

AN ORDINANCE BY THE TOWNSHIP OF PRINCETON PROVIDING FOR ENFORCEMENT PROVISIONS FOR ITS AFFORDABLE HOUSING PROGRAM AND AMENDING THE "CODE OF THE TOWNSHIP OF PRINCETON, NEW JERSEY, 1968"

BE IT ORDAINED by the Township Committee of the Township of the Princeton, County of Mercer, State of New Jersey, as follows:

Section 1. Section 10B-333.1 of the "Code of the Township of Princeton, New Jersey, 1968" which establishes enforcement provisions for the Princeton Township Affordable Housing Program is amended to read as follows:

Sec. 10B-331. Affordable housing violations.

(a) Any owner, developer or tenant [person or entity] who violates any terms, conditions or requirements of the Princeton Township Affordable Housing Program as set forth in this article, as amended from time to time; violates any of the terms, conditions or requirements of the New Jersey Fair Housing Act, *N.J.S.A. 52-27D-301 et seq.*, as may be amended from time to time; violates any of the terms, conditions or requirements of the Substantive and Procedural Rules of the New Jersey Council on Affordable Housing ("COAH") which appear at *N.J.A.C. 5:96-1 et seq.* and *N.J.A.C. 5:97-1 et seq.* [5:94-1 *et seq.*, *N.J.A.C. 5:95-1 et seq.*] as amended from time to time or violates the Uniform Housing Affordability Controls, terms, conditions or requirements as issued by the New Jersey Housing and Mortgage Finance Agency appearing at *N.J.A.C. 5:80-26.1 et seq.*, as amended from time to time, shall be subject to punishment

in accordance with the general penalty provisions of this Code as they appear at section 1-6.

b. (b) Additionally, upon the occurrence of a breach of any of the regulations governing the affordable unit by an owner, developer or tenant the Township shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.

(c) After providing written notice of a violation to an owner, developer or tenant of a low- or moderate-income unit and advising the owner, developer or tenant of the penalties for such violations, the Township may take the following action against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice in addition to issuing a Summons and Complaint pursuant to Paragraph (a) hereinabove:

1). The Township may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation or violations of the regulations governing the affordable housing unit. If the owner, developer or tenant is found by the court to have violated any provision of the regulations governing affordable housing units the owner, developer or tenant shall be subject to one or more of the following penalties, at the discretion of the court:

(i) A fine of not more than two thousand (\$2,000.00) dollars or imprisonment for a period not to exceed ninety (90) days, or both. Each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not as a continuing offense;

(ii) In the case of an owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Princeton Township Affordable Housing Trust Fund of the gross amount of rent illegally collected;

(iii) In the case of an owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the court.

2) The Township may file a court action in the Superior Court seeking a judgment, which would result in the termination of the owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low- and moderate-income unit.

(i) Such judgment shall be enforceable, at the option of the Township, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating owner shall be sold at a

sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the Township, including attorney's fees. The violating owner shall have his right to possession terminated as well as his title conveyed pursuant to the Sheriff's sale.

(ii) The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the Township for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the Township in full as aforesaid, the violating owner shall be personally responsible for and to the extent of such deficiency, in addition to any and all costs incurred by the Township in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the Township for the owner and shall be held in such escrow for a maximum period of two (2) years or until such earlier time as the owner shall make a claim with the Township for such. Failure of the owner to claim such balance within the two (2)-year period shall automatically result in a forfeiture of such balance to the Township. Any interest accrued or earned on such balance while being held in escrow

shall belong to and shall be paid to the Township , whether such balance shall be paid to the owner or forfeited to the Township.

(iii) Foreclosure by the Township due to a violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any Right of Redemption.

(iii) If there are no bidders at the Sheriff's sale or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the Township may acquire title to the low- and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low- and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the

excess which would have been realized from an actual sale as previously described.

(iiii) Failure of the low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the Township shall obligate the owner to accept an offer to purchase from any qualified purchaser which may be referred to the owner by the Township, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.

(iiiii) The owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the owner.

Section 2. This Ordinance shall take effect upon its adoption, publication and the filing of a copy of same with the Mercer County Planning Board, all of which is required by law.

Linda S. McDermott, Clerk

Bernard P. Miller, Mayor