

Resolution of the Demarest Governing Body

Resolution No. 075 -25

April 7, 2025

Council Member	Motion	Second	Yes	No	Abstain	Absent
Jiang			✓			
Fox			✓			
Marks			✓			
Slowikowski	✓		✓			
Reiss			✓			
Collins		✓	✓			

TITLE: APPOINTING PIAZZA & ASSOCIATES, INC AS AFFORDABLE HOUSING ADMINISTRATIVE AGENT OF THE BOROUGH’S AFFORDABLE HOUSING PROGRAM AND AWARING A PROFESSIONAL SERVICES CONTRACT

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WHEREAS, the Borough of Demarest’s Housing Element and Fair Share Plan promotes an affordable housing program pursuant to the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) and applicable Council on Affordable Housing and Uniform Housing Affordability Controls (“UHAC”) regulations; and

WHEREAS, the Borough is required to appoint an Administrative Agent to perform duties set forth in the applicable UHAC regulations, including those related to affirmative marketing, household certification, affordability controls, resales and re-rentals, processing requests from unit owners, and enforcement, and in Chapter 175 of the Borough Code; and

WHEREAS, Piazza & Associates, Inc (“Piazza”) has submitted a proposal to provide professional administrative agent services for the year 2025; and

WHEREAS, the Borough wishes to retain Piazza to provide such services, as per its 2025 proposal; and

WHEREAS, the anticipated term of this contract is one year; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., requires that the resolution authorizing the award of a contract for professional services without competitive bidding, and the contract itself, be available for public inspection; and

WHEREAS, the anticipated term of this contract is one year; and

WHEREAS, the Borough’s Chief Financial Officer has certified that sufficient funds are available for this purpose; and

NOW, THEREFORE, BE IT RESOLVED, that the Council of the Borough of Demarest, County of Bergen, State of New Jersey as follows:

1. The Borough hereby awards, and authorizes the Mayor to execute, a contract with Piazza & Associates, Inc (“Piazza”) to provide professional administrative agent services at such rates as set forth in the 2025 proposal.
2. The contract is awarded without competitive bidding as a professional services contract in accordance with the provision of the Local Public Contract Law because said services are performed by a person licensed under law to practice a recognized profession.
3. The Business Disclosure Entity Certification and the Determination of Value be placed on file with this resolution.
4. Notice of this action shall be published once in the Borough’s official newspaper as required by law.
5. This resolution shall take effect immediately.

APPROVED:



Mayor Brian Bernstein

CERTIFICATION OF CFO

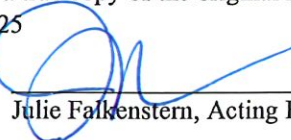
I, Peter Suh, do hereby certify the availability of funds for the expenditure referenced herein.



Peter Suh, CFO

CERTIFICATION

I, Julie Falkenstern, Acting Borough Clerk, of the Borough of Demarest, in the County of Bergen and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy of the original resolution duly passed and adopted by the Governing Body at the meeting on April 7, 2025



Julie Falkenstern, Acting Borough Clerk

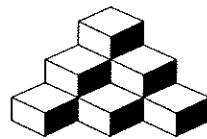
Agreement to Provide
Affordable Housing
Compliance Services

submitted to the
Borough of Demarest

By

Piazza & Associates, Inc.

2024



BACKGROUND

There are various very low-, low- and moderate- income, rental homes that have been developed and are planned to be developed in the Borough of Demarest (the "Borough") to help the Borough satisfy its affordable housing obligation as defined by the New Jersey New Jersey Fair Housing Act ("NJFHA"), as regulated by N.J.A.C. 5:80-26.1 et seq., the uniform Housing Affordability Controls ("UHAC"), well as applicable state and local laws, rules, ordinances and regulations (hereafter, collectively referred to as the "Regulations"). Among other things, the Regulations govern the maximum rental rates and income limits of the renters, and compliance to fair housing and marketing of the affordable units.

The Borough is seeking an experienced, qualified agency or entity to serve as an Administrative Agent on its behalf. By way of this document, Piazza & Associates, Inc. ("P&A"), an experienced firm that provides such affordable housing services, proposes to establish the maximum rental rates, review and approve the income of the applicants, and ensure compliance to the Affirmative Marketing Plan ("AMP") in order to certify to the Borough that the restricted units are in compliance with the Regulations, thereby assuring the Borough that it will receive proper credit for the very low-, low- and moderate- income units towards its affordable housing obligation.

SCOPE OF SERVICES

Specifically, Piazza & Associates will provide the following services under this Agreement.

A) Municipal Consulting Services

1. P&A will provide on-going consultation to the Borough to assist it with compliance to the Regulations, including, but not limited to the municipal AMP and affordable housing plans;
2. P&A will be available to the Borough to recommend the inclusion of specific requirements in planning approvals that will clarify the obligation of the developer, and so help ensure the compliance of the affordable units that are required;
3. P&A will serve as the point of contact for anyone who is interested in residing in an affordable unit.

B) Preliminary Application Services

1. P&A will develop a complete set of application documents specifically designed to meet the requirements of the Regulations, including a Preliminary Application for Affordable Housing, an Application for Affordable Housing, Employer Verification Form, Landlord Verification Form, Gift Verification Form and other such forms as may be required.
2. P&A will mail out Preliminary Applications and answer questions, via telephone and e-mail, as required.

3. P&A will collect all of the Preliminary Applications, and process such applications as necessary, keeping a complete record of the information, and responding to all applicants appropriate to their submission.
4. P&A will provide to the Borough, the Owners and Managers a list of available pre-qualified applicants by unit type as needed.
5. Upon notification that units are or will be available, P&A will send notices and final applications to a representative number of prequalified applicants, who will be asked to contact the Owner or its agent, and, at the same time, to submit the final application to Piazza & Associates.
6. P&A will complete a review of the final application and notify both the applicant and the Owner or its agent as to the status of that application, i.e., Approved, Not Approved or Incomplete.

C) Sales Units

1. P&A will determine the maximum re-sales prices for the Owner - Seller and certify to the Borough that said price complies to the Regulations.
2. P&A will coordinate a process to notify potential purchasers of an available unit and determine the priority order of interested parties.
3. P&A will determine the eligibility of prospective buyers and certify the applicant with respect to their adherence to all income limitations as set forth in the Regulations and notify the Owner accordingly with a written certification.
4. P&A will work with Borough's legal counsel to provide the form of documentation and coordinate the execution and recording of the documentation (Certification, Deed, Mortgage and Note and other such documents that may be required by the Regulations) for the closing and transfer of title, necessary to maintain the affordable housing restrictions, as required by the Regulations.
5. P&A will maintain accurate records of the status of all certification and recertification work on an ongoing basis.
6. P&A will provide compliance reports to the Borough and regulatory agencies as necessary.
7. P&A will send letters to all Owners on an annual basis, reminding them of their obligations, pursuant to the regulations.

D) Rental Units

1. On an annual basis, P&A will assist the Manager in determining rental rates for the Affordable Units that are in compliance with the applicable Regulations and viable relative to local market conditions; and
2. Certify to the Borough that the rental rates for the Affordable Units are in compliance with the Regulations.
3. P&A will provide a written certification form to the Manager for all approved applications, and ask the Manager to return the certification form, signed by the applicant, together with a copy of the lease agreement.
4. P&A will communicate the status of the compliance plan to the Manager and the Borough on an ongoing basis and be available to meet with representatives of both as reasonable and appropriate.
5. P&A will provide compliance reports to the Borough and regulatory agencies as necessary.
6. P&A will maintain accurate records of the status of all certification work on an on-going basis; and
7. Make all files, reports and other documentation readily available to the Borough or an independent auditor working on behalf of the Borough.

E) Affordability Programs

The Borough is developing programs that are funded with the municipal housing trust fund to increase the affordability of the affordable units. P&A will administer such programs, including, but not limited to the affirmative marketing for the program; the development of the requisite Operating Manuals; certifying residents / applicants as necessary and reporting on such programs as required.

F) Uniform Housing Affordability Controls

Notwithstanding anything herein to the contrary, P&A will provide all services required of an Administrative Agent pursuant to the Uniform Housing Affordability Controls (N.J.A.C 5:80-26.14(a)).

TERMS AND CONDITIONS

A. Contract Administration: All work performed by P&A under this Agreement shall be accomplished in close consultation with and under the direction of the Borough or its designee.

B. Professionalism: At all times, P&A will endeavor to maintain a sense of professionalism with respect to the services performed on behalf of the Borough.

C. Implementation of Services: P&A will begin the implementation of its services immediately upon the approval of the Borough and receipt of a signed engagement letter or contract with the Borough.

D. Confidentiality: All data provided by the Borough, the Owner and its applicants will be considered strictly confidential and shall be used solely for the purposes delineated in this Agreement. Likewise, the materials developed by P&A on behalf of the Owner and/or the Borough shall be considered proprietary and may only be used by the Owner and/or Borough for its own affordable housing endeavors in the future.

E. Insurance: P&A shall maintain or cause to be maintained in full force and effect insurance in such amounts and against such risks as follows:

1. Workers Compensation Insurance coverage in the statutory amount. Employer's Liability Insurance coverage in an amount not less than Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) each accident; and
2. Professional Liability Insurance coverage in an amount of not less than One Million Dollars and Zero Cents (\$1,000,000.00) for each claim.

Upon the execution of this Agreement, as well as upon the Borough's request from time to time, the Consultant shall provide to the Borough a certificate of insurance evidencing the coverages set forth above in (a) through (c) from an insurance company authorized to do business in New Jersey and having an A.M. Best Rating of at least an "A-". The Consultant shall also provide, upon the Borough's reasonable request, complete copies of the above policies of insurance.

F. Files and Documentation: P&A will look to the Owner to provide files, documents and notices necessary for it to implement its maintenance and compliance services.

G. Certain Services Not Provided Herein: Under this Agreement, P&A shall not be responsible for:

1. The obligation of the Borough to meet its affordable housing obligation aside from the certifications as provided in the Scope of Services herein for the units administered by P&A;
2. The implementation of a local or municipal preference, or any other program or activity that P&A determines, in its sole discretion, to be in conflict with any Federal or State fair housing law;

3. Any additional requirements set forth by any other regulatory agency or entity that represent a material change in the services necessary to comply with the Regulations;
4. All legal and real estate related services associated with the rental of an affordable property, including, but not limited to compliance to Federal and State Fair Housing laws; and
5. Legal services required for certain enforcement actions set forth in the Regulations.

H. No Financial Interest: P&A certifies and warrants that it has no financial interest in the units in the Borough that are restricted under the Regulations.

I. Compliance of Developer: The Developer shall comply with all of the Regulations, as well as the policies and procedures set forth by P&A in connection with its responsibilities hereunder

TERM

The term of this Agreement shall be from January 1, 2024 through December 31, 2024. The Agreement is renewable for successive terms and can be terminated at the discretion of the Borough with 30 days written notice without cause and by P&A with 90 days written notice without cause.

COMPENSATION

In return for its compliance efforts (as detailed in the Scope of Services above), P&A will be compensated as follows:

Municipal Compensation:

- CONSULTING, LIST MAINTENANCE, AND RESPONDING TO INQUIRIES: \$250 per month to be paid by the Borough;
- INITIAL SET-UP AND MARKETING: An initial fee of \$300, for the development of additional operating manuals, excluding those already developed for the Borough; and
- HOUSING PROGRAMS CERTIFICATION: \$250 per certification or recertification required for Affordability Assistance program.

Developer / Owner Compensation:

- FUTURE NEW RENTAL UNITS: \$400 per unit setup & marketing fee*, plus \$550 per unit certification fee that are paid by the developer at a predetermined timetable;
- RE-RENTALS: \$550 per unit certification to be paid by the Landlord upon the re-occupancy of an affordable unit;

○ FUTURE NEW SALES UNITS: \$400 per unit setup & marketing fee*, plus \$1,000 per unit certification fee that are paid by the developer at a predetermined timetable; and

○ RE-SALES: \$1,000 to be paid by the Owner / Seller of the affordable unit, payable \$100 in advance and the balance at closing.

* There is a \$4,000 minimum per project / developer fee that applies if the new unit or units require the implementation of an exclusive advertising and affirmative marketing process pursuant to the Regulations. There is no minimum fee for new units created as part of a series of units that are already marketed. This fee shall be paid by the developer.

Other Compensation

○ ADDITIONAL SERVICES: In the event that the Borough and/or Owner requests services in addition to the Scope of Services above, a mutually agreed upon rate for such services shall be determined prior to implementation; and

○ In addition to its fee, P&A shall be reimbursed by the Landlord, Owner or Borough as appropriate, for advertising and postage to residents and applicants. However, all management and compliance reports outlined above, all forms, web and e-mail services, telephone calls, travel expenses and meeting time, to a reasonable extent, shall be included in the basic fee above.

ACCEPTANCE

Please signify your acceptance of this Agreement by signing below.

BY: Piazza & Associates, Inc.



BY: Frank Piazza, Jr., President

Accepted on behalf of the Borough of Demarest

BY: _____



Date: _____

4/7/25