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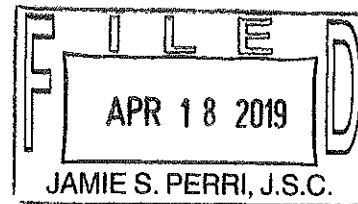
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**IN THE MATTER OF THE  
DECLARATORY JUDGMENT ACTIONS  
FILED IN THE COUNTY OF  
MONMOUTH, STATE OF NEW JERSEY,  
PURSUANT TO In re Adoption of N.J.A.  
5:96, 221 N.J. 1 (2015)**

**SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION: MONMOUTH COUNTY**

Civil Action  
Mount Laurel

**Docket No.: MON-L-2527-15**

**ORDER SETTING AFFORDABLE  
HOUSING REGIONAL INCOME LIMITS**

This matter having come before the Court via Declaratory Judgment Complaints filed by various municipalities pursuant to Mount Laurel IV (hereinafter "DJ Actions"); and Fair Share Housing Center ("FSHC") having participated as an interested party in all of the DJ Actions and intervenor in some of them; and an important function historically performed by the Council on Affordable Housing ("COAH") is setting income limits for each of the COAH housing regions, which are used to determine eligibility for affordable housing, and setting rent increases for existing affordable housing; and COAH having not published income limits or rent increases since 2014; and the Court finding it necessary to establish income limits and rent increase information to comply with the directives of the Fair Housing Act, and to more generally ensure the implementation of municipalities' constitutional obligations through the availability of existing affordable housing and new affordable housing constructed pursuant to In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) ("Mount Laurel IV"); and Mount Laurel IV having directed trial courts to adhere to the First and Second Round rules and aspects of

the two earlier versions of the Third Round rules that were not found invalid by the appellate courts; and the various municipalities and FSHC and the Court thus having deemed it appropriate to establish income limits and rent increases based on COAH's methodology for setting such income limits and rent increases, and to empower municipalities themselves to update such income limits and rent increases on an annual basis based on the process historically used by COAH; and the Court previously having approved such income limits for some municipalities through individual municipal orders and deeming it advisable to approve income limits for the various municipalities in Monmouth County to ensure consistency for applicants seeking affordable housing in Monmouth County municipalities administering affordable housing, and such approval being consistent with COAH's past practice of having approved income limits universally for each region; and this Order having been submitted under the 5-day rule by Michael J. Edwards, Esq., counsel to the Borough of Little Silver with the consent of Fair Share Housing Center, and good cause having been shown;

**IT IS** on this 18<sup>th</sup> day of April 2019 **ORDERED** as follows:

1. Income limits for all affordable housing units located in any municipality that has filed a DJ Action in Monmouth County, as may be supplemented or amended, and as listed in Exhibit B 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 each municipality annually within 60 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 municipality is located within and 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 municipality'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 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 are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for 2018, and shall be utilized until the municipality 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 municipality 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.
2. In establishing sale prices and rents of affordable housing units, the administrative agent shall follow the procedures set forth in UHAC, utilizing the regional income limits established pursuant to the process defined above:
- a) The resale prices 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 determined pursuant to paragraph 1 above. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.
- b) The rent levels of very low, low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed nine percent in any one year. Rents for units constructed pursuant to low income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.
3. A copy of the within Order shall be served upon all parties on the Service List within 7 days from the date of entry of this Order.

4. At the time of the entry of this Order, some of the municipalities impacted by the Order have settled their DJ Action and some have not settled their DJ Actions and may proceed in the future to a methodology trial. This Order is being entered to facilitate the establishment of up to date limits on income, rental increases and sales price increases related to the administration of affordable units and programs and is without prejudice to any party in an action that has not yet settled challenging the methodology or its basis in the future.

5. Any Municipality having filed a Declaratory Judgment Action may seek to be included in this order and added to Exhibit B attached hereto.\*

  
\_\_\_\_\_  
HON. JAMIE S. PERRI, J.S.C.

\* by submitting a written request, on notice to all interested parties, together with a proposed form of Order. Such request shall be submitted under the 5 Day Rule with notice of the time and method for objection.

**EXHIBIT A**

**2018 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE**

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - April 2018

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

	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** %	Soles***	Regional Asset Limit****
<b>Region 1</b>													
Median	\$63,597	\$68,140	\$72,682	\$81,767	\$90,853	\$94,487	\$98,121	\$105,389	\$112,657	\$119,926			
Moderate	\$50,878	\$54,512	\$58,146	\$65,414	\$72,682	\$75,589	\$78,497	\$84,311	\$90,126	\$95,940	2.2%	5.52%	\$175,679
Low	\$31,798	\$34,070	\$36,341	\$40,884	\$45,426	\$47,243	\$49,060	\$52,695	\$56,329	\$59,963			
Very Low	\$19,079	\$20,442	\$21,805	\$24,530	\$27,256	\$28,346	\$29,436	\$31,617	\$33,797	\$35,978			
<b>Region 2</b>													
Median	\$66,755	\$71,523	\$76,291	\$85,828	\$95,364	\$99,179	\$102,993	\$110,622	\$118,252	\$125,881			
Moderate	\$53,404	\$57,218	\$61,033	\$68,662	\$76,291	\$79,343	\$82,395	\$88,498	\$94,601	\$100,705	2.2%	1.22%	\$182,955
Low	\$33,377	\$35,762	\$38,146	\$42,914	\$47,682	\$49,589	\$51,497	\$55,311	\$59,126	\$62,940			
Very Low	\$20,026	\$21,457	\$22,887	\$25,748	\$28,609	\$29,754	\$30,898	\$33,187	\$35,475	\$37,764			
<b>Region 3</b>													
Median	\$75,530	\$80,925	\$86,320	\$97,110	\$107,900	\$112,216	\$116,532	\$125,164	\$133,796	\$142,428			
Moderate	\$60,424	\$64,740	\$69,056	\$77,688	\$86,320	\$89,773	\$93,226	\$100,131	\$107,037	\$113,942	2.2%	2.37%	\$205,458
Low	\$37,765	\$40,463	\$43,160	\$48,555	\$53,950	\$56,108	\$58,266	\$62,582	\$66,898	\$71,214			
Very Low	\$22,659	\$24,278	\$25,896	\$29,133	\$32,370	\$33,565	\$34,960	\$37,549	\$40,139	\$42,728			
<b>Region 4</b>													
Median	\$69,447	\$74,407	\$79,368	\$89,289	\$99,209	\$103,178	\$107,146	\$115,083	\$123,020	\$130,956			
Moderate	\$55,557	\$59,526	\$63,494	\$71,431	\$79,368	\$82,542	\$85,717	\$92,066	\$98,416	\$104,765	2.2%	5.19%	\$186,616
Low	\$34,723	\$37,204	\$39,684	\$44,644	\$49,605	\$51,589	\$53,573	\$57,541	\$61,510	\$65,478			
Very Low	\$20,834	\$22,322	\$23,810	\$26,787	\$29,763	\$30,953	\$32,144	\$34,525	\$36,906	\$39,287			
<b>Region 5</b>													
Median	\$61,180	\$65,550	\$69,920	\$78,660	\$87,400	\$90,896	\$94,392	\$101,384	\$108,376	\$115,368			
Moderate	\$48,944	\$52,440	\$55,936	\$62,928	\$69,920	\$72,717	\$75,514	\$81,107	\$86,701	\$92,294	2.2%	5.05%	\$161,977
Low	\$30,590	\$32,775	\$34,960	\$39,330	\$43,700	\$45,448	\$47,196	\$50,692	\$54,188	\$57,684			
Very Low	\$18,354	\$19,665	\$20,976	\$23,598	\$26,220	\$27,269	\$28,318	\$30,415	\$32,513	\$34,610			
<b>Region 6</b>													
Median	\$51,085	\$54,734	\$58,383	\$65,681	\$72,979	\$75,898	\$78,817	\$84,655	\$90,494	\$96,332			
Moderate	\$40,868	\$43,787	\$46,706	\$52,545	\$58,383	\$60,718	\$63,054	\$67,724	\$72,395	\$77,066	2.2%	0.00%	\$136,680
Low	\$25,543	\$27,367	\$29,192	\$32,840	\$36,489	\$37,949	\$39,409	\$42,328	\$45,247	\$48,166			
Very Low	\$15,326	\$16,420	\$17,515	\$19,704	\$21,894	\$22,769	\$23,645	\$25,397	\$27,148	\$28,900			

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of the 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). The increase for 2015 was 2.3%, the increase for 2016 was 1.1%, the increase for 2017 was 1.7%, and the increase for 2018 is 2.2% (Consumer price index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, or 2017 may increase rent by up to the applicable combined percentage from their last rental increase for that unit. 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. Note: Since the Regional Income Limits for Region 6 in 2017 were higher than the 2018 calculations, the 2017 income limits will remain in force for 2018 (as previously required by N.J.A.C. 5:97-9.2(c)).

**EXHIBIT B****MUNICIPALITY****DOCKET NO.**

Borough of Atlantic Highlands

MON-L-2520-15

Borough of Fair Haven

MON-L-893-19

Borough of Farmingdale

MON-L-5603-05

Township of Freehold

MON-L-6026-08

Township of Hazlet

MON-L-4224-15

Borough of Little Silver

MON-L-2527-15

Borough of Manasquan

MON-L-2508-15

Township of Ocean

MON-L-2531-15

Borough of Rumson

MON-L-2483-15

Borough of Shrewsbury

MON-L-2235-15

Township of Wall

MON-L-5604-05