

**A CONTRACT AUTHORIZING THE RENEWAL OF A CONTRACT FOR THE  
NORTH BRUNSWICK HOUSING CORPORATION TO SERVE AS  
ADMINISTRATIVE AGENT FOR THE  
HOUSING REHABILITATION PROGRAM AND THE RENT SUBSIDY PROGRAM  
WITHIN THE TOWNSHIP OF NORTH BRUNSWICK,  
MIDDLESEX COUNTY, NEW JERSEY, IN ACCORDANCE WITH THE  
TOWNSHIP HOUSING ELEMENT/FAIR SHARE PLAN AS ADOPTED THROUGH  
THE FINAL JUDGMENT OF COMPLIANCE AND REPOSE  
FILED AUGUST 19, 2016**

**THIS AGREEMENT**, entered into as of this 7th day of February 2022,

**BETWEEN**

**THE TOWNSHIP OF NORTH BRUNSWICK**, a municipality and instrumentality of the State, having offices at 710 Hermann Road, North Brunswick, New Jersey 08902, (hereinafter referred to as the "Municipality"); and

**THE NORTH BRUNSWICK HOUSING CORPORATION**, having offices at 740 Hermann Road, North Brunswick, New Jersey 08902, (hereinafter referred to as the "Administrative Agent").

**WITNESSETH**

**WHEREAS**, in accordance with the Final Judgment of Compliance and Repose filed August 19, 2016, in order to implement provisions of the township Housing Element/Fair Share Plan, adopted June 6, 2016 (the "Plan"), the Municipality is implementing a program to provide affordable housing units to low- and moderate-income households desiring to live within the Municipality; and

**WHEREAS**, the Plan established that the Township's Rehabilitation Share, comprised of housing units that need renovation and are presently located in the Township and occupied by lower income households, is 199 units;

**WHEREAS**, the Plan projected that the Municipality would renovate 75 lower income units through the Housing Rehabilitation Program before funding from the Affordable Housing Trust Fund would be exhausted, and

**WHEREAS**, all funding for the Housing Rehabilitation Program provided through the Affordable Housing Trust Fund was collected from developers of property in the Municipality by assessment in accordance with state regulations; and

**WHEREAS**, the Municipality has accomplished the renovation of 48 lower income units to date through the Housing Rehabilitation Program; and

**WHEREAS**, the amount of funds remaining from funds previously transferred to the Administrative Agent for the Housing Rehabilitation Program totals \$50,488.97 as of December, 31, 2021; and

**WHEREAS**, the Municipality has collected additional fees in the Affordable Housing Trust Fund from assessments to developers since July 1, 2012; and

**WHEREAS**, transferring these funds and reauthorizing the Administrative Agent to implement the Housing Rehabilitation Program and Rent Subsidy Program will further the Municipality's efforts to meet its Rehabilitation Share; and

**WHEREAS**, at Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code, the State of New Jersey has promulgated affordability controls in regulations designed to assure that low- and moderate-income units that are created are occupied by low- and moderate-income households for an appropriate period of time (hereinafter referred to as the "Rules"); and

**WHEREAS**, Section 5:80-26.14 of the Rules provides that affordability controls may be administered by an Administrative Agent acting on behalf of a municipality; and

**WHEREAS**, the Municipality has selected the North Brunswick Housing Corporation to be the Administrative Agent for the Housing Rehabilitation Program and the Rent Subsidy Program components; and

**NOW THEREFORE**, the Municipality and the Administrative Agent hereby agree to the following terms and conditions:

**Section 1. Incorporation of Recitals.**

All of the above recitals are hereby incorporated and made a part hereof as though fully set forth at length herein.

**Section 2. Term.**

This Agreement shall become effective as of January 1, 2019, and shall have a term through December 31, 2024, subject to the termination and renewal provisions set forth in Section 5 herein below.

**Section 3. Applicability and Supersession.**

This Agreement shall define and govern all terms between the parties with respect to affordability controls for the Housing Rehabilitation Program and Rent Subsidy Program, and shall supersede all prior agreements or documents related thereto.

**Section 4. Agency and Enforcement Delegation.**

The Municipality and the Administrative Agent acknowledge that under the Rules, the Administrative Agent is acting hereunder primarily as an agent of the Municipality. Notwithstanding anything herein to the contrary, however, the Municipality hereby delegates to the Administrative Agent, and the Administrative Agent hereby accepts, primary responsibility for administering and enforcing the operational procedures for each program and the substantive provisions of the Act and the Rules for the Housing Rehabilitation Program, and the Rent Subsidy Program. The Municipality, however, shall retain the ultimate responsibility for ensuring effective compliance with the Rules and the Administrative Agent will come under the supervision of the Municipal Housing Liaison.

**Section 5. Termination and Renewal.**

- (1) This Agreement may be terminated by either party, by giving 60-days advance written notice to the other party, to the address and in the form as set forth in Section 9, below; provided however, that no such termination may take effect unless and until an alternate Administrative Agent has been selected by the Municipality and approved by all required governmental authorities.
- (2) Unless terminated, this Agreement shall automatically be renewed for a period of three (3) years through December 31, 2027.

**Section 6. Assignment of Affordable Housing Units.**

For the term hereof, and without exception, this Agreement shall govern the provision of affordability control services for the Housing Rehabilitation Program and the Rent Subsidy Program.

**Section 7. Responsibilities of the Administrative Agent.**

The Administrative Agent shall perform the duties and responsibilities of an Administrative Agent as are set forth in the Rules, and in the operational manuals for the Housing Rehabilitation Program and the Rent Subsidy Program, including those set forth in Sections 5:80-26.14, 16 and 18 thereof, which includes all of the following:

- (1) Housing Rehabilitation program.
  - (a) The Administrative Agent, in cooperation with the Municipality, shall have a target to identify and renovate approximately 27 dwelling units through 2027 in order to eliminate property maintenance, building and fire code violations, to remove blighting conditions and to repair and replace systems that have reached their useful lives;
  - (b) Services related to the administration of the Housing Rehabilitation Program, including advertising, applicant meetings, income verification, conducting housing inspections and preparing work write-ups, soliciting contractors, monitoring construction work, processing payment requests, preparing and

executing mortgages, mortgage notes, security agreements and UCC Financing Statements as necessary to secure loans, and the recording of all documents related to the participation in the program, all in accordance with the Housing Rehabilitation Program Operating Manual.

(2) Rent Subsidy Program.

- (a) North Brunswick Senior Housing, located at 740 Hermann Road, features 150 senior apartments that are all occupied by lower income households earning 60% or less of the median income. An analysis by the North Brunswick Planning Board in 2008 revealed that many of the residents are paying a relatively high percentage of their annual incomes for rent. Accordingly, the Administrative Agent shall establish a Rent Subsidy Program to reduce rents over the next six (6) years with the intention of benefiting to the maximum extent possible those residents who demonstrate the greatest financial need. The parameters for participation in the program and the qualification for each resident for a subsidy shall be determined by the Administrative Agent annually in order to account for changing financial conditions and to order to assure that the maximum amount of funds available is not exceeded.

(3) Records.

Records received, retained, retrieved, or transmitted under the terms of this contract may constitute public records of the Township of North Brunswick as defined by N.J.S.A. 47:3-16, and are legal property of the Township of North Brunswick. The Administrative Agent named in this contract must agree to administer and dispose of such records in compliance with the State's public records laws and associated administrative rules.

- (4) The Administrative Agent shall have authority to take all actions necessary and appropriate to carry out its responsibilities hereunder, including the right to subcontract, in whole or in part, the obligations set forth herein, provided the subcontractor agrees in writing to take responsibility for such obligations and to indemnify the Municipality for its actions, including, negligence, as if the subcontractor were a party hereto.

**Section 8. Responsibility of the Municipality.**

The Municipality shall:

- (1) Provide to the Administrative Agent the name, title and telephone number of the municipal official designated as the Municipal Housing Liaison to the Administrative Agent on all matters related to this Agreement.
- (2) Ensure that applicable local ordinances are not in conflict with, and enable efficient implementation of, the rules and the provisions of this Agreement.

- (3) Provide all reasonable and necessary assistance to the Administrative Agent in support of efforts to enforce provisions of the Rules, mortgages, court decisions or other authorities governing the affordability control services in the Housing Rehabilitation Program.

**Section 9. Program Funding and Disbursements.**

The Municipality shall fund the Housing Rehabilitation Program immediately following the execution of this contract as follows:

Housing Rehabilitation Program.....\$500,000.00

The Administrative Agent agrees that the entire funding amount remaining for the Rent Subsidy Program shall be utilized to subsidize the rents of residents through 2027, and that the use of funds will otherwise be limited to investments as defined in the Investment Policy Statement.

Any income, interest, proceeds or funds generated by the funds allocated to each of these programs shall be dedicated to the program that generated such income, interest, proceeds or funds only and shall not be used for any other purpose.

**Section 10. Program Administration.**

The Program Administration shall continue to be funded by funds transferred in July of 2012 for said purposes.

Program administrative fees for the Administrative Agent shall be limited to 20% of the amount of funding authorized annually for the combined total of Housing Rehabilitation work and Rent Subsidy payments. (For example, if the amount of funds authorized for housing rehabilitation work on projects approved to begin construction in a given 12-month period is equal to \$165,000, and the amount of the rent subsidy payment made on behalf of tenants is equal to \$70,000, then the amount of the Program Administration Fee payable to the Administrative Agent shall not exceed \$47,000, which amount represents 20% of the combined total of the two program amounts.)

A program oversight and management fee of Eighteen Thousand (\$18,000) per annum payable in the amount of One Thousand Five Hundred Dollars (\$1,500) per month to the Administrative Agent shall comprise a portion of the Program Administration funding. The remainder of the Program Administration funding may be expended to cover expenses for implementation of the programs, including any subcontractor fees for legal or construction related work, recording fees, advertising fees, etc.

**Section 11. Notices.**

All notices and other written communications under this agreement between the Municipality and the Administrative Agent shall be to the addresses and personnel specified below:

If to the Municipality:

Township of North Brunswick  
710 Hermann Road  
North Brunswick, NJ 08902  
Attention: Business Administrator

If to the Administrative Agent:

Rosalind Westlake, Esq.  
243 North Union Street  
Suite 205  
Lambertville, NJ 08530

**Section 12. Non-Waiver of Conditions.**

The failure of either party to insist upon strict performance of any provision of this Agreement in any one or more instances shall not constitute a consent to waiver of or excuse for any other different or subsequent breach of the same or other provision, nor as a result shall either party relinquish any rights which it may have under this Agreement. No terms or provisions hereof shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the waiving party.

**Section 13. Merger and Amendment.**

This written Agreement, together with its Exhibits, constitutes the sole agreement between the parties with respect to the matters covered therein, and no other written or oral communication exists which shall bind the parties with respect thereto, provided however that this Agreement may be modified by written amendments clearly identified as such and signed by both the Municipality and the Administrative Agent.

**Section 14. Partial Invalidation of Agreement.**

Should any provision of this Agreement be deemed or held to be invalid, ineffective or unenforceable, under present or future laws, the remainder of the provisions shall remain in full force and effect.

**IN WITNESS WHEREOF**, the Municipality and the Administrative Agent have executed this Agreement in triplicate as of the date first above written.

Attested to or Witnessed by:

**TOWNSHIP OF NORTH BRUNSWICK**

\_\_\_\_\_  
Lisa Russo, Municipal Clerk

By: \_\_\_\_\_  
Francis M. Womack, III  
Mayor

Attested to or Witnessed by:

**NORTH BRUNSWICK  
HOUSING CORPORATION**

\_\_\_\_\_

By: \_\_\_\_\_  
Reverend Mark McGrath, President

**MUNICIPAL ACKNOWLEDGMENT**

STATE OF NEW JERSEY :  
 : SS  
COUNTY OF MIDDLESEX :

I CERTIFY that on \_\_\_\_\_, 2022,

LISA RUSSO, personally came before me, and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the Municipal Clerk of the Township of North Brunswick, the Municipal Corporation named in this document;
- (b) this person is the attesting witness to the signing of this document by the proper Corporate Officer who is FRANCIS M. WOMACK III, the Mayor of the Municipal Corporation;
- (c) this document was signed and delivered by the Municipal Corporation as its voluntary act duly authorized by a proper Resolution of its Municipal Council;
- (d) this person knows the proper seal of the corporation which was affixed to this document; and
- (e) this person signed this proof to attest to the truth of these facts.

Signed and sworn to before me on

\_\_\_\_\_, 2022

\_\_\_\_\_  
LISA RUSSO,  
Municipal Clerk, Township of North Brunswick

\_\_\_\_\_  
Notary Public, State of New Jersey



**CORPORATE ACKNOWLEDGMENT**

STATE OF NEW JERSEY :  
 : SS  
COUNTY OF MIDDLESEX :

I CERTIFY that on \_\_\_\_\_, 2022,

\_\_\_\_\_, personally, came before me, and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the \_\_\_\_\_ of the North Brunswick Housing Corporation, the Corporation named in this document;
- (b) this person is the attesting witness to the signing of this document by the proper Corporate Officer who is \_\_\_\_\_, the \_\_\_\_\_ of the Corporation;
- (c) this document was signed and delivered by the Corporation as its voluntary act duly authorized by a proper Resolution of its Board of Directors;
- (d) this person knows the proper seal of the corporation which was affixed to this document; and
- (e) this person signed this proof to attest to the truth of these facts.

Signed and sworn to before me on

\_\_\_\_\_, 2022

\_\_\_\_\_

\_\_\_\_\_  
Notary Public, State of New Jersey