# **TOWNSHIP OF EGG HARBOR**

ATLANTIC COUNTY, NEW JERSEY



# Housing Element & Fair Share Plan

#### MAYOR

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# May 2025

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# **Executive Summary:**

As Egg Harbor Township continues to satisfy its affordable housing obligations, this Fourth Round Housing Element and Fair Share Plan provides a housing policy framework with a variety of options to provide affordable housing opportunities.

Through this Fourth Round Housing Element and Fair Share Plan, the Township promotes provision of a variety of housing types over a range of affordability, encourages the ongoing maintenance of the Township's existing housing stock, and formally acknowledges its continuing constitutional obligation to provide a realistic opportunity for the provision of housing affordable to families of very-low, low, and moderate income.

The Fourth Round Housing Element and Fair Share Plan continues to rely on the existing Pinelands Development Ordinance, which ensures that affordable housing is constructed as part of new developments in the Township's RG-4 and RG-5 residential zoning districts. The Plan includes allowing the existing mobile home parks to expand and construct new affordable units and/or deed restrict existing units as affordable units as units are vacated. The Plan also identifies opportunities to create new affordable housing on Township-owned properties and proposes overlay zoning for one hundred percent (100%) affordable housing developments.

This Fourth Round Housing Element and Fair Share Plan, once adopted, will be submitted to the Affordable Housing Dispute Resolution Program (the "Program") for review and approval via the entering of a Compliance Certification, which will give the Township protection from all exclusionary zoning actions until June 30, 2035.

# Introduction:

The Township has prepared this Fourth Round Housing Element and Fair Share Plan in accordance with the requirements set forth in the "Municipal Land Use Law" (<u>N.J.S.A.</u> 40:55D-28) ("MLUL"), the Fair Housing Act (<u>N.J.S.A.</u> 52:27D-301 et seq.) ("FHA"), as amended by P.L. 2024 c.2, Administrative Directive #14-24, the Uniform Housing Affordability Controls (<u>N.J.A.C.</u> 5:80-26.1 et. seq.), and applicable New Jersey Council on Affordable Housing ("COAH") regulations (<u>N.J.A.C.</u> 5:93 et seq.).

New Jersey affordable housing law began with the New Jersey Supreme Court's (hereinafter the "Supreme Court") creation of the <u>Mount Laurel</u> doctrine in its landmark case, <u>So. Burl. Cty. N.A.A.C.P. v. Tp. of Mt. Laurel</u>, 67 <u>N.J.</u> 151 (1975) also known as "<u>Mount Laurel I</u>." In <u>Mount Laurel I</u>, the Supreme Court decided that under the State Constitution, each municipality "must, by its land use regulations, make realistically possible the opportunity for an appropriate variety and choice of housing for all categories of people who may desire to live there", including those of low and moderate income. Thus, the Supreme Court in <u>Mount Laurel I</u> decision ruled that municipalities should not use their zoning powers to prevent the potential for the development of affordable housing.

Displeased with progress under its earlier decision, in 1983, the Supreme Court decided <u>So. Burlington Ct. N.A.A.C.P. v. Mount Laurel Tp.</u>, 92 <u>N.J.</u> 158 (1983) or "<u>Mount Laurel II</u>". Because the Legislature had not yet acted to implement the holding in <u>Mount Laurel II</u>, the Court in <u>Mount Laurel II</u> fashioned a judicial remedy, now commonly referred to as a "Builder's Remedy". That remedy created a special process by which builders could file suit against a municipality for the opportunity to construct housing at much higher densities than a municipality otherwise would allow, creating affordable housing in the process. In essence, Builder's Remedy lawsuits seek to force municipalities to meet their affordable housing obligations.

Responding to the chaos created by the implementation of the Supreme Court's <u>Mount</u> <u>Laurel</u> decisions and the many Builder's Remedy lawsuits that followed, the State Legislature passed the Fair Housing Act (hereinafter "FHA") in 1985, which the Supreme Court upheld in (<u>Hills Dev. Co. v. Bernards Twp.</u>, 103 <u>N.J.</u> 1 (1986) or "<u>Mount Laurel III</u>"), which created the Council on Affordable Housing ("COAH') and authorized municipal Housing Elements and Fair Share Plan to be approved by COAH via the granting of Substantive Certification, which would protect municipalities from builder's remedy lawsuits.

To implement the FHA requirements, COAH adopted a series of regulations. Round One regulations were enacted in 1987. Second Round regulations were adopted by COAH in 1994. Third Round regulations were supposed to be adopted in 1999 when the Round 2 rules were set to expire, but the first iteration of Round 3 regulations were not adopted by COAH until 2004. After those regulations were invalidated by the courts, COAH adopted a second iteration of Third Round regulations in 2008. The second iteration of regulations were also invalidated by the Courts, and after COAH failed to adopt a third iteration of Third Round regulations in 2014, the Supreme Court issued In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015) (Mount Laurel IV), in which it directed trial courts to assume COAH's functions and ruled that municipalities would have to get their Third Round Housing Elements and Fair Share Plans approved in the courts via the granting a Judgment of Compliance and Repose (JOR), rather than getting the plans approved by COAH.

In response to the Mount Laurel IV decision, the Township filed a Third Round Declaratory Judgment Action in July of 2015. The Township eventually settled with Fair Share Housing Center ("FSHC") globally, which included settling on a Third Round number of 1,000. Subsequently, the Court approved the Township's Third Round Housing Element and Fair Share Plan via a conditional Judgment of Compliance Order that was entered into on August 31, 2018, and an order finalizing the Third Round JOR Order on December 31 2018. See Appendix K.

On March 20, 2024, this all changed once again when Governor Murphy signed into law, P.L. 2024, C.2, which substantially amended the FHA and created an entirely new affordable housing plan approval process (hereinafter the "amended FHA"). The amended FHA abolished COAH, and introduced a comprehensive structure for municipalities to meet their obligations before a new entity known as the Affordable Housing Dispute

Resolution Program (hereinafter the "Program"), which consists of retired <u>Mount Laurel</u> judges and their Special Adjudicators, once known as Court Masters. The Program was created to approve Fourth Round Housing Elements and Fair Share Plans via the granting of a Compliance Certification, along with underlying orders to be entered into by the local vicinage trial court. The Program was also created to help municipalities mediate with objectors regarding their Fourth Round affordable housing obligations and the approval of the plans. The amended FHA also required the Department of Community Affairs (DCA) to take over the monitoring of affordable units in every municipality in the state, and to draft and release a report calculating non-binding Fourth Round municipal Present and Prospective Need obligation for every municipality in the state. The DCA released its Fourth Round numbers report in October of 2024. The amended FHA also ordered the New Jersey Housing and Mortgage Finance Agency (NJHMFA) to adopt new UHAC regulations. The amended FHA also changed the way municipalities receive bonus credits amongst other things.

In response to the requirements of the amended FHA, the Township of Egg Harbor adopted a resolution on January 22, 2025 committing to a Fourth Round Present Need Obligation of 164 and a Fourth Round Prospective Need Obligation of 130. See Appendix A. The Township filed a Declaratory Judgment Complaint on January 24, 2025 with the Program and the Court, along with the Township's Fourth Round numbers resolution. See Appendix A.

After the Township entered into a Mediation Agreement with the New Jersey Builders Association ("NJBA") on April 9, 2025 (see Appendix B), the Court entered an Order on April 30, 2025 setting the Township's Fourth Round Present Need Obligation at 164 and the Township's Fourth Round Prospective Need Obligation at 142. <u>See</u> Appendix C.

# **Housing Element:**

Pursuant to both the FHA and the MLUL, municipalities in New Jersey are required to include a housing element in their master plans. The principal purpose of the housing element is to describe the specific, intended methods that a municipality plans to use in order to meet its low- and moderate-income housing needs. Further, the housing element is meant to demonstrate the existing zoning or planned zoning changes that will allow for the provision of adequate capacity to accommodate household and employment growth projections, to achieve the goal of access to affordable housing for present and future populations.

A municipality's housing element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing, and shall contain at least:

a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality

shall have access, on a confidential basis for the sole purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards;

- b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share for lowand moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1);
- f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.
- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20);
- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and

i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

# **Demographic Characteristics**

As indicated above, the MLUL requires an analysis of housing and demographic data as part of any Housing Element. The 2020 Census and the US Census population estimates are the most recent available comprehensive database of this type of information for Egg Harbor Township.

Table 1 below provides a comparison of population change in Egg Harbor Township, Atlantic County and the State of New Jersey.

Population Changes: 1940-2020							
	Egg Harbor Township		Atlantic	e County	New Jersey		
Year	Number	Change	Number	Change	Number	Change	
1940	3,066		124,066		4,160,165		
1950	4,991	62.3%	132,399	6.7%	4,835,329	16.2%	
1960	5,593	12.1%	160,880	21.5%	6,066,782	25.5%	
1970	9,882	76.7%	175,043	8.8%	7,168,164	18.7%	
1980	19,381	91.1%	194,119	10.9%	7,365,011	2.7%	
1990	25,544	26.6%	224,327	15.6%	7,730,188	5.0%	
2000	30,726	25.2%	252,552	12.6%	8,414,350	8.9%	
2010	43,323	41.0%	274,549	8.7%	8,791,894	3.2%	
2020	42,460	- 2.0%	274,534	- 1.7%	9,288,994	5.7%	
2023	47,723	12.4%	275,213	0.2%	9,290,841	< 0.0%	

Table 1
Egg Harbor Township, Atlantic County and New Jersey
Population Changes: 1940-2020

Source: US Census Bureau, Population Estimates Program 2020 Census Data

U.S. Census Bureau

The age distribution within the Township indicates a younger population than both Atlantic County and the State. This can be attributed to the large increase in single family dwellings that have been constructed in the Township that are occupied by younger families. Approximately 31.4% of the population was over 55 years of age in 2023. The distribution of ages of persons in the Township is indicated in Table 2.

Population by Age Group: 2000-2023								
	20	00	2	010	2020		2023	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Population	30,726	100%	43,323	100%	42,460	100%	47,723	100%
Sex								
- Male	14,934	48.6%	21,150	48.8%	20,933	49.3%	24,005	50.3%
-Female	15,792	51.4%	22,173	51.2%	21,527	50.7%	23,718	49.7%
Age								
Under 5	2,278	7.4%	2,733	6.3%	2,533	6.0%	2,805	5.9%
5-9 Years	2,714	8.8%	3,108	7.2%	3,024	7.1%	3,565	7.5%
10-14 Years	2,332	7.6%	3,332	7.7%	2,951	7.0%	3,068	6.4%
15-19 Years	1,881	6.1%	3,289	7.6%	2,772	6.5%	2,938	6.2%
20-24 Years	1,399	4.6%	2,058	4.7%	1,885	4.4%	2,232	4.7%
25-34 Years	4,176	13.6%	4,192	9.7%	5,642	13.2%	5,454	11.4%
35-44 Years	5,854	19.1%	6,738	15.5%	4,854	11.4%	5,834	12.3%
45-54 Years	4,610	15.0%	7,431	17.1%	6,827	16.1%	6,781	14.2%
55-59 Years	1,589	5.2%	2,902	6.7%	3,047	7.2%	3,209	6.7%
60-64 Years	1,078	3.5%	2,532	5.8%	2,875	6.8%	4,138	8.7%
65-74 Years	1,629	5.3%	2,964	6.8%	4,202	9.9%	5,338	11.1%
75-84 Years	912	3.0%	1,269	2.9%	1,431	3.4%	1,961	4.1%
85+ Years	274	0.9%	436	1.0%	417	1.0%	400	.8%

Table 2 Egg Harbor Township Population by Age Group: 2000-2023

Source: U.S. Census Bureau, 2023 American Community Survey 5-Year Estimates 2020 Census Data 2010 Census Data 2000 Census Data

Non-family households make up 25.3% of the households in Egg Harbor Township. This is lower than the County rate of 35.1% and lower than the State average 32.2%. In 2023, the average household size in Egg Harbor Township is 2.74 persons/dwelling unit, while the County average is 2.47 and the State average is 2.47, making the average household in Egg Harbor Township larger than that of the County and State.

#### **Education:**

Within Egg Harbor Township's adult population (25 and over) 92.1% have received a high school diploma and 34.9% received a bachelor's degree or higher making the Township slightly better educated than the rest of Atlantic County. When compared to the County, 88.9% of the adult population has received a high school diploma and 31.2% of the adult population has received a bachelor's degree or higher.

#### Age of Housing:

Table 3 depicts the number of new housing units constructed between 2000 and 2020 for the Township, County and State.

Housing Units: 2000, 2010 & 2020						
Jurisdiction	Housing Units 2000	Housing Units 2010	Housing Units 2020	Increase	% Increase from 2000-2020	
Egg Harbor Twp.	12,067	15,194	16,341	1,147	13.5%	
Atlantic County	114,090	126,647	132,038	5,391	15.7%	
New Jersey	3,310,275	3,553,562	3,761,229	207,667	13.6%	

Table 3
Egg Harbor Township, Atlantic County and New Jersey
Housing Units: 2000, 2010 & 2020

Source: 2020 Census Data 2010 Census Data 2000 Census Data

As of 2023, approximately 47.9% of the Township's current housing stock was constructed prior to 1980, with 6.9% constructed prior to 1940. The Township therefore has what can be considered a newer housing stock, reflective of the recent population growth in the Township. The age of housing stock can be used as a gauge of the overall condition of housing in the community. In the case of Egg Harbor Township a large percentage of homes have been constructed in recent years, and therefore have not endured the "wear and tear" that typically takes place over years.

#### **Housing Tenure:**

The 2020 Census data indicates that 14,675 housing units (90.0%) in the Township were occupied and 1,666 units (10%) were vacant. A total of 12,390 units (84.4%) of the occupied units are owner occupied with the additional 2,285 units (15.6%) occupied by renters.

Egg Harbor Township	2000 Units	2000 % of Total	2010 Units	2010 % of Total	2020 Units	2020 % of Total
Total Housing Units	12,067	100%	15,914	100.0%	16,341	100.0%
Occupied Housing Units						
-Owner Occupied	9,505	84.9%	13,404	91.0%	12,390	84.4%
-Renter Occupied	1,694	15.1%	1,319	9.0%	2,285	15.6%
-Total	11,199	100%	14,723	100.0%	14,675	100%
Vacant Housing						
Units	868	7.2%	1,191	7.5%	1,666	10.2%
Seasonal,						
Recreational Use	308	2.6%	388	2.4%	385	2.1%
Rental Vacancy Rate	6.9%	N/A	10%	N/A	5.0%	N/A
Household Size						
-Owner Occupied	2.81	N/A	2.83	N/A	2.88	N/A
-Renter Occupied	2.36	N/A	2.57	N/A	2.93	N/A
C						

Table 4Egg Harbor TownshipHousing Tenure: 2000, 2010 & 2020

Source: 2020 Census Data 2010 Census Data 2000 Census Data

#### **Physical Character of the Township Housing Stock**

Table 5 provides an inventory of the age of the housing stock in Egg Harbor Township.

Inventory of Housing Age: 2023				
Number	Percent of Total			
147	0.8%			
1,827	10%			
5,226	28.6%			
2,323	12.7%			
2,122	11.6%			
2,933	16.0%			
1,232	6.7%			
777	4.2%			
451	2.5%			
1,256	6.9%			
	Number           147           1,827           5,226           2,323           2,122           2,933           1,232           777           451			

Table 5Egg Harbor TownshipInventory of Housing Age: 2023

Source: US Census Bureau, 2023 American Community Survey 5-Year Estimates

In 2023, the median value of the owner-occupied units in Egg Harbor Township was \$285,700. The median home value has increased since the release of the 2020 Census, which was \$215,700. While Egg Harbor Township's average median home value is about 6% less than that of Atlantic County, it is significantly less than the average in New Jersey.

Egg Harbor Township, Atlantic County and New Jersey Median Home Values: 2000, 2010, 2020 & 2023						
Median Home Value	2000	2010	2020	2023	Percent Increase	
Egg Harbor Township	\$131,000	\$271,500	\$215,700	\$285,700	32.4%	
Atlantic County	\$122,000	\$264,400	\$222,600	\$303,800	36.5%	
New Jersev	\$170.800	\$357.000	\$355,700	\$427.600	20.2%	

Table 6

Source: US Census Bureau, 2023 American Community Survey 5-Year Estimates 2020 Census Data 2010 Census Data 2000 Census Data

As noted in Table 7 the majority of owner-occupied units are valued at less than \$500,000. Of the 14,486 units reported in the 2023 American Community Survey, 93.2% were valued at less than \$500,000.

Home Value of Specified Owner-Occupied Units: 2023						
Value of Specified Owner Occupied Units	Number of Units	Percent of Total				
Less than \$50,000	795	5.5%				
\$50,000- \$99,999	737	5.1%				
\$100,000- \$149,999	469	3.2%				
\$150,000- \$199,999	1,379	9.5%				
\$200,000- \$299,999	4,587	31.7%				
\$300,000- \$499,999	5,531	38.2%				
\$500,000- \$999,999	931	6.4%				
Over \$1,000,000	57	.4%				

Table 7 Egg Harbor Township

2023 American Community Survey 5-Year Estimates 2020 Census Data

Source: US Census Bureau

As noted in Table 8, the majority of the gross rents charged were less than \$2,000 per month. Of the 1,848 rental units reported in the 2023 American Community Survey, 79.6% of the units were rented at less than \$2,000.

Gross Rent of Specified Renter Occupied Units: 2023					
Value of Occupied Rental Specified Units	Number of Units	Percent of Total			
Less than \$500.00	38	1.5%			
\$500.00-\$999.00	497	19.1%			
\$1,000.00-\$1,499.00	873	33.6%			
\$1,500.00-\$1,999.00	659	25.4%			
\$2,000.00-\$2,499.00	509	19.6%			
\$2,500.00-\$2,999.00	8	.3%			
\$3,000 or more	15	.6%			
No cash rent	264	-			

 Table 8

 Egg Harbor Township

 Gross Rent of Specified Renter Occupied Units: 2023

Source: US Census Bureau

2023 American Community Survey 5-Year Estimates 2020 Census Data

The median gross rent in Egg Harbor Township was \$1,432.00 in 2023. The median rent is higher than that of the Atlantic County average and lower than the New Jersey average.

Table 9Egg Harbor Township, Atlantic County and New Jersey<br/>Median Rents: 2000, 2010, 2020 & 2023

Median Rent	2000	2010	2020	2023	% Change 2020-2023
Egg Harbor Township	\$700.00	\$1,109.00	\$1,225.00	\$1,432.00	16.9%
Atlantic County	\$677.00	\$955.00	\$1,129.00	\$1,325.00	17.4%
New Jersey	\$751.00	\$1,092.00	\$1,368.00	\$1,667.00	21.9%

Source: US Census Bureau, 2023 American Community Survey 5-Year Estimates

2020 Census Data 2010 Census Data 2000 Census Data

Single family detached homes remain the dominant housing structure in the Township, representing 73.7% of total housing units. In addition, mobile homes account for 10.3% of the housing structures in the Township. Even though the mobile homes are not deed restricted for affordable housing, their presence makes it clear that the Township (1) has an abundance of naturally affordable housing, and (2) does not exclude low- and moderate-income households.

Types of Dwelling Units: 2023			
Type of Unit	Number of Units	Percent of Total	
1- Unit; detached	13,480	73.7%	
1- Unit; attached	775	4.2%	
2 Units	208	1.1%	
3 or 4 Units	464	2.5%	
5 to 9 Units	454	2.5%	
10 to 19 Units	627	3.4%	
20 or more Units	367	2.0%	
Mobile Homes	1,890	10.3%	
Boat, RV, Van, etc.	29	0.2%	
Total	18,294	100%	

Table 10 Egg Harbor Township Types of Dwelling Units: 2023

Source: US Census Bureau

2023 American Community Survey 5-Year Estimates

Table 11 provides Census data regarding the condition of housing and whether units are overcrowded:

# Table 11Egg Harbor TownshipCondition of Housing: 2023

Characteristic	Number of Units
Overcrowded (> 1 person per room)	311
Total Units lacking complete plumbing	108
Total Units lacking complete kitchen	9

Source: US Census Bureau, 2023 American Community Survey 5-Year Estimates

According to the 2023 American Community Survey, the 2023 median household income in Egg Harbor Township was \$96,068.00. Additionally, 10.1% percent of the Township's population identified as living below the poverty level.

#### Units Affordable to Low- and Moderate-Income Households

Units are affordable to low and moderate-income households if the maximum sales price or rent is set within a specified formula as per UHAC regulations. A moderate-income household is a household whose gross family income is more than fifty percent (50%) of the median income, but less than eight percent (80%) of median income for households of the same size within the housing region. A low-income household is a household whose gross family income is equal to or less than fifty percent (50%) of median gross household income for a household and a very-low-income household is classified as earning less than thirty percent (30%) of the median area income of the same size within the housing region for Egg Harbor Township. Egg Harbor Township is in Region 6, which encompasses Atlantic, Cape May, Cumberland and Salem counties. The median household income in Egg Harbor Township in 2023 was \$96,068.00.

		by nousen	loid Size		
	1 Person	1.5 Person	2 Person	3 Person	4 Person
Median	\$68,852	\$73,770	\$78,688	\$88,524	\$98,360
Moderate	\$55,081	\$59,016	\$62,950	\$70,819	\$78,688
Low	\$34,426	\$36,885	\$39,344	\$44,262	\$49,180
Very Low	\$20,655	\$22,131	\$23,606	\$26,557	\$29,508

Table 12
2024 Affordable Housing Regional Income Limits
By Household Size

	4.5 Person	5 Person	6 Person	7 Person	8 Person
Median	\$102,294	\$106,228	\$114,097	\$121,966	\$129,835
Moderate	\$81,835	\$84,983	\$91,278	\$97,573	\$103,868
Low	\$51,147	\$53,114	\$57,049	\$60,983	\$64,917
Very Low	\$30,688	\$31,868	\$34,229	\$36,590	\$38,950

Source: AHPNJ, April 12, 2024

Based on the qualifying formula in <u>N.J.A.C</u>. 5:80-26, the monthly cost of shelter, which includes mortgage (principal and interest), taxes, insurance and homeowners or condominium association fees, may not exceed twenty-eight percent (28%) of gross monthly household income based on a five percent (5%) down payment. In addition, moderate-income sales units must be available for at least three different prices and low-income sales units available for at least two different prices. The maximum sales prices must now be affordable to households earning no more than seventy percent (70%) of median income. The sales prices must average fifty-five percent (55%) of median income.

Under UHAC regulations, rents including utilities may not exceed thirty percent (30%) of gross monthly income. The average rent must now be affordable to households earning fifty-two percent (52%) of median income. The maximum rents must be affordable to households earning no more than sixty percent (60%) of median income. In averaging fifty-two percent (52%), one rent may be established for a low-income unit and one rent for a moderate-income unit for each bedroom distribution. The utility allowance must be consistent with the utility allowance approved by HUD and utilized in New Jersey. In addition, thirteen percent (13%) of all restricted rental units must be affordable to households earning no more than thirty-percent (30%) of median income.

Based upon the average household size of 2.74 in Egg Harbor Township in 2023 and the regional limits, the median income in Region 6 for Egg Harbor Township in 2024 is \$88,524. At a minimum, 1,028 owner occupied units and 1,408 renter occupied units could be considered affordable to three person very-low-, low- and moderate-income households

as indicated in Table 13. Of the 1,028 owner occupied units, 56 units could be considered affordable to three person very low income and low income and 972 units could be considered affordable to a three-person low income and moderate income. Of the 1,408 renter occupied units, 535 units could be considered affordable to three person very-low-income and low-income and 873 units could be considered affordable to a three-person low-income and moderate-income. Based upon these numbers approximately 13.3% of the 18,294 units in the Township in 2023 are potentially affordable. Of these, a minimum of 736 units representing approximately 4% could be affordable to very low- and low-income households with the remaining 1,700 units representing approximately 9.3% could be affordable to low-income and moderate-income households. Although these figures are estimates and assumptions regarding household size have been made, it appears that the Township has significant numbers of affordable units, some of which are naturally affordable, and some of which can be counted as affordable housing credits.

Information for Median I	ncome, Mortgage and Ren	tal Information
Income Level	Annual Income	
Median Household Income	\$88,524	
Moderate Income	\$44,262 - \$70,819	
Low Income	\$26,557 - \$44,262	
Very Low Income	< \$26,557	
Income Level	Affordable Monthly Rent	Affordable Monthly Mortgage
Moderate Income	\$1,200.85 - \$1,921.35	\$1,120.79 - \$1,793.26
Low Income	\$720.50 - \$1,200.85	\$672.47 - \$1,120.79
Very Low Income	< \$720.50	< \$672.47
Mortgage Status and Selected Owner Costs	Number of Units	Affordability
Owner Occupied Units with a Mortgage		
Less than \$500.00	56	Very Low Income
\$500.00-\$999.00	145	Low Income
\$1,000.00-\$1,499.00	827	Some Low Income & Some Moderate Income
\$1,500.00-\$1,999.00	2,104	Some Moderate Income & Some Not Affordable
\$2,000.00-\$2,499.00	2,439	Not Affordable
\$2,500.00-\$2,999.00	1,939	Not Affordable
\$3,000.00 or more	1,500	Not Affordable
Not Mortgaged	5,476	Not Applicable
Renter Occupied Housing Units		Affordability
Less than \$500.00	38	Very Low Income
\$500.00-\$999.00	497	Some Very Low Income & Some Low Income
\$1,000.00-\$1,499.00	873	Some Low Income & Some Moderate Income
\$1,500.00-\$1,999.00	659	Some Moderate Income & Some Not Affordable
\$2,000.00-\$2,499.00	509	Not Affordable
\$2,500.00-\$2,999.00	8	Not Affordable
\$3,000.00 or more	15	Not Affordable
No Rent Paid	264	Not Applicable

# Table 13 Egg Harbor Township Estimate of 2023 Housing Units Affordable to Low & Moderate Income Households Information for Median Income, Mortgage and Rental Information

Source: 2

2020 Census Data 2023 American Community Survey 5-Year Estimates

# Housing Stock, Population & Employment Projections

According to the New Jersey Department of Labor, Residential Building Permits Issued, 926 new building permits were issued in Egg Harbor Township from 2013 to 2023.

#### **Housing Unit Projections**

The FHA requires that housing plans include a 10-year projection of new housing units based on the number of building permits, development applications approved, and probable developments, as well as other indicators deemed appropriate (N.J.S.A. 52:27D-310.b). Table 19 shows the balance of Certificates of Occupancy and Demolition Permits issued between 2013 and 2023. According to NJDCA permit data, 926 new units were certified, and 200 units were demolished. There is an annual average of 84 Certificates of Occupancy issued per year. If this rate were to remain relatively constant, the Township could see a net increase of 792 units by 2035.

Table 14
Egg Harbor Township
<b>Residential Construction Certificate of Occupancy</b>
and Demolition Permits Issued: 2013-2023

Year	Certificates of	Demolitions	Net New Dwellings
	Occupancy		_
2013	94	27	67
2014	108	23	85
2015	95	21	74
2016	86	30	56
2017	69	26	43
2018	380	16	364
2019	16	15	1
2020	7	23	-16
2021	31	9	22
2022	8	2	6
2023	31	8	23
Total	926	200	726
Annual Average	84.2	18.2	66

Source: New Jersey Department of Community Affairs, Division of Codes & Standards, Construction Reporter

#### Analysis of Existing Employment:

The 2023 American Community Survey data indicates that the civilian labor force (16 years and older) for Egg Harbor Township and Atlantic County in 2023 were 25,619 and 145,774 respectfully. The Egg Harbor Township civilian labor force represents 17.6% of the County civilian labor force. In 2023, the percent of the persons age 16 and over in the civilian labor force in Egg Harbor Township was 67.7%. This average is higher than the County average of 64.1%. The Township had a higher unemployment rate than the County, rates were 5.2% (1,980 persons) and 4.1% (9,185 persons) respectfully.

The Census data distribution of occupational positions in Egg Harbor Township generally reflects that of Atlantic County and the State. The largest difference, at the State level, comes in the service occupations. Approximately 27.9% of Egg Harbor Township's labor force works in service occupations compared to 15.5% of the State. This is primarily due to the casino industry as well as the tourist industry in Atlantic County.

Table 15
Egg Harbor Township and Atlantic County
<b>Civilian Labor Force Characteristics: 2023</b>

	Egg Harbor Twp.		Atlantic County		
	Number of Persons	Percent of Total	Number of Persons	Percent of Total	
Labor Force	25,619	67.7%	145,774	64.1%	
Employed	23,639	62.4%	134,927	60.1%	
Unemployed	1,980	5.2%	9,185	4.1%	

Source: US Census, 2023 American Community Survey 5-Year Estimates

Table 16
Egg Harbor Township, Atlantic County and New Jersey
Occupation Distribution: 2023

Occupation	Egg Harbor Twp.	Atlantic County	New Jersey
Management, business, science and arts occupations	39.3%	38.6%	47.4%
Service Occupations	22.4%	27.0%	15.5%
Sales and Office Occupations	21.0%	16.8%	19.0%
Natural resources, construction and maintenance occupations	9.2%	7.5%	6.9%
Production, transportation and material moving occupations	8.1%	10.1%	11.2%

Source: US Census, 2023 American Community Survey 5-Year Estimates

In 2023, the median household income in Egg Harbor Township was \$96,068. However, there is a wide range of income levels, as 47.5% of the population make over \$100,000 and 6% make under \$25,000. The distribution of household income is indicated in Table 16.

Household Income: 2023										
Household Income Number Percent										
Less than \$10,000	551	3.1%								
\$10,000- \$14,999	268	1.5%								
\$15,000- \$24,999	773	4.4%								
\$25,000- \$34,999	1,095	6.3%								
\$35,000-\$49,999	1,584	9.1%								
\$50,000- \$74,999	2,488	14.3%								
\$75,000- \$99,999	2,352	13.6%								
\$100,000- \$149,999	3,543	20.4%								
\$150,000 or more	4,695	27.1%								

Table 17Egg Harbor TownshipHousehold Income: 2023

Source: US Census, 2023 American Community Survey 5-Year Estimates

As mentioned in the 'Analysis of Existing Employment' section, data from the 2023 American Community Survey data indicates a civilian labor force (those in the population above the age of 16) of 24,619, of which 23,639 were employed. Classifications of workers by occupation distribution can be referenced in Table 17 which lists occupation by industry of workers in the Township.

Employment Classification: 2023						
Industry	Number of Employees	% of Total Employed				
Agriculture, forestry, fishing, hunting and mining	29	0.1%				
Construction	1,570	6.5%				
Manufacturing	867	3.7%				
Wholesale Trade	247	1.5%				
Retail Trade	2,979	12.6%				
Transportation, warehousing and utilities	1,271	5.4%				
Information	243	1.0%				
Finance, Insurance, Real Estate and Rental/ Leasing	1,749	7.4%				
Professional, scientific, management, administrative and waste management services	1,856	7.9%				
Educational services, health care and social assistance	5,907	25%				
Arts entertainment, recreation, accommodation and food services	4,378	18.5%				
Other services except public administration	1,106	4.7%				
Public Administration	1,337	5.7%				

Table 18Egg Harbor TownshipEmployment Classification: 2023

Source: US Census, 2017-2023 American Community Survey 5-Year Estimates

#### **Population and Employment Projections**

The South Jersey Transportation Planning Organization ("SJTPO") is the Metropolitan Planning Organization for the southern New Jersey region, which contains all municipalities in the Counties of Salem, Atlantic, Cape May, and Cumberland. The SJTPO publishes population and employment forecasts for each county and municipality in the region. Between 2020 and 2060, the SJTPO projects slight population increase and significant employment growth throughout the region. In Egg Harbor Township, the SJTPO projects local employment growth of 7,836 jobs (+30.3%) with an insignificant change in population. As shown in Table 18, the Township is expected to experience a population increase (+30.3%) higher than what is projected to occur throughout the County (+25.1%).

	Egg Harbor Township									
Population and Employment Projections: 2020-2060										
Location Population Employment										
	Estimate 2020	Projected 2060	Percent Change	Estimate 2020	Projected 2060	Percent Change				
Egg Harbor Township	47,842	47,885	+ 0.1%	25,837	33,673	+ 30.3%				
Atlantic County	274,534	266,014	- 3.1%	150,987	188,855	+ 25.1%				
SJTPO Region	588,786	557,050	- 5.4%	310,002	378,855	+ 22.2%				

Table 19 Egg Harbor Township Population and Employment Projections: 2020-2060

Source: SJTPO Population and Employment Projections 2020-2060

# Lands Most Appropriate for Affordable Housing

In general, sites that are most appropriate for affordable housing are those that have the necessary infrastructure and are not encumbered by environmental constraints. Within the Township's Regional Growth Area located within the Pinelands, as well as Planning Area 1 and Planning Area 2 within the CAFRA portion of the Township, are appropriate locations for affordable housing. These are the areas that the State has, for the most part, encouraged growth.

Specifically, sites within the RG-4 Zone, RG-5 Zone, and the R-5 Apartment Residential Zone are most appropriate for affordable housing, since multifamily dwellings are permitted.

In 2018, an Ordinance was passed to amend the zoning Code for the RG-4 Residential and RG-5 Residential zoning districts, which are located within the Township's designated Growth Area of the Pinelands to provide a twenty percent (20%) affordable housing setaside, consistent with Section 329.9 of the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.). See attached Appendix G. The Township uses its zoning code to meet affordable housing needs by requiring residential development within the Growth Areas of the Pinelands area of the Township to provide affordable housing as is required by the New Jersey Fair Housing Act.

# **Multigenerational Family Housing Continuity**

The FHA requires the Housing Element and Fair Share Plan to provide an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of 23 section 1 of P.L.2021, c.273 (C.52:27D-329.20). To date, no recommendations have been published.

A review of the Township's ordinance indicates that there are no ordinances that would specifically create a detraction from meeting the Commission's goal of allowing senior citizens to reside at the homes of their extended families. The ordinances in Egg Harbor Township do not detract from the multigenerational family continuity goal. The Township should update its land use ordinance to expand the areas where accessory apartments and in-law suites are permitted uses.

# **Consideration of Affordable Housing Options**

The Township did not receive proposals from developers of affordable housing projects to be included in the Township's Fourth Round Prospective Need Obligation. The Township believes that the projects that exist and are proposed in this Fourth Round Housing Element and Fair Share Plan represent the best options for affordable housing in the Township at this time.

# FAIR SHARE PLAN

# Affordable Housing and Fair Share Plan

In 1975, in the case <u>Southern Burlington County NAACP v. the Township of Mount Laurel</u> 67 <u>N.J.</u> 151 (1975)<u>l ("Mt. Laurel I")</u>, the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide for the construction of low- and moderate-income housing. The Supreme Court's 1983 decision <u>Southern Burlington</u> <u>County NAACP v. Township of Mount Laurel</u>, 92 <u>N.J.</u> 158, 456 A.2d 390 (1983) ("<u>Mt. Laurel II</u>") expanded the obligation in ruling that all municipalities share in this constitutional obligation to provide a realistic means for addressing a fair share of the regional present and prospective need for housing affordable to low- and moderate-income families provided that any portion of the municipality is located in a "growth area" as set forth in the SDRP. As such, through a municipality's zoning and land use regulations, it is to be realistically possible, through providing of a variety of housing choices, for all categories of people within Housing Region 6 (including Salem, Cumberland, Cape May and Atlantic counties) to live if they choose in the Township of Egg Harbor.

# Egg Harbor Township Fair Share Obligations

In accordance with the amended FHA, this Fourth Round Housing Element and Fair Share Plan will set forth how the Township has addressed its Prior Round and Third Round affordable housing obligations, as well as how it intends to address its Fourth Round obligations:

#### A. Present Need (Rehabilitation) Obligation

The Present Need Obligation, also known as the Rehabilitation Obligation, can be defined as an estimate of the number of substandard existing deficient housing units currently occupied by low- and moderate-income households. As per the Court's April 30, 2025 Order setting the Egg Harbor Township's Fourth Round Obligations, the Township has a Fourth Round Present Need Obligation of **164**.

#### **B.** Prior Round Obligation (1987-1999)

Egg Harbor Township has a Prior Round Obligation of **763**.

#### C. Third Round - Prospective Need Obligation (1999-2025)

Egg Harbor Township has a Prospective Need Obligation of **1,000**.

As per the terms of the Court-approved Third Round FSHC Settlement Agreement, Egg Harbor Township's 1,000-unit Gap (1999-2015) + Prospective Need (2015-2025) Obligation was agreed upon through settlement negotiations, and not through the application of the 1,000-unit cap.

#### **D.** Fourth Round Prospective Obligation (2025-2035)

Pursuant to the Court's April, 30, 2025 Order setting Egg Harbor Township's Fourth Round Obligations, the Township has a Fourth Round Obligation of **142**.

# **Housing Strategy:**

#### Affordable Housing Caps and Requirements

In accordance with the requirements set forth in the Amended FHA, Egg Harbor Township will address the following:

- A. This plan requires that thirteen percent (13%) of all the affordable units referenced in the Agreement, with the exception of units constructed as of July 1, 2008, and units subject to preliminary or final site plan approval as of July 1, 2008, will be very low income units (defined as units affordable to households earning thirty percent (30%) or less of the regional median income be household size), with half of the very low income units being available to families.
- B. No more than twenty-five percent (25%) of a municipality's obligation can be satisfied with rental bonus credits.
- C. This plan will ensure that at least fifty percent (50%) of the units addressing the Fourth Round Prospective Need Obligation will be affordable to a combination of very-low-income and low-income households, while the remaining affordable units will be affordable to moderate-income households.
- D. This plan will ensure that a minimum of twenty-five percent (25%) of the Fourth Round Prospective Need Obligation, exclusive of rental bonus credits, will be met through rental units, including at least half in rental units available to families.
- E. This plan will ensure that at least half of thew units, exclusive of any bonus credits, addressing the Township's Fourth Round Prospective Need Obligation will be available to families.
- F. This plan complies with the Fourth Round age-restricted cap of thirty percent (30%), exclusive of rental bonus credits.

The housing strategy outlined herein addresses the Township's Fourth Round Rehabilitation Obligation of 164, Prior Round Obligation of 763, Third Round Obligation of 1,000, and the Fourth Round Obligation of 142. Below are the mechanisms the Township has put in place to address the affordable housing obligations.

#### Addressing the Present Need Obligation of 164:

The purpose of a rehabilitation program is to rehabilitate substandard housing units occupied by low- and moderate-income households. A substandard housing unit is defined as a unit with health and safety violations that require the repair or replacement of a major system. A major system includes a roof, plumbing, heat, electricity, sanitary plumbing and/or a load bearing structural system. Upon rehabilitation, housing deficiencies are corrected and the unit is brought up to New Jersey Uniform Construction Code standards.

Based on the DCA's calculation for the Township's Present Need or Rehabilitation Obligation, a Rehabilitation Obligation of one hundred sixty-four (164) was accepted by the Township. The Township plans to satisfy this obligation by continuing its participation in the Atlantic County Improvement Authority's rehabilitation program and/or through other rehabilitation programs selected by the Township.

#### Addressing the Prior Round Obligation:

The Township has a Prior Round obligation of **763**, all of which are constructed and occupied and approved by the Court for creditworthiness in the Township's Third Round Final JOR. The Township has fully satisfied is Prior Round Obligation of **763** as follows:

Prior Round Affordable Housing Unit Crediting								
Development	Special Needs	Family	Senior	Rentals	Units	Bonus Credits	Total Credits	
Caring, Inc.								
116 Woodside Drive	3			3	3	3	6	
Caring, Inc.								
38 Diedre Drive	4			4	4	4	8	
Caring, Inc.								
15 Erma Drive	3			3	3	3	6	
Caring, Inc.								
32 Dorset Drive	3			3	3	3	6	
Caring, Inc.								
6215 Main Avenue	4			4	4	4	8	
CHT Vision, Inc.								
18 Harley Avenue	4			4	4	4	8	
CHT Vision, Inc.								
206 Cedar Avenue	4			4	4	4	8	
CHT Vision, Inc.								
2529 Tremont Avenue	4			4	4	4	8	
ARC of Atlantic County, Inc.								
314 Heather Croft	2			2	2	2	4	
ARC of Atlantic County, Inc.								
374 Heather Croft	4			4	4	4	8	
ARC of Atlantic County, Inc.								
7128 Fernwood Avenue	5			5	5	5	10	
Penny Point Park Apartments								
(130 of 152 units)		130		130	130		130	
Michaels Organization								
2720 Fire Road		75		75	75	75	150	
Clarion Hotel - Renewable								
Jersey at Egg Harbor, LLC								
Phase 1		84		84	84	75	159	
Clarion Hotel - Renewable								
Jersey at Egg Harbor, LLC								
Phase 2		84		84	84		84	
Black Horse ALR Urban								
Renewal								
(Howard Johnson Motel)			160	160	160		160	
Total Credits	40	373	160	533	573	190	763	

 Table 20

 Prior Round Affordable Housing Unit Crediting

### Addressing the Third Round Obligation

Egg Harbor Township has a Third Round (1999-2025) Obligation of 1,000, and is addressing said obligation as follows:

	Third Round Affordable Housing Unit Crediting									
Development	Special Needs	Family	Senior	Rentals	Units	Bonus Credits	Total Credits	Status		
Michaels Organization - Phase 2		60		60	60	60	120	Constructed & Occupied Approved by Court in Third Round JOR		
Clarion Hotel - Renewable Jersey at Egg Harbor, LLC - Phase 2		16		16	16	16	32	Constructed & Occupied Approved by Court in Third Round JOR		
Michaels Organization 16 Stafford Avenue		75		75	75	75	150	Rezoned & Pursuing Funding		
Habitat for Humanity 209 Ashland Avenue		1			1		1	Under Construction		
Habitat for Humanity 210 Ashland Avenue		1			1		1	Under Construction		
Timber Ridge Leigh at EHT, LLC		8		8	8	8	16	Redevelopment Plan Adopted		
Mile High 3, LLC Harbor Apartments		19		19	19	19	38	Executed Developer's Agreement, Deed Restricted, Phase 1 Constructed		
Caring, Inc. 115 Blackman Road	3			3	3	3	6	Constructed & Occupied Approved by Court in Third Round JOR		
Caring, Inc. 5079 Spruce Avenue	3			3	3	3	6	Constructed & Occupied Approved by Court in Third Round JOR		
Caring, Inc. 5061 Spruce Avenue	3			3	3	3	6	Constructed & Occupied Approved by Court in Third Round JOR		
ARC of Atlantic County 210 Heather Croft	2			2	2	1	3	Constructed & Occupied Approved by Court in Third Round JOR		
ARC of Atlantic County 150 Heather Croft	2			2	2		2	Constructed & Occupied Approved by Court in Third Round JOR		
Homes for All 247 Leap Street		1		1	1		1	Deed Restriction to be Recorded		
Homes for All 2527 Ridge Avenue		1		1	1		1	Deed Restriction to be Recorded		

Table 21Third Round Affordable Housing Unit Crediting

Pinelands Area Development		201			202		202	Zoning Adopted and Certified by Pinelands Commission Approved by Court in Third Round JOR
Mobile Home Parks		213			213		213	Proposed
Delilah's Village 6305 Delilah Road		8		8	8		8	Approved by Planning Board May 2025
Rubenstein Single Family Units		20			20		20	Proposed; Zoning Approved by Court in Third Round JOR
Rubenstein Garden Apartments Phase 1 (70 of 140)		70		70	70	50	120	Proposed; Zoning Approved by Court in Third Round JOR
Rubenstein Garden Apartments Phase 2 (42 of 140)		42		42	42	12	54	Proposed; Zoning Approved by Court in Third Round JOR
Total Credits	34	405	0	293	750	250	1000	

- A. Seventy-five (75) affordable family rental units from the 16 Stafford Avenue <u>Michaels Development Company project</u>: 75 family rental units from the Michaels 100 percent affordable project located at 16 Stafford Avenue (Block 1013, Lot 32). The AHO-B Affordable Housing Overlay zone has been adopted, a Developer's Agreement has been executed, a PILOT Agreement has been executed and a Resolution of Need has been adopted. <u>See</u> Appendix D. Michaels is in the process of applying for funding for the project.
- **B.** <u>Timber Ridge inclusionary project</u>: This 226-unit mixed-use inclusionary project will be constructed on a site identified as Block 1223, Lots 5, 6 and 8 and Block 1305, Lot 7. 6.67 acres of the site is located in the Pinelands RG-4 Zone, and 41.78 acres of the site is located in the HB Zone. A Redevelopment Plan was adopted by the Township, which has since been certified by the Pinelands Commission. See attached Appendix E. Since only 6.67 acres is located in the RG-4 zone, which requires twenty percent (20%) affordable housing, and to ensure that the project remains economically feasible, the Redevelopment Plan only requires a prorated affordable housing set-aside of eight (8) affordable family rental units (6.67 acres x 6 du/acre = 40 total units x .20 = 8). RG-3 standards were applied to the rest of units on the site and said standards do not require an affordable housing set-aside.
- **C.** <u>Tilton Road Motel Conversion Project</u>: This 92-unit inclusionary project will be constructed on a 4.38 acre site located at 2580 Tilton Road (Block 1101, Lot 14), which is located in the Pinelands RG-4 Zone of the Township. The project was approved by the Township's Zoning Board of adjustment on December 6, 2021, which required that 19 of the 92 units be affordable units. The Township and Mile High 3 LLC, the developer of the project have entered into a Developer's Agreement and a Deed Restriction to ensure that all affordable housing

requirements, including the twenty percent (20%) affordable housing set-aside requirement under the Township's Pinelands Ordinance and the Zoning Board approval, are properly followed by the developer. Triad Associates prepared the Harbor Apartments Operating Manual and is currently marketing the affordable units. <u>See</u> Appendix F.

- **D.** <u>Two (2) Affordable Family Rental "Homes for All" Houses</u>: Homes for All NJ owns two (2) single-family dwellings at 247 Leap Street (Block 5811, Lot 50) and 2527 Ridge Avenue (Block 1303, Lot 15). Homes for All NJ manages the rental properties and each unit is rented to a low-income qualified household. The Township will obtain a 30-year deed restriction on each property. The Township will provide Homes for All NJ with \$25,000 for improvements to the Ridge Avenue property.
- E. <u>Pinelands Area Development</u>: The Pinelands Ordinance that was adopted by the Township and certified by the Pinelands Commission will provide the opportunity for the construction of up to 726 affordable units. <u>See</u> Appendix G. However, after removing the Pulte Homes Project site, the actual maximum yield is 311 affordable units. The Township is applying credits to the Third Round and Fourth Round for other projects within the RG-4 and RG-5 zones, including Harbor Apartments, Timber Ridge/Leigh at EHT, Delilah Village and the proposed Rubinstein/Reserve at Grace project, and these projects will result in a minimum of 109 units. The Township is applying 202 units to the Third Round Obligation. If there are any credits created beyond what is needed to satisfy the Township's Third Round Obligation, the excess credits will be applied to the Township's Fourth Round Obligation or will be reserved for the Fifth Round.
- F. <u>Mobile Home Park Unit Program</u>. A creditworthy Mobile Home Park affordable unit will consist of (1) a new affordable unit added within the existing footprint of a mobile home park and made creditworthy, (2) an existing unit in which the current household vacates or sells the unit, then the new unit owner or renter is an affirmatively marketed and income qualified very-low, low- or moderate-income household, and said turned over unit is properly deed restricted, or (3) if an occupant of an existing unit that dates back to pre-1987 seeks an upgrade or change to their unit through gut rehabilitation and is income qualified according to UHAC, affirmative marketing shall not be required until such point as the current occupant sells or otherwise vacates the unit. The Township and each Mobile Home Park Owner participating in this process will enter into an Agreement. If more than 213 affordable units are created under this subsection, then said units will be utilized to reduce the number of affordable units needed from the Pinelands Area Development for the Third Round, with any surplus being applied to the Fourth Round.
- G. <u>Delilah Village, 6305 Delilah Road</u>: This inclusionary development is located on Lots 11 and 12 in Block 1508 and consists of 39 townhouse units with a set-aside of 8 affordable units. The property is located in the Township's RG-5 zoning

district which requires a 20% set-aside for affordable housing. The proposed units will be for sale in accordance with the Affordable Housing Production Plan submitted by the developer. The project was granted a use variance approval in 2024 and received preliminary and final major site plan approval in May 2025.

The income mix will be 4 units for moderate-income households, 3 units for lowincome households and 1 unit for a very-low-income household. The affordable units will consist of four (4) three-bedroom units, three (3) two-bedroom units and one (1) one-bedroom unit. <u>See</u> Appendix H for site plan and Zoning Board Decision & Resolution.

H. <u>Rubinstein / Reserve at Grace, 20 Single-Family Dwellings</u>: The developer of a site consisting of several lots in Blocks 203, 1402, 1404, 1415, 1516, 1417, 1418 and 1505, has approached the Township with interest in developing the site located in the Township's RG-5 zoning district. The proposed project phase proposes the construction of 20 single-family for-sale affordable housing units.

The Township has current zoning for affordable housing in the RG-5 zoning district. The developer has two tracts, one tract of 50 acres and one tract of approximately 21 acres. The permitted maximum density in the RG-5 zone is 7.5 dwelling units per acre, yielding 375 units on the largest tract. With the twenty percent (20%) affordable housing set-aside requirement, the developer would be required to provide a minimum of 75 affordable units within the development. The developer is proposing to construct 20 single-family for-sale affordable dwelling units.

The site is considered to be approvable due to the fact that it is consistent with the rules and regulations of all agencies with jurisdiction over the site. It is also an available site, meaning that it has a clear title and is free of encumbrances which could preclude the development of an affordable housing site. The site is considered to be developable since it is located within the Township's sewer service area and sewer services are in proximity to the site. It is also considered suitable, meaning that it is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in <u>N.J.A.C.</u> 5:93-4. <u>See</u> Appendix I for a concept plan and suitability maps.

I. <u>Rubinstein / Reserve at Grace, Phase 1 (70 units) and Phase 2 (42 of 70 units)</u>: The developer of a site consisting of several lots in Blocks 203, 1402, 1404, 1415, 1516, 1417, 1418 and 1505, has approached the Township with interest in developing the site located in the Township's RG-5 zoning district. The proposed project proposes the construction of 70 units in the first phase of a one hundred percent (100%) affordable family rental development and an additional 70 units in the second phase.

The Township has current zoning for affordable housing in the RG-5 zoning district. The developer has two tracts, one tract of 50 acres and one tract of

approximately 21 acres. The permitted maximum density in the RG-5 zone is 7.5 dwelling units per acre, yielding 375 units on the largest tract. With the twenty percent (20%) affordable housing set-aside requirement, the developer would be required to provide a minimum of 75 affordable units within the development. The developer is proposing to construct a one hundred percent (100%) affordable family rental development with two phases of 70 units in each phase. The Township is applying 70 units from the first phase and 42 units from Phase 2 of the project to the Third Round Obligation.

The site is considered to be approvable due to the fact that it is consistent with the rules and regulations of all agencies with jurisdiction over the site. It is also an available site, meaning that it has a clear title and is free of encumbrances which could preclude the development of an affordable housing site. The site is considered to be developable since it is located within the Township's sewer service area and sewer services are in proximity to the site. It is also considered suitable, meaning that it is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in <u>N.J.A.C.</u> 5:93-4. <u>See</u> attached Appendix I for a concept plan and suitability maps.

#### Addressing the Fourth Round Obligation

Egg Harbor Township has a Fourth Round (2025-2035) Obligation of 142 and will address said obligation as follows:

	Fourth Round Affordable Housing Unit Crediting									
Development	Special Needs	Family	Senior	Rentals	Units	Bonus Credits	Total Credits	Status		
English Creek Manor		45			45		45	Approved by Court in Third Round JOR		
Caring, Inc. 115 Robert Best Road	3			3	3	3	6	Deed restricted; Approved by Court in Third Round JOR		
Caring, Inc. 117 Robert Best Road	3			3	3	3	6	Deed restricted; Approved by Court in Third Round JOR		
Caring, Inc. 123 Robert Best Road	3			3	3	3	6	Deed restricted; Approved by Court in Third Round JOR		
Caring, Inc. 5075 Spruce Avenue	3			3	3	3	6	Constructed & Occupied Approved by Court in Third Round JOR		
Caring, Inc. 5051 Ridge Avenue	3			3	3	3	6	Constructed & Occupied Approved by Court in Third Round JOR		
Caring, Inc. 5053 Ridge Avenue	3			3	3	3	6	Under Construction Approved by Court in Third Round JOR		
Caring, Inc. 5055 Ridge Avenue	3			3	3	3	6	Constructed & Occupied Approved by Court in Third JOR		
Rubenstein Garden Apartments Phase 2 (28 of 140)		28		28	28	13	41	Proposed; Zoning Approved by Court in Third Round JOR		
Transitional Living 6401 West Jersey Avenue					5		5	Constructed & Occupied		
Transitional Living 400 Shires Way					5		5	Constructed & Occupied		
Transitional Living 6517 Mill Road					4		4	Constructed & Occupied		
Total Credits	21	28	0	63	108	34	142			

 Table 22

 Fourth Round Affordable Housing Unit Crediting

A. Forty-five (45) units from the approved English Creek Manor project: As per the Settlement Agreement entered into between the Township and English Creek Manor in 2012 and approved by the Court in 2013, this project will produce a total

of 223 for-sale family units of which forty-five (45) (20% set-aside) will be affordable to low and moderate income households. The project received approval for a minor subdivision, which was required to create the lot upon which the affordable units will be constructed. As per <u>N.J.A.C.</u> 5:93-1.3, the site for the proposed project is Approvable, Available, Developable and Suitable.

As per COAH's Prior Round regulations, the site is considered to be an approvable site due to its ability to be developed with affordable housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. The site has a clear title and is free of encumbrances which would preclude the development of affordable housing, making it an available site. The site is also developable, meaning that it has appropriate water and sewer infrastructure available. It is also considered suitable, meaning that it is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4.

This site was included in the Third Round court-approved JOR.

- **B.** <u>Pinelands Area Development:</u> As described above, the Pinelands Ordinance that was adopted by the Township and certified by the Pinelands Commission will provide the opportunity for the construction of up to 726 affordable units. <u>See</u> Appendix G. However, after removing the Pulte Homes Project site, the actual maximum yield is 311 affordable units. The Township is applying credits to the Third Round and Fourth Round for other projects within the RG-4 and RG-5 zones, including Harbor Apartments, Timber Ridge/Leigh at EHT, Delilah Village and the proposed Rubinstein/Reserve at Grace project, and these projects will result in the production of a minimum of 109 units. If more than 202 units are constructed that are being used for the Third Round, said surplus will be applied to any gaps in the plan or reserved for the Fifth Round under then applicable law.
- C. <u>Rubinstein / Reserve at Grace, Phase 2 (28 of 70 units)</u>: The developer of a site consisting of several lots in Blocks 203, 1402, 1404, 1415, 1516, 1417, 1418 and 1505, has approached the Township with interest in developing the site located in the Township's RG-5 zoning district. The proposed project proposes the construction of 70 units in the first phase of a 100% affordable family rental development and an additional 70 units in the second phase.

The Township has current zoning for affordable housing in the RG-5 zoning district. The developer has two tracts, one tract of 50 acres and one tract of approximately 21 acres. The permitted maximum density in the RG-5 zone is 7.5 dwelling units per acre, yielding 375 units on the largest tract. With the twenty percent (20%) affordable housing set-aside requirement, the developer would be required to provide a minimum of 75 affordable units within the development. The developer is proposing to construct a 100% affordable family rental development with two phases of 70 units in each phase. The Township is applying 28 units from the second phase of the project to the Fourth Round Obligation.

The site is considered to be approvable due to the fact that it is consistent with the rules and regulations of all agencies with jurisdiction over the site. It is also an available site, meaning that it has a clear title and is free of encumbrances which could preclude the development of an affordable housing site. The site is considered to be developable since it is located within the Township's sewer service area and sewer services are in proximity to the site. It is also considered suitable, meaning that it is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in <u>N.J.A.C.</u> 5:93-4. <u>See</u> Appendix I for a concept plan and suitability maps.

#### D. <u>Transitional Living:</u>

In Egg Harbor Township, there are currently five (5) Stop the Heroin Recovery Houses, a cooperative sober living facility licensed by the State of New Jersey. As a licensed Rooming and Boarding House, annual inspections are conducted by the DCA. In accordance with the amended FHA, in the Fourth Round, municipalities can count credits for transitional housing for up to ten percent (10%) of their Fourth Round Obligation. The Township is applying the maximum fourteen (14) credits allowed towards the Fourth Round Obligation for the following Transitional Living facilities:

- 6401 West Jersey Avenue 5 bedrooms, 5 credits.
- 400 Shires Way 5 bedrooms, 5 credits.
- 6517 Mill Road 5 bedrooms, 4 credits.

## **Very Low-Income Units**

Pursuant to the amended FHA (P.L. 2008, c.46), the Township must ensure that at least Thirteen Percent (13%) of affordable housing units approved <u>and</u> constructed (or to be constructed) after July 17, 2008, are available to very low-income households. The Township will exceed the requirement that Thirteen Percent (13%) of units be available to very low-income households in both the Third Round and Fourth Round.

### **Income and Bedroom Distribution**

The Township will continue to follow the UHAC rules and regulations and ensure that the new affordable housing developments will comply with <u>N.J.A.C.</u> 5:93-7.2 through 7.3.

### Affordable Housing Administration and Affirmative Marketing

Egg Harbor Township currently has a Court-approved Affordable Housing Ordinance, Chapter 57 of the Township Code. <u>See</u> Appendix J. The Affordable Housing Ordinance governs the establishment and occupancy of the affordable units in the Township, including, but not limited to, the phasing of affordable units, the mix of very-low-, low-and moderate-income units, bedroom distribution, occupancy standards, affordability controls, rents and sales prices, affirmative marketing, and income qualification. The Affordable Housing Development Fees are contained in the Township's Code in Chapter 225 Zoning. <u>See</u> Appendix K.

The Township will prepare an updated Affordable Housing Ordinance in accordance with the DCA's proposed new regulations (<u>N.J.A.C.</u> 5:99), and UHAC's new 2025 regulations, once the DCA and HMFA finalize their rule proposals.

The Township shall adopt by resolution an updated Affirmative Marketing Plan once new UHAC regulations are adopted. Until then, the Township will continue to follow its Third Round Affirmative Marketing Plan. The Township's Administrative Agent designated by the Township of Egg Harbor, or any Administrative Agent appointed by a specific developer, shall implement the Affirmative Marketing Plan to assure the affirmative marketing of all affordable units.

The Township has appointed the current Municipal Housing Liaison by resolution in 2022. <u>See</u> Appendix L. The Township will reappoint the MHL by resolution at an upcoming Township Committee meeting. The Township also has a contract with Triad Associates to conduct the administration and affirmative marketing of its affordable housing sites. The affirmative marketing plans are designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Township. Additionally, the affirmative marketing plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who reside in the Township's housing region, Region 6, consisting of Atlantic, Cape May, Cumberland, and Salem counties.

The Affirmative Marketing Plan lays out the random-selection and income qualification procedure of the administrative agent, which is consistent with COAH's rules and <u>N.J.A.C</u>. 5:80-26.1. All newly created affordable units will comply with the minimum 30-year (or 40-year for rentals) affordability control required by UHAC, <u>N.J.A.C</u>. 5:80-26.1 *et seq*. This plan must be adhered to by all private, nonprofit or municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit.

## State Development and Redevelopment Plan

This Housing Element and Fair Share Plan is consistent with the 2001 State Development and Redevelopment Plan (SRDP) and the draft proposed SDRP as the proposed projects and zoning mechanisms will provide the opportunity for the construction of affordable housing.

The SDRP has accepted the Pinelands Management Areas and incorporated them into the State Plan Policy Map. Since the majority of Egg Harbor Township is almost completely within the Pinelands Areas, the SDRP "acknowledges the special statutory treatment accorded to the New Jersey Pinelands under the Pinelands Protection Act" and relies exclusively on the adopted plans and regulations of the Pinelands Commission to implement statewide goals and objectives in those Pinelands Management Areas.

Egg Harbor Township is also located in the PA-1 Metropolitan Planning Area. Per the SDRP, the intent for PA-1 is to:

- provide for much of the State's future redevelopment;
- revitalize cities and towns;
- promote growth in compact forms;
- stabilize older suburbs;
- redesign areas of sprawl; and
- protect the character of existing stable communities.

The Township continues to encourage the development affordable housing in the PA-1. This is consistent with the overall SRDP goal to direct redevelopment and growth into areas where infrastructure can support the development and support services such as open space, retail shopping and public transportation are within walking distance.

Egg Harbor Township is also located in the PA-2 Suburban Planning Area. Per the SDRP, the intent for PA-2 is to:

- provide for much of the State's future redevelopment;
- promote growth in Centers and other compact forms;
- protect the character of existing stable communities;
- protect natural resources;
- redesign areas of sprawl;
- reverse the current trend towards further sprawl;
- revitalize cities and towns;

Egg Harbor Township also contains areas which are in the PA-4 Rural Planning Area and the PA-5 Environmentally Sensitive Planning Area. Development in these areas is very limited due to the lack of sanitary sewer and other utility infrastructure.

The Township continues to encourage the development of affordable housing in the PA-1 and PA-2. This is consistent with the overall SRDP goal to direct redevelopment and growth into areas where infrastructure can support the development and support services such as open space, retail shopping and public transportation are within walking distance.

In 2018, the Township amended the zoning in the RG-4 and RG-5 zoning districts, situated in the Pinelands Regional Growth Area, to allow the development of affordable housing. This zoning has resulted in several projects which have provided affordable units within these zoning districts.

# **Cost Generation**

The Township's Subdivision of Land and Site Plan Review and Zoning ordinances have been reviewed to eliminate unnecessary cost generating standards. The Township will amend, if needed, the Planning Board rules for expediting the review of development applications for affordable housing projects, including, but not limited to, scheduling special monthly public hearings. All development applications containing affordable housing shall be reviewed for consistency with the Township's ordinances, Residential Site Improvement Standards (<u>N.J.A.C.</u> 5:21-1 et seq.) and the FHA regarding unnecessary cost-generating requirements. The Township will comply with COAH's requirements for unnecessary cost-generating requirements, <u>N.J.A.C.</u> 5:93-10.1, procedures for development applications containing affordable housing, <u>N.J.A.C.</u> 5:93-10.4, and requirements for special studies and escrow accounts where an application contains affordable housing, <u>N.J.A.C.</u> 5:93-10.3.

Once the DCA and HMFA finalize their rule proposes, the Township will revise its Subdivision of Land and Site Plan Review and Zoning ordinances, if needed, in accordance with the DCA's proposed new regulations (<u>N.J.A.C.</u> 5:99), and UHAC's new 2025 regulations in order to comply with the new requirements to address cost-generative issues.

# **Spending Plan**

The Township is in the process of preparing a Fourth Round Spending Plan () which discusses anticipated revenues, collection of revenues, and the use of revenues, in accordance with N.J.A.C. 5:93-5.1(c). All collected revenues are placed in the Township's Affordable Housing Trust Fund and will be dispensed for the use of affordable housing activities as indicated in the Fourth Round Spending Plan. Once DCA and HMFA finalize their rule proposals (anticipated after June 30, 2025), the Township will prepare an updated spending plan in accordance with DCA's proposed new regulations at <u>N.J.A.C.</u> 5:99, UHAC's new 2025 regulations that are anticipated to be released shortly, any remaining relevant COAH rules, not superseded by either the proposed 2025 DCA regulations or the upcoming 2025 revised UHAC rules as well as to address any terms of the court-approved Third Round FSHC agreement.

The Township may, in the future, seek to amend its Spending Plan and obtain court approval to use its affordable housing trust funds for the following additional permitted affordable housing activities, including new, emergent affordable housing activities, subject to applicable limitations and minimum expenditures. <u>N.J.S.A.</u> 52:27D-329.2 permits the use of revenues generated by a development fee ordinance for activities that address the municipal fair share obligation including, but not limited to, rehabilitation, new construction, improvement to land, roads and infrastructure for affordable housing, assistance to render units more affordable, and administrative costs of housing plan implementation.

A minimum of thirty percent (30%) of the collected development fees must be used to provide affordability assistance to low- and moderate-income households in affordable housing units included in the Township's Fair Share Plan. A minimum of one-third (1/3) of the affordability assistance must be utilized for very-low-income units.

No more than twenty percent (20%) of the revenues collected each year from development fees shall be spent on administrative fees, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a rehabilitation program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program.

The adoption of the Township's Spending Plan will constitute a commitment for expenditure pursuant to <u>N.J.S.A</u>. 52:27D-329.2. The four-year deadline to commit and expend collected fees for emerging compliance mechanisms shall commence upon the entry of the Superior Court's Fourth Round Judgment of Compliance and Repose and/or Compliance Certification.

### **Summary**

Through the proposed mechanisms addressed in this Housing Element and Fair Share Plan, the Township will be able to satisfy its Rehabilitation, Prior Round, Third Round and Fourth Round Prospective Need affordable housing obligations by 2035 providing for a realistic opportunity for the production of very low-, low- and moderate-income units within the Township.

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APPENDIX A – Fourth Round Declaratory Judgment Complaint with Township Resolution Committing to Fourth Round Obligations ATL-L-000162-25 06/17/2025 1:37:40 PM Pg 44 of 158 Trans ID: LCV20251781283

#### SURENIAN, EDWARDS, BUZAK & NOLAN LLC

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Attorneys for Declaratory Plaintiff, Township of Egg Harbor

	SUPERIOR COURT OF NEW JERSEY LAW DIVISION: ATLANTIC COUNTY
IN THE MATTER OF THE APPLICATION OF THE TOWNSHIP OF	DOCKET NO.: ATL-L
EGG HARBOR, COUNTY OF ATLANTIC, STATE OF NEW JERSEY	<u>CIVIL ACTION</u> AFFORDABLE HOUSING DISPUTE RESOLUTION PROGRAM PER DIRECTIVE # 14-24
	COMPLAINT FOR DECLARATORY RELIEF PURSUANT TO AOC

**DIRECTIVE # 14-24** 

Declaratory Plaintiff, the Township of Egg Harbor, County of Atlantic, State of New Jersey (hereinafter, "Egg Harbor" or the "Township"), a municipal corporation of the State of New Jersey, with principal offices located at 3515 Bargaintown Road, Egg Harbor, New Jersey 08234, by way of filing this Declaratory Judgment Complaint to start this Declaratory Judgment Action ("DJ Action") as authorized under Directive # 14-24 of the Administrative Office of the Courts ("AOC") alleges and says:

#### Background

**1.** Egg Harbor is a municipal corporation of the State of New Jersey.

The Planning Board of the Township of Egg Harbor (hereinafter, "Planning Board") is a municipal agency created and organized under the Municipal Land Use Law, <u>N.J.S.A.</u>
 40:55D-1 et. seq., ("MLUL"), and, among other duties and obligations, is responsible for adopting the Fourth Round Housing Element and Fair Share Plan ("HEFSP") of Egg Harbor's Master Plan.

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3. Through this DJ Action, Egg Harbor seeks the following relief in relation to its Fourth Round (2025-2035) affordable housing obligation: (a) to secure the jurisdiction of the Affordable Housing Dispute Resolution Program (the "Program") pursuant to P.L. 2024, c.2 (hereinafter, the "Act") and the Court, pursuant to AOC Directive # 14-24; (b) to have the Program and the Court approve the Township of Egg Harbor's Present and Prospective affordable housing obligations as set forth in the binding resolution adopted by the Township, attached hereto as Exhibit 1; (c) to have the Program and the Court approve the Township's HEFSP, to be adopted by the Planning Board and endorsed by the Township Committee, and issue a conditional or unconditional "Compliance Certification" pursuant to the Act or other similar declaration; (d) through the filing of this DJ Action and binding resolution, to have the Program and the Court confirm Egg Harbor's immunity from all exclusionary zoning litigation, including builder's remedy lawsuits, during the pendency of the process outlined in the Act and for the duration of Fourth Round, i.e., through June 30, 2035; and (e) to have the Program and the Court take such other actions and grant such other relief as may be appropriate to ensure that the Township receives and obtains all protections as afforded to it in complying with the requirements of the Act, including, without limitation, all immunities and presumptions of validity necessary to satisfy its affordable housing obligations voluntarily without having to endure the expense and burdens of unnecessary third party litigation.

#### <u>COUNT I</u>

#### ESTABLISHMENT OF JURISDICTION UNDER P.L.2024, C. 2

4. The Township of Egg Harbor repeats and realleges each and every allegation as set forth in the previous paragraphs of this Declaratory Judgment Complaint as if set forth herein in full.

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The Act represents a major revision of the Fair Housing Act of 1985, <u>N.J.S.A</u>.
 52:27D-301 *et. seq*.

**6.** Among other things, the Act abolished the Council on Affordable Housing (hereinafter, "COAH"), and replaced it with seven retired, on recall judges designated as the Program, and also authorized the Director of the AOC (hereinafter, "Director") to create a framework to process applications for a Compliance Certification.

7. On or about December 19, 2024, the Director issued Directive #14-24, which among other things, required municipalities seeking Compliance Certification to file an action in the form of a Declaratory Judgment Complaint and Civil Case Information Statement in the County in which the municipality is located within 48 hours after the municipality's adoption of a binding resolution establishing the municipality's Fourth Round numbers, as authorized under the Act, with an attached copy of said binding resolution.

**8.** The Township adopted a binding resolution establishing its Fourth Round present and prospective affordable housing obligations within the statutory window of time set forth in the Act and in accordance with the methodology and formula set forth in the Act, a certified copy of which resolution is attached to this Declaratory Judgment Complaint as **Exhibit 1**.

**9.** Based on the foregoing, the Township has established the jurisdiction of the Program and the Court in regard to this DJ Action for a Compliance Certification as set forth hereinafter.

**WHEREFORE**, the Township of Egg Harbor seeks a declaratory judgment for the following relief:

**a.** Declaring that the Township has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set

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forth in the binding resolution attached as **Exhibit 1** to this Declaratory Judgment Complaint or to adjust such determination consistent with the Act;

- b. Declaring the present and prospective affordable housing obligations of the Township under the Act;
- c. Declaring the approval of the Township's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Township Committee, including, as appropriate and applicable, (i) a Structural Conditions Survey or similar exterior survey which accounts for a higher-resolution estimate of present need; (ii) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (iii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); (iv) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; (v) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (vi) an adjustment permitted in accordance with the Act and/or applicable COAH regulations;
- **d.** Declaring that the Township continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established by the Act;
- e. Declaring and issuing a Compliance Certification and continuing immunity from exclusionary zoning litigation in accordance with the Act and Directive #

14-24 to the Township of Egg Harbor for the period beginning July 1, 2025 and ending June 30, 2035; and

**f.** Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and all applicable regulations related to affordable housing within the State of New Jersey.

### COUNT II

### DETERMINATION OF THE PRESENT AND PROSPECTIVE NEED OF THE TOWNSHIP OF EGG HARBOR

**10.** Egg Harbor repeats and realleges each and every allegation set forth in the previous paragraphs of this Declaratory Judgment Complaint as if set forth herein in full.

**11.** The Act adopted the methodology to calculate every municipality's present and prospective need affordable housing obligation for the Fourth Round (2025-2035) and beyond.

**12.** The Act directed the Department of Community Affairs ("DCA") to apply the methodology and to render a non-binding calculation of each municipality's present and prospective affordable housing obligations to be contained in a report to be issued no later than October 20, 2024.

**13.** The DCA issued its report on October 18, 2024.

**14.** Pursuant to the October 18, 2024 report, the DCA calculated Egg Harbor's present and prospective affordable housing obligations as follows:

FOURTH ROUND PRESENT NEED (REHABILITATION) OBLIGATION	FOURTH ROUND PROSPECTIVE NEED OBLIGATION (2025-2035)
164	148

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**15.** Pursuant to the Act, a municipality desiring to participate in the Program is obligated to adopt a "binding resolution" determining its present and prospective affordable housing obligations to which it will commit based upon the methodology set forth in the Act.

**16.** Egg Harbor adopted a binding resolution, a copy of which resolution is attached hereto and made a part hereof as **Exhibit 1** to this Declaratory Judgment Complaint.

**17.** The binding resolution maintains that Egg Harbor's Round 4 (2025-2035) Present Need (Rehabilitation) Obligation is 164 and its Prospective Need ("New Construction") Obligation is 130.

**18.** Egg Harbor seeks the approval of, and confirmation by, the Program and the Court of the Round 4 (2025-2035) Present and Prospective affordable housing obligations as set forth in the binding resolution attached hereto and made a part hereof as **Exhibit 1**, or the adjustment of those obligations consistent with the Act and all applicable regulations.

**19.** Pursuant to the binding resolution, the Township of Egg Harbor reserves all rights to amend its affordable housing obligations in the event of a successful legal challenge, or legislative change, to the Act.

**20.** Pursuant to the binding resolution, Egg Harbor specifically reserves the right to seek and obtain 1) a Structural Conditions Survey or similar exterior survey which accounts for a higher-resolution estimate of present need; 2) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 3) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); 4) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; 5) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; 6) an adjustment based upon any ruling in litigation involving affordable housing obligations; and 7)

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any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations.

**WHEREFORE**, the Township of Egg Harbor seeks a declaratory judgment for the following relief:

- a. Declaring that the Township has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as <u>Exhibit 1</u> to this Declaratory Judgment Complaint or to adjust such determination consistent with the Act;
- b. Declaring the present and prospective affordable housing obligations of the Township under the Act;
- c. Declaring the approval of the Township's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Township Committee, including, as appropriate and applicable, (i) a Structural Conditions Survey or similar exterior survey which accounts for a higher-resolution estimate of present need; (ii) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (iii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); (iv) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; (v) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (vi) an adjustment permitted in accordance with the Act and/or all applicable regulations;

- **d.** Declaring that the Township continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established by the Act;
- e. Declaring and issuing a Compliance Certification and continuing immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to Egg Harbor for the period beginning July 1, 2025 and ending June 30, 2035; and
- **f.** Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and all applicable regulations related to affordable housing within the State of New Jersey.

#### **COUNT III**

#### APPROVAL OF TOWNSHIP'S HOUSING ELEMENT AND FAIR SHARE PLAN

**21.** The Township of Egg Harbor repeats and realleges each and every allegation set forth in the previous paragraphs of this Declaratory Judgment Complaint as if set forth herein in full.

**22.** Pursuant to the Act, a HEFSP must be prepared, adopted by the Planning Board and endorsed by the municipality by June 30, 2025.

23. Egg Harbor hereby commits for its professionals to prepare the appropriate HEFSP to address its affordable housing obligations, as determined by the Program and the Court, which HEFSP shall apply as appropriate, any applicable adjustments, including, without limitation, 1) a Structural Conditions Survey or similar exterior survey which accounts for a higher-resolution estimate of present need; 2) a Vacant Land Adjustment predicated upon a lack of vacant,

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developable and suitable land; 3) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); 4) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; 5) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; 6) an adjustment based upon any ruling in litigation involving affordable housing obligations; and 7) any other applicable adjustment permitted in accordance with the Act and/or applicable regulations.

**WHEREFORE**, the Township of Egg Harbor seeks a declaratory judgment for the following relief:

- a. Declaring that Egg Harbor has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as <u>Exhibit 1</u> to this Declaratory Judgment Complaint or to adjust such determination consistent with the Act;
- **b.** Declaring the present and prospective affordable housing obligations of the Township under the Act;
- c. Declaring the approval of the Township's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Township Committee, including, as appropriate and applicable, (i) a Structural Conditions Survey or similar exterior survey which accounts for a higher-resolution estimate of present need; (ii) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (iii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); (iv) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as

applicable; (v) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (vi) an adjustment based upon any ruling in litigation involving affordable housing obligations; and/or (vii) any other applicable adjustment permitted in accordance with the Act and/or all applicable regulations;

- **d.** Declaring that the Township of Egg Harbor continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established by the Act;
- e. Declaring and issuing a Compliance Certification and continuing immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to the Township of Egg Harbor for the period beginning July 1, 2025 and ending June 30, 2035; and
- **f.** Declaring such other relief that the program and Court deems just and proper within the parameters of the Act and all applicable regulations related to affordable housing within the State of New Jersey.

#### COUNT IV

#### **CONFIRMATION OF IMMUNITY**

24. The Township of Egg Harbor repeats and realleges each and every allegation set forth in the previous paragraphs of this Declaratory Judgment Complaint as if set forth herein in full.

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**25.** Pursuant to the Act, a municipality that complies with the deadlines in the Act for both determining present and prospective affordable housing obligations and for adopting an appropriate HEFSP shall have immunity from exclusionary zoning litigation.

26. The Township of Egg Harbor has met the deadline for the adoption and filing of its binding resolution not later than January 31, 2025, and the filing of this DJ Action in accordance with AOC Directive #14-24 not later than February 3, 2025, by adopting the binding resolution attached to this Declaratory Judgment Complaint as <u>Exhibit 1</u>, and has also committed to the adoption of its HEFSP by June 30, 2025.

**WHEREFORE**, the Township of Egg Harbor seeks a declaratory judgment for the following relief:

- a. Declaring that the Township has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as <u>Exhibit 1</u> to this Declaratory Judgment Complaint or to adjust such determination consistent with the Act;
- b. Declaring the present and prospective affordable housing obligations of the Township under the Act;
- c. Declaring the approval of the Township's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Township Committee, including, as appropriate and applicable, (i) a Structural Conditions Survey or similar exterior survey which accounts for a higher-resolution estimate of present need; (ii) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (iii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); (iv) an adjustment

predicated upon regional planning entity formulas, inputs or considerations, as applicable; (v) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (vi) an adjustment based upon any ruling in litigation involving affordable housing obligations; and (vii) any other applicable adjustment permitted in accordance with the Act and/or all applicable regulations;

- **d.** Declaring that the Township continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established by the Act;
- e. Declaring and issuing a Compliance Certification and continuing immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to the Township of Egg Harbor for the period beginning July 1, 2025 and ending June 30, 2035; and
- **f.** Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and all applicable regulations related to affordable housing within the State of New Jersey.

SURENIAN EDWARDS BUZAK & NOLAN LLC Attorneys for Declaratory Plaintiff, Township of Egg Harbor

. How By

Erik C. Nolan, Esq.

Dated: January 24, 2025

#### **CERTIFICATION PURSUANT TO R. 4:5-1**

Erik C. Nolan, Esq., of full age, hereby certifies as follows:

- I am a member of the Firm of Surenian, Edwards, Buzak & Nolan LLC, attorneys for declaratory plaintiff, Township of Egg Harbor.
- 2. To the best of my knowledge, there is no other action pending in any court or any pending arbitration proceeding of which the matter in controversy herein is the subject and no such other action or arbitration proceeding is contemplated. To the best of my knowledge, there are no other parties who should be joined in this action.
- The within Complaint was filed and served within the time prescribed by the Rules of Court.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

SURENIAN EDWARDS BUZAK & NOLAN LLC Attorneys for Declaratory Plaintiff, Township of Egg Harbor

r Pa

Erik C. Nolan, Esq

Dated: January 24, 2025

#### **CERTIFICATION PURSUANT TO R. 1:38-7(b)**

Erik C. Nolan, Esq., of full age, hereby certifies as follows:

 I am a member of the firm of Surenian, Edwards, Buzak & Nolan LLC, attorneys for Declaratory Plaintiff, Township of Egg Harbor. 2. I certify that confidential personal identifiers have been redacted from documents now submitted to the Court and will be redacted from all documents submitted in the future in accordance with R. 1:38-7(b).

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

SURENIAN EDWARDS BUZAK & NOLAN LLC Attorneys for Declaratory Plaintiff, Township of Egg Harbor

malight By

Erik C. Nolan, Esq.

Dated: January 24, 2025

#### **DESIGNATION OF TRIAL COUNSEL**

Pursuant to R. 4:25-4, notice is hereby given that Erik C. Nolan, Esq., attorney for the

Declaratory Plaintiff, Township of Egg Harbor is designated as trial counsel in the above captioned matter.

SURENIAN EDWARDS BUZAK & NOLAN LLC Attorneys for Declaratory Plaintiff, Township of Egg Harbor

MC. Hon By

Erik C. Nolan, Esq.

Dated: January 24, 2025

# EXHIBIT 1

# **Egg Harbor Township**

**Resolution No. 96** 

#### 2025

#### **Resolution Committing to Fourth Round Present and Prospective Need Affordable Housing Obligations**

**WHEREAS**, the Township of Egg Harbor (hereinafter the "Township" or Egg Harbor") has a demonstrated history of voluntary compliance as evidenced by its Third Round record; and

WHEREAS, pursuant to <u>In re N.J.A.C. 5:96 and 5:97</u>, 221 <u>N.J.</u> 1 (2015) (<u>Mount Laurel IV</u>), on July 2, 2015, the Township of Egg Harbor filed a Declaratory Judgment Complaint in Superior Court, Law Division seeking, among other things, a judicial declaration that its Third Round Housing Element and Fair Share Plan, to be amended as necessary, satisfies its "fair share" of the regional need for low and moderate income housing pursuant to the "<u>Mount Laurel</u> doctrine;" and

WHEREAS, that culminated in a Court-approved Third Round Housing Element and Fair Share Plan and a Final Judgment of Compliance and Repose, which precludes all <u>Mount Laurel</u> lawsuits, including builder's remedy lawsuits until July 1, 2025; and

WHEREAS, on March 20, 2024, Governor Murphy signed into law <u>P.L. 2024, c.2</u>, which amended the 1985 New Jersey Fair Housing Act (hereinafter the "Amended FHA"); and

**WHEREAS**, the Amended FHA required the Department of Community Affairs ("DCA") to provide an estimate of the Fourth Round affordable housing obligations for all municipalities on or before October 20, 2024, based upon the criteria described in the Amended FHA; and

**WHEREAS**, the DCA issued a report on October 18, 2024 ("DCA Report") wherein it reported its estimate of the Fourth Round affordable housing obligations for all municipalities based upon its interpretation of the standards in the Amended FHA; and

**WHEREAS**, the DCA Report calculates the Township's Fourth Round (2025-2035) obligations as follows: a Present Need (Rehabilitation) Obligation of 164 and a Prospective Need (New Construction) Obligation of 148; and

WHEREAS, the Amended FHA further provides that, irrespective of the DCA's calculations, municipalities have the ability to either accept, or provide alternate calculations for, the DCA's "present and prospective fair share obligation(s)...by binding resolution no later than January 31, 2025", a deadline which was later extended to February 3, 2025 by the Administrative Office of the Courts ("AOC") via a directive issued on December 19, 2024; and

**WHEREAS**, the Township accepts the DCA's Fourth Round Present Need (Rehabilitation) calculation of 164, but does not accept the DCA's calculation of the Township's **Land Capacity Allocation Factor**, which is a factor that is part of the DCA's calculation of the Township's Fourth Round Prospective Need (New Construction) calculation of 148; and

**WHEREAS**, as to the **Land Capacity Allocation Factor**, the Township notes that the DCA belatedly provided the data it used to establish this factor, i.e., on or about November 25, 2024, instead of by October 20, 2024; and

WHEREAS, the Township further notes that the link to the DCA GIS data that the DCA belatedly made available to municipalities includes the following language: "The land areas identified in this dataset are based on ... the best available data using publicly available data enumerated in N.J.S.A. 52:27D-304.3c.(4) to estimate the area of developable land, within municipal and regional boundaries, that may accommodate development. It is important to note that the identified areas could be over or under inclusive depending on various conditions and that municipalities are permitted to provide more detailed mappings as part of their participation in the Affordable Housing Dispute Resolution Program." (emphasis added); and

**WHEREAS**, the Township maintains that the areas the DCA identified as developable are indeed overinclusive and, consequently, the Township's Affordable Housing Planner, has prepared an expert report, attached hereto as **Exhibit A**; and

**WHEREAS**, correcting the Land Capacity Allocation Factor results in the reduction of Egg Harbor Township's Fourth Round Prospective Need (New Construction) Obligation from 148 to 130; and

**WHEREAS**, Section 3 of the Amended FHA provides that: "the municipality's determination of its fair share obligation shall have a presumption of validity, if established in accordance with sections 6 and 7" of the Amended FHA; and

**WHEREAS**, the Township's acceptance of the Fourth Round obligations calculated by the DCA are entitled to a "presumption of validity" because it complies with Sections 6 and 7 of the Amended FHA; and

WHEREAS, in addition to the foregoing, the Township specifically reserves the right to adjust its fair share obligations in accordance with applicable Council on Affordable Housing ("COAH") regulations or other applicable law based on one or more of the foregoing adjustments if applicable: 1) a Structural Conditions Survey or similar exterior survey which accounts for a higher-resolution estimate of present need; 2) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 3) a Durational Adjustment, whether predicated upon lack of sewer or lack of water; and/or 4) an adjustment predicated upon regional planning entity formulas, inputs or considerations, including but not limited to, the Highlands Council Regional Master Plan and its build out, or the Pinelands Commission or Meadowlands Commission regulations and planning document; and

WHEREAS, in addition to the foregoing, the Township specifically reserves all rights to revoke or amend this resolution and commitment, as may be necessary, in the event of a successful challenge to the Amended FHA in the context of the case <u>The Borough of Montvale v. the State of New Jersey</u> (MER-L-1778-24), any other such action challenging the Amended FHA, or any legislation adopted and signed into law by the Governor of New Jersey that alters the deadlines and/or requirements of the Amended FHA; and

**WHEREAS**, in addition to the foregoing, the Township reserves the right to take a position that its Fourth Round Present or Prospective Need Obligations are lower than described herein in

the event that a third party challenges the calculations provided for in this Resolution (a reservation of all litigation rights and positions, without prejudice); and

WHEREAS, in addition to the foregoing, nothing in the Amended FHA requires or can require an increase in the Township's Fourth Round Present or Prospective Need Obligations based on a successful downward challenge of any other municipality in the region since the plain language and clear intent of the Amended FHA is to establish unchallenged numbers by default on March 1, 2025; and

WHEREAS, in addition to the foregoing, the New Jersey Institute of Local Government Attorneys (NJILGA) has expressed its support for proposed legislation (hereinafter "NJILGA Legislation") that would reduce the Township's Fourth Round Prospective Need (New Construction) Obligation to from 148 to 51 and would give the Township "90 days from receipt of revised fair share obligations from the [DCA] to provide amended Housing Element and Fair Share Plans addressing the new number"; and

**WHEREAS**, Egg Harbor Township supports the NJILGA Legislation and would have the right to reduce its Round 4 obligation in the event that the Legislature enacts the NJILGA Legislation; and

**WHEREAS**, in addition to the foregoing, the Acting Administrative Director of the AOC issued Directive #14-24 on December 19, 2024; and

WHEREAS, pursuant to Directive #14-24, a municipality seeking a Fourth Round Compliance Certification from the entity created by the Amended FHA known as the Program, shall file an action in the appropriate venue with the Program, in the form of a Declaratory Judgment Complaint within 48 hours after adoption of the municipal resolution accepting or challenging its Fourth Round fair share obligations, or by February 3, 2025, whichever is sooner; and

**WHEREAS**, nothing in this Resolution shall be interpreted as an acknowledgment of the legal validity of AOC Directive #14-24 and the Township reserves any and all rights and remedies in relation to the AOC Directive; and

**WHEREAS**, the Township seeks a Compliance Certification from the Program and, therefore, wishes to file a Declaratory Judgment Complaint in the appropriate venue with the Program, along with a copy of this Resolution, within 48 hours of the adoption of this Resolution; and

**WHEREAS**, in light of the above, the Mayor and Township Committee finds that it is in the best interest of the Township to declare its obligations in accordance with this Resolution; and

**NOW, THEREFORE, BE IT RESOLVED** by the Committee of the Township of Egg Harbor, Atlantic County, State of New Jersey, as follows:

1. All of the Whereas Clauses are incorporated into the operative clauses of this Resolution as if set forth in full.

2. For the reasons set forth in this Resolution, the Mayor and Township Committee hereby commit to the DCA Fourth Round Present Need (Rehabilitation) Obligation of 164 and the Fourth Round Prospective Need (New Construction) Obligation of 130 as described in this Resolution, subject to all reservations of rights, which specifically include, without limitation, the following:

a) The right to adjust the Township's fair share obligations based on a Structural Conditions Survey or similar survey, a Vacant Land Adjustment, a Durational Adjustment, and all other applicable adjustments, permitted in accordance with applicable COAH regulations or other applicable law; and

b) The right to revoke or amend this Resolution in the event of a successful legal challenge, or legislative change, to the Amended FHA; and

c) The right to take any contrary position, or adjust its fair share obligations, in the event of a third party challenge to the Township's fair share obligations.

3. Pursuant to the requirements of the FHA as amended, and the Administrator of the Court's (AOC) Directive #14-24 issued on December 19, 2024, the Township Committee hereby directs its Affordable Housing Counsel to file a Declaratory Judgment Complaint, along with this Resolution, a Case Information Statement (Civil CIS), and supporting expert report, in the appropriate venue with the Program or any other such entity as may be determined to be appropriate, to initiate an action within 48 hours of the adoption of this Resolution, so that the Township's Fourth Round Housing Element and Fair Share Plan can be reviewed and approved.

4. This resolution shall take effect immediately, according to law.

Dated: January 22, 2025

Eileen M. Jedesco, RMC

Eileen M. Tedesco, RMC Township Clerk

#### **CERTIFICATION**

I certify that the foregoing Resolution was duly adopted by the Committee of the Township of Egg Harbor Township at a regular meeting held on the 22<sup>nd</sup> day of January 2025, a quorum being present and voting in the majority.

Eileen M. Jedesco, RMC

Eileen M. Tedesco, Township Clerk

Attachment

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# EXHIBIT A

5610	5610	5610	3326	3324	3323	3322	3318	3201	3201	2610	2101	2005	1602	1305	1303	1301	1223	1036	1029	901	704	704	703	605	605	BLOCK
24	17 & p/o 14	16	-	1	105		4	49	34	14 & 14.01	35, 36, 37	2	103	7	49	35 & 36	5,6&8	1&2	5.02	48	12	7	-	18	8	LOT
_	<u> </u>	2		1	-		-	15C	15C	15D			15C	-	-	-1		1	15C	2	-	15C	15C	15C		PROPERTY CLASS
Bartlett Boulevard	3521 Bargaintown Road	12 Sagemore Court	Bluebell Drive	Primrose Circle	21 High School Drive	Lily Road	Violet Drive	5033 English Creek Avenue	Tony Canale Park	6075 West Jersey Avenue & 4001 English Creek Avenue	6735 Washington Avenue	Black Horse Pike	Scarborough Drive	2509 Spruce Avenue	6418 Black Horse Pike	6320 Black Horse Pike	6606 Black Horse Pike	101 Woodland Avenue	1431 Doughty Road	26 Atlantic Avenue	6728 Delilah Road	Delilah Road	1224 Doughty Road	12 Risley Avenue	141 Summit Avenue	ADDRESS
Sagemore HOA	EHT	Samuel & Barbara Carelli	Village Grande English Mill	Atlantic County Fire Training Center	EHT	Diocese of Camden & Church of St. K. Drexel	6735-6739 Washington Avenue, LLC	Cardiff Center LLC	EHT	Leigh at EHT, LLC	All Zone Holdings, LLC	Amerco Real Estate Company	Leigh at EHT, LLC	A.E. Stone, Inc.	NJ Transit Corp.	Bruce Ritchie	СЕВ, ЕЕС	ACUA	ACUA	ACUA	Pauline Kara	OWNER NAME				
PO Box 4579, Dept. 319	3515 Bargaintown Road	12 Sagemore Court	1 Village Grande Road	1333 Atlantic Avenue	3515 Bargaintown Road	631 Market Street	2 English Lane	420 Boulevard Suite 201	3515 Bargaintown Road	PO Box 673	2049 Ocean Heights Avenue	2727 N. Central Avenue	PO Box 673	PO Box 68	One Penn Plaza East	28 Atlantic Avenue	625 W. Shiller Street	1701 Absecon Boulevard	1701 Absecon Boulevard	1701 Absecon Boulevard	139 Summit Avenue	OWNER ADDRESS				
Houston, TX	EHT, NJ	EHT, NJ	EHT, NJ	EHT, NJ	EHT, NJ	EHT, NJ	EHT, NJ	Atlantic City, NJ	EHT, NJ	Camden, NJ	EHT, NJ	Mountain Lakes, NJ	EHT, NJ	Manasquan, NJ	EHT, NJ	Phoenix, AZ	Manasquan, NJ	Bridgeton, NJ	Newark, NJ	EHT, NJ	Egg Harbor City, NJ	Atlantic City, NJ	Atlantic City, NJ	Atlantic City, NJ	EHT, NJ	OWNER ADDRESS CITY, STATE
77210- 4579	08234	08234	08234	08234	08234	08234	08234	08401	08234	08102	08234	07046	08234	08736	08234	85004	08736	08302	07105	08234	08215	08401	08401	08401	08234	OWNER ADDRESS ZIPCODE
R-3	R-3	R-3	RG-1	RG-1	RG-1	RG-1	RG-1	NB	AH RG-4	RG-3	- - -	RCD	RG-2	RG-4	HB	HB	HB	M-1	L-N	M-1	 7	 N	-1 N	M-1	M-1	ZONE
21.10	2.00	4.55	21.98	14.97	5.57	2.76	2.96	23.94	91.73	25.37	6.13	3.84	6.47	6.67	3.25	5.90	41.78			3.44	2.00	5.87	180.78	5.30	3.31	PARCEL AREA ACRES
15.69	1.35	1.67	0.34	3.36	1.88	0.15	1.06	1.83	20.18	8.01	8.69	0.87	0.96	2.97	1.42	1.32	20.67	0.72	0.24	0.33	1.94	0.54	3.49	4.37	0.53	DEVELOPABLE LAND AREA ACRES (WEIGHTED)
Stormwater basin for development	Portion of Municipal Building property	Existing residential lot	Village Grande Stormwater / Open Space	Public property; County Fire Training Facility	Green Acres funded open space; ROSI (Key Map Sheet 9)	Church	Site is the location of American Demolition and under construction for facility. Not vacant.	Stormwater basin for adjacent Cardiff Center	Open space lot; ROSI	Portion of the Leigh @ EHT, LLC for open space	Site Plan pending approval for commercial building	Site plan approved and construction on-going for U-Haul	Site Plan approved; includes 8 affordable units (Leigh @ EHT, LLC)	Portion of buffer at existing asphalt facility	Portion of public property	Portion of private residential lot	Site Plan approved for site for a commercial building	Public property	Public property; landfill	Public property	Portion of rear of lot (residence in adj. mun.)	COMMENTS				

130	6.84%	6.49%	9.19%	6.80%	913.54
Proposed Obligation	Avg Allocation Factor	Income Capacity Factor	NRV Factor	Proposed Land Capacity Factor	Proposed Dev. Land (Acres)
148	7.81%	6.49%	9.19%	7.77%	1,043.11
Existing Obligation	Avg Allocation Factor	Income Capacity Factor	NRV Factor	Existing Land Capacity Factor	d (Acres)
1,889				12,517.46	13,431
Regional Prospective Need				Proposed Region 1 Developable Land	Existing Region 1 Developable Land

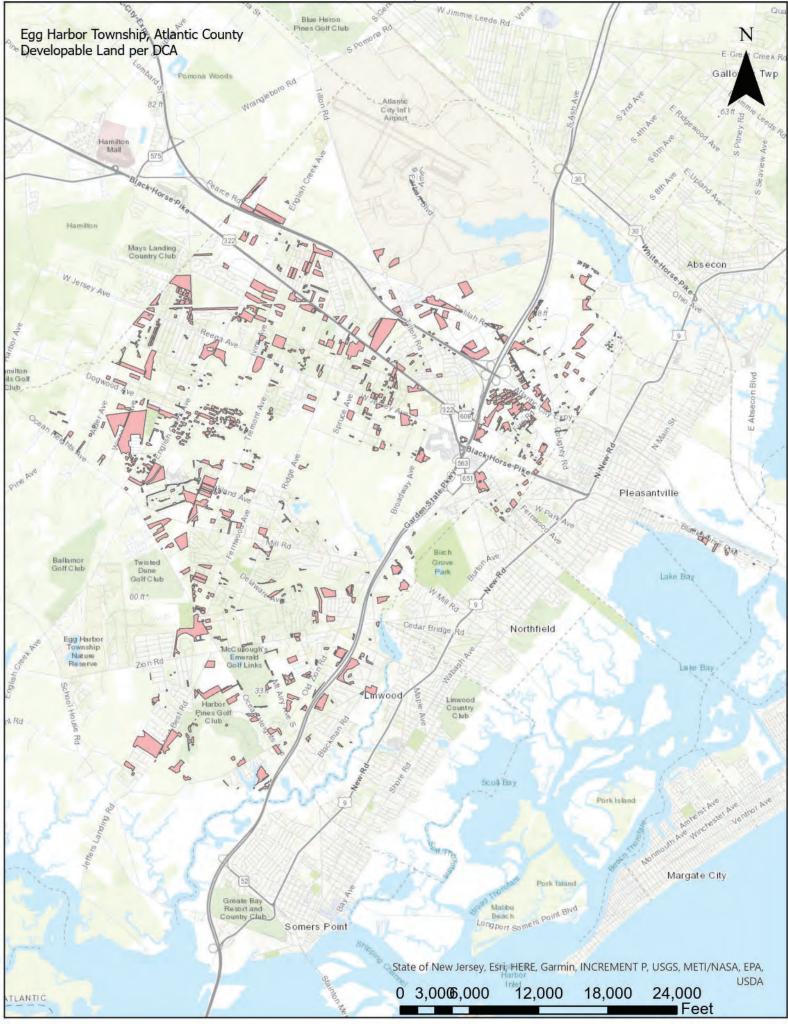
TOTAL DEVELOPABLE LAND PER DCA REPORT (ACRES) TOTAL DEVELOPABLE LAND TO BE REMOVED (ACRES) TOTAL DEVELOPABLE LAND REMAINING AFTER REMOVING ABOVE LISTED PARCELS (ACRES)

1,043.11 129.57 913.54

BLOCK	Б	PROPERTY	ADDRESS	OWNER NAME	OWNER ADDRESS	OWNER	OWNER	ZONE	PARCEL	DEVELOPABLE	COMMENTS
		CLASS				ADDRESS CITY, STATE	ADDRESS ZIPCODE		AREA ACRES	LAND AREA ACRES (WEIGHTED)	
5611	25	_	Bartlett Boulevard	Sagemore HOA	65 Challenger	Ridgefield Park,	07660	R-3	1.11	0.79	Basin lot for development
					Road, #320	IJ					
5701	91		Frambes Avenue	National Salvage, LLC	28 S. Mt. Airy	EHT, NJ	08234	RG-1	20.70	0.29	Vacant / Salvage Yard
					Avenue						
5701	86	15C	16 S. Mt. Airy	ACUA	PO Box 996	Pleasantville, NJ	08232	RG-1	4.88	0.35	Golf Course / Landfill
5813	27	15D	554 Zion Road	Honey Brook Bible Fellowship	117 Bevis Mill Road	EHT, NJ	08234	RG-1	1.85	0.50	Church
5817	23	15C	Diamond Drive	EHT	3515 Bargaintown	EHT, NJ	08234	RG-1	0.77	0.41	Basin
					Road						
5926	30	15C	Diamond Drive	EHT	3515 Bargaintown	EHT, NJ	08234	RG-1	0.74	0.38	Basin
					Road						
6101	16.32	_	Hartford Drive	Arturo & Marlene Barrerra	30 Hartford Drive	EHT, NJ	08234	R-2	15.24	15.24	Basin; Forest Preservation Area
6201	6	15C	31 S. Mt. Airy Avenue	ACUA	PO Box 996	Pleasantville, NJ	08232	RP	4.79	0.41	Golf Course / Landfill
6201	7	15C	41 S. Mt. Airy Avenue	ACUA	PO Box 996	Pleasantville, NJ	08232	RP	7.37	0.22	Golf Course / Landfill
6201	64	15C	3024 Ocean Heights Avenue	ACUA	PO Box 996	Pleasantville, NJ	08232	RP	81.97	0.55	Golf Course / Landfill
6401	4	15D	4004 Ocean Heights Ave.	Friendship Bible Protestant Church	4004 Ocean Heights Avenue	EHT, NJ	08234	NB	2.32	0.25	Ex. Church, rear of property
6601	36.54,		144 Laquinta Drive;	Various owners	144 Laquinta Drive;	EHT, NJ	08234	R-2	6.20	5.60	Existing single-family homes constructed in
	36.63-		145 Laquinta Drive;		145 Laquinta Drive;						Harbor Pines
	36.67,		149 Laquinta Drive;		149 Laquinta Drive;						
	36.69,		151 Laquinta Drive;		151 Laquinta Drive;						_
	36.76-		153 Laquinta Drive;		153 Laquinta Drive;						
	36.79		155 Laquinta Drive;		155 Laquinta Drive;						_
	36.82,		162-170 Laquinta Drive;		162-170 Laquinta						
	36.83,		174 Laquinta Drive;		Drive;						
	36.86-		202 Doral Court;		174 Laquinta Drive;						
	36.89,		203 Doral Court		202 Doral Court;						
	36.91				203 Doral Court						

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ATL-L-000162-25 06/17/2025 1:37:40 PM Pg 66 of 158 Trans ID: LCV20251781283

# **Egg Harbor Township**

**Resolution No. 96** 

#### 2025

#### **Resolution Committing to Fourth Round Present and Prospective Need Affordable Housing Obligations**

**WHEREAS**, the Township of Egg Harbor (hereinafter the "Township" or Egg Harbor") has a demonstrated history of voluntary compliance as evidenced by its Third Round record; and

WHEREAS, pursuant to <u>In re N.J.A.C. 5:96 and 5:97</u>, 221 <u>N.J.</u> 1 (2015) (<u>Mount Laurel IV</u>), on July 2, 2015, the Township of Egg Harbor filed a Declaratory Judgment Complaint in Superior Court, Law Division seeking, among other things, a judicial declaration that its Third Round Housing Element and Fair Share Plan, to be amended as necessary, satisfies its "fair share" of the regional need for low and moderate income housing pursuant to the "<u>Mount Laurel</u> doctrine;" and

WHEREAS, that culminated in a Court-approved Third Round Housing Element and Fair Share Plan and a Final Judgment of Compliance and Repose, which precludes all <u>Mount Laurel</u> lawsuits, including builder's remedy lawsuits until July 1, 2025; and

WHEREAS, on March 20, 2024, Governor Murphy signed into law <u>P.L. 2024, c.2</u>, which amended the 1985 New Jersey Fair Housing Act (hereinafter the "Amended FHA"); and

**WHEREAS**, the Amended FHA required the Department of Community Affairs ("DCA") to provide an estimate of the Fourth Round affordable housing obligations for all municipalities on or before October 20, 2024, based upon the criteria described in the Amended FHA; and

**WHEREAS**, the DCA issued a report on October 18, 2024 ("DCA Report") wherein it reported its estimate of the Fourth Round affordable housing obligations for all municipalities based upon its interpretation of the standards in the Amended FHA; and

**WHEREAS**, the DCA Report calculates the Township's Fourth Round (2025-2035) obligations as follows: a Present Need (Rehabilitation) Obligation of 164 and a Prospective Need (New Construction) Obligation of 148; and

WHEREAS, the Amended FHA further provides that, irrespective of the DCA's calculations, municipalities have the ability to either accept, or provide alternate calculations for, the DCA's "present and prospective fair share obligation(s)...by binding resolution no later than January 31, 2025", a deadline which was later extended to February 3, 2025 by the Administrative Office of the Courts ("AOC") via a directive issued on December 19, 2024; and

**WHEREAS**, the Township accepts the DCA's Fourth Round Present Need (Rehabilitation) calculation of 164, but does not accept the DCA's calculation of the Township's **Land Capacity Allocation Factor**, which is a factor that is part of the DCA's calculation of the Township's Fourth Round Prospective Need (New Construction) calculation of 148; and

**WHEREAS**, as to the **Land Capacity Allocation Factor**, the Township notes that the DCA belatedly provided the data it used to establish this factor, i.e., on or about November 25, 2024, instead of by October 20, 2024; and

WHEREAS, the Township further notes that the link to the DCA GIS data that the DCA belatedly made available to municipalities includes the following language: "The land areas identified in this dataset are based on ... the best available data using publicly available data enumerated in N.J.S.A. 52:27D-304.3c.(4) to estimate the area of developable land, within municipal and regional boundaries, that may accommodate development. It is important to note that the identified areas could be over or under inclusive depending on various conditions and that municipalities are permitted to provide more detailed mappings as part of their participation in the Affordable Housing Dispute Resolution Program." (emphasis added); and

**WHEREAS**, the Township maintains that the areas the DCA identified as developable are indeed overinclusive and, consequently, the Township's Affordable Housing Planner, has prepared an expert report, attached hereto as **Exhibit A**; and

**WHEREAS**, correcting the Land Capacity Allocation Factor results in the reduction of Egg Harbor Township's Fourth Round Prospective Need (New Construction) Obligation from 148 to 130; and

**WHEREAS**, Section 3 of the Amended FHA provides that: "the municipality's determination of its fair share obligation shall have a presumption of validity, if established in accordance with sections 6 and 7" of the Amended FHA; and

**WHEREAS**, the Township's acceptance of the Fourth Round obligations calculated by the DCA are entitled to a "presumption of validity" because it complies with Sections 6 and 7 of the Amended FHA; and

WHEREAS, in addition to the foregoing, the Township specifically reserves the right to adjust its fair share obligations in accordance with applicable Council on Affordable Housing ("COAH") regulations or other applicable law based on one or more of the foregoing adjustments if applicable: 1) a Structural Conditions Survey or similar exterior survey which accounts for a higher-resolution estimate of present need; 2) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 3) a Durational Adjustment, whether predicated upon lack of sewer or lack of water; and/or 4) an adjustment predicated upon regional planning entity formulas, inputs or considerations, including but not limited to, the Highlands Council Regional Master Plan and its build out, or the Pinelands Commission or Meadowlands Commission regulations and planning document; and

WHEREAS, in addition to the foregoing, the Township specifically reserves all rights to revoke or amend this resolution and commitment, as may be necessary, in the event of a successful challenge to the Amended FHA in the context of the case <u>The Borough of Montvale v. the State of New Jersey</u> (MER-L-1778-24), any other such action challenging the Amended FHA, or any legislation adopted and signed into law by the Governor of New Jersey that alters the deadlines and/or requirements of the Amended FHA; and

**WHEREAS**, in addition to the foregoing, the Township reserves the right to take a position that its Fourth Round Present or Prospective Need Obligations are lower than described herein in

the event that a third party challenges the calculations provided for in this Resolution (a reservation of all litigation rights and positions, without prejudice); and

WHEREAS, in addition to the foregoing, nothing in the Amended FHA requires or can require an increase in the Township's Fourth Round Present or Prospective Need Obligations based on a successful downward challenge of any other municipality in the region since the plain language and clear intent of the Amended FHA is to establish unchallenged numbers by default on March 1, 2025; and

WHEREAS, in addition to the foregoing, the New Jersey Institute of Local Government Attorneys (NJILGA) has expressed its support for proposed legislation (hereinafter "NJILGA Legislation") that would reduce the Township's Fourth Round Prospective Need (New Construction) Obligation to from 148 to 51 and would give the Township "90 days from receipt of revised fair share obligations from the [DCA] to provide amended Housing Element and Fair Share Plans addressing the new number"; and

**WHEREAS**, Egg Harbor Township supports the NJILGA Legislation and would have the right to reduce its Round 4 obligation in the event that the Legislature enacts the NJILGA Legislation; and

**WHEREAS**, in addition to the foregoing, the Acting Administrative Director of the AOC issued Directive #14-24 on December 19, 2024; and

WHEREAS, pursuant to Directive #14-24, a municipality seeking a Fourth Round Compliance Certification from the entity created by the Amended FHA known as the Program, shall file an action in the appropriate venue with the Program, in the form of a Declaratory Judgment Complaint within 48 hours after adoption of the municipal resolution accepting or challenging its Fourth Round fair share obligations, or by February 3, 2025, whichever is sooner; and

**WHEREAS**, nothing in this Resolution shall be interpreted as an acknowledgment of the legal validity of AOC Directive #14-24 and the Township reserves any and all rights and remedies in relation to the AOC Directive; and

**WHEREAS**, the Township seeks a Compliance Certification from the Program and, therefore, wishes to file a Declaratory Judgment Complaint in the appropriate venue with the Program, along with a copy of this Resolution, within 48 hours of the adoption of this Resolution; and

**WHEREAS**, in light of the above, the Mayor and Township Committee finds that it is in the best interest of the Township to declare its obligations in accordance with this Resolution; and

**NOW, THEREFORE, BE IT RESOLVED** by the Committee of the Township of Egg Harbor, Atlantic County, State of New Jersey, as follows:

1. All of the Whereas Clauses are incorporated into the operative clauses of this Resolution as if set forth in full.

2. For the reasons set forth in this Resolution, the Mayor and Township Committee hereby commit to the DCA Fourth Round Present Need (Rehabilitation) Obligation of 164 and the Fourth Round Prospective Need (New Construction) Obligation of 130 as described in this Resolution, subject to all reservations of rights, which specifically include, without limitation, the following:

a) The right to adjust the Township's fair share obligations based on a Structural Conditions Survey or similar survey, a Vacant Land Adjustment, a Durational Adjustment, and all other applicable adjustments, permitted in accordance with applicable COAH regulations or other applicable law; and

b) The right to revoke or amend this Resolution in the event of a successful legal challenge, or legislative change, to the Amended FHA; and

c) The right to take any contrary position, or adjust its fair share obligations, in the event of a third party challenge to the Township's fair share obligations.

3. Pursuant to the requirements of the FHA as amended, and the Administrator of the Court's (AOC) Directive #14-24 issued on December 19, 2024, the Township Committee hereby directs its Affordable Housing Counsel to file a Declaratory Judgment Complaint, along with this Resolution, a Case Information Statement (Civil CIS), and supporting expert report, in the appropriate venue with the Program or any other such entity as may be determined to be appropriate, to initiate an action within 48 hours of the adoption of this Resolution, so that the Township's Fourth Round Housing Element and Fair Share Plan can be reviewed and approved.

4. This resolution shall take effect immediately, according to law.

Dated: January 22, 2025

Eileen M. Jedesco, RMC

Eileen M. Tedesco, RMC Township Clerk

#### **CERTIFICATION**

I certify that the foregoing Resolution was duly adopted by the Committee of the Township of Egg Harbor Township at a regular meeting held on the 22<sup>nd</sup> day of January 2025, a quorum being present and voting in the majority.

Eileen M. Jedesco, RMC

Eileen M. Tedesco, Township Clerk

Attachment

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# EXHIBIT A

Atlantic County Fire Training Center Village Grande English Mill Village Grande English Mill Village Grande English Mill Village Grande English Mill Village Grande English Mill Samuel & Barbara Carelli
Atlantic County Fire Training Center Village Grande English Mill Village Grande English Mill Village Grande English Mill Village Grande English Mill
Atlantic County Fire Training Center Village Grande English Mill Village Grande English Mill Village Grande English Mill Village Grande English Mill
Road 1333, Avent 1 Ville Road 1 Vill
Road 1333 Atlantic Avenue 1 Village Grande Road 1 Village Grande
Atlantic City, NJ
NJ 08401
-

913.54		Proposed Dev. Land (Acres)	1,043.11	Existing Dev. Land (Acres)	13,431	Land	Existing Region 1 Developable
6.80%	Factor	Proposed Land Capacity	7.77%	Existing Land Capacity Factor	12,517.46	Developable Land	Proposed Region 1
9.19%		NRV Factor	9.19%	NRV Factor			
6.49%		Income Capacity Factor	6.49%	Income Capacity Factor			
6.84%		Avg Allocation Factor	7.81%	Avg Allocation Factor			
130		<b>Proposed Obligation</b>	148	Existing Obligation	1,889		<b>Regional Prospective Need</b>

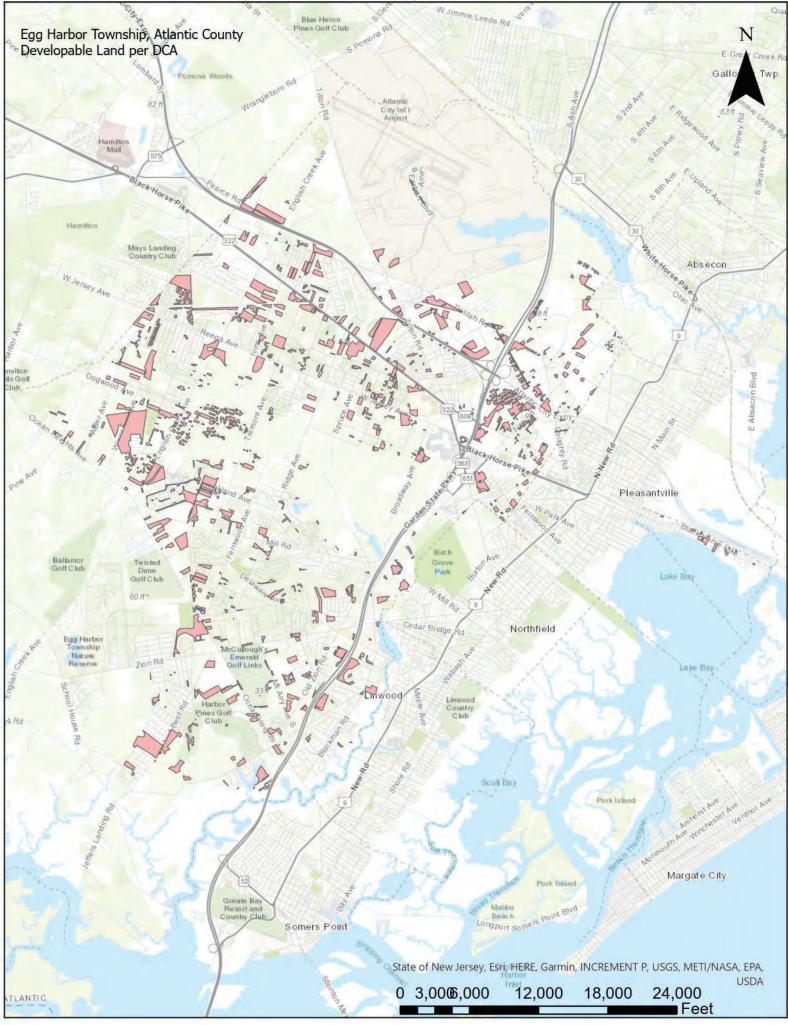
TOTAL DEVELOPABLE LAND PER DCA REPORT (ACRES) TOTAL DEVELOPABLE LAND TO BE REMOVED (ACRES) TOTAL DEVELOPABLE LAND REMAINING AFTER REMOVING ABOVE LISTED PARCELS (ACRES)

1,043.11 129.57 913.54

BLOCK	Б	PROPERTY	ADDRESS	OWNER NAME	OWNER ADDRESS	OWNER	OWNER	ZONE	PARCEL	DEVELOPABLE	COMMENTS
		CLASS				ADDRESS CITY, STATE	ADDRESS ZIPCODE		AREA ACRES	LAND AREA ACRES (WEIGHTED)	
5611	25	_	Bartlett Boulevard	Sagemore HOA	65 Challenger	Ridgefield Park,	07660	R-3	1.11	0.79	Basin lot for development
					Road, #320	IJ					
5701	91		Frambes Avenue	National Salvage, LLC	28 S. Mt. Airy	EHT, NJ	08234	RG-1	20.70	0.29	Vacant / Salvage Yard
					Avenue						
5701	86	15C	16 S. Mt. Airy	ACUA	PO Box 996	Pleasantville, NJ	08232	RG-1	4.88	0.35	Golf Course / Landfill
5813	27	15D	554 Zion Road	Honey Brook Bible Fellowship	117 Bevis Mill Road	EHT, NJ	08234	RG-1	1.85	0.50	Church
5817	23	15C	Diamond Drive	EHT	3515 Bargaintown	EHT, NJ	08234	RG-1	0.77	0.41	Basin
					Road						
5926	30	15C	Diamond Drive	EHT	3515 Bargaintown	EHT, NJ	08234	RG-1	0.74	0.38	Basin
					Road						
6101	16.32	_	Hartford Drive	Arturo & Marlene Barrerra	30 Hartford Drive	EHT, NJ	08234	R-2	15.24	15.24	Basin; Forest Preservation Area
6201	6	15C	31 S. Mt. Airy Avenue	ACUA	PO Box 996	Pleasantville, NJ	08232	RP	4.79	0.41	Golf Course / Landfill
6201	7	15C	41 S. Mt. Airy Avenue	ACUA	PO Box 996	Pleasantville, NJ	08232	RP	7.37	0.22	Golf Course / Landfill
6201	64	15C	3024 Ocean Heights Avenue	ACUA	PO Box 996	Pleasantville, NJ	08232	RP	81.97	0.55	Golf Course / Landfill
6401	4	15D	4004 Ocean Heights Ave.	Friendship Bible Protestant Church	4004 Ocean Heights Avenue	EHT, NJ	08234	NB	2.32	0.25	Ex. Church, rear of property
6601	36.54,		144 Laquinta Drive;	Various owners	144 Laquinta Drive;	EHT, NJ	08234	R-2	6.20	5.60	Existing single-family homes constructed in
	36.63-		145 Laquinta Drive;		145 Laquinta Drive;						Harbor Pines
	36.67,		149 Laquinta Drive;		149 Laquinta Drive;						
	36.69,		151 Laquinta Drive;		151 Laquinta Drive;						_
	36.76-		153 Laquinta Drive;		153 Laquinta Drive;						
	36.79		155 Laquinta Drive;		155 Laquinta Drive;						_
	36.82,		162-170 Laquinta Drive;		162-170 Laquinta						
	36.83,		174 Laquinta Drive;		Drive;						
	36.86-		202 Doral Court;		174 Laquinta Drive;						
	36.89,		203 Doral Court		202 Doral Court;						
	36.91				203 Doral Court						

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### ATL-L-000162-25 06/17/2025 1:37:40 PM Pg 73 of 158 Trans ID: LCV20251781283



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# **Civil Case Information Statement**

#### Case Details: ATLANTIC | Civil Part Docket# L-000162-25

Case Caption: IN THE MATTER OF EGG HARBOR TWP	Case Type: AFFORDABLE HOUSING
Case Initiation Date: 01/24/2025	Document Type: Complaint
Attorney Name: ERIK C NOLAN	Jury Demand: NONE
Firm Name: SURENIAN, EDWARDS, BUZAK & NOLAN LLC	Is this a professional malpractice case? NO
Address: 311 BROADWAY STE A	Related cases pending: NO
POINT PLEASANT BEACH NJ 08742	If yes, list docket numbers:
Phone: 7326123100	Do you anticipate adding any parties (arising out of same
Name of Party: PLAINTIFF : Township of Egg Harbor	transaction or occurrence)? NO
Name of Defendant's Primary Insurance Company	Does this case involve claims related to COVID-19? NO
(if known): None	

Are sexual abuse claims alleged by: Township of Egg Harbor? NO

#### THE INFORMATION PROVIDED ON THIS FORM CANNOT BE INTRODUCED INTO EVIDENCE CASE CHARACTERISTICS FOR PURPOSES OF DETERMINING IF CASE IS APPROPRIATE FOR MEDIATION

Do parties have a current, past, or recurrent relationship? NO

If yes, is that relationship:

Does the statute governing this case provide for payment of fees by the losing party? NO

Use this space to alert the court to any special case characteristics that may warrant individual management or accelerated disposition:

Do you or your client need any disability accommodations? NO If yes, please identify the requested accommodation:

Will an interpreter be needed? NO If yes, for what language:

Please check off each applicable category: Putative Class Action? NO Title 59? NO Consumer Fraud? NO Medical Debt Claim? NO

I certify that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with *Rule* 1:38-7(b)

01/24/2025 Dated /s/ ERIK C NOLAN Signed ATL-L-000162-25 06/17/2025 1:37:40 PM Pg 76 of 158 Trans ID: LCV20251781283

## APPENDIX B – Mediation Agreement Before the Affordable Housing Dispute Resolution Program

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# **Egg Harbor Township**

#### **Resolution No. 202**

### 2025

Resolution of the Township Committee of the Township of Egg Harbor committing to Fourth Round Present and Prospective Need Affordable Housing Obligations in Agreement with the New Jersey Builder's Association

WHEREAS, on March 20, 2024, Governor Murphy signed into law <u>P.L. 2024, c.2</u> (hereinafter "<u>P.L. 2024, c.2</u>" or "Amended FHA"); and

WHEREAS, P.L. 2024, c.2 modified the process upon which municipalities could comply with their affordable housing obligations pursuant to the <u>Mount Laurel</u> doctrine; and

WHEREAS, <u>P.L. 2024, c.2</u> required the Department of Community Affairs (the "DCA") to prepare a report with the calculation of the regional and municipal Present and Prospective Need for the Fourth Round, and said report calculated Egg Harbor Township's ("Egg Harbor" or the "Township") Fourth Round Present Need Obligation to be 164 and its Fourth Round Prospective Need Obligation to be 148; and

WHEREAS, P.L. 2024, c.2 required the Township to pass a binding resolution determining its Fourth Round Present Need Obligation and its Fourth Round Prospective Need Obligation by January 31, 2025, and file it, along with a Declaratory Judgment Complaint ("DJ Complaint") in the Superior Court of New Jersey, Atlantic Vicinage; and

WHEREAS, in furtherance of <u>P.L. 2024, c.2</u>, the Township adopted Resolution 96-2025 on January 22, 2025, and thereafter filed a DJ complaint with the Court within 48 hours of its passage, which has resulted in the case <u>In the Matter of the Application of the Township of Egg Harbor</u>, Docket No. ATL-L-162-25; and

WHEREAS, the Township determined its Fourth Round Present Need Obligation to be 164 and its Fourth Round Prospective Need Obligation to be 130; and

WHEREAS, <u>P.L. 2024, c.2</u> enabled interested parties to challenge a municipality's number prior to February 28, 2025; and

WHEREAS, the New Jersey Builders Association ("NJBA") filed an objection to the Township's Round 4 number; and

WHEREAS, the NJBA argued that the Township's Fourth Round Prospective Need Obligation was 148; and

WHEREAS, pursuant to <u>P.L. 2024, c.2</u>, the Township and the NJBA were to engage in good faith negotiations regarding the Township's Round 4 number; and

WHEREAS, representatives of the Township and the NJBA engaged in good faith negotiations and, as a result of those negotiations, the Township and the NJBA agreed to a Fourth Round Present Need Obligation of 164 and a Fourth Round Prospective Need Obligation of 142 for the Township; and WHEREAS, the Township seeks to bind itself to the agreed upon numbers between itself, and the NJBA for a Fourth Round Present Need Obligation of 164 and a Fourth Round Prospective Need Obligation of 142; and

**WHEREAS**, the Township agreeing upon its Fourth Round Present and Prospective Need Obligations should result in its continuing immunity from all <u>Mount Laurel</u> lawsuits, as a result of following the procedural requirements of <u>P.L. 2024, c.2</u>; and

**NOW, THEREFORE, BE IT RESOLVED** on this 9th day of April 2025, by the Committee of the Township of Egg Harbor, Atlantic County, State of New Jersey, as follows:

- 1. The Mayor and Committee hereby commit to a Fourth Round Present Need Obligation of 164 and a Fourth Round Prospective Need Obligation of 142 units, as agreed upon by the NJBA, subject to the following conditions and/or reservations of rights:
  - a. Nothing in this resolution shall be interpreted as an adjudication or determination of the Township's right to an adjustment of its Fourth Round Prospective Need Obligation predicated upon a lack of developable land, sewer, water or similar adjustments.
  - b. If a third party successfully challenges this resolution or any order, judgment or determination effectuating this agreed-upon number, the Township reserves the right to return to *status quo ante* and reserve all litigation rights.
- 2. The Township Committee hereby authorizes the Township's affordable housing special counsel to take whatever steps are necessary to effectuate the terms of this resolution with the Program or a court of competent jurisdiction, which authorization shall include, the execution by the Mayor of a Mediation Agreement between the Township and the New Jersey Builder's Association, which has been executed by the NJBA and is attached hereto as Exhibit A.
- 3. This resolution shall take effect immediately.

Dated: April 9, 2025

esco Ruc

Eileen M. Tedesco, RMC Township Clerk

#### CERTIFICATION

I certify that the foregoing Resolution was duly adopted by the Committee of the Township of Egg Harbor at a regular meeting held on the 9th day of April 2025, a quorum being present and voting in the majority.



Eileen M. Tedesco, RMC Township Clerk

#### MEDIATION AGREEMENT BEFORE THE AFFORDABLE HOUSING DISPUTE RESOLUTION PROGRAM

### IN THE MATTER OF THE APPLICATION OF THE TOWNSHIP OF EGG HARBOR, DOCKET NO. ATL-L-000162-25

WHEREAS, on March 20, 2024, Governor Murphy signed P.L. 2024, c.2., into law, which established a new framework for determining and enforcing municipalities' affordable housing obligations under the <u>Mount Laurel</u> doctrine and the Fair Housing Act (the "Amended Act"); and

WHEREAS, the Amended Act required the Department of Community Affairs (the "DCA") to prepare a report with the calculation of the regional and municipal Prospective Need and the municipal Present Need for the Fourth Round in accordance with the formula required by the Amended Act; and

WHEREAS, the DCA released this report entitled "Affordable Housing Obligations for 2025-2035 (Fourth Round)" on October 18, 2024; and

WHEREAS, the DCA report concluded that Egg Harbor Township's ("Egg Harbor" or the "Township") fair share obligations for the Fourth Round included a Present Need of 164 units and a Prospective Need of 148 units; and

WHEREAS, on January 24, 2025, the Township filed a Declaratory Judgment Action along with an adopted January 22, 2025 resolution of participation with the Affordable Housing Dispute Resolution Program (the "Program"), in accordance with the requirements of <u>N.J.S.A</u>. 52:27D-301, et seq., and the timeframes set forth in the Administrative Office of the Court's Directive #14-24 (the "Directive"); and

WHEREAS, the Township's resolution proposed to set Egg Harbor Township's affordable housing obligations for the Fourth Round to include a Present Need of 164 units and a Prospective Need of 130 units; and ATL-L-000162-25 06/17/2025 1:37:40 PM Pg 82 of 158 Trans ID: LCV20251781283

WHEREAS, in accordance with the timeframes set forth in the Amended Act and the Directive, the New Jersey Builders Association ("NJBA") filed a timely objection to Egg Harbor's resolution on February 27, 2025; and

WHEREAS, NJBA's objection contended that Egg Harbor had improperly calculated its Prospective Need Obligation, and should be required to utilize the DCA's Prospective Need Calculation of 148; and

WHEREAS, Egg Harbor disputes the contentions raised in NJBA's objection; and

WHEREAS, within the Program established pursuant to <u>N.J.S.A.</u> 52:27D-313.2, the parties have engaged in the mediation process provided by the Program, and conferred and reached an accord setting forth Egg Harbor's Fourth Round Prospective Need obligations, without either party admitting the validity of the others' claims; and

WHEREAS, recognizing that this agreement is reached prior to the adjudication of any challenges by the Program or any potential subsequent review in the judicial system, the parties agree that 142 units is within the range of possibilities of outcomes for Egg Harbor's Fourth Round Prospective Need; and

WHEREAS, resolving the Fourth Round Prospective Need at this juncture and allowing Egg Harbor to move forward with preparing its Fourth Round HEFSP is important to the interests of lower-income households; and

WHEREAS, the Township adopted a resolution on April 9, 2025 authorizing the execution of this agreement; and

WHEREAS, the Township and NJBA thus agree to present this Mediation Agreement to the Program and consent to the Mediation Agreement, upon the approval by the Program, setting forth Egg Harbor's Fourth Round obligations and binding the Township to utilize these obligations and foreclosing NJBA from further challenge to said obligations.

THEREFORE, the Township and NJBA agree:

- 1. Egg Harbor's Fourth Round fair share obligations shall be set forth as follows:
  - Present Need 164 units
  - Prospective Need 142 units
- 2. A Fourth Round Fair Share Obligation of 142 units is within the range possible outcomes were the court to fully adjudicate the Township's Prospective Need.
- A Fourth Round Fair Share Obligation of 142 units is fair to the interests of lower-income households.
- 4. The Township and NJBA will jointly present this Mediation Agreement to the Program and request approval of this Agreement from the Program and if approved by the Program from the vicinage <u>Mount Laurel</u> judge. If the Program, trial court, or any appellate court reject approval of this Agreement, the Parties reserve their right to return to the *status quo ante*.
- 5. The Township shall prepare a Fourth Round Housing Element and Fair Share Plan ("HEFSP") utilizing these present and prospective need obligations and submit the HEFSP to the Program by the deadline in the Amended Act of June 30, 2025.

The undersigned, on behalf of the Township, is authorized to execute this agreement via the Township Council resolution adopted on April 9, 2025. The undersigned on behalf of NJBA consents to this Mediation Agreement and represents that he is authorized to execute it on NJBA's behalf. This Mediation Agreement shall not be further modified, amended or altered in any way except by a writing signed by both the Township and NJBA. ATL-L-000162-25 06/17/2025 1:37:40 PM Pg 84 of 158 Trans ID: LCV20251781283

Witness/Attest:

Eleen It Tedes co, Pric

Dated: April 9, 2025

**Township of Egg Harbor** 

By: anne Laura Pfrommer

Mayor for the Township of Egg Harbor

Dated: April 9, 2025

Witness/Attest:

TAIO

New Jersey Builder's Association

By: Richard Hoff, Esq.

Counsel for New Jersey Builder's Association

Dated: April 1, 2025

Dated: April 1, 2025

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**APPENDIX C** – Court Order setting the Township's Fourth Round Obligation

ATL-L-000162-25 06/17/2025 1:37:40 PM Pg 86 of 158 Trans ID: LCV20251781283

### **PREPARED BY THE COURT:**

IN THE MATTER OF THE DECLARATORY JUDGMENT ACTION OF THE TOWNSHIP OF EGG HARBOR, ATLANTIC COUNTY PURSUANT TO P.L. 2024, CHAPTER 2 SUPERIOR COURT OF NEW JERSEY LAW DIVISION – CIVIL PART ATLANTIC COUNTY DOCKET NO. ATL-L-162-25

Civil Action

## ORDER FIXING MUNICIPAL OBLIGATIONS FOR "PRESENT NEED" AND "PROSPECTIVE NEED" FOR THE FOURTH ROUND HOUSING CYCLE

THIS MATTER, having come before the Court on its own motion, *sua sponte*, on the Complaint for Declaratory Judgment filed on January 24, 2025 ("DJ Complaint") by the Petitioner, TOWNSHIP OF EGG HARBOR ("Petitioner" or "Municipality"), pursuant to <u>N.J.S.A.</u> 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, <u>N.J.S.A.</u> 52:27D-301, *et seq.* (collectively, the "FHA"), and in accordance with Section II.A of Administrative Directive #14-24 ("Directive #14-24") of the Affordable Housing Dispute Resolution Program (the "Program"), seeking a certification of compliance with the FHA;

AND IT APPEARING, that on October 18, 2024, pursuant to the FHA (as amended), the New Jersey Department of Community Affairs ("DCA") issued its report entitled *Affordable Housing Obligations for 2025-2035 (Fourth Round)*,<sup>1</sup> therein setting forth the present need and prospective need obligations of all New Jersey municipalities for the Fourth Round housing cycle (the "DCA's Fourth Round Report");

<sup>&</sup>lt;sup>1</sup> See <u>https://nj.gov/dca/dlps/pdf/FourthRoundCalculation\_Methodology.pdf</u>

AND IT APPEARING that, pursuant to the DCA's Fourth Round Report, the present need obligation of the Petitioner has been calculated and reported as 164 affordable units, and its prospective need obligation of the Petitioner has been calculated and reported as 148 affordable units, and which calculations have been deemed presumptively valid for purposes of the FHA;

AND THE COURT, having determined that no interested party has filed a challenge to the Petitioner's DJ Complaint by way of an Answer thereto as provided for and in accordance with Section II.B of Directive #14-24 of the Program;

AND THE COURT, having found and determined, therefore, that the present need and prospective need affordable housing obligations of the Petitioner for the Fourth Round housing cycle as calculated and reported in the DCA's Fourth Round Report have been committed to by the Petitioner and are uncontested, and for good cause having otherwise been shown:

IT IS, THEREFORE, on this 30th day of APRIL 2025 ORDERED AND ADJUDGED as follows:

1. That the present need obligation of the Municipality, be, and hereby is fixed as 164 affordable units for the Fourth Round housing cycle.

That the prospective need obligation of the Municipality, be, and hereby is fixed as
 142 affordable units for the Fourth Round Housing cycle; and

3. That the Petitioner is hereby authorized to proceed with preparation and adoption of its proposed Housing Element and Fair Share Plan for the Fourth Round, incorporating therein the present need and prospective need allocations aforesaid (and which plan shall include the elements set forth in the "Addendum" attached to Directive #14-24), by or before June 30, 2025, as provided for and in accordance with Section III.A of Directive #14-24, and without further delay.

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IT IS FURTHER ORDERED, that a copy of this Order shall be deemed served

on the Petitioner and Petitioner's counsel.

SO ORDERED:

Jula C. Cut

Hon. John C. Porto, P.J. Cv.

() Uncontested.

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## APPENDIX D -

## Affordable Housing Overlay - B Ordinance Resolution of Need Resolution and PILOT Agreement with Egg Harbor Family 3, LLC Developer's Agreement with Egg Harbor Family 3, LLC

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# **Egg Harbor Township**

**Ordinance No. 13** 

### 2025

An Ordinance to amend the Code of the Township of Egg Harbor, Chapter 225 entitled "Zoning", specifically by adding a new subsection 225-40.2 entitled "Affordable Housing Overlay Zone B (AHO–B)"; and Section 225-7 entitled "Schedule of Area, Yard and Building Requirements", specifically to include a New Zone AHO-B; and Chapter 225, Section 225-5 entitled "Zoning Map", specifically to include Block 1013, Lots 32 and 33 in new zone AHO-B

**BE IT ORDAINED,** by the Township Committee of the Township of Egg Harbor, in the County of Atlantic, New Jersey as follows:

**SECTION 1.** Chapter 225 of the Code of the Township of Egg Harbor entitled "Zoning", specifically Article V entitled "District Regulations", is hereby amended by adding a new subsection **Section 225-40.2** entitled Affordable Housing Overlay Zone B (AHO–B) as follows:

#### §225-40.2 Affordable Housing Overlay Zone B (AHO-B)

- A. Intent. The Township's Fourth Round Housing Element and Fair Share Plan will include the area in question as an area to be utilized for a 100% affordable housing development project.
- B. Purpose. The purpose of the AHO-B is to establish an option to develop the parcels included in the overlay area into a 100% affordable housing development when said uses can be adequately serviced by the sanitary sewer system.
- C. Zoning Created. There is created an AHO–B overlay zoning district. The following areas shall comprise the AHO–B overlay zoning district: Block 1013, Lots 32 and 33.
- D Permitted principal uses shall be
  - (1) 100% affordable multi-family attached housing developments
- E. Permitted accessory uses shall be
  - (1) Public and private parking;
  - (2) Clubhouse, playground or other recreational amenities normally associated with the principal residential use;
  - (3) Rental and/or administrative offices accessory to the principal residential use; and
  - (4) Other uses and structures customarily incidental to a principal permitted use.
- F. Area, yard and building requirements, as specified in '225-7
- G. Conditional uses
  - (1) Public uses; and
  - (2) Essential services.
- H. Other requirements shall be

- (1) All uses must be serviced by public water and public sanitary sewers;
- (2) Twenty-five percent (25%) of the gross lot area excluding storm water management basins must be for common open space; and
- (3) A buffer strip of 25 feet in width shall be required along all property lines.
- (4) A Community Impact Statement is not required for a 100% affordable housing project.
- (5) In lieu of submitting an Environmental Impact Statement, a copy of the CAFRA Compliance Statement shall be included with the submission.
- (6) A Fiscal Impact Statement is not required for a 100% affordable housing project.

**SECTION 2.** Chapter 225 of the Code of the Township of Egg Harbor entitled "Zoning", specifically **Article III, Section 225-7** entitled "Area, Yard and Building Departments" is hereby amended to include the following zone:

Zone: AHO-I		AHO-B (100% Affordable Residential)
	Minimum Lot Area:	9 Acres
	Minimum Lot Width:	250 Feet
	Minimum Front Setback (State Highway):	50 Feet
	Minimum Front Setback (County Road):	50 Feet
	Minimum Front Setback (Township Road):	30 Feet
	Minimum Rear Setback:	30 Feet
	Minimum Side Setback:	50 Feet
	Maximum Height:	3 Stories or 40 ft (whichever is less)
	Minimum Distance Between Buildings:	35 Feet
	Maximum Impervious Coverage:	50%
	Maximum Density:	10 Units/Acre

**SECTION 3.** Chapter 225 of the Code of the Township of Egg Harbor, specifically **Section 225-5**, entitled "Zoning Map", is hereby amended to include Block 1013, Lots 32 and 33 located in the M-1 (Light Industrial District) Zone with an overlay zoning in the Affordable Housing Overlay Zone B (AHO-B).

**SECTION 4.** All ordinances and parts of Ordinances inconsistent herewith are hereby repealed.

**SECTION 5.** If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by a Court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

**SECTION 6.** This Ordinance shall take effect upon final passage, adoption and publication in the manner prescribed by law.

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NOTICE IS HEREBY GIVEN THAT THE FOREGOING ORDINANCE WAS INTRODUCED AT A MEETING OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF EGG HARBOR, IN THE COUNTY OF ATLANTIC AND STATE OF NEW JERSEY, HELD APRIL 30, 2025, AND WILL BE FURTHER CONSIDERED FOR FINAL PASSAGE AFTER A PUBLIC HEARING THEREON AT A REGULAR MEETING OF SAID TOWNSHIP COMMITTEE IN THE TOWNSHIP HALL, IN SAID TOWNSHIP ON MAY 28, 2025 AT 5:00 P.M.

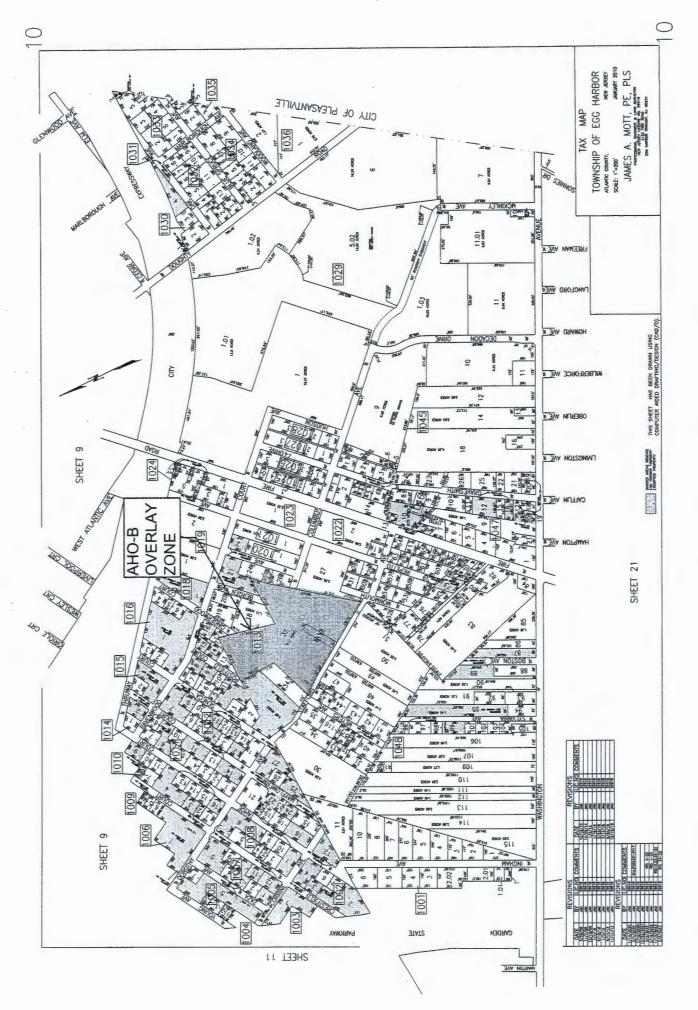
tesco

Dated: April 30, 2025

Eileen M. Tedesco, RMC Township Clerk

The undersigned certifies this is a true copy of an Ordinance passed on first reading and adopted on May by the Township Committee of Egg Harbor Township, Atlantic County, NJ, and was published in the official newspaper according to law Attest: Township Cler Janice F. Hughes, RMC, Deputy

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## **Egg Harbor Township**

**Resolution No. 256** 

#### 2025

# Resolution expressing the need for the construction of up to 75 Affordable Housing units by Egg Harbor Family 3 LLC

WHEREAS, Egg Harbor Family 3 LLC (hereinafter referred to as the "Sponsor") proposes to construct seventy-five ("75") family rental affordable units to very low, low and moderate income households, plus one additional non-income restricted manager unit (hereinafter referred to as the "Project") pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.), the rules promulgated thereunder at N.J.A.C. 5:80-1.1 et seq., and all applicable guidelines promulgated thereunder (the foregoing hereinafter collectively referred to as the "HMFA Requirements"), as well as the requirements for creditworthiness pursuant to the New Jersey Fair Housing Act, as amended (N.J.S.A. 52:27D-301 et. seq.), any Orders or Certification of Compliance from the Affordable Housing Dispute Resolution Program or Court of competent jurisdiction, State regulations, and the Township's Affordable Housing Ordinance (hereinafter collectively referred to as the "Affordable Housing Requirements"), within the Township of Egg Harbor (hereinafter referred to as the "Municipality") on a site described as Block 1013, Lots 32 and 33 as shown on the Official Assessment Map of the Township of Egg Harbor of Atlantic County and commonly known as Egg Harbor Phase 3, 16 Stafford Avenue, Egg Harbor Township, New Jersey; and

WHEREAS, the Project will be subject to the HMFA Requirements, the Affordable Housing Requirements, and the mortgage and other loan documents executed between the Sponsor and the New Jersey Housing and Mortgage Finance Agency (hereinafter referred to as the "Agency"); and

**WHEREAS**, pursuant to the HMFA Requirements, the Township Committee of the Township of Egg Harbor hereby determines that there is a need for this housing project in the Municipality.

**BE IT RESOLVED**, by the Township Committee of the Township of Egg Harbor, County of Atlantic and State of New Jersey that:

- (1) The Township Committee finds and determines that the Project proposed by the Sponsor meets or will meet an existing housing need; and
- (2) The Township Committee does hereby adopt the within Resolution and makes the determination and findings herein contained by virtue of, pursuant to, and in conformity with the provisions of the HMFA Law to enable the Agency to process the Sponsor's application for Agency funding to finance the Project; and
- (3) This Resolution shall take effect immediately.

Dated: May 28, 2025

Lance F. Hughes RMC

I certify that this a true copy of a Resolution adopted by the Township Committee of Egg Harbor Township, Atlantic County, NJ

Doouty Township Clerk

edesco, Ruc

Eileen M. Tedesco, RM Township Clerk

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## Egg Harbor Township

#### **Resolution No. 258**

#### 2025

# Resolution authorizing Mayor and Township Clerk to execute a Pilot Agreement between the Township of Egg Harbor and Egg Harbor Family 3 LLC

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2, which substantially amended the New Jersey Fair Housing Act (hereinafter the "amended FHA"); and

WHEREAS, the amended FHA modified the process upon which municipalities could comply with their affordable housing obligations pursuant to the Mount Laurel doctrine; and

WHEREAS, on January 24, 2025, in response to requirements of the amended FHA, the Township filed a Fourth Round Declaratory Judgment Action with an entity created by the FHA called the Program, and as well as with the Court, along with an adopted Township Committee resolution committing to a Fourth Round Present and Prospective Need obligations; and

WHEREAS, after entering into a Settlement Agreement with the New Jersey Builder's Association ("NJBA") after mediation before the Program, the Court entered an Order setting the Township's Fourth Round Present Need (Rehabilitation) Obligation at 164, and the Township's Fourth Round Prospective Need Obligation at 142; and

**WHEREAS**, the Township is currently in the process of drafting its Fourth Round Housing Element and Fair Share Plan, which will be filed with the Program and the Court for review and approval by June 30, 2025; and

WHEREAS, Developer Egg Harbor Family 3 LLC approached the Township and proposed to build a one hundred percent (100%) affordable project consisting of 75-amily rental affordable units to low- and moderate-income households at 16 Stafford Avenue (hereinafter the "Project") on an approximately 9.42-acre site described as Block 1013, Lots 32 & 33 on the official tax assessment map of the Township; and

WHEREAS, the Project will be subject to the HMFA Requirements and the mortgage and other loan documents executed between the Sponsor and the New Jersey Housing and Mortgage Finance Agency (hereinafter referred to as the "Agency"); and

WHEREAS, the Sponsor has presented to the Township Committee of the Township of Egg Harbor a revenue projection for the Project which sets forth the anticipated revenue to be received by the Sponsor for the operation of the Project as estimated by the Sponsor and the Agency, a copy of which is attached to the Payment in Lieu of Taxes Agreement ("PILOT Agreement"), which is attached as Exhibit A to this resolution.

**BE IT RESOLVED,** by the Township Committee of the Township of Egg Harbor, County of Atlantic and State of New Jersey that:

(1) The Township Committee does hereby adopt the within Resolution and makes the determination and findings herein contained by virtue of, pursuant to, and in the conformity with the provisions of the HMFA Requirements with the intent and purpose that the Agency shall rely thereon in making a mortgage loan to the Sponsor, which shall construct, own and operate the Project; and

(2) The Township Committee does hereby adopt the within Resolution with the further intent and purpose that from the date of execution of the Agency mortgage, the proposed Project, including both the land and improvements thereon, will be exempt from real property taxation as provided in the HMFA Requirements, provided that payments in lieu of taxes for municipal services supplied to the Project are made to the municipality in such amounts and manner set forth in the PILOT Agreement attached hereto as Exhibit A; and

(3) The Township Committee hereby authorizes and directs the Mayor of the Township of Egg Harbor to execute, on behalf of the municipality, the PILOT Agreement attached hereto as Exhibit A; and

Dated: May 28, 2025

edes co Ruc

Eileen M. Tedesco, RMC Township Clerk

Attachment: Pilot Agreement

I certify that this a true copy of a Resolution adopted by the Township Committee of Egg Harbor Township, Atlantic Coun Janice F. Hughes, RMC, Deputy Township Clerk

#### AGREEMENT FOR PAYMENT IN LIEU OF TAXES

THIS AGREEMENT, made this <u>18th</u> day of <u>1011</u>, 2025, between Egg Harbor Family 3 LLC, having an office at 2 Cooper Street, 14<sup>th</sup> Floor, Camden, NJ 08102 (hereinafter the "Sponsor") and the Township of Egg Harbor, a municipal corporation in the County of Atlantic and State of New Jersey (hereinafter the "Municipality").

#### WITNESSETH

In consideration of the mutual covenants herein contained and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

1. This Agreement is made pursuant to the authority contained in Section 37 of the New Jersey Housing and Mortgage Finance Agency Law of 1983 (N.J.S.A. 55:14K-1 *et seq.*) (hereinafter "HMFA Law") and a Resolution of the Council of the Municipality dated 5/38/35, (the "Resolution") and with the approval of the New Jersey Housing and Mortgage Finance Agency (hereinafter the "Agency"), as required by N.J.S.A. 55:14K-37.

2. The Project is or will be situated on those parcels of land located in the Township of Egg Harbor located at 16 Stafford Ave also known as Block 1013, Lots 32 and 33 on the Official Assessment Map of the Township of Egg Harbor ("Property").

3. The Sponsor is the contact purchaser of the real property set forth in Section 2 upon which the Sponsor proposes to construct seventy-five (75) rental units for very-low, low and moderate income families and one (1) rental unit for an on-site manager pursuant to HMFA Law and are creditworthy against the Township's Round 3 (1999-2025) and/or Round 4 (2025-2035) affordable housing obligations pursuant to the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et. seq.) and all applicable affordable housing regulations ("Project").

4. As of the date the Sponsor executes a first mortgage upon the Project in favor of the Agency (hereinafter referred to as the "Agency Mortgage"), the land and improvements comprising the Project shall be exempt from real property taxes, provided that the Sponsor shall make payments in lieu of taxes to the Municipality as provided hereinafter and so long as the Sponsor or its successors and assigns and the Project provide low and moderate income housing in accordance with HMFA Law. The exemption of the Project from real property taxation and the sponsor's obligation to make payments in lieu of taxes shall not extend beyond the date on which the Agency Mortgage is paid in full, which, according to the HMFA Law, may not exceed fifty (50) years.

5. Pursuant to HMFA Law, the Municipality is authorized to grant a tax exemption to a project which meets or will meet an existing affordable housing need in the Municipality, provided that the Municipality makes said determination by means of a resolution and that in lieu of taxes, the Sponsor pays the Municipality an annual service charge for municipal services supplied to such project. Pursuant to a resolution of the Municipality, the Municipality has determined that the Project

will meet or meets an existing housing need and the units in the Project can be counted toward the Municipality's Third Round and/or Fourth Round affordable housing obligations.

6. (a) For projects receiving construction and permanent financing from the Agency, the Sponsor shall make payment to the Municipality of an annual service charge in lieu of taxes in such amount as follows:

- (1) From the date of the execution of the Agency Mortgage until the date of substantial completion of the Project, the Sponsor shall make payment to the Municipality in an amount equal to the full assessed value of the property in effect at the time this Agreement is approved by the Court (pursuant to the HMFA Law, the annual amount may not exceed the amount of taxes due on the property for the year preceding the recording of the Agency Mortgage). As used herein, "Substantial Completion" means the date upon which the Municipality issues the Certificate of Occupancy for the seventy-six (76) units of the Project.
- (2) From the date of Substantial Completion of the Project and for the remaining term of the NJHMFA Mortgage, the Sponsor shall make payment to the Municipality in an amount equal to Five Percent (5%) of Project Revenues.
- (b) For Projects receiving permanent financing only from the Agency, the Sponsor shall make payment to the Municipality in an amount equal to Five Percent (5%) percent of Project Revenues from the date of the Agency Mortgage and for the remaining term of the Agency Mortgage.

(c) As used herein, "Project Revenues" means the total annual gross rental or carrying charge or other income of the Sponsor from the Project less the costs of utilities furnished by the Project, which shall include the costs of gas, electricity, heating fuel, water supplied, and sewage charges, and less vacancies if any. Project Revenues shall not include any rental subsidy contributions received from any federal or state program.

(d) The amount of payment in lieu of taxes to be paid pursuant to paragraphs (a) or (b) and (c) above is calculated in Exhibit "A" attached hereto. It is expressly understood and agreed that the revenue projections provided to the Municipality as set forth in Exhibit "A" and as part of the Sponsor's application for an agreement for payments in lieu of taxes are estimates only. The actual payments in lieu of taxes to be paid by the Sponsor shall be determined pursuant to Section 7 below.

(e) In each year during the term hereof, the Minimum Annual Payment will be increased as follows commencing on the first anniversary of the first full year after the Date of Completion of the Project: the prior year's Project Revenues shall be multiplied by 1.5% and that product shall then be multiplied by 5.0% and the amount by which that product shall exceed the

prior year's Minimum Annual Payment shall then be added to the prior year's Minimum Annual Payment (the "New Minimum Annual Payment"). Provided, however, in resetting New Minimum Annual Payment, annually in no case may the New Minimum Annual Payment ever exceed the actual Project Revenue for the prior year utilizing a vacancy allowance of ten percent (10%) in place of the allowance used in Exhibit "A" attached hereto.

Payments by the Sponsor shall be made on a quarterly basis in accordance 7. (a) with bills issued by the Tax Collector of the Municipality in the same manner and on the same dates as real estate taxes are paid to the Municipality and shall be based upon Project Revenues of the previous quarter. No later than three (3) months following the end of the first fiscal year of operation after (i) the date of Substantial Completion (for projects receiving construction and permanent financing) or (ii) the date of the Agency Mortgage (for projects receiving permanent financing only) and each year thereafter that this Agreement remains in effect, the Sponsor shall submit to the Municipality a certified, audited financial statement of the operation of the Project (the "Audit"), setting forth the Project Revenues and the total payments in lieu of taxes due to the Municipality calculated at Five Percent (5%) percent of Project Revenues as set forth in the Audit (the "Audit Amount"). The Sponsor simultaneously shall pay the difference, if any, between (i) the Audit Amount and (ii) payments made by the Sponsor to the Municipality for the preceding fiscal year. The Municipality may accept any such payment without prejudice to its right to challenge the amount due. In the event that the payments made by the Sponsor for any fiscal year shall exceed the Audit Amount for such fiscal year, the Municipality shall credit the amount of such excess to the account of the Sponsor.

(b) All payments pursuant to this Agreement shall be in lieu of taxes and the Municipality shall have all the rights and remedies of tax enforcement granted to Municipalities by law just as if said payments constituted regular tax obligations on real property within the Municipality. If, however, the Municipality disputes the total amount of the annual payment in lieu of taxes due it, based upon the Audit, it may apply to the Superior Court, Chancery Division for an accounting of the service charge due the Municipality, in accordance with this Agreement and HMFA Law. Any such action must be commenced within one year of the receipt of the Audit by the Municipality.

(c) In the event of any delinquency in the aforesaid payments, the Municipality shall give notice to the Sponsor and NJHMFA in the manner set forth in 11(a) below, prior to any legal action being taken.

8. Notwithstanding any other provisions herein to the contrary, the tax exemption provided herein shall apply only so long as the Sponsor or its successors and assigns and the Project remain subject to the provisions of the HMFA Law and Regulations made thereunder and the supervision of the Agency and only so long as the Sponsor or its successors and assigns and the Project provide low and moderate income housing in accordance with HMFA Law, but in no event longer than the term of the Agency Mortgage. In the event of (a) a sale, transfer or conveyance of the Project by the Sponsor or (b) a change in the organizational structure of the Sponsor, this

Agreement shall be assigned to the Sponsor's successor and shall continue in full force and effect so long as the successor entity qualifies under the HMFA Law or any other state law applicable at the time of the assignment of this Agreement and assumes the Agency Mortgage.

9. Upon any termination of such tax exemption, whether by affirmative action of the Sponsor, its successors and assigns, or by virtue of the provisions of the HMFA Law, or any other applicable state law, the Project shall be taxed in the same fashion as any other real property in the Municipality in accordance with the law.

10. The Sponsor, its successors and assigns shall, upon request, permit inspection of property, equipment, buildings and other facilities of the Project and also documents and papers by representatives duly authorized by the Municipality. Any such inspection, examination or audit shall be made during reasonable hours of the business day, in the presence of an officer or agent of the Sponsor or its successors and assigns.

11. Any notice or communication sent by either party to the other hereunder shall be sent by certified mail, return receipt requested, addressed as follows:

(a) When sent by the Municipality to the Sponsor, it shall be addressed to 2 Cooper St, 14<sup>th</sup> Floor, Camden, NJ 08102 or to such other address as the Sponsor may hereafter designate in writing and a copy of said notice or communication by the Municipality to the Sponsor shall be sent by the Municipality to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

(b) When sent by the Sponsor to the Municipality, it shall be addressed to the Township of Egg Harbor, 3515 Bargaintown Road, Egg Harbor Township, New Jersey 08234 or to such other address as the Municipality may designate in writing; and a copy of said notice or communication by the Sponsor to the Municipality shall be sent by the Sponsor to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

12. In the event of a breach of this Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court, Chancery Division, to settle and resolve said dispute in such fashion as will tend to accomplish the purposes of the HMFA Law.

13. Sponsor and Municipality understand that Municipality may retain the entirety of Sponsor's payment in lieu of taxes, and that the HMFA Law does not require Municipality to remit a portion of Sponsor's payment to Atlantic County. In the event Municipality is legally required to remit a portion of Sponsor's payment to Atlantic County, Sponsor shall reimburse Municipality for any such payments to Atlantic County. Sponsor shall remit such payment to the Municipality at the end of each quarter.

14. It is agreed and understood that subject to the terms and provisions of Paragraph 8 above, the Sponsor agrees that it shall not sell or transfer the Project together with the improvements to be located thereon, to any corporation, association or entity, unless such corporation, association or entity continues to provide low and moderate income housing in accordance with HMFA Law, without first obtaining the prior written consent of the Municipality, provided, however, that any transfer or syndication of interests in the Sponsor shall not be deemed to constitute a sale or transfer of the Project. The parties hereto understand and agree that current HMFA Law requires that the Project will provide very low, low and moderate income housing for a period not to exceed forty (40) years from Substantial Completion.

15. Notwithstanding any provision herein to the contrary, the Sponsor shall pay the fully assessed value of the land as it is assessed under applicable law in addition to all other payments set forth herein.

16. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. It shall not be necessary in making proof of this Agreement to produce or account for more than a sufficient number of counterparts to evidence the execution of the Agreement by each party hereto.

WITNESS

EGG HARBOR FAMILY 3 LLC

LING SR. DEVELOPMENT ASSOCIATE

By:

Nicholas J. Cangelosi, Vice President

ATTEST:

esco. Ruc Name:

Title:

Eileen M. Tedesco Township Clerk

TOWNSHIP OF EGG HARBOR

By:

Name: Laura Pfrommer Title: Mayor

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## EXHIBIT "A"

## **REVENUE PROJECTIONS**

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## Egg Harbor Family 3

## Agreement for Payment in Lieu of Taxes

Projected Annual Gross Rents	\$899,544
Proforma Vacancy at 5%	(\$44,977)
Projected Annual Utility Costs	(\$84,000)
Project Revenues	\$770,567
Payment in Lieu Percentage	5.00%
Annual Projected Payment in Lieu Amount	\$38,528

## Egg Harbor Family 3

## Estimated Annual Payments in Lieu of Taxes

	Estimated PILOT Payment	
Year 1	\$	38,528
Year 2	\$	39,299
Year 3	\$	40,085
Year 4	\$	40,887
Year 5	\$	41,704
Year 6	\$	42,538
Year 7	\$	43,389
Year 8	\$	44,257
Year 9	\$	45,142
Year 10	\$	46,045
Year 11	\$	46,966
Year 12	\$	47,905
Year 13	\$	48,863
Year 14	\$	49,841
Year 15	\$	50,837
Year 16	\$	51,854
Year 17	\$	52,891
Year 18	\$	53,949
Year 19	\$	55,028
Year 20	\$	56,129
Year 21	\$	57,251
Year 22	\$	58,396
Year 23	\$	59,564
Year 24	\$	60,755
Year 25	\$	61,970
Year 26	\$	63,210
Year 27	\$	64,474
Year 28	\$	65,764
Year 29	\$	67,079
Year 30	\$	68,420

# Egg Harbor Township

### **Resolution No. 266**

### 2025

### Resolution authorizing Mayor and Township Clerk to execute a Developer's Agreement between the Township of Egg Harbor and Egg Harbor Family 3 LLC

WHEREAS, on March 20, 2024, Governor Murphy signed into law <u>P.L. 2024, c.2</u>, which substantially amended the New Jersey Fair Housing Act (hereinafter the "amended FHA"); and

WHEREAS, the amended FHA modified the process upon which municipalities could comply with their affordable housing obligations pursuant to the <u>Mount Laurel</u> doctrine; and

WHEREAS, on January 24, 2025, in response to requirements of the amended FHA, the Township filed a Fourth Round Declaratory Judgment Action with an entity created by the FHA called the Program, and as well as with the Court, along with an adopted Township Committee resolution committing to a Fourth Round Present and Prospective Need obligations; and

WHEREAS, after entering into a Settlement Agreement with the New Jersey Builder's Association ("NJBA") after mediation before the Program, the Court entered an Order setting the Township's Fourth Round Present Need (Rehabilitation) Obligation at 164, and the Township's Fourth Round Prospective Need Obligation at 142; and

WHEREAS, the Township is currently in the process of drafting its Fourth Round Housing Element and Fair Share Plan, which will be filed with the Program and the Court for review and approval by June 30, 2025; and

WHEREAS, Developer Egg Harbor Family 3 LLC approached the Township and proposed to build 75 family rental affordable units at 16 Stafford Avenue on an approximately 9.42 acre site described as Block 1013, Lots 32 & 33 on the official tax assessment map of the Township; and

WHEREAS, the Township's professionals have negotiated a Developer's Agreement with the Developer, setting forth the terms, conditions, responsibilities of the Township and the Developer, which has been attached hereto as Exhibit A; and

WHEREAS, the Township Committee has determined that the Project will assist the Township in satisfying its affordable housing obligations; and

**BE IT RESOLVED**, by the Township Committee of the Township of Egg Harbor, County of Atlantic, and State of New Jersey that the Mayor and Township Clerk are hereby authorized to execute the attached Developer's Agreement with Egg Harbor Family 3 LLC.

Dated: May 28, 2025

edesco, Rome

Eileen M. Tedesco, RMC Township Clerk

Attachment: Developers Agreement

I certify that this a true copy of a Resolution adopted by the Township Committee of Egg Harbor Township, Atlantic County, AL winship Clerk KMC Janice F. Hughes, RMC

# Developer's Agreement by and between

# The Township of Egg Harbor

# And

# Egg Harbor Family 3 LLC

### DEVELOPER'S AGREEMENT BY AND BETWEEN THE TOWNSHIP OF EGG HARBOR AND THE EGG HARBOR FAMILY 3 LLP AS DEVELOPER

THIS AGREEMENT ("Agreement") made this  $\frac{2811}{1000}$  day of  $\frac{1000}{10000}$  day of  $\frac{1000}{10000}$  and between

The Township of Egg Harbor, a municipal corporation of the State of New Jersey, County of Atlantic, having an address at 3515 Bargaintown Road, Egg Harbor, New Jersey 08234 (hereinafter the "Township");

And

EGG HARBOR FAMILY 3 LLC, a New Jersey limited partnership, having an address at 2 Cooper Street, 14<sup>th</sup> Floor, Camden, NJ 08102 (hereinafter the "Developer").

Collectively, the Township and the Developer shall be referred to as the "Parties."

WHEREAS, in compliance with the New Jersey Supreme Court's decision In re Adoption of N.J.A.C. 5:96 and 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015)("Mount Laurel IV"), on or about July 2, 2015, the Township filed a Declaratory Judgment Action with the Superior Court of New Jersey ("Court"), entitled In the Matter of the Application of the Township of Egg Harbor, County of Atlantic, Docket No. ATL-L-1506-15 ("DJ Action"), seeking a Judgment of Compliance and Repose approving its Housing Element and Fair Share Plan, as may be amended or supplemented; and

WHEREAS, the Township entered into a settlement agreement with Fair Share Housing Center (hereinafter "<u>FSHC</u>") on August 16, 2017 to settle the Township's DJ Action globally ("FSHC Settlement Agreement"), which was approved during a properly noticed Fairness Hearing held on October 17, 2017, and memorialized by an Order entered by the Court on November 27, 2017; and

WHEREAS, the Township's Planning Board subsequently adopted a Housing Element and Fair Share Plan (hereinafter "Third Round <u>Affordable Housing Plan</u>"), which was also endorsed by the Township Committee, to implement the settlement with FSHC, and said Affordable Housing Plan was subsequently approved by the Court during a properly noticed Compliance Hearing held on August 28, 2018; and

WHEREAS, the Court entered a Judgment of Compliance and Repose Order on August 31, 2018 (hereinafter "JOR Order"), which approved the Township's Affordable Housing Plan, with conditions; and

WHEREAS, the Township subsequently satisfied all of the conditions of its JOR Order, which was memorialized by a second Order entered by the Court on December 31, 2018, which finalized the JOR Order; and

WHEREAS, Developer approached the Township and proposed to build a total of 75

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family rental affordable units to low and moderate income households (hereinafter the "Project") at 16 Stafford Avenue on an approximately 9.42 acre site described as Block 1013, Lots 32 & 33 on the official tax assessment map of the Township (hereinafter the "Property"); and

WHEREAS, the Township has authorized Egg Harbor Family 3 LLC to be the developer of the Project; and

WHEREAS, the Developer has represented to the Township that it will ensure that each of the affordable units in the Project will be affordable to the region's very low, low and moderate income households and will be creditworthy units and will remain creditworthy units to enable the Township to use such units towards satisfaction of its <u>Mount Laurel</u> affordable housing obligations; and

WHEREAS, based upon these assurances and the obligations created hereby, the Township has determined that the Project will assist the Township in satisfying its affordable housing obligation and will be included as part of the Township's Fourth Round Housing Element and Fair Share Plan (hereinafter "Fourth Round Affordable Housing Plan"); and

WHEREAS, the Township and the Developer have agreed to enter into this comprehensive Development Agreement, setting forth the terms, conditions, responsibilities and obligations of the Parties; and

WHEREAS, the Developer agrees to implement the Project in accordance with the relevant terms and conditions of this Agreement; and

**NOW, THEREFORE**, in consideration of the promises, the mutual obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties hereto agree as follows:

#### **ARTICLE I - PURPOSE**

1.1 The purpose of this Agreement is to create a realistic opportunity for the creation of seventy-five (75) family rental affordable units to low and moderate income households at the Property. Included within the 75 units shall be a two-bedroom unit for the superintendent of the Project. Notwithstanding anything to the contrary in this Agreement, this unit shall not be income restricted.

1.2 The purpose of this Agreement is also to ensure that said units described in section 1.1 are creditworthy and can be counted toward the Township's affordable housing obligations.

#### **ARTICLE II - BASIC TERMS**

2.1 The "Subject Property": The subject Property is an approximately 9.42 acre site located at 16 Stafford Ave and is identified on the Township's tax map as Block 1013, Lots 32 & 33.

**2.2** The "Project": The Project will consist of seventy-five (75) family rental units, all of which will be affordable to very low, low and moderate-income households.

### **ARTICLE III - DEVELOPER'S OBLIGATIONS**

3.1 Obligation To Develop Subject Property In Accordance With Various Requirements: The Developer will develop a 75-unit project on a parcel of land constituting of approximately 9.42 acres on a site identified as Block 1013, Lots 32 & 33 on the Township's tax map. The Project will consist of seventy-five (75) one hundred percent affordable family rental units. The Developer agrees, at its sole cost and expense, to develop the Subject Property in accordance with (a) the Concept Plan attached hereto as Exhibit A; (b) the requirements of the Overlay Zone attached hereto as Exhibit B; (c) any developmental approvals by the Egg Harbor Township Planning Board; (d) any other applicable governmental approvals, and (e) the terms and conditions of this Agreement.

3.2 Obligation To Ensure That The Site Is Suitable For The Project: The Developer will ensure that the site is suitable for the Project in accordance with the Township's JOR Order, the Township's Affordable Housing Ordinance, the FSHC Settlement Agreement as may or may not be amended, the Township's to be adopted and endorsed Fourth Round Affordable Housing Plan, the Fair Housing Act, all applicable COAH, DCA, and UHAC regulations, NJDEP regulations, and any and all other applicable rules or regulations. This includes, but is not limited to, ensuring that the site is developed in accordance with the New Jersey Residential Site Improvement Standards ("RSIS"), N.J.A.C. 5:21-1.1 et seq.

3.3 Obligation To Develop In Accordance With Local And State Planning Approval: Developer shall be obligated to obtain all necessary governmental approvals, including Planning Board approvals, which shall be acquired before commencement of construction on the Project. The Developer shall submit applications for all necessary preliminary and final site plan approvals to the Planning Board in accordance with Municipal Ordinances, the MLUL, and the Overlay Zone subject to any variances or waivers granted by the Planning Board, which is attached hereto as Exhibit B. Developer agrees that all approvals shall be subject to full satisfaction of the terms and requirements of this Agreement.

3.4 Obligation To Provide Creditworthy Units And Maintain The Creditworthiness Of The Units: The Developer shall ensure that the Project results in the construction of seventy-five (75) creditworthy affordable family rental units, or such lesser number of units as the Planning Board may approve (plus any applicable bonus credits), to be used by the Township in addressing its current and/or future Mount Laurel affordable housing obligations. Throughout this Agreement, the term "creditworthy" or "creditworthiness" shall be deemed to mean that the units are in compliance with COAH regulations in effect as of the date of this Agreement. Developer shall ensure that all units constructed on the Subject Property shall comply and comport with all applicable regulations, including but not limited to (a) the Township's Affordable Housing Ordinance; (b) all applicable COAH/DCA regulations; (b) all applicable Uniform Housing Affordability Controls ("UHAC")(N.J.A.C. 5:80-26.1 et seq.) regulations; (c) the Township's Fourth Round Affordable Housing Plan; (d) the Fair Housing Act; and (e) such other regulations as may apply. The Parties acknowledge that these regulations address, among other things, bedroom distribution requirements, very low/low/moderate income split

requirements, pricing requirements, marketing requirements, screening requirements, re-rental requirements and deed restriction requirements as follows, subject to any applicable changes in regulations as may apply to this project:

(a) Deed Restriction Period: The Developer shall have an obligation to deed restrict the affordable units in the Project as very low, low or moderate-income affordable units for a period of at least forty (40) years from the date of the initial certificate of occupancy is issued for each affordable unit (the "Deed-Restriction Period"), so that the Township may count each affordable unit against its obligation to provide family rental affordable housing. The affordable units shall be subject to the Deed Restriction Period, unless and until the Township, in accordance with applicable law, extends or releases the controls on affordability. If the Township should choose not to extend the controls and takes action to release the controls, the affordability controls shall remain in effect until the date on which a rental unit shall become vacant, provided that the occupant household continues to earn a gross annual income of less than 80 percent of the applicable median income. See N.J.A.C. 5:80-26.11(b). If, at any time after the end of the Deed-Restriction Period after the date of initial occupancy, a rental household's income is found to exceed 80 percent of the regional median income, the rental rate restriction shall expire either at the next scheduled lease renewal or sixty (60) days later, whichever is later. See Ibid. The term family rental in this Agreement means rental units that are not age restricted.

(b) <u>Deed Restriction</u>: The Developer shall execute and record a Deed Restriction in a form not inconsistent with the prevailing UHAC regulations and approved by the Township before the first Certificate of Occupancy is issued for the Inclusionary Development. The Deed Restriction will be recorded in the Atlantic County Clerk's office. If this Project is financed with Low Income Housing Tax Credits, then an HMFA required deed restriction shall also be provided.

(c) Income Distribution Requirements: The affordable units shall be split between verylow income, low-income and moderate-income units. Pursuant to N.J.S.A. 52:27D- 329.1, no less than thirteen percent (13%) of the affordable housing units of each bedroom type shall be reserved as very low-income housing units, as such term is defined in N.J.S.A. 52:27D-304 and the UHAC. No less than thirty-seven percent (37%) of the Affordable Units of each bedroom type shall be available as low-income housing units and no less than fifty percent (50%) of the Affordable Units of each bedroom type shall be available as moderate-income housing units, as such terms are defined in N.J.S.A. 52:27D-304 and the UHAC. If seventy-five (75) affordable units are constructed the income mix will be as follows: Ten (10) very low-income units, twenty-eight (28) low-income units and thirtyseven (37) moderate-income units.

(d) <u>Bedroom Mix</u>: The Developer will ensure that no more than fifty percent ("50%") of the 75 affordable units will be affordable to moderate income households, thirty seven percent ("37%") of the 75 affordable units will be affordable to low income households and thirteen percent ("13%") of the 75 affordable units will be affordable to very low income households.

(e) <u>Adaptability Requirements</u>: All affordable units shall be adaptable in conformance with N.J.S.A. 52:27D-311a-311b, and all other applicable laws.

(f) <u>Other Affordable Housing Unit Requirements</u>: The Developer will also comply with all of the other requirements of UHAC and the Township's Affordable Housing Ordinance, including, but not limited to: (1) affirmative marketing requirements and (2) candidate qualification and screening requirements.

(g) Applicability of Recent Amendments to UHAC: the Parties agree that the credits arising from this project will be credited towards the Township's Gap + Round 3 affordable housing obligation (1999-2025) or the Township's Fourth Round Obligation (2025-2035) at the Township's discretion. On December 19, 2024, the NJ HMFA adopted significant amendments to the UHAC regulations by emergency action. Some of the requirements listed in subparagraphs (a) through (f) above are not affected by these recent amendments; however, it is the responsibility of the Developer to ensure compliance with all applicable UHAC regulations to ensure creditworthiness of each unit toward the Township's affordable housing obligations, including, if necessary, an application to the Program for waiver from the new UHAC provisions.

(g) <u>Administrative Agent</u>: The Developer shall contract with a qualified and experienced third-party Administrative Agent, which may be the Township's Administrative Agent, for the administration of the affordable units and shall have the obligation to pay all costs associated with properly deed restricting the affordable units in accordance with this Agreement for the Deed-Restriction Period. The Developer and the Developer's Administrative Agent shall work with the Township and the Township's Administrative Agent regarding any affordable housing monitoring requirements imposed by COAH or the Court. In that event, the Developer and/or the Developer's Administrative Agent shall provide, within thirty (30) days after written notice, detailed information reasonably requested by the Township or the Township's Administrative Agent concerning the Developer's Compliance with UHAC, the Township's Affordable Housing Ordinance, the Township's JOR Order), and other applicable laws.

(h) <u>Inclusion of Affordable Units in the Township's Fourth Round Housing Element and</u> <u>Fair Share Plan</u>: The Parties agree that all of the affordable units in the Project will be included in the Township's Fourth Round Housing Element and Fair Share Plan, but said units may be counted towards the Township's Prior Round, Third Round, or Fourth Round obligations at the Township's discretion. The Township's Fourth Round Housing Element and Fair Share Plan will be approved by the Program and/or a court.

3.5 Obligation To Bear All Expenses Associated With Creating and Maintaining Creditworthy Units. The Township shall have no financial obligations under this provision to assure the creditworthiness of the units, and all associated expenses shall be solely borne by the Developer, its successors, or assigns.

**3.6 Obligation To Cooperate With The Township In Its Efforts To Monitor The Units:** The Parties acknowledge that the Township, or the Township's Administrative Agent, may

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have the obligation from time to time to generate information necessary to demonstrate the status of and the creditworthiness of the affordable units in the Project. Developer, or the Developer's Administrative Agent, will cooperate with the Township, or the Township's Administrative Agent, on all monitoring and reporting requirements.

3.7 Obligation to Provide Infrastructure and Other Improvements: Except as set forth in Section 4.6 below, Developer will design and construct all infrastructure and other improvements necessitated by the Project in a workmanlike manner and in accordance with all applicable laws and regulations, as well as the requirements of the Overlay Zone attached hereto as Exhibit B. Developer acknowledges that such infrastructure improvements may include, but are not limited to, road improvements, walkways, storm water facilities, sidewalks, electric power transmission lines, sewer transmission conduits or pipes, water lines or pipes, storm sewers, telephone transmission lines, television/internet cable lines and other utilities. The Developer agrees that it is solely responsible to undertake the appropriate measure to negotiate with, acquire, relocate or otherwise address the existence of these utilities and infrastructure or other improvements and easements therefore, in order to complete the Project as provided by this Agreement.

3.8 Obligation to Enter PILOT Agreement At Specific Rate: Developer's obligations contained in this Agreement are expressly conditioned upon the execution of a mutually acceptable Agreement for Payment in Lieu of Taxes(hereinafter "PILOT"), providing for five percent (5%) of the Project's annual gross revenue less utilities as a payment in lieu of taxes pursuant to the authority contained in Section 37 of the New Jersey Housing and Mortgage Finance Agency Law of 1983 (<u>N.J.S.A.</u> 55:14K-1 et seq.)(the "HMFA Law") with the approval of the New Jersey Housing and Mortgage Finance Agency, as required by <u>N.J.S.A.</u> 55:14K-37 or other New Jersey law that authorizes the PILOT agreement with respect to the Project.

**3.9 Obligation To Obtain A Certificate of Completion**: The Developer shall be responsible to obtain, from the Township, a Certificate of Completion as set forth *infra* in Section 4.5.

**3.10** Obligation To Lease Units In Manner That Maintains Their Creditworthiness: The Developer, including its successors and assigns, shall have the continuing responsibility to lease the units in accordance with applicable Federal, State, and local laws for at least forty (40) years and maintain the <u>Mount Laurel</u> creditworthiness of the units. In the event of any breach of this continuing responsibility, the Township shall have all remedies available in equity and law

**3.11** Financing and Acquisition Contingency. Notwithstanding anything to the contrary in this Agreement, this Agreement is contingent upon (a) Developer obtaining financing for Developer's acquisition and construction of the Project, and (b) Developer's acquisition of title to the Property.

### **ARTICLE IV - OBLIGATIONS OF THE TOWNSHIP**

4.1 Obligation Of Township To Appoint Egg Harbor Family 3 LLC As The Developer Of The Subject Property: Egg Harbor Family 3 LLC is hereby designated as Developer of the Property and shall have the exclusive right to develop and implement the Project

in accordance with the terms and conditions of this Agreement. Subject to Section 9.9 herein, Developer may not assign or transfer these rights or responsibilities without the prior written authorization of the Township.

**4.2 Obligation to Provide A PILOT**: Subject to appropriate notice to the public and the public's opportunity to be heard, and consistent with Section 3.9 of this Agreement, the Township shall execute an Agreement for Payment in Lieu of Taxes.

**4.3 Obligation To Waive Specified Fees**: The Township shall contribute the Township-controlled Inspection Fee, Building Permit Fees and Recreation Fee as part of an agreed upon total contribution by the Township from its Affordable Housing Trust Fund. Specifically, the contribution of said fees is limited to the cost of Township's "in-house personnel" and municipal permit fees. Any fees or costs associated with inspections, reviews undertaken or permits by outside professionals, consultants, or contractors to the Township will be paid by the Developer. In addition, the contribution of the Recreation Fee is contingent upon the Developer providing on-site recreation for the families who will live in the Project in accordance with attached Exhibit A. The Parties will cooperate to determine the value of such contributions set forth in this Section.

4.4 Obligation To Assist Developer In Pursuing Tax Credits and Provide Financing. The Township shall adopt resolutions and take other appropriate actions to provide the support required to facilitate Developer's efforts to secure the funding from non-municipal sources necessary to assist the economic feasibility of the Project. The Township will work with the Developer in preparing an eligible and competitive tax credit application. The Parties acknowledge that to be competitive, the Developer will need to demonstrate that it has established site control, secured preliminary and final site plan approval and entered into a PILOT consistent with this Agreement. The Township shall provide \$1,300,000 in financing to Developer for the Project from its Affordable Housing Trust Fund or through bonding on terms and conditions satisfactory to Developer, which financing shall be provided at the time of Developer's financial closing necessary to construct the Project.

4.5 Obligation To Provide A Certificate Of Completion Upon Satisfaction Of Responsibilities. The Township shall issue a certificate ("Certificate of Completion") in recordable form to Developer upon (i) the completion of the construction of the Project and satisfaction of its responsibilities under this Agreement, (ii) the obtaining of a Certificate of Occupancy, temporary or permanent, and proof that all labor, services, materials and supplies used in connection thereto have been paid for (or, if disputed, bonded for), and (iii) the issuance of an appropriate certification from an architect in a form deemed acceptable to the appropriate Township professional that the Project has been completed.

**4.6 Obligation To Pay Cost Of Connection Fee:** The Township agrees to pay as a contribution the Egg Harbor Township Municipal Utilities Authority connection fee on behalf of the Developer to assist in offsetting the development cost of the Project as part of an agreed upon total contribution by the Township from its Affordable Housing Trust Fund.

**4.7 Planning Board Contingency**: This Agreement is contingent upon Developer securing Planning Board approvals for the construction of the seventy-five (75) affordable units as described herein.

4.8 Obligation to Provide Evidence of inclusion of the Project in the Township's Fourth Round Housing Element and Fair Share Plan. The Township shall include this Project in its Fourth Round Housing Element and Fair Share Plan. The Township shall additionally provide such documentation as reasonably requested by the Developer to demonstrate in its funding applications that the Project will be included in the Township's Fourth Round Housing Element and Fair Share Plan as will be approved by the Program and/or a court of competent jurisdiction as set forth in the amended Fair Housing Act, AOC Directive #14-24, and all other applicable regulations or rules regarding same.

4.9 Obligation to Cooperate with the Developer to close on the construction and permanent financing. The Township shall provide such documentation as reasonably requested by the Developer in order to effectuate the financial closings necessary to construct the Project and upon completion to put in place the permanent financing. This documentation shall include but not be limited to providing estoppels certificates evidencing that the Developer is in good standing with respect to its performance in accordance with the terms of this Agreement.

**4.10** Obligation to Provide Funds to Purchase Mitigation Credits or Provide a Mitigation Site to NJDEP. This Agreement is contingent upon Developer securing approvals (collectively, the "CAFRA Approvals") from the New Jersey Department of Environmental Protection ("NJDEP") including, without limitation, CAFRA approval for the Project. In connection with the CAFRA Approvals, Developer will be required by NJDEP (the "NJDEP Requirement") to purchase mitigation credits from NJDEP (the "Mitigation Credits"). Prior to the financial closings necessary to construct the Project as referred to in Section 4.9 herein, the Township will provide funds to Developer to purchase the Mitigation Credits from the Affordable Housing Trust Fund.

### ARTICLE V – AFFORDABLE HOUSING CREDITS

**5.1** Application Of Affordable Housing Credits: The Parties agree that the Township shall be permitted to count the affordable housing units contemplated by this Agreement towards the Township's Prior Round Third Round, and/or Fourth Round affordable housing obligations, as well as any bonus credits that may be applicable to the project.

### ARTICLE VI- COOPERATION AND COMPLIANCE

6.1 Implementation of Agreement: The Parties agree to cooperate with each other and to provide all necessary and reasonable documentation, certificates, consents in order to satisfy the terms and conditions hereof and the terms and conditions of this Agreement. The Township's obligation to cooperate shall be further conditioned upon the Developer paying and maintaining current real estate taxes and ultimately the PILOT. 6.2 Enforcement of Agreement: The Parties hereto agree to cooperate with each other, furnish all necessary and reasonable documentation and take all necessary actions to assure compliance with the terms of this Agreement.

### ARTICLE VII – NOTICES

7.1 Notices: Any notice or transmittal of any document required, permitted or appropriate hereunder and/or any transmittal between the Parties relating to the Property (herein "Notice[s]") shall be written and shall be served upon the respective Parties by facsimile or by certified mail, return receipt requested, or recognized overnight or personal carrier such as, for example, Federal Express, with certified proof of receipt, and, where feasible (for example, any transmittal of less than fifty (50) pages), and in addition thereto, a facsimile delivery shall be provided. All Notices shall be deemed received upon the date of delivery set forth in such certified proof, and all times for performance based upon notice shall be from the date set forth therein. Delivery shall be effected 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 DEVELOPER:**

**Egg Harbor Family 3 LLC** 2 Cooper Street, 14<sup>th</sup> Floor Camden, NJ 08101 Attention: Mark Morgan, President Facsimile: (856) 988-5817

#### WITH COPIES TO:

Egg Harbor Family 3 LLC 2 Cooper Street, 14<sup>th</sup> Floor Camden, NJ 08101 Attention: Nicholas Cangelosi, Vice President Facsimile: (856) 797-8956

#### Arthur M Brown, Esquire

Levine, Staller, Sklar, Chan & Brown, P.A. 3030 Atlantic Avenue Atlantic City, NJ 08401 Facsimile: (609) 347-1166

### TO THE TOWNSHIP OF EGG HARBOR:

Eileen M. Tedesco, RMC, Municipal Clerk 3515 Bargaintown Road Egg Harbor Twp., NJ 08234 Facsimile: (609) 926-4104

**Thomas J. D'Intino**, Township Administrator 3515 Bargaintown Road Egg Harbor Twp., NJ 08234 Facsimile: (609) 926-4002

WITH COPIES TO:	Erik C. Nolan, Esq., Special Counsel	
	Surenian, Edwards, Buzak & Nolan, LLC	
	311 Broadway, Suite A	
	Point Pleasant Beach, NJ 08742	
	Facsimile: (732) 612-3101	
то:	Marc Friedman, Esq., Township Attorney	
	616 West Ocean Heights Avenue	
	Linwood, New Jersey 08221	
	Facsimile: (609) 601-0999	

Notices may be given by a party's attorney to the other party. In the event any of the individuals identified above has a successor, the individual identified shall name the successor and notify all others identified of their successor.

### ARTICLE VIII – MISCELLANEOUS

**8.1** Severability: 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.

**8.2** Successors Bound: The provisions of this Agreement shall run with the land, and the obligations and benefits hereunder shall be binding upon and inure to the benefit of the Parties, their successors and assigns, including any person, corporation, partnership or other legal entity which at any particular time may have a fee title interest in the Property which is the subject of this Agreement.

**8.3** Governing Law: This Agreement shall be governed by and construed by the laws of the State of New Jersey.

**8.4** No Modification: This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.

**8.5 Recording**: It is intended that this Agreement will be recorded in the Clerk's Office of Atlantic County by the Developer.

**8.6** Counterparts: 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.

**8.7** Voluntary Agreement: 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.

**8.8** Interpretation: In the event of any subsequent dispute or ambiguity involving the interpretation of this Agreement, inasmuch as both Parties and their attorneys have had substantial input into the terms and conditions contained herein, this Agreement shall not be interpreted against either Party.

**8.9** Assignment: None of the Parties may assign this Agreement without the written consent of the other Parties. Furthermore, the Developer may, upon advance notice to the Township, but without consent of Township, assign this Agreement to other existing or to be created entities that are owned or controlled by the Developer.

### ARTICLE IX – TOWNSHIP TERMINATION RIGHTS

**9.1** Additional Termination Rights of Township. In addition to the rights and remedies set forth in this Agreement, the Township shall have the right to terminate this Agreement upon written notice to Developer, notwithstanding the occurrence of an uncontrollable circumstance or an Event of Default described below, if Developer has not commenced construction of the Project within five years of the approval of this Agreement by the Court, unless extended by the Parties and consistent with the time extension provisions and criteria of the Municipal Land Use Law at N.J.S.A. 40:55D-49.

### **ARTICLE X - EVENTS OF DEFAULT AND REMEDIES**

10.1 Events of Default. Any one or more of the following shall constitute an Event of Default hereunder, unless such event results from the occurrence of an uncontrollable circumstance, such as an act of God (lightning, blizzards, hurricanes, etc.), man-made disasters (an explosion, nuclear radiation, etc.), a Federal or State court order, a delay caused by not getting a governmental approval, or a strike or similar labor action:

(a) Failure of the Developer or the Township to observe and perform any covenant, condition or agreement in this Agreement and continuance of such failure for a period of thirty (30) days, after receipt by the Party of written notice from the other Party specifying the nature of such failure and requesting that such failure be remedied ("Default Notice"); provided however that in the event any such default is not capable of being cured within said period, then provided that the defaulting Party has diligently commenced a cure within such period, the cure period shall be extended for an additional period of time necessary to allow Developer to effect the cure.

(b) The Developer shall have applied for or consented to the appointment of a custodian, receiver, trustee or liquidator of all or a substantial part of its assets; (ii) a custodian shall have been legally appointed with or without consent of the Developer; (iii) the Developer (A) has made a general assignment for the benefit of creditors, or (B) has filed a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement with creditors or has taken advantage of any insolvency law; (iv) the Developer has filed an answer admitting the material allegations of a petition in any bankruptcy or insolvency proceeding; or (v) the Developer shall take any action for the purpose of effecting any of the foregoing; (vi) a petition in bankruptcy shall have been filed against the Developer and shall not have been entered with respect to or for the benefit of the Developer under the Bankruptcy Code; or (viii) an order, judgment or decree shall have been

entered, without the application, approval or consent of the Developer by any court of competent jurisdiction appointing a receiver, trustee, custodian or liquidator of the Developer or a substantial part of its assets and such order, judgment or decree shall have continued un-stayed and in effect for any period of sixty (60) consecutive days.

(c) The Developer shall fail to satisfy its obligations with respect to the timely construction of the Project in accordance with this Agreement, following the issuance of any Governmental Approvals required to do so, or shall abandon or substantially suspend construction work, and any such failure, abandonment or suspension shall not be cured, ended, or remedied within ninety (90) days after receipt of the Default Notice from the Township, provided, however, if the default or violation is one which cannot be completely remedied within ninety (90) days after receipt of the Default Notice, it shall not be an Event of Default as long as the defaulting party is proceeding with due diligence to remedy the same.

(d) The Developer shall otherwise default in or violate its obligations with respect to this Agreement and any such default or violation shall not be cured, ended, or remedied within thirty (30) days after receipt of the Default Notice from the Township; provided however that in the event any such default is not capable of being cured within said period, then provided that Developer has diligently commenced a cure within such period, the cure period shall be extended for an additional period of time necessary to allow Developer to effect the cure.

(e) The Developer or any successor Developer shall fail to pay any real estate taxes as required by the PILOT Agreement or assessments with respect to the Site.

(f) The occurrence of any action or inaction by the Developer which nullifies, terminates, delays or endangers compliance for any of the residential units within the Project or the Township's entitlement to credits and rental bonuses for all of the units contemplated by this Agreement and any such default, nullification, termination, delay, endangerment or violation shall not be cured, ended, or remedied within thirty (30) days after receipt of the Default Notice from the Township; provided however that in the event any such default is not capable of being cured within said period, then provided that Developer has diligently commenced a cure within such period, the cure period shall be extended for an additional period of time necessary to allow Developer to effect the cure.

(g) The Developer shall not implement a Transfer of the Project without the prior written consent of the Township, which consent shall not be unreasonably withheld.

### 10.2 Remedies Upon Event of Default:

(a) Termination or Institution of Lawsuit. In the event of an Event of Default by any Party hereto, the non-defaulting Party shall provide notice of the default to the other Party. The Party accused of default shall have 30 days either to agree or dispute the claim of default. If the Party accused of default disputes the default, then the non-defaulting Party may terminate this Agreement upon a final un-appealable judgment of a Court having jurisdiction over this matter and/or may institute whatever action, at law or in equity, it may deem desirable, including the seeking of damages. (b) Additional Remedies in the Event of Default. In the event of an Event of Default, in addition to the right to terminate the Agreement, the Township may implement any or all of the following remedies:

(i) Suspension of cooperation with Developer pursuant to the terms of this Agreement;

(ii) Suspension of the review and/or approval process of any application or submission related to any Governmental Approvals;

(c) Additional Remedies of the Township in the Event of Termination of the Agreement. In the event that this Agreement is terminated by the Township, the Developer's designation as the Developer of the Project shall in that event automatically terminate.

10.3 No Waiver of Rights and Remedies by Delay: Any delay by an aggrieved Party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights under this Agreement shall not operate as a waiver of such rights and shall not deprive the aggrieved Party of such rights or limit the aggrieved Party's rights in any way. It is the intent of this provision that the Parties' rights under this Agreement shall not be unduly abridged by concepts of waiver, laches, or otherwise, so that the Parties may enforce their rights while it is still possible to resolve the problems created by the default involved. Nor shall any waiver in fact made by the aggrieved Party with respect to any specific default by the defaulting Party under this Agreement be considered or treated as a waiver of the rights of the aggrieved Party with respect to any other defaults by the defaulting Party under this Agreement or with respect to the particular default except to the extent specifically waived in writing

**11.4 Termination by Developer due to Infeasibility**: Upon sixty (60) day notice by the Developer to the Township, the Developer may terminate this Agreement due to its reasonable determination that the Project is not feasible. The Developer shall make such a determination if despite its best efforts the following conditions exist:

a) That the Developer despite its best efforts and cooperation by the Township cannot obtain necessary funding sources to complete the Project as contemplated in this Agreement;

b) That environmental or other site conditions are discovered that render Project completion infeasible;

c) The costs and time of prevailing in a legal action challenging the granting of approvals necessary for the implementation of the Project become prohibitive.

In the event that the Developer issues to the Township a notice that the Project is infeasible, the Parties shall cooperate in good faith to secure additional funding or to remedy the condition that renders the Project infeasible during the notice period (or such extension as agreed to by the Developer). In the event that after such period, the Project remains infeasible, this Agreement shall terminate and each party shall have no further obligations to the other in connection with this Agreement.

### ARTICLE XI - EXHIBITS AND SCHEDULES

11.1 Schedules: 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.

### **ARTICLE XII - ENTIRE AGREEMENT**

12.1 Entire Agreement: 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.

### **ARTICLE XIII - CONFLICT OF INTEREST**

**13.1** Conflict of Interest: 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.

### **ARTICLE XIV - EFFECTIVE DATE**

14.1 Effective Date: 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.

#### [SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be properly executed and their corporate seals where applicable) affixed and attested to this 28th day of \_\_\_\_\_\_\_, 2025.

By:

Witness/Attest:

Egg Harbor Family 3 LLC By: Egg Harbor Family 3-Michaels LLC, its Managing Member

Morgan, President

Catherine A. Dated: May 23' 2025

Witness/Attest:

edesco Ruc Dated: 2025

Township of Egg Harbor

By: aura Pfrommer Mayor

ATL-L-000162-25 06/17/2025 1:37:40 PM Pg 127 of 158 Trans ID: LCV20251781283

# EXHIBIT A

# **Concept Plan**

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## EXHIBIT B

# **Overlay Zone**

APPENDIX E – Timber Ridge Redevelopment Plan

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# **Egg Harbor Township**

**Ordinance No. 47** 

### 2022

# An ordinance to amend the Code of the Township of Egg Harbor, Chapter 225, entitled "Zoning" specifically Section 225-99 entitled "Timber Ridge Redevelopment Area"

**BE IT ORDAINED,** by the Township Committee of the Township of Egg Harbor, County of Atlantic and State of New Jersey as follows:

**SECTION 1**: Chapter 225 of the Code of the Township of Egg Harbor, **Section 225-99** entitled "Timber Ridge Redevelopment Area" is hereby amended by deleting section **A.** in its entirety and replacing it as follows:

### §225-99. Timber Ridge Redevelopment Area.

A. Pursuant to N.J.S.A. 40A:12A-7 d., the document entitled Timber Ridge Redevelopment Plan, Black Horse Pike, Block 1223, Lots 5, 6 and 8 & Block 1305, Lot 7, prepared by Polistina & Associates (dated September, 2022), is found to be consistent with the Egg Harbor Township Master Plan, as updated via Reexamination through 2017.

**SECTION 2**: All ordinances and parts of Ordinances inconsistent with the provisions of this ordinance are, to the extent of such inconsistency, hereby repealed.

**SECTION 3**: Should any section, clause, sentence, phrase or provision of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, such decision shall not affect the remaining portions of this ordinance.

**SECTION 4**: This Ordinance shall become effective immediately upon final passage, adoption and publication in the manner prescribed by law.

NOTICE IS HEREBY GIVEN THAT THE FOREGOING ORDINANCE WAS INTRODUCED AT A MEETING OF THE TOWNSHIP COMMITTEE OF EGG HARBOR TOWNSHIP, IN THE COUNTY OF ATLANTIC, STATE OF NEW JERSEY, HELD OCTOBER 5, 2022, AND WILL BE FURTHER CONSIDERED FOR FINAL PASSAGE AFTER A PUBLIC HEARING THEREON AT A REGULAR MEETING OF SAID TOWNSHIP COMMITTEE TO BE HELD AT TOWN HALL, IN SAID TOWNSHIP ON NOVEMBER 2, 2022.

Dated: October 5, 2022

Eileen M. Tedesco, RMC Township Clerk ATL-L-000162-25 06/17/2025 1:37:40 PM Pg 132 of 158 Trans ID: LCV20251781283

# TOWNSHIP OF EGG HARBOR ATLANTIC COUNTY



## TIMBER RIDGE REDEVELOPMENT PLAN

### BLACK HORSE PIKE BLOCK 1223, LOTS 5, 6 & 8 BLOCK 1305, LOT 7

Prepared for: Egg Harbor Township Planning Board



### September, 2022 PA# 2000.39

Recommended by the Planning Board by Resolution # \_\_\_, adopted on \_\_\_\_; Adopted by the Governing Body by Ordinance # \_\_ on \_\_\_; Certified by the Pinelands Commission on \_\_\_\_.

Prepared by:



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## **Timber Ridge Redevelopment Plan**

6602 & 6606 BLACK HORSE PIKE 2509 & 2512 SPRUCE AVENUE BLOCK 1223, LOTS 5, 6 & 8 BLOCK 1305, LOT 7

Prepared For: Egg Harbor Township Committee & Planning Board 3515 Bargaintown Road Egg Harbor Township, New Jersey 08234

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### **EXECUTIVE SUMMARY**

The Redevelopment Area includes three tax parcels, Lots 5, 6 and 8 in Block 1223, located in the Township's HB Highway Business zoning district and one parcel, Lot 7 in Block 1305, located in the RG-4 Residential zoning district. The parcels in Block 1223 are bounded by the Black Horse Pike, Spruce Avenue and Fork Road. A total of 4 tax lots, with a total area of 48.45 acres, comprise the Redevelopment Area. To the east of the Redevelopment Area, there are existing commercial businesses, including Bob's Garden Center. The lots to the west of the Redevelopment Area along the Black Horse Pike are a mix of commercial businesses. To the north of the Redevelopment Area, there are residentially developed lots and the Davenport School and the Atlantic City Expressway. The lots to the south of the Redevelopment Area are commercially developed lots along the Black Horse Pike.

Based on the uses permitted and the state of existing uses, this area of the Township has been underutilized. The Township of Egg Harbor recognizes the importance of improving this area and has taken steps to study and effectuate the improved development of the area. On April 19, 2021, the Egg Harbor Township Planning Board held a public hearing and determined that the Study Area, Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7, qualifies as an "Area in need of Redevelopment" as memorialized by unnumbered Resolution. The Township adopted the Planning Board's determination by Resolution No. 247 on May 5, 2021. The designation of a Non-condemnation Redevelopment Area permits the Township of Egg Harbor to use all the powers provided for in the Local Redevelopment and Housing Law, except that the use of eminent domain shall not be permitted.

The Township has determined that use of the redevelopment planning tools will help to strengthen the Township's economic base by improving the conditions and redevelopment opportunities in the in the Highway Business and RG-4 Residential zoning districts. Block 1223, Lot 5, 6 & 8 and Block 1305, Lot 7 are underutilized and offer the Township an opportunity to spur economic revitalization to effectuate the goals of the Township's Highway Business and RG-4 Residential zoning districts. Therefore, Egg Harbor Township Planning Board has prepared this Redevelopment Plan for consideration and adoption by the Egg Harbor Township Committee.

This Redevelopment Plan aims to support redevelopment of the vacant parcels with a mixed-use development consisting of commercial development along the Black Horse Pike and a residential development consisting of garden apartments along Spruce Avenue. The site is currently vacant and has been determined to be an "Area in Need of Redevelopment" since it has remained vacant for a significant period of time despite the investment and improvements nearby. The commercial and residential developments will enhance the local area and benefit the community.

This Redevelopment Plan is designed specifically for the Properties located at 6602 & 6606 Black Horse Pike and 2509 & 2512 Spruce Avenue, also known as Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7, hereafter referred to as the "Timber Ridge Redevelopment Plan."

Redevelopment Plan - Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7

## INTRODUCTION

### Egg Harbor Township

Egg Harbor Township is located on the Great Egg Harbor Bay at the southern tip of Atlantic County, New Jersey. Per the 2010 United States Census, the Township's population was 43,323, reflecting an increase of 12,597 (+41.0 percent) from the 30,726 counted in the 2000 Census, which had in turn increased by 6,182 (+25.2 percent) from the 24,544 counted in the 1990 Census. Since 2010, the population is estimated to have declined slightly to 42,249 as of 2019.

The Township is bordered by the Great Egg Harbor Bay to the south, Hamilton Township to the west, Galloway Township and the City of Absecon to the north and Absecon Island to the east. Portions of the Township, notably the West Atlantic City, Anchorage Poynte and Seaview Harbor neighborhoods, are not contiguous to the main body of the municipality, having been separated from the mainland portion of the Township as the region's municipalities were formed in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries.

Egg Harbor Township includes the unincorporated villages of Bargaintown (the Township's seat of government), Cardiff, English Creek, Farmington, Scullville (formerly known as Jeffers), Steelmanville and West Atlantic City, as well as part of McKee City. Other localities and place names located partially or completely within the Township include Devenshire, English Creek Landing, Greenwood, Idlewood, Jeffers Landing, Jobs Point, Jones Island, McKee City Station, Mount Calvary, Pleasantville Terrace, Pork Island, Rainbow Islands and Sculls Landing.

The Township is one of 56 New Jersey municipalities that are partially or wholly located within the regulated New Jersey Pinelands Area and the Pinelands National Reserve. The Pinelands Area is a protected natural area of unique ecology and water quality covering 1,100,000 acres, that was established as the nation's first national reserve by an act of Congress in 1978. The Pinelands has also been classified as a United States Biosphere Reserve. The Pinelands Comprehensive Management Plan provides the foundations for land use planning within the Pinelands Area and includes seven management areas. The Township is designated a Pinelands Regional Growth Area with the Pinelands Area located west of the Garden State Parkway and north of Ocean Heights Avenue.

### Redevelopment Area - Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7

The Township Committee of Egg Harbor Township adopted Resolution No. 116 on February 3, 2021 authorizing the Planning Board to undertake an investigation of the Study Area, Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7 to determine if it meets the criteria under the New Jersey Local Redevelopment and Housing Law - <u>N.J.S.A.</u> 40A:12A-1 et seq. (LRHL) as an area in need of redevelopment.

The Egg Harbor Township Planning Board held a public hearing and determined that the above mentioned parcel satisfied the criteria under the LRHL as an area in need of redevelopment by an unnumbered Resolution adopted on April 19, 2021. The Township Committee adopted the Planning Board's determination by Resolution No. 247 of 2021 on May 5, 2021.

## DESCRIPTION OF REDEVELOPMENT AREA

This report focuses on Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7, hereafter "Redevelopment Area." The Redevelopment Area consists of the four vacant parcels with frontage on the Black Horse Pike and Spruce Avenue.

Lot 5 in Block 1223 is a 18.71 acre parcel located in the HB Highway Business zoning district. The lot has frontage on the Black Horse Pike and Fork Road. The lot also has



approximately 73 feet of frontage on Goldenrod Lane. The lot is currently wooded and vacant.

Lot 6 in Block 1223 is a 17.33 parcel located in the HB Highway Business zoning district. The lot has frontage on the Black Horse Pike and Spruce Avenue. The lot is currently wooded and vacant.

Lot 8 in Block 1223 is a 5.74 acre parcel located in the HB Highway Business zoning district. The lot has frontage on Spruce Avenue. The lot is wooded and vacant.

Lot 7 in Block 1305 is a 6.67 acre parcel located in the RG-4 Residential zoning district. The lot has frontage on Spruce Avenue. The lot is adjacent to an existing single-family development. The lot is wooded and vacant.

### **EXISTING ZONING REQUIREMENTS**

The Redevelopment Area includes Block 1223, Lot 5, 6 & 8 located in the Township's Highway Business zoning district and Block 1305, Lot 7 located in the RG-4 Residential zoning district.

The intent and purpose of the Highway Business Zone is to provide and encourage the development of commercial uses along the Black Horse Pike to provide services to the

residents and those traveling through Egg Harbor Township. The permitted uses in the HB zoning district include restaurants, including drive-in and quick-food restaurants; professional or business offices; banks; private or public schools, clubs and eleemosynary uses; food markets and supermarkets, delicatessens, bakeries; liquor stores; personal service establishments limited to shoe shops, laundries, barbershops, beauty parlors, hardware shops and drugstores; business services limited to shops of plumbers, carpenters, electricians, painters or similar tradesmen; warehouses and office buildings; furniture, furnishings and household appliance stores; commercial recreation facilities, including outdoor and indoor theaters, miniature golf and golf driving ranges, batting cages, bowling alleys, indoor soccer, skating rinks and other similar uses; funeral homes; shopping centers; banks chartered under state or federal law, not including drive-in facilities; retail sales and retail services; personal wireless telecommunications facility not to exceed 120 feet in height; car wash; home improvement stores, including the sale of building materials and lumber; fast-food restaurants; drive-in banking facilities; and a public garage, new motor sales or leasing agency or used motor vehicle sales agency (provided that it is incidental to the sale of new motor vehicles).

The intent and purpose of the RG-4 Residential zoning district is to provide residential development within in the Pineland's Regional Growth Area at a maximum permitted density of six (6) dwelling units per acre. The permitted uses in the RG-4 Residential zoning district include single-family detached dwellings; public parks, playgrounds, active and passive recreation; and two-family dwellings. Single-family attached dwellings are permitted in the RG-4 zoning district providing that the minimum tract size is three acres, no single-family attached dwelling will front on a public street, a ten-foot wide perimeter buffer is provided, no more than eight (8) single-family attached dwellings shall be contained in any one continuous structure and public sewer must be provided.

Based on the current RG-4 zoning, a total of forty (40) units could be developed on Block 1305, Lot 7 based on the 6.67 acres at a density of six (6) units per acre. The RG-4 ordinance would also provide for a twenty percent (20%) set-aside for affordable housing units within the development or a total of eight (8) affordable units. The Timber Ridge redevelopment should include provisions for the eight (8) affordable units within the proposed plan.

Redeveloping the Study Area will be beneficial to the Township and overall community because the site is currently underutilized and is not currently contributing to the economic base of the Township.

## **REDEVELOPMENT PLAN GOALS AND OBJECTIVES**

The primary goal of this Redevelopment Plan is to strengthen the Township's economic base by improving and broadening redevelopment opportunities within the Redevelopment Area. Block 1223 Lots 5, 6 & 8 and Block 1305 Lot 7 are underutilized, are served by transportation routes, and have access to infrastructure and utilities. As such the property presents an opportunity for an economic revitalization and an opportunity to realize the goals of the Township's Highway Business and RG-4 Residential zoning districts.

## **REDEVELOPMENT PLAN**

The Redevelopment Plan is designed to address the redevelopment of the properties located at 6602 & 6606 Black Horse Pike and 2509 & 2512 Spruce Avenue, also known as Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7. This redevelopment area shall be referred to as the Timber Ridge Redevelopment Area.

### Definitions

The definitions provided in N.J.S.A. 40A:12A-3 are incorporated into this plan by reference. Further the definitions located in section 225-3 of the Township Code are also incorporated into the Redevelopment Plan.

### Land Use and Building Requirements

In order to effectuate the goals and objectives, it is necessary to create land use and building requirements applicable at the subject property. The new overlay district entitled "Timber Ridge Redevelopment Area Overlay District" as provided for in this redevelopment plan shall overlay the existing zoning and is applicable only for the designated redevelopers.

As required by N.J.S.A. 40A:12A-7c, the zoning map will be amended to include the "Timber Ridge Redevelopment Area Overlay District" for the subject properties.

All other design criteria specified in the Township Land Development Ordinance are applicable to the future development unless specifically modified below.

### **Timber Ridge Redevelopment Area Overlay District**

### A. Permitted Principal Uses:

- 1. Retail shops and retail services
- 2. Restaurants, including drive-thru and quick food restaurants
- 3. Professional and business offices

Redevelopment Plan - Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7

- 4. Medical offices, urgent care facilities, and other outpatient medical services
- 5. Banks
- 6. Food markets and supermarkets, delicatessens, bakeries
- 7. Liquor stores
- 8. Personal service establishments limited to shoe shops, laundries, barbershops, beauty parlors and salons, hardware shops, and pharmacies
- 9. Business services limited to shops of plumbers, carpenters, electricians and similar tradesmen
- 10. Commercial recreation facilities, including outdoor and indoor theaters, miniature golf and golf driving ranges, batting cages, bowling alleys, indoor soccer, skating rinks and other similar uses;
- 11. Shopping centers
- 12. Banks chartered under state or federal law, not including drive-in facilities

13. Fast-food restaurants with drive-through

- 14. Drive-through banking facilities
- 15. Car wash
- 16. Multifamily/Apartment Dwellings (Garden Apartments)
- B. **Permitted Accessory Uses:** Permitted accessory uses shall be uses and buildings customary and incidental to the principal use or building, including but not limited to:
  - 1. Personal wireless telecommunications equipment facility not to exceed fifteen feet (15') in height
  - 2. Recreational and community facilities and buildings including but not limited to: tennis courts, swimming pools, hot tubs, spas, basketball courts, shuffleboard courts, gyms, walking and jogging trails, playgrounds and tot lots, passive recreation space.
  - 3. Off street parking facilities to serve the development
  - 4. Electric vehicle charging facilities

- 5. Stormwater management facilities to serve the development
- 6. Loading spaces and facilities to serve the development
- 7. Signs to serve the development
- 8. Enclosures for trash and recyclables
- 9. Outdoor seating areas
- C. **Bulk Standards:** The following standards supersede and replace any such standards in the Township's Zoning Ordinance for redevelopment projects. All other design criteria of the Zoning Ordinance are applicable to future development unless specifically modified below.
  - 1. Commercial Development:
    - a. The minimum lot area designated for the commercial development shall be five (5) acres.
    - b. Minimum Lot Width 200 feet
    - c. Minimum Front Yard Setback to a State right of way 50 feet
    - d. Minimum Front Yard Setback to a Township right of way 50 feet
    - e. Minimum Rear Yard Setback 30 feet
    - f. Minimum Rear Yard Setback to a Residential Zone 35 feet
    - g. Minimum Side Yard Setback 20 feet
    - h. Minimum Side Yard Setback to a Residential Zone 25 feet
    - i. Maximum Building Height 45 feet
    - j. Maximum Impervious Coverage 70%
    - k. Minimum Gross Floor Area 2,500 square feet
    - 1. Minimum Distance Between Buildings 25 feet
  - 2. Garden Apartment Residential Development:

- a. The minimum lot area designated for the residential development shall be seven (7) acres.
- b. Apartments shall be oriented towards and primarily access from internal private roadways.
- c. Minimum Perimeter Buffer 20 feet
- d. Maximum Number of Units per Building 24 units
- e. Maximum Building Length 165 feet
- f. Number of Affordable Units 8 Units
- g. Maximum Density -4.5 dwelling units per gross acre. With a total area of 48.45 acres at a maximum density of 4.5 units per acre, the total number of market rate units will be 218. A total of eight (8) affordable units shall also be included within the development.
- h. Minimum Front Yard Setback 25 feet
- i. Minimum Rear Yard Setback 25 feet
- j. Maximum Impervious Coverage 50%
- k. Minimum Distance Between Buildings 50 feet
- 1. Maximum height 40 feet
- D. **Buffers and Landscaping:** The Applicant must comply with Chapter 94 Design Standards for buffers and landscaping unless modified herein.
- E. **Signage:** The Applicant must comply with Chapter 225-62.G for standards for signage for the residential component and Chapter 225-63 for signage for the commercial component of the project, unless modified herein.
- F. **Design Criteria:** The Applicant must comply with Chapter 94 Design Standards unless modified herein.
  - 1. The proposed development design shall be substantially similar to that depicted on the Overall Plan and Site Plan (2 sheets) prepared by Dixon Associates dated 7-25-2022, as included as Exhibit II.
  - 2. The building design shall be substantially similar to the elevations prepared by Donovan Architects dated 9-25-2019, relative to building height, façade treatments, windows and architectural features.

Redevelopment Plan - Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7

3. Curb and sidewalk shall be provided along the Spruce Avenue frontage and within the residential development.

Curb and sidewalk shall be provided along Fork Road as deemed necessary by the Planning Board in accordance with the Township Design Standards.

Curb and sidewalk along the Black Horse Pike frontage will be deferred until such time as the tenants for the commercial development are determined and uses for the adjacent parcels are determined. In lieu of constructing curb and sidewalk along the Black Horse Pike frontage, the developer will post a bond for the construction of curb and sidewalk along the Black Horse Pike frontage in an amount determined by the Planning Board Engineer. The bond shall be for a two (2) year period and will be renewed as necessary until such time as the curb and sidewalk is constructed.

- 4. All mechanical equipment shall be identified on the site plan and screened from view with evergreen landscaping or architectural fencing.
- 5. Pedestrian paths or sidewalk shall be designed to provide safe access from the residential buildings to the commercial buildings.

#### G. Parking:

- 1. Parking for the residential units shall be in accordance with the Residential Site Improvement Standards. For Garden Apartments, the following parking shall be provided:
  - a. One-Bedroom 1.8 spaces/unit
  - b. Two-Bedroom 2.0 spaces/unit
  - c. Three-Bedroom 2.1 spaces/unit
- 2. Parking for the commercial component of the development shall be as follows:
  - a. Restaurant: One (1) parking space per four (4) seats, includes employee parking
  - b. Retail: One (1) parking space for each two hundred (200) square foot gross floor area
  - c. Off-street parking for all other uses shall be provided in accordance with §225-56 Minimum Parking Requirements.

- 3. Minimum Parking Setbacks:
  - a. Minimum Front Yard Parking Setback to State Right of Way 20 feet
  - b. Minimum Front Yard Parking Setback to Township Right of Way 20 feet
  - c. Minimum Rear Yard Parking Setback 20 feet
  - d. Minimum Rear Yard Parking Setback to Residential Zone 30 feet
  - e. Minimum Side Yard Parking Setback 20 feet
  - f. Minimum Side Yard Parking Setback to Residential Zone 30 feet

#### H. General Requirements:

- 1. Within the commercial portion of the site, multiple buildings are permitted on one parcel of land when they are designed in a coordinated manner, under common ownership, and with shared maintenance, access, and parking.
- 2. Within the commercial portion of the site, subdivisions for financing or conveyance may be proposed without the need for variances that may result from the creation of internal lot lines as long as the commercial lots will be subject to cross access and parking easements and as long as the there is a common maintenance agreement among the commercial lots.
- 3. Eight (8) residential units shall be set-aside as affordable housing units in accordance with the Township Affordable Housing Requirements under §225-46.1 of the Township Ordinance.
- 4. Affordable housing units shall conform to the bedroom distribution requirements of the Uniform Housing and Affordability Controls (N.J.A.C. 5:80-26.1 et seq.).
- 5. Recreation amenities are required as set forth in Township Code section §94-28.
- 6. Recreation amenities shall be provided on site and may include the facilities set forth in section B(2) above. Consideration shall be given towards construction of a recreation center/community multipurpose building within the residential community. The community building and amenities should be within walking distance of most of the residents they are intended to serve and/or be accessible by bicycle.

7. The plans shall include an area for public transportation access including a bus shelter and benches, and if appropriate, a pull-off from the highway in coordination with New Jersey Department of Transportation to serve the site.

Construction of a bus shelter will be deferred until a decision regarding the curb and sidewalk construction along the Black Horse Pike is determined in accordance with Section F(3).

I. Site Plan Approval / Submission Criteria: All site plan / submission criteria is required unless modified herein.

#### J. Affordable Housing Requirements

- 1. Eight (8) residential units shall be set-aside as affordable housing units. The development is subject to the requirements of the Township Ordinance, including but not limited to, the income distribution and bedroom mix of the affordable units therein, and any other applicable regulations under the Uniform Housing and Affordability Controls (U.H.A.C.), (N.J.A.C. 5:80-26.1 et seq.).
- 2. All affordable housing units and shall be marketed and administered in accordance with the Township's Administrative Procedures Manual and Affirmative Marketing Plan in accordance with the requirements of U.H.A.C.
- 3. Construction and administration of all affordable housing units shall comply with the requirements of the Township Code, along with all U.H.A.C. requirements, except as modified by the terms of a Settlement Agreement between the Township and Fair Share Housing Center ("FHSC").
- 4. All non-residential development shall comply with the Statewide Non-Residential Development Fee Act, N.J.S.A. 40:55D-8.1 et seq., unless an exemption applies.
- K. **Public Electric Vehicle Charging Stations:** The Applicant shall provide proposed locations within the Timber Ridge Redevelopment District for public electric vehicle charging infrastructure within the project area in a manner that appropriately connects with an essential public charging network. This provision shall not require any redeveloper to install vehicle charging stations.
- L. **Pinelands Development Credits:** The redeveloper will be required to redeem Pinelands Development Credits for twenty-five (25%) of the total number of market rate units within the development. Based on the total of 218 market rate units, 55 rights (13.75 PDCs) must be purchased by the redeveloper.

M. **Clustering:** In order for the redeveloper to be able to provide some commercial space and open space as part of the development, the Township will allow clustering of the residential units within the development provided that the total of 226 units (218 market rate units and 8 affordable units) is not exceeded.

## **General Provisions**

The continued revitalization of this area is important to the Township. In order to facilitate the revitalization of these properties the following actions may be permissible under the plan:

- 1. The use of short term tax abatements or exemptions as authorized by State statute N.J.S.A. 40A:21-1 et seq. is permitted. The tax abatement or exemption program will encourage property owners to make improvements without suffering the initial cost associated with the increased assessment.
- 2. The use of long term tax exemptions as authorized by State statute N.J.S.A. 40A:20-1 et seq. is permitted. The long term tax exemption would permit a payment in-lieu of taxes (PILOT) for up to 30 years as determined and approved by the Township Committee acting as the Redevelopment Entity. In accordance with the statute, the long term exemption would apply to the value of the new improvements, not the value of the land.
- 3. Undertake redevelopment projects, and for this purpose issue bonds in accordance with the provisions of section 29 of P.L. 1992, c.79 (C.40A:12A-29).
- 4. Prepare or arrange by contract for the provision of professional services and the preparation of plans by registered architects, licensed professional engineers or planners, or other consultants for the carrying out of redevelopment projects.
- 5. Arrange or contract with public agencies or redevelopers for the planning, construction, or undertaking of any project or redevelopment work, or any part thereof; negotiate and collect revenue from a redeveloper to defray the costs of the redevelopment entity, including where applicable the costs incurred in conjunction with bonds, notes or other obligations issued by the redevelopment entity, and to secure payment of such revenue; as part of any such arrangement or contract, provide for extension of credit, or making of loans, to redevelopers to finance any project or redevelopment work, or upon a finding that the project or redevelopment work would not be undertaken but for the provision of financial assistance, or would not be undertaken in its intended scope without the provision of financial assistance, provide as part of an arrangement or contract for capital grants to redevelopers; and arrange or contract with public agencies or redevelopers for the opening, grading or closing of streets, roads, roadways, alleys, or other places or for the furnishing of facilities or for the acquisition by such agency of property options or property rights or for the furnishing of property or services in connection with a redevelopment area. (N.J.S.A. 40A:12A8).

6. Variances and/or waivers may be granted from any of the requirements set forth herein pursuant to the provisions of the Municipal Land Use Law in the reasonable discretion of the Planning or Zoning Board, with the exception of any deviations requiring a variance pursuant to N.J.S.A. 40:55D-70(d)(1) or a deviation to allow a use not specifically permitted with in the Redevelopment Area.

Any development that occurs within the Redevelopment Area shall comply with the following as required by N.J.S.A. 40A:12A-1 et seq.:

- 1. The Township of Egg Harbor and any redeveloper shall comply with all statutes of the State of New Jersey governing development and redevelopment including but not limited to N.J.S.A. 40:55D-1 et seq., and N.J.S.A. 40A:12A-1 et seq.
- 2. The Township of Egg Harbor or redeveloper shall agree to comply with all applicable application submission requirements, design standards and development regulations of the Township of Egg Harbor, County of Atlantic and State of New Jersey except where variances and waivers are properly approved. (N.J.S.A. 40A:12A-13 et seq).
- 3. The Township of Egg Harbor Planning Board shall review and approve all plans and specifications for development with respect to conformance with this Redevelopment Plan and the Municipal Land Use Law (N.J.S.A. 40:55D-1 et.seq.).
- 4. The redeveloper shall be required to furnish escrows and performance guarantees as required by the Township of Egg Harbor Planning Board. (N.J.S.A. 40:55D-53).
- 5. Any affordable housing obligations that may result from any development in the Area shall be addressed in accordance with the requirements of the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.), the rules and regulations of the N.J. Council on Affordable Housing (COAH), as now existing or hereafter amended, the housing element of the Township's Master Plan and any Development Ordinances. Contributions by Redevelopers towards any COAH obligations of the Township shall be addressed in a redevelopment agreement between the Redeveloper and the Township.

#### Relocation

There are no housing units located within the limits of the subject property for this redevelopment plan being relocated; therefore there is no need to make accommodations for the temporary or permanent relocation of residents. (N.J.S.A. 40A:12A-7a(3))

#### Acquisition

The site has been designated as a non-condemnation redevelopment area and is not subject to taking by eminent domain. All acquisition will be through private agreement and sale.

#### Affordable Housing

There are no housing units existing within the limits of the subject property for this redevelopment plan, therefore there is no need for an inventory of units or an affordable housing replacement plan. (N.J.S.A. 40A:12A-7a(7))

## **RELATIONSHIP TO OTHER PLANS**

An important requirement of a Redevelopment Plan is consistency with the goals and objectives of already adopted plans for the area. This Redevelopment Plan is specifically designed to promote redevelopment of the subject property. The overall goal of the Township's Master Plan is to continue development patterns that reduce trip generation, create livable communities and to enhance the overall quality of life for the residents of Egg Harbor Township. This redevelopment plan is specifically designed to promote the redevelopment of the subject property and advances the goals of the Township's master plan. (N.J.S.A. 40A:12A7a(1)).

#### Township Plans - (N.J.S.A. 40A:12A-7d)

The Master Plan for the Township of Egg Harbor was adopted on April 15, 2002, with a Reexamination Report in October 2008 and June 2017. This Redevelopment Plan helps to achieve the following Master Plan Goals:

- To promote the establishment of appropriate locations within the Township for agricultural, residential, recreational/open space, governmental, commercial and industrial uses.
- To promote the appropriate population densities and concentrations which promote the well-being of residents, neighborhoods, the regions, and the preservation of the environment.
- To encourage a balance of land residential, commercial, industrial, and agricultural development, in areas and at intensities compatible with environmental and natural resource capabilities.
- To encourage development near existing or readily extendable infrastructure, particularly sanitary sewers and public water distribution systems.
- To maintain, preserve and upgrade the quality of existing residential and commercial areas.

- To provide the reasonable opportunity for an appropriate variety and choice of housing to meet the needs, desires and resources of all categories of people who desire to live within the municipality.
- To recognize existing patterns and densities of development and encourage future growth that is contiguous with existing developed areas and compatible with its established character and consistent with present health and environmental requirements pertaining to on-site septic disposal.
- To promote the purposes of the State Development and Redevelopment Plan, including limiting sprawl by concentrating development in cores, nodes, and /or centers.

## County Plans - (N.J.S.A. 40A:12A-7a(5)(b))

The following goals and objectives of the Atlantic County Master Plan adopted in May 2018 are advanced by the proposed redevelopment:

- Promote quality growth and development in areas where capital facilities are available.
- To discourage growth in areas that would require unplanned extension of capital facilities.
- Promote lands for a diversity of economic development opportunities within the communities of Atlantic County

The proposed redevelopment plan is therefore consistent with the Master Plan of Atlantic County.

# State Development and Redevelopment Plan - (N.J.S.A. 40A:12A-7a(5)(c))

Any redevelopment is also consistent with the State Development and Redevelopment Plan. The redevelopment area is located in a Pinelands Regional Growth Area. In 1999, the State Planning Commission recognized through a Memorandum of Agreement with the New Jersey Pinelands Commission that a Pinelands Regional Growth Zone was equivalent to a Planning Area 2 (Suburban). The following goals relating to PA2 areas are achieved through the implementation of this Redevelopment Plan:

- Provide for much of the State's future redevelopment;
- Revitalize cities and towns;
- Promote growth in Centers and other compact forms; and
- Protect the character of existing stable communities.

The Redevelopment Plan is consistent with the State Development and Redevelopment Plan.

# **ADMINISTRATION**

#### **General Provisions**

The definitions provided in N.J.S.A. 40A:12A-3 are incorporated into this plan by reference. Any plans or plats approved by the Township of Egg Harbor or its agencies and subsidiaries prior to the adoption of this redevelopment plan shall not be subject to the requirements of this redevelopment plan.

## **Redevelopment Entity**

As permitted under N.J.S.A. 40A:12A-4, the Governing Body is hereby designated the entity to implement this redevelopment plan. When necessary for the implementation of this plan, the Township of Egg Harbor may enter into an agreement with a redeveloper for any construction or other work to carry out this redevelopment plan. (N.J.S.A. 40A:12A-4-(c))

#### Agreements with Redevelopers

In accordance with N.J.S.A. 40A:12A-9, the following shall apply to all redeveloper agreements:

- 1. All agreements, leases, deeds and other instruments between the redevelopment entity and a redeveloper shall contain a covenant running with the land requiring that the owner shall construct only the uses established in the current redevelopment plan. All agreements shall include a provision requiring the redeveloper to begin the building of the improvements for those uses within a period of time which the redevelopment entity fixes as reasonable.
- 2. The redeveloper shall agree to retain interest in the project until the completion of construction and development of the specific project. If the redeveloper requires a third party financing agreement, the redeveloper shall manage the project through completion. If the redeveloper is required to relinquish any interest in the project to a third party, the approval of the redevelopment entity is required. The redeveloper shall agree not to lease, sell or transfer interest or any part thereof without prior written approval of the redevelopment entity.
- 3. Upon completion of the required improvements, the conditions determined to exist at the time the area was determined to be in need of redevelopment shall be deemed to no longer exist. Thus, the land and improvements thereon shall no longer be subject to this plan and the Local Redevelopment and Housing Law.

4. The covenants, provisions and controls shall be deemed satisfied upon termination of the agreements and covenants entered into by the redeveloper to construct the improvements and to perform the redevelopment. The rights of any third party acquired prior to termination of the agreements, including, but not limited to, any tax exemption or abatement granted pursuant to law, shall not be negatively affected by termination and satisfaction of the covenants.

## **Time Limits**

The redeveloper of a specific project within the redevelopment area shall begin the development of land and construction of improvements within a reasonable period of time to be determined in an agreement between Township of Egg Harbor and a duly designated redeveloper. (N.J.S.A. 40A:12A-8(f)). The Redevelopment Plan does not have an expiration date. Once a redevelopment project has been completed in accordance with the Redevelopment Plan and Redevelopment Agreement, and the Redevelopment Entity has affirmed that all obligations have been satisfied; the conditions that warranted the redevelopment area designation shall be deemed to no longer exist. This shall also be reflected in covenants established between the Township/Redevelopment Entity and a redevelopment in accordance with N.J.S.A. 40A:12A-9.

#### **Discrimination Ban**

No covenant, lease conveyance or other instrument shall be executed by the redevelopment entity or the redeveloper whereby land or structures with this redevelopment is restricted upon the basis of race, creed, color, gender, marital status, age, disability, familial status or national origin. The termination of this plan shall in no way permit the land or structures of the redevelopment area to be restricted on the basis of race, creed, color, gender, marital status, age, disability, familial status or national origin.

#### **Deviations from Provisions of Approved Redevelopment Plan**

The Planning Board may review and retain jurisdiction over applications requiring relief for deviations from this Redevelopment Plan or other Township development ordinances, except as set forth below. Accordingly, an amendment to the Redevelopment Plan shall not be necessary if the selected developer(s) desires to deviate from the bulk provisions set forth in this Redevelopment Plan or the pertinent sections of the Egg Harbor Township Development Regulations and Zoning Ordinance, the HB Highway Business zoning district, or from the design standards set forth in this Redevelopment Plan or other Township development ordinances so long as the Redeveloper obtains an appropriate variance from the Planning Board. All requests for such relief shall be made to the Planning Board accompanied by a complete application for development as otherwise required by Township ordinance. Decisions on such requests shall be made in accordance with the legal standards set forth in N.J.S.A. 40:55D-70(c) in the case of requests for relief from zoning

Redevelopment Plan - Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7

standards, and in accordance with the legal standards set forth in N.J.S.A. 40:55D-51 in the case of requests for relief from design standards.

No deviations shall be granted that result in any of the following effects or conditions:

- 1. To allow a use not specifically permitted within the Redevelopment Area;
- 2. Deviation from the contractual obligations of the redeveloper to the Redevelopment Entity;
- 3. Any Deviation requiring a variance pursuant to N.J.S.A. 40:55D-70(d)(1).

#### Amendments to Approved Redevelopment Plan

This Redevelopment Plan may be amended from time to time in accordance with the provisions of the Local Redevelopment and Housing Law of 1992, as may be amended.

#### **Repeal and Severability Statements**

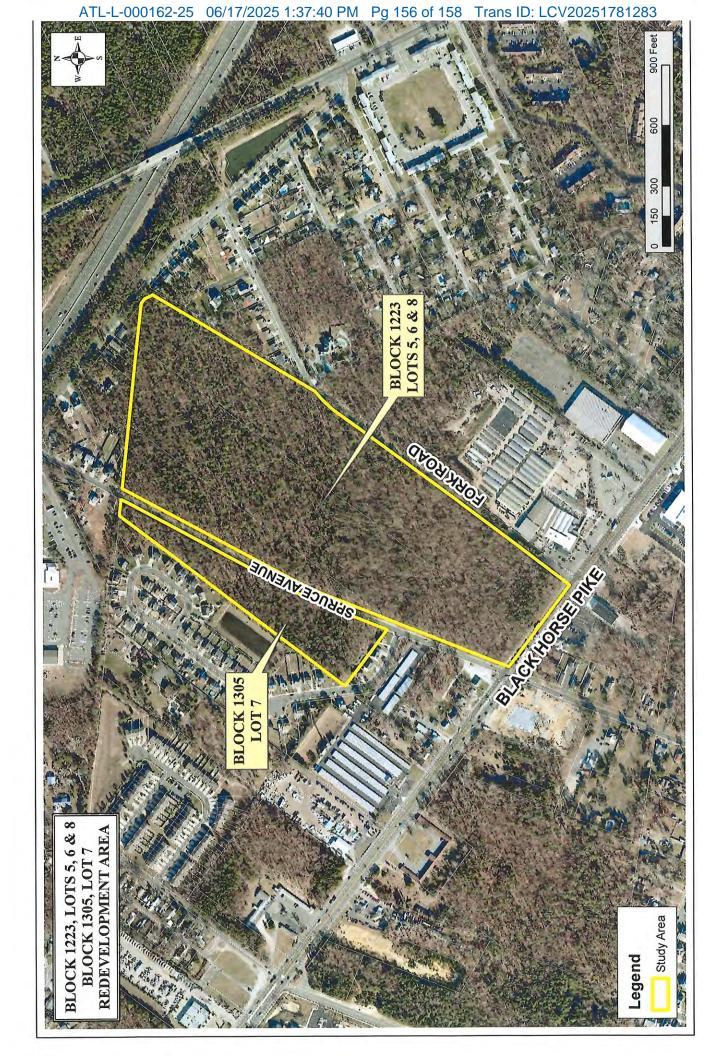
All ordinances or parts of ordinances inconsistent with this Redevelopment Plan are repealed to the extent of such inconsistency only. If any provision or regulation of this redevelopment plans should be judged invalid by a court of competent jurisdiction, such order or plan shall not affect the remaining portions of this plan which shall remain in full force and effect.

## CONCLUSION

The Redevelopment Plan supports and encourages transformation and development of the Redevelopment Area with a commercial component along the Black Horse Pike and a residential community east of the commercial area. This development will result in a balanced site that will create productive uses on the property that are well designed and responsive to market conditions. The site is currently vacant and has been determined to be an "Area in need of Redevelopment" since it has remained vacant for time period greater than ten years despite the improvement and investment in the surrounding area, availability of infrastructure and geographic advantage. This area has seen a lack of investment and the proposed facilities would provide a benefit to the Township as a whole by providing commercial development for the Township and a housing options at a variety of price points to meet residential demand.

# EXHIBIT I – Redevelopment Map

Redevelopment Plan - Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7



# EXHIBIT II – Conceptual Site / Architectural Plans

Redevelopment Plan - Block 1223, Lots 5, 6 & 8 and Block 1305, Lot 7

