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Paula T. Dow, P.J.Ch.

File No. 30131-0016-LAG

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IN THE MATTER OF THE APPLICATION OF THE TOWNSHIP OF MOUNT LAUREL, a municipal Corporation of the State of New Jersey

Petitioner

SUPERIOR COURT OF NEW JERSEY LAW DIVISION BURLINGTON COUNTY DOCKET NO. BUR-L-1620-15

CIVIL ACTION (Mount Laurel)

ORDER OF AMENDED JUDGMENT OF COMPLIANCE AND REPOSE WITH CONDITIONS AND APPROVING AMENDED THIRD ROUND MOUNT LAUREL SETTLMENT

THIS MATTER having been opened to the Court by Linda A. Galella, Esquire, on behalf of declaratory plaintiff, Township of Mount Laurel (hereinafter "the Township" or "Mount Laurel") via a Declaratory Judgment Complaint filed on July 7, 2015 to approve the Township's Housing Element and Fair Share Plan (hereinafter "Fair Share Plan"); and the Court having granted the Township immunity from Mount Laurel lawsuits from the time of the filing of the Township's Declaratory Judgment action (hereinafter "DJ Action"); and the Court having appointed Mary Beth Lonergan, P.P., as the Mount Laurel Court Master (hereinafter the "Court Master"); and Fair Share Housing Center ("FSHC") a defendant-intervenor through settlement in the Township's DJ Action; and

LAW OFFICE Parker McCay P.A.

7.

WHEREAS, the Township and FSHC having entered into a Settlement Agreement on or about January 19, 2017 (hereinafter the "FSHC Settlement Agreement"); and said FSHC Settlement Agreement having set agreed upon fair share obligations and how the Township would satisfy same; and the FSHC Settlement Agreement having been approved by Court Order dated March 16, 2017 after a duly noticed Fairness Hearing held on February 22, 2017; and the Township having subsequently prepared a Fair Share Plan, and all supporting documentation in accordance with the FSHC Settlement Agreement, and a Compliance Hearing held on October 10, 2017, and a Conditional Declaratory Judgment of Compliance and Repose having been entered by the Honorable Paula T. Dow, J.S.C. on November 8, 2017 which approved the Township's Fair Share Plan; and

WHEREAS, subsequently, the Township determined that it was necessary to amend its Fair Share Plan in order to continue to provide for a realistic opportunity for the production of low and moderate income housing; and

WHEREAS, a First Amendment to the January 19, 2017 Settlement Agreement was entered with FSHC dated December 20, 2021 and was fully executed on January 7, 2022 ("Amended FSHC Settlement Agreement") and the Township subsequently prepared a 2022 Amended Housing Element and Fair Share Plan (hereinafter "Amended Fair Share Plan") dated June 1, 2022, and all supporting documentation in accordance with the Amended FSHC Settlement Agreement, which was then adopted by the Township's Planning Board on June 9, 2022 and endorsed by the Township Council on June 13, 2022; and

WHEREAS, said Amended FSHC Settlement Agreement and Amended Fair Share Plan having been put on file for public review at the Township Municipal Building more than 45 days prior to the Amended Fairness and Compliance Hearing date of September 6, 2022; and counsel

for the Township having prepared an Affidavit of Public Notice to document that proper 45-day notice of the Amended Compliance Hearing had been given; and the Amended Fair Share Plan as well as other additional documents, resolutions and ordinances having been submitted to the Court Master for review; and the Township having received no objections to the Amended FSHC Settlement Agreement and Amended Fair Share Plan; and the Court Master having submitted a report to the Court on December 6, 2022 regarding the fairness of the Amended FSHC Settlement Agreement and approval of the Township's Amended Fair Share Plan; and the Amended Fairness and Compliance Hearing having been held on September 6, 2022 at which time the hearing was then continued to December 13, 2022, and

WHEREAS, the Court having considered the December 6, 2022 report of the Court Master, the testimony taken during the Amended Fairness and Compliance Hearing of Katherine Sarmad, P.P., AICP, and Court Master Mary Beth Lonergan. P.P., AICP, as well as the comments of counsel Linda A. Galella and Laura Smith-Denker; the objections of Daloa Washington (member of public) and the Court having reviewed all of the documents submitted into evidence during the Amended Fairness and Compliance Hearing; and good cause having been shown;

It is hereby ordered and adjudged on this 30 day of December, 2022, as follows:

- 1. The Court finds that the Township provided adequate notice to the public and all interested parties prior for the scheduled Amended Fairness and Compliance Hearing on September 6 which was continued on the record at the September 6 hearing to December 13, 2022.
- 2. The Court approves the First Amendment to the January 19, 2017 Settlement Agreement with FSHC dated December 20, 2021 and determines that the Amended FSHC Settlement Agreement is fair and reasonable to protect the interests of the Mount Laurel

beneficiaries pursuant to the judicial standards set forth in <u>East/West Venture v. Bor. of Fort Lee</u>, 286 N.J. Super. 311 (App. Div. 1996) and <u>Morris County Fair Housing Council v. Boonton Twp.</u> 197 N.J. Super. 359, 369-71 (Law Div. 1984).

- 3. The Township has implemented all of the terms contained in the First Amendment to the January 19, 2017 Settlement Agreement with FSHC dated December 20, 2021 and is in compliance with its obligation to provide a realistic opportunity for the development of housing affordable to low and moderate income households as defined in what are commonly known as the Mount Laurel cases, and in the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq., as amended and applicable Council on Affordable Housing (COAH) procedural and substantive regulations,
- 4. The Township shall comply with the Conditions outlined in the December 6, 2022 Court Master's Report within one-hundred and twenty (120) days of the date of this Order (with the exception of annual reporting requirements and other ongoing responsibilities detailed in its agreements with FSHC as well as with the 'ongoing conditions of monitoring' as set forth in the December 6, 2022 Court Master's Report).
 - 5. The Conditions are as follows:
 - a. Condition 1: The Township shall prepare a Supplemental Report to the HEFSP which complies with the conditions detailed in the Court Master's December 6, 2022 report specifically Conditions 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 14, 15, 16, 17, 18, and 19.
 - b. Condition 2: The Township must provide the initial tax-credit award letters or filed deed restrictions for all the units at Ethel Lawrence Homes Phases I and II (Condition 1).

- c. Condition 3: The Township must provide an implementation schedule for all three phases of the FSHD Senior project (Condition 4).
- d. Condition 4: The Township shall update the Affirmative Marketing Plan for
 The Neil to include all required information (Condition 8).
- e. Condition 5: For the facility at 6407A Normandy Drive, the Township must verify the number of bedrooms (Condition 11).
- f. Condition 6: The Township shall provide a license and a special-needs survey confirming the affordability level of the bedrooms for each group home established as part of the Mount Laurel Manor project (Condition 13).
- g. Condition 7: The Township must provide all the recorded deed restrictions for all market to affordable units (Condition 15).
- h. Condition 8: The Township shall post all crediting documentation to the Township's Affordable Housing webpage provided since the Township's June 30, 2020 Midpoint Review (Condition 20).
- i. Condition 9: The Township shall provide and adopt operating manuals (Condition 21).
- j. Condition 10: The Township shall provide and adopt an updated draft Affirmative Marketing Plan (Condition 22).
- 6. Upon the Court Master receiving and reviewing additional documents and reports required by Paragraph 5 of this Order, the Court Master shall notify the Court whether said conditions have been satisfied.
- 7. Upon notification that all conditions in Paragraph 5 of this Order are deemed satisfied by the Court Master, the Township will provide the Court with a form of Final Judgment of Compliance and Repose Order with all satisfied conditions removed (with the exception of

annual reporting requirements and other ongoing responsibilities detailed in its agreements with FSHC as well as with the 'ongoing conditions of monitoring' as set forth in the December 6, 2022 Court Master's Report) which the Court shall enter without the need for further hearing before the Court.

- 8. The Township of Mount Laurel's Amended Housing Element and Fair Share Plan of June 1, 2022 is hereby approved, and the Township is granted an Amended Judgment of Compliance and Repose with conditions (with the exception of annual reporting requirements and other ongoing responsibilities detailed in its agreements with FSHC as well as with the 'ongoing conditions of monitoring' as set forth in the December 6, 2022 Court Master's Report) as to its Rehabilitation Share, its Prior Round Obligation (1987-1999), and its Third Round Obligation (the last comprised of both the Gap (1999-2015) and the Prospective (2015-2025) Needs, pursuant to the Court approved Settlement Agreements entered into between the Township and FSHC on January 19, 2017 and December 20, 2021, the Fair Housing Act (N.J.S.A. 52:27D-301, et seq.) ("FHA"), the Uniform Housing Affordability Controls (N.J.A.C. 5:80-26.1, et seq.) ("UHAC"), applicable Council on Affordable Housing (hereinafter "COAH") substantive rules, and Mount Laurel case law, including the New Jersey Supreme Court's Mount Laurel IV decision.
- 9. The Township's Amended Fair Share Plan dated June 1, 2022 creates sufficient realistic opportunities for the provision of low and moderate income housing during the period 1987 through July 1, 2025 to satisfy the judicially approved municipal fair share housing obligation and, taken together, comply with the Township's constitutional fair share housing obligations for the period 1987 to July 1, 2025 under the Fair Housing Act and the constitutional doctrines enunciated in the Mount Laurel line of cases.

- 200 The Township of Mount Laurel is hereby granted repose from exclusionary zoning challenges and Mount Laurel litigation under the terms set forth in Southern Burlington County NAACP v. Mt. Laurel Township, 92 N.J. 158 (1983) until July 1, 2025. The Township's Amended Judgment of Compliance and Repose shall remain in effect beginning on the date of this Order and ending on July 1, 2025, and during this period the Township shall have repose from all Mount Laurel lawsuits, including, but not limited to, Builder's Remedy lawsuits, "constitutional compliance actions," and any other lawsuit brought under Mount Laurel, principles except for actions brought to enforce the terms of this Order or the Settlement Agreements with FSHC.
- 11. As per the Court approved FSHC Settlement Agreement and Amended FSHC Settlement Agreement between the Township and FSHC, and as established in the Township's Amended Fair Share Plan, the Township's Rehabilitation Share is 86, the Township's Prior Round Obligation (1987-1999) is 815, and the Township's Third Round Obligation (Gap (1999-2015) plus Prospective (2015-2025) Need is 1,074, with an additional 492 units deferred to 2025-2035.
 - 12. The Township shall comply with the following ongoing reporting requirements:
 - a. Provide copies of the approvals and the tax-credit award letter for Phase III
 of the FSHD Senior project.,
 - b. Provide the filed deed restriction for the FSHD Senior project when it is available.
 - c. As to Brightview Assisted Living, provide annual unit census showing which units include affordable bedrooms and what rent/food/services fee

- packages are being charged and verify that if the affordable beds are in companion suites, their occupants are unrelated.
- d. As to Catholic Charities group home, document every year that this group home remains in existence through the year 2027.
- e. Within 60 days of a request to do so, the Township must provide for review and then adopt an ordinance rezoning the FSHD Family project site to permit the proposed development, and must provide a resolution of need for the project. When available, the Township must also provide details of the income and bedroom distribution as submitted with the project's tax credit application.
- f. As to ARI/Haddon Pointe site, provide a draft deed restriction for review that lists each unit's bedroom count and affordability level. Also, when they are available, provide the Certificate of Occupancy dates and the filed deed restriction and information on which Administrative Agent will administer the units.
- g. As to Capital Seniors Assisted Living, confirm that, if two income-eligible residents are housed in a two-bedroom companion suite, they will be unrelated individuals.
- h. For special-needs facilities that have been in existence less than 10 years and that have no affordability or use controls, the Township shall include in its annual unit monitoring confirmation that the facility continues to operate as a special-needs facility.

- 13. The Township shall not repeal, modify, or amend its Affordable Housing Ordinance, or any zoning ordinance in effect as of the date of this Judgment that affects the use or development of the affordable housing committed to in the FSHC Settlement Agreement and Amended FSHC Settlement Agreement, except with the Court's approval upon notice and opportunity to be heard to FSHC.
- 14. The Township's Conditional Judgment of Compliance and Repose shall remain in effect until July 1, 2025, during which time the Township will have immunity and repose from any and all Mount Laurel lawsuits, including "builders remedy lawsuits," "constitutional compliance actions," and any other lawsuit brought under Mount Laurel principles except for actions brought to enforce the terms of this Order or the Settlement Agreement. In addition to the repose described herein, temporary immunity from all Mount Laurel lawsuits will remain in place while the Township satisfies the conditions contained in Paragraph 5 of this Order.
- 15. A copy of this Order shall be served upon all parties via e-courts and the Court Master within seven (7) days of receipt.

Honorable Paula T. Dow, P.J.Ch.

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