# PARK RIDGE MAYOR & COUNCIL MEETING AGENDA FOR SPECIAL MEETING

November 23, 2020 5:30 p.m.

Mayor Misciagna calls meeting to order at:

Pledge of Allegiance to the Flag

#### ROLL CALL:

Present:

Absent:

Also Present:

Mayor Misciagna reads Compliance Statement, as required by Open Public Meetings Act, P.J., 1975, Chapter 231.

Thee Notice for the Special Work and Closed Session Mayor & Council Meeting of Monday, November 23, 2020, as required by Section 3(D) of the Open Public Meetings Act has been provided by:

- On November 18, 2020 posting the same on the Municipal Bulletin Board;
- Faxing Notice of this meeting to The Record, Community Life, The Pascack Press and Ridgewood News.
- 3. Filing a copy of this Notice in the office of the Borough Clerk.

#### **Public Hearing**

Mayor Misciagna asks if anyone present wishes to be heard on any matter. Upon recognition by the Mayor, the person shall proceed to the floor and give his/her name and address in an audible tone of voice for the records. Unless further time is granted by the Council, he/she shall limit his/her statement to five (5) minutes. Statements shall be addressed to the Council as a body and not to any member thereof. No person, other than the person having the floor, shall be permitted to enter into any discussion, without recognition by the Mayor.

# Mayor Misciagua asks for a motion to go into Closed Session to discuss matters pertaining to Affordable Housing

A	motion	was mad	e by	and seconded by	,		to confirm
	LILLOUNGIA	MAN TRING	~ ~ 3	 and seconded by		 	to commi

#### Clerk Reads:

WHEREAS, the Open Public Meetings Act, P. L. 1975, Chapter 231 permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, this public body is of the opinion that such circumstances presently exist; and WHEREAS, the Governing Body wishes to discuss:

Matters Relating to Litigation, Negotiations and the Attorney- Client Privilege, including any pending or anticipated litigation. The specific matter involves the following; Affordable Housing Litigation

Minutes will be kept and once the matter involving the confidentiality of the above no longer requires that confidentiality, then the minutes can be made public.

NOW THEREFORE BE IT RESOLVED that the public be excluded from this meeting.

#### Mayor Misciagna asks for a motion to return to Open Session

A motion was made by	and seconded by	to confirm
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#### PUBLIC PRIVILEGE OF THE FLOOR:

Mayor Misciagna asks if anyone present wishes to be heard on any matter.

Upon recognition by the Mayor, the person shall proceed to the floor and give his/her name and address in an audible tone of voice for the records. Unless further time is granted by the Council, <u>he/she shall limit his/her statement to five (5) minutes</u>. Statements shall be addressed to the Council as a body and not to any member thereof. No person, other than the person having the floor, shall be permitted to enter into any discussion, without recognition by the Mayor.

# RESOLUTION ADOPTING A PROPOSED THIRD ROUND AFFORDABLE HOUSING PLAN AND SETTLEMENT AGREEMENT WITH FAIR SHARE HOUSING CENTER AND LANDMARK AR PARK RIDGE, LLC

Mayor Misciagna calls for a motion to adopt Resolution No. 020-267 A Resolution of the Borough of Park Ridge, in the County of Bergen and State of New Jersey, Authorizing a Proposed Third Round Affordable Housing Plan and Settlement Agreement with Fair Share Housing Center and Landmark AR Park Ridge, LLC

#### BOROUGH OF PARK RIDGE

#### **RESOLUTION NO.020-267**

A RESOLUTION OF THE BOROUGH OF PARK RIDGE, IN THE COUNTY OF BERGEN AND STATE OF NEW JERSEY, AUTHORIZING A PROPOSED THIRD ROUND AFFORDABLE HOUSING PLAN AND SETTLEMENT AGREEMENT WITH FAIR SHARE HOUSING CENTER AND LANDMARK AR PARK RIDGE, LLC

WHEREAS, the Borough of Park Ridge filed a Complaint on or about June 29, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1987, N.J.S.A. 52:27D-301 et seq., in accordance with In re Adoption of N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015), and bearing Docket No. BER-L-6030-15; and

WHEREAS, as part of this action, the Borough received a grant of immunity from the Court, which has been extended and remains in full force; and

WHEREAS, the Borough of Park Ridge seeks to obtain its Third Round Substantive Certification from the Court, in order to demonstrate that it complies with its fair share housing obligation and will continue to possess the ability and right to make appropriate local zoning decisions; and

WHEREAS, the Borough of Park Ridge has proposed a plan to Fair Share Housing Center and Landmark AR Park Ridge, LLC, which the Borough believes demonstrates affordable housing compliance with the Borough's Third Round Affordable Housing Plan ("Plan"); and

WHEREAS, the Borough has negotiated a settlement agreement with Fair Share Housing Center and Landmark AR Park Ridge, LLC to memorialize the Borough's Plan and seek approval from the

Court that the Borough's plan is fair and compliant with its Third Round affordable housing obligations; and

WHEREAS, the Borough and Fair Share Housing Center and Landmark AR Park Ridge, LLC have reached an agreement, a copy of which is on file with the Borough Clerk, in which Fair Share Housing Center and Landmark AR Park Ridge, LLC agree to support and endorse the Borough's Third Round Affordable Housing Plan; and

WHEREAS, the significance of a settlement agreement ("Settlement Agreement") with Fair Share Housing Center and Landmark AR Park Ridge, LLC is that they will support the Borough's application for approval of its Third Round Affordable Housing Plan; and

WHEREAS, in the event the Court approves the Borough's Third Round Affordable Housing Plan, the Borough shall possess immunity from builders' remedy challenges and retain its right of local zoning decisions; and

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Borough of Park Ridge, in the County of Bergen and State of New Jersey, that the Mayor is hereby authorized to execute a settlement agreement with Fair Share Housing Center and Landmark AR Park Ridge, LLC; and

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized to sign amendments to the Settlement Agreement as long as such amendments do not materially change the Settlement Agreement

Roll Call:			
Mayor Misciagna calls for a mo	otion to adjourn the meeting:		
A motion was made by	and seconded by	to confirm.	
Roll Call:			

A motion was made by \_\_\_\_\_ to confirm.

#### BOROUGH OF PARK RIDGE RESOLUTION NO. 020-267

A RESOLUTION OF THE BOROUGH OF PARK RIDGE, IN THE COUNTY OF BERGEN AND STATE OF NEW JERSEY, AUTHORIZING A PROPOSED THIRD ROUND AFFORDABLE HOUSING PLAN AND SETTLEMENT AGREEMENT WITH FAIR SHARE HOUSING CENTER AND LANDMARK AR PARK RIDGE, LLC

WHEREAS, the Borough of Park Ridge filed a Complaint on or about June 29, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1987, N.J.S.A. 52:27D-301 et seq., in accordance with In re Adoption of N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015), and bearing Docket No. BER-1.-6030-15; and

WHEREAS, as part of this action, the Borough received a grant of immunity from the Court, which has been extended and remains in full force; and

WHEREAS, the Borough of Park Ridge seeks to obtain its Third Round Substantive Certification from the Court, in order to demonstrate that it complies with its fair share housing obligation and will continue to possess the ability and right to make appropriate local zoning decisions; and

WHEREAS, the Borough of Park Ridge has proposed a plan to Fair Share Housing Center and Landmark AR Park Ridge, LLC, which the Borough believes demonstrates affordable housing compliance with the Borough's Third Round Affordable Housing Plan ("Plan"); and

WHEREAS, the Borough has negotiated a settlement agreement with Fair Share Housing Center and Landmark AR Park Ridge, LLC to memorialize the Borough's Plan and seek approval from the Court that the Borough's plan is fair and compliant with its Third-Round affordable housing obligations; and

WHEREAS, the Borough and Fair Share Housing Center and Landmark AR Park Ridge, LLC have reached an agreement, a copy of which is on file with the Borough Clerk, in which Fair Share Housing Center and Landmark AR Park Ridge, LLC agree to support and endorse the Borough's Third Round Affordable Housing Plan; and

WHEREAS, the significance of a settlement agreement ("Settlement Agreement") with Fair Share Housing Center and Landmark AR Park Ridge, LLC is that they will support the Borough's application for approval of its Third Round Affordable Housing Plan; and

WHEREAS, in the event the Court approves the Borough's Third Round Affordable Housing Plan, the Borough shall possess immunity from builders' remedy challenges and retain its right of local zoning decisions.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor & Council of the Borough of Park Ridge, in the County of Bergen and State of New Jersey, that the Mayor is hereby authorized to execute a settlement agreement with Fair Share Housing Center and Landmark AR Park Ridge, LLC.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized to sign amendments to the Settlement Agreement as long as such amendments do not materially change the Settlement Agreement.

	Introduced	Seconded	AYES	NAYES	ABSENT	ABSTAR
Capilli						<u> </u>
Epstein					-	
Farinaro						<u> </u>
Ferguson						
Metzdorf						
Mintz						
		A	PPROV	ED:		
		A'	PPROV	ED:		
					GNA, MA	YOR
Attest:					GNA, MA	YOR
	a Giandomç	K			GNA, MA	YOR





November 18, 2020

Anthony S. Bocchi, Esquire Cullen and Dykman, LLP 433 Hackensack Avenue Hackensack, NJ 07601

Re: In the Matter of the Borough of Park Ridge, County of Bergen,

Docket No. BER-L-6030-15

Dear Mr. Bocchi:

This letter memorializes the terms of an agreement reached between the Borough of Park Ridge (the "Borough" or "Park Ridge"), the declaratory judgment plaintiff, defendant-intervenor Landmark AR Park Ridge, LLC (Landmark), and Fair Share Housing Center (FSHC), a Supreme Court-designated interested party in this matter in accordance with <u>In re N.J.A.C. 5:96 and 5:97</u>, 221 <u>N.J.</u> 1, 30 (2015)(<u>Mount Laurel IV</u>) and, through this settlement, a defendant in this proceeding.

## Background

Park Ridge filed the above-captioned matter on July 7, 2015 seeking a declaration of its compliance with the <u>Mount Laurel</u> doctrine and Fair Housing Act of 1985, <u>N.J.S.A.</u> 52:27D-301 et seq. in accordance with <u>In re N.J.A.C. 5:96 and 5:97</u>, <u>supra</u>. Through the declaratory judgment process, the Borough and FSHC agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of <u>Mount Laurel</u> litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

#### Settlement terms

The Borough and FSHC hereby agree to the following terms:

- FSHC agrees that the Borough, through the adoption of a Housing Element and Fair Share Plan conforming with the terms of this Agreement (hereafter "the Plan") and through the implementation of the Plan and this Agreement, satisfies its obligations under the <u>Mount</u> <u>Laurel</u> doctrine and Fair Housing Act of 1985, <u>N.J.S.A.</u> 52:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).
- 2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.
- FSHC and Park Ridge hereby agree that Park Ridge's affordable housing obligations are as follows:

Rehabilitation Share (per Structural Conditions Survey)	15
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	112
Third Round (1999-2025) Prospective Need (per	225
Mercer County Decision)	

- 4. For purposes of this Agreement, the Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).
- 5. The Borough's efforts to meet its present need include the following: a) the Borough will establish and fund a local housing rehabilitation program open to renters and owners in compliance with N.J.A.C. 5:97-6.2, and b) the Borough will continue to participate in the Bergen County Home Improvement Program. This is sufficient to satisfy the Borough's adjusted present need obligation of 15 units.
- 6. As noted above, the Borough has a Prior Round prospective need of 112 units and a Third Round prospective need of 225 units. This combined Prior Round and Third Round obligation of 337 units is met through the following compliance mechanisms:

Prior Round Obligation

		1	u Obligation			
Name of Development	# AH units	# Bonus	Total AH	Status/comments		
		Credits	Credits			
Woodlands Gardens	35		<u> </u>	Prior Cycle		
RCA	12			RCA		
Quail Run	4	4		Family rental		
70-72 Park	1	1		Family rental		
26 Hawthorne	5	5		Family rental		
Ridge Manor	1	1		Family rental		
Care Plus NJ	4	4		Supportive housing/ ALA		
Everas	4	3		Supportive housing/ALA		
New Concepts for Living	6	4		Supportive housing/ALA		
Hawthorne Terrace	1	1		Family rental		
PRAH	2	2		Family rental		
Park Ridge Transit	9	3		Family rental		
Total	84	28	112			
	Third	Round Oblig	gation			
Park Ridge Transit	15	15	30	Family rental		
Bear's Nest / BCUW	51			Family rental		
Atrium	28			Assisted Living		
Hornrock-Landmark Site	68	42		Family rental		
Accessory Apartments <sup>1</sup>	6			Family rental		
Total	168	57	225			

<sup>&</sup>lt;sup>1</sup> The Borough may at its sole discretion do some or all of these as market to affordable rather than accessory apartments.

## Settlement Terms Involving the Landmark Property

- 7. Yield and Set Aside for the Landmark/Hornrock/Sony site. Landmark is the owner of certain property identified as Block 301 Lot 1 on the Borough's official tax map comprising of approximately 30.25 +/- acres (the "Landmark Property"). In partial satisfaction of the Borough's Third Round affordable housing obligation as established by this Agreement, the Borough will zone the Landmark Property to permit the construction of an inclusionary development to provide for a total 448 units of family rental housing, of which fifteen percent (15%) will be reserved for, and affordable to, low and moderate income households (collectively, the "Landmark Residential Development"), subject to certain conditions and obligations set forth herein. The Landmark Residential Development shall consist entirely of buildings of wood frame construction without the provision of any structured parking on the Landmark Property.
- 8. Forthcoming Zoning Considerations for the Landmark Property. The ordinance to be adopted by the Borough to provide for the Landmark Residential Development shall be subject to further negotiations between all Parties, but the following terms and/or concepts shall be provided for in that form of ordinance:
  - a. The affordable housing set-aside for the Landmark Residential Development shall be fifteen percent (15%) of the total units actually constructed within the Landmark Residential Development. Landmark further agrees that the affordable units within the Landmark Residential Development shall be family rental units integrated among the market-rate units and shall not be age-restricted. The residents of the affordable housing units will have full and complete access to all amenities, common areas, and recreation areas and facilities on the site.
  - b. The affordable components of the Landmark Residential Development shall include low income units (including very-low-income units) and moderate income units, as the term low-and-moderate income units have been defined in this Agreement. The very-low-income units, which shall be affordable to and reserved for households at or below thirty percent (30%) of area median income shall constitute thirteen percent (13%) of the total affordable units within the Landmark Residential Development and shall be proportionally distributed across each bedroom size. The bedroom distribution of the affordable units shall be 15% one bedroom units, 35% three bedroom units, with the remaining 50% being two bedroom units. In accordance with N.J.A.C. 5:93-10.2(c), the bedroom mix within the market rate units within the Landmark Residential Development shall be at Landmark's sole discretion.
  - c. While the zoning standards applicable to the Landmark Residential Development shall be the subject of a formal form of ordinance to be cooperatively developed between Landmark and the Borough, the following standards and/or requirements shall be incorporated:
    - i. The zoning provisions shall provide for permitted access (both primary and emergency access) to the inclusionary development to be developed on that attendant seven (7) acre portion of the Sony property located in the Borough of Montvale (identified on the tax maps of the Borough of Montvale as Block 3302, Lot 1) which inclusionary development is a central component of the Borough of Montvale's Settlement Agreement of Litigation in the matter captioned In the Matter of the Application of the Borough of Montvale, County of Bergen, Docket No. BER-L-6141-15 (the "Landmark Montvale Project").

- ii. The parties agree that the Landmark development will comply with all aspects of N.J.A.C. 5:93-5.6 including, but not limited to, phasing of affordable housing development.
- d. Borough's Cooperation with Landmark to Facilitate the Approval and Construction of the Landmark Residential Development. In order to facilitate the prompt approval and development of the Landmark Residential Development, the Borough shall undertake the following:
  - Establish requirements that the Borough Planning Board shall provide for two (2) meetings per month to consider the land development applications for Landmark Residential Development and the Planning Board shall act on such applications within sixty (60) days of deeming said applications complete, which completion determination shall be made within forty (40) days of receipt of Landmark's application;
  - ii. Reserve sufficient water, sewer and electric capacity in order to serve the Landmark Residential Development;
  - Prompt review and approval/endorsement of all necessary applications, permits and/or approvals required by other State, County and/or other governmental agencies with jurisdiction over the Landmark Residential Development;
  - iv. Permit connection of the Landmark Residential Development and the Landmark Montvale Project to the electric, telecommunications, nature gas, water and sewer utility improvements currently located on Block 304, Lot 1, subject to any costs associated with same being fully paid for by Landmark

#### Settlement Terms Involving Bear's Nest

- Bear's Nest site (Block 206 Lot 2) The Borough will provide a realistic opportunity for the development of 51 affordable housing units on this site as a municipally-sponsored 100% affordable housing that complies with the requirements of N.J.A.C. 5:93-5.5 and N.J.A.C. 5:97-6.7:
  - a. The Borough has demonstrated site control via a settlement agreement between the Borough of Park Ridge, Bears Nest Developers, and the Bergen County United Way dated July 15, 2020. During the compliance phase of this litigation, the settlement agreement and implementing documents shall be modified as necessary to comply with the terms of this settlement.
  - b. In accordance with N.J.A.C. 5:93-5.5, the Borough recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. The Borough partially meets this obligation through the settlement agreement dated July 15, 2020 wherein it commits to adopting a resolution of intent to bond to cover any funding shortfall. The parties agree that the developer shall apply for Low Income Housing Tax Credits in the next available tax credit cycle, which is expected to be sometime in the Summer or Fall of 2021. In the event that the development is not approved for funding via nine percent (9%) Low Income

Housing Tax Credits in the 2021 application cycle, the Parties agree that the developer selected to apply in 2021 shall be able to apply again in the 2022 cycle. In the event the developer does not secure nine (9%) tax credits in 2022, the Borough shall be responsible for covering the funding gap through municipal bonding, the use of the trust fund, and/or through any legal means no later than December 31, 2022, deducting only firmly committed funding from outside sources at that time from the total development cost necessary to complete the project. The Borough agrees to address the remainder of these requirements by providing a pro forma.

- c. The Bears Nest Development shall include low income units (including very-low-income units) and moderate income units, as the term low-and-moderate income units have been defined in this Agreement. The very-low-income units, which shall be affordable to and reserved for households at or below thirty percent (30%) of area median income shall constitute thirteen percent (13%) of the total affordable units within the Bears Nest Development and shall be proportionally distributed across each bedroom size. The bedroom distribution of the affordable units shall be at most 20% one bedroom units and at least 20% three bedroom units with the remaining units being two bedroom units.
- d. In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process: including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor and construction. The schedule shall provide for construction to begin within two years of court approval of this settlement. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity. The Borough shall explain in its Housing Element and Fair Share Plan how it meets these obligations and requirements.
- Additionally, the Borough agrees to provide a realistic opportunity for the development of six (6) accessory apartment units in accordance with the requirements of N.J.A.C. 5:93-5.9 and N.J.A.C. 5:97-6.8, with the exception of the following:
  - a. The Borough agrees that the program shall require at least one (1) of the accessory apartments to be very low-income; no more than three (3) of the accessory apartments may be moderate-income; and the remainder of the accessory apartment units may be low-income.
  - b. The Borough agrees that the subsidy for very low-income units shall be \$50,000, the subsidy for low-income units shall be \$40,000, and the subsidy for moderate-income units shall be \$30,000.
  - c. Nothing in this agreement shall prohibit the Borough from creating additional accessory apartment units in excess of the six (6) that are required in this agreement. Any additional accessory apartment units created in excess of the six (6) that are required in this agreement may be applied toward a future fair share obligation in accordance with then applicable law.
- 11. The Borough agrees to maintain the inclusionary zoning requirements on the following sites/zones:
  - a. AH-1 Zone (Block 1403 Lot 1 and Block 1401, Lots 4-6), AH-2 (Block 1602 Lot 5), and B-3 (Block 1405 Lots 1 through 11).
  - b. Neighborhood Business (NB) Zone which includes an area that was formerly included in that B-3 Zone identified in the Borough's Draft HEFSP.:

12. The Borough agrees to require 13% of all units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, to be very low income units, with half of the very low income units being available to families. The municipality will comply with those requirements as follows:

Affordable Units Approved or Created After 7/1/08	# of
	Units
70-72 Park	11
26 Hawthorne	5
Ridge Manor	1
Everas (bedrooms added since 2008)	1
New Concepts for Living (bedrooms added since 2008)	2
Hawthorne Terrace	1
PRAH	2
Park Ridge Transit	24
Bear's Nest / BCUW	51
Hornrock-Landmark Site	68
Accessory Apartments	6
Total	162
Minimum VLI Units Required (13% of Total)	21
Minimum VLI Family Units Required (50% of Total VLI)	11

VLI Units Proposed	# of Units
26 Hawthorne	1
Everas	1
New Concepts for Living	2
Park Ridge Transit	3
Bear's Nest / BCUW	7
Hornrock-Landmark Site	9
Accessory Apartments	1
Total VLI	24
Total Family VLI	14

- 13. The Borough shall meet its combined Prior Round and Third Round Prospective Need in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 6 above:
  - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
  - At least 50 percent of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
  - c. At least twenty-five percent of the Third Round Prospective Need shall be met through rental units, including at least half in rental units available to families.
  - d. At least half of the units addressing the Third Round Prospective Need in total must be available to families.

- e. The Borough agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
- 14. The Borough shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Bergen County NAACP, Passaic County NAACP, Bergen County Urban League, Bergen County Housing Coalition, and Supportive Housing Association and shall, as part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, provide notice to those organizations of all available affordable housing units. The Borough also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph. The Borough shall implement and comply with the requirements on online marketing of affordable housing units of P.L. 2020, Chapter 51 (N.J.S.A. 52:27D-321.3 et seq.).
- 15. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. The Borough as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied. Income limits for all units that are part of the Plan required by this Agreement 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 the Borough annually within 30 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 Borough is located within (i.e. Region 1) 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 Borough'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 HUD determination 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 as Exhibit A are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2020, and shall be utilized until the Borough 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 Borough 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.
- d. The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement.
- 16. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
- 17. As an essential term of this Agreement, within one hundred twenty (120) days of Court's approval of this Agreement, the Borough shall adopt an ordinance or ordinances providing for the amendment of the Borough's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this Agreement and the zoning contemplated herein, including the adoption of the ordinance relative to the Landmark Property and adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement.
- 18. The parties agree that if a decision of a court of competent jurisdiction in Bergen County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Borough for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round need obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Borough may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Borough shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Borough's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Borough prevails in reducing its prospective need for the Third Round, the Borough may carry over any resulting extra credits to future rounds in conformance with the thenapplicable law.
- 19. The Borough shall prepare a Spending Plan within the period referenced above, subject to the review of FSHC and approval of the Court, and reserves the right to seek approval from the Court that the expenditures of funds contemplated under the Spending Plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3,

with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of this Agreement, which shall be established by the date on which it is executed by a representative of the Borough, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the Borough agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

- 20. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Borough agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
- 21. The Fair Housing Act includes two provisions regarding action to be taken by the Borough during the ten-year period of protection provided in this Agreement. The Borough agrees to comply with those provisions as follows:
  - a. The midpoint realistic opportunity review, due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, has passed without the Borough preparing a report. The Borough agrees to remedy this situation to provide a review with the substance generally required for a midpoint review instead on December 31, 2022, for which, the Borough will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of the Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the court regarding these issues.
  - b. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of this Agreement, and every third year thereafter, the Borough will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.

- 22. FSHC is hereby deemed to have party status in this matter and to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading. The parties to this Agreement agree to request the Court to enter an order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.
- 23. This Agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The Borough shall present its planner as a witness at this hearing. FSHC agrees to support this Agreement at the fairness hearing. In the event the Court approves this proposed settlement, the parties contemplate the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The "accompanying protection" shall remain in effect through July 1, 2025. If this Agreement is rejected by the Court at a fairness hearing it shall be null and void.
- 24. The Borough agrees to pay FSHC's attorneys fees and costs in the amount of \$150,000.00 within ten (10) days of the Court's approval of this Agreement pursuant to a duly-noticed fairness hearing.
- 25. If an appeal is filed of the Court's approval or rejection of this Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of this Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
- 26. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Bergen County. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney's fees.
- 27. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
- 28. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
- 29. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
- 30. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
- 31. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper

person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.

- 32. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.
- 33. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.
- 34. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.
- 35. No member, official or employee of the Borough shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
- 36. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.
- 37. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

TO FSHC:

Adam M. Gordon, Esq.

Fair Share Housing Center 510 Park Boulevard Cherry Hill, NJ 08002 Phone: (856) 665-5444

Telecopier: (856) 663-8182

E-mail: adamgordon@fairsharehousing.org

TO THE BOROUGH:

Julie Falkenstern, Borough Administrator

Borough Municipal Building 53 Park Avenue

Park Ridge, NJ 07656 Phone: 201-822-3164

Telecopier: (201) 391-7130

Email: jfalkenstern@parkridgeboro.com

WITH A COPY TO THE

**BOROUGH ATTORNEY:** Anthony Bocchi, Esq.

Cullen and Dyman LLP Continental Plaza

453 Hackensack Avenue Hackensack, NJ 07601 Phone: (201) 488-1300 Fax: (201) 488-6541

Email: abocchi@cullenanddykman.com

WITH A COPY TO THE

MUNICIPAL CLERK: Magdalena Giandomenico

Borough Municipal Building

53 Park Avenue

Park Ridge, NJ 07656 Phone: (201) 822-3119 Fax: (201) 391-7130

Email: mgiandomenico@parkridgeboro.com

TO LANDMARK AR

PARK RIDGE, LLC: Jeremy Halpern

90 Woodbridge Center Dr. Woodbridge, NJ 07095

WITH A COPY TO:

Richard J. Hoff, Jr., Esquire

Bisgaier Hoff, LLC

25 Chestnut Street, Suite 3 Haddonfield, NJ 08033 Phone: (856) 795-0150 Telecopier: (856) 795-0312 E-mail: rhoff@bisgaierhoff.com

Please sign below if these terms are acceptable.

Sincerely,

Adam M. Gordon, Esq.

Counsel for Intervenor/Interested Party

Fair Share Housing Center

On behalf of the Borough of Park Ridge, with the authorization of the governing body:	
Dated:	
On Behalf of Defendant/Intervenor, Landmark AR Park Ridge, LLC	
Dated:	

# **EXHIBIT A: 2020 INCOME LIMITS**

Prepared by Affordable Housing Professionals of New Jersey (AHPNI) - April 2020

#### 2020 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Income limits not officially adopted by the State of New Jessey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPMI income limits is posted on AHPMI.org

							- * F O	£ 8	<i>5</i> 9	<b>7</b> D	8+ Person	Max	ncrease	Regional Asset
		ТРегѕоп	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person		Renus**	Sales***	Limit****
Region 1	Median	\$67.166	S71,9 <del>6</del> 4	\$76,761	\$86,357	\$95,952	\$99,790	\$103,628	\$111,304	\$116,930	\$126,656			
Bergen, Hudson,	Moderate	\$53,733	\$57,571	\$61,409	\$69,085	\$76,761	\$79,832	\$82,902	\$69,043	\$95,184	\$101,325	1.9%	0.84%	\$185,539
Bergen, mussum, Passaic and Sussex	Low	\$33,583	\$35,981	\$38,381	\$43,178	\$47,976	\$49,895	551,814	\$55,652	\$59,490	\$63,328	1.370	0.0478	3200,300
Legack on the breaker	Very Low	\$20,150	521,589	.\$23,028	525,907	\$28,785	\$29,937	531,088	533,391	\$35,694	\$37,997			
Region 2	Median	\$73,857	\$79,132	\$84,408	\$94,959	\$105,510	\$109,730	\$113,951	5122,391	\$130,832	\$139,273			
a A	Moderate	\$59,035	\$63,306	\$67,526	\$75,967	584,408	587,784	\$92,160	\$97,913	\$104,656	5111,418	1.5%	4.71%	5202,419
Essex, Morris, Union and Warren	Low	\$36,928	\$39,566	\$42,204	\$47,479	\$52,755	\$54,865	\$56,975	\$51,196	\$65,416	\$69,636	5	4.7 174	3.02.435
	Very Low	522,157	\$23,740	525,322	528,488	\$31,653	\$32,919	534,125	536,717	\$39,250	\$41,782		i	
Region 3	Median	\$83,650	. \$89,625	\$95,600	\$107,550	\$119,500	\$124,280	\$129,060	5138,620	5148,180	\$157,740			
Hunterdon,	Moderate	\$66,920	\$71,700	\$76,480	\$86,040	595,600	599,424	5105,248	5110,896	\$138,544	\$126,192	1,3%	1.01%	\$227,546
Middlesex and	Low	\$41,825	544,813	\$47,800	\$53,775	\$59,750	\$62,140	\$64,530	\$59,310	\$74,090	\$78,870			
Somerset	Very Low	\$25,095	\$26,888	\$28,680	\$33,265	\$35,850	537,284	538,718	541.586	\$44,454	\$47,322			
Region 4	Median	\$75,469	\$81,931	587,399	\$98,317	\$109,242	\$113,611	\$117,981	\$126,720	\$135,460	5144,199			
Mercer,	Moderate	\$61,175	565,545	\$69,915	578,654	587,393	590,889	594,585	\$101,376	\$108,368	\$115,359	1.9%	5.96%	% \$205,486
Monmouth and	Low	538,235	\$40,9 <del>66</del>	\$45,697	\$49,159	\$54,621	\$56,806	\$58,990	\$63,360	\$67,730	\$72,099		5.90%	
Ocean	Very Low	522,941	\$24,579	\$25,218	\$29,495	532,772	534,083	535,394	538,016	\$40,638	\$43,2 <del>5</del> 0			
Region 5	Median	\$67,620	\$72,450	577,280	586,940	\$96,500	\$100,464	\$104,528	\$112,056	\$119,784	\$127,512			
Budington,	Moderate	\$54,096	\$57,960	\$61,824	\$69,552	\$77,280	\$80,871.	\$83,452	\$89,645	\$95,827	\$102,010	1.5%	7.11%	\$179,028
Camden and	Low	\$33,810	\$36,225	538,640	\$43,470	548,300	550,252	552,164	556,023	\$59,892	\$53,756		7,00274	3212,028
Gleucester	Very Low	\$20,286	\$21,735	\$23,184	\$26,082	\$28,980	\$30,139	\$81,298	533,617	\$35,935	538,254			
Region 6	Median	\$57,458	\$61,562	\$65,666	\$73,874	\$\$2,083	585,366	588,649	\$95,216	\$101,782	\$108,349			
Atlantic, Cape	Moderate	\$45,966	\$49,250	\$52,533	\$59,100	\$65,666	\$68,293	\$70,919	\$76,173	\$81,426	\$86,679	1.9%	6 07W	\$158,730
May, Cumberland,	Low	\$28,729	530,781	\$32,833	\$36,937	541,841	\$42,683	\$44,325	547,688	\$50,891	\$54,175	A.270	6 6,97%	\$155,730
and Salem	Very Low	517,237	518,469	\$19,700	\$22,162	\$24,525	\$25,610	\$26,595	\$28,565	\$30,535	\$32,505			

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

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.I.A.C. 5:80-26.16(b)3.

These common 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).

<sup>\*</sup>This column is used for calculating the pricing for rent increases for units (as previously calculated under N.L.A.C. 5:97-9.3 (Consumer price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landords who did not increase fents in 2015, 2016, 2017, 2018 or 2019 may increase rent by up to the applicable combined percentage including 2020 or 9.0% whichever is less in accordance with N.L.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

<sup>\*\*\*</sup> This column is used for calculating the pricing for recale 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.