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December 20, 2021

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Mason, Griffin & Pierson, PC
101 Poor Farm Road
Princeton, New Jersey 08540

**Re: In the Matter of the Application of the Township of Harrison,
Docket No. GLO-L-908-15**

Dear Mr. Van Hise:

This letter memorializes the terms of an amended Settlement Agreement reached between the Township of Harrison (the "Township" or "Harrison"), the declaratory judgment plaintiff, and Fair Share Housing Center ("FSHC"), a Supreme Court-designated interested party in accordance with In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015) (Mount Laurel IV), and, through settlement, a defendant-intervenor in this matter.

This Settlement Agreement is subject to review and approval by the Court following a duly-noticed fairness hearing and, if approved, shall supersede and replace in its entirety the November 14, 2019 Settlement Agreement between Harrison and FSHC, which is attached hereto as **Exhibit A**, and was previously approved by the Court following a duly-noticed fairness hearing.

Background

In accordance with Mount Laurel IV, Harrison is seeking a declaration of its compliance with the Mount Laurel doctrine and the Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq.

Through the declaratory judgment process, the Township and FSHC agreed in November 2019 to settle the litigation and to present an agreement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it ends delays and the expense of trial and results more quickly in the construction of homes for very-low-, low- and moderate-income households.

This amended Settlement Agreement was necessitated by the anticipated sale of certain parcels in Richwood Village by Madison Marquette, LLC, to MOTUS, and the changed plans that will result.

This Settlement Agreement supersedes all prior writings between the parties and, once implemented, will create a realistic opportunity for the construction of a substantial number of new affordable homes for very-low-, low-, and moderate-income households.

Settlement Agreement Terms

The Township and FSHC hereby agree to the following terms:

1. The Township, through the adoption of a Housing Element and Fair Share Plan ("fair share plan" or "HEFSP") conforming with the terms of this Agreement, and through the

expeditious implementation of the fair share plan and this Agreement, will satisfy its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 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.
3. Harrison hereby agrees that its fair share obligations are as follows:

Rehabilitation/Present Need Obligation (per Kinsey Report ¹)	0
Prior Round Prospective Need Obligation (pursuant to <u>N.J.A.C. 5:93</u>)	198
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted in this Agreement)	625

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, which was established by the New Jersey Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).
5. **Rehabilitation/Present Need.** The Township does not have a present need obligation, and thus no action is required to address it.
6. **Prior Round.** As noted above, the Township has a Prior Round Prospective Need Obligation of 198 units, which is met through the following compliance mechanisms:

Developments/ Compliance Mechanisms	Details/Status	Units	Bonuses
Regional Contribution Agreement w/City of Woodbury (2004)	Completed (Funds Transferred)	22	0
Walnut Glen/Spring Mill (Block 57, Lot 22.03) Non-Inclusionary Family Rentals	Completed	93	50
Visalli Tract (Block 45, Lot 16) Inclusionary Family Rentals/For-Sale (30 of 102 to the Prior Round)	Proposed	30	0
Newpoint Group Home (244 Tomlin Station Road)	Completed	3	0
Total:		148	50
		198 credits	

¹ David N. Kinsey, PhD, P.P., F.A.I.C.P., "New Jersey Low and Moderate Income Housing Obligations for 1999-2025 Calculated Using the NJ COAH Prior Round (1987-1999) Methodology, dated May 2016.

7. **Third Round.** As noted above, the Township has a Third Round Prospective Need Obligation of 625 units, which is met through the following compliance mechanisms:

Developments/ Compliance Mechanisms	Details/Status	Units	Bonuses
Mullica West Apartments (Block 52, Lot 8) 100% Affordable Family Rentals	Completed	168*	46
Mullica West Expansion (Block 52, Lot 9) 100% Affordable Family Rentals	Completed	48	48
Visalli Tract (Block 45, Lot 16) Inclusionary Family Rentals/For-Sale (72 of 102 to the Third Round)	Proposed	72	0
Mullica West Senior Development (Block 52, Lots 8 & 9) 100% Affordable Senior Rentals	Proposed	96	0
Project Freedom/ Richwood (Block 2, Lot 1) 100% Affordable Special Needs/Family Rentals	Proposed	84	63
Circle Haven (Block 38, Lot 6) Supportive/Special Needs	Proposed	30	0
	Total:	498	157
		655 credits**	

*Eighteen (18) of the units at Mullica West Apartments are restricted in a way that would permit a household earning greater than eighty percent (80%) of area median income to occupy the unit, which is above the maximum permitted by the Fair Housing Act and the Uniform Housing Affordability Controls. On or before March 1, 2022, the Township shall provide a recorded deed restriction that limits occupancy of these eighteen (18) units to households at or below eighty percent (80%) of area median income adjusted for household size.

**Any affordable units constructed above Harrison's Third Round Prospective Need may be credited to future rounds in accordance with then-applicable law but shall not be a reason to reduce any Third Round mechanisms or the affordable housing set-aside on any project.

8. The Township has committed to provide a realistic opportunity for the development of affordable housing through inclusionary zoning on the following sites:

- a. The Visalli tract (Block 45, Lot 16) is a 63.5-acre tract located on Swedesboro Road. The site was subject to a 2010 settlement agreement and received preliminary major subdivision approval in March 2010 (Resolution No. 9-2010) for a 205-unit age-restricted development, including 24 affordable units.

The Township has provided correspondence dated December 17, 2021, attached hereto as **Exhibit B**, which indicates that the prior approvals have been abandoned and that the property owner/developer no longer intends to pursue an age-restricted development.

On or before March 1, 2022, the Township shall rezone the Visalli tract at approximately eight (8) units per acre to permit a non-age-restricted family development of no fewer than 508 total units with a mandatory twenty percent (20%) affordable housing set-aside of any units approved/constructed on the site, which shall create a realistic opportunity for no fewer than 102 affordable family units. The residential units will be permitted in townhomes and multifamily buildings that may be up to three-stories and 48 feet and concentrated on the developable acreage of the site.

The rezoning shall ensure that the family affordable units shall comply with all of the affordable housing requirements (including income/bedroom distribution, deed restrictions, integration, affirmative marketing, and phasing) listed below in Paragraph 15.

9. Harrison has committed to provide a realistic opportunity for the development of affordable housing through means other than inclusionary zoning as follows:

- a. The Township shall sponsor a 96-unit 100% affordable senior development at Block 52, Lots 8 and 9, known as the Mullica West Senior Development. At least thirteen (13) of the units shall be very low income units (priced to be affordable at or below 30 percent of median income), at least thirty-five (35) of the units shall be low income units (priced to be affordable at or below 50 percent of median income), and the remaining units may be moderate income units (priced to be affordable at or below 60 percent of median income).

The Township shall partner with Ron Rukenstein Associates on this 96-unit development that shall be adjacent to the existing Mullica West Apartments. The Township represents that there is sufficient land area on the site to accommodate the proposed development, and the site is in the sewer service area and is suitable for the development.

To help finance construction of the development, Rukenstein shall pursue 9% Low Income Housing Tax Credits from the New Jersey Housing Mortgage Finance Agency in the 2022 and, if necessary, 2023 application cycles.

The Township shall support and facilitate all applications by Rukenstein for tax credits, including adopting the conventional "Resolution of Need" necessary to apply for 9% tax credits and adopting a Payment in Lieu of Taxes at whatever

percentage is encouraged by NJHMFA to maximize points under the then-applicable Qualified Allocation Plan. The Township shall also provide at least \$650,000.00 to Rukenstein initially to assist with pre-development costs and to assist in securing financing.

The start of construction must occur on or before April 1, 2024. If the Township and/or Rukenstein do not secure sufficient outside funding support prior to April 1, 2024, the Township agrees and commits that it shall be obligated to bond for the cost of construction necessary to construct the project, deducting only firmly committed funding from outside sources at that time from the bond amount for the total cost necessary to complete the project.

The Township may utilize New Jersey Housing and Mortgage Financing Agency 4% tax credits as part of its obligation to commence construction of the project no later than April 1, 2024.

On or before March 1, 2022, Harrison shall rezone the property to permit the 96-unit development and provide FSHC, the Court, and Court Master with an executed developer's agreement between Rukenstein and the Township that conforms with all of the terms of this Agreement, a proposed construction schedule, and pro forma.

The proposed construction schedule shall include ensuring that a site plan application is submitted and approved in time for Rukenstein to apply for 9% tax credits in the 2022 application cycle.

- b. The Township shall sponsor an 84-unit 100% affordable special needs/family rental development at the southerly portion of Block 2, Lot 1, known as the Project Freedom/Richwood Development.

The 84 units shall consist of twenty-one (21) special needs units and at least sixty-three (63) affordable family rental units. The 63 affordable family rental units shall comply, among other terms, with the income/bedroom distribution in Paragraph 15 below. This means that there shall be at least thirteen (13) 3-bedroom units (inclusive of at least 2 very-low-income units), and no more than twelve (12) efficiency/1-bedroom units.

The Township shall partner with Project Freedom on this 84-unit development that shall be in Richwood Village on land to be conveyed to Project Freedom by MOTUS. The Township represents that there is sufficient land area on the site to accommodate the proposed development, and the site is in the sewer service area and is suitable for the development.

The site does not currently have sewer/water infrastructure, but the Township has represented that MOTUS, which shall be pursuing a soccer/multi-sport complex with commercial uses on the remainder of the lands in the Richwood Redevelopment Area understands and has agreed to be responsible for extending sewer and water infrastructure lines within five (5) feet of Block 2, Lot 1. The Township has also represented that it has confirmed that available sewer capacity from the Gloucester County Utilities Authority and water capacity from New Jersey

American exceeds MOTUS's needs and is adequate to service the Project Freedom development.

Harrison has agreed and committed to provide to FSHC, the Court, and Court Master an agreement between the Township and MOTUS that conveys the property to Project Freedom and wherein MOTUS commits to bear full responsibility for extending sewer and water infrastructure lines within five (5) feet of Block 2, Lot 1, which shall be completed by MOTUS no later than June 1, 2023. The agreement shall detail the actions that shall be required to be taken in order to complete the extension of the lines, with written updates provided to the Township, FSHC, and Project Freedom every six (6) months as to the progress.

To help finance construction of the development, Project Freedom shall pursue 9% Low Income Housing Tax Credits from the New Jersey Housing Mortgage Finance Agency in the 2022 and, if necessary, 2023 application cycles.

The Township shall support and facilitate all applications by Project Freedom for tax credits, including adopting the conventional "Resolution of Need" necessary to apply for 9% tax credits and adopting a Payment in Lieu of Taxes at whatever percentage is encouraged by NJHMFA to maximize points under the then-applicable Qualified Allocation Plan.

The Township shall also provide a subsidy to Project Freedom, if Project Freedom represents it is necessary for a competitive 9% tax credit application, to assist with pre-development costs and to assist in securing financing. The amount of this subsidy has not yet been confirmed between the Township and Project Freedom, but it is anticipated that it could be in the same range as the \$650,000.00 being provided to Rukenstein for the Mullica West Senior Development and shall be confirmed as part of the Spending Plan prior to entry of final judgment in this matter.

The start of construction must occur on or before April 1, 2024. If the Township and/or Project Freedom do not secure sufficient outside funding support prior to April 1, 2024, the Township agrees and commits that it shall be obligated to bond for the cost of construction necessary to construct the project, deducting only firmly committed funding from outside sources at that time from the bond amount for the total cost necessary to complete the project.

The Township may utilize New Jersey Housing and Mortgage Financing Agency 4% tax credits as part of its obligation to commence construction of the project no later than April 1, 2024.

On or before March 1, 2022, Harrison shall provide a copy of the executed agreement referenced above with MOTUS that conforms with all of the terms of this Agreement, shall rezone the property to permit the 84-unit development and provide FSHC, the Court, and Court Master with an executed developer's agreement between Project Freedom and the Township that confirms with all of the terms of this Agreement, a proposed construction schedule, and pro forma.

The proposed construction schedule shall include ensuring that a site plan application is submitted and approved in time for Project Freedom to apply for 9% tax credits in the 2022 application cycle.

- c. The Township shall sponsor a 30-unit 100% affordable special needs development at Block 38, Lot 6, known as the Circle Haven Development.

The project shall serve adults with intellectual and developmental disabilities.

The site is currently municipally-owned, and it shall be conveyed to Acenda Integrated Health. The Township represents that there is sufficient land area on the site to accommodate the proposed development, and the site is in the sewer service area and is suitable for the development.

Acenda shall not pursue 9% Low Income Housing Tax Credits for this project. Instead, Acenda shall pursue 4% Low Income Housing Tax Credits from the New Jersey Housing Mortgage Finance Agency as well as other outside funding to help finance construction of the project. The Township shall be responsible for covering any gap in financing necessary to start construction.

The start of construction must occur on or before April 1, 2024. The Township agrees and commits that it shall be obligated to bond for the cost of construction necessary to construct the project, deducting only firmly committed funding from outside sources at that time from the bond amount for the total cost necessary to complete the project.

On or before March 1, 2022, Harrison shall rezone the property to permit the 30-unit development and provide FSHC, the Court, and Court Master with an executed developer's agreement between Acenda and the Township that conforms with all of the terms of this Agreement, a proposed construction schedule, and pro forma.

- d. In accordance with N.J.A.C. 5:93-5.5, the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments and compliance mechanisms.
 - i. 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.
 - ii. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, which shall be in the form of a commitment to municipally bond for a shortfall, in the event that there is a funding shortfall.
 - iii. The Township shall provide the above prior to the entry of a final judgment of compliance and repose.

- e. In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments and compliance mechanisms, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process.
 - iv. The construction/implementation schedule shall include preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor, and the commencement and completion of construction. The schedule shall provide for construction to begin within two years of Court approval of this Agreement.
 - v. The Township shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity, and it shall designate and enter into a developer's agreement with the entity responsible for constructing any non-inclusionary development.
 - vi. The Township shall provide the above prior to the entry of a final judgment of compliance and repose.
- 10. Harrison acknowledges and agrees that the sites of each development listed above are available, suitable, developable, and approvable for the construction of affordable housing, including the number of units contemplated by this Agreement.
- 11. Harrison commits to work cooperatively, expeditiously, and with all continuity of purpose with the developers to ensure all necessary land use approvals and to issue all construction and building permits in a timely manner. The Township will comply with N.J.A.C. 5:93-10 and shall not impose development standards and/or requirements that are cost-generative features and that are not essential to protect the public welfare.
- 12. As an essential element of this Agreement, Harrison has represented that there is adequate sewer/water infrastructure and capacity for each of the affordable housing projects committed to in this Agreement. On or before March 1, 2022, Harrison shall provide to FSHC, the Court, and Court Master documentation from the relevant utilities authority and water franchisor confirming that there is adequate sewer/water infrastructure and capacity for each affordable housing project. Harrison shall prioritize and protect sewer/water capacity for each of its affordable housing projects, and it shall take no action to eliminate the capacity available for each project.
- 13. The following minimum number of very-low-income units (as defined in 15.a. below) shall be produced by each proposed development/compliance mechanism:

Development	Minimum Number of Very Low Income Units
Visalli Tract (Block 45, Lot 16)	14
Mullica West Senior Development (Block 52, Lots 8 & 9)	13
Project Freedom/Richwood (Block 2, Lot 1)	11 (at least 9 very-low-income family rental units)
Circle Haven (Block 38, Lot 6)	4

14. The Township agrees that it shall meet its Third Round Prospective Need in accordance with the following standards:

- a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
- b. At least fifty percent (50%) 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 (25%) of the Third Round Prospective Need shall be met through rental units, including at least half in non-age-restricted rental units available to families.
- d. At least half of the units (50%) addressing the Third Round Prospective Need must be non-age-restricted affordable units available to families.
- e. The Township agrees to comply with an age-restricted cap of twenty-five percent (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 twenty-five percent (25%) of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
- f. Thirteen percent (13%) of all affordable units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, shall be very-low-income units for households earning thirty percent (30%) or less of the median income pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301, et seq. ("FHA"), with half of the very low income units being available to families.
- g. 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.

15. In all developments that produce affordable housing, the Township agrees that the following terms shall apply:

- a. All of the affordable units shall fully comply with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, et seq. ("UHAC"), including but not limited to the required bedroom and income distribution, with the sole exception that thirteen percent (13%) of the affordable units within each bedroom distribution shall be required to be for very low income households earning thirty percent (30%) or less of median income pursuant to the Fair Housing Act.
- b. All of the affordable units shall be subject to affordability controls of at least thirty (30) years from the date of initial occupancy and affordable deed restrictions as provided for by UHAC, with the sole exception that very low income shall be defined as at or below thirty percent (30%) of median income pursuant to the Fair Housing Act, and the affordability controls shall remain unless and until the Township, in its sole discretion, takes action to extend or release the unit from such controls after at least thirty (30) years. If the Township acts to release the unit from such controls, affordability controls shall remain in effect until the date on which a

rental unit shall become vacant due the voluntary departure of the income-eligible occupant household in accordance with N.J.A.C. 5:80-26.11(b).

- c. In any inclusionary development, the affordable units shall be integrated to the extent feasible with the market-rate units. Where the affordable and market-rate units are of the same tenure, there shall be a strong presumption that it is feasible for the affordable and market-rate units to be fully integrated. In buildings with multiple dwelling units, the affordable units shall be generally distributed within each building with market units and the affordable units shall not be concentrated in separate building(s) or in separate area(s) or floor(s) from the market-rate units. The residents of the affordable units shall have full and equal access to all of the entryways, amenities, common areas, and recreation areas and facilities as the residents of the market-rate units.
 - d. Construction of the affordable units in inclusionary developments shall be phased in compliance with N.J.A.C. 5:93-5.6(d).
 - e. The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law. The affirmative marketing shall include the community and regional organizations identified in this agreement, and it shall also include posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.
16. The Township and/or its Administrative Agent shall add the following entities 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):
- a. Fair Share Housing Center, Inc. (510 Park Boulevard, Cherry Hill, New Jersey 08002); Fair Share Housing Development (1 Ethel Lawrence Boulevard, Mount Laurel, New Jersey 08054); Gloucester County NAACP (P. O. Box 545, Williamstown, New Jersey 08094); Camden County NAACP (1123 1/2 Kaighn Avenue, Camden, New Jersey 08103); The Latino Action Network (P. O. Box 943, Freehold, New Jersey 07728); Willingboro NAACP (P. O. Box 207, Roebling, New Jersey 08554); and The Supportive Housing Association (15 Alden Street #14, Cranford, New Jersey 07016); and other appropriate non-profits and Civil Rights organizations that request to be notified of available units, and shall, as part of its regional affirmative marketing strategies during its implementation of any affirmative marketing plan, provide direct notice to those organizations of all available affordable housing units, along with copies of application forms. The Township also agrees to require any other entities, including developers, persons or companies retained to do affirmative marketing, to comply with these notice requirements.
 - b. As part of its regional affirmative marketing strategies during implementation of its fair share plan, the Township and/or its Administrative Agent shall also provide notice of all available affordable housing units to the above-referenced organizations and shall ensure all affordable units are posted on the New Jersey Housing Resource Center website in accordance with applicable law.

17. Income limits for all affordable units shall be updated by the Township annually within thirty (30) days of the publication of determinations of median income by the United States Department of Housing and Urban Development ("HUD") as follows:
 - a. Regional income limits shall be established for the Housing Region in which the Township is located (in this case, Housing Region 5) 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 number of 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 number of households from the most recent decennial Census in the Township'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 C** are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2021, and shall be utilized until the Township 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 Township 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, the terms of which shall also be reflected in the Township's affordable housing ordinance.
18. Upon full execution of this Agreement, Harrison shall notify the Court so that a Fairness Hearing can be scheduled to approve the Agreement. The parties shall request that the Fairness Hearing be scheduled on or before February 15, 2022.
19. Harrison shall place this Agreement on file in the Township's municipal building, post it on the municipal website, and file a copy with the Court at least thirty (30) days prior to the Fairness Hearing, at which the Township will seek judicial approval the terms of this Agreement pursuant to the legal standards set forth in Morris Cty. Fair Hous. Council v.

Boonton Twp., 197 N.J. Super. 359 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986), and East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311 (App. Div. 1996). Notice of the Fairness Hearing shall be published at least thirty (30) days in advance of the hearing. The Township's planner shall appear as a witness at the hearing.

20. Following the Fairness Hearing, the parties shall request that a Final Compliance Hearing be scheduled on or before April 15, 2022.
21. At least thirty (30) days before the Final Compliance Hearing, Harrison shall adopt an amendment to its Housing Element and Fair Share Plan, the necessary zoning ordinances, spending plan amendment, intent to fund shortfall resolution(s), and adopt all other resolutions and ordinances required to be adopted as part of this Amended Agreement. The HEFSP amendment shall include all documentation to demonstrate the creditworthiness of existing affordable units for which the municipality is seeking credit. At least fourteen (14) days prior to introduction, the Township shall submit a draft of the above-listed documents to the Court Master and FSHC for review. The adopted version of the above-listed documents as well as a compliant affordable housing ordinance, development fee ordinance, and affirmative marketing plan shall be provided to the Court, Court Master, and FSHC at least thirty (30) days before the Final Compliance Hearing.
22. The Township shall prepare and submit an Amended Spending Plan for review and approval by the Special Master, FSHC, and the Court. Upon approval, the Township and FSHC agree that the expenditures of funds contemplated in the Township's Spending Plan shall constitute the "commitment" for expenditure required pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period contemplated therein commencing 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).
23. The Township shall comply with the following annual monitoring and reporting requirements:
 - a. Starting on January 1, 2023, and every anniversary thereafter, the Township shall provide an annual Mount Laurel Trust Fund accounting report to the New Jersey Department of Community Affairs, Council on Affordable Housing, Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to FSHC 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 annual report shall detail all expenditures from and deposits into the Township's Affordable Housing Trust Fund.
 - b. Starting on January 1, 2023, and every anniversary thereafter, the Township shall provide an annual report on the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the FSHC. In addition to the foregoing, the Township shall also post such activity on the CTM system and/or file a copy of its report with the Council on Affordable Housing or its successor agency at the State level. The annual report shall detail the status of all affordable units in the Township's HEFSP. The Township shall promptly respond to any requests from the Court or FSHC for additional information.

24. The Fair Housing Act includes two provisions regarding actions to be taken by the Township during the ten-year period of protection provided in this agreement. The Township agrees to comply with those provisions as follows:

- a. For the midpoint realistic opportunity review required pursuant to N.J.S.A. 52:270-313, the Township was obligated to post, by July 1, 2020, on its municipal website, a status report as to its implementation of its HEFSP and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms should be revised or supplemented.

Recognizing that July 1, 2020, has passed prior to the amended settlement in this matter, the Township shall, by July 1, 2023, post, on its municipal website, with a copy provided to Fair Share Housing Center, its midpoint realistic opportunity review report. The status report will provide an update of the Township's implementation of its HEFSP and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms should be revised or supplemented.

- b. For the review of very-low-income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of January 1, 2023, and every third year thereafter, the Township 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 Township and Fair Share Housing Center on the issue of whether the Township has complied with its very-low-income housing obligation under the terms of the settlement agreement with FSHC.

25. As part of the November 14, 2019 Settlement Agreement, the Township of Harrison agreed to pay FSHC's fees and costs up to that point in the amount of \$15,000.00.

In light of the additional time and resources expended since then by FSHC, including to negotiate and enter into this amended Settlement Agreement, the Township agrees to pay FSHC's additional attorney's fees and costs in the amount of \$25,000.00 within ten (10) days of the Court's approval of this Agreement following the Fairness Hearing for a total of \$40,000.00.

26. This Agreement may be enforced by the Township or FSHC through a motion to enforce litigant's rights or a separate action filed in Superior Court, Gloucester County. If it prevails on a motion to enforce, that party shall be entitled to reasonable fees and costs in accordance with Rule 1:10-3.

27. Harrison and FSHC shall have an obligation to fulfill the intent and purpose of this Agreement. If an appeal of the Court's approval or rejection of the Settlement Agreement is filed by a third party, 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 the Settlement Agreement if the Agreement is approved by 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 return to the *status quo ante*. In this regard, the Township and FSHC acknowledge that the parties have

entered into this Agreement to settle the litigation and that each is free to take such position as it deems appropriate should the matter return to the *status quo ante*.

28. The parties agree that if a decision of a court of competent jurisdiction in Gloucester 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 a Third Round Prospective Need Obligation of the Township for the period 1999-2025 that would be lower by more than ten percent (10%) than the obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township 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 fair share plan adopted pursuant to this Agreement; taking all steps necessary to support and fund the development of any 100% affordable developments referenced in this Agreement; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township'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 Rule 4:50-1. If the Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
29. 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.
30. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
31. This Agreement may not be modified, amended or altered in any way except by a writing signed by both the Township and FSHC.
32. 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.
33. The Township and FSHC acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each person to sign this Agreement is the proper person and possesses the authority to sign the Agreement, that this Agreement contains the entire understanding of the Township and FSHC and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
34. The Township and FSHC acknowledge that this Agreement was not drafted by the Township or FSHC, but was drafted, negotiated and reviewed by representatives of the Township and FSHC and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. The Township and FSHC expressly represent 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.

35. 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 the Township and FSHC.
36. This Agreement constitutes the entire Agreement between the Township and FSHC hereto and supersedes all prior oral and written agreements between the Township and FSHC with respect to the subject matter hereof except as otherwise provided herein.
37. No member, official or employee of the Township 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.
38. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which representatives of the Township and FSHC have executed and delivered this Agreement.
39. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the Township and FSHC 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, New Jersey 08002
Phone: (856) 424-1808
Telecopier: (856) 663-8182
Email: adamgordon@fairsharehousing.org

TO THE TOWNSHIP:

Kevin A. Van Hise, Esq.
Mason, Griffin & Pierson, PC
101 Poor Farm Road
Princeton, New Jersey 08540
Phone: (609) 436-1209
Telecopier: (609) 683-7978
Email: k.vanhise@mgplaw.com


**WITH A COPY TO THE
MUNICIPAL CLERK:**

Diane L. Malloy, RMC, CMR, Municipal Clerk
Harrison Township
114 Bridgeton Pike
Mullica Hill, New Jersey 08062
Phone: (856) 478-4111
Telecopier: (856) 478-2498

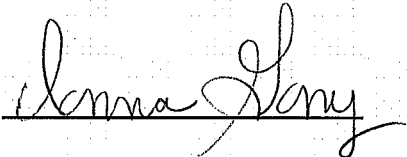
Email: dmalloy@harrisontwp.us

IN WITNESS WHEREOF, the Parties hereto have caused this Settlement Agreement to be properly executed, their corporate seals affixed and attested and this Settlement Agreement to be effective as of the Effective Date.

Sincerely,



Adam M. Gordon, Esq.
Executive Director of Fair Share Housing Center

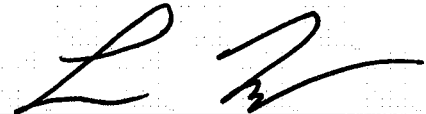
Witness: 

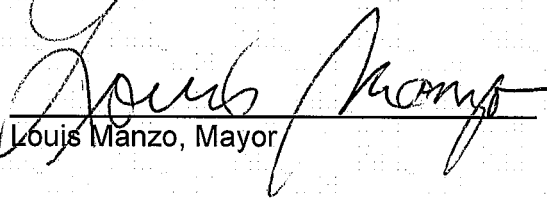
Dated: 1/14/2022

On behalf of the Township of Harrison, with the authorization of the governing body:

Witness/ Attest:

TOWNSHIP OF HARRISON


Diane L. Malloy, Municipal Clerk


Louis Manzo, Mayor

Dated: 12/20/21

Exhibit A:
November 14, 2019 Settlement Agreement
Between Harrison Township and Fair Share Housing Center



Peter J. O'Connor, Esq.
Kevin D. Walsh, Esq.
Adam M. Gordon, Esq.
Laura Smith-Denker, Esq.
David T. Rammler, Esq.
Joshua D. Bauers, Esq.

November 14, 2019

Kevin A. Van Hise, Esq.
Mason, Griffin & Pierson, PC
101 Poor Farm Road
Princeton, NJ 08540

**Re: In the Matter of the Application of the Township of Harrison, County
of Gloucester, Docket No. GLO-L-908-15**

Dear Mr. Van Hise:

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

Background

Harrison filed the above-captioned matter on July 8, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq. in accordance with In re N.J.A.C. 5:96 and 5:97, supra. Through the declaratory judgment process, the Township 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 Mount Laurel 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 Township and FSHC hereby agree to the following terms:

1. FSHC agrees that the Township, 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 Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 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.
3. FSHC and Harrison hereby agree that Harrison's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report ¹)	0
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	198
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this Agreement)	625

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 Township does not have a present need obligation.
6. As noted above, the Township has a Prior Round prospective need of 198 units, which is met through the following compliance mechanisms:

Prior Round Compliance Mechanism	Credits	Bonus	Total
<i>Regional Contribution Agreements (funds transf.)</i>	22	---	22
<i>Family Rentals</i>			
Walnut Glen / Spring Mill (Munic. Sponsored)	93	50	143
Richwood Village (Redevelopment Plan – inclusionary development)	6	0	6
<i>For Sale Units</i>			
Vasalli (Age-restricted)	24	0	24
<i>Other Compliance Mechanisms</i>			
Newpoint Group Home	3	0	3
Total	148	50	198
Surplus (Credits)	---	---	0

7. The Township has implemented or will implement the following mechanisms to address its Third Round prospective need of 625 units:

Township's Third Round Compliance Mechanisms	Credits	Bonus	Total
<i>Prior Round Surplus</i>	0	---	0
<i>Family Rentals</i>			
Richwood Village (Redevelopment Plan – inclusionary development)	184	70	254
Richwood Village (Redevelopment Plan – 100% Affordable)	70	70	140

¹ David N. Kinsey, PhD, PP, FAICP, NEW JERSEY LOW AND MODERATE INCOME HOUSING OBLIGATIONS FOR 1999-2025 CALCULATED USING THE NJ COAH PRIOR ROUND (1987-1999) METHODOLOGY, May 2016.

Mullica West Apartments	168	0	168*
Mullica West Expansion	48	17	65
Total	470	157	627

*18 of the units at Mullica West Apartments are restricted in a way that would allow someone earning greater than 80% of median income to live there. During the compliance phase in this matter, the Township will work with the owner of Mullica West Apartments to record a deed restriction limiting occupancy of these units to households at or below 80% of median income adjusted for household size.

8. The Township will provide a realistic opportunity for the development of affordable housing on the Richwood Village site through the adoption of an amended redevelopment plan no later than February 4, 2020, which plan shall require that the 190 affordable units required herein are phased in accordance with N.J.A.C. 5:93-5.6(d) along with up to 1,255 market rate units to be developed as part of the redevelopment plan. Neither the affordable units to be developed in accordance with the 100% affordable development further discussed in paragraph 9 of this Agreement nor the market-rate units that may be developed on "Parcel J" of the Redevelopment Plan shall be considered as a part of this phasing schedule. At least 70 affordable units shall be family rental units and the Township shall provide a letter from the intervenor-developer providing a firm commitment for the development of those units as family rental units prior to the fairness hearing in this matter. Up to 36 of the affordable units may be provided as age-restricted units including assisted living units, provided that required Medicaid beds included in a market-rate assisted living complex shall qualify as surplus units beyond the 190 required units because assisted living units do not count as residential units for the purposes of the redevelopment plan; the Township reserves the right to apply any such surplus credits to future rounds in conformance with then-applicable law. The remaining 84 affordable units may be provided as family rental or for-sale units.

The Township shall maintain the existing inclusionary zoning on the Vasalli site through the term of this Agreement.

9. The Township will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:

In accordance with N.J.A.C. 5:93-5.5, the Township 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 Township will provide a pro forma and documentation for the Richwood Village 100% affordable site as part of its Housing Element and Fair Share Plan and pass a resolution of intent to bond in case of a shortfall in accordance with N.J.A.C. 5:93-5.5.

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 the final judgment entered by the court after a compliance hearing. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity. The Township will provide this information for the Richwood Village 100% affordable site as part of its Housing Element and Fair Share Plan.

10. The Township agrees to require 13% of all affordable 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:

25 of the 190 inclusionary affordable units in Richwood Village shall be very low income units including at least 20 family very low income units.

At least 9 of the 100% affordable Richwood Village units shall be very low income units.

5 of the Mullica West Expansion units are very low income units.

17 of the Mullica West Apartments units are project based voucher very low income units.

3 of the Vasalli units will be required to be very low income units.

11. The Township shall meet its 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).
- b. 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 Township 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.

12. The Township 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 (510 Park Boulevard, Cherry Hill, NJ 08002), the New Jersey State Conference of the NAACP, Gloucester County NAACP, Senior Citizens United Community Services, STEPS, Supportive Housing Association, and the Latino Action Network (P.O. Box 943, Freehold, NJ 07728), 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 Township also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.

13. 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 Township 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 Township 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 Township is located within (i.e. Region 5) 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 Township'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 2019, and shall be utilized until the Township 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 Township

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.

14. 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.
15. As an essential term of this Agreement, within one hundred and twenty (120) days of Court's approval of this Agreement, the Township shall introduce and adopt an ordinance or ordinances providing for the amendment of the Township's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this Agreement and the zoning contemplated herein and adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement.
16. The parties agree that if a decision of a court of competent jurisdiction in Gloucester 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 Township for the period 1999-2025 that would be lower by more than ten (10%) 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 Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township 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 Township'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 Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
17. The Township 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 Township, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the Township 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.

18. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Township 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.
19. The Fair Housing Act includes two provisions regarding action to be taken by the Township during the ten-year period of protection provided in this Agreement. The Township agrees to comply with those provisions as follows:
 - a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township 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 Township 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.
20. 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.
21. 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 Township 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), which shall be determined by the trial judge. The "accompanying protection" shall remain in effect through July 7, 2025. If this Agreement is rejected by the Court at a fairness hearing it shall be null and void.

22. The Township agrees to pay, or cause to be paid, FSHC's attorneys fees and costs in the amount of \$15,000 within ten (10) days of the Court's approval of this Agreement pursuant to a duly-noticed fairness hearing.
23. 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.
24. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Gloucester County.
25. 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.
26. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
27. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
28. 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.
29. 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.
30. 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.
31. 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.
 32. 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.
 33. No member, official or employee of the Township 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.
 34. 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.
 35. 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:

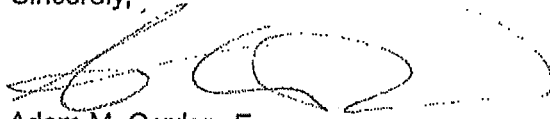
TO FSHC: Adam M. Gordon, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
E-mail: adamgordon@fairsharehousing.org

TO THE TOWNSHIP: Kevin A. Van Hise, Esq.
Mason, Griffin & Pierson, PC
101 Poor Farm Road
Princeton, NJ 08540
Phone: (609) 436-1209
Facsimile: (609) 683-7978
Email: k.vanhise@mgplaw.com

WITH A COPY TO THE MUNICIPAL CLERK: Diane L. Malloy, RMC, CMR, Municipal Clerk
Township of Harrison
114 Bridgeton Pike
Mullica Hill, NJ 08062
Phone: (856) 478-4111
Telecopier: (856) 478-2498
Email: dmalloy@harrisontwp.us

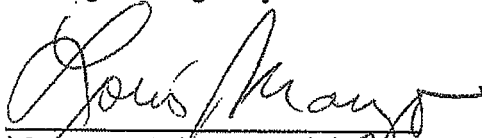
Please sign below if these terms are acceptable.

Sincerely,



Adam M. Gordon, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the Township of Harrison, with the authorization
of the governing body:



LOUIS MANZO, MAYOR
Dated: NOV 18, 2019

EXHIBIT A: 2019 INCOME LIMITS

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - May 2019
2019 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

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

	1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents**	Regional Asset Limit****
Region 1												
Median	\$66,607	\$71,365	\$76,122	\$85,637	\$95,153	\$98,959	\$102,765	\$110,377	\$117,989	\$125,602		
Moderate	\$53,286	\$57,092	\$60,898	\$68,510	\$76,122	\$79,167	\$82,212	\$88,302	\$94,391	\$100,481	2.6%	\$183,994
Low	\$33,303	\$35,682	\$38,061	\$42,819	\$47,576	\$49,479	\$51,382	\$55,189	\$58,995	\$62,801	4.73%	
Very Low	\$19,982	\$21,461	\$22,837	\$25,691	\$28,546	\$30,688	\$33,113	\$35,397	\$37,680			
Region 2												
Median	\$70,537	\$75,576	\$80,614	\$90,691	\$100,767	\$104,798	\$108,829	\$116,890	\$124,952	\$133,013		
Moderate	\$56,430	\$60,460	\$64,491	\$72,553	\$80,614	\$83,838	\$87,063	\$93,512	\$99,961	\$106,410	2.6%	\$193,321
Low	\$35,269	\$37,788	\$40,307	\$45,345	\$50,384	\$52,399	\$54,414	\$58,445	\$62,476	\$66,506	5.67%	
Very Low	\$21,161	\$22,673	\$24,184	\$27,207	\$30,230	\$31,439	\$32,649	\$35,067	\$37,485	\$39,904		
Region 3												
Median	\$82,810	\$88,725	\$94,640	\$106,470	\$118,300	\$123,092	\$127,764	\$137,228	\$146,692	\$156,156		
Moderate	\$65,248	\$70,980	\$75,712	\$85,176	\$94,640	\$98,426	\$102,211	\$109,782	\$117,354	\$124,925	2.6%	\$225,261
Low	\$41,405	\$44,363	\$47,320	\$53,235	\$59,150	\$61,516	\$63,882	\$68,614	\$73,346	\$78,078	9.64%	
Very Low	\$24,843	\$26,618	\$28,392	\$31,941	\$35,490	\$36,910	\$38,329	\$41,168	\$44,008	\$46,847		
Region 4												
Median	\$72,165	\$77,319	\$82,474	\$92,783	\$103,092	\$107,216	\$111,340	\$119,587	\$127,834	\$136,082		
Moderate	\$57,732	\$61,855	\$65,979	\$74,226	\$82,474	\$85,773	\$89,072	\$95,670	\$102,268	\$108,865	2.6%	\$195,919
Low	\$36,082	\$38,660	\$41,237	\$46,392	\$51,546	\$53,608	\$55,670	\$59,794	\$63,917	\$68,041	3.91%	
Very Low	\$21,649	\$23,196	\$24,742	\$27,835	\$30,928	\$32,165	\$33,402	\$35,876	\$38,350	\$40,825		
Region 5												
Median	\$63,070	\$67,575	\$72,080	\$81,090	\$90,100	\$93,704	\$97,308	\$104,516	\$111,724	\$118,932		
Moderate	\$50,456	\$54,060	\$57,664	\$64,872	\$72,080	\$74,963	\$77,846	\$83,613	\$89,379	\$95,146	2.6%	\$166,981
Low	\$31,535	\$33,788	\$36,040	\$40,545	\$45,050	\$46,852	\$48,654	\$52,258	\$55,862	\$59,466	3.09%	
Very Low	\$18,921	\$20,273	\$21,624	\$24,327	\$27,030	\$28,111	\$29,192	\$31,355	\$33,517	\$35,680		
Region 6												
Median	\$53,714	\$57,550	\$61,387	\$69,061	\$76,734	\$79,803	\$82,873	\$89,011	\$95,150	\$101,289		
Moderate	\$42,971	\$46,040	\$49,110	\$55,248	\$61,387	\$63,843	\$66,298	\$71,209	\$76,120	\$81,031	2.6%	\$143,713
Low	\$26,857	\$28,775	\$30,694	\$34,530	\$38,367	\$39,902	\$41,436	\$44,506	\$47,575	\$50,644	5.15%	
Very Low	\$16,114	\$17,265	\$18,416	\$20,718	\$23,020	\$23,941	\$24,862	\$26,703	\$28,545	\$30,387		

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 50 percent or less of median income.

* These columns 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).

** This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The increase for 2015 was 2.3%, the increase for 2016 was 1.1%, the increase for 2017 was 1.7%, and the increase for 2018 was 2.2%. The increase for 2019 is 2.6% (Consumer Price Index for All Urban Consumers (CPI-U)): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, or 2018 may increase rent by up to the applicable combined percentage including 2019 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

*** This column is used for calculating the pricing for resale 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.

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

Exhibit B:
December 17, 2021 Letter
from Visalli Tract



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December 17, 2021

Via Email & Regular Mail

Mayor & Township Committee
Harrison Township
Municipal Building
114 Bridgeton Pike
Mullica Hill, New Jersey 08062
Attn: Diane Malloy, RMC

**RE: Mullica Hill Subdivision LLC
Land Use Approvals for 140 Swedesboro Road / Block 45, Lot 16
Township of Harrison, Gloucester County, New Jersey
File No.: KIN.131.001**

Dear Mayor & Township Committee:

On behalf of my client, Mullica Hill Subdivision LLC, I provide this correspondence in connection with the above-captioned matter.

Mullica Hill Subdivision LLC is the contract purchaser of the property located at 140 Swedesboro Road in the Township of Harrison that is more particularly known as Block 45, Lot 16 on the Official Harrison Township Tax Map (the "Property").

In the course of its due diligence on the Property, my client is aware that, by Resolution No. 9-2010, adopted February 24, 2010, the Harrison Township Zoning Board of Adjustment granted to Robert J. Pacilli Homes, LLC an Amended Preliminary and Final Major Subdivision Approval, and, on February 24, 2010, adopted Resolution No. 9-2010 to memorialize those Approvals to allow for an age-restricted development consisting of 181 single-family detached homes, 24 affordable housing units in 12 duplex (twin) structures, and four open space lots, along with a clubhouse, pool and other recreational amenities on the Property.

Those Approvals were the result of a settlement agreement dated May 5, 2009 by and between Robert J. Pacilli Homes, LLC and Tunlaw, Inc. and the Township of Harrison and the Harrison Township Zoning Board of Adjustment.

Donna Malloy, RMC
December 17, 2021
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Since that time, Robert J. Pacilli Homes, LLC did not perfect the subdivision of the Property pursuant to Resolution 9-2010, did not proceed with development of the property pursuant to Resolution 9-2010, did not seek an extension of the approvals, and subsequently relinquished its interest in the Property.

In light of changed residential market trends and housing product demands, my client is not considering the development the Property in a manner consistent with the Approvals memorialized by Resolution 9-2010. Rather, my client intends to continue working with the Township of Harrison on a suitable development plan that will take advantage of the anticipated new Zoning Ordinance provisions for the Property.

My client looks forward to working with the Township of Harrison and its Joint Land Use Board in connection with the development of the Property.

Very truly yours,

Clint B. Allen

CLINT B. ALLEN

cc: Caroline King (via email)
Brian Duffield, Esquire (via email)
Kevin Van Hise, Esquire (via email)

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Exhibit C:
FY2021 Regional Income Limits

2021 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

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

		1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents** Sales***	Regional Asset Limit****
Region 1 Bergen, Hudson, Passaic and Sussex	Median	\$72,846	\$78,050	\$83,253	\$93,659	\$104,066	\$108,229	\$112,391	\$120,717	\$129,042	\$137,367		
	Moderate	\$58,277	\$62,440	\$66,602	\$74,928	\$83,253	\$86,583	\$89,913	\$96,573	\$103,233	\$109,894	1.6%	\$201,229
	Low	\$36,423	\$39,025	\$41,626	\$46,830	\$52,033	\$54,114	\$56,196	\$60,358	\$64,521	\$68,684	8.46%	
	Very Low	\$21,854	\$23,415	\$24,976	\$28,098	\$31,220	\$32,469	\$33,717	\$36,215	\$38,713	\$41,210		
Region 2 Essex, Morris, Union and Warren	Median	\$75,331	\$80,711	\$86,092	\$96,854	\$107,615	\$111,920	\$116,224	\$124,834	\$133,443	\$142,052		
	Moderate	\$60,265	\$64,569	\$68,874	\$77,483	\$86,092	\$89,536	\$92,980	\$99,867	\$106,754	\$113,642	1.6%	\$206,459
	Low	\$37,665	\$40,356	\$43,046	\$48,427	\$53,808	\$55,960	\$58,112	\$62,417	\$66,721	\$71,026	2.00%	
	Very Low	\$22,599	\$24,213	\$25,828	\$29,056	\$32,285	\$33,576	\$34,867	\$37,450	\$40,033	\$42,616		
Region 3 Hunterdon, Middlesex and Somerset	Median	\$86,240	\$92,400	\$98,560	\$110,880	\$123,200	\$128,128	\$133,056	\$142,912	\$152,768	\$162,624		
	Moderate	\$68,992	\$73,920	\$78,848	\$88,704	\$98,560	\$102,502	\$106,445	\$114,330	\$122,214	\$130,099	1.6%	\$234,592
	Low	\$43,120	\$46,200	\$49,280	\$55,440	\$61,600	\$64,064	\$66,528	\$71,456	\$76,384	\$81,312	3.10%	
	Very Low	\$25,872	\$27,720	\$29,568	\$33,264	\$36,960	\$38,438	\$39,917	\$42,874	\$45,830	\$48,787		
Region 4 Mercer, Monmouth and Ocean	Median	\$76,469	\$81,931	\$87,393	\$98,317	\$109,242	\$113,611	\$117,981	\$126,720	\$135,460	\$144,199		
	Moderate	\$61,175	\$65,545	\$69,915	\$78,654	\$87,393	\$90,889	\$94,385	\$101,376	\$108,368	\$115,359	1.6%	\$205,486
	Low	\$38,235	\$40,966	\$43,697	\$49,159	\$54,621	\$56,806	\$58,990	\$63,360	\$67,730	\$72,099	0.00%	
	Very Low	\$22,941	\$24,579	\$26,218	\$29,495	\$32,772	\$34,083	\$35,394	\$38,016	\$40,638	\$43,260		
Region 5 Burlington, Camden and Gloucester	Median	\$67,620	\$72,450	\$77,280	\$86,940	\$96,600	\$100,464	\$104,328	\$112,056	\$119,784	\$127,512		
	Moderate	\$54,096	\$57,960	\$61,824	\$69,552	\$77,280	\$80,371	\$83,462	\$89,645	\$95,827	\$102,010	1.6%	\$179,028
	Low	\$33,810	\$36,225	\$38,640	\$43,470	\$48,300	\$50,232	\$52,164	\$56,028	\$59,892	\$63,756	0.00%	
	Very Low	\$20,286	\$21,735	\$23,184	\$26,082	\$28,980	\$30,139	\$31,298	\$33,617	\$35,935	\$38,254		
Region 6 Atlantic, Cape May, Cumberland, and Salem	Median	\$57,458	\$61,562	\$65,666	\$73,874	\$82,083	\$85,366	\$88,649	\$95,216	\$101,782	\$108,349		
	Moderate	\$45,966	\$49,250	\$52,533	\$59,100	\$65,666	\$68,293	\$70,919	\$76,173	\$81,426	\$86,679	1.6%	\$153,730
	Low	\$28,729	\$30,781	\$32,833	\$36,937	\$41,041	\$42,683	\$44,325	\$47,608	\$50,891	\$54,175	0.00%	
	Very Low	\$17,237	\$18,469	\$19,700	\$22,162	\$24,625	\$25,610	\$26,595	\$28,565	\$30,535	\$32,505		

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**This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3 (Consumer price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, 2018, 2019 or 2020 because of the lack of authority to do so, may increase rent by up to the applicable combined percentage including 2021 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

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Low income tax credit developments may increase based on the low income tax credit regulations.

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Note: Since the Regional Income Limits for Regions 4, 5, and 6 in 2020 were higher than the 2021 calculations, the 2020 income limits will remain in force for 2021 (as previously required by N.J.A.C. 5:97-9.2(c)).