property.

The Agency will provide permanent loan financing from the Affordable Housing Production Fund ("AHPF") Program. The loan is currently estimated to be \$9,900,000 at an estimated 1% interest rate at permanent rollover for an estimated term of thirty (30) years. The loan will be repaid from 25% of the Project's cash flow remaining after the payment of operating expenses, required reserves and amortized mortgage debt and at the earlier of ten (10) years or the repayment of deferred developer's fee. The loan will be secured by a subordinate mortgage lien on the Property.

DOI Conditions:

1. The Agency authorizes its staff to require an additional credit enhancement obligation based on Agency staff's assessment of the associated risk involved in providing a mortgage for construction only financing.

Exhibit A

2. The Agency authorizes its staff at its sole discretion to dictate the Construction Draw Schedule of Agency financing based on (1) pro rata apportionment of funds, (2) pari passu distribution or (3) the Agency financing being the last funding source disbursed during the construction period.
3. The Borrower has not justified to the Agency's satisfaction the reasonableness of the total development costs. Therefore, the Agency reserves the right to require that the Borrower provide a quantitative analysis and justification of the costs or the Agency will commission an independent analysis to confirm the cost, with the Sponsor paying for that analysis.
4. The borrower must conclusively demonstrate that this project is permitted to receive an allocation of LIHTC in accordance with Section 19 of P.L. 2008, c. 46, N.J.S.A. 52:27D-321.1 (A500 ACS) and is subject to an Inclusionary review, feasibility analysis and determination of LIHTC eligibility prior to the project proceeding to a mortgage commitment.

FINANCIAL INFORMATION

DEVELOPMENT COSTS

Acquisition	\$10	(\$0/DU)	(\$0/SF)
Construction Costs			
(Including Contractor Fee)	\$14,816,979	(\$224,500/DU)	(\$207/SF)
Contingencies	\$869,837	(\$13,179/DU)	(\$12/SF)
Developer Fee	\$2,994,982	(\$45,379/DU)	(\$42/SF)
Professional Fees	\$1,066,200	(\$16,155/DU)	(\$15/SF)
Carrying Financing Costs	\$2,511,442	(\$38,052/DU)	(\$35/SF)
Other Charges	<u>\$1,490,687</u>	<u>(\$22,586/DU)</u>	<u>(\$21/SF)</u>
TOTAL DEVELOPMENT COST	\$23,750,137	(\$359,851/DU)	(\$332/SF)

PROPOSED PERMANENT SOURCES

HMFA First Mortgage, Note I	\$1,360,002	(\$20,602/DU)
Special Needs	\$750,000	(\$11,364/DU)
LIHTC Equity (\$0.95)	\$10,262,575	(\$155,494/DU)
Berkadia Affordable Tax Credit Solutions		
Deferred Developer Fee	\$1,477,561	(\$22,387/DU)
AHPF	\$9,900,000	(\$150,000/DU)

Exhibit A

TOTAL PROPOSED PERMANENT SOURCES	\$23,750,138	(\$359,851/DU)
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REPAYMENT OF HMFA NOTE II PLUS INTEREST (And/or any Construction Bridge Loan).

HMFA Note II	\$10,749,491	(\$162,871/DU)
Note II Interest	\$448,343	(\$6,783/DU)

TOTAL HMFA Note II	\$11,197,834	(\$169,664/DU)
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LESS PROPOSED SOURCES

LIHTC Partial Install #3	\$7,872,472
SNHTF	\$750,000
AHPF	\$2,554,984

TOTAL SOURCES PROPOSED	\$11,197.835
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RESOLUTION OF THE NEW JERSEY HOUSING AND MORTGAGE
FINANCE AGENCY REGARDING APPROVAL OF A DECLARATION
OF INTENT FOR THE PROJECT KNOWN AS GALLOWAY
APARTMENTS PHASE 2, HMFA #07886

WHEREAS, the Members of the New Jersey Housing and Mortgage Finance Agency have been presented and considered a Request for Action in the form attached hereto as Exhibit A; and

WHEREAS, the Request for Action requested the Members to adopt a resolution authorizing certain actions by the New Jersey Housing and Mortgage Finance Agency, as outlined and explained in said Request for Action.

NOW, THEREFORE, ON THIS 8th OF FEBRUARY 2024 BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY AS FOLLOWS:

Section 1. The actions set forth in the Action Requested section of the Request for Action, attached hereto as Exhibit A, are hereby approved, subject to any conditions set forth as such in said Request for Action.

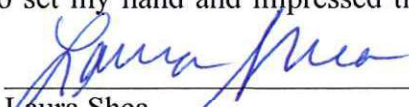
Section 2. The Request for Action, attached hereto as Exhibit A, is hereby incorporated and made part of this resolution as though set forth at length herein.

Section 3. This resolution shall take effect immediately upon expiration of the ten (10) day period following the delivery of a true copy of this resolution accompanied by a summary of the action taken at the meeting by the Board to the Governor or immediately upon the approval of the minutes by the Governor within the said ten (10) day period.

Board Member	Aye	Nay	Abstained	Recusal	Not Present
Kate McDonnell	X				
Aimee Manocchio Nason	X				
Robert Tighue	X				
Paulette Sibblies – Flagg	X				
Eric Kaufmann	X				
Dorothy Blakeslee	X				
Diane Johnson	X				
Stanley Weeks	X				

I, Laura Shea, Assistant Secretary of the New Jersey Housing and Mortgage Finance Agency, do hereby certify that the foregoing is a true and correct copy of a resolution duly adopted and approved by the Members of the Agency at a meeting duly called and held on the 8th day of February, 2024 and that not less than five Members of the Agency were present and voted in favor of said resolution.

IN WITNESS WHEREOF, I have here unto set my hand and impressed the seal of the Agency this 8th day of February 2024.



Laura Shea
Assistant Secretary

**Galloway Family Apartments Phase 2
Galloway Township, Atlantic County
HMFA #07886**

February 8, 2024

**Developer: Walters-Cornerstone Development LLC
of Units: 66 units including 5 units set aside for
individual with mental illness and 2 units for individuals
coming out of nursing homes.
Population: Family**

**REQUEST FOR ACTION BY MEMBERS OF
THE NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**

Action Requested:

Approval of a "Declaration of Intent" stating the intention of the Agency, subject to the availability of volume cap, to issue tax- exempt bonds in an estimated amount not to exceed \$13,817,000 in permanent financing for a project known as Galloway Family Apartments Phase 2, HMFA #07886 (the "Project"). Approval of this "Declaration of Intent" is intended to establish for tax purposes the eligibility for reimbursement with the proceeds of the Bonds of certain costs paid prior to the issuance of the Bonds (the "Original Expenditures") associated with pre-bond sale and development work on the Project. By this action, the Board expresses its present intent to issue the Bonds for the Project and its reasonable expectation that it will reimburse Original Expenditures with proceeds of the Bonds, and declares its intent that the Declaration of Intent be determined to be a declaration of official intent under Treas. Reg. Section 1.150-2 (the "Reimbursement Regulations") promulgated under the Internal Revenue Code of 1986, as amended (the "Code").

1. The Project will be a qualified residential rental project within the meaning of Code Sections 142(a)(7) and 142(d) and related Treasury Regulations. A brief, general description of the Project is set forth below.
2. The Original Expenditures to be reimbursed with the proceeds of the Bonds will be "capital expenditures" as defined in Treas. Reg. Section 1.150-1(b), costs of issuance for the Bonds, and/or expenditures described in Treas. Reg. Section 1.148-6(d)(3)(ii)(B) (relating to certain extraordinary working capital items).
3. Pursuant to the Reimbursement Regulations, with respect to each Original Expenditure to be reimbursed with proceeds of the Bonds, either (i) the date of the declaration of official intent is not later than sixty (60) days after the payment of the Original Expenditure, or (ii) if the date of the declaration of official intent is more than 60 days after the payment of the Original Expenditure, the Original Expenditure must be a preliminary, pre-construction expenditure as described in Treas. Reg. Section 1.150-2(f)(2) and the total amount of such preliminary expenditures to be

Exhibit A

reimbursed with proceeds of the Bonds cannot exceed 20% of the proceeds of the Bonds.

4. This Request for Action expresses the Board's declaration of intent only. It does not authorize the Agency to issue the Bonds, which issuance may only be authorized by subsequent action adopted in accordance with law. The ability of the Project to conform to the Agency Multifamily Underwriting Guidelines and Financing Policy (the "Guidelines") as well as compliance with federal tax and other laws, has not yet been determined. This approval does not obligate the Agency to take any further action in connection with this Project, including any approval to allocate tax-exempt bond volume cap, to issue bonds or to provide first mortgage financing, gap financing or a tax credit allocation. This approval for a Declaration of Intent is not intended to give this Project any preference over any other project.

5. The following is a brief, general description of the Project based on current expectations regarding the Project:

The Project

The Project is a new construction sixty-six (66)-unit family affordable development located in Galloway Township, Atlantic County. The Project is being developed by Walters-Cornerstone Development LLC, (the "Developer"). The Project will be located on Wrangleboro Road, Block: 989.01 and Lot:2. (the "Property"). The Project will be the second phase of three-phases to be developed on this site. The Sponsor will reserve five (5) units for individuals with mental illness and two (2) units for individuals leaving nursing homes. Residents will have access to the community building constructed during the first phase of the Development, which will house amenities such as a fitness center, a club room and management offices. There are one hundred and twenty (120) planned parking spaces representing approximately 1.82 parking spaces per dwelling unit.

The Project will feature five (5) three-story residential buildings consisting of townhouses and flats. The Project proposes thirteen (13) one-bedroom units at an average of 600 sq. ft., thirty-nine (39) two-bedroom units at an average of 850 sq. ft., and fourteen (14) three-bedroom units at an average of 1,150 sq. ft.

All sixty-six (66) units will be affordable. The proposed net rents for the eleven (11) one-bedroom units range from \$218 to \$1,257, thirty-nine (39) two-bedroom units range from \$246-\$998, and fourteen (14) three-bedroom units range from \$271-\$1,140. Two (2) Section 811 Project-based Assistance vouchers have been committed for the two (2) Money Follows the Person units. The proposed net rent for the two (2) individuals leaving nursing homes is \$1,257 for Section 811.

The Sponsor is proposing to include the following in-unit amenities: Energy Star-rated appliances with frost-free refrigerator, gas oven and range hood, washer & dryer, and dishwasher. The Project will use electric heat and gas hot water, gas cooking and electric

Exhibit A

air conditioning; these utility services along with electricity will be individually metered and paid for by the tenant.

Near the project, there are pharmacies, stores, parks, recreational activities, and transportation within driving distance. The Project is also in close proximity to Stockton University, AtlantiCare Regional Medical Center, and Edwin B. Forsythe National Wildlife Preserve.

For Special Needs purposes, the Project will have five (5) units for individuals with mental illness and two (2) units for individuals coming out of a nursing home.

The Project is in a Smart Growth area and is in the Suburban Planning Area. It will be managed by RW Property Management, Inc.

The Project is applying for 4% Low Income Housing Tax Credits. For tax credit purposes, the Sponsor has elected 40% at 60% average median income.

Agency Financing

The Agency will provide permanent only loan financing in the estimated amount of \$11,513,459. This loan will be evidenced by two mortgage notes. Both notes will be secured by a first mortgage lien on the Property. Note I is anticipated to be in the amount of \$1,625,741 at an estimated annual interest rate of 5.90%, for an estimated term of thirty (30) years. In order to meet the 55% aggregate basis test, as required by the Agency's underwriting guidelines, Note II must be funded through bond proceeds in an amount anticipated to be \$9,887,718, at an estimated interest rate of 4.55%, with a maturity date of twelve (12) months from the date of loan closing. Note II will be additionally secured by an assignment of syndication proceeds, Special Needs Housing Trust Fund ("SNHTF") and Affordable Housing Production Fund ("AHPF").

The Agency will provide a permanent loan from the Special Needs Housing Trust Fund ("SNHTF") in an estimated amount of \$750,000, at an estimated annual interest rate of 1%, with an estimated term of 30 years. This loan will be repaid with 16.67% of the Project's available cash flow remaining after the payment of operating expenses, required reserves and amortized mortgage debt and at the earlier of ten (10) years or the repayment of deferred developer's fee. This mortgage will be secured by a subordinate lien on the Property.

The Agency will provide permanent loan financing from the Affordable Housing Production Fund ("AHPF") Program. The loan is currently estimated to be \$9,098,394 at an estimated 1% interest rate at permanent rollover for an estimated term of thirty (30) years. The loan will be repaid from 16.67% of the Project's cash flow remaining after the payment of operating expenses, required reserves and amortized mortgage debt and at the earlier of ten (10) years or the repayment of deferred developer's fee. The loan will be secured by a subordinate mortgage lien on the Property.

Exhibit A

The Agency will provide a permanent loan from the Money Follows the Person Program (“MFP”) in an estimated amount of \$300,000, at an estimated annual interest rate of 1%, with an estimated term of 30 years. This loan will be repaid with 16.67% of the Project’s available cash flow remaining after the payment of operating expenses, required reserves and amortized mortgage debt and at the earlier of ten (10) years or the repayment of deferred developer’s fee. This mortgage will be secured by a subordinate lien on the Property.

DOI Conditions:

1. The Agency authorizes its staff to require an additional credit enhancement obligation based on Agency staff’s assessment of the associated risk involved in providing a mortgage for construction only financing.
2. The Agency authorizes its staff at its sole discretion to dictate the Construction Draw Schedule of Agency financing based on (1) pro rata apportionment of funds, (2) pari passu distribution or (3) the Agency financing being the last funding source disbursed during the construction period.
3. The Borrower has not justified to the Agency’s satisfaction the reasonableness of the total development costs. Therefore, the Agency reserves the right to require that the Borrower provide a quantitative analysis and justification of the costs or the Agency will commission an independent analysis to confirm the cost, with the Sponsor paying for that analysis.
4. The borrower must conclusively demonstrate that this project is permitted to receive an allocation of LIHTC in accordance with Section 19 of P.L. 2008, c. 46, N.J.S.A. 52:27D-321.1 (A500 ACS) and is subject to an Inclusionary review, feasibility analysis and determination of LIHTC eligibility prior to the project proceeding to a mortgage commitment.

FINANCIAL INFORMATION

DEVELOPMENT COSTS

Acquisition	\$10	(\$0/DU)	(\$0/SF)
Construction Costs (Including Contractor Fee)	\$14,504,619	(\$219,767/DU)	(\$207/SF)
Contingencies	\$840,950	(\$12,742/DU)	(\$12/SF)
Developer Fee	\$2,849,759	(\$43,178/DU)	(\$41/SF)
Professional Fees	\$666,375	(\$10,097/DU)	(\$10/SF)
Carrying Financing Costs	\$2,302,117	(\$34,881/DU)	(\$33/SF)

Exhibit A

Other Charges	<u>\$1,435,070</u>	<u>(\$21,743/DU)</u>	<u>(\$20/SF)</u>
TOTAL DEVELOPMENT COST	\$22,598,900	(\$342,408/DU)	(\$323/SF)

PROPOSED PERMANENT SOURCES

HMFA First Mortgage, Note I	\$1,625,741	(\$24,632/DU)
Special Needs	\$750,000	(\$11,364/DU)
LIHTC Equity (\$0.95)	\$9,487,280	(\$143,747/DU)
Berkadia Affordable Tax Credit Solutions		
Deferred Developer Fee	\$1,337,485	(\$20,265/DU)
AHPF	\$9,098,394	(\$137,854/DU)
Money Follows the Person	\$300,000	(\$4,545/DU)

TOTAL PROPOSED PERMANENT SOURCES	\$22,598,900	(\$342,408/DU)
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REPAYMENT OF HMFA NOTE II PLUS INTEREST (And/or any Construction Bridge Loan).

HMFA Note II	\$9,887,718	(\$149,814/DU)
Note II Interest	\$449,891	(\$6,817/DU)
TOTAL HMFA Note II	\$10,337,609	(\$156,630/DU)

LESS PROPOSED SOURCES

LIHTC Partial Install #3	\$7,405,301
SNHTF	\$750,000
AHPF	\$2,182,308
TOTAL SOURCES PROPOSED	\$10,337,609

RESOLUTION OF THE NEW JERSEY HOUSING AND MORTGAGE
FINANCE AGENCY REGARDING APPROVAL OF A DECLARATION
OF INTENT FOR THE PROJECT KNOWN AS GALLOWAY
APARTMENTS PHASE 3, HMFA #07887

WHEREAS, the Members of the New Jersey Housing and Mortgage Finance Agency have been presented and considered a Request for Action in the form attached hereto as Exhibit A; and

WHEREAS, the Request for Action requested the Members to adopt a resolution authorizing certain actions by the New Jersey Housing and Mortgage Finance Agency, as outlined and explained in said Request for Action.

NOW, THEREFORE, ON THIS 8th OF FEBRUARY 2024 BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY AS FOLLOWS:

Section 1. The actions set forth in the Action Requested section of the Request for Action, attached hereto as Exhibit A, are hereby approved, subject to any conditions set forth as such in said Request for Action.

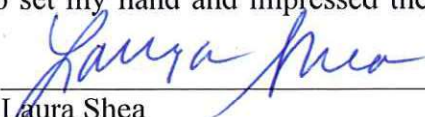
Section 2. The Request for Action, attached hereto as Exhibit A, is hereby incorporated and made part of this resolution as though set forth at length herein.

Section 3. This resolution shall take effect immediately upon expiration of the ten (10) day period following the delivery of a true copy of this resolution accompanied by a summary of the action taken at the meeting by the Board to the Governor or immediately upon the approval of the minutes by the Governor within the said ten (10) day period.

Board Member	Aye	Nay	Abstained	Recusal	Not Present
Kate McDonnell	X				
Aimee Manocchio Nason	X				
Robert Tighue	X				
Paulette Sibblies – Flagg	X				
Eric Kaufmann	X				
Dorothy Blakeslee	X				
Diane Johnson	X				
Stanley Weeks	X				

I, Laura Shea, Assistant Secretary of the New Jersey Housing and Mortgage Finance Agency, do hereby certify that the foregoing is a true and correct copy of a resolution duly adopted and approved by the Members of the Agency at a meeting duly called and held on the 8th day of February, 2024 and that not less than five Members of the Agency were present and voted in favor of said resolution.

IN WITNESS WHEREOF, I have here unto set my hand and impressed the seal of the Agency this 8th day of February 2024.



Laura Shea
Assistant Secretary

**Galloway Family Apartments Phase 3
Galloway Township, Atlantic County
HMFA #07887**

February 8, 2024

**Developer: Walters-Cornerstone Development LLC
of Units: 66 units including 5 units set aside for
individual with mental illness and 2 units for individuals
coming out of nursing homes.
Population: Family**

**REQUEST FOR ACTION BY MEMBERS OF
THE NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**

Action Requested:

Approval of a "Declaration of Intent" stating the intention of the Agency, subject to the availability of volume cap, to issue tax- exempt bonds in an estimated amount not to exceed \$13,801,000 in permanent financing for a project known as Galloway Family Apartments, Phase 3, HMFA #07887 (the "Project"). Approval of this "Declaration of Intent" is intended to establish for tax purposes the eligibility for reimbursement with the proceeds of the Bonds of certain costs paid prior to the issuance of the Bonds (the "Original Expenditures") associated with pre-bond sale and development work on the Project. By this action, the Board expresses its present intent to issue the Bonds for the Project and its reasonable expectation that it will reimburse Original Expenditures with proceeds of the Bonds, and declares its intent that the Declaration of Intent be determined to be a declaration of official intent under Treas. Reg. Section 1.150-2 (the "Reimbursement Regulations") promulgated under the Internal Revenue Code of 1986, as amended (the "Code").

1. The Project will be a qualified residential rental project within the meaning of Code Sections 142(a)(7) and 142(d) and related Treasury Regulations. A brief, general description of the Project is set forth below.
2. The Original Expenditures to be reimbursed with the proceeds of the Bonds will be "capital expenditures" as defined in Treas. Reg. Section 1.150-1(b), costs of issuance for the Bonds, and/or expenditures described in Treas. Reg. Section 1.148-6(d)(3)(ii)(B) (relating to certain extraordinary working capital items).
3. Pursuant to the Reimbursement Regulations, with respect to each Original Expenditure to be reimbursed with proceeds of the Bonds, either (i) the date of the declaration of official intent is not later than sixty (60) days after the payment of the Original Expenditure, or (ii) if the date of the declaration of official intent is more than 60 days after the payment of the Original Expenditure, the Original Expenditure must be a preliminary, pre-construction expenditure as described in Treas. Reg.

Exhibit A

Section 1.150-2(f)(2) and the total amount of such preliminary expenditures to be reimbursed with proceeds of the Bonds cannot exceed 20% of the proceeds of the Bonds.

4. This Request for Action expresses the Board's declaration of intent only. It does not authorize the Agency to issue the Bonds, which issuance may only be authorized by subsequent action adopted in accordance with law. The ability of the Project to conform to the Agency Multifamily Underwriting Guidelines and Financing Policy (the "Guidelines") as well as compliance with federal tax and other laws, has not yet been determined. This approval does not obligate the Agency to take any further action in connection with this Project, including any approval to allocate tax-exempt bond volume cap, to issue bonds or to provide first mortgage financing, gap financing or a tax credit allocation. This approval for a Declaration of Intent is not intended to give this Project any preference over any other project.

5. The following is a brief, general description of the Project based on current expectations regarding the Project:

The Project

The Project is a new construction sixty-six (66)-unit family affordable development located in Galloway Township, Atlantic County. The Project is being developed by Walters-Cornerstone Development LLC, (the "Developer"). The Project will be located on Wrangleboro Road, Block: 989.01 and Lot:1. (the "Property"). The Project will be the third phase of three-phases to be developed on this site. The Sponsor will reserve five (5) units for individuals with mental illness and tow (2) units for individuals leaving nursing homes. Residents will have access to the community building constructed during first phase of the Development, which will house amenities such as a fitness center, a club room and management offices. There are one hundred and twenty (120) planned parking spaces representing roughly 1.82 parking spaces per dwelling unit.

The Project will feature five (5) three-story residential buildings consisting of townhouses and flats. The Project proposes thirteen (13) one-bedroom units at an average of 600 sq. ft., thirty-nine (39) two-bedroom units at an average of 850 sq. ft., and fourteen (14) three-bedroom units at an average of 1,150 sq. ft.

All sixty-six (66) units will be affordable. The proposed net rents for the eleven (11) one-bedroom units range from \$218 to \$1,257, thirty-nine (39) two-bedroom units range from \$246-\$998, and fourteen (14) three-bedroom units range from \$271-\$1,140. Two (2) Section 811 Project-based Assistance vouchers have been committed for the two (2) Money Follows the Person units. The proposed net rent for the two (2) individuals leaving nursing homes is \$1,257 for Section 811.

The Sponsor is proposing to include the following in-unit amenities: Energy Star-rated appliances with frost-free refrigerator, gas oven and range hood, washer & dryer, and dishwasher. The Project will use electric heat and gas hot water, gas cooking and electric

Exhibit A

air conditioning; these utility services along with electricity will be individually metered and paid for by the tenant.

Near the project, there are pharmacies, stores, parks, recreational activities, and transportation within driving distance. The Project is also in close proximity to Stockton University, AtlantiCare Regional Medical Center, and Edwin B. Forsythe National Wildlife Preserve.

For Special Needs purposes, the Project will have five (5) units for individuals with mental illness and two (2) units for individuals coming out of a nursing home.

The Project is in a Smart Growth area and is in the Suburban Planning Area. It will be managed by RW Property Management, Inc.

The Project is applying for 4% Low Income Housing Tax Credits. For tax credit purposes, the Sponsor has elected 40% at 60% average median income.

Agency Financing

The Agency will provide permanent only loan financing in the estimated amount of \$11,500,586. This loan will be evidenced by two mortgage notes. Both notes will be secured by a first mortgage lien on the Property. Note I is anticipated to be in the amount of \$1,625,741, at an estimated annual interest rate of 5.90%, for an estimated term of thirty (30) years. In order to meet the 55% aggregate basis test, as required by the Agency's underwriting guidelines, Note II must be funded through bond proceeds in an amount anticipated to be \$9,874,845, at an estimated interest rate of 4.55%, with a maturity date of twelve (12) months from the date of loan closing. Note II will be additionally secured by an assignment of syndication proceeds, Special Needs Housing Trust Fund ("SNHTF") and Affordable Housing Production Fund ("AHPF").

The Agency will provide a permanent loan from the Special Needs Housing Trust Fund ("SNHTF") in an estimated amount of \$750,000, at an estimated annual interest rate of 1%, with an estimated term of 30 years. This loan will be repaid with 16.67% of the Project's available cash flow remaining after the payment of operating expenses, required reserves and amortized mortgage debt and at the earlier of ten (10) years or the repayment of deferred developer's fee. This mortgage will be secured by a subordinate lien on the Property.

The Agency will provide permanent loan financing from the Affordable Housing Production Fund ("AHPF") Program. The loan is currently estimated to be \$9,069,719 at an estimated 1% interest rate at permanent rollover for an estimated term of thirty (30) years. The loan will be repaid from 16.67% of the Project's cash flow remaining after the payment of operating expenses, required reserves and amortized mortgage debt and at the earlier of ten (10) years or the repayment of deferred developer's fee. The loan will be secured by a subordinate mortgage lien on the Property.

Exhibit A

The Agency will provide a permanent loan from the Money Follows the Person Program (“MFP”) in an estimated amount of \$300,000, at an estimated annual interest rate of 1%, with an estimated term of 30 years. This loan will be repaid with 16.67% of the Project’s available cash flow remaining after the payment of operating expenses, required reserves and amortized mortgage debt and at the earlier of ten (10) years or the repayment of deferred developer’s fee. This mortgage will be secured by a subordinate lien on the Property.

DOI Conditions:

1. The Agency authorizes its staff to require an additional credit enhancement obligation based on Agency staff’s assessment of the associated risk involved in providing a mortgage for construction only financing.
2. The Agency authorizes its staff at its sole discretion to dictate the Construction Draw Schedule of Agency financing based on (1) pro rata apportionment of funds, (2) pari passu distribution or (3) the Agency financing being the last funding source disbursed during the construction period.
3. The Borrower has not justified to the Agency’s satisfaction the reasonableness of the total development costs. Therefore, the Agency reserves the right to require that the Borrower provide a quantitative analysis and justification of the costs or the Agency will commission an independent analysis to confirm the cost, with the Sponsor paying for that analysis.
4. The borrower must conclusively demonstrate that this project is permitted to receive an allocation of LIHTC in accordance with Section 19 of P.L. 2008, c. 46, N.J.S.A. 52:27D-321.1 (A500 ACS) and is subject to an Inclusionary review, feasibility analysis and determination of LIHTC eligibility prior to the project proceeding to a mortgage commitment.

FINANCIAL INFORMATION

DEVELOPMENT COSTS

Acquisition	\$10	(\$0/DU)	(\$0/SF)
Construction Costs (Including Contractor Fee)	\$14,504,619	(\$219,767/DU)	(\$203/SF)
Contingencies	\$839,930	(\$12,726/DU)	(\$12/SF)
Developer Fee	\$2,846,000	(\$43,121/DU)	(\$41/SF)
Professional Fees	\$644,375	(\$9,763/DU)	(\$9/SF)
Carrying Financing Costs	\$2,305,235	(\$34,928/DU)	(\$33/SF)

Exhibit A

Other Charges	\$1,423,310	(\$21,565/DU)	(\$20/SF)
TOTAL DEVELOPMENT COST	\$22,563,479	(\$341,871/DU)	(\$322/SF)

PROPOSED PERMANENT SOURCES

HMFA First Mortgage, Note I	\$1,625,741	(\$24,632/DU)
Special Needs	\$750,000	(\$11,364/DU)
LIHTC Equity (\$0.95)	\$9,488,494	(\$143,765/DU)
Berkadia Affordable Tax Credit Solutions		
Deferred Developer Fee	\$1,329,524	(\$20,144/DU)
AHPF	\$9,069,719	(\$137,420/DU)
Money Follows the Person	\$300,000	(\$4,545/DU)

TOTAL PROPOSED PERMANENT SOURCES	\$22,563,478	(\$341,871/DU)
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REPAYMENT OF HMFA NOTE II PLUS INTEREST (And/or any Construction Bridge Loan).

HMFA Note II	\$9,874,845	(\$149,619/DU)
Note II Interest	\$449,305	(\$6,808/DU)
TOTAL HMFA Note II	\$10,324,150	(\$156,427/DU)

LESS PROPOSED SOURCES

LIHTC Partial Install #3	\$7,318,385
SNHTF	\$750,000
AHPF	\$2,255,765
TOTAL SOURCES PROPOSED	\$10,324,150

RESOLUTION #219-23

RESOLUTION OF THE TOWNSHIP OF GALLOWAY, ATLANTIC COUNTY EXPRESSING INTENT TO FUND ANY SHORTFALL FOR AFFORDABLE HOUSING PROGRAMS IN THE TOWNSHIP'S AMENDED HOUSING ELEMENT AND FAIR SHARE PLAN

WHEREAS, on June 22, 2015, in accordance with In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015) (Mount Laurel IV), the Township of Galloway ("Township") filed a complaint seeking a declaration of its compliance with the Mount Laurel doctrine and the Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq.; and

WHEREAS, through the declaratory judgment process a Settlement Agreement was reached between the Township and Fair Share Housing Center (FSHC), which agreement was entered into on December 18, 2017, and approved by the Court following a duly-noticed fairness hearing; and

WHEREAS, An Amended Settlement Agreement was reached between the Township and FSHC, which agreement was entered into on March 24, 2023, and was preliminarily approved by the Court following a duly-noticed fairness hearing; and

WHEREAS, as part of the Amended Settlement Agreement, Galloway Family Housing, LLC will develop, as a municipally sponsored project, 198 units of affordable housing on Block 988.01, Lots 38-41; Block 988.12, Lots 33-36 & 44; Block 988.13, Lot 37; Block 988.14, Lot 42; Block 988.15, Lot 43; Block 989, Lot 1; Block 990, Lot 1; Block 991, Lot 1; Block 992, lot 1; Block 993, Lot 1; Block 994, Lots 1 & 2; and Block 995, Lot 1 & 2, and portions of Artic Avenue, Atlantic Avenue, Pacific Avenue, Baltic Avenue and certain unnamed streets on the Official Tax Map of the Township (the "Wrangleboro Road Project") in accordance with the Redevelopment Plan that was adopted by the Township Committee by Ordinance #2096-2022, on December 13, 2022; and

WHEREAS, certain portions of the Township's amended Housing Element and Fair Share Plan, specifically the Wrangleboro Road Project, Habitat for Humanity Holly Avenue, and those projects and programs identified in the Township's 2023 Spending Plan, may require a financial commitment by the Township in order to create a realistic opportunity for the provision of affordable housing; and

WHEREAS, Galloway Township anticipates that funding to satisfy its fair share obligation will come from the public and private sources, including but not limited to: (1) the Township's affordable housing trust fund development fee payments and in-lieu payments; (2) governmental sources, including but not limited to, federal Low Income Housing Tax Credits, New Jersey Housing and Mortgage Finance Agency Affordable Housing Production Funds, New Jersey Housing and Mortgage Finance Agency Special Needs Housing Trust Fund, New Jersey Housing and Mortgage Finance Agency bond financing, and other governmental programs and

grants; and (3) private funding, including but not limited to, private loans, private grants, and developer funds; and

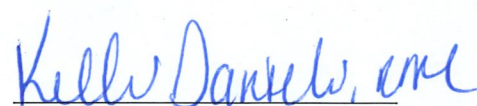
WHEREAS, in the event that the above funding sources prove inadequate to meet Galloway Township's funding obligations, Galloway Township shall provide sufficient funding to address any shortfalls.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Committee of the Township of Galloway, County of Atlantic, State of New Jersey as follows:

1. The aforementioned recitals are incorporated herein as though fully set forth at length.
2. The Township Committee does hereby agree to fund any shortfall in the Wrangleboro Road Project, Habitat for Humanity Holly Avenue, or in those projects and programs identified in the Township's 2023 Spending Plan, whether due to inadequate funding from other sources.
3. Said shortfall shall be funded by bonding if there are no other resources available.
4. This Resolution shall take effect immediately.

Certified to be a true copy of a Resolution adopted by the Municipal Council for the Township of Galloway, county of Atlantic and State of New Jersey, on the 11th day of July 2023.

TOWNSHIP OF GALLOWAY



Kelli Danieli, RMC
Township Clerk

Recorded Vote:	MOTIONS	AYE	NAY	ABSTAIN	ABSENT
Amato		X			
Bassford	1	X			
Clute		X			
DiPietro		X			
Sudler	2	X			
Umar		X			
Coppola		X			

ATTEST:

TOWNSHIP OF GALLOWAY


KELLI DANIELI, Township Clerk

ANTHONY COPPOLA, Mayor

EXHIBIT AD

RESOLUTION #219-23

RESOLUTION OF THE TOWNSHIP OF GALLOWAY, ATLANTIC COUNTY EXPRESSING INTENT TO FUND ANY SHORTFALL FOR AFFORDABLE HOUSING PROGRAMS IN THE TOWNSHIP'S AMENDED HOUSING ELEMENT AND FAIR SHARE PLAN

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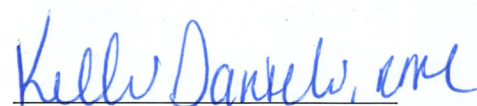
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TOWNSHIP OF GALLOWAY



Kelli Danieli, RMC
Township Clerk

Recorded Vote:	MOTIONS	AYE	NAY	ABSTAIN	ABSENT
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Bassford	1	X			
Clute		X			
DiPietro		X			
Sudler	2	X			
Umar		X			
Coppola		X			

ATTEST:

TOWNSHIP OF GALLOWAY


KELLI DANIELI, Township Clerk

ANTHONY COPPOLA, Mayor