

## ***EXHIBITS***

# **2025 FOURTH ROUND HOUSING PLAN**

HOUSING ELEMENT & FAIR SHARE PLAN

COLTS NECK TOWNSHIP

MONMOUTH

NEW JERSEY



## **LIST OF EXHIBITS**

1. Planning Board Resolution adopting the Housing Plan
2. Governing Body Resolution endorsing the Housing Plan
3. Order assigning the rehabilitation and fourth round obligation, dated April 1, 2025 and issued by the Hon. Linda Grasso Jones, J.S.C.
4. 2020 Third Round Settlement Agreement with Fair Share Housing Center
5. 2025 Final Judgment of Compliance and Repose, dated April 1, 2025 and issued by the Hon. Linda Grasso Jones, J.S.C.
6. RCA – City of Long Branch Documentation
7. The Grande Documentation
8. Amboy Road Associates Documentation
9. Mauro Documentation
10. Reflections at Colts Neck Documentation
11. Colts Neck Building Associates Documentation
12. Countryside Developers Documentation
13. Area 1 Documentation
14. Administration Documentation
15. Trust Fund Documentation

**EXHIBIT 1.**

**PLANNING BOARD RESOLUTION ADOPTING THE HOUSING PLAN**

**COLTS NECK TOWNSHIP PLANNING BOARD  
RESOLUTION ADOPTING THE  
2025 FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN  
ON JUNE 9<sup>TH</sup>, 2025**

**WHEREAS**, on March 20, 2024, Governor Murphy signed P.L.2024, c.2. into law, establishing a new framework for determining and enforcing municipalities' affordable housing obligations under the New Jersey Supreme Court's Mount Laurel doctrine and the New Jersey Fair Housing Act (the "FHA") (N.J.S.A. 52:27D-301 *et al.*); and

**WHEREAS**, pursuant to N.J.S.A. 52:27D-304.1(f)(1)(b), each municipality must adopt a binding resolution no later than January 31, 2025 determining its present and prospective fair share obligation for the Fourth Round; and

**WHEREAS**, pursuant to Administrative Directive #14-24 issued by the Administrative Office of the Courts on December 13, 2024, "[a] municipality seeking a certification of compliance with the [Fair Housing Act] shall file an action in the form of a declaratory judgment complaint and Civil Case Information Statement (Civil CIS) in the county in which the municipality is located" within 48 hours of adopting the municipal resolution of fair share obligations; and

**WHEREAS**, the Township of Colts Neck (the "Township") adopted a binding resolution on January 29, 2025 identifying its present and prospective fair share obligation for the Fourth Round; and

**WHEREAS**, the Township filed a Declaratory Judgement on January 30, 2025 identifying its present and prospective fair share obligation for the Fourth Round and committing to adopting and submitting a fourth round housing element and fair share plan as required by the FHA; and

**WHEREAS**, the FHA now requires, among other actions, that municipalities submit an adopted housing element in fair share plan on or before June 30, 2025;

**WHEREAS**, on March 27, 2025, the Hon. Linda Grasso Jones J.S.C. issued an order finding in favor of the Township's identified affordable housing obligation and authorizing the Township to proceed with preparation and adoption of a fourth round housing plan by June 30, 2025;

**WHEREAS**, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board of the Township of Colts Neck (the "Board") held a public hearing on the 2025 Fourth Round Housing Plan Element and Fair Share Plan on June 9, 2025 during which the document was presented to the public and Board, and opportunity for comments and questions were provided; and

**WHEREAS**, upon the conclusion of the public hearing, the Board determined that the proposed 2025 Fourth Round Housing Plan Element and Fair Share Plan is consistent with the goals and objectives of the Master Plan of the Township of Colts Neck, will guide the use of lands in the municipality in a manner which protects public health and safety and promotes the general welfare in accordance with N.J.S.A. 40:55D-28, and is designed to access to affordable housing to meet present and prospective housing needs in accordance with N.J.S.A. 52:27D-310;

**NOW THEREFORE BE IT RESOLVED**, by motion duly made and seconded, that the Planning Board of the Township of Colts Neck, Monmouth County, State of New Jersey, hereby adopts the 2025 Fourth Round Housing Plan Element and Fair Share Plan.

**BE IT FURTHER RESOLVED** that a written copy of this Resolution certified by the Secretary of the Planning Board to be a true copy to be filed in the office of the Administrative Officer of the municipality, which copy shall be made available to any interested party and available for public inspection during normal business hours.

**BE IT FURTHER RESOLVED** that a proper notice of this decision be published once in the official newspaper of the municipality or in a newspaper in general circulation within the Township.

OFFERED BY: Viola

SECONDED BY: Lutkewitte

ROLL CALL

YES: Torchia Buss, Corsi, Lutkewitte, Sullivan, Viola, Visci, Stivala

NO: Tobia, Taeschler

I hereby certify that this is a true copy of the Planning Board resolution adopting the 2025 Fourth Round Housing Plan Element and Fair Share Plan of the Township of Colts Neck, Monmouth County, State of New Jersey on June 9, 2025.

A handwritten signature in blue ink, reading "Krista A. Hill-Kane", is written over a horizontal line.

Krista A. Hill-Kane, Planning Board Secretary

**EXHIBIT 2.**

**GOVERNING BODY RESOLUTION ENDORSING THE HOUSING PLAN**

**RESOLUTION 2025-**

**RESOLUTION ENDORSING THE FOURTH ROUND HOUSING  
ELEMENT AND FAIR SHARE PLAN AND AUTHORIZING AND  
DIRECTING SUBMISSION OF THE PLAN TO THE AFFORDABLE  
HOUSING DISPUTE RESOLUTION PROGRAM**

**WHEREAS**, on March 20, 2024, Governor Murphy signed P.L.2024, c.2. into law, establishing a new framework for determining and enforcing municipalities' affordable housing obligations under the New Jersey Supreme Court's Mount Laurel doctrine and the New Jersey Fair Housing Act (the "FHA") (N.J.S.A. 52:27D-301 et al.); and

**WHEREAS**, the Amended FHA requires the Department of Community Affairs ("DCA") to calculate the Fourth Round Present and Prospective Need Obligation of municipalities within the state and establishing the New Jersey Affordable Housing Dispute Resolution Program; and

**WHEREAS**, the Township resolved in Resolution No. 2025-43 to accept the DCA-calculated Present Need or Rehabilitation Obligation of 0 and a Prospective Need Obligation of 101, subject to its right to a durational adjustment; and

**WHEREAS**, pursuant to the FHA, Administrative Directive No. 14-24, and Resolution No. 2025-43, the Township's professionals filed a Declaratory Judgment action with the Affordable Housing Dispute Resolution Program, under Docket Number MON-L-422-25; and

**WHEREAS**, no parties challenged the Township's present and prospective need obligations; and

**WHEREAS**, on March 27, 2025, the Hon. Linda Grasso Jones J.S.C. issued an order finding in favor of the Township's identified affordable housing obligation and authorizing the Township to proceed with preparation and adoption of a Fourth Round Housing Element and Fair Share Plan by June 30, 2025;

**WHEREAS**, the Township's Planning Board adopted the Fourth Round Housing Element and Fair Share Plan on June 9, 2025; and

**WHEREAS**, a true and accurate copy of the 2025 Fourth Round Housing Element and Fair Share Plan is annexed hereto as Exhibit A; and

**WHEREAS**, a true copy of the Resolution of the Planning Board adopting Fourth Round Housing Element and Fair Share Plan is annexed hereto as Exhibit B; and

**NOW THEREFORE, BE IT RESOLVED** the Township Committee of Colts Neck Township, Monmouth County, State of New Jersey, hereby endorses the 2025 Fourth Round Housing Element and Fair Share Plan as adopted by the Planning Board on June 9, 2025; and

**BE IT FURTHER RESOLVED**, the Township's professionals are directed to continue to take the actions necessary to continue participating in the Affordable Housing Dispute Resolution Program; and

**BE IT FURTHER RESOLVED**, the Township reserves the right to further amend the Fourth Round Housing Element and Fair Share Plan, should that be necessary.

I, Trina Lindsey, do hereby certify the foregoing to be a true and accurate copy of a Resolution passed by the Township Committee of Colts Neck Township during the regular meeting held on the 11<sup>th</sup> day of June 2025

\_\_\_\_\_  
Trina Lindsey, Municipal Clerk

RECORD OF VOTE					
	M S	Yes	No	NV	Ab
Mayor Torchia Buss					
Deputy Mayor Viola					
Buzzetta					
Fitzpatrick					
Rizzuto					
M - Moved S - Seconded X - indicates vote NV - Not Voting Ab - Absent					



**EXHIBIT 3.**

**ORDER ASSIGNING THE REHABILITATION AND FOURTH ROUND  
OBLIGATION, DATED APRIL 1, 2025 AND ISSUED BY THE HON. LINDA  
GRASSO JONES, J.S.C.**

**PREPARED BY THE COURT:**

**IN THE MATTER OF THE  
DECLARATORY JUDGMENT  
ACTION OF THE TOWNSHIP  
OF COLTS NECK,  
MONMOUTH COUNTY  
PURSUANT TO P.L. 2024,  
CHAPTER 2**

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION – CIVIL PART  
MONMOUTH COUNTY  
DOCKET NO. MON-L-422-25

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 30, 2025 (“DJ Complaint”) by the Petitioner, Township of Colts Neck (“Petitioner” or “Municipality”), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 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>1</sup> See [https://nj.gov/dca/dlps/pdf/FourthRoundCalculation\\_Methodology.pdf](https://nj.gov/dca/dlps/pdf/FourthRoundCalculation_Methodology.pdf)

**AND IT APPEARING** that, pursuant to the DCA's Fourth Round Report, the **present need** obligation of the Petitioner has been calculated and reported 0 affordable units, and its **prospective need** obligation of the Petitioner has been calculated and reported as 101 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;

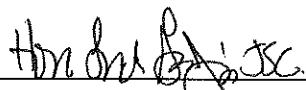
**AND THE COURT**, having found and determined, therefore, that the present need and prospective need affordable housing obligations of the Petitioner for the Fourth Round housing cycle as calculated and reported in the DCA's Fourth Round Report have been committed to by the Petitioner and are uncontested,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

**IT IS, THEREFORE**, on this 1st day of **APRIL, 2025 ORDERED AND ADJUDGED** as follows:

1. That the present need obligation of the Municipality, be, and hereby is fixed as 0 affordable units for the Fourth Round housing cycle.
2. That the prospective need obligation of the Municipality, be, and hereby is fixed as 101 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.

**IT IS FURTHER ORDERED**, that a copy of this Order shall be deemed served on the Petitioner and Petitioner's counsel.

SO ORDERED:

  
\_\_\_\_\_  
**HON. LINDA GRASSO JONES, J.S.C.**

(X) Uncontested.

\*Pursuant to N.J.S.A. 52:27D-304.1, “[i]f the municipality meets th[e] January 31 [, 2025] deadline [for adoption of a binding resolution setting forth a determination of present and prospective fair share obligation for the fourth round], then the municipality’s determination of its obligation shall be established by default and shall bear a presumption of validity beginning on March 1, 2025, as the municipality’s obligation for the fourth round, unless challenged by an interested party on or before February 28, 2025.” The municipality’s determination of its present and prospective fair share obligation for the fourth round was adopted prior to January 31, 2025 in accordance with N.J.S.A. 52:27D-304.1, and no challenge was filed in response thereto. A presumption of validity thus attaches to the determination made by the municipality that is set forth in the resolution adopted by the municipality and which is incorporated within this order.

**EXHIBIT 4.**  
**2020 THIRD ROUND SETTLEMENT AGREEMENT WITH**  
**FAIR SHARE HOUSING CENTER**



Peter J. O'Connor, Esq.  
Adam M. Gordon, Esq.  
Laura Smith-Denker, Esq.  
David T. Rammier, Esq.  
Joshua D. Bowers, Esq.  
Bassam F. Gergl, Esq.

March 18, 2020

Ronald L. Israel, Esq.  
Chiesa Shahinian & Glantomasi PC  
One Boland Drive  
West Orange, NJ 07052

Richard J. Hoff, Esq.  
Blsgaier Hoff, LLC  
25 Chestnut Street, Suite 3,  
Haddonfield, New Jersey 08033

**Re: In the Matter of the Application of the Township of Colts Neck,  
County of Monmouth, Docket No. MON-L-2234-15**

Dear Mr. Israel and Mr. Hoff:

This letter memorializes the terms of an agreement reached between: (1) the Township of Colts Neck (the "Township" or "Colts Neck"), the declaratory judgment plaintiff, and Fair Share Housing Center ("FSHC"), a Supreme Court-designated interested party in this matter in accordance with In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015) (Mount Laurel IV), and, through this settlement, an Intervenor-Defendant in this proceeding; and (2) the Township and Intervenor-Defendant Carole J. Schlumpf ("Schlumpf").

#### **I. Background**

Colts Neck filed the above-captioned matter on July 19, 2015, seeking a declaration of its compliance with the Mount Laurel doctrine and the Fair Housing Act of 1985 (the "FHA"), N.J.S.A. 52:27D-301 et seq., in accordance with Mount Laurel IV. Through the declaratory judgment process, the Township, FSHC, and Schlumpf agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delay and the expense of trial and results more quickly in the construction of homes for lower-income households.

#### **II. Settlement Terms between the Township and FSHC**

The Township and FSHC hereby agree to the following terms:

1. FSHC agrees that the Township, through the adoption of a Housing Element and Fair Share Plan conforming with the terms of this Agreement (hereafter "the Plan") and through the implementation of the Plan and this Agreement, satisfies its obligations under the Mount Laurel doctrine and the FHA for the Prior Round (1987-1999) and Third Round (1999-2025).
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the Township and FSHC to arrive at a

March 18, 2020

Page 2

settlement regarding the municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.

3. FSHC and Colts Neck hereby agree that Colts Neck's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report <sup>1</sup> )	25
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	218
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this Agreement)	306

4. For purposes of this Agreement, the Township's Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).
5. The Township's efforts to meet its Present Need include the following: The Township will participate in the Monmouth County rehabilitation program in accordance with applicable law. During the compliance phase of this matter, the municipality may seek to demonstrate that a rental rehabilitation program is not necessary and/or to seek a reduction in the obligation via a structural conditions survey as permitted in N.J.A.C. 5:93-5.2(a) which structural conditions survey must be completed at least sixty (60) days prior to the Compliance Hearing. This is sufficient to satisfy the Township's Present Need obligation of 25 units.
6. As noted above, the Township has a Prior Round Prospective Need of 218 units, which is met through the following compliance mechanisms:

	Rental	Sale	Bonus	Credits
RCA with the City of Long Branch, approved by the Council on Affordable Housing in June 2006	0	0	0	107
The Grande (family for sale and rental)	22	66	22	110
Amboy Road Associates (family for sale)	0	1	0	1
Total	218			

For the purposes of settlement only, FSHC accepts and agrees not to contest the Council on Affordable Housing's ("COAH") prior approval of, and the Township's entitlement to, the above-referenced RCA credits and agrees to settle any and all claims that it may have to challenge either COAH's approval of the RCA between the Township and Long Branch, or Colts Neck's entitlement to the RCA credits. FSHC further endorses and supports the Township's application to the Court to approve the creditworthiness of the above-referenced RCA credits.

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

March 18, 2020

Page 3

7. For the purpose of settlement only, the Township accepts the Third Round obligation of 306 units. The Township will utilize existing credits, proposed inclusionary zoning, and will seek a durational adjustment to meet the Third Round obligation, as follows:

	Units	Bonuses	Total	Status
Mauro / 704 / Cross Street (family for sale), Block 10, Lots 2 and 2.01; and Block 31.1, Lot 6	2	0	2	This 2-unit family for sale development includes 2 affordable homes, the first home occupied in 2017 and the second home anticipated to be occupied in 2020
Colts Neck Building Associates (family rental) Block 22, Lot 18	72	72	144	This 360-unit development will include a 20-percent set-aside of 72 affordable homes. The site is the subject of a durational adjustment in accordance with paragraph 8 of this Agreement. It is anticipated that sewer access will be obtained through Freehold Township Public Works system. Bonuses are recognized in accordance with the terms set forth in paragraph 9 below.
Countryside Developers (family for sale) Block 42, Lot 4 and Block 172, Lot 15	15	0	15	This 68-unit development will include a 22-percent set-aside of 15 affordable homes. The site is the subject of a durational adjustment in accordance with paragraph 8 of this Agreement. It is anticipated that sewer access will be obtained through Freehold Township Public Works system.
Reflections at Colts Neck (assisted living) Block 46, Lot 17.04	7	0	7	This assisted living development constructed in 2002 includes 72 assisted living units of which 10% or 7 units shall be reserved for Medicaid recipients.
Area 1 Overlay Zoning (88.73 ac; 8 du/ac) (family	142	0	142	This overlay zoning will apply to Block 46, Lots 13, 16 and 17 and Block 48, Lots 1-6, 19, and 39-41. The overlay zoning



March 18, 2020

Page 4

for sale or rental)				will permit 8 units per acre with a 20-percent set-aside in an area of the municipality that includes vacant parcels or parcels with lower-density uses where redevelopment is likely if residential overlay zoning is permitted. The parcels that are included within this compliance mechanism do not have access to public sewer. Therefore, they will be the subject of a durational adjustment in accordance with paragraph 8 of this Agreement.
Total	238	72	310	

8. The municipality will address its Third Round Prospective Need obligation in part through a durational adjustment:
- As demonstrated by the facts set forth in Exhibit A, the Township does not have sufficient capacity for sewer to support inclusionary development and thus is entitled to a durational adjustment in accordance with N.J.A.C. 5:93-4.3;
  - The municipality has 9 credits from existing units as reflected above and needs a total of 306 credits to meet the Third Round obligation. The municipality therefore has a 297-unit obligation out of the total of 315 credits recognized in this Agreement for which it requires a durational adjustment.
  - The municipality agrees to comply with N.J.A.C. 5:93-4.3 as follows:
    - The Township/Borough will seek court approval for, and FSHC will support, a durational adjustment of 297 units and address the requirements of N.J.A.C. 5:93-4.3 through the following.
    - In accordance with N.J.A.C. 5:93-4.3(c), the requirement to address the Third Round Prospective Need obligation of 297 units shall be deferred until adequate water and/or sewer are made available. The Township shall, to the extent it is within the Township's authority, reserve and set aside new water and/or sewer capacity, when it becomes available, for low and moderate income housing, on a priority basis. Municipal officials shall endorse all applications to the Department of Environmental Protection ("DEP") or its agent to provide water and/or sewer capacity in the locations designated and rezoned to support inclusionary housing.
    - The Township has designated and rezoned the following sites for low and moderate income housing that lack adequate water and/or sewer and recognizes that the necessary approvals to provide sewer access to the following sites pursuant to the connections described in Exhibit A are likely to be obtained within two (2) years of the date of this Agreement:

Colts Neck Building Associates  
 Countryside Developers  
 Area 1 Overlay Zoning

March 18, 2020

Page 5

- iv. Colts Neck further agrees as follows with regard to the effort to provide water or sewer for the above-referenced sites:
1. The Township agrees to adopt resolutions endorsing the Inclusion of the parcels that are the subject of a durational adjustment in the appropriate sewer service area; to support and endorse, and if necessary become a co-applicant on, any and all applications made to Monmouth County, DEP, the Monmouth River Regional Sewer Authority ("MRRSA"), any of MRRSA's constituent members, the Ocean County Utilities Authority ("OCUA"), Ocean County and/or any other body politic or utility authority necessary in order to provide public sewer and water service to the parcels that are the subject of a durational adjustment by tie-in to existing sewer collection service through Freehold Township, Freehold Township Public Works, Howell Wastewater Management Area and/or Wall Township Sanitary Sewer Service (or in the case of the Area 1 Overlay Zoning, a closer available tie-in along Route 34 or another location acceptable to both the developer and the Township) and by tie-in to existing public potable water supply located in Freehold Township (the "Proposed Connection Locations"); to adopt and support resolutions related to the expansion of water franchise areas; to endorse and join in any request made by any party with an interest in the parcels that are the subject of a durational adjustment to MRRSA or any of MRRSA's constituent members regarding the procurement of a sewer allocation sufficient to service the planned developments on the parcels; to endorse and join in any request made by any appropriate party to the Township of Freehold in connection with the procurement of sewer and water service from the Township of Freehold and/or Suez Water Company so that public sewer and water service may be provided to the parcels that are the subject of a durational adjustment by tie-in to the Proposed Connection Locations; to join any appropriate party as a plaintiff in any litigation necessary to procure public sewer and/or water for the parcels that are the subject of a durational adjustment by tie-in to the Proposed Connection Locations, including but not limited to any litigation against MRRSA, the Township of Freehold, MRRSA's constituent members, the County of Monmouth, the DEP, the County of Ocean, OCUA or any other necessary party.
  2. The Township shall cooperate with appropriate parties, and act in good faith and with continuity of purpose to assist developers in facilitating the provision of public water and sewer to the parcels that are the subject of a durational adjustment by tie-in to the Proposed Connection Locations. Such cooperation shall include, but not be limited to, introducing and recommending thirty (30) days after a fairness hearing in this matter a resolution supporting amendments sewer service areas and expansions of water franchise areas, entering into agreements, and taking any other reasonable steps necessary or required to help facilitate the provision of public water and sewer to the parcels that are the subject of a durational adjustment, placement within the appropriate sewer service area, and incorporation into an approved Monmouth

March 18, 2020

Page 6

County Water Quality Management Plan ("WQMP") and the Township's Wastewater Management Plan ("WMP") to allow development of parcels that are the subject of a durational adjustment by tie-in to the Proposed Connection Locations. If necessary, the Township shall cooperate with and support any appropriate party in its efforts to obtain judicial approval, including any appeals.

3. With regard to the Area 1 Overlay sites, the Township and FSHC agree to the terms set forth in Exhibit B to this Agreement, which address the municipality's obligation to provide funds to support the provision of sewer to the Area 1 overlay sites. The municipality agrees to provide a form of developer's agreement that substantially incorporates and is consistent with the terms included in Exhibit B within sixty (60) days of the Court's approval of this Agreement after a fairness hearing.
  - d. The combination of the developments planned to meet the Township's obligation, in accordance with the terms of this Agreement, are sufficient to meet and exceed the Township's 306-unit Third Round Prospective Need. Therefore, the requirements included in N.J.A.C. 5:93-4.3(c)3 and 4 related to inclusion in a fair share plan when the DEP or its designated agent approves a proposal to provide water and/or sewer to a site other than those designated for the development of low and moderate income housing in the housing element are hereby waived in accordance with N.J.A.C. 5:93-4.3(c)4, which permits waiver of such requirements when a municipality has a plan that will provide water and/or sewer to sufficient sites to address the municipal housing obligation within the period of repose.
9. This Agreement recognizes 72 rental bonuses for Colts Neck Building Associates. The Township and FSHC agree as follows with regard to the Colts Neck Building Associates project and the Countryside Developers project:
- a. Prior to the fairness hearing in this matter, the Township shall provide to the Court, Court Master, and FSHC the Settlement Agreements that address the provision of water and sewer for these developments. The Township shall also provide evidence of the Colts Neck Building Associates developer's firm commitment to provide family rental housing.
  - b. The Colts Neck Building Associates project and the Countryside Developers project are the subject of a durational adjustment because they do not currently have access to sewer, although sewer access is anticipated to occur within twenty-four (24) months in view of the facts recognized above in paragraph 8 with regard to these sites. In accordance with N.J.A.C. 5:93-5.3(b), which addresses the amendment of applicable area wide water quality management plans and wastewater management plans, the Township and FSHC agree that the rental bonuses associated with the Colts Neck Building Associates development will need to be reevaluated if sewer access and all necessary approvals are not obtained within twenty-four (24) months after the approval of this Agreement following a fairness hearing in this matter. In the event sewer access and all necessary approvals are not obtained within twenty-four (24) months after the approval of this Agreement following a fairness hearing in this matter, the Township shall submit to the Court and FSHC an evaluation of efforts to provide sewer and water service to the Colts Neck Building Associates site and the timing of said sewer and water service receiving said approvals. Should the Court find that sewer and water service cannot be permitted or is not

March 18, 2020

Page 7

forthcoming within six (6) months to the site, then the Township shall amend its plan and seek court approval for said amended plan to either (i) identify alternative rental bonus credits to which the municipality may be entitled, including, for instance, through development at Area 1, or (ii) address the potential for additional zoning or other compliance mechanisms that provide a realistic opportunity for the up to 72 bonuses lost due to the lack of sewer access or lack of necessary permits for sewer to the extent that sewer service approvals may be possible and/or address the Township's entitlement at such time to an expanded and/or modified form of sewer durational adjustment.

10. The Township will provide a realistic opportunity, as may be possible given the durational adjustment, for the development of affordable housing through the adoption of inclusionary zoning or overlay zoning on the following sites:

Colts Neck Building Associates (family rental) Block 22, Lot 18;  
 Countryside Developers (family for sale), Block 42, Lot 4 and Block 172, Lot 15;  
 and  
 Area 1 Overlay Zoning (88.73 ac; 8 du/ac) (family for sale or rental).

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

Development	Affordable Units	VLI units required
Colts Neck Building Associates (family rental) Block 22, Lot 18	72	10
Countryside Developers (family for sale) Block 42, Lot 4 and Block 172, Lot 15	16	2
Area 1 Overlay Zoning (88.73 ac; 8 du/ac) (family sale or rental)	142	19

12. The Township shall meet its Third Round Prospective Need in accordance with the following standards as agreed to by the Township and FSHC and as reflected in the table in paragraph 7 above:

- Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
- At least fifty percent (50%) percent of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
- At least twenty-five percent (25%) of the Third Round Prospective Need shall be met through rental units, including at least half in rental units available to families.
- At least half of the units addressing the Third Round Prospective Need in total must be available to families.
- The Township agrees to comply with an age-restricted cap of twenty-five percent (25%) and to not request a waiver of that requirement. This shall be understood

March 18, 2020

Page 8

to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed twenty-five percent (25%) of all units developed or planned to meet its cumulative prior round and Third Round fair share obligation.

13. The Township shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the NJ Housing Resource Center, the New Jersey State Conference of the NAACP, the Latino Action Network, the Supportive Housing Association, and the Trenton, Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, Greater Long Branch Branches of the NAACP, and shall, as part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, provide notice to those organizations of all available affordable housing units. The Township also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.
14. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of ten percent (10%) of affordable units in rental projects being required to be at thirty-five percent (35%) of median income, thirteen percent (13%) of affordable units in such projects shall be required to be at thirty percent (30%) of median income, and all other applicable law. The Township as part of its Housing Element and Fair Share Plan shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied. Income limits for all units that are part of the Plan required by this Agreement and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by the Township annually within 30 days of the publication of determinations of median income by HUD as follows:
  - a. Regional income limits shall be established for the region that the Township is located within (i.e., Region 4) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be eighty percent (80%) of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be fifty percent (50%) of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be thirty percent (30%) of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.



March 18, 2020  
Page 9

- b. The income limits attached hereto as Exhibit D are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2019, and shall be utilized until the Township updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
  - c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
  - d. The Township and FSHC agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement.
15. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
16. As an essential term of this Agreement, within one hundred and twenty (120) days of the Court's approval of this Agreement after a fairness hearing, the Township shall introduce and adopt an ordinance or ordinances providing for the amendment of the Township's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this Agreement and the zoning contemplated herein and shall adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement, and it shall submit same to the Court, the Court Master, and FSHC for review. Within one hundred and twenty (120) days after the approval of this Agreement by the Court after a fairness hearing, the Township shall adopt all ordinances required to be adopted as part of this Agreement, and it shall submit same to the Court, the Court Master, and FSHC for review. The Township shall provide all relevant documentation evidencing entitlement to credits -- including, at minimum, deed restrictions and developer's agreements -- to the Court Master and FSHC at least 30 days prior to the Compliance Hearing in this matter (FSHC acknowledges having received satisfactory RCA documentation through mediation). The Township and FSHC agree to request that the Court schedule a Compliance Hearing at least one-hundred-twenty (120) days after the Court's approval of this Agreement after a fairness hearing.
17. The Township and FSHC agree that if a decision of a court of competent jurisdiction in Monmouth County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Township for the period 1999-2025 that would be lower by more than twenty percent (20%) of the total prospective Third Round need obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting and/or leaving in place any site specific zoning adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms to address unmet need; and

March 18, 2020

Page 10

otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.

18. The Township shall prepare a Spending Plan within the period referenced above, subject to the review of FSHC and approval of the Court, and reserves the right to seek approval from the Court that the expenditures of funds contemplated under the Spending Plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of this Agreement, which shall be established by the date on which it is executed by a representative of the Township, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the Township agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.
19. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and Fair Share Housing Center.
20. The Fair Housing Act includes two provisions regarding action to be taken by the Township during the ten-year period of protection provided in this Agreement. The Township agrees to comply with those provisions as follows:
  - e. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of the Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the court regarding these issues.

March 18, 2020

Page 11

- f. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of this Agreement, and every third year thereafter, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
21. FSHC is hereby deemed to have party status in this matter and to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading. The Township and FSHC agree to request the Court to enter an order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.
  22. This Agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The Township shall present its planner as a witness at this hearing. FSHC agrees to support this Agreement at the fairness hearing. In the event the Court approves this proposed settlement, the Township and FSHC contemplate that the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The "accompanying protection" shall remain in effect through July 1, 2025. If this Agreement is rejected by the Court at a fairness hearing it shall be null and void.
  23. The Township agrees to pay FSHC's attorneys fees and costs in the amount of \$30,000.00 within thirty (30) days of the Court's approval of this Agreement following the entry of an order approving this Agreement after a fairness hearing. The Township has delegated portions of this obligation to be paid as follows: (i) \$7,500.00 to be paid to FSHC by Colts Neck Building Associates; (ii) \$7,500.00 to be paid to FSHC by Countryside Developers; (iii) \$5,000.00 to be paid to FSHC by Schlumpf; and (iv) with the remaining \$10,000.00 to be paid to FSHC by the Township. Notwithstanding having delegated portions of the total obligation of \$30,000.00 to be paid by Colts Neck Building Associates, Countryside Developers and Schlumpf, respectively, if payment is not received by FSHC within thirty (30) days after the approval of this agreement by the Court following a fairness hearing the Township shall make the payment to FSHC within ten (10) days of FSHC's written request.

### III. Settlement Terms between the Township and Schlumpf

Schlumpf is the owner of property in the Township, which is identified on the tax maps of the Township as Block 53, Lots 4, 5 and 7 and consists of approximately 37 acres (the "Schlumpf Property"). The Property is located within the Township's A-2 zoning district. A component of the Township's Compliance Plan, as defined herein, requires significant capital to provide for the extension of infrastructure to that portion of the Township referred to herein as Area 1. While the Schlumpf Property is not located within Area 1, Schlumpf has expressed a present interest to develop the Schlumpf Property, which development would generate a payment to the Township's affordable housing trust fund, which payment would be utilized to offset the costs associated with the extension of infrastructure to Area 1 (the "Schlumpf Trust Fund Payment"). However, the



March 18, 2020

Page 12

current zoning provisions within the Township zoning code inhibit the prompt development and the anticipated residential yield of twenty-five (25) units on the Schlumpf Property.

The Township and Schlumpf hereby agree to the following terms in order to facilitate the development of the Schlumpf Property and, in turn, the tendering of the Schlumpf Trust Fund Payment:

24. Schlumpf proposes to develop the Schlumpf Property for a residential development consisting of not more than twenty-five (25) single family dwellings to be served by private wells and private septic systems. In order to allow for such a yield, the Township agrees that certain zoning provisions currently applicable to the Schlumpf Property will need to be amended in order to realize a development yield of twenty-five (25) units (the "Zoning Amendments"). Those Zoning Amendments' revisions include, but may not be limited to:
  - a. Allowing a residential density not to exceed twenty-five (25) dwelling units for the Property;
  - b. Allowing a minimum frontage of one-hundred-fifty (150) feet for each residential lot to be created;
  - c. Revisions to those provisions of the Township zoning code that would impose buffer requirements and/or other lot restrictions that would inhibit or prevent a residential yield of twenty-five (25) residential units. Such Township zoning provisions include, but may not be limited to:
    - i. Section 102-94 (Design standards in stream corridors);
    - ii. Section 102-115 (Buffers);
    - iii. Section 102-90 (Buffers); and
    - iv. Section 102-87 footnote c requiring eighty-five percent (85%) or 75,000 square feet of each lot to be free of wetlands and associated buffer areas; floodplains; conservation, open space, drainage and right-of-way easements, landscaping easements, drainage easements, special water resource protection areas, scenic viewshed boundary and similar environmental features or encumbrances which restrict development of the property.
  - d. All such other regulations that may otherwise be applicable to the Schlumpf Property that could be interpreted so as to prevent the development of twenty-five (25) dwelling units on the Schlumpf Property.
  - e. The Township shall adopt the necessary Zoning Amendments as part of its period of compliance following approval of this Settlement Agreement by the Court.
25. The purpose of the Zoning Amendments is to facilitate the development of the Schlumpf Property in a manner that will provide for no more than twenty-five (25) residential units, in a manner that will provide on-site well and septic and will not require the extension of public infrastructure (water & sewer) into the Township and will result in a substantial Schlumpf Trust Fund Payment that will assist the Township in funding the infrastructure necessary for the development of Area 1. The Schlumpf Trust Fund Payment shall be paid on a per unit basis calculated a rate of 1.5% of the equalized assessed value for each of the residential units developed on the Schlumpf Property. The payment for each residential unit shall be made in accordance with the following schedule: (i) 50% of the fee as a condition of the issuance of the construction permit for each residential unit; and (ii) the remaining 50% of the fee as a condition of the issuance of the certificate of occupancy for each residential unit.

March 18, 2020

Page 13

26. In reliance upon the Township's agreement to undertake the Zoning Amendments as a condition of the Court's approval of this Agreement, Schlumpf shall withdraw any objections it may have raised previously to the Township Compliance Plan and shall support the Township Compliance Plan as amended to include the development of the Schlumpf Property for not more than twenty-five (25) residential units, and as it may be further amended from time to time so long as such amendment does not materially affect the rights of Schlumpf hereunder. Schlumpf's support of the Township Compliance Plan shall include certifications, testimony and all other reasonable means of support as may be requested by the Township in connection with compliance hearings and the Township's Declaratory Judgment Action.
27. Schlumpf shall make a one-time payment to FSHC in the amount of \$5,000.00, representing Schlumpf's contribution to the attorney's fees and costs assessed to the Township by FSHC, and as referenced in paragraph 23 of this Agreement (the "Payment"). The Payment is due within thirty (30) days of the entry of an order approving this Agreement after a fairness hearing. In addition to all other remedies available to Schlumpf, the Township will reimburse Schlumpf for the Payment if the Township refuses to adopt the necessary Zoning Amendments within one-hundred-twenty (120) days after the approval of this Agreement by the Court after a fairness hearing.

#### **IV. Settlement Terms applicable to All Parties**

The Township, FSHC, and Schlumpf (collectively, the "Parties") hereby agree to the following terms:

28. If an appeal is filed of the Court's approval or rejection of this Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division, and New Jersey Supreme Court, and to continue to implement the terms of this Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
29. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Monmouth County.
30. 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.
31. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
32. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.

March 18, 2020

Page 14

33. 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.
34. 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.
35. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.
36. 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 all Parties.
37. 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.
38. 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.
39. 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.
40. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

**TO FSHC:**

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

March 18, 2020

Page 15

**TO SCHLUMPF:**

Richard J. Hoff, Esq.  
Bisgaier Hoff, LLC  
25 Chestnut Street, Suite 3,  
Haddonfield, New Jersey 08033  
Telecopier: 856-795-0312  
Email: [rhoff@bisgaierhoff.com](mailto:rhoff@bisgaierhoff.com)

**TO THE TOWNSHIP:**

Ronald L. Israel, Esq.  
Chiesa Shahinian & Giantomasi PC  
One Boland Drive  
West Orange, NJ 07052  
Telecopier: (973)-530-2245  
Email: [risrael@csglaw.com](mailto:risrael@csglaw.com)

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

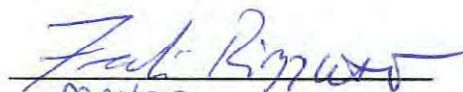
Beth Kara, RMC/CMC  
124 Cedar Drive  
Colts Neck, NJ 07722  
Email: [bkara@coltsneck.org](mailto:bkara@coltsneck.org)

Please sign below if these terms are acceptable.

Sincerely,

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

On behalf of the Township of Colts Neck, with the authorization  
of the governing body:

  
MAYOR

Dated: 3/18/20

On behalf of the Intervenor-Defendant Carole J. Schlumpf:

\_\_\_\_\_  
\_\_\_\_\_

Dated: \_\_\_\_\_

March 18, 2020  
Page 16

**Exhibit A – Sewer Durational Adjustment Information**

## EXHIBIT A

- **Monmouth County's Development plans have limited the construction of sanitary and potable water Infrastructure in Colts Neck, in order to protect environmentally sensitive areas.**

Monmouth County's Wastewater Management Plan for Colts Neck has consistently protected critical groundwater, surface water and agricultural resources that are unique to the Township. A crucial environmental receptor is the Swimming River reservoir that receives a majority of influent flow from surface water drainage from Colts Neck. Figure A presents Monmouth County's 1978 Water Quality Management Plan that characterizes Colts Neck as a Limited Growth Area. Figure A also identifies the Swimming River Reservoir and the reservoir's water shed boundary.

Figure B is the Monmouth County Future Wastewater Service Area Map, as adopted in March 2013. The figure demonstrates Colts Neck was not served by any regional sewage authority when the Wastewater Management Plan was finalized. Colts Neck continues to be served by onsite septic systems and a limited number of wastewater package plants.

According to NJAC 5:93-4.3(c), The lack of adequate capacity, in and of itself, shall constitute a durational adjustment of the municipal housing obligation. The requirement to address the municipal housing obligation shall be deferred until adequate water and/or sewer are made available. Figure B demonstrates Colts Neck currently has insufficient sanitary sewer service to support inclusionary development; therefore, a durational adjustment is justified.

**Colts Neck's inclusionary proposal will require cooperation and infrastructure planning with neighboring Townships and various infrastructure providers.**

Table 1 presents the conceptual<sup>1</sup> sanitary sewer connections, the existing utility providers and the approximate offsite utility distance to be installed to support the three proposed development projects. Overall, more than 5 miles of utilities may be installed to support the proposed projects.

**Table 1  
Sanitary Sewer Utility Infrastructure Connections**

<b>Infrastructure Related Utility Details</b>	<b>Colts Neck Building Associates</b>	<b>Countryside Developers</b>	<b>Area 1 Overlay Zoning</b>
<b>Tie-In to Existing Sewer Collection Service</b>	<b>Freehold Township or Freehold Township Public Works</b>	<b>Freehold Township Public Works</b>	<b>Howell Wastewater Management Area and Wall Township Sanitary Sewer Service or extend sanitary sewer service from a closer available tie-in along Route 34 or another location acceptable to both the developer and the Township</b>
<b>Approximate Length of New Utility Lines</b>	<b>~5,100 feet</b>	<b>~1,200 feet to tie-in to Grande Development across the street (Grande is already connected to Freehold Township Public Works)</b>	<b>~ 21,800 feet</b>
<b>Sanitary Sewer Service Area Provider</b>	<b>Manasquan River Regional Sewerage Authority (MRRSA)</b>	<b>Manasquan River Regional Sewerage Authority (MRRSA)</b>	<b>Manasquan River Regional Sewerage Authority (MRRSA)</b>
<b>Wastewater Treatment Plant / Regional Sewage Authority</b>	<b>Ocean County Utility Authority (OCUA): Northern Water Pollution Control Facility (NWPCF)</b>	<b>Ocean County Utility Authority (OCUA): Northern Water Pollution Control Facility (NWPCF)</b>	<b>Ocean County Utility Authority (OCUA): Northern Water Pollution Control Facility (NWPCF)</b>
<b>WWTP location</b>	<b>Brick</b>	<b>Brick</b>	<b>Brick</b>

<sup>1</sup> The proposed trenching and piping to the utility connections are conceptual, based on research of the existing utilities and potential connection plans. Final design plans may vary from Table 1.

**Figures**

- Figure A**      **Monmouth County's 1978 Water Quality Management Plan**  
**Figure B**      **Monmouth County Future Wastewater Service Area Map**



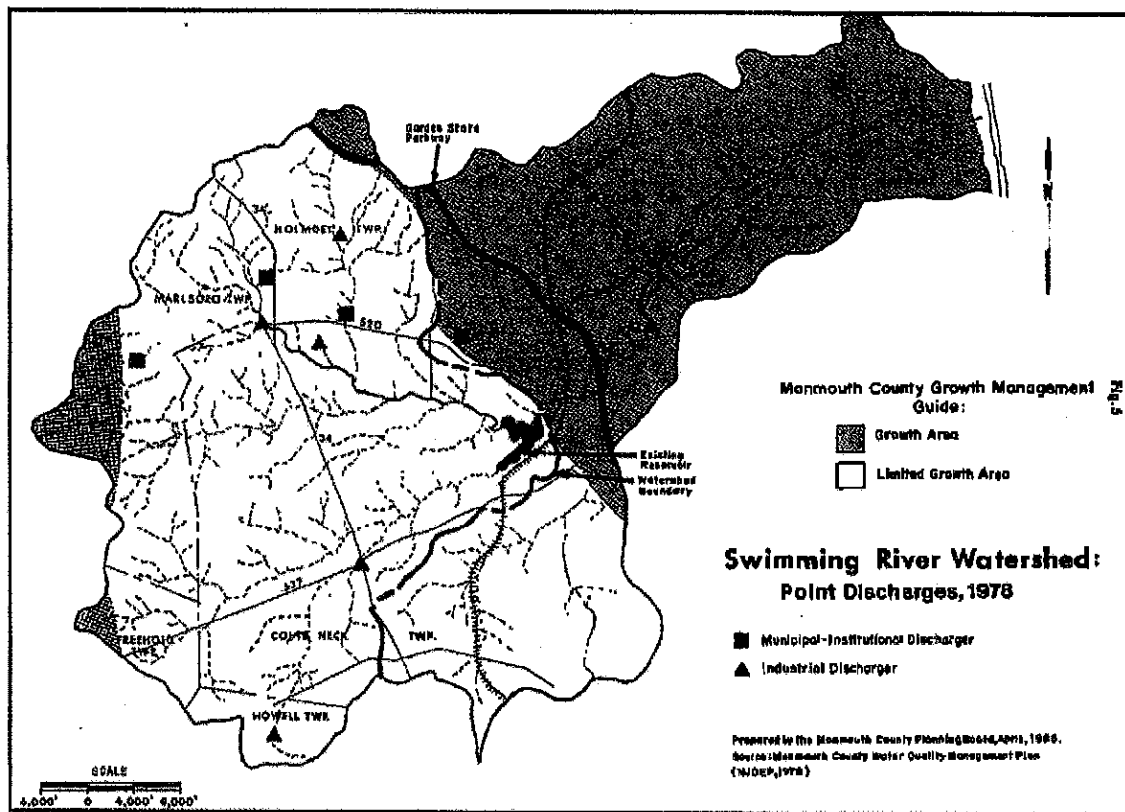


Figure A – Monmouth County's 1978 Water Quality Management Plan



March 18, 2020  
Page 17

**Exhibit B – The Provision of Sewer to Area 1**

**EXHIBIT B**

The Township has determined to incorporate the properties designated as Block 48, Lots 5, 39 and 40 on the Tax Map of the Township of Colts Neck (the "Toll Project Site") into its Affordable Housing Plan.

The Toll Project site will be developed: (1) at a density that will permit a total of up to one hundred (100) residential units, eighty (80) residential units to be market rate units, and a twenty percent (20%) affordable housing set aside equating to twenty (20) units affordable to very low, low and moderate income households; and (2) with sanitary sewer service whereby Toll Brothers will extend sanitary sewer service from the Howell Wastewater Management Area and Wall Township Sanitary Sewer as Identified on Exhibit A to this Agreement (or extend sanitary sewer service from a closer available tie-in along Route 34 or another location acceptable to both Toll and the Township) to existing sewer collection service, if available (the "Proposed Sanitary Sewer Connection Location") to the Toll Project Site (the "Toll Project"). The completion of the Toll Project (including the extension of sanitary sewer service) shall be guaranteed by: (i) performance bonds to be obtained by Toll Brothers; as well as (ii) a performance guarantee agreement between Toll Brothers and the Township.

In furtherance of the Toll Project, Toll Brothers and the Township will enter into an Affordable Housing Grant Agreement, whereby the Township will issue the following grant monies to Toll Brothers to facilitate the current and future creation of affordable housing in the Township:

- (1) the developer fees (the "Obre Road Developer Fees") to be paid in connection with the development of Block 53, Lots 4, 5 and 7 located on the Tax Map of the Township of Colts Neck pursuant to the adoption of ordinances with terms specified herein (the "Obre Road Project"); and
- (2) in the event that Toll Brothers incurs actual costs in excess of \$3,000,000.00 to extend sanitary sewer service from the Proposed Sanitary Sewer Connection Location to the Toll Project Site (which actual costs incurred shall exclude any fees assessed by a county, regional or municipal utility authority or county, regional or municipal sewerage authority, including, but not limited to connection fees or tapping fees) ("Sewer Extension Costs"), the Township will provide grant monies to Toll Brothers up to the amount of \$2,000,000.00 to defray Sewer Extension Costs incurred by Toll Brothers in excess of \$3,000,000.00 to extend sanitary sewer service to the Toll Project Site (which may, in whole or in part, be paid from the Township's Affordable Housing Trust Fund);

(the "Affordable Housing Grant").

The issuance of the Affordable Housing Grant is conditioned upon:

- (1) Toll Brothers making a one-time payment to the Township in the amount of \$10,000.00 representing Toll Brothers contribution to the attorney's fees and costs assessed to the Township by FSHC, and as referenced in Paragraph 23 of this Agreement; and
- (2) the Township's receipt of the Obre Road Developer Fees (prior to the payment of the Obre Road Developer Fees to Toll Brothers as part of the Affordable Housing Grant); and



- (3) Toll Brothers first obtaining (prior to the payment of the Affordable Housing Grant) any and all necessary approvals for the Toll Project, including, but not limited to approvals from the Township, other municipalities, the County of Monmouth, the Monmouth County Planning Board, regional sewer authorities, the New Jersey Department of Environmental Protection and the New Jersey Department of Transportation (collectively, the "Required Government Approvals"); and
- (4) Toll Brothers guaranteeing completion of the Toll Project (including the extension of sanitary sewer service) by: (i) performance bonds to be obtained by Toll Brothers; as well as (ii) a performance guarantee agreement between Toll Brothers and the Township; and
- (5) Toll Brothers incurring Sewer Extension Costs in excess of \$3,000,000.00 to extend sanitary sewer service from the Proposed Sanitary Sewer Connection Location to the Toll Project Site (the procedure for establishing and documenting the Sewer Extension Costs shall be provided for in the Affordable Housing Grant Agreement).

The Affordable Housing Grant Agreement shall further provide that should Toll Brothers or its successors or assigns recover in excess of \$2,000,000.00 as a result of a sewer recapture ordinance to be enacted by the Township, any funds paid to Toll Brothers or its successors or assigns by virtue of the sewer recapture ordinance in excess of \$2,000,000.00 shall be, in turn, paid to the Township as partial or complete reimbursement of the Affordable Housing Grant.

In the event that either: (i) Toll Brothers does not enter into an Affordable Housing Grant Agreement with the Township within three (3) years of the date hereof; or (ii) the Affordable Housing Grant Agreement between Toll Brothers and the Township is thereafter terminated as a result of Toll Brothers being unwilling or unable to obtain the Required Government Approvals, the Affordable Housing Grant shall be made available by the Township to a developer of comparable reputation (as defined as having, at minimum, built in excess of 500 residential dwelling units through inclusionary development and having built not less than five inclusionary development projects of at least 100 single-family, apartment or townhome units) that will: (i) construct an inclusionary development in the Area 1 Zone pursuant to the zoning contemplated by this Agreement for the Area 1 Zone that will yield a minimum of twenty (20) units affordable to very low, low and moderate income households; (ii) provide sanitary sewer service to the inclusionary development by extending sanitary sewer service from the Howell Wastewater Management Area and Wall Township Sanitary Sewer as identified on Exhibit A to this Agreement (or extend sanitary sewer service from a closer available tie-in along Route 34 or another location acceptable to both the developer and the Township to existing sewer collection service, if available) to the inclusionary project site; and (iii) incur Sewer Extension Costs in excess of \$3,000,000.00 to extend sanitary sewer service to the inclusionary development.

The Township's obligation to make the Affordable Housing Grant available to a comparable developer shall be subject to:

- (1) the Township approving, in its reasonable discretion, the developer as having a comparable reputation to Toll Brothers based upon, at minimum, having built in excess of 500 residential dwelling units through inclusionary development and having built not

less than five inclusionary development projects of at least 100 single-family, apartment or townhome units; and

- (2) the Township and the developer entering into an Affordable Housing Grant Agreement; and
- (3) the developer guaranteeing completion of the Inclusionary development project (including the extension of sanitary sewer service) by: (i) performance bonds to be obtained by the developer; as well as (ii) a performance guarantee agreement between the developer and the Township.

In the event that the Affordable Housing Grant is made available to a comparable developer, the issuance of the Affordable Housing Grant shall be conditioned upon:

- (1) the developer making a one-time payment to the Township in the amount of \$10,000.00 representing the developer's contribution to the attorney's fees and costs assessed to the Township by FSHC, and as referenced in Paragraph 23 of this Agreement; and
- (2) the Township's receipt of the Obre Road Developer Fees (prior to the payment of the Obre Road Developers Fees to the developer); and
- (3) the developer first obtaining (prior to the payment of the Affordable Housing Grant) any and all Required Government Approvals; and
- (4) the developer incurring Sewer Extension Costs in excess of \$3,000,000.00 to extend sanitary sewer service from the Proposed Sanitary Sewer Connection Location to the inclusionary development site (the procedure for establishing and documenting the same shall be provided for in the Affordable Housing Grant Agreement).

The Affordable Housing Grant Agreement shall further provide that should the comparable developer or its successors or assigns recover in excess of \$2,000,000.00 as a result of a sewer recapture ordinance to be enacted by the Township, any funds paid to the comparable developer or its successors or assigns by virtue of the sewer recapture ordinance in excess of \$2,000,000.00 shall be, in turn, paid to the Township as partial or complete reimbursement of the Affordable Housing Grant.

## EXHIBIT C: 2019 INCOME LIMITS

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

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

		1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents**	Sales***	Regional Asset Limit****
Region 1 Bergen, Hudson, Passaic and Sussex	Median	\$66,607	\$71,395	\$76,122	\$85,637	\$95,158	\$98,559	\$102,765	\$110,377	\$117,989	\$125,602	2.6%	4.73%	\$189,804
	Moderate	\$53,266	\$57,092	\$60,898	\$68,910	\$76,122	\$79,167	\$82,212	\$88,302	\$94,391	\$100,481			
	Low	\$33,303	\$35,582	\$38,061	\$42,810	\$47,576	\$49,479	\$51,382	\$55,180	\$58,979	\$62,801			
	Very Low	\$19,982	\$21,409	\$22,837	\$25,691	\$28,545	\$29,584	\$30,623	\$33,113	\$35,603	\$37,660			
Region 2 Essex, Morris, Union and Warren	Median	\$70,537	\$75,576	\$80,614	\$90,691	\$100,767	\$104,794	\$108,829	\$116,850	\$124,852	\$133,013	2.6%	3.67%	\$193,321
	Moderate	\$56,430	\$60,460	\$64,491	\$72,553	\$80,624	\$83,884	\$87,063	\$93,512	\$99,961	\$106,410			
	Low	\$33,269	\$37,794	\$40,807	\$45,845	\$50,884	\$52,399	\$54,414	\$58,445	\$62,476	\$66,508			
	Very Low	\$21,161	\$22,673	\$24,184	\$27,207	\$30,230	\$31,439	\$32,649	\$35,067	\$37,485	\$39,899			
Region 3 Hudson, Passaic and Somerset	Median	\$82,810	\$88,725	\$94,640	\$106,470	\$118,300	\$123,032	\$127,764	\$137,228	\$146,692	\$156,156	2.6%	9.64%	\$225,261
	Moderate	\$66,348	\$70,960	\$75,572	\$85,176	\$94,640	\$98,476	\$102,312	\$109,782	\$117,254	\$124,725			
	Low	\$41,405	\$44,363	\$47,320	\$53,235	\$58,150	\$61,516	\$64,882	\$68,614	\$72,346	\$76,078			
	Very Low	\$24,843	\$26,613	\$28,382	\$31,841	\$35,299	\$36,810	\$38,320	\$41,168	\$44,016	\$46,864			
Region 4 Mercer, Monmouth and Ocean	Median	\$72,165	\$77,319	\$82,474	\$92,783	\$103,092	\$107,216	\$111,340	\$119,587	\$127,834	\$136,082	2.6%	3.50%	\$193,919
	Moderate	\$57,732	\$61,855	\$65,979	\$74,226	\$82,474	\$85,773	\$89,072	\$95,670	\$102,268	\$108,865			
	Low	\$35,082	\$38,660	\$42,237	\$46,392	\$50,546	\$52,808	\$55,070	\$59,794	\$63,517	\$67,240			
	Very Low	\$21,649	\$23,196	\$24,743	\$27,835	\$30,927	\$32,165	\$33,402	\$35,876	\$38,350	\$40,825			
Region 5 Burlington, Camden and Gloucester	Median	\$63,070	\$67,575	\$72,080	\$81,080	\$90,100	\$93,704	\$97,308	\$104,916	\$112,524	\$120,132	2.6%	3.09%	\$160,581
	Moderate	\$50,456	\$54,060	\$57,664	\$64,672	\$72,080	\$74,968	\$77,856	\$83,633	\$89,410	\$95,187			
	Low	\$31,335	\$33,788	\$36,240	\$40,545	\$44,850	\$46,352	\$47,854	\$51,255	\$54,656	\$58,057			
	Very Low	\$18,711	\$20,273	\$21,834	\$24,827	\$27,820	\$28,321	\$29,322	\$31,323	\$33,324	\$35,325			
Region 6 Atlantic Cape, May, Cumberland and Salem	Median	\$53,714	\$57,550	\$61,387	\$69,061	\$76,734	\$79,803	\$82,873	\$89,031	\$95,189	\$101,347	2.6%	5.15%	\$143,713
	Moderate	\$42,971	\$46,040	\$49,110	\$55,248	\$61,387	\$63,843	\$66,298	\$71,209	\$76,120	\$81,031			
	Low	\$26,837	\$28,775	\$30,713	\$34,530	\$38,347	\$39,802	\$41,257	\$44,506	\$47,755	\$51,004			
	Very Low	\$16,314	\$17,263	\$18,212	\$20,778	\$23,344	\$24,393	\$25,442	\$27,703	\$29,964	\$32,225			

Moderate income is between 80 and 100 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

\* These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).

\*\* This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:87-9.3). The increase for 2015 was 2.3%, the increase for 2016 was 1.1%, the increase for 2017 was 1.7%, and the increase for 2018 was 2.2%. The increase for 2019 is 2.6% (Consumer Price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, or 2018 may increase rent by up to the applicable combined percentage including 2019 or 0.0% whichever is less in accordance with N.J.A.C. 5:87-9.3(c). In no case can a rent for any particular apartment be increased more than one time per year.

\*\*\* This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:87-9.3). The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In an event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

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

\*\*\*\* The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.

**EXHIBIT 5.**

**2025 FINAL JUDGMENT OF COMPLIANCE AND REPOSE, DATED APRIL  
1, 2025 AND ISSUED BY THE HON. LINDA GRASSO JONES, J.S.C.**



Chiesa Shahinian & Giantomasi PC  
105 Eisenhower Parkway  
Roseland, NJ 07068  
973.325.1500  
Ronald L. Israel, Esq. (ID #040231996)  
Thomas J. Trautner, Esq. (ID #018081999)  
*Attorneys for Plaintiff Colts Neck Township*

In the Matter of the Declaratory Judgment  
Actions Filed In the County of Monmouth,  
State of New Jersey, Pursuant to In re Adoption  
of N.J.A.C. 5:96, 221 N.J. 1 (2015)

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION: MONMOUTH  
COUNTY  
DOCKET NO. MON-L-2234-15

Civil Action  
(Mount Laurel)

**FINAL JUDGMENT OF COMPLIANCE  
AND REPOSE**

**THIS MATTER** having been opened to the Court by Ronald L. Israel, Esq. and Thomas J. Trautner, Esq., attorneys for petitioner Township of Colts Neck (hereinafter “the Township”), appearing, and on consent of Intervenor Fair Share Housing Center, Inc. (“FSHC”), by Joshua Bauers, Esq. and Ariela Rutbeck-Goldman, Esq., and upon approval of the Court Appointed Special Adjudicator, Frank Banisch, (“Special Adjudicator”); and

**THIS MATTER** having previously come before the Court on a fairness and preliminary compliance hearing on June 23 and 25, 2020 and, on August 13, 2020, the Court entered an Order of Fairness and Preliminary Mount Laurel Compliance; and this matter having previously come before the Court in accordance with an order setting December 6, 2022 as the date for a Final Compliance Hearing to consider whether the Township’s Amended Housing Element Fair Share Plan (“Amended HEFSP”) submitted on June 15, 2022 satisfies its affordable housing responsibilities under applicable law and entitles the Township of a judgment of compliance and repose, and on November 21, 2024, the Court entered an order of judgement of fairness and conditional compliance approving the Township’s Amended HEFSP subject to certain required amendments as set forth in the order and accompanying decision (“November 21, 2024 Order”); and whereas the Township had previously addressed the following requirements of the August 13, 2020 Order of Fairness and Preliminary Mount Laurel Compliance:

- a. Adoption of Ordinance 2020-19 (Affordable Housing);

- b. Adoption of Ordinance 2020-15 (amending the Land Development Regulations for the A-4 Mixed Housing District);
- c. Adoption of Ordinance 2020-17 (amending the Land Development Ordinance for the A-6 residential district to permit multi-family residential buildings);
- d. Adoption of Ordinance 2020-20 (establishing the MU-1 Mixed Use Overlay Zoning District);
- e. Adoption of a Development Fee Ordinance (Section 102-15 of the Township Code);
- f. Adoption of Resolution 2022-162 (authorizing Colts Neck Building Associates, LLC to appoint Piazza & Associates as the Administrator of the inclusionary development project located at Block 22, Lot 18 (f/k/a) Lots 11, 12, 13 & 14);
- g. Adoption of Resolution 2019-26 (approving and endorsing Block 22, Lot 18 (f/k/a) Lots 11, 12, 13 & 14 to be included in the sewer service area element of Monmouth County's Wastewater Management Plan and Authorizing Expansion of the Suez Franchise Area);
- h. Adoption of Resolution 2018-142 (approving and endorsing Block 42, Lot 4 to be included in the sewer service area element of Monmouth County's Wastewater Management Plan);
- i. Adoption of Resolution 2021-172 (approving and endorsing the delivery of public water service by Gordon's Corner Water Company to Block 22, Lot 18 (f/k/a) Lots 11, 12, 13 & 14); and

this matter now comes before the Court in accordance with the November 21, 2024 Order setting March 7, 2025 as the date for a hearing on whether the Township complied with the requirements of the November 21, 2024 Order; and at such hearing, the Township, by Thomas J. Trautner, Jr., Esq., and FSHC, by Joshua Bauers, Esq. and Ariela Rutbeck-Goldman, Esq., appeared; and Special Adjudicator Banisch provided the Court with testimony and a report dated March 6, 2025 that the Township has satisfied the requirements of the November 21, 2024 Order; and the Court having reviewed the testimony and exhibits and representations by Special Adjudicator Banisch and counsel; and the Court having provided an opportunity for interveners and interested persons and parties to ask questions and provide comments on the matters addressed in the proceeding; and good and sufficient cause having been shown for entry of this Final Judgment; and for the

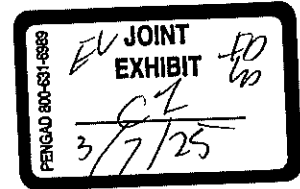
reasons placed on the record during March 7, 2025 hearing;

IT IS on this 21st day of April, 2025, **ADJUDGED, DECLARED AND ORDERED** as follows:

1. The Court declares that the Township of Colts Neck is in compliance with its Constitutional obligation to create a realistic opportunity for the development of affordable housing to very low, low, and moderate income households as defined in what is commonly referred to as the Mount Laurel Doctrine and the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq., through and including all cycles or rounds up to and including any and all obligations that may have been determined to exist through July 1, 2025, as set forth in the November 21, 2024 Order.
2. The Township's affordable housing obligations were determined as follows: Rehabilitation Share of 25 units; Prior Round Obligation of 218 units; and Third Round Prospective Need of 306 units. The Township's Prospective Need includes the Gap Period Present Need.
3. Per the November 21, 2024 Order, the Township is granted a durational adjustment pursuant to N.J.A.C. 5:93-4.3 and is not eligible for a waiver under N.J.A.C. 5:93-4.3(c)(4).
4. The Township has satisfied the requirements of the November 21, 2024 Order.
5. Per the Court's November 21, 2024 Order Granting Fair Share Housing Center's Motion to Enforce Litigants Rights and Directing Modification of Colts Neck's Proposed Housing Element and Fair Share Plan and Spending Plan, the Township is obligated to committing to at least \$2 million toward extending water and/or sewer service to affordable housing in the Area 1 Overlay Zone.
6. When required to permit development of a site for low and moderate income housing in accordance with N.J.A.C. 5:93-4.3, the Township shall cooperate and take the steps necessary to seek modification of any applicable access management plan with the New Jersey Department of Transportation.
7. The Township is entitled to this Final Judgment of Compliance and Repose and immunity from exclusionary zoning lawsuits, including but not limited to "builder's remedy" lawsuits, for its third round Mount Laurel affordable housing obligations, with said protections extending through and expiring on July 1, 2025.

8. The Court retains jurisdiction over this matter solely for the purposes of enforcement of this Judgment of Compliance and Repose, the Township's 2025 Housing Element and Fair Share Plan, and any applicable settlement agreements.
9. A copy of this Order shall be served on the Special Adjudicator, all counsel of record and all parties or interested participants who have registered their interest via ecourts via notice from ecourts and the attached service list within seven days of receipt by counsel for Petitioner.

*/s/ Linda Grasso Jones, J.S.C.*  
**HON. LINDA GRASSO JONES, J.S.C.**



# REPORT OF THE SPECIAL ADJUDICATOR

IN THE MATTER OF THE APPLICATION

OF THE TOWNSHIP OF COLTS NECK

DOCKET No. MON-L-2234-15

REGARDING COLTS NECK'S SATISFACTION OF

ALL REQUIREMENTS OF THE NOVEMBER 21, 2024 JUDGMENT OF

FAIRNESS AND CONDITITONAL COMPLIANCE AND REPOSE

Prepared by:

Francis J. Banisch III, PP/AICP  
111 Main Street  
Flemington, NJ 08822

The original document was signed and sealed on March 6, 2025 in accordance with Chapter 41 of Title 13 of the State Board of Professional Planners.

Francis J. Banisch III, PP/AICP  
Professional Planner #1686

### Introduction

The purpose of this report is to present my review and recommendations as the Court-appointed Special Adjudicator regarding whether Colts Neck has satisfied the requirements of Your Honor's November 21, 2024 Judgment of Fairness and Conditional Compliance and Repose. That Judgment found that the adopted Housing Element and Fair Share Plan (HEFSP) submitted by Colts Neck complies with Colts Neck's Mount Laurel Third Round obligation, provided the required amendments and related materials were adopted. You also declared the March 18, 2020 settlement agreement between the Colts Neck, Fair Share Housing Center and Carole Schlumpf not to be void. Additionally, Colts Neck's request for a durational adjustment was granted without a waiver, which will require the Township to endorse any applications to DEP for wastewater treatment to serve affordable housing development.

### ***Satisfaction of Conditions of November 21, 2024 Judgment of Fairness and Conditional Compliance and Repose***

This report has reviewed the terms of the Judgment against the Township's submission. My findings are detailed below with the terms of the Judgment outlined in **bold** and numbering that corresponds to numbering in the November 21, 2024 Judgment.

**3. Colts Neck must amend the proposed HEFSP, submitted to the court on June 15, 2022 to provide that Colts Neck must adopt and maintain in Area 1 the overlay zoning provided in the March 18, 2020 settlement agreement.**

*The Township adopted a Housing Element and Fair Share Plan on February 11, 2025, which was endorsed by the Township Committee (Resolution 2025-59). The Plan includes the Area 1 overlay zone discussion as outlined in the March 18, 2020 settlement agreement. As stated in the Plan, Area 1 includes properties in the (B-1) Business District including Block 46, Lots 13, 15, 16, 17 and Block 48, Lots 1, 2, 3, 4, 5, 6, 19, 39, 40, 41. The Plan and ordinance permit a density of eight (8) units per acre with a 20% set aside.*

**4. Colts Neck must amend the proposed HEFSP to provide that Colts Neck remains obligated under Exhibit B to the March 18, 2020 settlement agreement to provide the financial contribution to a sewer system in Area 1.**

*The adopted 2025 Housing Element and Fair Share Plan includes "Exhibit B" regarding the March 18, 2020 settlement agreement to provide contributions to a sewer system in Area 1.*

**6. The waiver granted to Colts Neck under the March 18, 2020 settlement agreement is vacated and Colts Neck must thus endorse all applications to the NJDEP or its agent to provide sewer capacity.**

*The adopted Housing Element and Fair Share Plan provides a commitment to endorse all applications to the NJDEP or its agent to provide sewer capacity.*

**7. Colts Neck must amend its proposed housing element and fair share housing ordinance to permit development where the NJDEP or its designated agent approves a proposal to provide infrastructure to a site for the development of affordable housing.**

*The adopted Plan includes acknowledgement to permit development where the NJDEP, or its agent, approves a proposal to provide infrastructure to support the creation of affordable housing.*

**8. Colts Neck must amend the proposed HEFSP to remove the three market to affordable units and the potential application of affordable housing trust fund monies to that program.**

*The market for affordable units have been removed from the HEFSP and the spending plan accordingly.*

**9. Colts Neck must work with a qualifying developer of comparable reputation to that of Toll Brothers to facilitate sewer service to Area 1.**

*The adopted plan provides a statement committing the Township to work with a qualifying developer to facilitate sewer in Area 1. The plan states the Township will:*

*“Work with a qualifying developer of comparable reputation to that of Toll Brothers to facilitate sewer service to Area 1.”*

**10. Colts Neck must reserve and set aside new sewer capacity, when it becomes available, for affordable housing on a priority basis.**

*The adopted plan provides a statement to set aside and prioritize any newly available sewer capacity to facilitate affordable housing creation.*

*“1. Notwithstanding the lack of adequate water and/or sewer at the time a municipality petitions for substantive certification, the municipality shall reserve and set aside new water and/or sewer capacity, when it becomes available, for low and moderate income housing, on a priority basis.”*

**1. Amend the HEFSP to include the Area 1 overlay zone.**

*The adopted, amended Housing Element and Fair Share plan includes the Area 1 overlay.*

**2. Amend the HEFSP and Spending Plan to remove the market to affordable program.**

*The Township has provided an amended and adopted Spending Plan (Resolution 2025-60) eliminating funding for the market to affordable program.*

**3. Revise the Spending Plan to distribute funds to mechanisms in the plan, including funds for sewer.**

*The adopted Spending Plan provides funding to the approved affordable housing mechanisms and sewer infrastructure needs.*

- 4. Work with a qualifying developer of comparable reputation to that of Toll Bros. to facilitate sewer service to Area 1.**

*The adopted plan provides a statement committing the Township to work with a qualifying developer to facilitate sewer in Area 1.*

- 5. Provide adopted versions of the Planning Board and Township Committee resolutions endorsing the amended HEFSP.**

*The Township has provided the Planning Board Resolution adopting the Housing Element and Fair Share Plan dated February 11, 2025 and the Governing Body endorsement (Resolution 2025-59).*

- 6. Cease use of trust funds toward administrative expenses.**

*The adopted Spending plan recognizes the Township's over expenditure of funds for administrative purposes and confirms no additional administrative fees will be drawn from the trust fund until recapture, as follows:*

*"The Township recognizes it has exceeded its maximum administrative costs. In order to rectify this noncompliance, the Township commits to not expending money from the affordable housing trust fund for administration expenditures until its total administration expenditures are less than 20%."*

- 7. Provide a governing body resolution approving the Spending Plan.**

*The Governing Body approved the Spending plan (Resolution 2025-60).*

- 8. Provide an adopted version of the draft operating manual for rental affordable units.**

*The Township adopted the "Operating Manual for Rental Affordable Units" (Resolution 2025-61), and "Operating Manual for For-Sale Affordable Units" (Resolution 2025-62).*

- 9. Provide a signed, adopted version of the governing body resolution approving bond issuance.**

*The Township provided the adopted intent to bond ordinance (Resolution 2025-63).*

- 10. Provide additional information concerning the Monmouth County Rehabilitation program, including a structural conditions survey.**

*The Township has provided an appendix in the adopted Plan consisting of the Monmouth County rehabilitation program "Homeowners Guide and Additional Information Guide" released by the County in February 2020. The Township elected not to prepare a structural conditions survey.*

- 11. Provide an ordinance designating a municipal housing liaison.**



*The Township has designated the Township Planner as the municipal housing liaison (Resolution 2025-46).*

**12. Provide documents showing creditworthiness for the 7 assisted living units at Reflections at Colts Neck.**

*The appendix to the Plan includes creditworthiness information for the assisted living facility. The documentation includes the NJ Health Facilities listing for Reflection at Colt's Neck, Planning Board resolution of approval for preliminary and final major subdivision and site plan dated November 10, 1998, and CO issued January 31, 2002.*

**13. Provide a resolution appointing an administrative agent for affordable units other than those at CNBA.**

*The Township has designated the Township Planner as the Affordable Housing Agent (Resolution 2025-45).*

**14. Provide adopted versions of the affirmative marketing plan and resolution.**

*The Affirmative Marketing Plan has been provided as has the resolution adopting the Plan (Resolution 2025-44).*

***Satisfaction of Condition of the September 24, 2021 Order Granting Interested Party's Motion For Intervention And Relief Pursuant To Fairness Order, in Part***

I will also note that Paragraph 7 of this order requires that:

It is further ordered that the Township take steps necessary to amend the NJDOT Highway Access Management Plan to allow for the Toll Project.

I do not know whether this requirement has been addressed but now would be an appropriate time for the Township to detail such steps as may have been taken.

***Summary and Recommendation***

This report has been prepared to determine whether all requirements of the November 21, 2024 Judgment of Fairness and Conditional Compliance and Repose have been satisfied. Based upon the analysis undertaken herein, I find that Colts Neck Township has taken all the necessary actions to qualify for an unconditional final judgment.

I also note that the Township should document the steps taken toward securing an amendment to the State Highway Access Management Code for the former Toll property.

I trust that these findings and recommendations will assist the Court in this matter.