Piazza & Associates

AFFORDABILITY ASSISTANCE: WOODCLIFF LAKE HOMEOWNER ASSOCIATION FEE ASSISTANCE PROGRAM (“HOA-FA Program”)

OPERATING MANUAL

March 6, 2026

PIAZZA & ASSOCIATES MANUAL FOR
AFFORDABILITY ASSISTANCE: HOMEOWNER ASSOCIATION FEE ASSISTANCE PROGRAM

I. PREFACE

N.J.A.C. 5:97-8.8(a) states that "…at least 30 percent of all development fees collected and interest earned shall be used to provide affordability assistance to low and moderate income households in affordable units included in the municipality's Fair Share Plan. Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, sales assistance, assistance with homeowners' association or condominium fees and special assessments, and assistance with emergency repairs."

It is also important to note that the spending of trust fund money for the Borough of Woodcliff Lake (the "Borough") affordability assistance on units in the Fair Share Plan does not create Fair Housing credits for the Borough.

The Borough is entering into an agreement with its Administrative Agent, Piazza & Associates, Inc. ("P&A") to implement a Homeowners Association Fee Assistance Program (HOA-FA) and funded that program with funds from the Housing Trust Fund as set forth in the Spending Plan. To that end, P&A has prepared this manual to address the use of affordability assistance funds for HOA Fees.

II. INTRODUCTION

This HOA-FA Manual has been prepared to assist in the administration of the HOA-FA. It will serve as a guide to the program staff, Homeowner Associations and Owners of affordable homes.

This manual describes the basic content and operation of the program, examines program purpose and provides the guidelines for implementing the program. It has been prepared with a flexible format allowing for periodic updates of its sections, when required, due to revisions in regulations and/or procedures.

This manual explains the steps in the HOA-FA Program process. It describes the eligibility requirements for participation in the program, program criteria, funding terms and conditions, contract payments and overall program administration.

The program requirements are subject to change and grant funding is subject to availability. The following represents the procedures developed to implement the HOA-FA.

III. **PROGRAM DESCRIPTION**

The Borough of Woodcliff Lake will allocate up to **$70,000** from its Affordable Housing Trust Fund for the HOA-FA Program. The Borough currently has 12 owner-occupied affordable units. The Borough will provide a maximum of **$4,000** in HOA assistance per affordable unit/certified household. Assistance will be provided in installments issued every six (6) months, up to a maximum of $4,000 per household. Each payment will cover the eligible homeowner's HOA fees for the applicable six-month period and will not exceed the total HOA fees due for that period. This assistance will be paid directly to the HOA. Assistance will be provided on a first-come, first-served basis to income-eligible homeowners. Assistance may be provided only once per certified household residing in the affordable unit. However, a change in occupancy would allow a new homeowner in a unit to take advantage of the program.

IV. **Eligibility Requirements**

Participation in this program requires:

A. At the time the unit owner (hereinafter, "the Owner") is applying for the grant, the Owner residing in the affordable home, and the household (including everyone living in the affordable home) must be re-certified as having a gross annual income that is less than 80% of the Regional Median Income for Region I, (AKA "Moderate Income"), pursuant to by municipal ordinance and N.J.A.C. 5:80-26.1 et seq. (Owners who acquired their units within the prior six months do not need to be re-certified.)

   The determination of income by the Borough or P&A during the recertification process will have no impact on the ownership of the affordable unit, since there is no limit on income after a home is purchased. However, the Owner must be in compliance with the affordable housing restrictions in order to take advantage of the grants provided under this program.

The AA shall recertify Owners using the same process and under the same terms and conditions that it uses to certify applicants to purchase affordable units in the Borough, as set forth by N.J.A.C. 5:80-26.1 et seq. and the procedures set forth in the Operating Manual for that purpose.

B. The Owner must be in compliance with the residency requirements of municipal ordinance and the Uniform Housing Affordability Controls (NJAC 5:80-26.1 et seq.), including the requirement that the Affordable Unit be the principal residence of the Owner.

V. <u>Funding and Distribution</u>

The funding projections are detailed in the 2026 Spending Plan.

VI. <u>The Process</u>

A. The Borough will designate a qualified Administrative Agent to prepare the documentation and implement this program.
B. P&A will prepare and mail a letter to the Owners and Association, announcing this program and its parameters. The letter to the Owners will be accompanied by an application for recertification.
C. Upon receipt of an application, P&A will review and verify the household income and make a determination as to the Owners eligibility. Income-eligibility for the HOA-FA Program is based on the recertification form and accompanying documentation, sufficient for the AA to certify the gross annual income of the applicant pursuant to N.J.A.C. 5:80-26.1 et seq., and as set forth in the applicable Operating Manual of the Borough.
D. The AA shall inform the Borough and the Owner as to the status of each application within 20 days.

E. In the event that an Owner is not approved for the program, an appeal can be made to the Borough through the Municipal Housing Liaison.
F. Once approved and certified for eligibility, the AA will inform the Borough of approval and request a check for the agreed upon funds to be issued to the Association on behalf of the Owner.
G. The check for the amount due to eligible owners will be processed and sent directly to the Association.
H. The Association will credit the accounts of the existing owners in an amount that is equal to the funding provided to the Association by the Borough.
I. The Administrative Agent will audit the program by contacting a random number of owners and former owners to ensure that the funding has been properly distributed.

J. In the event that the limit of grant funding for a particular Affordable Unit is reached, or there are no longer funds in the Housing Trust Fund for the program, the Owner will be notified by the AA.

VII. PROGRAM LIMITATIONS

The HOA-FA Program will continue, contingent upon the availability of funds within the Affordable Housing Trust Fund. The reduction or elimination of available funds will result in a corresponding reduction or elimination of HOA-FA Program grants. Notwithstanding anything herein to the contrary, the funding for each Affordable Home Owner is limited to an aggregate of $4,000, and the amount available for each unit in any given year is based on the Trust Fund account balance and subject to change without notice.