



CITY OF OCEAN CITY

AMERICA'S GREATEST FAMILY RESORT

DEPARTMENT OF LAW

August 14, 2020

Laura Smith-Denker, Esquire
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002

Re: IMO the Application of the City of Ocean City
Docket No. CPM-L-305-15

Dear Laura:

Enclosed herewith please find Ocean City's Midpoint Review spreadsheet.

This will supplement the information in the spreadsheet and address the Midpoint Review Questions.

Conditions of Compliance

1. All conditions have been satisfied.

However, please note that there has been a change in the location of two (2) of the municipally sponsored duplexes to be developed by the City. In place of the Bay Avenue Street End, which is not a plotted lot on the tax map, the City is moving forward with a subdivision of a newly acquired City-owned lot at 3304 Bay Avenue, which currently houses the City's Crew (rowing) program. This location is only three blocks from the originally proposed location and does not involve the re-location of substructure, as was the case with the street end location.

Additionally, the Order of Compliance in this matter is still inter-locutory. The undersigned has discussed with Bassam Gergi, Esquire, an amendment to the Settlement Agreement in order to memorialize this change and finalize the Order of Compliance.

Developments That Are Not Completed

2. N/A
3. A. Ten (10) Municipally Sponsored Units

The City is partnering with the Ocean City Housing Authority to develop five duplex structures (a total of ten units) on City-owned property. The City has completed the Planning Board review required by N.J.S.A. 40:55D-31 and has retained The Brooks Group to complete an application for funding from the NJ Department of Community Affairs, Division of Housing and Community Resources Affordable Housing Trust Fund 2020 program to supplement the funding of these units. The City has entered into a Shared Services Agreement with the Ocean City Housing Authority to handle the pre-development work for these units, including some or all of the following tasks: issue a request for proposals for an architect and project engineer for the design of the duplexes to be constructed, oversee

environmental testing of the building sites, write specifications for the construction of such duplexes, manage the bidding process for construction contractor and procure contractor(s).

B. Market-to-Affordable Units

To date the City has completed settlement on one (1) of the three (3) proposed market-to-affordable units.

The second market-to-affordable unit is currently under contract with a proposed closing date of August 31, 2020.

The City's certified list of purchasers qualified for this program is still current. The real estate agent and the Administrative Agent (TRIAD) constantly monitor listings for another property in the appropriate price range so that the City can fulfill its obligation under this program.

C. 100% Affordable Senior Rentals at Bayview Manor

This project, which has been named Speitel Manor, is under construction. Rather than construct 20 units, the City and Ocean City Housing Authority have opted to construct 34 units. The completion date for this project is projected to be May 1, 2021.

D. 100% Affordable Family Rentals at Peck's Beach Village

As the Settlement Agreement provides, upon the completion of Speitel Manor, the residents living in the senior units at Peck's Beach Village will be re-located to the new Speitel Manor units. The senior units at Peck's Beach Village will then be demolished. Demolition is expected to occur during summer 2021. Construction of the new family units at Peck's Beach Village will then proceed.

4. See responses set forth in #3, above.
5. All developments in Ocean City's plan are in a sewer service area.

Rehabilitation Obligation

6. The City's rehabilitation project is being administered pursuant to a Shared Services between the City and the Ocean City Housing Authority. Together, the City and the Ocean City Housing Authority will rehabilitate 61 Bayview Manor units (100% very-low income units). Work was to commence in spring 2020, when the Speitel Manor project began, however, since much of this work will take place in occupied units, it

was postponed due to the COVID health crisis out of concern for the residents. The Ocean City Housing Authority now has a plan to move each resident out of her or her or their unit to another unit in the building for the 1 or 2 days during which interior work is being done and is proceeding with this project.

For Municipalities With Prior Round and/or Third Round Vacant Land Adjustment

7. Ocean City's plan does include unmet need.

- a. Attached hereto is a chart showing the projects for which the City has received proposals for development on parcels larger than 0.5 acres since the settlement was approved by the court. Only the Klause Enterprises parcel was vacant at the time of the litigation in this matter, and that parcel was included in the RDP calculation.

The Republic Bank site was used as two gas stations at the time the Settlement Agreement was prepared. A bank is proposed for this site, which is currently undergoing remediation. No affordable units will be constructed, nor was any required.

The Shoemaker Lumber site was used as a lumber yard and remains a lumber yard. No affordable units will be constructed, nor were any required.

The St. Damien Parish site is located within a inclusionary overlay zone. That project involved the demolition of the parish convent, which had a parking lot for the church adjoining on both sides, and the creation of additional, much needed parking for this large and active parish church. No affordable units will be constructed, nor were any required.

The owner of the McDonald's property applied for site plan improvements. The McDonald's restaurant remains. No affordable units will be constructed, nor were any required.

The OC 2406 Inc. site is Wesley By the Bay, a development of affordable units operated by the United Methodist Homes. This application proposed the construction of a common facilities building. No affordable units will be constructed, nor were any required.

The Shoemaker Lumber application is a residential subdivision creating single-family homes in a zone which does not have a mandatory set aside. No affordable units will be constructed, nor were any required.

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Most recently, Thomas Anderson demolished a single-family home and obtained a 4-lot subdivision on the bayfront in a single-family zone. No affordable units will be constructed, nor were any required.

- b. No development has occurred or been proposed to occur within any inclusionary overlay zone for which a mandatory set-aside ordinance would apply since settlement.
- c. No.

The foregoing is to the best of my knowledge, after inquiry of Ocean City's Professional Planner.

If you have any questions, please do not hesitate to contact me.

Thank you for your attention.

Very truly yours,



Dorothy F. McCrosson

enc.

cc: Honorable Steven P. Perskie, J.S.C. retired
Christine Gundersen, MHA

City of Ocean City

FSHC Mid-point Report

The development applications in the following table have been submitted to the City subsequent to June 18, 2018, exceed the ½-acre minimum and may be relevant to Question 7a –

Application No./Name	Application Type	Parcel Size	Block/Lot Address	Zoning District	Approval Date	Included in RDP	Within Inc. Overlay ¹
PBA18-035 Klauser Enterprises	Major Subdivision, Major Site Plan, Conditional Use – 21 single-family lots	1.96 Acres	Block 1606, Lots 2, 3.01, 4, 5 and 6 1601-43 Simpson Avenue	Drive-in Business	10/2/19	Yes	No
PBA18-017 Republic Bank	Major Site Plan - Bank	0.62 Acres	Block 808, Lots 1 and 2 201-211 9th Street	Drive-in Business	4/10/19 & amended 1/8/20	No -	No
PBA19-007 Shoemaker Lumber	Major Site Plan – Lumber storage racks	0.66 Acres	Block 1206, Lot 2 1205 Haven Avenue	Drive-in Business	9/11/19	No	No
PBA20-003 St. Damien Parish	Major Site Plan, Conditional Use – Parking lot	0.56 Acres	Block 1302, Lots 8 and 9 600 13th Street and 1319 Wesley Avenue	Residential R-2-30	5/6/20	No	Yes
PBA18-004 McDonald's	Minor Site Plan – ADA, façade, landscaping	0.87 Acres	Block 908, Lot 2 900-44 West Avenue	Drive-in Business	8/8/18	No	No
PBA20-006 OC 2406, Inc.	Major Site Plan, Conditional Use – Common facilities building	2.55 Acres	Block 2406, Lots 1 and 3 2406 Bay Avenue	Residential Multi-family	5/13/20	No	No

¹ See Settlement Term 6dii – Inclusionary R2 Zone Districts Assemblage Incentive Overlay Zone

PBA 19-022, Shoemaker Lumber Company, Inc.	Major Subdivision, Conditional Use – 6 single- family lots	0.55 Acres	Block 1106, Lots 1 and 1.01 1120-37 and 1143 Haven Avenue	Drive-in Business	Incomplete	No	No
PBA 20-012, Thomas Anderson	Major Subdivision – 4 single- family lots	0.77 Acres	Block 70.14, Lots 41, 41.01, 41.02, 41.03 & 41.04 250 Bay Road	Residential Bayfront, G-60/6000	New application	No	No

August 13, 2020