

EXHIBIT E



0038M7

OCT 11 2013

AFFORDABLE HOUSING AGREEMENT

This Agreement is made and dated this 16th day of July, 2013, by and between:

THE TOWNSHIP OF HOLMDEL, in Monmouth County, a municipal corporation of the State of New Jersey, having an address at 4 Crawfords Corner Road, Holmdel, New Jersey (the "*Township*"), and

SOMERSET HOLMDEL, LLC, a New Jersey limited liability company having an address of 911 East County Line Road, Suite 203, Lakewood, New Jersey 08701 ("*Developer*"), and

WITNESSETH

WHEREAS, Developer is the contract purchaser of property in Holmdel Township known as the Alcatel-Lucent Property, designated as Block 11, Lots 38, 38.02, 73.01, 73.02, 73.03 and 73.04 on the Township of Holmdel Tax Map (collectively "*Property*") and

WHEREAS, the Property was designated in need of redevelopment and the Township adopted a redevelopment plan known as the Alcatel-Lucent Redevelopment Plan ("*Redevelopment Plan*"); and

WHEREAS, the Developer was designated as "redeveloper" of the Property by the Township governing body in accordance with the Redevelopment Plan; and

WHEREAS, in accordance with the Redevelopment Plan, in connection with its redevelopment of the Property, the Developer is required to construct or otherwise provide for the production of low and moderate income housing in partial satisfaction of the Township's obligation to provide affordable housing in accordance with the Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq. (the "*Act*") and the regulations and policies of the New Jersey Council on Affordable Housing ("*COAH*") (the "*Affordable Housing Laws*"); and

WHEREAS, the Township desires to formalize the terms and conditions of such obligation and to financially assist the Developer in satisfying that obligation; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Township and Developer, intending to be bound, do hereby agree as follows:

1. **Preamble.** All of the recital clauses set forth hereinabove are hereby made an integral part of this Agreement.
2. **Obligation to Provide Affordable Housing.** In connection with its redevelopment of the Property (but not necessarily at the Property) the Redeveloper shall be required to provide affordable housing units as follows (the "*Affordable Housing Obligation*"):
 - a. Number of Units to be Provided.

RETURN TO: TOWNSHIP CLERK
TOWNSHIP OF HOLMDEL
PO BOX 410
HOLMDEL, NJ 07733

i) If the Developer receives and utilizes the Subsidy (as defined below), it shall provide the number of affordable housing units equal to twenty percent (20%) of the number of market rate housing units the Developer receives approval to construct on the Outside Lands (as such term is defined in the Redevelopment Agreement between the Township and the Developer). By way of example, if the Developer receives the Subsidy and received approval to construct 100 market rate housing units on the Outside Lands, the Developer shall be obligated to provide 20 affordable housing units.

ii) If the Developer does not receive and utilize the Subsidy, it shall provide the number of affordable housing units equal to fifteen percent (15%) of the number of approved market rate housing units. By way of example, if the Developer does not receive the Subsidy and receives approval to construct 100 market rate housing units on the Outside Lands, it shall be obligated to provide 15 affordable housing units.

b. **Timeframe for Satisfaction of the Affordable Housing Obligation.** The Affordable Housing Obligation is anticipated to be satisfied through an assisted living residence with certain units (or beds) therein restricted for use and occupancy in accordance with the Affordable Housing Laws. If the Developer proceeds with the development of an assisted living residence, the Affordable Housing Obligation shall be satisfied within the assisted living facility, and a certificate of occupancy shall not be issued for such facility nor shall it be permitted to be open for business until such time as the Affordable Housing Obligation is satisfied. Notwithstanding the foregoing, nothing herein shall be construed to limit the manner in which the Developer is permitted to satisfy the Affordable Housing Obligation as may be permitted in the Redevelopment Plan and as agreed upon by the parties. Nothing herein shall limit or restrict the Developer's right to enter into an agreement or other arrangement to allow or otherwise provide for the Affordable Housing Obligation to be satisfied by an assisted living operator or other company that develops, owns and/or manages affordable housing. If the Developer does not proceed with the assisted living residence, and thus satisfies the Affordable Housing Obligation in another manner, such obligation shall be satisfied no later than three (3) years of the completion of the residential development. In any event, the Affordable Housing Obligation shall be satisfied no later than seven (7) years from the date of this Agreement.

3. **Subsidy.** Subject to certain conditions listed below, the Township shall provide Developer with a grant in the amount of \$1,000,000.00 (the "Subsidy") out of its affordable housing trust fund. The funds shall be held in escrow by counsel for the Township until such time that Developer demonstrates to the Township that it has properly recorded the Deed Restriction (as defined in Section 4 below), and has received binding commitments for all financing necessary to complete the Affordable Housing Obligation or otherwise has the ability to satisfy the Affordable Housing Obligation to the Township's reasonable satisfaction.

4. **Deed Imposing Restrictive Covenants and Conditions and Restrictions on Affordable Housing property.** The Developer shall execute and record a deed restriction with the Monmouth County Clerk's Office in the form required by the

Affordable Housing Laws, as approved as to form by the Township's attorneys (the "Deed Restriction"). The Deed Restriction will set forth the not less than 30-year affordability restrictions that will encumber the units constructed in satisfaction of the Affordable Housing Obligation, binding the parties hereto and their respective heirs, successors and assigns. The consideration recited in the Deed shall be One Dollar (\$1.00).

5. **Repayment Note and Mortgage.** In addition to the Deed Restriction, at the time of the release of the Subsidy to the Developer, the Developer shall execute and deliver to the Township a note and a mortgage requiring repayment of the Subsidy in the event the units constructed in satisfaction of the Affordable Housing Obligation do not remain subject to the affordability controls set forth within the Deed Restriction or an unremedied violation of the Affordable Housing Laws occurs with regard to the units constructed in satisfaction of the Affordable Housing Obligation. The Township agree that the Mortgage shall be subordinate to all of Developer's financing on the Property and shall be limited to the existing main building (the "Mortgaged Property") and the Township agrees further to provide for subordination and/or recognition agreements, at no cost to the Developer, as may be reasonably requested by the Developer from time to time for Developer's lenders and tenants of the Mortgaged Property. Further, the Township agrees to release, for no consideration, from the Mortgage, any units or lands within the Property that is sold to any third party. The Parties further agree that the Mortgage shall expire by its terms and be discharged of record upon the satisfaction of the Affordable Housing Obligation and the passage of the time period of affordability required under the Deed Restriction.
6. **Compliance With COAH Rules.**
 - a. Developer agrees to comply with all Affordable Housing Laws, including but not limited to Uniform Housing Affordability Controls (UHAC) N.J.A.C. 5:80-26.1 et seq. or such other applicable affordable housing laws, including, but not limited to, the low-moderate split. Developer is obligated to maintain the creditworthiness of the units, beds or bedrooms receiving affordable housing credit. Towards that end, Developer will cooperate with the Township and its Administrative Agent, its successor and/or assigns, to comply with applicable COAH and UHAC regulations.
 - b. Developer acknowledges the obligation of the Township and its Administrative Agent to fill out COAH's monitoring forms as to all affordable housing units in the Township on a yearly basis. Developer agrees to cooperate with the Township and Administrative Agent and provide all relevant documentation in its possession to the Township and its Administrative Agent so that the Administrative Agent may monitor and report on the creditworthiness of the units to COAH. In the event Developer fails to cooperate with the Township or Administrative Agent, the Township shall be entitled to pursue any remedy available in equity and at law.

- c. The Developer shall be responsible for the administration of the affordable units at its cost and expense.
7. **Obligation of the Developer.** The Township acknowledges and agrees that the Affordable Housing Obligation is personal to the Developer and its affiliates and/or parent company, will look only to the Developer or an affiliate of the Developer for satisfaction of the Affordable Housing Obligation and not the developers of the Outside Lands. Entitlements for development of the Outside Lands by unrelated third parties will not be conditioned on the prior satisfaction of the Affordable Housing Obligations.
8. **Parties.** Developer and the Township, and all parties who lawfully succeed to their rights and responsibilities, shall be bound by this Agreement.
9. **Entire Agreement.** This Agreement represents the entire agreement between the Parties and can only be changed in writing by all the Parties.
10. **Controlling Law.** This Agreement shall be interpreted under the laws of the State of New Jersey in force on the date that the Agreement was executed. The Parties agree that the terms of this Agreement shall be binding despite any subsequent changes in law unless agreed upon in writing by the Parties.
11. **Notice.** All notices required under this Agreement shall be sent via certified mail, return receipt requesting to the following:

To Developer:

Attention: Somerset Holmdel LLC
911 East County Line Road
Suite 203,
Lakewood, New Jersey 08701
With a copy to: Michael Bruno

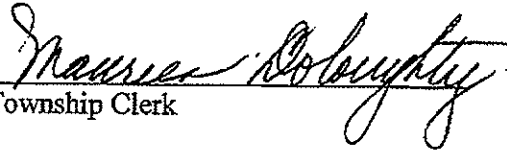
To the Township:

Township of Holmdel
4 Crawford's Corner Road
Holmdel, NJ 07733
Attention: Clerk

12. **Signatures.** The Parties agree to the terms and conditions contained in this Agreement. This Agreement is being made by two legal entities and the proper corporate officers or municipal representative of each entity have been authorized to sign and affix the corporate seals on the date first written above.

Attest:

THE TOWNSHIP OF HOLMDEL


Township Clerk


Patrick Improveduto, Mayor

SOMERSET HOLMDEL, LLC

Secretary



M CLAIRE FRENCH, CTY CLK
MONMOUTH COUNTY, NJ
INSTRUMENT NUMBER
2013113773
RECORDED ON
OCT 11, 2013
2:37:40 PM
BOOK: 08-9040
PAGE: 7498
Total Pages: 5
COUNTY RECORDING FEES \$8.00
TOTAL PAID \$8.00

Not Certified Copy

EXHIBIT F

Execution Copy - 05/15/14

JUN 20 2014



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REDEVELOPMENT AGREEMENT

BETWEEN

TOWNSHIP OF HOLMDEL, NEW JERSEY,

as the Redevelopment Entity

AND

SOMERSET HOLMDEL DEVELOPMENT I, LP,

as Redeveloper

Dated as of 6/10, 2014

CLARE FRENCH, CTY CLK
MONMOUTH COUNTY, NJ
INSTRUMENT NUMBER
2014048007
RECORDED ON
JUN 23, 2014
8:31:52 AM
BOOK: OR-9069
PAGE: 9742
Total Pages: 171
COUNTY RECORDING FEES \$8.00
TOTAL PAID \$8.00

Prepared By:

Michael A. Bruno, Esq.

RHP (20)

Township of
Holmdel
4 Crawford's
Corner Road
Holmdel NJ 07733

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Exhibits

- Exhibit 1 Property Map
- Exhibit 2 Township of Holmdel Ordinance No. ___ and Redevelopment Plan
- Exhibit 3 Township of Holmdel Resolution No. _____ designating Somerset Development LLC as redeveloper for the Property
- Exhibit 4 Outside Lands
- Exhibit 5 Project Schedule
- Exhibit 6 Concept Plan
- Exhibit 7 Escrow Agreement
- Exhibit 8 Ownership Structure
- Exhibit 9 Affordable Housing Agreement
- Exhibit 10 Environmental Provisions from Lucent
- Exhibit 11 Planning Board Resolution of Approval for Phase I of the Project
- Exhibit 12 Limited Guaranty
- Exhibit 13 Pilot Material Terms
- Exhibit 14 Off-site Improvements and Redeveloper Contribution
- Exhibit 15 Proposed Township library space

Not Certified Copy

THIS AGREEMENT, dated as of 6/10, 2014 ("Agreement") between THE TOWNSHIP OF HOLMDEL, a Municipal Corporation of the State of New Jersey, having an address at Four Crawfords Corner Road, Holmdel, New Jersey 07733 ("Township"), and SOMERSET HOLMDEL DEVELOPMENT I, L.P. a New Jersey limited partnership, having an address c/o Ralph Zucker at 911 East County Line Road, Suite 203, Lakewood, New Jersey 08701 ("Somerset" and sometimes referred to herein as the "Redeveloper"). The Township and Redeveloper herein jointly referred to as (the "Parties").

RECITALS

WHEREAS, the Township Committee and Township Planning Board have engaged in multiple investigations and studies pursuant to the requirements of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq. ("Redevelopment Law") relating to the former Bell Laboratories property located in the Township along Crawfords Corner Road and Roberts Road with frontage on Middletown Road and known as block 11, lots 38, 38.02, 73.01, 73.02, 73.03 and 73.04 on the Township tax map and consisting of approximately 473 acres and as shown on the map attached hereto as Exhibit 1 (the "Property"); and

WHEREAS, such investigations and studies resulted in the Township, by resolution dated May 5, 2011, designating the Property as an "as an area in need of rehabilitation" and subsequently, by resolution dated May 3, 2012, "as area in need of redevelopment" under the terms of the Redevelopment Law; and

WHEREAS, Somerset acquired the Property from Alcatel-Lucent USA, Inc., and LTI NJ Finance LLC ("Lucent") on August 29, 2013; and

WHEREAS, Somerset is the assignee of Somerset Development, LLC and Somerset Holmdel, LLC of all rights to the Property; and

WHEREAS, Somerset Holmdel, LLC, is the general partner of Somerset; and

WHEREAS, beginning in late 2008, Somerset and the Township have conducted ongoing discussions regarding the proposed redevelopment of the Property during which time Somerset presented the Township with various development proposals for the Property; and

WHEREAS, Somerset has conducted multiple community presentations for the proposed redevelopment of the Property at which times the public had the opportunity to participate and ask questions regarding the re-use of the Property; and

WHEREAS, on May 17, 2012, the Township Committee adopted Ordinance No. 2012-12, approving and adopting a Redevelopment Plan for the Property dated April 2012 (the "Redevelopment Plan"), a copy of both Ordinance No. 2012-12 and the Redevelopment Plan are attached hereto as Exhibit 2; and

WHEREAS, the Redevelopment Plan proposes the reuse of the existing approximately 1,675,000 square foot main building on the Property (the "Building") to transform the underutilized Building into an economically and socially productive use which will contribute to the general welfare of the Township; and

the Parties agree that nothing herein shall prohibit the Redeveloper, upon submission, processing and approval of any required building permit applications and notice to the Township, from commencing, at Redeveloper's sole risk, interior renovations and tenant fit-up to the Building prior to the issuance of the Phase 1 Site Plan; provided, further however, that the Redeveloper acknowledges that it may not be issued a certificate of occupancy for the Building until the Phase 1 Site Plan approval is obtained from the Township Planning Board as contemplated by the Redevelopment Plan and this Redevelopment Agreement.

(d) Except as provided in Section 8.03(k) and 11 below, the Redeveloper shall not have the right to sell, transfer or lease any portion of the Outside Lands to third party developers for development of the Infrastructure Improvements required by the Governmental Approvals for the Outside Lands and the Outside Lands Vertical Improvements or other improvements without prior consent of the Township, which shall not be unreasonably withheld. Notwithstanding the foregoing, the Redeveloper has advised the Township that it has entered into a Purchase and Sale Agreement with Toll Brothers to sell the residential sections of the Outside Lands for development in accordance with the Redevelopment Plan. The Township hereby consents to such sale and no further Township consent is required for the sale of the residential portion of the Outside Lands to Toll Brothers.

(e) The Redeveloper covenants and agrees to complete construction of the Project in accordance with the Project Schedule, the Redevelopment Plan, the Redevelopment Law and this Agreement, subject only to Uncontrollable Circumstances or changes as may be mutually agreed upon between the Township and the Redeveloper.

(f) In the event that the Redeveloper proceeds with the Project in more than one Phase, an Event of Default by the Redeveloper in one (1) or more Phases of the Project shall not be deemed an Event of Default in any other Phase(s) within the Project provided that such other Phase(s) are not otherwise in default of the terms and conditions of this Redevelopment Agreement.

(g) Affordable Housing issues are addressed by separate agreement between the Parties entitled "Affordable Housing Agreement", dated July 16, 2013, attached hereto as Exhibit 9 and incorporated by reference herein. The Township agrees to look solely to the Redeveloper for the satisfaction of any affordable housing obligations for the Property as specified in the Redevelopment Plan and that no portion of the Project shall be conditioned upon the satisfaction of the affordable housing obligations provided in the Redevelopment Plan except as required in the attached Affordable Housing Agreement.

SECTION 2.03. The Project. The Project shall be limited to the permitted uses identified in the Redevelopment Plan. As shown on the Concept Plan, the Parties agree and acknowledge that the existing infrastructure improvements on the Property, including access, internal roads, utilities, storm water facilities, lighting and parking shall, subject to reasonable modifications required for the health and safety purposes as required by the Governmental Approvals, be used for the Project. It is further contemplated that the existing means of ingress and egress to the Property and internal road systems will be used for access to the Building and proposed development of the Outside Lands. As shown on the Concept Plan, additional infrastructure improvements are contemplated for the development of the Outside Lands for the

EXHIBIT G

**Spending Plan for the Third Round Planning Period
Township of Holmdel
Monmouth County, NJ**

July 2020

In consultation with:

Phillips Preiss Grygiel Leheny Hughes LLC
Planning and Real Estate Consultants
33-41 Newark Street, 3rd Floor, Suite D
Hoboken, NJ 07030

1

INTRODUCTION

The Township of Holmdel, Monmouth County has prepared this Spending Plan to plan for the distribution of funds collected and deposited into the Holmdel Affordable Housing Trust Fund.

1. REVENUES FOR CERTIFICATION PERIOD

As of May 31, 2020, the Township of Holmdel has collected \$16,808,033.86 and expended \$15,480,858.69, resulting in a balance of \$1,327,175.17. All development fees, interest generated by the fees, and other income are deposited in a separate interest-bearing affordable housing trust fund in Ocean First Bank for the purposes of affordable housing.

To calculate a projection of revenue anticipated during the period of third round substantive certification, the Township of Holmdel considered the following:

(a) Development fees:

1. Residential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
2. All residential projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
3. Future development that is likely to occur based on historical rates of development.

In 2018, the Township of Holmdel received development fees totaling \$217,677 from all qualifying residential and non-residential development activities within the Township. Future development trends and resulting annual development fees are assumed to be consistent with current levels, resulting in total development fees of approximately \$1.3 million through 2025.

(b) Payment in lieu (PIL):

Somerset Holmdel, LLC obtained approval for a 240-unit development within the Alcatel-Lucent Redevelopment Area. Pursuant to the Alcatel-Lucent Redevelopment Plan, Somerset Holmdel, LLC is required to set-aside at least 15% of units (34 units) as affordable, either through on-site construction, off-site construction within Holmdel Township, or a Payment-in-Lieu of Construction at a rate of \$152,227 per unit. At present, the Township expects this obligation to be satisfied via a PIL totaling \$5,175,718 through 2025.

(c) Other funding sources:

At this time, the Township does not anticipate collecting funds from other sources, including but not limited to, the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, and proceeds from the sale of affordable units. The Township reserves the right to seek potential donations and other monies from government sources to implement its Fair Share Plan.

(d) Projected interest:

Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate of 1.66% percent.

SOURCE OF FUNDS	PROJECTED REVENUES – HOLMDEL AFFORDABLE HOUSING TRUST FUND – 2020 THROUGH 2025						
	2020	2021	2022	2023	2024	2025	Total
(a) Development fees:	\$217,677.00	\$217,677.00	\$217,677.00	\$217,677.00	\$217,677.00	\$217,677.00	\$1,306,062.00
(b) Payments in Lieu of Construction	\$913,362.00	\$913,362.00	\$913,362.00	\$913,362.00	\$761,135.00	\$761,135.00	\$5,175,718.00
(c) Other Funds (Specify source(s))	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(d) Interest (1.66% compounded annually)	\$6,722.50	\$7,760.28	\$8,815.29	\$10,253.01	\$9,187.63	\$8,104.57	\$50,843.29
Total Projected Revenue	\$1,137,761.50	\$1,138,799.28	\$1,139,854.29	\$1,141,292.01	\$987,999.63	\$986,916.57	\$6,532,623.29

The Township of Holmdel projects a total of \$6,532,623.29 to be collected between June 1, 2020 and July 31, 2025. This projected amount, when added to the Township of Holmdel's trust fund balance of \$1,327,175.17 as of May 31, 2020, results in an anticipated total revenue of \$7,859,798.46 through July 31, 2025 available to fund and administer its affordable housing plan. All interest earned on the account shall be used only for the purposes of affordable housing.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Township of Holmdel:

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with the Township of Holmdel's development fee ordinance for both residential and non-residential developments in accordance with the Department's rules and P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7).

(b) Distribution of development fee revenues:

The disbursement of monies in the Township of Holmdel's affordable housing trust fund is coordinated by its Municipal Housing Liaison. In some instances, funds are provided to other entities, such as an entity responsible for administering a rehabilitation program, for eventual disbursement.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

(a) **Rehabilitation and new construction programs and projects**

The Township of Holmdel will dedicate \$2,124,000 to rehabilitation or new construction programs, including extensions of affordability controls, (see detailed descriptions in Fair Share Plan) as follows:

Rehabilitation program: \$572,000

The Township of Holmdel has a rehabilitation obligation of 37 units. As of May 31, 2020, 11 units have been completed. To address the remaining need of 26 rehabilitation units, the Township will continue to contract with Community Grants, Planning & Housing (CGP&H) to administer its Home Improvement Program. The Township will award up to \$22,000 to each eligible household, resulting in total estimated rehabilitation expenses of \$572,000. Through the period of 2020-2025, the Township plans to rehabilitate an average of 4-5 units per year under this program.

New construction project(s) and extension of affordability controls: \$1,552,000 of revenues to be expended to subsidize the creation of affordable units for the Middle Road 100% affordable residential development and for the extension of affordability controls.

Middle Road 100% Affordable Residential Development: \$1,000,000

The Township has dedicated \$2,500,000 towards the purchase of land and construction costs for the Middle Road project. In 2019, the Township expended \$1.5 million in connection with land acquisition efforts via an eminent domain action captioned Township of Holmdel v. Exit 98 Associates, Inc. et. al.s., Superior Court of New Jersey, Law Division-Monmouth County, Docket No. MON-L-3307-19. The Township is anticipated to expend the remaining \$1,000,000 in 2020 to further support development of the Middle Road project.

Extension of Affordability Controls: \$552,000

In 2009, the Township began a program which extended the affordability controls to for-sale units set to expire within the Fox Chase, Hidden Woods, Gracewood Glenn, Orchards and Palmer Square developments. The Township offers eligible homeowners \$10,000 per unit to extend affordability controls and an additional \$1,500 to improve units to current code standards associated with its extension of affordability controls program. As indicated in the Township's Settlement Agreement with the Fair Share Housing Center, the Township has extended controls on 100 units. The Township will continue this program to extend affordability controls on the remaining 48 units that are eligible, assuming a maximum fee of \$11,500 per unit and 8 units per year.

(b) Affordability Assistance

Actual trust fund revenues through 5/31/2020		\$16,808,033.86
Projected trust fund revenues 6/1/2020 -- 7/31/2025	+	\$6,532,623.29
Less housing activity expenditures through 6/2/2008	-	\$9,009,503.38
Total	=	\$14,331,153.77
Calculate 30 percent	x .30 =	\$4,299,346.13
Less Affordability assistance expenditures through 5/31/2020	-	\$0.00
PROJECTED MINIMUM Affordability Assistance Requirement 6/1/2020 through 07/31/2025	=	\$4,299,346.13
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 6/1/2020 through 07/31/2025	÷ 3 =	\$1,433,115.38

The Township of Holmdel is required to dedicate \$4,299,346.13 from the affordable housing trust fund to render units more affordable, including \$1,433,115.38 to render units more affordable to households earning 30 percent or less of median income by region.

Holmdel expects to dedicate \$4,343,642.76 to affordability assistance. Holmdel will address the requirement through subsidizing the provision of very low-income housing and through other means such as down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessment and assistance with emergency repairs.

(c) **Administrative Expenses**

Actual trust fund revenues through 5/31/2020		\$16,808,033.86
Projected trust fund revenues 6/1/2020 – 7/31/2025	+	\$6,532,623.29
Payments-in-lieu of construction and other deposits thru 7/17/2008	+	\$0.00
Less RCA expenditures thru 12/31/2007	-	\$8,898,306.00
Total	=	\$14,442,351.15
Calculate 20 percent	x .20 =	\$2,888,470.23
Less admin expenditures thru 5/31/2020	-	\$1,915,886.45
PROJECTED MAXIMUM available for administrative expenses 6/1/2020 thru 07/31/2025	=	\$972,583.78

The Township of Holmdel projects that \$972,583.78 will be available from the affordable housing trust fund to be used for administrative expenses through 2025. In 2019, the Township expended \$149,304 in administrative expenses, including the following:

- Contracting with Community Grants, Planning & Housing (CGP&H) for affordable housing monitoring and administering the Township's Home Improvement Program. The Township and CGP&H entered into a Professional Services Agreement in 2017 and will continue this relationship. The Township currently expends up to \$69,105 in administrative fees to CGP&H, including a fixed fee of \$32,780 for affordable housing monitoring services and up to \$36,325 in rehabilitation program services.
- Professional planning services related to the planning for affordable housing. In 2019, the Township expended \$31,350 for this service performed by the Township Planner.
- Professional legal services in relation to affordable housing proceedings and compliance matters. In 2019, the Township expended \$48,849 for this service performed by the Township Counsel.

For the period between 2020 and 2025, the Township expects to continue appropriating administrative expenses for the aforementioned affordable housing planning, monitoring, rehabilitation program administration, and legal services. At current spending patterns of approximately \$149,304 per year, the projected total administrative expense is \$895,824, which is under the projected maximum administrative expenses cap.

4. EXPENDITURE SCHEDULE

The Township of Holmdel intends to expend \$7,363,466.76 total for the creation and rehabilitation of units, as well as extension of controls, affordability assistance, and administrative expenses through July 31, 2025.

PROJECTS/ PROGRAMS	# of Units	PROJECTED EXPENDITURE SCHEDULE 2020-2025						
		06/1/2020 – 12/31/2020	2021	2022	2023	2024	2025	Total
Rehabilitation	26	\$88,000.00	\$110,000.00	\$110,000.00	\$88,000.00	\$88,000.00	\$88,000.00	\$572,000.00
New Construction: Middle Road 100% Affordable	50							
Extension of Affordability Controls	48	\$1,000,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000,000.00
Affordability Assistance		\$92,000.00	\$92,000.00	\$92,000.00	\$92,000.00	\$92,000.00	\$92,000.00	\$552,000.00
Administration		\$723,940.46	\$723,940.46	\$723,940.46	\$723,940.46	\$723,940.46	\$723,940.46	\$4,343,642.76
		\$149,304.00	\$149,304.00	\$149,304.00	\$149,304.00	\$149,304.00	\$149,304.00	\$895,824.00
Total		\$2,053,244.46	\$1,075,244.46	\$1,075,244.46	\$1,053,244.46	\$1,053,244.46	\$1,053,244.46	\$7,363,466.76

5. EXCESS OR SHORTFALL OF FUNDS

In the event of any expected or unexpected shortfall if the anticipated revenues are not sufficient to implement the Housing Element and Fair Share Plan, the Township of Holmdel may appropriate funds from general revenue or adopt a resolution of intent to bond to provide the necessary funds to administer and fund programs outlined in its Housing Element and Fair Share Plan.

In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be used for affordable housing projects to meet a future affordable housing obligation, provided that the funds are expended within four years of collection as required by New Jersey's Fair Housing Act. If no local option within the Township is available, excess funds will be used for affordability assistance programs with the Monmouth County Public Housing Agency.

6. BARRIER FREE ESCROW

Collection and distribution of barrier free funds shall be consistent with the Township of Holmdel's Affordable Housing Ordinance.

SUMMARY

The Township of Holmdel intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:93-8.13 through 8.16 and consistent with the housing programs outlined in the Housing Element and Fair Share Plan.

The Township of Holmdel has a balance of \$1,327,175.17 as of May 31, 2020 and anticipates an additional \$6,532,623.29 in revenues through July 31, 2025 for a total of \$7,859,798.46. The municipality will dedicate \$7,363,466.76 of trust fund monies to support affordable housing construction and programs in the Township, including \$2,124,000 to rehabilitation, new construction subsidies, and extension of affordability controls; \$4,343,642.76 in affordability assistance programs; and \$895,824 in administrative costs. Any shortfall of funds will be offset by the Township of Holmdel, which will appropriate funds from the general revenue or adopt a resolution of intent to bond only as necessary to fund programs outlined in its Housing Element and Fair Share Plan. The municipality will dedicate any excess funds or remaining balance toward meeting a future affordable housing obligation, or to affordability assistance programs with the Monmouth County Public Housing Agency.

SPENDING PLAN SUMMARY	
Balance as of May 31, 2020	\$1,327,175.17
PROJECTED REVENUE June 1, 2020- July 31, 2025	
Development fees	+ \$1,306,062.00
Payments in lieu of construction or Other Funds	+ \$5,175,718.00
Interest	+ \$50,843.29
TOTAL REVENUE	= \$7,859,798.46
PROJECTED EXPENDITURES June 1, 2020- July 31, 2025	
Funds used for Rehabilitation	- \$572,000.00
Funds used for New Construction: Middle Road 100% Affordable	- \$1,000,000.00
Extension of Affordability Controls	- \$552,000.00
Affordability Assistance	- \$4,343,642.76
Administration	- \$895,824.00
TOTAL PROJECTED EXPENDITURES	= \$7,363,466.76
REMAINING BALANCE	= \$496,331.70