

FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

Hampton Township
Sussex County, New Jersey

June 5, 2025

Adopted by the Planning Board on June 19, 2025

Prepared By:



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Community Planning Consultants
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EXECUTIVE SUMMARY

The following Fourth Round Housing Element and Fair Share Plan has been prepared for Hampton Township in the County of Sussex in accordance with the Fair Housing Act as most recently amended (P.L.2024, c.2).

The Township of Hampton is a 25.3 square mile rural community located in the northwestern part of New Jersey in the County of Sussex. As recognized by the New Jersey State Plan, much of the Township remains undeveloped, in rural and environmentally sensitive planning areas. The Township is bordered by Frankford Township to the north, Lafayette Township to the east, Andover Township, Newton, Fredon Township to the south, and Stillwater Township and Walpack Township to the west. Development within the Township is highly concentrated along Route 206, with rural residential neighborhoods outside of this corridor.

The Township can be characterized as a rural municipality and, according to the State Development and Redevelopment Plan (SDRP), is located in Rural Planning Area 4, Rural Environmentally Sensitive Planning Area 4b, Environmentally Sensitive Planning Area 5, and Parks and Natural Areas. The Parks and Natural Area contains a large portion of the Bear Swamp Wildlife Management Area, a conservation area spanning over 1,000 acres of freshwater wetlands and wildlife habitats.

According to the 2020 Census, Hampton Township's population was 4,893, which represents a decrease of 5.8% from 2010. In 2020, the Township's median age was 44.9 years, representing an 8.6% decrease from the median age of 49.1 years in 2010. The Township's average household size in 2020 was 2.37 persons, which was slightly lower than the average at the County level (2.50 persons).

The housing stock of the Township is predominantly single-family detached dwelling units, with a majority of these structures built during the 1980s. According to the guidelines originally established by COAH, the Township is located in Housing Region 1, a region that consists of Bergen, Hudson, Passaic, and Sussex counties. Based on the 2024 Regional Income Limits (released by Affordable Housing Professionals of New Jersey on May 5, 2025), the median income in Region 1 for a four-person household is \$127,200, the moderate-income is \$101,760, the low-income is \$63,600, and the very-low-income level is \$38,160.

Affordable housing obligations in New Jersey are divided into "housing rounds," as will be discussed in detail later in this Plan. Each municipality in New Jersey has a constitutional obligation to provide their fair share of the calculated regional need for affordable housing within the respective housing round. These obligations to construct new affordable housing are known as the "Prospective Need" obligation. Municipalities also have an obligation to rehabilitate units that are deemed substandard, pursuant to the criteria of the Fair Housing Act. This obligation is known as the Present Need, or Rehabilitation Share. The housings rounds are as follows: Prior Round (1987-1999), Third Round (1999-2025), and Fourth Round (2025-2035).

The Township of Hampton has participated in each of the three housing rounds. In the Third Round, the Township entered into a Settlement Agreement with Fair Share Housing Center to establish the Township's Third Round affordable housing obligation. The subsequent compliance efforts were approved by the Court in a Judgement of Compliance and Repose, dated November 16, 2018, confirming the Township satisfied its Third Round obligations.

The Township was able to fully meet its Prior Round and Third Round obligations through credit-worthy units that are existing, under construction, or proposed as well as rental bonus credits.

The Township has a Fourth Round obligation as follows:

Rehabilitation Share: 0

Prospective Need: 81

Similar to the Third Round, Hampton Township will seek a durational adjustment for their Fourth Round obligation.

INTRODUCTION

The need to provide a realistic opportunity for the construction of affordable housing in New Jersey, the country's most densely populated state, has been recognized for decades. In the case of Southern Burlington County NAACP v. the Township of Mount Laurel 67 N.J. 151 (1975), (commonly known as Mount Laurel I), the New Jersey Supreme Court established the doctrine that developing municipalities in New Jersey have a constitutional obligation to create a realistic opportunity for their fair share of low and moderate income housing.

In Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158, 456 A.2d 390 (1983), decided on January 20, 1983 (commonly known as Mount Laurel II), the Supreme Court responded to the response of municipalities to Mount Laurel II. The builder's remedy created a mechanism for developers to sue non-compliant municipalities and force them to comply. Mount Laurel II also created the Judgment of Repose to incentivize municipalities to comply. A Judgment of Repose protected municipalities from potential lawsuits and those who would claim entitlement to a builder's remedy or other relief based upon the claim that the municipality was noncompliant.

In the wake of Mount Laurel II, developers sued municipalities seeking builder's remedies. The wave of builder's remedy lawsuits created the impetus for legislation to protect municipalities from builder's remedies. A decision by Judge Serpentelli, one of three judges appointed by Chief Justice Wilentz to implement Mount Laurel II, increased the need for a legislative cure. More specifically, in 1984, Judge Serpentelli issued the "AMG decision" (AMG Realty Co. v. Warren Twp.), which established a formula for any developer to determine the fair share obligation of any municipality.

The pressure of builder's remedy suits, combined with the ease in determining the fair share of any municipality through the AMG formula, culminated in the enactment of the New Jersey Fair Housing Act in 1985. The Fair Housing Act (FHA) is found at N.J.S.A. 52:270-301, et seq. The FHA established the Council on Affordable Housing (COAH) as an administrative alternative to builder's remedy lawsuits and the concomitant jurisdiction of the courts. COAH was given the responsibility of dividing the state into housing regions, determining regional and municipal fair share affordable housing obligations, and adopting regulations that would establish the guidelines and approaches that municipalities may use in addressing their affordable housing need.

In 2008, the Legislature amended the FHA to add requirements for very low-income housing. Very low-income households are those in which the gross household income is 30% or less than the region's median household income. Low-income households are those with incomes no greater than 50% of the region's median household income. Moderate-income households are those with incomes no greater than 80% and no less than 50% of the region's median household income. Each is adjusted for household size and is in relation to the median gross income of the housing region in which the municipality is located.

FIRST AND SECOND ROUNDS

The First and Second Rounds under COAH are collectively referred to as the “Prior Round.” The Prior Round obligation is the cumulative 1987-1999 fair share obligation. The First Round consists of the six-year period between 1987 and 1993 for which COAH first established a formula for determining municipal affordable housing obligations (N.J.A.C. 5:92-1 *et seq.*). Then in 1994, COAH established amended regulations (N.J.A.C. 5:93-1.1 *et seq.*) and produced additional municipal affordable housing obligations for the years 1993 to 1999. This second round of obligations is known as the Second Round. When COAH adopted regulations for Round 2, it made the Round 1 and 2 obligations cumulative for both periods.

THIRD ROUND

Housing rounds were originally established by the Fair Housing Act as six-year periods, but in 2001 the Legislature extended the rounds to 10-year periods. This should have meant that the Third Round ran from 1999 to 2009. However, COAH didn’t establish new rules for the Third Round until the end of 2004 (N.J.A.C. 5:94-1 and 95-1 *et seq.*). The Third Round time period was therefore extended to 2014. The Third Round rules established a new method for calculating a municipality’s affordable housing obligation, known as “growth share.” This method required municipalities to project future residential and non-residential development, and then derive their obligation from that growth.

After the New Jersey Appellate Court invalidated several components of the Third Round rules, COAH released revised rules in 2008. The Third Round was once again extended to 2018 to provide municipalities with the time to apply the amended rules and establish mechanisms to meet their obligations. The revised Third Round rules, like the initial Third Round, rules established the obligations based on a growth share approach.

On October 8, 2010, in response to numerous legal challenges to the second iteration of COAH’s Third Round regulations, the Appellate Divisions ruled that COAH could not allocate obligations through a “growth share” formula and directed COAH to use similar methods to those used in the First and Second Rounds. COAH proposed Third Round regulations a third time in 2014 using a formula similar to the ones it had used in the first and second rounds. However, when COAH met to consider adopting these rules on October 20, 2014, it deadlocked.

On March 10, 2015, the New Jersey Supreme Court decided In re Adoption of N.J.A.C. 5:96 & 5:97 by the N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (Mount Laurel IV), wherein it responded to COAH’s failure to adopt defensible rules for Round 3. This decision changed the landscape by which municipalities are required to comply with their constitutional obligation to provide their fair share of affordable housing. The Supreme Court held that since COAH was no longer functioning, trial courts were to resume their role as the forum of first instance for evaluating municipal compliance with Mount Laurel obligations, and also established a transitional process for municipalities to seek temporary immunity and ultimately a

Judgment of Compliance and Repose (“JOR”) from a Court, which was the “judicial equivalent” of Substantive Certification from COAH.

On January 18, 2017, the Supreme Court decided In Re Declaratory Judgment Actions Filed by Various Municipalities, County of Ocean, Pursuant To The Supreme Court’s Decision In In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) (“Mount Laurel V”), which held that need having accrued during the Gap Period (1999-2015) was part of the Present Need, not Prospective Need. The Supreme Court held that there is an obligation with respect to that period for households that came into existence during that gap that are eligible for affordable housing, that are presently (as of 2015) in need of affordable housing, and that are not already counted in the traditional present need.

As the methodology and obligations from the Gap and Prospective Need had not been fully adjudicated at that time, various trial judges issued opinions on the appropriate methodology and 354 municipalities reportedly settled with Fair Share Housing Center wherein they negotiated the obligations for Round 3.

Municipal obligations were therefore broken down in Round Three Housing Element and Fair Share Plans as Present Need/Rehabilitation, Prior Round (1987-1999), and Third Round and Gap Period (1999-2015). Municipalities that received their Final Judgement of Compliance and Repose were guaranteed immunity from builders’ remedy lawsuits through the end of the Third Round, June 30, 2025.

FOURTH ROUND

On March 18, 2024, the affordable housing legislation known jointly as Senate Bill S50 and Assembly Bill A4 passed both houses of the legislature. Governor Murphy signed the bill (P.L.2024, c.2) into law on March 20, 2024, establishing a new methodology for determining municipalities’ affordable housing obligations for the Fourth Round and beyond. The new legislation, which comprehensively amends the FHA, overhauled the process that municipalities undertake to establish and plan for their constitutionally mandated affordable housing obligation. Most notably, this legislation formally abolished COAH while transferring its functions to the New Jersey Department of Community Affairs (DCA) and Housing Mortgage and Finance Agency (HMFA). As a result, the legislation codified the method for calculating regional and municipal affordable housing needs and returned most of the process from the Courts to state administrative departments.

The amended FHA called on the DCA to issue a non-binding report on the new Present Need Obligation (commonly referred to as the rehab obligation) and the Prospective Need for Round 4 and subsequent rounds. The amended FHA requires the DCA to base its analysis of the obligations for each municipality based upon the standards set forth in the amended FHA. Accordingly, on October 18, 2024, the DCA released a report outlining the Fourth Round (2025-2035) Fair Share methodology and its calculations of low- and moderate-income obligations for each of the State’s municipalities. The amended FHA gave municipalities until January 31, 2025, to review the obligation reported by the DCA and perform their own

analysis of their obligation based on the methodology in the legislation and previously established by the Courts. If any municipality wished to commit to an obligation different from the one reported by the DCA, the amended FHA required the municipality to adopt a resolution by January 31, 2025, committing to the number that it contended was the appropriate obligation. If a municipality wished to commit to the numbers that the DCA reported, the amended FHA required the municipality to adopt a resolution committing to the DCA numbers.

The amended FHA required any municipality that wished to participate in the new process that the Act created to file a declaratory relief action within 48 hours of adopting the resolution committing to the numbers the municipality deemed appropriate.

The amended FHA gave any interested party who wished to oppose the numbers to which any municipality committed to file an Answer by February 28, 2025 which included a particularized objection to the numbers to which the municipality committed.

The amended FHA gave “the program” until March 31, 2025, to try to resolve any disputes over the fair share numbers to which a municipality committed through an “Affordable Housing Dispute Resolution Program.” The program is a new entity created by the amended FHA. It is staffed with seven current or retired judges and the judges have the authority to use adjudicators to assist it in mediating disputes over the obligations of municipalities.

The amended FHA gives municipalities until June 30, 2025, to file a Housing Element and Fair Share Plan and related documents showing how the municipality will comply with its obligations. The Fourth Round Plans will follow the same general format as they have with certain updates to their requirements dealing with various types of housing and the bonus credit calculation system. Notably, HEFSPs are required to be consistent with the State Development and Redevelopment Plan (SDRP) (a new draft SDRP was released in late 2024 and has yet to be adopted) and the Highlands Regional Master Plan for conforming municipalities. As part of the HEFSP, municipalities shall include an assessment of the degree to which the municipality has met its fair share obligation from the prior rounds of affordable housing (i.e. First, Second, and Third Rounds).

HAMPTON TOWNSHIP'S HISTORY OF AFFORDABLE HOUSING

Hampton Township has a long history of compliance with COAH's regulations. The Township petitioned COAH for Second Round Certification on June 6, 2000, and received substantive certification on November 5, 2003. The Township's Second Round Certification expired on November 4, 2009.

The Township also participated in the Third Round Certification process with COAH. The Township Planning Board adopted a Third Round Housing Element and Fair Share Plan on December 31, 2008. Hampton Township then petitioned COAH for substantive certification on April 15, 2009, but did not receive Third Round Certification as the Third Round Rules were invalidated by the Court.

In response to Mount Laurel IV, the Township filed its complaint for a Declaratory Judgement on July 14, 2015 (Docket No. SSX-L-455-15). A settlement agreement with the Fair Share Housing Center ("FSHC") was executed on November 29, 2016 (Appendix A).

Subsequent to the executed settlement agreement with FSHC, the Township entered into negotiations with developers Pio Costa Enterprises, LC and Cage Investors, LLC ("developers") in an effort to determine the types and magnitude of development of the properties owned by said developers in relation to Hampton's affordable housing obligations. The Township and the developers entered into an agreement dated August 20, 2017 and signed November 1, 2017.

The Township also entered into negotiations with 15 Route 206, LLC ("Martin"), an Intervenor in the proceeding, in an effort to develop mutually agreeable re-zoning in relation to the Township's affordable housing obligations. The parties executed an agreement in October 2017. Both the Martin agreement and the agreement with Pio Costa and Cage can be found in Appendix B of this Plan.

In an amended settlement agreement dated October 31, 2017, FSHC confirmed and approved the Township's affordable housing obligation and the mechanisms for meeting such obligation (Appendix A).

A Housing Element and Fair Share Plan which effectuated the terms contained within the Settlement Agreement with FSHC was adopted by the Township's Planning Board on March 15, 2018 (the "2018 HEFSP").

A Fairness Hearing was held on August 8, 2018, at which time the agreement was deemed fair and reasonable and that it adequately protected the interest of low- and moderate-income households. An Order of Judgment of Compliance and Repose was issued by the Honorable Maryann L. Nergaard, J.S.C. on November 16, 2018 (Appendix C). Additionally, on this date, Judge Nergaard also filed an Order Imposing Scarce Resource Restraint for Hampton Township (Appendix D).

Hampton Township continues to take steps to satisfy its affordable housing obligation. The Township established a binding resolution on January 28, 2025 (Resolution #2025-19) which maintained the DCA-

generated obligation, to establish its Fourth Round housing obligation, and thus guaranteed protection from builders' remedy suits (Appendix E).

This Fourth Round HEFSP outlines mechanisms implemented to address the Township's affordable housing obligations, and has been prepared in accordance with the Fair Housing Act as most recently amended (P.L.2024, c.2).

PLANNING FOR AFFORDABLE HOUSING

Pursuant to both the FHA (N.J.S.A. 52:27D-310, et seq.) and the Municipal Land Use Law (MLUL) (N.J.S.A. 40:55D-28), municipalities in New Jersey are required to include a housing element in their master plans. The principal purpose of the housing element is to describe the specific, intended methods that a municipality plans to use in order to meet its low- and moderate-income housing needs. Further, the housing element is meant to demonstrate the existing zoning or planned zoning changes that will allow for the provision of adequate capacity to accommodate household and employment growth projections, to achieve the goal of access to affordable housing for present and future populations. The statutorily required contents of the housing element are:

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate-income households and substandard housing capable of being rehabilitated;
- b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1);
- f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;

-
- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20);
 - h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and
 - i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

PART 1: HOUSING ELEMENT**DEMOGRAPHIC CHARACTERISTICS****Population**

Table 1 below depicts the population trends experienced in Hampton Township, Sussex County, and the State of New Jersey in the 93-year period between 1930 and 2023. In 2023, there were 4,910 residents in Hampton Township, which indicates an increase of 17 people (0.3%) from 2020. Hampton Township has experienced steady growth over the past 93 years, with just one minor decrease of 303 residents (-5.8%) between 2010 and 2020. Overall, the Township has seen a growth of 4,329 residents during this time frame, reflecting a 745.1% increase in its population. Proportionally speaking, the Township's most significant period of growth occurred in the decade between 1970 and 1980 when the Township saw an 87.3% increase in its population. These trends are reflected at the County level as well, which saw a similarly significant increase in population throughout the 1970s. While population growth has been steady during this time in Sussex County and the State of New Jersey as a whole, the Township's overall growth (745.1%) has proportionally exceeded that of the County (221.4%) and State (129.2%).

Table 1: Population Trends, 1930-2023
Hampton Township, Sussex County, and New Jersey

Year	Hampton Township			Sussex County			New Jersey		
	Population	Change		Population	Change		Population	Change	
		Number	Percent		Number	Percent		Number	Percent
1930	581	-	-	27,830	-	-	4,041,334	-	-
1940	611	30	5.2%	29,632	1,802	6.5%	4,160,165	118,831	2.9%
1950	668	57	9.3%	34,423	4,791	16.2%	4,835,329	675,164	16.2%
1960	1,174	506	75.7%	49,255	14,832	43.1%	6,066,782	1,231,453	25.5%
1970	2,091	917	78.1%	77,528	28,273	57.4%	7,171,112	1,104,330	18.2%
1980	3,916	1,825	87.3%	116,119	38,591	49.8%	7,365,011	193,899	2.7%
1990	4,438	522	13.3%	130,943	14,824	12.8%	7,730,188	365,177	5.0%
2000	4,943	505	11.4%	144,166	13,223	10.1%	8,414,350	684,162	8.9%
2010	5,196	253	5.1%	149,265	5,099	3.5%	8,791,894	377,544	4.5%
2020	4,893	-303	-5.8%	144,221	-5,044	-3.4%	9,288,994	497,100	5.7%
2023	4,910	17	0.3%	145,117	896	0.6%	9,261,699	-27,295	-0.3%
Total Change	-	4,329	745.1%	-	61,607	221.4%	-	5,220,365	129.2%

Source: U.S. Census Bureau, Decennial Census and 2023: ACS 5-Year Estimates Table S0101

Population Composition by Age

The median age of the residents in Hampton Township in 2020 was 49.1 years, which shows a 9.4% increase from the 2010 median age of 44.9 years. Analysis of age group characteristics provides insight into the actual changes in population. This comparison is helpful in determining the impact these changes have on housing needs, community facilities and services for the municipality. As detailed in Table 2 below, the entire composition of Hampton Township experienced notable shifts in the years between 2010 and 2020. The most significant shift occurred in the population aged 65 and over, which collectively saw a 366-person (47.4%) increase. Simultaneously, the Township experienced a significant decrease in its population under 24 years old (-15.6%) and between the ages 35 to 54 (-30.3%). This data suggests that a larger portion of the Township's residents are transitioning into the senior citizen age range, which will require the Township to consider planning tools and approaches that encourage aging-in-place.

Table 2: Population by Age, 2010 to 2020						
Hampton Township						
Population	2010		2020		Change (2010 to 2020)	
	Number	Percent	Number	Percent	Number	Percent
Under 5 years	208	4.0%	211	4.3%	3	1.4%
5 to 14	634	12.2%	470	9.6%	-164	-25.9%
15 to 24	652	12.5%	525	10.7%	-127	-19.5%
25 to 34	436	8.4%	511	10.4%	75	17.2%
35 to 44	672	12.9%	489	10.0%	-183	-27.2%
45 to 54	990	19.1%	660	13.5%	-330	-33.3%
55 to 64	836	16.1%	893	18.3%	57	6.8%
65 and over	768	14.8%	1,134	23.2%	366	47.7%
Total population	5,196	100.00%	4,893	100.00%	-303	-5.8%
Median Age	44.9	-	49.1	-	4.2	9.4%

Source: U.S. Census Bureau, Decennial Census, Tables DP1, P12 and P13

Sussex County experienced population fluctuation as well. The County also saw the greatest shift of its population aged 65 and over, which was proportionally even higher (50.2%) than the increase experienced at the Township level. The County experienced rather significant decreases in its population aged 24 and below (-17%) as well as those aged 35 to 54 (-24.6%), directly mirroring shifting age trends occurring in the Township. This data is displayed in Table 3 below.

Table 3: Population by Age, 2010 to 2020						
Sussex County						
Population	2010		2020		Change (2000 to 2010)	
	Number	Percent	Number	Percent	Number	Percent
Under 5 years	7,963	5.3%	6447	4.5%	-1,516	-19.0%
5 to 14	20,571	13.8%	15707	10.9%	-4,864	-23.6%
15 to 24	18,528	12.4%	16,964	11.8%	-1,564	-8.4%
25 to 34	14,178	9.5%	16265	11.3%	2,087	14.7%
35 to 44	21,480	14.4%	16,288	11.3%	-5,192	-24.2%
45 to 54	27,845	18.7%	20921	14.5%	-6,924	-24.9%
55 to 64	20,850	14.0%	24,827	17.2%	3,977	19.1%
65 and over	17,850	12.0%	26,802	18.6%	8,952	50.2%
Total population	149,265	100.0%	144,221	100.0%	-5,044	-3.4%
Median Age	41.8	-	45.3	-	3.5	8.4%

Source: U.S. Census Bureau, Decennial Census, Tables DP1, P12 and P13

Households

A household is defined as one or more persons, either related or not, living together in a housing unit. In 2020 there was a total of 1,996 households in Hampton Township. Over half of the Township's households comprised two or less people. In fact, Two-person households were the most common household size at both the Township (36.6%) and County (35.1%) levels, followed by one-person households. The average household size of the Township in 2020 was 2.37, which was slightly higher than that of the County's average of 2.50.

Table 4: Household Size of Occupied Housing Units, 2020				
Hampton Township and Sussex County				
	Hampton Township		Sussex County	
	Number	Percent	Number	Percent
1-person household	507	25.4%	13,056	23.3%
2-person household	731	36.6%	19,604	35.1%
3-person household	328	16.4%	9,690	17.3%
4-person household	252	12.6%	8,172	14.6%
5-person household	118	5.9%	3,603	6.4%
6-person household	44	2.2%	1,212	2.2%
7-or-more-person household	16	0.8%	578	1.0%
Total Households	1,996	100.0%	55,915	100.0%
Average Household Size	2.37		2.5	

Source: US Census Bureau 2020, Table H9

According to the United States Census, family households are defined as two or more persons living in the same household, related by birth, marriage, or adoption. As shown in Table 5, the majority (68%) of all households in the Township in 2023 were categorized as family households and the average family size was 2.37 persons. Approximately 19% of the married couple families within the Township had children in the household. Nonfamily households made up 32% of all households in Hampton Township, with female householders (18%) slightly outweighing male householders (14%). This data is outlined in Table 5 below.

Table 5: Household Size and Type, 2023		
Hampton Township		
	Total	Percent
Total Households	2,054	100%
Family Households	1396	68%
Married couple family	1154	56%
With children	391	19%
Without children	763	37%
Other Family	242	12%
Male householder, no spouse	59	3%
With children	32	2%
Without children	27	1%
Female householder, no spouse	183	9%
With children	89	4%
Without children	94	5%
Nonfamily household	658	32%
Male householder	286	14%
Living alone	203	10%
Not living alone	83	4%
With children	0	0%
Female householder	372	18%
Living alone	284	14%
Not living alone	88	4%
With children	0	0%

Source: 2023 ACS 5-Year B11005 and B11010

Income

As measured in 2023, Hampton Township had a significantly lower median household income compared to Sussex County, but a slightly higher median household income compared to the State of New Jersey. The median income in Hampton Township was \$105,636, which was roughly \$9,000 lower than that of the County and \$4,500 greater than that of the State. The per capita income in Hampton Township was slightly lower than that of the County and State. This data is outlined in Table 6 below.

Table 6: Per Capital Household Income, 2023 Hampton Township, Sussex County, and New Jersey		
	Per Capital Income	Median Household Income
Hampton Township	\$50,823	\$105,636
Sussex County	\$54,807	\$114,316
New Jersey	\$52,583	\$101,050

Source: 2023 ACS 5-year Estimates, Tables S1901 and B19301

In 2023, over 80% percent of all households in the Township earned an income of \$50,000 or more, mirroring that of the households in the County. The income range that accounted for the most Township households was the \$100,000 to \$149,999 bracket, which comprised 25% of households in Hampton Township; this was also the case across Sussex County as a whole, but at a lower percentage of 22%. The second largest income bracket in the Township was \$200,000 or more, comprising 17.3% of households. At the County level, this same income bracket accounted for a greater 20.6% of households. This suggests that the County's income distribution is slightly skewed toward these higher income brackets as compared to the Township, which may at least partially help explain the slight difference between the median income reported at the Township (\$105,636) and County (\$114,316) levels.

Table 7: Household Income, 2023 Hampton Township and Sussex County				
	Hampton Township		Sussex County	
	Number	Percent	Number	Percent
Less than \$10,000	33	1.6%	1,542	2.7%
\$10,000 to \$14,999	40	1.9%	675	1.2%
\$15,000 to \$24,999	65	3.2%	2,220	3.9%
\$25,000 to \$34,999	89	4.3%	2,199	3.8%
\$35,000 to \$49,999	148	7.2%	3,574	6.2%
\$50,000 to \$74,999	309	15.0%	7,004	12.2%
\$75,000 to \$99,999	261	12.7%	7,480	13.0%
\$100,000 to \$149,999	513	25.0%	12,639	22.0%
\$150,000 to \$199,999	241	11.7%	8,176	14.3%
\$200,000 or more	355	17.3%	11,819	20.6%
Total Households	2,054	100.0%	57,328	100.0%
Median Household Income	\$105,636		\$114,316	

Source: 2023 ACS 5-Year Estimates, Table B19001

Poverty Status

Of the 4,906 people in Hampton Township for which poverty status was determined, 287 (5.8%) individuals lived in poverty in 2023; this was similar to the County's poverty rate of 5.4%. Of Hampton Township's population that fell below the poverty level in 2023, the majority were between the ages of 18 to 64; this trend was mirrored at the County level as well. Proportionally the Township and County had similar percentages of both children and elderly living in poverty.

Table 8: Poverty Status, 2023 Hampton Township and Sussex County				
	Hampton Township		Sussex County	
	Number	Percent	Number	Percent
Total persons	4,906	100.0%	143,936	100.0%
Total persons below poverty level	287	5.8%	7,794	5.4%
Under 18	86	1.8%	2,076	1.4%
18 to 64	129	2.6%	4,179	2.9%
65 and over	72	1.5%	1,539	1.1%

Source: 2023 American Community Survey 5-Year Estimate, Table S1701

Household Costs

Tables 9 and 10 below show the expenditures for housing as a percentage of household income for those who own and rent in Hampton Township and Sussex County. In 2020 a majority of Township residents lived in homes they owned, which was the same at the County level as well. General affordability standards set a limit at 30% of gross income to be allocated for owner-occupied housing costs and 28% of gross income to be allocated for renter-occupied housing costs. Approximately 24.9% of Township residents who owned the units they occupied spent 30% or more of their household income on housing, as compared to 52% of Township residents who rented the units they occupied. These figures were on par with those of the County.

Table 9: Selected Monthly Owner Costs as a Percentage of Household Income, 2023 Hampton Township and Sussex County				
	Hampton Township		Sussex County	
	Number	Percent	Number	Percent
Total Owner-Occupied Housing Units	1,801	100.0%	48,678	100.0%
Less than 20.0%	998	55.4%	23,852	49.0%
20.0 to 24.9%	183	10.2%	6,865	14.1%
25.0 to 29.9%	151	8.4%	4,750	9.8%
30.0 to 34.9%	89	4.9%	3,135	6.4%
35.0% or more	360	20.0%	9,879	20.3%
Not computed	20	1.1%	197	0.4%

Source: 2023 American Community 5-Year Estimates, Table DP04

Table 10: Gross Rent as a Percentage of Household Income, 2023 Hampton Township and Sussex County				
	Hampton Township		Sussex County	
	Number	Percent	Number	Percent
Total Renter-Occupied Housing Units	235	100.00%	8,650	100.00%
Less than 10%	12	5.1%	331	3.8%
10.0 to 14.9%	25	10.6%	765	8.8%
15.0 to 19.9%	5	2.1%	1,362	15.7%
20.0 to 24.9%	44	18.7%	685	7.9%
25.0 to 29.9%	23	9.8%	731	8.5%
30.0 to 34.9%	38	16.2%	786	9.1%
35.0 to 39.9%	18	7.7%	449	5.2%
40.0 to 49.9%	16	6.8%	959	11.1%
50% or more	50	21.3%	2,072	24.0%
Not computed	22	9.4%	510	5.9%

Source: 2023 American Community 5-Year Estimates, Table B25070

EXISTING HOUSING CONDITIONS**Housing Unit Data**

Hampton Township's housing stock is largely comprised of structures built prior to the year 2000. In 2023, Hampton Township had a total of 2,054 occupied housing units, 84.2% of which were owner-occupied and 11.8% of which were renter-occupied. The Township experienced housing booms from 1950 to 1979, in which 42.5% of housing units were built, as well as in the 1980s, in which roughly 26% of the housing units were built. According to the 2023 American Community Survey Estimates, the Township has seen very few housing structures built between 2010 and 2020. The median year of construction for the housing stock in Hampton Township is 1977. This data is outlined in Tables 11 and 12 below.

Table 11: Housing Data, 2023			
Hampton Township			
	Number	% of Total Housing Units	% of Occupied Housing Units
Total Housing Units	2,138	100.00%	-
Occupied Housing Units	2,054	96.1%	100.00%
Owner Occupied	1,801	84.2%	87.7%
Renter Occupied	253	11.8%	12.3%
Vacant Housing Units	84	3.9%	-

Source: 2023 American Community Survey 5-Year Estimates, Table DP04

Table 12: Year Structure Built, 2023		
Hampton Township		
	Number	Percent
Total Housing Units	2,138	100.00%
Built 1939 or earlier	133	6.2%
Built 1940 to 1949	76	3.6%
Built 1950 to 1959	326	15.2%
Built 1960 to 1969	303	14.2%
Built 1970 to 1979	337	15.8%
Built 1980 to 1989	552	25.8%
Built 1990 to 1999	216	10.1%
Built 2000 to 2009	125	5.8%
Built 2010 to 2019	57	2.7%
Built 2020 or later	13	0.6%
Median Year Structure Built	1977	

Source: 2023 American Community Survey 5-Year Estimates, Tables B25034 and B25035

According to the 2023 American Community Survey, Hampton Township has a high occupancy rate, with very few of their housing units vacant. Of Hampton Township's 2,138 housing units, 2,054 (96.1%) were occupied and only 84 (3.9%) were vacant. Nearly three-quarters (72.6%) of vacant units could be attributed to "For Seasonal, Recreational or Occasional Use", while "Other Vacant" made up another quarter (27.4%). This data is represented in Table 13 below.

Table 13: Housing Occupancy, 2023 Hampton Township			
	Total	% of Total Housing Units	% of Vacant Housing Units
Total Housing Units	2,138	100.00%	-
Occupied	2,054	96.1%	-
Vacant Housing Units	84	3.9%	100.0%
For Rent/Rented Not Occupied	0	0.0%	0.0%
For Sale Only	0	0.0%	0.0%
Sold, not occupied	0	0.0%	0.0%
For Seasonal, Recreational or Occasional Use	61	2.9%	72.6%
For migrant workers	0	0.0%	0.0%
Other Vacant	23	1.1%	27.4%

Source: ACS 5-Year DP04 and B25004

[Housing Type and Size](#)

In 2023, single-family detached housing made up the vast majority of the Township's housing stock at 76.2%. Single-family attached homes were the next most common housing type, representing 14.4% of the Township's housing stock. The median number of rooms within housing structures in the Township was 6.1, with nearly 64.6% of housing units having a minimum of 6 rooms and less than 2% of housing units having 2 or less rooms.

Table 14: Housing Type and Size, 2023		
Hampton Township		
Units in Structure	Total	Percent
1, detached	1,629	76.2%
1, attached	308	14.4%
2	13	0.6%
3 or 4	23	1.1%
5 to 9	22	1.0%
10 to 19	8	0.4%
20 or more	7	0.3%
Mobile home	128	6.0%
Boat, RV, van, etc.	0	0.0%
Total Housing Units	2,138	100.00%
Rooms	Total	Percent
1 room	7	0.3%
2 rooms	24	1.1%
3 rooms	89	4.2%
4 rooms	192	9.0%
5 rooms	443	20.7%
6 rooms	484	22.6%
7 rooms	304	14.2%
8 rooms	297	13.9%
9 or more rooms	298	13.9%
Total Housing Units	2,138	100.00%
Median number of rooms	6.1	

Source: 2023 ACS 5-Year Estimates, Tables DP04 and B25024

Housing Growth and Projections

In terms of residential growth, the issuance of building permits serves as one of the indicators that help to determine housing needs in a given municipality. Table 15 below illustrates the number of building permits that were issued over the 10-year period between January 2014 through November 2024, when the Township issued building permits authorizing the development of just 28 housing units. The only permits issued during this time frame were for single- and two-family homes.

Further, throughout the same 10-year period, Hampton Township issued permits authorizing the demolition of 33 units, which averages to approximately 3 units per year. The average demolition rate is approximately 117% of the abovementioned development rate (i.e., a home net increase of around -17%). If the demolition rate were to remain relatively constant over the next approximately 10-year period, an additional 33 residential units could be expected to be demolished between January 2025 and the end of 2035, resulting in a projected net decrease of five units.

Table 15: Housing Units Authorized by Building Permits, 2014-2024 Hampton Township				
Year	1 & 2 Family	Multi Family	Mixed-Use	Total
2014	1	0	0	1
2015	1	0	0	1
2016	0	0	0	0
2017	4	0	0	4
2018	3	0	0	3
2019	3	0	0	3
2020	3	0	0	3
2021	2	0	0	2
2022	5	0	0	5
2023	4	0	0	4
2024*	2	0	0	2
Total 2014-2024	28	0	0	28
10-Year Average				2.5
10-Year Permit Projection (2025-2035)				28

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data

*Note: 2024 Data includes January-November

Table 16: Housing Units Demolished by Building Permits, 2014-2024 Hampton Township				
Year	1 & 2 Family	Multi Family	Mixed-Use	Total
2014	0	0	0	0
2015	0	0	0	0
2016	0	0	0	0
2017	0	0	0	0
2018	2	0	0	2
2019	0	0	0	0
2020	1	0	0	1
2021	18	0	0	18
2022	6	0	0	6
2023	6	0	0	6
2024*	0	0	0	0
Total 2014-2024	33	0	0	33
10-Year Average				3.0
10-Year Demolition Projection (2025-2035)				33

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data

*Note: 2024 Data includes January-November

Housing Values and Contract Rents

According to the 2023 American Community Survey, approximately half (54%) of the owner-occupied housing stock in Hampton Township in 2020 was valued at over \$300,000, as compared to 71.7% of the County's housing stock. In addition, the Township's median home value (\$318,700) was exceeded by that of the County (\$367,500) by an estimated \$48,000. This data is outlined in Table 17 below.

Table 17: Value for Owner-Occupied Housing Units, 2023 Hampton Township and Sussex County				
	Hampton Township		Sussex County	
	Number	Percent	Number	Percent
Total	1,801	100.0%	49,903	100.0%
Less than \$50,000	115	6.4%	1,309	2.6%
\$50,000 to \$99,999	14	0.8%	516	1.0%
\$100,000 to \$149,999	11	0.6%	750	1.5%
\$150,000 to \$199,999	142	7.9%	1,631	3.3%
\$200,000 to \$299,999	546	30.3%	9,932	19.9%
\$300,000 to \$499,999	758	42.1%	25,334	50.8%
\$500,000 to \$999,999	207	11.5%	9,695	19.4%
\$1,00,000 and greater	8	0.4%	736	1.5%
Median Value	\$318,700		\$367,500	

Source: 2023 American Community Survey 5-Year Estimates, Tables B25075 and B25077

As shown on Table 18 below, it is estimated that 968 (53.8%) of owner-occupied units in the Township were financed by a primary mortgage, contract to purchase, or similar debt. Of those units, 78.5% did not have any additional lines of credit associated with the unit, while 9% were associated with a home equity loan, 5.7% were associated with a second mortgage, and none were associated with both a second mortgage and a home equity loan. Proportionally there were significantly more owner-occupied housing units with a mortgage at the County level; more specifically, 69.1% of such units had a primary mortgage. Of those units in the County tied to a primary mortgage, 81.5% did not have any additional lines of credit associated with the unit, while 12% were associated with a home equity loan, 1.8% were associated with a second mortgage, and 0.1% were associated with both a second mortgage and a home equity loan.

Table 18: Mortgage Status, 2023
Hampton Township and Sussex County

	Hampton Township			Sussex County		
	Number	% of Total Units	% of Units with Mortgage	Number	% of Total Units	% of Units with Mortgage
Total Owner-Occupied Units	1,801	100.00%	-	48,678	100.00%	-
Owner-Occupied Housing Units with a Mortgage	968	53.75%	100.00%	33,653	69.1%	100.00%
With either a second mortgage or home equity loan	142	7.9%	14.7%	4,711	9.7%	14.0%
Second mortgage only	55	3.1%	5.7%	608	1.2%	1.8%
Home equity loan only	87	4.8%	9.0%	4,030	8.3%	12.0%
Both second mortgage and home equity loan	0	0.0%	0.0%	73	0.1%	0.2%
No second mortgage and no home equity loan	760	42.2%	78.5%	27,435	56.4%	81.5%
Owner-Occupied Housing units without a mortgage	833	46.3%	-	15,025	30.9%	-

Source: 2023 American Community Survey 5-Year Estimates, Table B25081

As shown in Table 19 below, the median contract rent in Hampton Township in 2023 was \$1,389, which was roughly \$110 higher than the County median rent of \$1,267. Within the Township, the highest percentage of renters paid between \$1,000 to \$1,499 for monthly rent (43.1%), followed by \$1,500 to \$1,999 (20.6%), and \$2,500 to \$2,999 (9.9%). Overall, almost two-thirds (63.7%) of renters in the Township paid between \$1,500 and \$2,499 for monthly rent in 2023, which is mirrored at the County level (64.3%). This data suggests that rent in the Township is similar in affordability as it is throughout the County as a whole.

Table 19: Contract Rent, 2023
Hampton Township and Sussex County

	Hampton Township		Sussex County	
	Number	Percent	Number	Percent
Total Renter-Occupied Units	253	100.0%	8,650	100.0%
Less than \$500	8	3.2%	300	3.5%
\$500 to \$999	18	7.1%	1301	15.0%
\$1,000 to \$1,499	109	43.1%	3,571	41.3%
\$1,500 to \$1,999	52	20.6%	1,993	23.0%
\$2,000 to \$2,499	19	7.5%	632	7.3%
\$2,500 to \$2,999	25	9.9%	230	2.7%
\$3,000 or More	0	0.0%	171	2.0%
No Rent Paid	22	8.7%	446	5.2%
Median Contract Rent	\$1,389		\$1,267	

Source: 2023 American Community Survey 5-Year Estimates, Table B25056 and B25058

Housing Conditions

Table 20 below details the conditions of the Township's housing stock in 2023. Overcrowding and age, plumbing, and kitchen facilities are used to determine housing deficiency. In 2023, over half (52.5%) of the Townships housing stock relied on fuel, oil, and kerosene, followed by utility gas (23.6%). No occupied housing units experienced overcrowding (more than one person per room). Throughout the Township, there were 21 occupied housing units that lacked complete plumbing (1.0%) and 16 that lacked complete kitchen facilities (0.7%), but none that lacked telephone service.

Table 20: Housing Conditions, 2023 Hampton Township		
	Number	Percent
House Heating Fuel-Occupied Housing Units		
Total	2,054	100.0%
Utility gas	484	23.6%
Bottled, tank, or LP gas	238	11.6%
Electricity	176	8.6%
Fuel oil, kerosene, etc.	1063	51.8%
Coal or coke	0	0.0%
Wood	85	4.1%
Solar energy	0	0.0%
Other fuel	8	0.4%
No fuel used	0	0.0%
Occupants per Room – Occupied Housing Units		
Total	2,054	100.0%
1.00 or Less	2,054	100.0%
1.01 to 1.50	0	0.0%
1.51 or More	0	0.0%
Facilities – Total Units		
Total	2,138	100.0%
Lacking complete plumbing facilities	21	1.0%
Lacking complete kitchen facilities	16	0.7%
Telephone Service – Occupied Housing Units		
Total	2,054	100.0%
No Service	0	0.0%

Sources: 2023 ACS 5-Year Estimates, Tables DP04, B25047, B25051

EMPLOYMENT DATA

Tables 21, 22, and 23 below detail the changes in employment between the years 2010 and 2023 in Hampton Township, Sussex County, and New Jersey, respectively. Throughout this thirteen-year period, the Township saw an overall -5.0% decrease in its unemployment rate; although the Township experienced a 4.4% spike in unemployment between 2019 and 2020 due to the COVID-19 pandemic, it has rebounded to a considerably lower unemployment rate in recent years. This overall trend is mirrored at both the County and State level as well, although in comparison the Township has consistently exhibited a lower unemployment rate throughout this time period. In 2023, the Township's unemployment rate was 3.4%, which was 0.9% lower than the County (4.3%) and 1.0% lower than the State (4.4%).

Table 21: Employment and Residential Labor Force, 2010 to 2023 Hampton Township				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	3,554	3,256	297	8.4
2011	3,642	3,316	326	8.9
2012	3,849	3,524	325	8.4
2013	3,766	3,499	267	7.1
2014	3,693	3,505	188	5.1
2015	3,689	3,524	165	4.5
2016	3,689	3,547	142	3.8
2017	3,760	3,625	135	3.6
2018	3,743	3,617	126	3.4
2019	3,799	3,680	119	3.1
2020	3,732	3,453	279	7.5
2021	3,775	3,576	199	5.3
2022	3,840	3,718	122	3.2
2023	3,897	3,763	134	3.4

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates, Municipal Historical Annual Data, 2010-2023

Table 22: Employment and Residential Labor Force, 2010 to 2023				
Sussex County				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	82,425	74,546	7,879	9.6%
2011	81,807	74,244	7,563	9.2%
2012	81,164	73,820	7,344	9.0%
2013	79,189	72,788	6,401	8.1%
2014	77,258	72,319	4,939	6.4%
2015	76,070	71,976	4,094	5.4%
2016	75,241	71,726	3,515	4.7%
2017	76,002	72,719	3,283	4.3%
2018	75,967	73,080	2,887	3.8%
2019	77,369	74,788	2,581	3.3%
2020	76,179	69,295	6,884	9.0%
2021	76,084	71,299	4,785	6.3%
2022	77,614	74,621	2,993	3.9%
2023	79,040	75,673	3,367	4.3%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates

Table 23: Employment and Residential Labor Force, 2010 to 2023				
New Jersey				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	4,559,800	4,119,000	440,800	9.7%
2011	4,561,800	4,134,700	427,100	9.4%
2012	4,576,300	4,147,200	429,100	9.4%
2013	4,528,000	4,147,700	380,400	8.4%
2014	4,493,900	4,191,300	302,600	6.7%
2015	4,494,600	4,237,900	256,700	5.7%
2016	4,492,800	4,271,200	221,600	4.9%
2017	4,615,000	4,406,200	208,800	4.5%
2018	4,604,800	4,420,700	184,100	4.0%
2019	4,686,300	4,524,300	162,000	3.5%
2020	4,650,300	4,212,400	437,900	9.4%
2021	4,666,100	4,357,200	308,900	6.6%
2022	4,739,800	4,564,100	175,700	3.7%
2023	4,829,671	4,615,722	213,949	4.4%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates

Employment Status

It is estimated that over half (57.0%) of Hampton Township's population over the age of 16 was in the labor force in 2023, which was significantly lower than the County's rate of 68.7%. Of the Township's labor force, 100% of workers were civilians and a vast majority (92.2%) was employed. At the County level, 100% of workers were civilians and 94.7% of the labor force was employed, indicating that the Township and County exhibited similar trends. This data is shown in Table 24 below.

Table 24: Employment, 2023 Hampton Township and Sussex County						
	Hampton Township			Sussex County		
	Number	% of 16+ Population	% of Labor Force	Number	% of 16+ Population	% of Labor Force
Population 16 years and over	4,066	100.0%	-	120,241	100.0%	-
In labor force	2,317	57.0%	100.0%	82,567	68.7%	100.0%
Civilian Labor Force	2,317	57.0%	100.0%	82,543	68.6%	100.0%
Employed	2,136	52.5%	92.2%	78,190	65.0%	94.7%
Unemployed	181	4.5%	7.8%	4,353	3.6%	5.3%
Armed Forces	0	0.0%	0.0%	24	0.0%	0.0%
Not in labor force	1,749	43.0%	-	37,674	31.3%	-

Source: 2023 American Community Survey 5-Year Estimates, Table DP03

Class of Worker and Occupation

According to the 2023 American Community Survey Estimates, the majority of workers (77%) living in Hampton Township were a part of the private wage and salary worker group. This group includes people who work for wages, salary, commission, and tips for a private for-profit employer or a private not-for-profit, tax-exempt or charitable organization. The next largest category was local government workers (14.2%), followed by those who were self-employed or an unpaid family worker (5.9%). This data is outlined in Table 25 below.

Table 25: Class of Worker, 2023 Hampton Township		
	Number	Percent
Total Civilian Employed Workers (Age 16+)	2,136	100.0%
Private Wage and Salary Worker	1,644	77.0%
Local Government Worker	303	14.2%
State Government Worker	59	2.8%
Federal Government Worker	5	0.2%
Self-Employed Worker or Unpaid Family Worker	125	5.9%

Source: 2023 American Community Survey 5-Year Estimates, Table S2408

The occupational breakdown shown in Table 26 below includes only private wage and salary workers. Township residents who worked within the private wage field were concentrated heavily in Management, Business, Science, and Arts occupations as well as Sales and Office occupations. Collectively, the two fields accounted for just over 65% of the entire resident workforce over the age of 16.

Table 26: Resident Employment by Occupation, 2023		
Hampton Township		
	Number	Percent
Employed Civilian population 16 years and over	2,136	100.0%
Management, business, science and arts occupations	946	44.3%
Service occupations	334	15.6%
Sales and office occupations	451	21.1%
Natural resources, construction and maintenance occupations	128	6.0%
Production Transportation and material moving occupations	277	13.0%

Source: 2023 American Community Survey 5-Year Estimates, Table DP03

As portrayed in Table 27, the industry that employed the greatest number of Hampton Township residents in 2023 was the Educational Services, and Health Care and Social Assistance sector, which accounted for 25.3% of the Township's resident workforce. The second most common industry during this time was the Manufacturing sector, which accounted for 15.4% of jobs occupied by Township residents.

Table 27: Employment by Industry, 2023		
Hampton Township		
Industry	Number	Percent
Employed Civilian Population 16 Years and Over	2,136	100.00%
Agriculture, forestry, fishing and hunting, mining	28	1.3%
Construction	165	7.7%
Manufacturing	328	15.4%
Wholesale Trade	33	1.5%
Retail Trade	226	10.6%
Transportation and Warehousing, and Utilities	87	4.1%
Information	46	2.2%
Finance and insurance, and real estate and rental and leasing	145	6.8%
Professional, scientific, and management, and administrative and waste management services	230	10.8%
Educational services, and health care and social assistance	541	25.3%
Arts, entertainment, and recreation, and accommodation and food services	102	4.8%
Other Services, except public administration	69	3.2%
Public administration	136	6.4%

Source: 2023 American Community Survey 5-Year Estimates, Table DP03

Commuting to Work

In 2023, it is estimated that two-thirds (66.2%) of the employed population that did not work from home commuted up to 35 minutes to their place of work. Approximately 87.5% of the township's workers commuted up to an hour, with the last portion of the population traveling between an hour to an hour and a half to get to work. A vast majority (73.5%) of the Township's working population drove alone as their primary means of travel to work. Roughly 9.3% of workers carpooled or walked to work, while the remaining 17.1% of the population worked from home. This data is outlined in Tables 28 and 29 below.

Table 28: Travel Time to Work, 2023 Hampton Township		
	Number	Percent
Workers who did not work at home	1,747	100.0%
Less than 5 minutes	131	7.5%
5 to 9 minutes	139	8.0%
10 to 14 minutes	202	11.6%
15 to 19 minutes	243	13.9%
20 to 24 minutes	205	11.7%
25 to 29 minutes	69	3.9%
30 to 34 minutes	168	9.6%
35 to 39 minutes	30	1.7%
40 to 44 minutes	168	9.6%
45 to 59 minutes	175	10.0%
60 to 89 minutes	192	11.0%
90 or more minutes	25	1.4%
Mean Travel Time to Work (minutes)	28.2	

Source: 2023 American Community Survey 5-Year Estimates, Table B08303 and DP03

Table 29: Means of Travel to Work, 2023 Hampton Township		
	Number	Percent
Workers 16 years and over	2,108	100.0%
Car, truck, van - Drove Alone	1,550	73.5%
Car, truck, van - Carpooled	140	6.6%
Public Transportation	0	0.0%
Walked	57	2.7%
Taxicab, Motorcycle, Bike, or Other	0	0.0%
Worked at home	361	17.1%

Source: 2023 American Community Survey 5-Year Estimates, Table DP03

Covered Employment

There is currently very limited information available on actual job opportunities within municipalities. The Department of Labor and Workforce Development collects information on covered employment, which is employment and wage data for private employees covered by unemployment insurance. The following table provides a snapshot of private employers located within Hampton Township. The first table reflects the number of jobs covered by private employment insurance from 2013 through 2023.

According to data from the New Jersey Department of Labor and Workforce Development, the highest number of covered jobs in Hampton Township between 2013 and 2023 was in 2014 when 294 jobs were covered by unemployment insurance. Private employment has become less common in Hampton Township since 2012, with its largest loss occurring between 2020 and 2021 (-35.9%), and largest gain occurring between 2021 and 2022 (19.1%). Hampton Township experienced a gain of 27 jobs in 2023, representing an increase of 16.4% percent from 2022.

Table 30: Private Wage Covered Employment 2013 - 2023			
Hampton Township			
Year	Number of Jobs	# Change	% Change
2013	284	-	-
2014	294	10	3.5%
2015	268	-26	-8.9%
2016	239	-29	-11.0%
2017	242	4	1.6%
2018	246	3	1.4%
2019	228	-18	-7.4%
2020	216	-11	-5.0%
2021	139	-78	-35.9%
2022	165	26	19.1%
2023	192	27	16.4%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates

In-Township Establishments and Employees by Industry: 2022

Table 31 below depicts the average annual number of establishments and employees by industry sector that exist within the Township, as reported in the Quarterly Census of Employment and Wages (QCEW) published by the New Jersey Department of Labor and Workforce Development (NJDLWD). The QCEW provides a quarterly accounting of employment, establishments, and wages throughout the State of New Jersey, and accounts for over 95% of available jobs in the state. The annual municipal reports group data according to the North American Industry Classification System (NAICS). The QCEW considers an establishment to be a single economic unit, which is located at one physical location and engaged in one

type of economic activity. The NJDLWD specifies that establishments differ from firms or companies in the sense that the latter can have multiple establishments.

In 2022, the Township had an annual average of 18 establishments employing an average of 192 persons in the private sector. In the private sector, the annual averages were only broken into Retail Trade with 7 annual units and 127 employees, while the local government sector saw 2 units and 92 employees.

Table 31: Average Number of Establishments and Employees by Industry, 2023 Hampton Township			
Industry ID and Description		2023 Average	
		Units	Employment
11	Agriculture	-	-
23	Construction	-	-
31	Manufacturing	-	-
42	Wholesale Trade	-	-
44	Retail Trade	7	127
48	Transp/Warehousing	-	-
	Information	-	-
52	Finance/Insurance	-	-
53	Real Estate	-	-
54	Professional/Technical	-	-
56	Admin/Waste Remediation	-	-
61	Education	-	-
62	Health/Social	-	-
71	Arts/Entertainment	-	-
72	Accommodations/Food	-	-
81	Other Services	-	-
	Unclassifieds	-	-
Private Sector Totals		18	192
Local Government Totals		2	92

Source: NJ Dept. of Labor & Workforce Development Labor Force, Quarterly Census of Employment and Wages (QCEW), Municipal Report by Sector (NAICS Based), 2022

Data have been suppressed (-) for industries with few units or where one employer is a significant percentage of employment or wages of the industry.

Probable Future Employment Opportunities

The North Jersey Transportation Planning Authority (NJTPA) completes regional forecasts for the New York/New Jersey metropolitan area every four years for population, households, and employment. The most recent report was released in 2021, documenting projections between 2015 and 2050. The 2021 report predicts that the Township's population (0.2%), households (0.3%), and employment (0.5%) will see steady annualized growth through 2050. It is estimated that the population will see an overall 6.3% increase, while households will increase by 11.9% and employment will increase by 20.2%.

Table 32: Population and Employment Projections, 2015 to 2050 Hampton Township					
Category	2015	2050 (Projected)	Annualized	Overall Projected Change	
			Percent Change	Number	Percent
Population	5,025	5,340	0.20%	315	6.3%
Households	2,006	2,244	0.30%	238	11.9%
Employment	1,252	1,505	0.50%	253	20.2%

Source: NJTPA Municipal Forecasts, dated 9/13/2021

PART 2: FAIR SHARE PLAN

INTRODUCTION

The following Fair Share Plan ("Plan") details Hampton Township's Prior Round (1987-1999), Third Round (1999-2025), and Fourth Round (2025-2035) Prospective Need obligations, as well as the Township's Fourth Round Present Need. This Plan proposes mechanisms by which the Township can realistically provide opportunities for affordable housing for those moderate-, low-, and very low- income households.

Prior Round Obligation	44
Third Round Obligation	187
Fourth Round Prospective Need	81
Fourth Round Present Need / Rehabilitation Obligation	0

CURRENT STANDARDS

The amended Fair Housing Act includes a number of changes associated with the application of various categories of credits. The below walks through the current standards applicable to the Township's Fourth Round obligation.

Age-Restricted Housing

A municipality may not satisfy more than 30% of the affordable units, exclusive of bonus credits, to address its prospective need affordable housing through the creation of age-restricted housing.

Transitional Housing

Transitional housing units, which will be affordable for persons of low- and moderate-income, were not previously categorized by the Fair Housing Act as a standalone housing type. The amended legislation includes such transitional housing units as a new category which may be included in the HEFSP and credited towards the fulfillment of a municipality's fair share obligations. This is limited to a maximum of 10% of the municipality's obligations, however.

Veterans Housing

Up to 50% of the affordable units in any particular project may be prioritized for low- and moderate-income veterans.

Families with Children

A minimum of 50% of a municipality's actual affordable housing units, exclusive of bonus credits, must be made available to families with children.

Rental Units

A minimum of 25% of a municipality's actual affordable housing units, exclusive of bonus credits, shall be satisfied through rental units. At least half of that number shall be available to families with children.

Very-Low Income Requirement

At least 13% of the housing units made available for occupancy by low-income and moderate-income houses shall be reserved for low-income households earning 30% or less of the median income pursuant to the Fair Share Housing Act, N.J.S.A. 52:27D-301, et seq. Half of the very low-income units will be made available to families with children.

Low/Moderate Income Split

At least 50% of the units addressing the Township's obligation shall be affordable to very-low income and low-income households, and the remaining may be affordable to moderate-income households.

Affordability Controls

Newly created rental units shall remain affordable to low-and moderate-income households for a period of not less than 40 years, 30 years for for-sale units, and 30 years for housing units for which affordability controls are extended for a new term of affordability, provided that the minimum extension term may be limited to no less than 20 years as long as the original and extended terms, in combination, total at least 60 years.

Affirmative Marketing

The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law, to include the community and regional organizations identified in the agreement as well as the posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.

Uniform Housing Affordability Controls (UHAC)

All affordable units created through the provisions of this Plan shall be developed in conformance with the Uniform Housing Affordability Controls (UHAC) pursuant to N.J.A.C. 5:80-26.1 et seq. as amended.

Unit Adaptability

All new construction units shall be adaptable in conformance with P.L.2005, c.250/N.J.S.A. 52:27D-311a and -311b and all other applicable laws.

Bonus Credits

Bonus credits shall not exceed 25% of a municipality's prospective need obligation, nor shall a municipality receive more than one type of bonus credit for any one unit. Bonus credits may be granted on the following schedule:

Unit Type	Unit Credit	Bonus Credit
Each unit of low- or moderate-income housing for individuals with special needs or permanent supportive housing, as those terms are defined in section 2 of P.L. 2004, c.70 (C.34:1B-21.24).	1	1
Each low- or moderate-income ownership unit created in partnership sponsorship with a non-profit housing developer.	1	0.5
Each unit of low- or moderate-income housing located within a one-half mile radius, or one-mile radius for projects located in a Garden State Growth Zone, as defined in section 2 of P.L.2011, c.149 (C.34:1B-243), surrounding a New Jersey Transit Corporation, Port Authority Transit Corporation, or Port Authority Trans-Hudson Corporation rail, bus, or ferry station, including all light rail stations. ¹	1	0.5
A unit of age-restricted housing, provided that a bonus credit for age-restricted housing shall not be applied to more than 10 percent of the units of age-restricted housing constructed in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency in a municipality that count towards the municipality's affordable housing obligation for any single 10-year round of affordable housing obligations.	1	0.5
A unit of low- or moderate-income housing constructed on land that is or was previously developed and utilized for retail, office, or commercial space.	1	0.5
Each existing low- or moderate-income rental housing unit for which affordability controls are extended for a new term of affordability, in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency, and the municipality contributes funding towards the costs necessary for this preservation.	1	0.5
Each unit of low- or moderate-income housing in a 100 percent affordable housing project for which the municipality contributes toward the costs of the project. ²	1	1
Each unit of very low-income housing for families above the 13 percent of units required to be reserved for very low-income housing pursuant to section 7 of P.L.2008, c.46 (C.52:27D-329.1).	1	0.5
Each unit of low- or moderate-income housing created by transforming an existing rental or ownership unit from a market rate unit to an affordable housing unit. ³	1	1

¹ The distance from the bus, rail, or ferry station to a housing unit shall be measured from the closest point on the outer perimeter of the station, including any associated park-and-ride lot, to the closest point of the housing project property.

² This contribution may consist of: (a) real property donations that enable siting and construction of the project or (b) contributions from the municipal affordable housing trust fund in support of the project, if the contribution consists of no less than three percent of the project cost.

³ A municipality may only rely on this bonus credit as part of its fair share plan and housing element if the municipality demonstrates that a commitment to follow through with this market to affordable agreement has been made and: (a) this agreement has been signed by the property owner; or (b) the municipality has obtained ownership of the property.

HAMPTON'S AFFORDABLE HOUSING OBLIGATIONS

The Township's affordable housing obligations are as follows:

Prior Round Obligation	44
Third Round Obligation	187
Fourth Round Prospective Need	81
Fourth Round Present Need / Rehabilitation Obligation	0

REVIEW OF PREVIOUS ROUND COMPLIANCE

As part of any Housing Element and Fair Share Plan, a municipality shall include an assessment of the degree to which the municipality has met its fair share obligation from the previous rounds of affordable housing obligations as established by prior court approval or approval by COAH and determine to what extent this obligation is unfulfilled or whether the municipality has credits in excess of its previous round obligations. If a previous round obligation remains unfulfilled, or a municipality never received an approval from the court or COAH for any previous round, the municipality shall address such unfulfilled previous round obligation in its Housing Element and Fair Share Plan.

In addressing previous round obligations, the municipality shall retain any sites that, in furtherance of the previous round obligation, are the subject of a contractual agreement with a developer, or for which the developer has filed a complete application seeking subdivision or site plan approval prior to the date by which the Housing Element and Fair Share Plan are required to be submitted, and shall demonstrate how any sites that were not built in the previous rounds continue to present a realistic opportunity.

Prior Round Compliance 1987-1999

The Township had a Prior Round obligation of 44 units. Per the Court-approved Third Round settlement agreement and the Township's Third Round JOR, Hampton has inadequate sewer and water capacity. The Township, however, was able to meet their Prior Round obligation through the following mechanisms:

Alternate Living Center for Humanistic Change

The Alternate Living Center for Humanistic Change is an existing alternative living arrangement located at 342 Lakeview Drive, on Lot 12 of Block 1503. It includes three (3) very-low-income units (bedrooms) for clients. The affordability controls for this development became effective in 1988 and are perpetual. The group home designation of the Alternate Living Center for Humanistic Change is renewed yearly by the State Division of Developmental Disabilities (DDD).

The Township applied the 3 units and 3 rental bonus credits to its Prior Round obligation. These credits were previously certified by COAH during the Second Round period. All associated documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted March 15, 2018.

Alternate Living SCARC – Glencrest Drive

The Alternate Living SCARC – Glencrest Drive is an existing alternative living arrangement located at 46 Glencrest Drive, on Lot 23 of Block 3109. It includes three (3) very-low-income units (bedrooms) for clients. The affordability controls for this development became effective on February 25, 1998, for a duration of 20 years. Affordability controls for this site expired in 2018. The group home designation of the Alternate Living SCARC – Glencrest Drive is renewed yearly by the State Division of Developmental Disabilities (DDD).

The Township applied the 3 units and 3 rental bonus credits to its Prior Round obligation. These credits were previously certified by COAH during the Second Round period. All associated documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted March 15, 2018.

Alternate Living SCARC – Tooley Road

The Alternate Living SCARC – Tooley Road is an existing alternative living arrangement located at 11 Tooley Road, on Lot 8 of Block 3109. It includes three (3) very-low-income units (bedrooms) for clients. The affordability controls for this development became effective on July 1, 2001, for a duration of 20 years. Affordability controls for this site expired in 2021. The group home designation of the Alternate Living SCARC – Tooley Road is renewed yearly by the State Division of Developmental Disabilities (DDD).

The Township applied the 3 units and 3 rental bonus credits to its Prior Round obligation. These credits were previously certified by COAH during the Second Round period. All associated documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted March 15, 2018.

Pio Costa / Cage Investors Site

The Pio Costa site and the Cage Investors sites (Block 3603, Lots 7.02 and 7.02, and Block 3501, Lots 44.08 and 44.09) were rezoned to create the Township's Affordable Housing Zone District in the Third Round. All three rezoning ordinances (Ordinances 2018-13, 2018-14, 2018-15) were adopted on September 25, 2018. The ordinances accommodate a total of 612 residential units across all the sites, 107 of which will be affordable with the mandatory 17.5% set-aside.

Ordinance 2018-15 establishes the following densities for Lots 7.02 and 7.03 of Block 3603:

- Thirty units per acre for land committed to residential development where residential development contains market-rate and affordable housing units as part of the project.
- Twenty units per acre, where residential development project is 100% affordable units.

A density of 20 units per acre for 100% affordable development has also been established for Lots 44.08 and 44.09 of Block 3501. However, these lots vary in their permitted densities for inclusionary

developments: Lot 44.08 is permitted up to 20 units per acre (Ordinance 2018-14), and Lot 44.09 is permitted up to 15 units per acre (Ordinance 2018-13).

Block 3603 Lots 7.02 and 7.03 are vacant parcels located on the eastern side of Route 206 near its intersection with NJ 94 in the eastern portion of the Township. Lot 7.02 is owned by Cage Investors, LLC, and Lot 7.03 is owned by Pio Costa Enterprises, LP. This site had been part of the area intended for conversion into the new Hampton Square North mixed-use community. Cage Investors, LLC also owns tracts of land west of Route 206 known as Block 3501, Lots 44.08 and 44.09. These lots contain approximately 58 acres of developable land (164.5 total acres).

The Township, Cage Investors, and Pio Costa Enterprise negotiated an agreement regarding the amount of total development and affordable housing development that can reasonably be accommodated by the three lots. The final settlement agreement was executed in November 2017 (Appendix B). As the settlement agreement stipulates, a new mixed-use inclusionary zoning district will be triggered if the properties are developed. The new zone allows for the construction of inclusionary residential development as well as non-residential, commercial, retail, and office uses. As outlined above, the number of residential units in the zone is capped at 612 total units, 107 of which will be affordable units, the equivalent of a 17.5% set-aside.

The developers of the site will need to obtain sufficient water and sewer capacity for the development to move forward. As development proceeds, the developer is required to reserve sufficient water and sewer capacity in each phase of development in order to meet the agreed-upon 17.5% affordable set-aside. If there is insufficient water or sewer capacity, affordable housing units will receive priority in sewer allocation.

Of the 107 affordable units provided by the Pio Costa / Cage development, 14 contributed to the Township's Prior Round obligation. See Appendix F for the rezoning ordinance.

This proposed inclusionary site has yet to be developed. Further, as of the writing of this Plan, no development applications have been received nor approvals made to trigger the zoning overlay.

Martin Tract (15 Route 206, LLC)

The Martin Tract site, Block 3501, Lot 30.01, is located on Newton Halsey Road and its southern edge sits on the border of Hampton and the Town of Newton. The property is owned by 15 Route 206, LLC ("Martin"), and is envisioned as the new Hampton South center, a mixed-use community with inclusionary housing. The site is partially developed with commercial uses.

Subsequent to the Township's filing of its Third Round declaratory judgment action to the Superior Court of New Jersey, Martin successfully intervened as an intervenor-defendant in the DJ Action. The Township entered into negotiations with Martin in an effort to develop mutually agreeable re-zoning in relation to the

Township's affordable housing obligations. The parties executed an agreement in October 2017 (Appendix B).

The 2017 agreement also stipulates that the "Southwest Corner of the Property" (described in section 3.1 of the agreement) may be developed for residential uses only and may provide for ingress and egress to the property. The remainder of the property may be developed for commercial or residential uses.

Pursuant to the executed settlement agreement, the entire site was rezoned to create the Township's Apartment/Townhouse - Multiple-Family – Residential – Highway Commercial – Manufacturing District (APT/TH-HC-MFG) in the Third Round.

Ordinance #2018-09, which outlines this rezoning, was adopted on June 26, 2018. The purpose of this zone is "to provide areas in the Township responsive to the need for multiple family housing, including affordable housing, and commercial and manufacturing development and uses situated in transitional zoning locations with advantageous roadway exposure."

The APT/TH-HC-MFG zone permits up to 57 affordable rental units on the site. The residential development may be in the form of 100% affordable units at a development density of 20 dwelling units per net acre, or via an inclusionary development with a density of 15 dwelling units per net acre, with a set aside of 17.5% on about 22 acres, or a combination of these mechanisms.

The Township applied 10 credits from the Martin Tract to its Prior Round obligation as well as 2 bonus credits. See Appendix G for the rezoning ordinance.

This proposed inclusionary site has yet to be developed.

Summary of Prior Round

Summary of Hampton's Prior Round of 44	
Existing Alternative Living Arrangements (very- low rental):	
<i>Alternate Living Center for Humanistic Change</i>	3
<i>Alternate Living SCARC – Glencrest Drive</i>	3
<i>Alternate Living SCARC – Tooley Road</i>	3
Proposed Inclusionary Zoning	
<i>Pio Costa / Cage Investors Site</i>	14
<i>Martin Tract (15 Route 206, LLC)</i>	10
Total Units	33
Rental Bonus Credits	
<i>Alternate Living Center for Humanistic Change</i>	3
<i>Alternate Living SCARC – Glencrest Drive</i>	3
<i>Alternate Living SCARC – Tooley Road</i>	3
<i>Martin Tract (15 Route 206, LLC)</i>	2
Total Rental Bonus Credits	11
TOTAL PRIOR ROUND	44

Third Round Compliance

Hampton Township had a Third Round obligation of 187 units. The Township received a durational adjustment for their entire Third Round obligation based upon the lack of adequate sewage capacity and sewer infrastructure. Pursuant to N.J.S.A. 52:27D-307(c)(2) and N.J.A.C. 5:93-4.1-4.3 a municipality can seek a durational adjustment based on a lack of infrastructure. The adjustment allows the municipality to defer its low and moderate-income housing obligation until the infrastructure required to develop additional housing is implemented.

While a durational adjustment for the entire Third Round obligation was sought and approved by the Court, the Township implemented inclusionary zoning over the following sites (pursuant to discussions in the Prior Round section), to be developed when adequate sewer and water is available.

Pio Costa / Cage Investors Site

The remaining 93 units generated from the proposed Pio Costa/Cage Investors development were applied to the Township's Third Round obligation. The two lots contain approximately 49 total acres, 34.14 of which are unconstrained and located within an existing sewer service area. A large wetlands area bisects the site.

The unconstrained portions of the site remain appropriate for multi-family low- and moderate-income housing as they are available, approvable, developable, and suitable:

- *Available:* The site has no easements or title issues preventing its development.
- *Suitable:* The site is surrounded by commercial establishments and located in proximity to a large mobile home park. Further, the site's proximity to Interstate 206 and State Route 94 offer more direct access to employment and service establishments.
- *Developable:* In accordance with the sewer service map found later in this plan, a portion of the site falls within the sewer service area. The site has access to appropriate public streets with frontage on I-206. This portion of the site is not constrained by wetlands or any special flood hazard areas.
- *Approvable:* A Hampton Township resolution outlining the Settlement Agreement with Cage Investors and Pio Costa Enterprise was executed in November 2017. Further, the Township adopted Ordinances #2018-14 and #2018-15 on September 25, 2018, that amended the Township Code to include the site within a new Affordable Housing Zone District (Appendix F).

Martin Tract

The remaining 47 units generated from the proposed Martin Tract development were applied to the Township's Third Round obligation. The lot has a total area of 96.6 total acres, 47.5 of which are unconstrained.

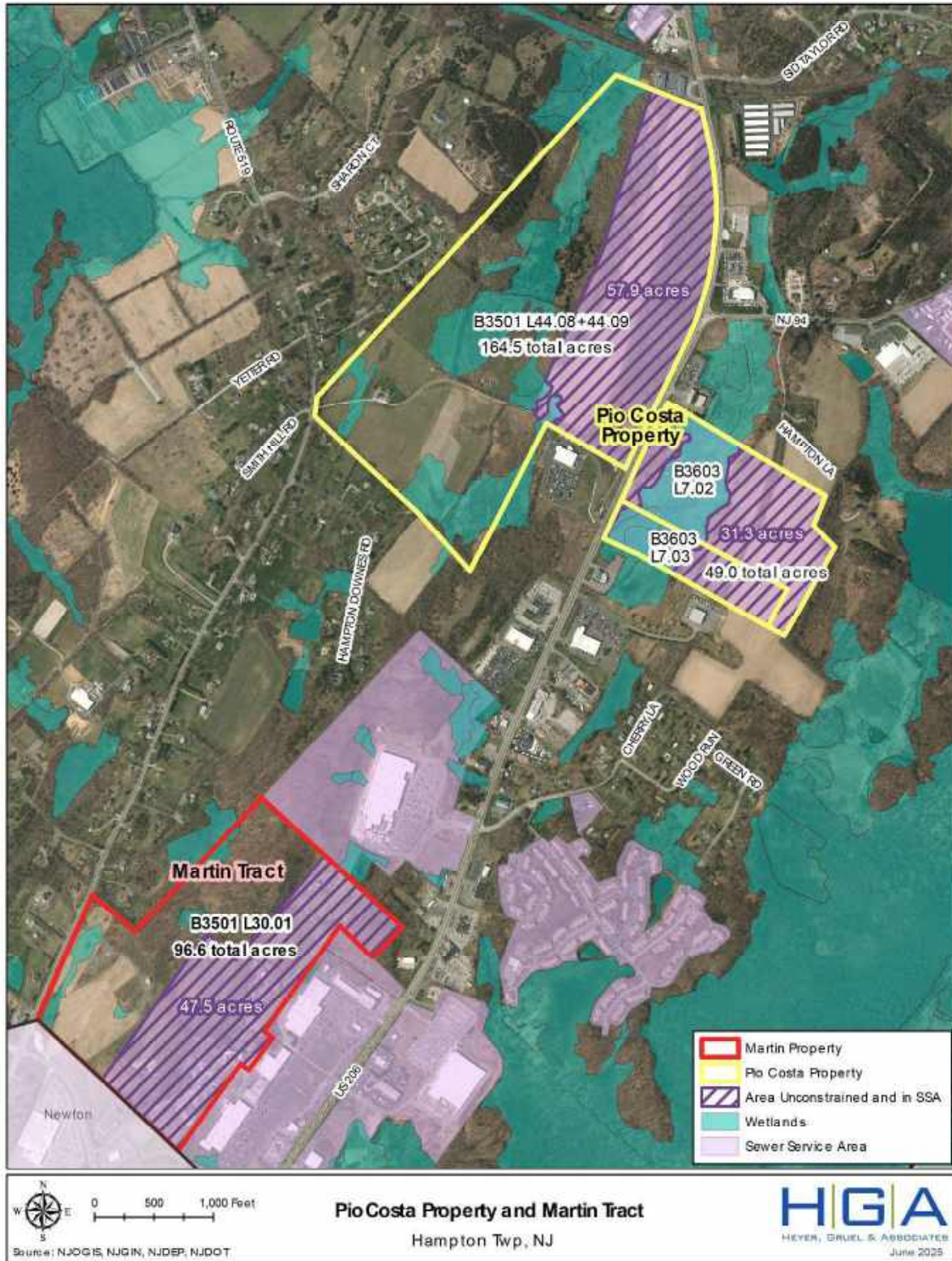
The unconstrained portions of the site remain appropriate for multi-family low- and moderate-income housing as they are available, approvable, developable, and suitable:

- *Available:* The site has no easements or title issues preventing its development.
- *Suitable:* The site is surrounded by commercial establishments. Further, the site's adjacent access to Interstate 206 offers more direct access to employment and service establishments.
- *Developable:* In accordance with the sewer service map found later in this plan, the site falls within a sewer service area. The site additionally has access to appropriate public streets with frontage on I-206. The portion of the site is not constrained by wetlands or any special flood hazard areas.
- *Approvable:* A Hampton Township resolution outlining the Settlement Agreement with Martin was memorialized on October 31, 2017. Further, the Township adopted Ordinance #2018-13 on September 25, 2018, that amended the Township Code to include the site within a new Affordable Housing Zone District (Appendix G).

Summary of Third Round

Summary of Hampton's Third Round of <u>187</u>	
Proposed Inclusionary Zoning	
<i>Pio Costa / Cage Investors Site</i>	93
<i>Martin Tract (15 Route 206, LLC)</i>	47
Total Units	140
Rental Bonus Credits	
<i>Martin Tract</i>	47*
Total Rental Bonus Credits	47
TOTAL THIRD ROUND	187

* Due to the durational adjustment, the Township cannot claim bonus credits until the units are constructed. The Township can claim up to 47 bonus credits, once the units are constructed.



FOURTH ROUND OBLIGATION

The amended FHA called on the DCA to issue a non-binding report on the new Present Need Obligation (commonly referred to as the rehabilitation obligation) and the Prospective Need for Round 4 and subsequent rounds. The amended FHA requires the DCA to base its analysis of the obligations for each municipality based upon the standards set forth in the amended FHA.

On October 18, 2024, the New Jersey Department of Community Affairs (“DCA”) released a report outlining the Fourth Round (2025-2035) Fair Share methodology and its calculations of present need and prospective need low- and moderate-income obligations for each of the State’s municipalities. The obligations were calculated in alignment with the formulas and criteria found in P.L.2024, c.2. The DCA calculated a Present Need obligation for the Township of 0 units, and a Perspective Need obligation of 81 units.

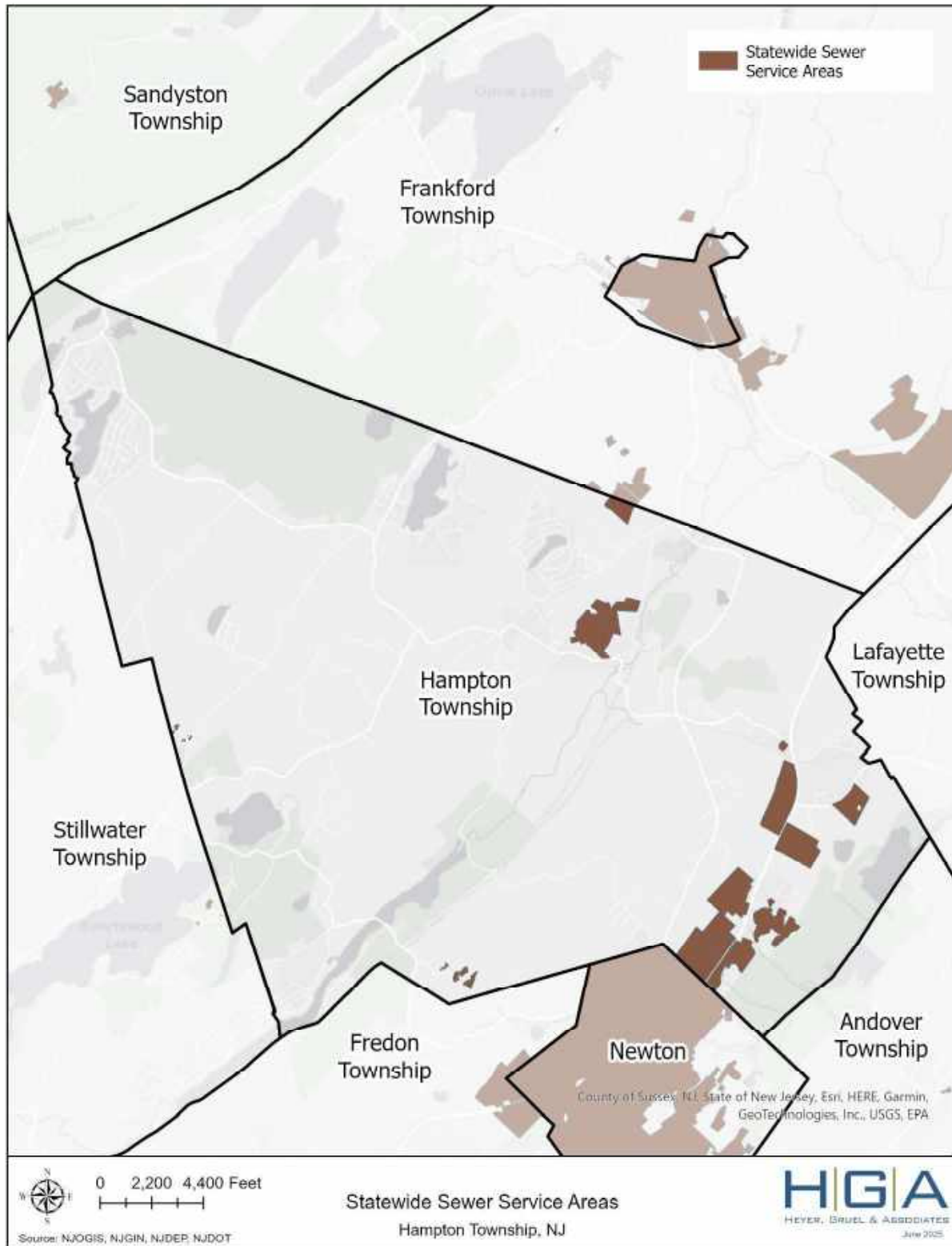
The amended Fair Housing Act affirms that the DCA report is not binding on any municipality and that “a municipality shall determine its present and prospective fair share obligation for affordable housing in accordance with the formulas established in sections 6 and 7 of P.L.2024, c.2...by resolution...”

On January 28, 2025, the Township Committee adopted a binding resolution (Resolution 2025-19, see Appendix E) accepting the DCA’s number. Resolution 2025-19 accepted a Rehabilitation obligation of 0 units, and a Perspective Need of 81 units.

Durational Adjustment

Hampton Township is seeking a durational adjustment for their entire Fourth Round obligation based upon the lack of adequate sewage capacity and sewer infrastructure within the Township, pursuant to N.J.S.A. 52:27D-307(c)(2).

As evident in the following map, Hampton Township lacks sewer and water infrastructure across most of its land. Much of the land that is within the sewer service area contain the Martin Tract and the Pio Costa / Cage site. The Township is therefore deferring its low and moderate-income housing obligation until the infrastructure required to develop additional housing is implemented. Hampton Township will reserve and set aside new water and/or sewer capacity, when it becomes available, for low- and moderate-income housing, on a priority basis although will remain in compliance with their Order Imposing Scare Resource Restraint.



Additional Mechanisms

Affordable Housing Ordinance

An Affordable Housing Ordinance was adopted by the Township on June 26, 2018 (Ordinance No. 2018-07), establishing the criteria for implementing affordable housing units in conformance with the Uniform Housing Affordability Controls (UHAC). While this Plan acknowledges that an amendment to the UHAC was released on an emergency basis in December 2024, those rules are set to expire in December 2025. It is also the understanding that the Housing Mortgage and Finance Agency (HMFA), the entity currently responsible for the UHAC regulations, is in the process of establishing further amendments to those rules. Because of the uncertainty with the UHAC regulations, the Township will refrain from adopting an updated ordinance until such rules are finalized, acknowledging that the December 2024 UHAC rules adopted under emergency measures are the current governing regulations. Should there be any discrepancy between the Township's adopted ordinance and the current UHAC regulations, the current UHAC regulations shall govern.

Development Fee Ordinance

A Development Fee Ordinance was adopted by the Township on May 26, 2015 (Ordinance No. 2015-04). In response to the 2024 amendment to the Fair Housing Act and any subsequent changes to the substantive rules, Hampton will amend its development fee ordinance if necessary to ensure it meets current standards.

Municipal Housing Liaison and Administrative Agent

The Township will continue to ensure that it appoints an Administrative Agent to conduct monitoring activities and administer future housing affordability programs annually. In addition, the Township will ensure that a municipal employee is designated as the Municipal Housing Liaison in accordance with the Fair Housing Act.

Fourth Round Summary

Summary of Hampton's Fourth Round of 81	
Durational Adjustment	81
<i>TOTAL FOURTH ROUND</i>	<i>81</i>

CONFORMANCE WITH STATE PLANNING REQUIREMENTS**State Plan**

In accordance with the amended Fair Housing Act, Housing Elements and Fair Share Plans shall provide an analysis of consistency with the State Development and Redevelopment Plan (SDRP), including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

New Jersey adopted its last SDPR in 2001. A draft amendment to the SDRP was prepared in 2011 but ultimately never adopted. The Office of Planning Advocacy released a new draft SDRP on December 4, 2024. The State is currently going through the Plan conformance process.

The 2024 draft SDRP maintains and expands upon the 2001 objectives for Rural Planning Areas (PA4), the Rural Environmentally Sensitive Planning Areas (PA4b), and Environmentally Sensitive Planning Areas (PA5), which are the primary land designation assigned to Hampton Township. The PA4, PA4b, and PA5 objectives are outlined below:

The adopted 2001 SDRP identifies the following combined intents of the Rural Planning (4) and Rural Environmentally Sensitive Planning (4B) Areas:

- Maintain the Environs as large contiguous areas of farmland and other lands.
- Revitalize cities and towns.
- Accommodate growth in Centers.
- Promote a viable agricultural industry.
- Protect the character of existing, stable communities.
- Confine programmed sewers and public water services to Centers.

The 2024 draft SDRP maintains and expands upon the 2001 intentions:

- Maintain the Environs as large contiguous areas of farmland, open space, and forested areas.
- Enhance habitats and sensitive lands.
- Accommodate growth in Centers.
- Reverse auto-oriented patterns of development.
- Promote a viable agricultural or forestry industry.
- Revitalize cities, towns, and other traditional settlements.
- Protect, enhance, and diversify the existing character and agricultural economy of stable communities.
- Confine programmed sewers and public water services to Centers, except where public health is at stake.

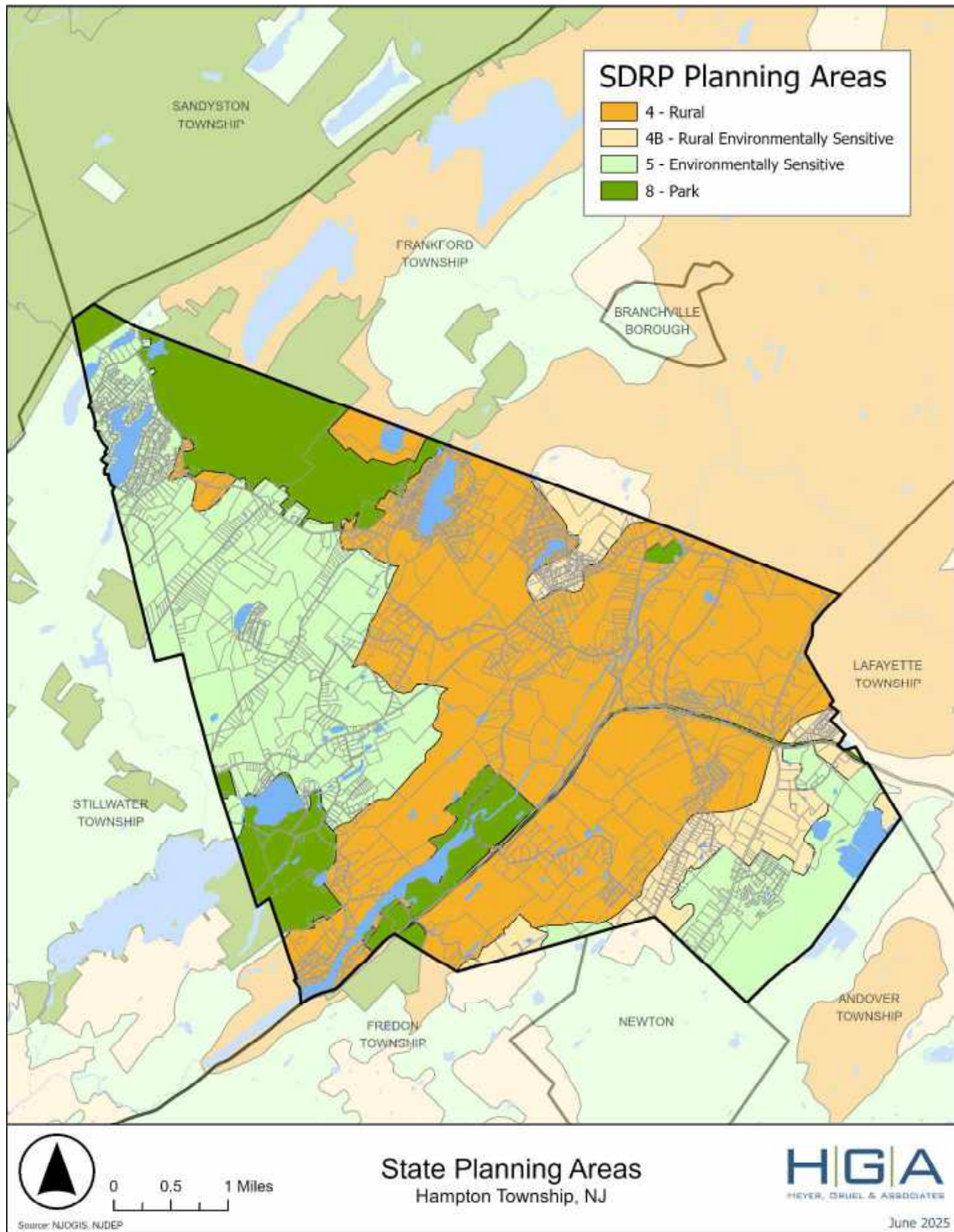
The policy objectives for the Rural Environmentally Sensitive Planning Area are those of the Environmentally Sensitive Planning Area (PA5). Relative objectives include:

- **Land Use:** Protect natural systems and environmentally sensitive features by guiding development and redevelopment into Centers and establishing Center Boundaries and buffers and greenbelts around these boundaries. Maintain open space networks, critical habitat and large contiguous tracts of land in the Environs by a variety of land use techniques. Development and redevelopment should use creative land use and design techniques to ensure that it does not exceed the capacity of natural and infrastructure systems and protects areas where public investments in open space preservation have been made. Development and redevelopment in the Environs should maintain and enhance the natural resources and character of the area.
- **Housing:** Provide for a full range of housing choices primarily in Centers at appropriate densities to accommodate projected growth. Ensure that housing in general—and in particular affordable, senior citizen, special needs and family housing—is developed with access to a range of commercial, cultural, educational, recreational, health and transportation services and facilities. Focus multi-family and higher-density, single-family housing in Centers. Any housing in the Environs should be planned and located to maintain or enhance the cultural and scenic qualities and with minimum impacts on environmental resources.

This Plan broadly aligns with the goals of the 2001 SDRP and the draft 2024 SDRP, specifically in the sense that utilizing a durational adjustment is intended to protect the natural and water resources and environment both within and surrounding Hampton Township. The Township continues to support the development of the Martin Tract and the Pio Costa / Cage site; their locations within existing sewer service areas and along or near major thoroughfares make them an appropriate location for inclusionary or 100% affordable development. Because of the severe development restrictions existing in the Township due to its environmental constraints and lack of adequate sewer and water, the use of a durational adjustment in Hampton Township reflects sound planning practice to protect those resources.

Hampton Township
Fourth Round Housing Element and Fair Share Plan

June 5, 2025



Multigenerational Family Housing

An amendment to the Fair Housing Act requires “an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20).” As of the date of this Housing Plan, there have been no recommendations by the Multigenerational Family Housing Continuity Commission in which to provide an analysis.

USE OF SURPLUS CREDITS

Any surplus credits generated would be applied to any future obligation that the Township may have.

SPENDING PLAN

A Spending Plan has been prepared in accordance with the provisions of the amended Fair Housing Act. A municipality may not spend or commit to spend any affordable housing development fees, including Statewide non-residential fees collected and deposited into the municipal affordable housing trust fund, without first obtaining the approval of the expenditure as part of its compliance certification. The draft Spending Plan can be found in Appendix H and is expected to be adopted by the Township Committee at their June public meeting.

CONSIDERATION OF LANDS OFFERED FOR INCLUSIONARY DEVELOPMENT

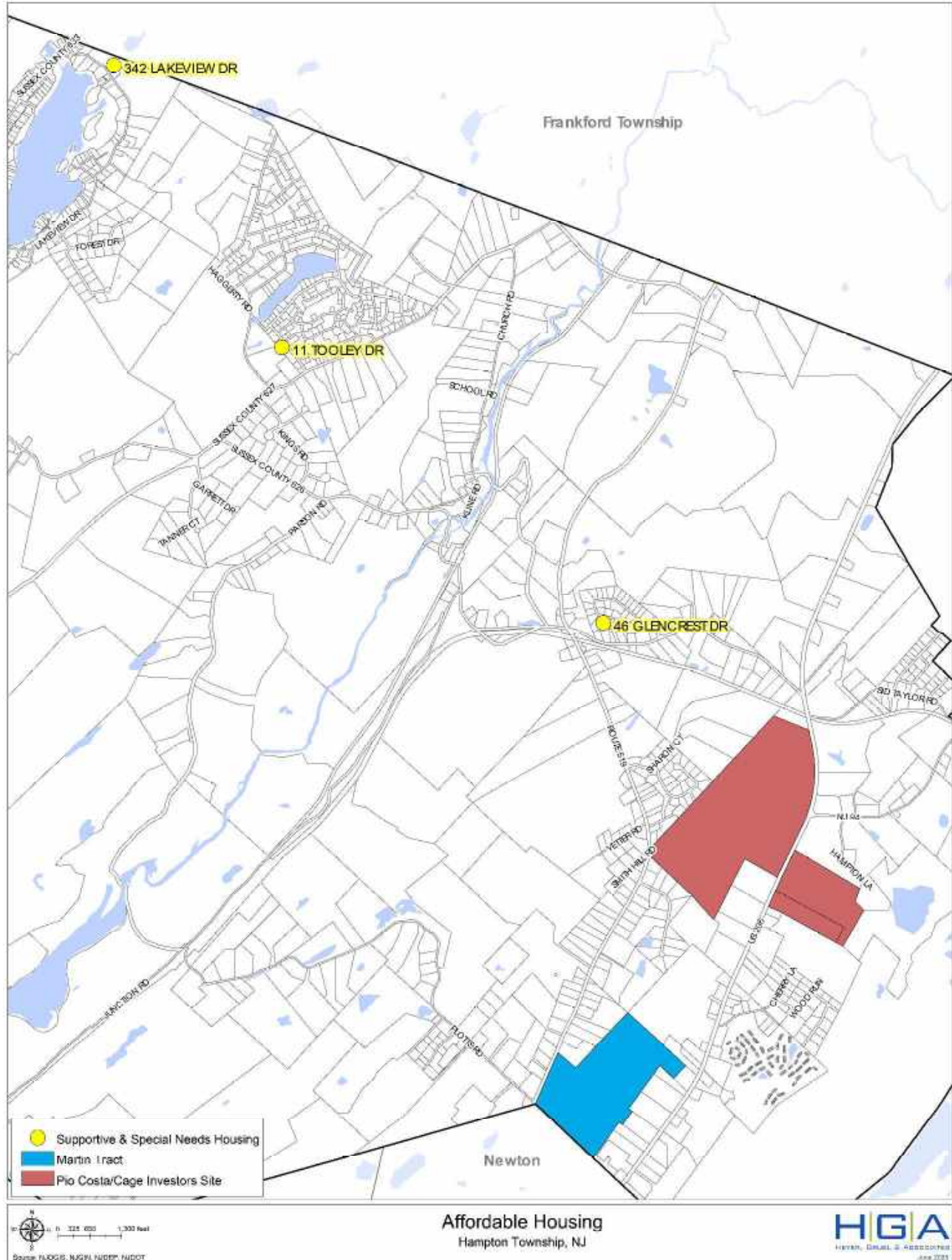
During the preparation of this Fourth Round HEFSP, there were no developers who expressed interest in putting forth a piece of land for affordable development, nor did any property owner offer a parcel as available.

SUMMARY OF FAIR SHARE COMPLIANCE

Summary of Hampton Township's Obligation				
	Total	Very Low	Low	Moderate
Fourth Round Present Need Obligation	0			
Prior Round Obligation	44	-	-	-
Alternate Living Center for Humanistic Change	3	3	0	0
<i>Rental Bonus</i>	3	-	-	-
Alternate Living SCARC – Glencrest Drive	3	3	0	0
<i>Rental Bonus</i>	3	-	-	-
Alternate Living SCARC – Tooley Road	3	3	0	0
<i>Rental Bonus</i>	3	-	-	-
Pio Costa / Cage Investors Site	14	Pursuant to UHAC		
Martin Tract (15 Route 206, LLC)	10	Pursuant to UHAC		
<i>Rental Bonus</i>	2	-	-	-
TOTAL PRIOR ROUND	44	TBD		
Third Round Obligation	187			
Pio Costa / Cage Investors Site	93	Pursuant to UHAC		
Martin Tract (15 Route 206, LLC)	47	Pursuant to UHAC		
<i>Rental Bonus (Durational Adjustment)</i>	47	-	-	-
TOTAL THIRD ROUND	187	Pursuant to UHAC		
Fourth Round Obligation	81			
Durational Adjustment	81			
TOTAL FOURTH ROUND	81	-	-	-

Hampton Township
Fourth Round Housing Element and Fair Share Plan

June 5, 2025



APPENDIX A

2016 Settlement Agreement with FSHC

2017 Amended Settlement Agreement



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

November 29, 2016

Kathleen Armstrong
Municipal Clerk
One Rumsey Way
Newton, New Jersey 07860

Re: In the Matter of the Petition of the Township of Hampton, County of Sussex, Docket No. SSX-L-455-15 – Petition for Court Approval of the Amendment to the Housing Element and Fair Share Plan

Dear Ms. Armstrong:

This letter memorializes the terms of an agreement reached between the Township of Hampton, Sussex County, New Jersey, the declaratory judgment plaintiff, and Fair Share Housing Center (FSHC), a Supreme Court-designated interested party in this matter in accordance with In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015) (Mount Laurel IV) and, through this settlement, a defendant in this proceeding and 15 Route 206 LLC an Intervenor in the proceeding.

Background

Hampton Township filed the above-captioned matter on July 14, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 53:27D-301 et seq. in accordance with In re N.J.A.C. 5:96 and 5:97, supra. FSHC and the Township of Hampton and 15 Route 206 LLC appeared before Judge Stephan Hansbury in a series of Case Management Conferences. The Township of Hampton also engaged in mediation and settlement discussions with FSHC and 15 Route 206 LLC. Through that process, the Township of Hampton, FSHC and 15 Route 206 LLC agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

Settlement terms

The Township of Hampton and FSHC hereby agree to the following terms:

1. FSHC agrees that the Township of Hampton, through the adoption of the attached draft Housing Element and Fair Share Plan ("the Plan"), Exh. A, and the implementation of the Plan and this agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 53:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.

3. FSHC and the Township of Hampton and 15 Route 206 LLC hereby agree that Hampton Township's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report ¹)	6
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	44
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this settlement agreement)	187
Total Prospective Need Obligation	231
Maximum Bonus (Prior Round plus Third Round) .25x231	58

4. The Township of Hampton's efforts to meet its present need include the following: a new proposed SCARC Group Home: 7 Units. This is sufficient to satisfy the Township's present need obligation of 6 units.
5. As noted above, the Township of Hampton has a Prior Round prospective need of 44 units, which is met through the following compliance mechanisms:

Project	Total Units	Bonus Credits
Alternate Living Center for Humanistic Change	3	3
Alternate Living SCARC Glencrest Drive	3	3
Alternate Living SCARC Tooley Road	3	3
Plo Costa Property inclusionary zoning	14	
15 Route 206 LLC – Block 3501, Lot 30.01	10	2
Total Credits	33	11

6. This paragraph supports the infrastructure adjustment authorized pursuant to N.J.A.C. 5:93-4.1-4.3 based upon lack of adequate sewage capacity and sewer infrastructure within the Township. The Township of Hampton has inadequate sewer and water capacity and no further construction can occur until the sewer service area is expanded and water capacity is increased. In seeking a durational adjustment, the Township agrees to comply with the Prior Round durational adjustment rule at N.J.A.C. 5:93-4.3.

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

November 29, 2016
Page 3

7. The Township of Hampton is seeking a durational adjustment of its entire Third Round obligation but is implementing the following zoning to address its Third Round obligation should water and sewer become available on these sites:

PROJECT	STATUS	TOTAL UNITS	BONUS CREDITS
15 Route 206 LLC – Block 3501, Lot 30.01	P	47	47*
Pio Costa Enterprises – Block 3603 Lots 7.02 and 7.03 and Cage Investors – Block 3501, Lot 44	P	107	
Total Credits			47

* This number represents the number of bonus credits the Township may claim once all units are constructed. Due to the durational adjustment of the Township's entire Third Round obligation, the Township may not claim bonus credits until units are constructed. As additional credits are added against the durational adjustment, the Township's bonus credit cap will increase to the total of the .25 x the total obligation met after the adjustment.

15 Route 206 LLC - inclusionary zoning – Block 3501, Lot 30.01 on the Hampton Township Tax Map: 57 Affordable Housing Units. This site does not have adequate sewage capacity at this time to construct the requisite number of units. The Township agrees comply with the Prior Round durational adjustment rule at N.J.A.C. 5:93-4.3 in assisting this property owner to seek additional sewer and water capacity.

Pio Costa Enterprises, LLC, Block 3603, Lots 7.02 and 7.03 and Cage Investors LLC Block 3501, Lot 44 – 107 affordable housing units. These properties are located directly across the road from each other. The Township and the owners have agreed that 107 affordable housing units will be constructed between the two properties. However, the Township is not specifying how many units will be constructed on each property so long as 107 units are constructed between the two. Each of these properties contains 20,000 gpd in sewer capacity which is insufficient to construct the requisite amount of affordable housing. As such, additional sewer capacity is necessary. The Township agrees to comply with N.J.A.C. 5:93-4.3 in assisting this property owner to seek additional sewer capacity.

8. The Township represents that it has been in negotiations with 15 Route 206 LLC, an intervenor in this matter, to reach a settlement and avoid the expense of trial and further litigation. As an essential and non-severable term to this settlement agreement, the Township agrees that it will continue in good faith negotiations with the intervenor to reach a signed settlement agreement that complies with all terms of this agreement that apply to 15 Route 206 LLC including but not limited to the number of units and the low and very-low income / moderate income split. If an executed settlement agreement has not been reached between the Township of Hampton and 15 Route 206 LLC within 45 days of this settlement agreement, this settlement agreement shall be null and void and FSHC's offer to settle shall be rescinded.
9. The Township of Hampton will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:

In accordance with N.J.A.C. 5:93-5.5, the Township of Hampton recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. The Township meets this obligation as follows: Memorandum Of Understanding with SCARC for another group home to be built. See copy attached as Exhibit B. Township Spending Plan to contribute \$150,722.00 to SCARC for the group home. A copy is attached as Exhibit C.

In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process: including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor and construction. The schedule shall provide for construction to begin within two years of court approval of this settlement. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity. The Township meets those obligations as follows: as soon as a site is located, construction will commence as per Memorandum Of Understanding attached.

10. The Township of Hampton agrees to require 13% of all units referenced in this plan, with the exception of units constructed as of July 1, 2008, and units subject to preliminary or final site plan approval, to be very low income units, with half of the very low income units being available to families.
11. The Township of Hampton shall meet its Third Round Prospective Need in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 6 above:
 - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
 - b. At least 50 percent of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
 - c. At least twenty-five percent of the Third Round Prospective Need shall be met through rental units; including at least half in rental units available to families.
 - d. At least half of the units addressing the Third Round Prospective Need in total must be available to families.
 - e. The Township of Hampton agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
12. The Township of Hampton 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

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Page 5

Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, and the Sussex/Warren Chapters of the NAACP, and shall, as part of its regional affirmative marketing strategies during its implementation of this plan, provide notice to those organizations of all available affordable housing units. The Township of Hampton also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.

13. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law, the Township of Hampton as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied.
14. All new construction units shall be adaptable in conformance with P.L.2005, c.350 and all other applicable law.
15. As an essential term of this settlement, within 120 days of Court's approval of this Settlement Agreement, the Township of Hampton shall introduce an ordinance providing for the amendment of the Township's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this settlement agreement and the zoning contemplated herein.
16. The parties agree that if a decision of a court of competent jurisdiction in Sussex 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 of Hampton for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round need obligation established in this agreement, and if that calculation is memorialized in an unappealable final judgment, the Township of Hampton may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township of Hampton shall be obligated to implement the fair share plan attached hereto, including by leaving in place any site specific zoning adopted or relied upon in connection with the Plan approved pursuant to this settlement agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's obligation below that established in this agreement does not provide a basis for seeking leave to amend this agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Township of Hampton prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
17. On or before January 30, 2016, the Township of Hampton shall prepare and file a spending plan with the Court and FSHC. The 2016 Spending Plan shall be substantially in a form to be approved by FSHC, and shall be subject to the review and approval of the Court. Upon approval of the 2016 Spending Plan, the parties agree that the expenditures of funds contemplated under the agreement 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, and every anniversary thereafter through the end of this agreement, the Township of Hampton agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

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

November 29, 2016

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order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.

21. This settlement 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 of Hampton shall present its planner as a witness at this hearing. FSHC agrees not to challenge the attached Plan (Exh. A) at the fairness hearing. In the event the Court approves this proposed settlement, the parties contemplate the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The "accompanying protection" shall remain in effect through July 1, 2025. If the settlement agreement is rejected by the Court at a fairness hearing it shall be null and void.
22. If an appeal is filed of the Court's approval or rejection of the Settlement 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 the Settlement 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.
23. This settlement agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Sussex County. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney's fees.
24. 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.
25. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
26. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
27. 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.
28. 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.

29. 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.
30. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.
31. 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.
32. No member, official or employee of the Township of Hampton shall have any direct or indirect interest in this Settlement Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
33. 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.
34. 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:

Kevin D. Walsh, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
E-mail: kevinwalsh@fairsharehousing.org

TO THE TOWNSHIP:

Eileen Klose
Township Administrator
One Rumsey Way
Newton, New Jersey 07860
Telecopier: 973-383-8969
Email: administrator@hamptontwp-nj.org

November 29, 2016
Page 9

WITH A COPY TO THE
MUNICIPAL CLERK:

Kathleen Armstrong
Municipal Clerk
One Rumsey Way
Newton, New Jersey 07860

Please sign below if these terms are acceptable.


Sincerely,



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

On behalf of the Township of Hampton, with the authorization of the governing body and
Planning Board:

Hampton Township

By: 
Philip Yetter, Mayor

Dated: 11/29/16

ATTEST:


Eileen Klose, Township Administrator

Dated: 11/29/16

DOLAN AND DOLAN
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

RICHARD V. HOLLYER**
ROBERT T. MORGENSTERN*
ROGER W. THOMAS*****
WILLIAM T. HAGGERTY
EILEEN MCCARTHY BORN***
CHARLES J. BRAND

*CERTIFIED BY THE SUPREME COURT OF NJ
AS A CIVIL TRIAL ATTORNEY
**ALSO MEMBER NY BAR
***ALSO MEMBER PA BAR
****ALSO MEMBER NY, CA BAR
*****CERTIFIED WORKERS'
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MICHELLE CORBETT-RIVIELLE****
KAREN GRECO-BUTA
KATHLEEN M. McNAMARA

OF COUNSEL
F. CLIFFORD GIBBONS

WILLIAM M. COX
1950-2011

November 13, 2017

Via Facsimile & Regular Mail


Honorable Maryann L. Nergaard, J.S.C.
Superior Court of New Jersey
Morris County Courthouse
P.O. Box 910
Morristown, NJ 07963-0910

Re: In the Matter of the Application of the Township of Hampton, Plaintiff/Petitioner
Docket Number: SSX-L-455-15

Dear Judge Nergaard:

Enclosed please find Amendment to Agreement Between Hampton Township and the Fair Share Housing Center signed by Adam M. Gordon, Esq., Counsel for the Fair Share Housing Center. This Amendment preserves the Agreement Between Hampton Township and the Fair Share Housing Center for 231 Units. This letter also extends the time to finalize the Fair Share Housing for Hampton Township.

Respectfully submitted,
DOLAN AND DOLAN, P.A.


Robert T. Morgenstern

RTM/kw

Enclosure

cc: Honorable Mayor Hampton Township w/enclosure
cc: Eileen Klose, Township Administrator w/enclosure via e-mail
cc: Mary Whitesell, Hampton Township Planning Board w/enclosure via e-mail
cc: Jeffrey Kantowitz, Esq. w/enclosure via e-mail
cc: Michael Bolan, PP w/enclosure via e-mail
cc: Kevin Krystopik, Esq. w/enclosure via e-mail
cc: Joshua Bauer, Esq. w/enclosure via e-mail
cc: Adam Gordon, Esq. w/enclosure via e-mail
cc: Fred Heyer, P.P. w/enclosure via e-mail
cc: David B. Simmons, Jr., P.E. w/enclosure via e-mail



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

October 31, 2017

Robert Morgenstern, Esq.
Dolan and Dolan, P.C.
One Legal Lane P.O. Box D
Newton, New Jersey 07860

Re: **In the Matter of the Application of the Township of Hampton,**
Docket No. SSX-L-455-15

Dear Mr. Morgenstern:

This letter memorializes the terms of an agreement reached between the Township of Hampton, Sussex County, New Jersey, the declaratory judgment plaintiff, and Fair Share Housing Center (FSHC), a Supreme Court-designated interested party in this matter in accordance with In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015)(Mount Laurel IV) and, through this settlement, a defendant in this proceeding and 15 Route 206 LLC an Intervenor in the proceeding.

The Township and FSHC entered into a settlement agreement dated November 29, 2016 which effectively settled the Township's declaratory judgment action pending before the court at Docket No. SSX-L-455-15. The purpose of this settlement agreement was to establish the Township's affordable housing obligations including its Present Need, Prior Round obligation, and Third Round Prospective Need and the mechanisms by which the Township would address those obligations.

Included in this agreement was a provision at Paragraph 8 which read:

- The Township represents that it has been in negotiations with 15 Route 206 LLC, an intervenor in this matter, to reach a settlement and avoid the expense of trial and further litigation. As an essential and non-severable term to this settlement agreement, the Township agrees that it will continue in good faith negotiations with the intervenor to reach a signed settlement agreement that complies with all terms of this agreement that apply to 15 Route 206 LLC including but not limited to the number of units and the low and very-low income / moderate income split. If an executed settlement agreement has not been reached between the Township of Hampton and 15 Route 206 LLC within 45 days of this settlement agreement, this settlement agreement shall be null and void and FSHC's offer to settle shall be rescinded.

An executed settlement agreement between the Township of Hampton and 15 Route 206 LLC was not reached within either the 45 day deadline or the subsequent extension of the deadline included in FSHC's January 4, 2017 letter to Mr. Morgenstern which extended the deadline to February 24, 2017. However, the Township has now executed a final settlement agreement with

October 24, 2017
Page 2

15 Route 206 LLC dated 10/31/17 and the substance of that agreement includes an agreement on an identical amount of affordable housing units on the 15 Route 206 LLC site as anticipated in the initial settlement agreement entered into on November 29, 2016. Also, the Township has entered into a settlement agreement dated 10/31/17 with Pio Costa Enterprises, LLC which also agrees to construct the identical amount of affordable housing units as contemplated in the November 29, 2016 settlement agreement on the Pio Costa Enterprises, LLC/Cage Investors, LLC site.

As such, the parties enter into this new agreement for the sole purpose of amending the previous agreement entered into on November 29, 2016 as follows:

1. The parties hereby agree to remove Paragraph 8 from the November 29, 2016 agreement. The parties agree that all the other terms in the November 29, 2016 agreement are acceptable and are now binding on both parties.
2. The parties anticipate that this amendment to the agreement along with the agreements with 15 Route 206 LLC and Pio Costa Enterprises will be approved together at a fairness hearing to be scheduled by the court. The parties agree that all dates by which the Township must take action included in the November 29, 2016 agreement that ran from the date of execution of that agreement shall now run from the date of the execution of this agreement. All dates that ran from the date of the court's approval of the November 29, 2016 agreement shall run from the date of the court's approval of this amendment to the agreement.

Please sign below if these terms are acceptable.

Sincerely,

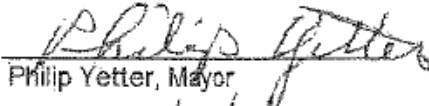


Adam M. Gordon, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the Township of Hampton, with the authorization of the governing body and Planning Board:

Hampton Township

By:



Philip Yetter, Mayor

Dated: 10/31/17

ATTEST:



Eileen Klose, Township Administrator

Dated: 10/31/17

APPENDIX B

2017 Agreement with 15 Route 206, LLC (“Martin”)

2017 Agreement with Pio Costa / Cage Investors

A G R E E M E N T

THIS AGREEMENT dated _____, 2017 among:

15 ROUTE 206 LLC, with an address at P.O. Box 158, Town of Newton, County of Sussex, State of New Jersey 07860 (Martin), and

TOWNSHIP OF HAMPTON, a municipal corporation of the state of New Jersey, with offices located at the Hampton Municipal Building, 1 Rumsey Way, Hampton Township, Town of Newton, County of Sussex, State of New Jersey 07860 (Township or Hampton), and

Collectively Martin and Hampton are the Parties.

W I T N E S S E T H

WHEREAS, Martin is the owner of approximately 95 acres of real property located in the Township of Hampton, and identified as Block 3501, Lot 30.01, on the tax maps of the Township of Hampton (Martin Property, Property, or Tract); and

WHEREAS, the Martin Property is zoned by ordinance as subject to the APT/TH - Apartment/Townhouse Multiple Family residential Zone District standards; and

WHEREAS, the Township filed a declaratory judgment action in the Superior Court of New Jersey, Law Division, Sussex County, titled In the Matter of the Application of Hampton Township, Docket No. SSX-L-455-15 (DJ Action), in response to the Supreme Court's decision in In re Adoption of N.J.A.C. 5:96 and 5:97, etc., 221 N.J. 1 (2015), in order to address its affordable housing obligations; and

WHEREAS, Martin successfully intervened as a intervenor-defendant in the DJ Action; and,

WHEREAS, the Parties entered into mediation in an effort to resolve consensually their differences with respect to the proposed re-zoning of the Martin Property as part of Hampton's efforts to address its affordable housing obligation, in order to develop mutually agreeable re-zoning and a plan for development of the Martin Property; and

WHEREAS, the Parties have negotiated types and magnitude of development of the Property, in order to reach a plan for development amenable to the Parties, which provides for the

development of affordable housing, and other residential and non-residential uses on the Property; and

WHEREAS, this Agreement addresses a set of circumstances arising from the Mount Laurel doctrine and its jurisprudence, including the Supreme Court's opinion in In re Adoption of N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015), which circumstances include: (1) considerable uncertainty involving the delivery of affordable housing; (2) the potential for extensive DJ Action in the absence of settlement; (3) the Township and Martin have agreed to resolve their differences during this period of uncertainty; (4) the removal of impediments to the development of the Martin's Property as contemplated by this Agreement, which includes the delivery of affordable housing units and credits; (5) a means to obtain necessary approvals from other government agencies with jurisdiction over elements such as infrastructure needed for development of the Martin Property;

WHEREAS, to amicably resolve all of the issues associated with Martin's position in the DJ Action with respect to the Township's Affordable Housing Plan, the Township has: (1) provided for the re-zoning of the Martin Property, which includes re-zoning for development of affordable housing units; and (2) provided a process for judicial review of the Township's affordable housing element and fair share plan (HEFSP) to resolve this DJ Action; and

WHEREAS, the Parties desire to settle their differences with respect to the provision of affordable housing in Hampton, and to settle the claims of Martin in the DJ Action, through the re-zoning of the Martin Property to permit an inclusionary development, and other non-residential and mixed use development, for the number and types of units and uses as set forth in this Agreement, and through the adoption of a zoning ordinance amendment attached hereto and made a part hereof as Exhibit A ("Zoning Ordinance"); and

WHEREAS, the Parties intend that the Martin Property be re-zoned to permit development that will provide a realistic opportunity for the provision of 57 units of affordable rental housing, and other residential, non-residential, commercial, and mixed-use development, as hereafter more fully detailed; consistent with the standards set forth in this Agreement and the Zoning Ordinance (Exhibit A); and

WHEREAS, the Parties intend that the Property shall be re-zoned to permit the development of: (1) Residential housing, of

either multi-family or single family unit types, which will include zoning for the development of 57 affordable rental housing units; (2) non-residential, commercial, retail, or office uses; (3) mixed-use residential and/or commercial uses;

WHEREAS, the Parties acknowledge that the objective and intent of this Agreement, including the re-zoning by the Township, the review of a contemplated development application by the Planning Board are to create and bring to fruition to development that will provide residential and non-residential development and zoning for the realistic provision of 57 units of affordable rental housing, and permit commercial development on the Property, as described in this Agreement and permitted under the accompanying Zoning Ordinance, Exhibit A; and

WHEREAS, Hampton seeks to address part of its affordable housing obligations under the Mount Laurel II doctrine through the implementation of this Agreement;

WHEREAS, the Parties acknowledge that the development contemplated for the Property: allows for the comprehensive development of the Property in a manner that promotes smart growth and development; is in accord with sound land use and planning principles, and principles of land use and development expressed in local, county, regional, and State policies; and

NOW, THEREFORE, in consideration of One dollar (\$1.00), and other good and valuable consideration, including the covenants, terms, conditions, and Agreements contained in this Agreement, Martin and the Township agree to settle the DJ Action and be legally bound by the terms set forth below.

ARTICLE I - PURPOSE

1.1 The Parties intend this settlement to resolve Martin's claims in the pending DJ Action, with the subsequent request by Hampton for the Court's entry of a Judgment of Compliance and Repose adjudicating Hampton's affordable housing obligation. Following the expiration of the time to appeal a judgment of compliance and repose, and no appeal thereto having been taken, and following the adoption of implementing ordinances contemplated by this Agreement, and the expiration of the time to appeal from their adoption and no appeal thereto having been taken, Martin will dismiss the DJ Action. The court will retain jurisdiction to enforce this Agreement, and without relinquishment of Martin's statutory right to seek judicial

review of any decision rendered by the Hampton Planning Board on a development application for the Martin Property.

1.2 The purpose of this Agreement is to create a realistic opportunity for the development of the Property in order to yield 57 affordable rental housing units available to the region's income-qualifying households, as mandated under relevant Affordable Housing Laws, including those laws pertaining to relevant pricing of affordable housing units developed as part of the development contemplated for the Martin Property by this agreement. The 57 affordable rental housing units shall constitute the entire affordable housing obligation generated from the Martin Property or Tract.

1.3 The Municipal Plaintiff is Hampton Township and is referred to as "Township," "Hampton," or "Hampton Township."

1.4 Provided the terms of this Agreement are incorporated into the Township's Affordable Housing Plan, and its terms are not varied, Martin agrees not to oppose the Township's efforts to seek a judgment of compliance and repose to be sought by Hampton, in accordance with the settlement agreement.

1.5 Effective date of Agreement. The terms set forth in this Agreement shall become effective upon the completion of the fairness and compliance hearing referenced above and the entry of a judgment of compliance and repose respecting Hampton's affordable housing obligation. After entry into this Agreement, the parties contemplate that Hampton will act to file with the Court a compliance plan and to seek a judgment of compliance and repose. If Hampton does not obtain a judgment of compliance and repose within 120 days of the parties's entering into this Agreement, then notwithstanding the first sentence above in this paragraph, and notwithstanding Article VIII, this Agreement shall become effective, together with the obligations of the parties set forth in this Agreement. The proposed order granting approval to this Agreement shall be agreed upon by the parties prior to a fairness hearing on this agreement. As further set forth below, this Agreement contemplates action is being taken by both parties in furtherance of this Agreement. By entering into this Agreement, the parties represent that they believe it will be approved by the court and agree to proceed in good faith to implement this Agreement and reliance on those representations. Should this Agreement not be approved by the court in connection with its fairness hearing, or should the

court impose conditions for its approval, or conditions upon this agreement as part of a judgment of compliance and repose, which are not acceptable to Martin, or to the plaintiffs, then Martin, in its sole discretion, or the plaintiffs in their sole discretion, reserves the right to rescind any action taken in anticipation of the Court's approval and to declare this Agreement null and void, and the Parties shall be restored to the status quo ante to the date of this Agreement, and any and all claims and defenses available now shall be available to the Parties then, and the Martin's claims in the DJ Action will not be time barred. If an appeal is filed from the court's approval of this agreement, the parties agree to defend this Agreement on appeal, including the proceedings before the Superior Court, Appellate Division and the 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, including the imposition of conditions upon the agreement as part of a judgment of compliance and repose which are not acceptable to Martin, at which point the Martin reserves the right to rescind any action taken in anticipation of the Court's approval, and to declare this Agreement null and void, and the Parties shall be restored to the status quo ante to the date of this Agreement, and any and all claims and defenses available now shall be available to the Parties then, and Martin's claims in the DJ Action will not be time barred.

1.6 All parties shall have an obligation to fulfill the intent and purpose of this Agreement.

1.7 Affordable Housing Obligations. Martin agrees not to object to the entry of a judgment of compliance and order of repose with respect to Hampton's affordable housing obligations, provided the terms of this Agreement, including the Zoning Ordinance, and the rights granted hereunder to any party are not varied, or conditioned upon satisfaction of conditions not set forth in this agreement.

Hampton asserts that it has satisfied its affordable housing obligations as follows:

The Township has addressed its full prior round obligations through:

- A. Proposed re-zoning of the Martin Property to yield 57 units of affordable rental housing;

- B. 47 rental bonus credits from development of the Martin Property
- C. Proposed re-zoning of properties under the control of "Pio Costa," to yield 107 affordable housing units
- D. 2 rental bonus credits from development of the Pio Costa properties credits
- E. Credits for 18 bedrooms of group home rental units
- F. Durational adjustment, as discussed in N.J.A.C. 5:93-4.3, to address the lack of infrastructure in the Township

The parties recognize that the manner in which this Agreement reflects the Township's satisfying its third round obligations differs in several respect from the Township's most recent draft housing element of fair share plan. The parties agree that the Township, if this agreement is approved at a fairness hearing and a judgment of compliance and repose is entered, shall as part of and on the timetable required for adoption of a Round Three plan, amend its draft and existing housing element and fair share plan (HEFSP), or enact or amend any other necessary ordinances or resolutions to reflect that the Township is complying with its prior round obligations and third-round obligations in the manner set forth in this Agreement and the exhibits attached hereto, and not in any other manner. The parties also agree that the Township shall consider after compliance with all procedures, the Zoning Ordinance amendment set forth in Exhibit A attached to this Agreement within the timeframe set forth in paragraph 4.1 of this Agreement.

Upon execution of this Agreement, Martin agrees not to raise an objection in any manner or in any forum to the determination of Hampton's affordable housing obligation, nor the validity or applicability of affordable housing credits, as set forth in this Agreement, provided the terms of this Agreement are not varied. Upon the entry of a judgment of compliance and order of repose, this determination shall be a final determination binding upon on parties, provided such determination is not overturned on appeal, if any appeal is taken.

ARTICLE II - BASIC TERMS AND CONDITIONS

2.1 The terms of this Agreement shall be incorporated in the HEFSP adopted by the Planning Board and endorsed by Hampton, insofar as it impacts the Martin Property. The HEFSP shall reflect the re-zoning of the Martin Property contemplated by, and described in, this Agreement, and as set forth in the Zoning Ordinance attached as an Exhibit to this Agreement.

2.2 In the event of any challenges to the Court's approval of this Agreement, or to the Zoning Ordinance, the Parties shall diligently defend any such challenge. In addition, if any such challenge results in a modification of this Agreement, or of the Zoning Ordinance, the Parties shall negotiate in good faith with the intent to draft a mutually acceptable amended Agreement in order to effectuate the object and intent of this Agreement. If, after such negotiations, the Parties cannot agree on an amended Agreement and amended zoning ordinance, then this Agreement shall be null and void, and the Parties shall be restored to the status quo ante to the date of this Agreement, and any and all claims and defenses available now shall be available to the Parties then, and Martin's claims in the DJ Action will not be time barred.

2.3 Entire Controversy. This settlement and agreement resolves all claims which Martin has, had, or which could have been asserted in this pending DJ Action.

2.4 Durational Adjustments and Infrastructure Limitations. The Parties recognize that Hampton's HEFSP will seek a durational adjustment because of the lack of water and sewer capacity throughout the Township, and a lack of current water capacity to service all of the housing development contemplated by this Agreement on the Martin Property.

2.5 Provisions for Development. The Martin Property, or Tract, is contemplated to produce 57 units of affordable rental housing, based on a determination by Hampton of 1.2 affordable housing units per unconstrained acres (47). The zone district to be adopted for the Martin Property will allow for both residential and non-residential commercial development. The residential development may be in the form of 100% affordable units at a development density of 20 dwelling units per acre, or via an inclusionary development with a density of 15 dwelling units per acre, with a set aside of 17.5%, or a combination of these mechanisms. The Parties also recognize that revisions or amendments to the sewer service area boundaries, or increased wastewater capacity will be sought as may be necessary to enable

Martin to develop the Property as contemplated by this Agreement and the proposed Zoning Ordinance. Hampton will cooperate with Martin in this endeavor in accordance with paragraphs 3.5 and 4.5 of this Agreement.

The Parties recognize that the non-residential development contemplated for the Property by this Agreement and by the Zoning Ordinance may be pursued and realized regardless of the status of the development of the residential development contemplated because Martin shall have reserved sufficient land and infrastructure capacity to serve the residential development contemplated for the Property.

ARTICLE III - MARTIN'S OBLIGATIONS

3.1 Submission of a Development Application Substantially Consistent with Zoning Ordinance.

At its sole discretion, Martin shall file and seek Board approval of a development plan application, or applications, substantially consistent with the Zoning Ordinance attached as Exhibit A hereto, subject to its rights to seek waivers, exceptions, and variances of certain requirements associated with such applications. To the greatest extent practical, the application or applications shall be free from variances, exceptions, and waivers. The Hampton Planning Board shall have the authority to take any lawful action under law regarding the application and applications, and any variances, waivers, and exceptions requested, subject to any time limitations set forth in this Agreement, and extensions granted by the Applicant. Martin shall be entitled to develop the Property in phases in its sole discretion. Martin shall be entitled to pursue development of the Martin property through application for approval of a general development plan (GDP), as provided in N.J.S.A. 40:55D-45.1 et seq.

As agreed to by the Parties, the zoning contemplated for the Martin Property, as expressed in the proposed Zoning Ordinance, attached as Exhibit A, shall provide for: (i) residential development, contemplated to provide a realistic opportunity for the development of 57 affordable rental units, on up to 22 acres of the Property, and achievable through either a 100% affordable housing development, or an inclusionary development of a multi-family residential development with an affordable housing set-aside, or a combination thereof; (ii) non-residential commercial, retail, and/or office development on

the Property, achievable under the provisions of the proposed Zoning Ordinance.

With respect to the zoning of the Property, the "Southwest Corner of the Property," as described below, and as shown on Exhibit B, attached hereto and made a part hereof, may be developed for residential uses only, as set forth in the Zoning Ordinance, and it may provide for ingress and egress to the Property. The remainder of the Property may be developed for commercial or residential uses, as set forth in the Zoning Ordinance.

The "Southwest Corner of the Property" is roughly shaped as a trapezoid, and its boundaries are: starting from the corner of the Hampton/Newton boundary, then running in a northerly direction along County Route 519 to the Property's boundary with Block 3501, Lot 84, then running in an easterly direction along the property line between the Property and Block 3501, Lot 84 to the rear property boundary of Block 3501, Lot 84, then running in a southerly direction, along a tangent extended from the rear property boundary of Block 3501, Lot 84, back to the Hampton/Newton boundary, then running along the Hampton/Newton boundary in a westerly direction to the point and place of beginning.

The Southwest Corner of the Property also may be used for stormwater detention or retention purposes, or be planted with landscaping or vegetation. Commercial development on the remainder of the Property, including the location of structures or buildings, may occur up to the boundary of the Southwest Corner of the Property.

Given the absence of full, detailed engineering of the Property, variances, waivers, design exceptions, and/or other relief under the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. (MLUL), may be requested as part of Martin's development applications. The provisions of the Hampton Municipal Code, if in conflict with, or not consistent with, the Zoning Ordinance pertaining to the development of the Property shall be inapplicable and superseded by the terms of the Settlement Agreement and the implementing Zoning Ordinances attached thereto, which provisions shall apply.

Route 519 Access

The parties agree that Martin in its applications for development to the Sussex County Planning Board will propose only one entrance to County Route 519 and show only one entrance on the Site Plan Map and/or Subdivision Map. The parties agree

that Martin will only apply for one road opening and one entrance permit for an entrance onto Sussex County Route 519 from the Property to the Sussex County Engineer's Office. The road opening and entrance on to the Property may be a dual cartway with a total paved width of 40 feet maximum, which shall include both ingress and egress lanes. The median strip between the ingress and egress lanes shall be up to 10 feet wide.

Screening

Subject to the provisions of the Settlement Agreement, the Hampton Township Planning Board, in its review of development applications for the Property, may require as a condition of approval, that commercial buildings whose sides abut the residentially zoned land at the Southwest Corner of the Property be reasonably screened from the time they are constructed. The screening may include residential buildings if they are already constructed, and evergreen vegetation, or a combination thereof.

- i. Residential buildings may provide screening in lieu of the required evergreen vegetation, provided they are constructed at the time commercial buildings are to be constructed.
- ii. Tree plantings shall be placed every maximum of 15 feet on center staggered.
- iii. The minimum height for an evergreen should be 6-7 feet at time of planting.
- iv. The minimum berm height should be 5 feet, with a minimum width of 10 feet on top.

Road Improvements

- A. Martin shall be responsible for the construction of road improvements on its Property, subject to pro rata contributions under applicable State law. Martin shall have no obligations whatsoever, including any obligation of a pro rata contribution, for the construction of any off tract road improvement north of its Property. Hampton Township is not obligated to contribute to the cost of roads on the Martin Property.

B. Subject to any other required governmental approvals, and as set forth below, if and/or when the north/south road is constructed, Martin will design and construct a north/south road on its Property at its own cost and expense, subject to pro rata contributions under applicable State Law. However, Hampton Township is not obligated to contribute to the cost of roads on Martin's Property. This obligation by Martin is subject to the following terms and conditions:

1. The location of the road, which is discussed in Hampton's September 2002 Master Plan describing a "Hampton Center South" concept, and depicted in an Amendment to the Hampton Township Master Plan, Circulation Plan Element, dated July 17, 2008, as running to the northern end of the Martin Property which abuts land owned by 35 Hampton House Road, Realty, LLC and 33 Hampton House Realty, LLC, also known as the Maroon Pontiac Property. The owner of the Maroon Pontiac Property, known as Block 3501, Lots 32, 34, and 35 (Maroon Property), and its successors, heirs, and/or assigns will design, obtain approvals and construct the continuation of the road from Martin's Property in a northerly direction to tie into the road already constructed on the Lowe's Home Centers Property. Lowe's Home Centers has agreed to and bonded for the construction of the remaining portion of the road on its property from its existing driveway to the southerly border of its property. Martin shall not be required to design, construct or build the road on the so-called Maroon Pontiac Property or the Lowe's Property. Martin shall have no obligations whatsoever, including no obligation of a pro rata contribution, for the construction of any off tract road improvement north of the Property.
2. Insofar as no engineering or investigation of site conditions of the Property has been undertaken, the exact location of the north/south road will be designed and submitted to the Hampton Township Planning Board as part of development applications, including site plan applications, as Martin develops its Property.
3. The location of the road is subject to deviation in size, width, and direction, in conjunction with development applications submitted by Martin for the Property.

4. The total width of the paved cartway shall not exceed 25 feet unless Martin desires to construct a wider road. However, any tapering down of the width of the road from the Lowe's Property across the Maroon Pontiac Property, and on to the Martin Property shall be constructed as per MUTCD standards.
5. Subject to its obtaining all necessary governmental approvals for construction on its Property, and regardless of the status of construction of the north/south road on the Maroon Property, Martin's obligation to construct a north/south road shall be in conjunction with the development of the Martin Property, and in connection with the Planning Board's and its engineer's review of site plan applications for the Property. The filing and timing of such applications shall be in Martin's sole discretion. In addition, Martin's obligation to construct a north/south road shall be conditioned on the road over the Maroon Property being fully approved and permitted to be constructed, and by either of the following occurring: (a) Maroon has entered into a contract for the construction of the road or (b) Maroon has bonded for the construction of the road or (c) Maroon has completed the construction of the road on its property. The road over the Maroon Property will tie in with the road as designed in the Lowe's Home Center Property.
6. Both parties agree to cooperate with each other to obtain approval and construction of the north/south road. The objective of the parties is to realize the construction of this roadway on the Martin Property and on the Maroon Property, and to enable it to tie in to the traffic signal at the current Lowe's property located north of the Maroon Property. But, this objective shall be contingent upon Martin's taking steps in design, funding, and permitting to assure the completion of this roadway as development on its Property occurs, and upon the Township's obligation to take all necessary and reasonable steps to encourage and to support construction of the road across the Maroon Property so that it occurs. The Township may be asked to condemn part of the Maroon Property in order to allow construction of the roadway pursuant to this

agreement. The Township Committee may do so in its sole discretion.

OTHER PROVISIONS

1. All development on the Property shall be subject to State law, including but not limited to the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq., and to the provisions of N.J.A.C. 5:93-10.1 et seq. (e.g., regarding cost generating fees, review by experts), unless Hampton's requirements are less stringent, in which case Hampton's provisions shall apply.

2. With respect to sections 85-2 and 1-7.1, Environmental Impact Statement (EIS), the submission of an EIS, if directed, shall be limited to items specifically identified by the Planning Board as germane to its review of any application for the Property, and such submission shall be subject to the provisions of N.J.A.C. 5:93-10.1 et seq. (regarding cost generating fees and review by experts).

3. With respect to section 58-1B Excavation and Excavation Permit, and section 87-1 et seq. Soil Removal and Soil Removal Permit, application shall be made to the Planning Board. A site plan approval shall not be required for the application to be made and for a determination by the Planning Board. In connection with the application for any such permit, the applicant shall provide a concept plan identifying the proposed excavation and/or soil removal, and rationale for such permit. A fully engineered site plan shall not be required. Any application shall be subject to the provisions of N.J.A.C. 5:93-10.1 et seq.

4. The following sections of the Hampton Township Code shall not apply to any development on the Property:

15-45 Zone change Requests: (no fees associated with the implementation of zone changes to meet Hampton's affordable housing obligations)

66-1 et seq. Rent Control

95 et seq. Trees

91-6E(2) Submission of Preliminary Plat of Major subdivision

108-28 Principal Uses

108-34 Townhouses

108-35 Garden Apartments

108-63 to 108-68 Development fees for Low and Moderate Income housing

5. With respect to the following sections, the provisions of the Hampton Code shall be superseded and the following provisions shall apply:

108-24E Motels and Hotels: 48 feet and three (3) stories

6. With respect to fees, the provisions of N.J.A.C. 5:93-10.1 et seq. shall apply, application fees shall be waived with respect to residential affordable housing units, and the following sections of the Hampton Township Code shall

be modified as follows:

56-5B(5): \$50 per market rate residential unit.

3.2 Compliance with UHAC Regulations. Martin shall have an obligation to deed restrict all affordable housing units (e.g., up to 57 units) that it constructs as affordable rental units on the Property. Such units shall comply with the Uniform Housing Affordability Code, N.J.A.C. 5:80-1 et seq. (UHAC), as that code may be amended from time to time. The affordable units shall be restricted to households of low and moderate income for a period of 30 years. Martin's obligations include, but are not limited to the obligation to comply with the bedroom distribution requirements, requirements under law pertaining to rent pricing for different income levels of the qualifying affordable households and persons, affirmative marketing requirements, candidate qualification and screening requirements, re-rental requirements, and deed restriction requirements. The Township shall have its own Affordable Housing Administrator to perform the administrative tasks associated with the affordable housing units, as required by law. For the Martin Property, Martin shall submit to Hampton all monitoring reports required by State regulation, COAH, or the Court.

3.3 Obligation Not to Oppose Hampton's Application For Approval of Its HEFSP. Martin shall not directly or indirectly oppose or undertake any action to interfere with the Court's adjudication, approval and/or implementation of Hampton's HEFSP, as it may be amended in any form, from time to time, unless Hampton's HEFSP, or any amendment thereto, materially affects or deprives Martin of any rights created in this Agreement or

through the Zoning Ordinance, such as, but not limited to, reducing the development rights contemplated under this Agreement and the Zoning Ordinance, or increasing the number of affordable units.

3.4 Obligation to Reserve Land and Infrastructure Capacity. Martin shall reserve for the duration of Hampton's Judgment of Compliance and Repose respecting its Third Round Affordable Housing Obligation 22 acres of land on the Property on which to produce the contemplated yield of 57 affordable rental housing units. This acreage is contemplated to be the acreage needed to develop an inclusionary development at a development density of 15 dwelling unit per net acre, with a 17.5% set aside for affordable units, to produce 57 units.

In the event the affordable units are produced using fewer than 22 acres, this restriction of 22 acres of land shall no longer obtain, and it shall be reduced accordingly as affordable units are developed. For example, if a 100% affordable housing project is developed for 57 rental units on 3 acres of land, the remaining 19 acres shall no longer be restricted. Martin shall reserve for the duration of Hampton's Judgment of Compliance and Repose respecting its Third Round Affordable Housing Obligation sufficient land and sewer capacity necessary to service the remaining number of affordable housing units to be produced, based on an inclusionary development at 15 dwelling units per acre with a 17.5% set aside.

Martin shall undertake to obtain sufficient water capacity for the development of the residential component of its Property contemplated by this Agreement. Martin represents that there exist water sources to serve the contemplated non-residential development of the Property that have been approved by the New Jersey Department of Environmental Development (DEP). However, the Parties recognize that Martin has yet to demonstrate to the satisfaction of the DEP sufficient capacity and water quality to serve the contemplated residential development on the Property.

3.5 Martin shall pay the fees and costs (or reimburse the Township for them) for all applications for permits to obtain the necessary water and sewer treatment capacity to serve the development of the Martin Property.

ARTICLE IV - OBLIGATIONS OF HAMPTON

4.1. Obligation to Vote on Zoning Ordinance. In accord with the schedule set forth in the zoning ordinance attached as

an Exhibit to this Agreement, and as set forth in this Agreement, within 150 days of a Court order approving this Agreement, but no later than 150 days from the date of execution of this Agreement if no such Order has been entered by the Court, Hampton shall introduce and commence hearings on the Zoning Ordinance attached as an Exhibit to this Agreement after a duly noticed public hearing as required by law. The Township shall comply with the requirements of N.J.S.A. 40:55D-1 et seq., including MLUL sections 26 and 62a, in dealing with public hearings, referral to the Board for recommendation, the amendment of the Master Plan, and any inconsistencies between the Zoning Ordinance and the Township's land use plan element. Within 45 days of introducing such Zoning Ordinance, Hampton shall vote on the Zoning Ordinance attached as an Exhibit to this Agreement, after a duly noticed public hearing as required by law, and after referral to the Board for recommendation as to consistency with the Master Plan.

4.2 Obligation to Preserve the Zoning Ordinance. Following its adoption, the Zoning Ordinance shall not be amended or rescinded, without written approval of Martin, or order of the Court until the later of: (i) The date of termination of the Round Three period of repose granted to Hampton by the Superior Court; (ii) fifteen (15) years from the effective date of the Zoning Ordinance; or (iii) any date which may be applicable by virtue of the application of the relevant Affordable Housing Laws.

In the event the aforementioned fifteen (15) year period is applicable, and if, at the end of the fifteen year period, the parties to this Agreement cannot agree to an extension of that period during which the Zoning Ordinance shall not be amended or rescinded without the Martin's consent, the parties shall submit the issue to the Superior Court, Law Division, Sussex County, for a resolution of their disagreement, in accord with COAH regulations, N.J.A.C. 5:93-5.13. The Court's decision may be appealed to the Appellate Division and/or the Supreme Court.

Conversely, there shall be no requirement for the Zoning Ordinance to remain in effect upon the expiration of all of the aforesaid three events. Notwithstanding the foregoing, the time for the preservation of the Zoning Ordinance shall be tolled for a period equal in length to the time of any appeal of, or challenge to, the Zoning Ordinance, this Agreement, or any of the required approvals, as defined in section 4.5.

4.3. Non-applicability of Inconsistent Municipal Laws.

In the event, and to the extent, that any other land-use regulations, or any other ordinances, standards, or regulations of Hampton applicable in any manner to the Martin Property, whether existing presently, or hereafter adopted, is inconsistent with the Zoning Ordinance adopted in this Agreement for the Martin property and its development, such other ordinances, standards, and regulations shall not be applicable to the Martin Property, and the standards and provisions set forth in the Zoning Ordinance shall apply for the development of the Martin Property. Hampton shall waive, or amend, if necessary any such inconsistent standards, ordinances, or regulations. The development standards as set forth in the Zoning Ordinance shall be applicable to the Martin Property and its development in order to effectuate the objective and intent of this Agreement. To the extent there is any inconsistency between the standards set forth in the Zoning Ordinance, which is attached as Exhibit A, and in any other regulations, ordinances, or provisions of Hampton applicable to the Property, now or existing or hereafter adopted, the provisions of the Zoning Ordinance shall supersede all other inconsistent provisions and shall control development of the Property.

4.4 Obligation to Endorse Hampton's Housing Plan and fair share plan incorporating Martin Property consistent with settlement. In accord with the Ordinance attached hereto, Hampton shall consider and endorse an HEFSP incorporating the Martin Property and the development contemplated for the Property, as expressed in this Agreement and the proposed Zoning Ordinance, into Hampton's HEFSP.

4.5 Obligation to Cooperate. The Parties recognize that Martin, and the development contemplated by this Agreement, require approvals from other governmental agencies and bodies, including but not limited to those at the county, regional, and State levels, which have jurisdiction over the provision of sewer and water service for development of the property, and that to construct its proposed project, Martin will be required to obtain any and all necessary and applicable agreements, approvals, and permits from all relevant public entities and utilities, such as, by way of example only, Hampton, the Planning Board, the County of Sussex, the Sussex County Utilities Authority, the Sussex County 208 Water Policy Committee, the Sussex County Planning Board, the New Jersey Department of Environmental Protection, New Jersey Department of Transportation, and the applicable Soil Conservation District.

Hampton and the Board, including all of their respective members, officials, employees, consultants, agents, and representatives, agree to cooperate with Martin, through action, word, and deed, including the execution of any writing, resolution, plan, application, or document needed to assist and support Martin to obtain all necessary approvals, including all government approvals for the proposed sewer treatment facility and potable water system improvements, in order to develop the Property, including but not limited to revisions or amendments to its sewer service areas, and cooperation with Martin to help it obtain sufficient capacity and quality of water to serve the residential component contemplated for the Property. However, such cooperation from Hampton shall not include any financial obligation or ownership obligation by the Township, although, the Township may determine, and the Township shall be permitted, to take ownership interest in any such sewer treatment facility and/or water system and system improvements, upon consensual agreement between the Township and Martin.

Hampton agrees to cooperate with Martin, through action, word, and deed, including the execution of any writing, resolution, plan, application, and/or document needed to assist and support Martin with respect to any applications for approval of any wastewater management plan amendments, section 208 plan amendments, or any other outside approvals necessary to construct the project improvements as contemplated for the development under this Agreement. If a wastewater management plan amendment is required to obtain the approval of Martin's sewer applications, Martin shall pay the cost for these applications or reimburse Hampton for these costs upon presentation of certified invoices for such costs. Upon such payment, Martin shall be entitled to reserve its rights to contest the magnitude of the costs before an appropriate administrative tribunal with jurisdiction, or the Superior Court of New Jersey, Law Division, under a procedure similar to the procedure in the MLUL, N.J.S.A. 40:55D-53.2a ("Applicant notification to dispute charges; appeals; rules, regulations"), which provides for the challenge of professional fees placed in escrow.

Notwithstanding the foregoing, neither Hampton nor the Board shall be obligated to expend any funds to obtain, or assist in obtaining, the required approvals, except for the costs of municipal employees, as is ordinary and customary in the conduct of Hampton's business, and except that Hampton and the Board shall be financially liable for their counsel and

professional consultants in connection with the drafting review and execution of this Agreement, and the fees of counsel and professionals (such as attendance at regularly scheduled meetings of public bodies) associated with the hearings on the Zoning Ordinance, Master Plan amendments contemplated by this Agreement, and the development applications for the Martin Property. The obligation to cooperate is subject to the obligation of Martin to make timely payment of all real property taxes, and any other relevant fees due and owing during the term of this Agreement.

4.6 Obligation to Reserve Sufficient Water and Sewer Capacity if it Becomes Available. Subject to and consistent with other provisions of this Agreement, and consistent with relevant Affordable Housing Laws, Hampton shall reserve sufficient sewer and water capacity for the Martin project, to the extent any such capacity is available, or becomes available in the future, as prescribed by N.J.A.C. 5:93-4.3(c)1.

4.7. Non-applicability of Development Fees. Notwithstanding the existence, or future adoption, of any development fee ordinance to help fund the provision of affordable housing, Martin shall not be responsible for the payment of any such development fees, including any residential or non-residential development fees called for by the MLUL, N.J.S.A. 40:55D-8.1 et seq., and by Hampton Code sec. 108-66, 108-67, and 108-68, with respect to development of any portion of the Martin Property as contemplated in this Agreement and the Zoning Ordinance, including any non-residential component of this project.

ARTICLE V - EXPECTATIONS OF PROCESS OF THE BOARD

5.1 Expectation to Process Martin's Development Applications with Reasonable Diligence. The Parties expect that the Planning Board shall expedite the processing of Martin's development applications, including an application for approval of a GDP, upon adoption of the Zoning Ordinance, following Court approval of and/or fairness hearing on the Zoning Ordinance and this Agreement, in accord with N.J.A.C. 5:93-10.1 et seq., and within the time limits set forth in the MLUL, and such extensions consented to by the applicant. The Parties expect that the Planning Board shall cooperate in granting all reasonable waivers, exceptions, and/or variances that are necessary to develop the Martin Property in accord with the Zoning Ordinance, attached hereto as Exhibit A, insofar as

Hampton acknowledges that any such variances, which are designed to bring to fruition the contemplated development permitted under the Zoning Ordinance, are not substantially detrimental to the public good and the public welfare, and will not substantially impair the intent and purpose of Hampton's Zoning Ordinance, land development regulations, zone plan, and other zoning ordinances. In the event of any appeal of the Zoning Ordinance or Court approval of this Agreement, the Parties expect that the Planning Board shall process and vote on any development application, including an application for a GDP approval, by Martin for the Martin project, which decision may be conditioned upon the outcome of any pending appeal.

5.2. Expectation to Consider Amendment to Housing Plan and Master Plan. To the extent that the Planning Board has not done so before execution of this Agreement, the Parties expect that within 120 days of the execution of this Agreement, the Board shall first schedule and conduct a public hearing to amend and adopt a Hampton Master Plan, including the adoption of an HEFSP and a land use plan element, in a manner consistent with the Zoning Ordinance. The Board shall include the Martin project as a component of its HEFSP. Thereafter following the Board's action, and within 150 days of the execution of this Agreement, the Township shall adopt the Zoning Ordinance in accord with the procedures required by law.

5.3. Obligation to Refrain from Imposing Cost-Generative Requirements. Hampton recognizes that the Zoning Ordinance, the proposed development of the Martin Property, and this Agreement all contemplate the development, which includes either a 100% affordable housing development, or of an inclusionary development, as that term is understood under relevant Affordable Housing Laws, and that for the entire Property, Martin shall be entitled to all of the benefits, protections, and obligations afforded to developers of inclusionary developments. Therefore, with respect to the Martin Property, if Martin applies to the Planning Board for approval of a development generally consistent with the Zoning Ordinance, the Parties expect that the Board shall comply with N.J.A.C. 5:93-10, et seq., in processing, reviewing, and adjudicating all development applications, including a GDP application, filed for the Martin Property under this Agreement, and that the Board will not impose development standards, and/or requirements, including but not limited to those set forth in N.J.A.C. 5:93-10 et seq., that would be objectively considered to be a "cost generative," or not expressly required by this Agreement or the

Zoning Ordinance. Compliance with the New Jersey Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. (RSIS), shall not be considered "cost-generative."

5.4. Expeditious Review. The Parties expect that the Board shall process, review, and adjudicate all develop applications for the Martin Property in an expeditious, fast-track matter, which, if necessary, shall include the holding of at least one (1) special meetings per month, where timely requested by Martin seeking to develop the Property consistent with this Agreement. Such special meetings shall be paid for by Martin, if such cost is required under Hampton's now existing municipal code. Specifically included in the scope of fast-track review shall be Hampton's and the Board's agreement to review and adjudicate any development applications for the Martin Property, notwithstanding that any other federal, state, regional, county, or other agency approvals or permits may be required for development of the Property, or may be pending for the Property. In addition, where appropriate, the Parties expect that Hampton and the Board will grant such municipal initial approval subject to any such applicable agency approvals at the federal, state, county, or regional level.

ARTICLE VI - MUTUAL OBLIGATIONS

6.1. Obligation to Comply with State Regulations. The Parties shall comply with any and all federal, state, county, and local laws, rules, regulations, statutes, ordinances, permits, resolutions, judgments, orders, decrees, directives, interpretations, standards, licenses, approvals, and similar binding authority, applicable to the proposed project, or the performance by the Parties of their respective obligations, or the exercise by the Parties of their respective rights and connection with this Agreement.

6.2. Mutual Good Faith, Cooperation, and Assistance. The Parties shall exercise good faith, cooperate, and assist each other to fulfill the intent and purpose of this Agreement, including but not limited to, approval by the Court of this Agreement as part of the Township's HEFSP, the adoption of the Zoning Ordinance, the development of the Martin Property consistent with the terms of this Agreement, and the defense of any challenge with regard to any of the foregoing.

6.3. Effect of Failure to Adopt Zoning Ordinance. If, after consideration of the public comments of any required hearing regarding the adoption of the Zoning Ordinance, the

Township elects not to adopt the Zoning Ordinance, Martin may elect to have the Parties restored to the status quo ante to the date of this Agreement, and any and all claims and defenses available now shall be available to the Parties then, and Martin's claims in the DJ Action will not be time barred, or Martin may elect to seek specific performance of this Agreement, including seeking judicial remedies to implement the terms of the Zoning Ordinance. Notwithstanding the foregoing, no party shall be entitled to use this Agreement, or negotiations in conjunction with it, to attempt to prejudice the other in any future proceedings.

6.4. Defense of Agreement. Each party exclusively shall be responsible for all costs which it may occur in obtaining court approval of this Agreement, and any appeal therefrom, or from the adoption of the Zoning Ordinance, or any part thereof. The Parties shall diligently defend any such challenge.

ARTICLE VII - AFFORDABLE HOUSING CREDITS

7.1. Application of Affordable Housing Credits. The Parties agree that the Township, subject to approval by the Court, shall be permitted to apply the affordable housing units contemplated by this Agreement towards its Mount Laurel obligations, as established by COAH, the Courts, or any other public entity with jurisdiction over establishing municipal fair share allocations and obligations. The Parties acknowledge that the Township intends to seek 57 affordable housing credits plus 47 rental bonus credits permitted under relevant Affordable Housing Laws for the contemplated development of the Martin Property.

7.2. Rental Bonuses. Martin shall not oppose any application by the Township to the Court, or any other public entity with jurisdiction over establishing municipal compliance, for rental bonuses for the affordable housing units contemplated by this Agreement.

ARTICLE VIII - CHANGES IN LAW

8.1. Changes in Law. In the event a change in the law, whether actual or perceived, occurs, such a change shall not affect the terms, rights, and obligations set forth in this Agreement, nor shall it be advanced by any party as a basis for relief from that party's obligation under this Agreement, except that nothing in this Agreement shall be deemed to require any

party to take any action that is contrary to law. Notwithstanding the foregoing sentence, if such a change in law may benefit Martin, such change shall be available to be used by and applied to Martin and the Property.

ARTICLE IX - COOPERATION AND COMPLIANCE

9.1. Implementation and Enforcement of Agreement. The Parties agree to cooperate with each other, provide all and any reasonable and necessary documentation, and take all necessary actions to satisfy the terms and conditions of this Agreement and assure compliance with its terms, subject to prior written Agreement between the Parties on payment by the requesting party of the requested party's direct costs and expenses in connection with such assistance. Hampton's obligation to cooperate shall be conditioned upon Martin's paying and maintaining current real estate taxes on the Martin Property. The parties shall retain the right to pursue and all remedies in law and equity to assure enforcement of this Agreement, including the right to specific performance and damages for failure to perform.

ARTICLE X - NOTICES

10.1 Notice. Any notice or transmittal of any document required, permitted, or appropriate under this Agreement, and/or any transmittal between the Parties relating to the Martin Property, shall be written and shall be served upon the respective Parties by facsimile and/or by certified mail, return receipt requested, or recognized overnight or personal carriers such as, for example Federal Express, with certified proof of receipt, and where feasible (e.g., any transmittal less than 30 pages), and in addition to delivery above, facsimile delivery shall be provided. All notices shall be deemed received upon the date of delivery set forth in such certified proof, and all times for performance based upon such notice shall be from the date set forth in this Agreement. Delivery shall be effected as follows, subject to change as to the persons to be notified and/or the respective addresses, upon 10 days of notice as provided in this Agreement:

To 15 Route 206 LLC:

Mr. Kenneth Martin/Mr. Stephen Martin
Martin Realty and Development Company
15 Route 206 North
P.O. Box 158
Newton, New Jersey 07860

Attention: 15 Route 206 LLC
Fax no. 973-383-7347

With Copies to:

Jeffrey Kantowitz, Esq.
Abe Rappaport, Attorney at Law
195 Route 46 West, Suite 6
Totowa, New Jersey 07512
Fax no. 973-785-4777/973-785-2643

To Hampton:

Administrator, Hampton Township
Clerk, Hampton Township
Hampton Municipal Complex
1 Rumsey Way, Hampton township
Newton, New Jersey 07860
Fax no. 973-383-8969

With Copies to:

Robert Morgenstern, Esq.
Dolan and Dolan
One Legal Lane (at 53 Spring Street)
P.O. Box D
Newton, New Jersey 07860
Fax no. 973-383-7823

If any of the individuals identified above has a successor, the individual identified shall name the successor and notify all others identified above of his successor.

ARTICLE XI - MISCELLANEOUS

11.1. Severability. Unless otherwise specified, the Parties intend that the provisions of this Agreement are to be severable. The validity of any article, section, clause, or provisions of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions of this Agreement. If any section of this Agreement is judged by a Court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.

11.2. Successors Bound; Assignment. The provisions of this Agreement shall run with the land, and the obligations and benefits under this Agreement shall be binding upon and inure to the benefit of the Parties, and to their successors and assigns,

including any person, corporation, partnership, or other legal entity which at any particular time may have a fee title, or other beneficial interest in the Martin Property, which is the subject of this Agreement. The Agreement may be enforced by any of the Parties and their successors and assigns. Martin shall be expressly permitted to sell and convey one or more sections of the Martin Property and of its project to other developers and/or users who shall be entitled to rely on and enforce the Agreement as to the remaining Parties. Advance permission to sell and/or assign is not intended and shall not be required.

11.3. Captions; Recitals. Captions and titles to this Agreement are inserted for the purpose of convenience and reference only, and are in no way to be construed as limiting or modifying the scope and intent of the various purposes and provisions of this Agreement. However, the recitals in this Agreement (i.e., all WHEREAS clauses) are incorporated and made part of this Agreement.

11.4. Governing Law; Jurisdiction. This Agreement shall be governed by and construed under the laws of New Jersey. Jurisdiction of any DJ Action ensuing with regard to this Agreement shall be exclusively in the Superior Court of New Jersey. Service of any complaint or judgment enforcement proceedings may be affected consistent with the terms for delivery of notices set forth in this Agreement. The Parties hereby waived formal service of process. Process may be effected by written notice under the terms of this Agreement for notice. The parties expressly waive a trial by jury in any such DJ Action.

11.5. No modification. This Agreement may not be modified or amended or altered in any way except by a writing signed by each of the Parties.

11.6. Counterparts. This Agreement may be executed simultaneously, or in one or more facsimile or email counterparts, each of which, when so executed and delivered, shall constitute an original, fully enforceable counterpart for all purposes. Any facsimile or email counterparts shall be supplemented by the delivery of an original counterpart under the terms of notice set forth in this Agreement.

11.7. Voluntary Agreement. The Parties acknowledge that: each is entered into this Agreement on its own volition, without portion or duress, after consulting with its counsel; each party is the proper person possesses the authority to sign

the Agreement; this Agreement contains the entire understanding of the Parties; and there are no representations, warranties, covenants, were undertakings other than those expressly set forth in this Agreement.

11.8. Preparation and Interpretation. The Parties acknowledge that this Agreement has been jointly negotiated, reviewed, and prepared by the Parties's attorneys, upon consultation with the Parties, and, therefore, this Agreement shall be construed on parity among the Parties, and that the presumption of resolving ambiguities against the drafter shall not apply. Each party expressly represents to the other Parties that: (a) it has been represented by counsel in negotiating this Agreement; and (b) it has conferred due authority for execution of this Agreement upon the person executing it.

11.9. Independent Judgment of the Board and of Hampton. The Parties recognize that the development applications, including an application for general development plan approval, required to implement the development contemplated by this Agreement, and such other actions as may be required by the Board or Hampton, under this Agreement, cannot be approved except on the basis of independent reasonable judgment by the Planning Board and the governing body of Hampton, as appropriate, and in accordance with the procedures established by law. Nothing in this Agreement is intended to constrain that judgment or to authorize any action not taken in accordance with procedures established by law. As well, nothing in this Agreement is intended to preclude Martin from appealing any denials of the Board in accordance with the MLUL, or of taking any other action, or seeking any other remedy permitted by law.

11.10. Schedules. All exhibits and schedules annexed to this Agreement are made a part of this Agreement by this reference. All exhibits and schedules now and/or in the future are made apart or will be made a part of this Agreement, with prior written approval of both Parties.

11.11. Entire Agreement. This Agreement constitutes the entire Agreement between the Parties to it, and it supersedes all prior oral and written Agreements between the Parties with regard to the subject matter of this Agreement, except as otherwise provided in this Agreement.

11.12. Conflict of Interest. No member, official, employee, representative, agent, or consultant of the Boards or

of Hampton 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.

11.13. Effective Date. Anything contained in this Agreement to the contrary notwithstanding, the effect of this Agreement shall be the date on which all of the Parties to this Agreement have executed and delivered this Agreement.

11.14. Waiver. Failure to enforce any of the provisions of this Agreement by any of the Parties shall not be construed as a waiver of these or other provisions.

11.15. Default. If any of the Parties fails to perform any material obligation on its part to be performed under the terms and conditions of this Agreement, unless such obligation is waived by all of the other Parties for whose benefit such obligation is intended, or by the court, such failure to perform shall constitute a default of this Agreement. Upon the occurrence of any default, the non-defaulting party shall provide notice of the default and the defaulting party shall have a reasonable opportunity to the default within 45 days. If the defaulting party fails to cure within 45 days, or such other reasonable time as may be appropriate, the Party(ies) for whose benefit such obligation is intended shall be entitled to exercise any and all rights and remedies that may be available in equity or under the laws of New Jersey, including the right of specific performance to the extent available. Further, the Parties may apply to the Court for relief, by way of motion for enforcement of litigant's rights.

11.16. Notice of actions. The Parties and their respective counsel agree immediately to provide each other with notice of any lawsuits, actions, or governmental declarations, threatened or pending by third parties of which they are actually aware which may affect the provisions of this Agreement.

11.17. Conflicts and Retained Jurisdiction. The Parties acknowledge that this Agreement cannot be affected by any other amendments to Hampton's Affordable Housing Plan or other zoning ordinances, and that this Agreement shall control with respect to those matters, as applied to the Martin Property. Upon dismissal of the DJ Action, the Court shall retain jurisdiction to ensure compliance with the terms and conditions of this Agreement.

11.18. Holiday and Weekends - Time for Performance.

Should any date, on or before which the performance of any act as required under the terms of this Agreement, fall on a Saturday, Sunday, legal holiday, and/or generally recognized religious holiday in New Jersey (e.g., Good Friday), the date for performance shall be extended to and shall occur on the next succeeding business day. All reference to "days" shall be deemed to refer to calendar days, unless the context clearly and unequivocally requires otherwise. Except as otherwise set forth in this Agreement, any act to be performed on before a certain date shall be deemed to be required to be performed on or before 5:00 PM on the day the set forth and, if performed after 5:00 PM, shall be deemed not to have been performed on that date.

SIGNATURE PAGE FOLLOWS

Chapter 108. Zoning

Article IV. District Regulations

Sec. 108-_____ APT/TH-HC-MFG Apartment/Townhouse Multiple-Family Residential Highway Commercial and Manufacturing.

A. The purpose of the APT/TH-HC-MFG Zone District, which applies to Block 3501, Lot 30.01 (the "Property" or "Tract"), is to provide areas in the Township responsive to the need for multiple family housing, including affordable housing, and commercial and manufacturing development and uses situated in transitional zoning locations with advantageous roadway exposure. The Property, Block 3501, Lot 30.01, which is the subject of this APT/TH-HC-MFG zone district, may be subdivided. The bulk standards applicable to the APT/TH-HC-MFG zone district shall be applicable to the entire Property, and a subdivision shall not result in a non-conformity.

B. Principal permitted uses on the land and in buildings.

- 1) Agricultural uses as defined in sec. 108-7.
- 2) Multi-story apartment
- 3) Garden apartments as defined in 108-7.
- 4) Townhouses as defined in 108-7.
- 5) Group homes and facilities.
- 6) Detached single-family dwellings according to the area and yard requirements set forth below in section F3, below.
- 7) All permitted uses in the HC and HC-MFG Districts as defined in 108-15 and 108-16, respectively.
- 8) Professional office as defined in 108-7.
- 9) Retail Business Establishment as defined in 108-7.
- 10) Restaurants as defined in 108-7.
- 11) Restaurants, drive-in or drive-thru as defined in 108-7.
- 12) Shopping center as defined in 108-7.
- 13) Motels or hotels as defined in 108-7.
- 14) Manufacturing as defined in 108-16(B)(4).
- 15) Wholesale distribution centers and warehouses.
- 16) Solar farms and panels and wind energy systems

C. Accessory uses permitted.

- 1) Playgrounds.
- 2) Swimming pools subject to the standards of sec. 108-33A. [Amended 6-25-1985]
- 3) Off-street parking, subject to the design standards of sec. 108-26; and with respect to number, subject to RSIS standards for residential uses and 1 per 250 square feet for non-residential uses).
- 4) Structures necessary for utilities and infrastructure
- 5) Solar farms and panels and wind energy systems

D. Building Height.

- 2) Maximum building height (Residential). Residential multi-family and mixed use residential/commercial structures shall not exceed 48 feet in height, except as allowed in sec 108-39. Residential multi-family and mixed use residential/commercial structures shall be permitted to have 3 stories of residential units.
- E. Southwest Corner of the Property. The Southwest Corner of the Property, as described in section 3.1 of the Settlement Agreement, as described below, and as depicted on Exhibit B, attached thereto and made a part thereof and of this Zoning Ordinance, may be developed for residential uses only, as set forth in the Zoning Ordinance.
- 1) Description. The "Southwest Corner of the Property" is roughly shaped as a trapezoid, and its boundaries are: starting from the corner of the Hampton/Newton boundary, then running in a northerly direction along County Route 519 to the Property's boundary with Block 3501, Lot 84, then running in an easterly direction along the property line between the Property and Block 3501, Lot 84 to the rear property boundary of Block 3501, Lot 84, then running in a southerly direction, along a tangent extended from the rear property boundary of Block 3501, Lot 84, back to the Hampton/Newton boundary, then running along the Hampton/Newton boundary in a westerly direction to the point and place of beginning.
- 2) Use. The Southwest Corner of the Property may be developed for residential use, provide for access from County Road 519, and may be used for stormwater detention or retention purposes, or be planted with landscaping or vegetation. Commercial development, including the location of structures or building, may occur up to the boundary of the Southwest Corner of the Property.

F. Area and yard requirements (Commercial)

- 1) Offices, manufacturing plants and wholesale distribution centers and warehouses, and agricultural uses.
- a. Principal building.

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	2 acres
Lot frontage	200 feet
Lot width	200 feet
Lot depth	200 feet
Side yard, each	50 feet
Front yard	100 feet
Rear yard	50 feet

- b. Maximum building coverage

<u>Type of Building</u>	<u>Coverage</u>
Principal	50%
Accessory	20%

- c. Where applicable and requested by applicant, the provisions of section 108-15E(2) shall apply.

- c. Where applicable and requested by applicant, the provisions of section 108-15E(2) shall apply.

2) Retail, including retail business establishments, restaurants of any kind, shopping centers, hotels, motels, mixed use (residential and non-residential)

a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	2 acres
Lot frontage	100 feet
Lot depth	150 feet
Side yard, each	30 feet
Front yard	50 feet
Rear yard	50 feet

b. Maximum building coverage

<u>Type of Building</u>	<u>Coverage</u>
Principal	50%
Accessory	20%

- c. Where applicable and requested by applicant, the provisions of section 108-15E(2) shall apply.

3) Single family detached dwellings

a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	10,000 square feet
Lot width	80 feet
Lot depth	100 feet
Side yard, each	10 feet each, 30 feet total
Front yard	30 feet
Rear yard	30 feet
Maximum building coverage	35%

b. Accessory Uses. Accessory uses shall be those permitted in sec. 108-12.2.

4) Multi-story apartments, townhouses, garden apartments, group homes and facilities

a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot width	100 feet
Side yard, each	30 feet
Front yard	50 feet

Rear yard	60 feet
Maximum building coverage	60%

b. There shall be the following minimum distances between buildings.

Windowless wall to windowless wall	30 feet
Window wall to window wall	30 feet
Window wall to windowless wall	30 feet
Rear to rear	30 feet
End to end	30 feet
Any building face, except garage face to common parking area or street	12 feet
Garage face to common parking area	5 feet

The planning board may reduce the above distances if there is an angle between buildings, and sufficient landscaping or buffers are placed between buildings.

- c. Parking spaces in common parking areas for multi-family residential development shall be located within 250 feet of the dwelling units served.
- d. No building shall exceed a length of 250 feet in any single direction.
- e. No room within a dwelling unit intended for human habitation shall be located in a cellar, basement, or attic, except that a cellar or basement may contain a family room or recreation room. Any story which abuts a finished grade shall not be considered a basement or cellar. Any floor of any dwelling unit containing a ceiling, the exterior of which floor abuts below the finished grade, shall not be considered a story.
- f. Multi-family development in this district shall not be subject to any density adjustment factors and regulations otherwise applicable to townhouse or garden apartment developments, and all other standards of sections 108-34 and 108-35 shall not be applicable to multi-family development in this zone district.

F. Density (Residential)

- 1. 15 units per net acre where residential development contains market rate and affordable housing units as part of project
- 2. 20 units per net acre, where residential development project is 100% affordable units

G. Minimum off-street parking.

- 1) Residential:
 - a. RSIS standards, as set forth at N.J.A.C. 5:21-4.14 and Table 4.4 therein.
- 2) Retail of any kind:
 - a. Parking shall be provided at one (1) space/250 SF.
- 3) Office/Manufacturing/Warehouse/Wholesale Distribution:
 - a. Parking shall follow requirements as located in sec. 108-16(G).
- 4) Theaters/Restaurants/Hotels/Other Uses: 1 space per 4 seats

I. Signs.

- 1) Each pylon sign shall not exceed 50 feet in height, shall be set back from the street rights-of-way and driveways at least 20 feet, shall not exceed an area of 200 square feet, and shall be at least 800 linear feet from the centerline of Route 206.
- 2) Retail/Office to follow sec. 108-15(H).
- 3) Manufacturing/Warehouse/Wholesale Distribution: To follow Section 108(16)-1.
- 4) Notwithstanding the provisions of sec. 108-30.4C, digital sequential signs shall be permitted on the Property.
- 5) The provisions of sec. 108-30.5E shall not apply to the Property. Signs, including, but not limited to digital sequential signs, may be located off of the Property, on land and/or existing free standing signs fronting on Route 206 (pursuant to a private agreement between the Property owner and owners of land fronting on Route 206) in order to identify and describe the uses on the Property, and for such off Property signs, the provisions of section 108-30.3 shall not apply.

Signs on the Property and any free standing sign permitted along Route 206 shall pertain only to properties owned by the Martins. No billboard type signs will be permitted to advertise any commercial businesses other than those on properties owned by the Martins, however community and public service announcement shall be permitted. Digital sequential signs shall be permitted for businesses on the Property and for businesses already identified on existing signs along Route 206, except that, notwithstanding any other provisions in this Section I to the contrary, the existing pylon sign on Route 206 currently identifying Marshalls and Home Goods shall remain as a non-digital sign but may have an additional sign plate or panel inserted to advertise additional commercial uses.

- 6) Notwithstanding the provisions of sec. 108-30.5G, digital sequential signs shall be permitted.
- 7) The provisions of sec. 108-30.5H shall not apply.
- 8) Notwithstanding the provisions of sec. 108-30.11, the number of signs permitted shall be one free-standing sign per building, provided, each establishment in such building shall have a placard (sign) identifying it on the free standing sign; one façade sign per establishment; and one off-site sign per establishment. Notwithstanding the provisions of section 108-30.4C, all signs pertaining to the development of the Property may be digital sequential signs.
- 9) A monument sign, not a pylon sign, shall be permitted along County Route 519 to advertise and identify commercial uses on the Property and residential uses or developments on the Property.

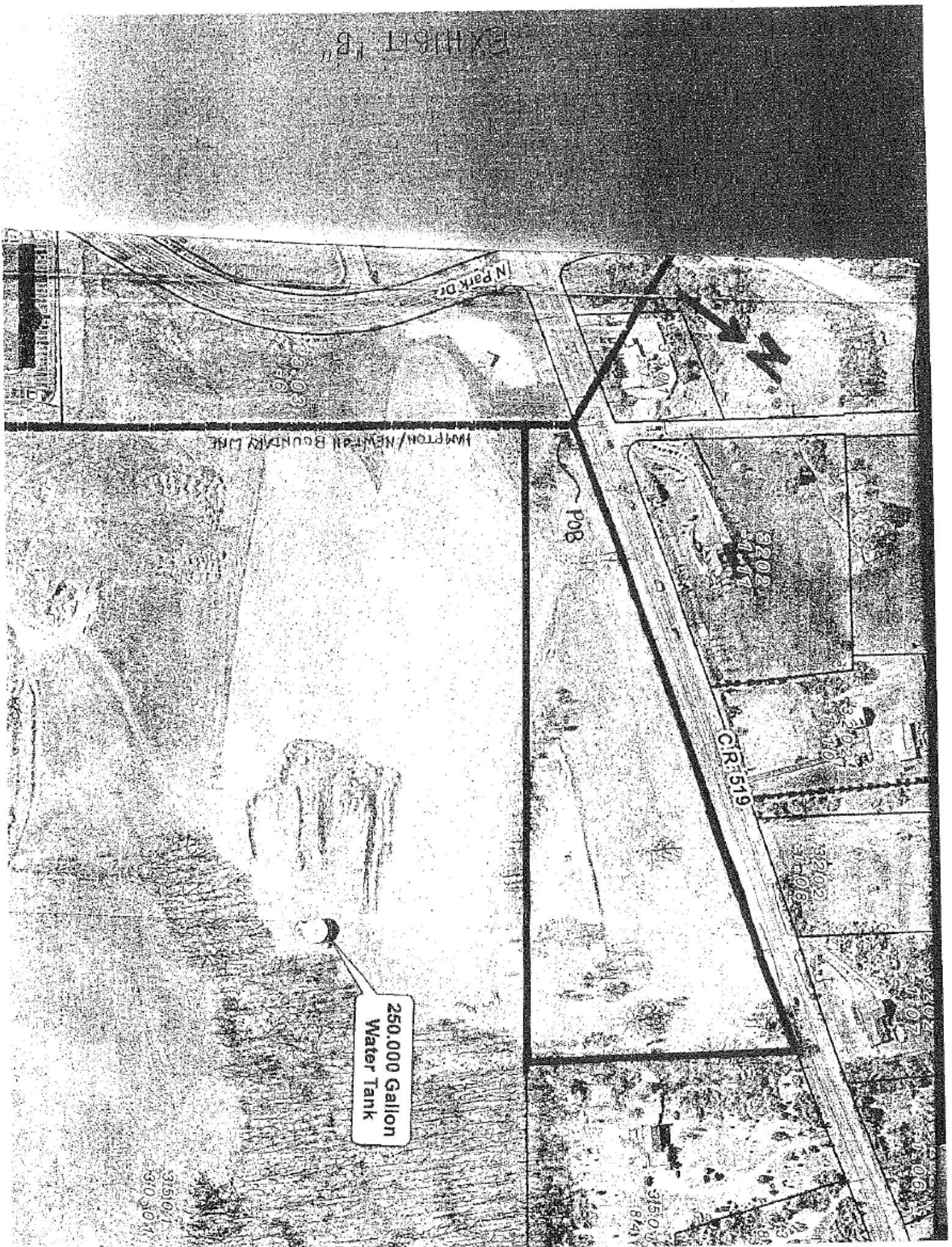
J. Affordable housing.

It is the intent and purpose of this section that the residential development of the Martin Property shall create a realistic opportunity for the development of 57 affordable rental units. The residential development may be in the form of 100% affordable units at a development density of 20 dwelling units per net acre, or via an inclusionary development with a density of 15 dwelling units per net acre, with a set aside of 17.5% on about 22 acres; or a combination of these mechanisms.

- 1) At least 17.5% of all residential units proposed in an inclusionary residential development of market rate and affordable units shall be affordable to low- and moderate-income households as defined by N.J.A.C. 5:93-1.3 and N.J.A.C. 5:93-7.4, provided that once 57 units of affordable rental housing have been developed, this restriction shall no longer apply.
- 2) Affordable units within a mix of market units shall comply with the UHAC rules on phasing.
- 3) The schedule found in N.J.A.C. 5:93-5.8(d) shall be followed in distributing affordable housing units during the construction of the proposed residential development on the Property.

K. Development Fees.

No development fees (i.e., Affordable housing fees), as described in N.J.S.A. 40:55D-8.1 et seq., and Hampton Code sec. 108-66, 108-67, and 108-68, whether for non-residential or residential development, shall be applicable to, assessed or collected from any development on the Martin Property.



IN WITNESS WHEREOF, the Parties to this Agreement have set their hands and seals on the day and year appearing below their names.

Witness/Attest:

Alice D. Martin

15 Route 206 LLC

By: Kenneth D. Martin

Kenneth D. Martin

Dated: October 19, 2017

Witness/Attest:

Kathleen Armstrong

TOWNSHIP OF HAMPTON

By: Philip Yetter

Mayor Philip Yetter

Dated: 11/1, 2017

IN WITNESS WHEREOF, the Parties to this Agreement have set their hands and seals on the day and year appearing below their names.

Witness/Attest:

Alice D. Martin

15 Route 206 LLC

By: Kenneth D. Martin

Kenneth D. Martin

Dated: October 19, 2017

Witness/Attest:

TOWNSHIP OF HAMPTON

By: _____

Mayor _____

Dated: _____, 2017

ACKNOWLEDGMENT

STATE OF NEW JERSEY))

SS:

COUNTY OF SUSSEX))

I certify that on October 19, 2017, Kenneth D. Martin personally came before me and stated to my satisfaction that this person:

Signed, sealed, and delivered the attached document as 15 Route 206 LLC, a body corporate and politic of the State of New Jersey, named in this document;

was authorized to and did execute this instrument as the Managing Member of the entity named in this instrument; and

executed this instrument as an act of the entity named in this instrument.

Alice D. Martin

ALICE D. MARTIN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 3/29/2018

AGREEMENT

THIS AGREEMENT dated August 30th, 2017 among:

PIO COSTA ENTERPRISES, LP and CAGE INVESTORS, LLC, with offices at 1275 Bloomfield Avenue, Fairfield, New Jersey 07004, (or the "Developers" or "property owners") and

TOWNSHIP OF HAMPTON, a municipal corporation of the State of New Jersey, with offices located at the Hampton Township Municipal Building, One Rumsey Way, Hampton Township, Town of Newton, County of Sussex, State of New Jersey 07860 (Township of Hampton).

PREAMBLE

Cage Investors, LLC is the owner of Block 3603, Lot 7.02 and Pio Costa Enterprises, LP is the owner of Block 3603, Lot 7.03 on the Hampton Township Tax Map. Said properties front on State Route 206. Said properties also front on Hampton Lane, an unimproved road. A portion of Hampton Lane is a Township owned unimproved road, another portion of Hampton Lane is privately owned. These two (2) lots are located on the east side of State Route 206. Cage Investors, LLC is the owner of a soon to be subdivided tract of land on the west side of State Route 206 known as Block 3501, Lot 44.08 on the Hampton Township Tax Map; (or the "Properties");

The Township filed a Declaratory Judgment Action in the Superior Court of New Jersey, Law Division, Sussex County, titled In The Matter Of The Application Of Hampton Township, Docket Number SSX-L-455-15 (DJ Action), in response to the Supreme Court's decision In Re: N.J.A.C. 5:96 and 5:97 etc. 221 N.J. 1 2015 in order to address its Affordable Housing Obligation;

The parties entered into negotiations in an effort to resolve issues with respect to the proposed re-zoning of the Properties as part of Hampton Township's Affordable Housing Obligations;

The parties have negotiated the types and magnitude of development of the properties in order to reach a plan for the development amenable to the parties. The contemplated development provides for the Affordable Housing and other residential uses in the area;

The parties have agreed that if the properties are developed that they will be placed in a new mixed-use inclusionary zone district. The zone district will allow inclusionary residential development. This agreement will cap the Affordable Housing Obligations of the property owners to 107 Affordable Housing Units provided 616 total units are constructed;

The properties would be placed in an inclusionary residential zone district. The affordable housing elements, detailed below, shall not limit the Developer's ability to develop the properties in phases or develop marketable rate units. If the Developer does begin to develop the property, the Developer shall reserve sufficient water and sewer capacity in each phase of development in order to meet their designated 17.5% Affordable Housing set aside. Hampton Township in turn will allow

for units to be built up to forty-eight feet (48') in height.

Since the Township of Hampton is seeking a durational adjustment for current lack of appropriate infrastructure capacity including water and sewer, revisions to the sewer service area boundaries and/or increased wastewater capacity will be necessary to construct 107 affordable housing units as described below; however, the Developers will be able to start development at any stage subject to the capacities available at the start of each phase. In addition durational adjustment shall not adversely affect developer's ability to construct the 107 affordable housing units and the 612 units total contemplated in this agreement.

WHEREAS, this Agreement addresses a set of circumstances arising from the Mt. Laurel Doctrine and its jurisprudence including the Supreme Court Opinion In Re: Adoption of N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015), which circumstances include:-

1. Considerable uncertainty involving the delivery of Affordable Housing;
2. The removal of impediments to the development of the Properties which includes the delivery of Affordable Housing Units and the development of the remainder of the properties;
3. A means to obtain necessary approvals from other governmental agencies with jurisdiction over elements such as wastewater treatment capacity, potable water supply capacity and infrastructure needed for the development of the properties.
4. Pursuant to this agreement the Township of Hampton will not implement any Rent Control measures on marketable rate units. Nor will the Township of Hampton implement any Rent Control measures on deed-restricted units when their 30-year term expires.

The parties intend Properties be re-zoned to permit development that will provide a realistic opportunity for the provision of 107 units of Affordable Housing and other residential, non-residential, and mixed-use development as hereinafter more fully detailed;

The parties intend that the properties shall be re-zoned to permit the development of:

1. Residential Housing of either multi-family and/or single family unit types, which will include zoning for the development of 612 units, 107 (or 17.5%) will be Affordable Housing Units; should infrastructure allow, the developer shall be allowed additional market rate units.
2. Non-Residential, Commercial, Retail and office uses;

The parties acknowledge that the objective and intent of this Agreement, including the re-zoning by the Township and the review of contemplated development applications by the Planning Board are to create and bring to fruition development that will provide residential and non-residential development and zoning for the realistic development of 107 units of Affordable Housing

units on the Properties. However, the parties also acknowledge that the developer may choose to leave the land vacant but shall they choose to develop they will be allowed to do so in phases as long each phase sets aside 17.5% to Affordable Housing Units.

The Township seeks to address part of its Affordable Housing Obligations under the Mt. Laurel II Doctrine by the implementation of this Agreement;

The Township may be asked to condemn access to benefit Block 3603, Lot 7.02 in order to allow development pursuant to this agreement. The Township Committee may do so in its sole discretion.

NOW THEREFORE, in consideration of One dollar (\$1.00), and other good and valuable consideration, including the covenants, terms and conditions contained in this Agreement Pio Costa Enterprises, LP, Cage Investors, LLC and Hampton Township agree to be legally bound by the terms of this Agreement.

ARTICLE I – PURPOSE

1.1 The parties intend that this Settlement Agreement helps to resolve the pending DJ Action filed by Hampton Township with the subsequent request for the Court's entry of Judgment of Compliance and Repose adjudicating Hampton Township's Affordable Housing Obligation.

1.2 The purpose of this Agreement is to cap the Affordable Housing Obligations to the properties at 107 units. By entering into this agreement the parties have determined that if and when the developer decides to develop the properties there will be a realistic opportunity for the development of 107 Affordable Housing Units which will be available to the region's income-qualifying households, as mandated under the relevant Affordable Housing Laws, including those laws pertaining to relevant pricing of Affordable Housing Units developed as part of the development contemplated for the subject properties. The 107 Affordable Housing Units shall constitute the entire Affordable Housing Obligation generated from the subject properties or tracts but will not obligate the developers to begin construction, develop the property or act against their own self interest. In order for the developer to meet the 107-unit goal the developer will have to build a total of 612 units. However, the developer is not obligated to construct 612 total units or 107 affordable housing units. They are only bound to set aside 17.5% for Affordable Housing at each phase of development – provided they choose to develop. By way of example the Developer may only choose to construct 50 units during a specific phase. It shall then only be obligated to set aside 9 Affordable Housing Units and they may choose to end development of any further units.

Provided that the terms of this Agreement are incorporated into the Township's Affordable Housing Plan, the Township finalizes the subdivision of the Cage Property, and the Township's efforts to seek a Judgment of Compliance and Repose sought by Hampton Township in accordance with the this Agreement, the developers agree not to oppose the Township's efforts to seek a Judgment Of Compliance and Repose from the Court.

1.3 Effective Date of Agreement. The terms set forth in this Agreement shall become

effective upon completion of the fairness and compliance hearing referenced above with the Court and the entry of a Judgment of Compliance and Repose respecting Hampton Township's Affordable Housing Obligation. If the Court does not approve Hampton Township's Fair Share Plan and this Agreement, the Township can cancel this Agreement. Also, if the Court fails to approve Hampton's Fair Share Plan and this Agreement, the Developers may cancel this Agreement.

1.4 Upon execution of this Agreement, Developers agree not to raise an objection in any manner or in any forum to the determination of Hampton Township's Affordable Housing Obligation, nor the validity or applicability of Affordable Housing credits, as set forth in this Agreement, provided the terms of this Agreement are not varied. Upon entry of a Judgment of Compliance and Order of Repose, this determination shall be a final determination binding upon the parties, provided such determination is not overturned on appeal, if any appeal is taken.

ARTICLE II – BASIC TERMS AND CONDITIONS

2.1 The terms of this Agreement shall be incorporated in the Housing Element and Fair Share Plan adopted by the Hampton Township Planning Board and endorsed by Hampton Township, insofar as it impacts the Developer's properties. The Housing Element and Fair Share Plan shall reflect the re-zoning of the properties contemplated by, and described in this Agreement.

2.2 In the event of any challenges to the Court's approval of this Agreement, the Township shall diligently defend any such challenge. In addition if any such challenge results in a modification of this Agreement, the parties shall negotiate in good faith with the intent to draft a mutually acceptable amended Agreement in order to effectuate the object and intent of this Agreement. If, after such negotiations, the parties cannot agree on an amended Agreement, then this Agreement shall be null and void, and the parties shall be restored to the status quo prior to the date of this Agreement.

2.3 Entire Controversy. This Settlement Agreement resolves all claims, which Developers had, or which could have been asserted in this pending DJ Action.

2.4 Durational Adjustments and Infrastructure Limitations. The parties recognize that Hampton's Housing Element and Fair Share Plan will seek a durational adjustment because of the lack of water and sewer capacity throughout the Township, and a lack of current water and sewer capacity to service all of the housing development contemplated by this Agreement. In addition durational adjustment shall not adversely affect developer's ability to construct the 107 affordable housing units and the 612 units total contemplated in this agreement.

2.5 Provisions For Development. The Properties are estimated to produce 107 Affordable Housing units. The 107 units are merely an estimate based upon a determination by Hampton Township of 1.2 Affordable Housing Units per acre. The 107-unit figure will not restrict further development of the site, provided the Developers show that land is developable. The properties will be placed in a new mixed-use inclusionary zone district and every acre of land on the properties will be calculated in the densities as set forth in this paragraph and paragraphs 2.6, 2.7, 2.8, and 2.9 below. The zone district will permit both inclusionary residential and commercial

development.

2.6 For Sale Inclusionary Projects may be developed at up to 12 units per acre with a 17.5% Affordable Housing set aside. The balance could be used for commercial purposes.

2.7 For Rent Inclusionary Projects could be developed at 15 units per acre with a 17.5% set aside.

2.8 100% Affordable Projects could be developed at a density of up to 20 units per acre requiring at least 5 acres for residential development.

2.9 Affordable Units, rented or sold, may be age restricted subject New Jersey State guidelines.

ARTICLE III

THE OBLIGATION OF PIO COSTA ENTERPRISES, LP and CAGE INVESTORS, LLC

3.1 This agreement shall not require the Developers of the subject Properties to begin development of the Properties. However, shall the Developers decide to develop the Properties they shall submit a development application substantially consistent with this agreement.

Shall the Developers decide to develop, they shall file and seek Planning Board approval of a development plan application, or applications, substantially consistent with the this Agreement subject to the rights to seek waivers, exceptions and variances of certain requirements associated with such applications. The Hampton Township Planning Board shall have the authority to take any lawful action under law regarding the application or applications and any variances, waivers and exceptions requested.

3.2 Compliance with Uniform Housing Affordability Code Regulations. Developers shall have an obligation to deed restrict all Affordable Housing Units (e.g., up to 107 Units) that it constructs as Affordable Housing Units on the properties. Such units shall comply with the Uniform Housing Affordability Code, N.J.A.C. 5:80-1 et seq., as that code may be amended from time to time. The Affordable Housing Units shall be deed restricted to households of low and moderate income for a period of 30 years. Developer's obligations include, but are not limited to the obligation to comply with the bedroom distribution requirements, requirements under law pertaining to rent pricing for different income levels of the qualifying affordable household and persons, affirmative marketing requirements, candidate qualification and screening requirements, re-rental requirements, and deed restriction requirements. Developers will not enter into a separate agreement with FSHC.

3.3 Obligation Not To Oppose Hampton Township's Application For Approval of Its Housing Element and Fair Share Plan. Developers shall not directly or indirectly oppose or undertake any action to interfere with the Court's adjudication, approval or implementation of Hampton Township's Housing Element and Fair Share Plan, unless it materially affects or deprives them of any rights created by this Agreement. The Township will be obligated to notify the parties within 15 days of any adjudication, approval or implementation of Hampton Township's Housing

| Element and Fair Share Plan.

3.4 Obligation To Reserve Land And Infrastructure Capacity. Developers shall reserve for the duration of Hampton Township's Judgment of Compliance and Repose respecting its Third Round Affordable Housing Obligation a minimum of 51 acres For Sale Inclusionary Projects; or a minimum of 41 acres for Rental Projects or a minimum of 5 acres for 100% Affordable Projects. Developers shall reserve sufficient water and sewer capacity in each phase of development in order to meet their designated 17.5% Affordable Housing Set Aside. The Affordable Housing elements detailed above, shall not limit the property owner's ability to develop the properties in phases or develop marketable rate units.

3.5 Applications For Sewerage Treatment Capacity And Potable Water Supply. Shall Developers choose to apply for additional sewer and water capacity, the Developers agree to pay for all applications to obtain the necessary sewerage treatment and water capacity to serve further development of the properties. Shall the Township of Hampton extend the water or sewer lines to the Developers Properties, the Developers should benefit from the availability of these services at no additional costs to the Developer except for reasonable connection fees.

ARTICLE IV – OBLIGATIONS OF HAMPTON TOWNSHIP

4.1 Zoning Ordinance Vote. No later than 120 days from the Court Order Approving the Housing Element and Fair Share Plan, Hampton Township agrees to introduce and commence hearings on a Zoning Ordinance implementing this Agreement. The Township will have an affirmative obligation to implement the terms of this agreement and to provide the developer with a copy of the proposed agreement. The Developer reserves the right to disapprove the Housing Element and Fair Share Plan and void this agreement if it materially affects or deprives them of any rights hereunder.

4.2 Obligation to assist in the development pursuant to this agreement. The parties recognize the development contemplated by this Agreement, requires a reasonable opportunity of developing affordable housing. The logistics of developing these properties requires changes to the zoning ordinance relative to the current height restrictions. By increasing the current height restrictions in the township, the Developer believes they will have a better opportunity to develop affordable housing units. The Township will allow the developers to build units up to forty-eight (48) feet in height and should emergency services become available to properly service a building greater than forty-eight (48) feet in height, the Township agrees to again change the ordinance to allow the developer to develop to the height in which the ladder truck could effectively fight fires.

4.3 Obligation To Cooperate. The parties recognize that the Developers, and the development contemplated by this Agreement, require approvals from other governmental agencies and bodies, including but not limited to those at the county, regional, and State levels, which have jurisdiction over the provision of sewer and water service for development of the properties, and that to construct its proposed project, Developers will be required to obtain any and all necessary and applicable agreements, approvals, and permits from all relevant public entities and utilities, such as, by way of example only, Hampton, the Planning Board, the County of Sussex, the Sussex County

Utilities Authority, the Sussex County 208 Water Policy Committee, the Sussex County Planning Board, the New Jersey Department of Environmental Protection, New Jersey Department of Transportation, and the applicable Soil Conservation District. Hampton and the Board, including all of their respective members, officials, employees, consultants, agents, and representatives, agree to cooperate with Developers through action, word, and deed, including the expeditiously and timely execution of any writing, resolution, plan, application, or document needed to assist and support Developers to obtain all necessary approvals, including all government approvals for the proposed sewer treatment facility and potable water system improvements, in order to develop the properties, including but not limited to revisions or amendments to its sewer service areas, and cooperation with the Developers to help it obtain sufficient capacity and quality of water to serve the residential component contemplated for the properties.

Hampton and the Board agree to cooperate with Developers through action, word, and deed, including the expeditiously and timely execution of any writing, resolution, plan, application, and/or document needed to assist and support Developers with respect to any applications for approval of any wastewater management plan amendments, Section 208 Plan amendments, or any other outside approvals necessary to construct the project improvements as contemplated for the development under this Agreement. If a wastewater management plan amendment is required to obtain the approval of Developer's sewer applications, Developer shall pay the cost for these applications.

Notwithstanding the foregoing, neither Hampton nor the Board shall be obligated to expend any funds to obtain, or assist in obtaining, the required approvals, except for the costs of municipal employees, as is ordinary and customary in the conduct of Hampton Township's business. Developers shall not be responsible for any costs in the enactment of this agreement or the enactment of the Hampton Township's Housing Element and Fair Share Plan.

4.4 Obligation To Afford Developers the same Rights as Other Developers. The parties recognize that similarly situated developers are negotiating settlement agreements with the Township in order to meet the Township's Fair Share Obligations. Although many of these agreements are not formalized, the Township shall allow the Developer of this agreement to benefit from any provision of those agreements and the provisions of those agreements may be incorporated into this agreement if the Developer so chooses. This paragraph shall extend to but not be limited to, densities of inclusionary zones, height of buildings, sewer and water capacities, signage, COAH fees, application fees, frontage, etc....

ARTICLE V – MUTUAL OBLIGATIONS

5.1 Obligation To Comply With State Regulations. The parties shall comply with any and all federal, state, county and local laws, rules, regulations, statutes, ordinances, permits, resolutions, judgments, orders, decrees, directives, interpretations, standards, licenses, approvals and similar binding authority, applicable to the proposed project, or the performance by the parties of their respective obligations, or the exercise by the parties of their respective rights and connection with this Agreement.

5.2 Mutual Good Faith, Cooperation and Assistance. The parties shall exercise good

faith, cooperate and assist each other to fulfill the intent and purpose of this Agreement, including but not limited to, approval by the Court of this Agreement as part of the Township's Housing Element and Fair Share Plan, the adoption of the Zoning Ordinance, the development of the Developers Properties consistent with the terms of this Agreement, and the defense of any challenge with regard to any of the foregoing.

5.3 Defense Of Agreement. Each party exclusively shall be responsible for all costs which it may occur in obtaining court approval of this Agreement, and any appeal therefrom, or from the adoption of the Zoning Ordinance, or any part thereof. The Township shall diligently defend any such challenge.

ARTICLE VI – COOPERATION AND COMPLIANCE

6.1 Implementation And Enforcement of Agreement. The parties agree to cooperate with each other, provide all and any reasonable and necessary documentation, and take all necessary actions to satisfy the terms and conditions of this Agreement and assure compliance with its terms. Hampton's obligation to cooperate shall be conditioned upon Developer's paying and maintaining current real estate taxes on the Developer's Properties. The parties shall retain the right to pursue any and all remedies in law and equity to assure enforcement of the Agreement.

ARTICLE VII - NOTICES

7.1 Notice. Any notice or transmittal of any document required, permitted, or appropriate under this Agreement, and/or any transmittal between the parties relating to the Developer's Properties, shall be written and shall be served upon the respective parties by facsimile and/or by certified mail, return receipt requested, or recognized overnight or personal carriers such as, for example Federal Express, with certified proof of receipt, and where feasible (e.g., any transmittal less than 30 pages), and in addition to delivery above, facsimile delivery shall be provided. All notices shall be deemed received upon the date of delivery set forth in such certified proof, and all times for performance based upon such notice shall be from the date set forth in this Agreement. Delivery shall be effected as follows, subject to change as to the persons to be notified and/or the respective addresses, upon 10 days of notice as provided in this Agreement:

TO: Pio Costa Enterprises, LP
Attention: Carmen Pio Costa
1275 Bloomfield Avenue
Fairfield, New Jersey 07004

Cage Investors, LP
Attention: Carmen Pio Costa
1275 Bloomfield Avenue
Fairfield, New Jersey 07004

With Copies To:

Kevin S. Krystopik, Esq.
Attorney At Law
265 Ryan Street
South Plainfield, NJ 07080

To Hampton:

Eileen Klose
Township Administrator
Hampton Township Municipal Complex
One Rumsey Way
Newton, New Jersey 07860

With Copies To:

Robert T. Morgenstern, Esq.
Dolan And Dolan, P.A.
P.O. Box D
53 Spring Street
Newton, New Jersey 07860

ARTICLE VIII – MISCELLANEOUS

8.1 Severability. Unless otherwise specified, the parties intend that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provisions of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions of this agreement. If any section of this Agreement is judged by a Court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.

8.2 Successors Bound; Assignment. The provisions of this Agreement shall run with the land, and the obligations and benefits under this agreement shall be binding upon and inure to the benefit of the parties, and to their successors and assigns, including any person, corporation, partnership, or other legal entity which at any particular time may have a fee title, or other beneficial interest in the Developer's Properties, which is the subject of this Agreement. The Agreement may be enforced by any of the parties and their successors and assigns.

8.3 Governing Law; Jurisdiction. This Agreement shall be governed by and construed under the laws of New Jersey. Jurisdiction of any DJ Action ensuing with regard to this Agreement shall be exclusively in the Superior Court of New Jersey. Service of any complaint of judgment enforcement proceedings may be affected consistent with the terms for delivery of notices set forth in this Agreement. The parties hereby waived formal service of process. Process may be effected by written notice under the terms of this Agreement for notice. The parties expressly waive a trial by jury in any such DJ Action.

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

8.5 Counterparts. This Agreement may be executed simultaneously, or in one or more facsimile or e-mail counterparts, each of which, when so executed and delivered, shall constitute an original, fully enforceable counterpart for all purposes. Any facsimile or e-mail counterparts shall be supplemented by the delivery of an original counterpart under the terms of notice set forth in this Agreement.

8.6 Voluntary Agreement. The parties acknowledge that: each is entered into this Agreement on its own volition, without portion or duress, after consulting with its counsel; each party is the proper person possesses the authority to sign the Agreement; this Agreement contains the entire understanding of the parties; and there are no representations, warranties, covenants, where undertakings other than those expressly set forth in this Agreement.

8.7 Preparation And Interpretation. The parties acknowledge that this Agreement has been jointly negotiated, reviewed, and prepared by the parties' attorneys, upon consultation with the parties, and, therefore, this Agreement shall be construed on parity among the parties, and that the presumption of resolving ambiguities against the drafter shall not apply. Each party expressly represents to the other parties that: (a) it has been represented by counsel in negotiating this Agreement; and (b) it has conferred due authority for execution of this Agreement upon the person executing it.

8.8 Entire Agreement. This Agreement constitutes the entire Agreement between the parties to it, and it supersedes all prior oral and written Agreements between the parties with regard to the subject matter of this Agreement, except as otherwise provided in this Agreement.

8.9 Conflict Of Interest. No member, official, employee, representative, agent or consultant of the Boards or of Hampton 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.

8.10 Effective Date. Anything contained in this Agreement to the contrary notwithstanding, the effect of this Agreement shall be the date on which all of the parties to this Agreement have executed and delivered this Agreement.

8.11 Waiver. Failure to enforce any of the provisions of this Agreement by any of the parties shall not be construed as a waiver of these or other provisions.

8.12 Default. If any of the parties fails to perform any material obligation on its part to be performed under the terms and conditions of this Agreement, unless such obligation is waived by all of the other parties for whose benefit such obligation is intended, or by the court, such failure to perform shall constitute a default of this Agreement. Upon the occurrence of any default, the non-defaulting party shall provide notice of the default and the defaulting party shall have a reasonable

opportunity to cure the default within 45 days. If the defaulting party fails to cure within 45 days, or such other reasonable time as may be appropriate, the party(ies) for whose benefit such obligation is intended shall be entitled to exercise any and all rights and remedies that may be available in equity or under the laws of New Jersey, including the right of specific performance to the extent available. Further, the parties may apply to the Court for relief, by way of motion for enforcement of litigant's rights.

8.13 Holiday And Weekends – Time For Performance. Should any date, on or before which the performance of any act as required under the terms of this Agreement fall on a Saturday, Sunday, legal holiday, and/or generally recognized religious holiday in New Jersey (e.g., Good Friday), the date for performance shall be extended to and shall occur on the next succeeding business day. All reference to “days” shall be deemed to refer to calendar days, unless the context clearly and unequivocally requires otherwise. Except as otherwise set forth in this Agreement, any act to be performed on before a certain date shall be deemed to be required to be performed on or before 5:00 p.m. on the day the set forth and, if performed after 5:00 p.m., shall be deemed not to have been performed on that date.

IN WITNESS WHEREOF, the parties to this Agreement have set their hands and seals on the day and year appearing below their names.

Witness/Attest:

Margaret E. de Jona

Dated:

CAGE INVESTORS, LLC

By: Carmen Pio Costa
Carmen Pio Costa

Witness/Attest:

Margaret E. de Jona

Dated:

PIO COSTA ENTERPRISES, LP

By: Carmen Pio Costa
Carmen Pio Costa

Witness/Attest:

Kathleen Armstrong

Dated:

HAMPTON TOWNSHIP

By: Philip Gelles

APPENDIX C

Hampton Township Final Judgement of Compliance and Repose, dated November 16, 2018

LAW OFFICE OF ABE RAPPAPORT
195 ROUTE 46 WEST, SUITE 8
TOTOWA, NEW JERSEY 07512
973-785-1799

JEFFREY KANTOWITZ, ATTORNEY ID #0017141982
ATTORNEYS FOR INTERVENOR-DEFENDANT
15 ROUTE 206, LLC

FILED

NOV 16 2018

Maryann L. Nergaard
J.S.C.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION
SUSSEX COUNTY
DOCKET NO.: SSX-L-455-15

IN THE MATTER OF THE PETITION
OF THE TOWNSHIP OF HAMPTON,
SUSSEX COUNTY, NEW JERSEY,

Civil Action

Petitioner,

JUDGMENT OF COMPLIANCE AND
REPOSE

THIS MATTER HAVING BEEN opened to the Court on the application of the Plaintiff/Petitioner Township of Hampton, Sussex County ("Township" or "Municipality"), by Robert Morgenstern, Esq., Dolan and Dolan, One Legal Lane, Newton, NJ 07860, Attorneys for Plaintiff/Petitioner Township of Hampton, which filed a Declaratory Judgment Action ("DJ Action") in or around July 14, 2015 in response to In re Adoption of N.J.A.C. 5:96 etc., 221 N.J. 1 (2015) ("Mount Laurel IV"); and the Township having requested judicial approval of the Township's Housing

Element and Fair Share Plan ("HEFSP") on notice to Jeffrey Kantowitz, Esq., Abe Rappaport, Attorney at Law, counsel for Intervenor-Defendant 15 Route 206 LLC ("Martin"), Kevin Krystopik, Esq., Law Office of Kevin Krystopik, 265 Ryan Street, South Plainfield, NJ 07080, Attorneys for Intervenor-Defendant Cage Investors LLC and Pio Costa Enterprises LP ("Pio Costa"); Kevin Walsh, Esq./Joshua Bauers, Esq., Fair Share Housing Center, 510 Park Boulevard, Cherry Hill, NJ 08002, Attorneys for Intervenor-Defendant, Fair Share Housing Center ("FSHC"); and the Court-appointed Master Michael P. Bolan, P.P., P.O. Box 295, Pennington, NJ 08534; and the Court having granted the Township immunity from Mount Laurel lawsuits, which immunity currently made remains in full force and effect; and FSHC, Martin, and Pio Costa having participated in the DJ Action as intervenors-defendants; and the Township having entered into an Agreement with Martin dated November 1, 2017; having entered into an Agreement with Pio Costa, and having entered into a Settlement Agreement with FSHC dated November 29, 2016, as amended by letter between the Township and FSHC dated October 31, 2017, which Settlement Agreement, as amended, with FSHC established the Township's fair share obligation and the compliance mechanisms through which the Township will satisfy its constitutional obligation to provide for its fair share of affordable housing; and the Township having subsequently amended its HEFSP and supporting zoning and

affordable housing-related ordinances and documentation in accordance with the Settlement Agreement with FSHC and the Agreements with Martin and with Pio Costa, respectively; and the HEFSP and supporting ordinances having been placed on file for public inspection; and the Township having provided sufficient notice for the Court's scheduling of a Final Compliance Hearing in this matter for November 16, 2018 at 2:30 PM; and the Court having conducted a Final Compliance Hearing on March 16, 2018, in the presence of Robert Morgenstern, Esq., counsel for plaintiff/petitioner the Township of Hampton, Joshua Bauers, Esq., counsel for FSHC, Jeffrey Kantowitz, Esq., counsel for Martin (appearing by telephone), and Kevin Kristopik, Esq., counsel for Pio Costa; and the Court having reviewed the reports of Master Michael Bolan, P.P., AICP, and the Court having heard the testimony of witnesses, including the testimony of Master Michael Bolan, who testified regarding the aforementioned agreements, the HEFSP, and the implementing ordinances, and who opined that the Court should grant a judgment of compliance and repose subject to certain conditions, which conditions have been met, and the Court having considered the arguments and positions of counsel and all exhibits and materials provided; and the Court having noted that no other objections to the relief sought were submitted, nor did any objectors or other third parties appear before the Court at the hearing; and the Court being of the view that the Settlement

Agreement between the Township and FSHC, as amended, and the Agreements between the Township and Martin, and between the Township and Pio Costa, as well as the implementing ordinances for them, should be approved, and that a Judgment of Compliance and Repose should be entered as set forth hereinafter; and for good cause shown, and for the reasons set forth by the Court on the record on November 16, 2018,

IT IS ON THIS 16th day of November, 2018 **ORDERED AND ADJUDGED** as follows:

1. The Township has provided sufficient notice of the Final Compliance Hearing to the public and all interested parties.
2. The Agreements entered into, respectively, between the Township and Martin and between the Township and Pio Costa are hereby determined to be fair and reasonable and adequately protect the interests of low and moderate income families in the Township's region.
3. The Settlement Agreement, as amended, entered into between the Township and FSHC is hereby determined to be fair and reasonable and adequately protects the interests of low and moderate income families in the Township's region; to be in the range of possible outcomes were with this case fully litigated; to represent a realistic opportunity for the provision of affordable housing to the protected class of low and moderate income families; to represent a practical solution for the construction

for the housing units; and to achieve the goals of the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., by helping the Township satisfy its housing affordable housing obligations.

4. The parties are directed and ordered to implement their respective agreements in accordance with their terms.

5. The Township's HEFSP is hereby approved, and the Township is granted a Third Round Judgment of Compliance and Repose pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., the applicable regulations of the Council on Affordable Housing ("COAH"), Mount Laurel case law, including the Supreme Court's decision in Mount Laurel IV.

5. The Township's Judgment of Compliance and Repose shall remain in effect for 10 years, commencing on July 1, 2015 and ending on July 1, 2025, during which the Township will have immunity and repose from any and all Mount Laurel lawsuits, including builder's remedy lawsuit, constitutional compliance actions, and any other lawsuit brought under the Mount Laurel principles.

6. The opinion of this Court, issued on November 16, 2018, is hereby incorporated herein as if set forth at length herein.

7. The Court retains jurisdiction for the limited purposes of enforcing this Judgment of Compliance and Repose, and enforcing the respective agreements entered into between the Township and: FSHC; Martin; and Pio Costa. Any failure to implement the HEFSP or

to comply with the terms and conditions of the respective agreements may be enforced through the filing of a motion to enforce litigant's rights with this Court.

8. A copy of this judgment shall ^{was} be served on all parties ^{by the court this date} within days from the date of entry of this judgment.

Maryann Nergaard
Hon. Maryann Nergaard J.S.C.

 Opposed

 X Unopposed

APPENDIX D

Order Imposing Scarce Restraint for Hampton Township, dated November 16, 2018

FAIR SHARE HOUSING CENTER
510 Park Boulevard
Cherry Hill, New Jersey 08002
P: 856-665-5444
F: 856-663-8182
Attorneys for Plaintiff
By: Joshua D. Bauers 174532015

FILED

NOV 16 2013

Maryann L. Nergaard
J.S.C.

In the Matter of the Township
of Hampton, Sussex County, New
Jersey.

SUPERIOR COURT
Law Division
Bergen County

Docket No. SSX-L-455-15

CIVIL ACTION

Order Imposing Scarce
Resource Restraint

THIS MATTER having been opened to the Court by Dolan and Dolan PC (Robert T. Morgenstern, Esq. appearing), attorney for Plaintiff Township of Hampton; Jeffrey Kantowitz, Esq. of the firm Abe Rappaport, attorney for Intervenor 15 Route 206 LLC (referred to as "Martin"); Kevin S. Krystopik, Esq., attorney for Intervenor Pico Costa Enterprises, LP and Cage Investors, LLC (collectively, Pico Costa); and Fair Share Housing Center, Inc. ("FSHC") (Joshua D. Bauers, Esq., appearing), seeking approval of the various settlement agreements entered into between the Township and the three intervening parties; and for the reasons set forth on the record; and for good cause shown;

IT IS, on this 16th day of November, 2018;

ORDERED that:

1. The Township of Hampton shall cease issuing sewer approvals of any kind pursuant to the following terms:
2. The Township, the Planning Board, the Zoning Board, and any other official bodies and persons, agents or employees thereof, may receive and process, hear and vote on applications for development approvals that are covered by this Order as provided under the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq.
3. The Township, the Planning Board, the Zoning Board, and any other official bodies and persons, agents or employees thereof, shall advise all applicants that any Board action or approval will not confer "vested rights" for allocation of sewer upon the applicant without the Court's review and approval. Only after an order has been entered releasing an application from the restraints imposed by this Order will an applicant acquire "vested rights" for sewer allocation. Notwithstanding the foregoing, any approval by a Board may be challenged or appealed as provided by law and this Order shall not be deemed to toll the time for such challenge.
4. The Township and any agency of the Township that is authorized to issue sewer service connection permits are hereby restrained from issuing any new or expanded sewer service

connection, subject to the waiver process set forth in Paragraph 6, below.

5. The Township, the Planning Board, the Zoning Board, and any other official bodies and persons, agents or employees thereof, shall provide at least seven (7) days written notice to the Special Master, Fair Share Housing Center, Defendants, and all other interested parties, of any applications for development approvals that are covered by this Order, including votes involving the adoption of memorializing resolutions, within seven (7) days of such votes occurring.

6. Any party or person affected or potentially affected by the restraints imposed by this Court Order may apply, with notice to all parties and to the Special Master, for relief from this Order prior to or during the pendency of a development application. The form of application shall be a letter with appropriate supporting documentation. The Special Master shall render a decision within twenty one (21) business days of receipt of the aforesaid application. If the Special Master determines that relief from the restraints imposed herein is appropriate, she/he shall authorize the relief from the restraints in writing, with a copy to the Court and all parties, and the applicant may pursue an application for development approvals and the appropriate Board may consider and grant or deny development approvals, with vesting, in accordance with

governing law. If the Special Master fails to timely decide or declines to authorize the release, or any party or applicant objects to the decision within ten (10) days of the decision being made, the party seeking relief from the Order may move before the Court on notice to the Special Master and all interested parties for relief from the within restraints.

7. The restraints in this order shall not apply to the property located at Block 3501 Lot 30.01 which is currently owned by 15 Route 206 LLC, an intervenor/defendant in this proceeding, nor any other property currently owned by 15 Route 206 LLC or currently included in the Martin Sewer Service Area, so long as Block 3501 Lot 30.01 remains zoned and planned to create 57 affordable housing units and retains sufficient sewer service to construct the 57 affordable housing units.

8. The restraints in this order shall continue to apply to the properties located at Block 3603 Lots 7.02 and 7.03, and Block 3501 Lots 44.08 and 44.09 with the following specific provisions applying to this property:

- a. The Township of Hampton, Fair Share Housing Center, and Pio Costa Enterprises, LLC, Cage Investors, LLC, and Carant _____ ("Pio Costa") has entered into settlement agreements requiring the rezoning of the above-mentioned properties to provide 612 residential

housing units with 107 of those set-aside for low and moderate income households.

b. Pio Costa is in the process of amending the Sussex County Wastewater Management Plan to expand the sewer service area to include all of the four above-mentioned properties and increase the permitted wastewater gallonage among four above-mentioned Lots such that all 107 affordable housing units and 505 market rate housing units can be constructed which for the purposes of this order shall be deemed to require 170,000 gpd.

c. The Township is required to support Pio Costa's amendment to the Wastewater Management Plan pursuant to N.J.A.C. 5:93-4.3 as well as the settlement agreement between Fair Share Housing Center and the Township dated November 26, 2016.

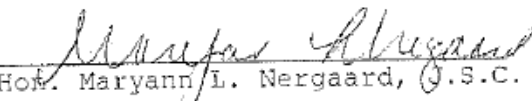
d. In the event that Pio Costa receives 170,000 gpd in wastewater gallonge and has a plan in place to construct the required 107 affordable housing units it shall be relieved from this order.

e. In the event that Pio Costa is unable to receive sufficient wastewater gallonage to provide the required amount of affordable housing it shall not be relieved of this order and the Township and Pio Costa

shall reserve and set-aside any approved wastewater
gallorage for the construction of affordable on a
priority basis.

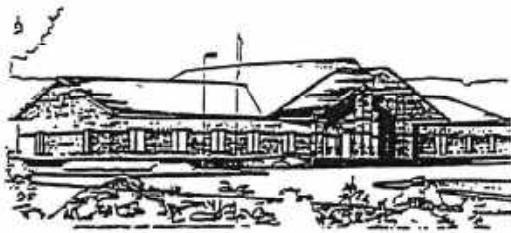
9. This order shall remain in full force and effect until
the Township of Hampton satisfies its Third Round fair share
obligations in their entirety.

FURTHER ORDERED that ~~counsel for Defendant shall~~ ^{the Court has} served a
copy of this Order on counsel within ~~_____~~ ^{this date} days of receipt
hereof.


Hon. Maryann L. Nergaard, J.S.C.

APPENDIX E

Hampton Township Resolution #2025-19 Resolution Accepting Fourth Round Affordable Housing Obligations



TOWNSHIP OF HAMPTON

1 Rumsey Way

Newton, NJ 07860

P: 973-383-5570 • F: 973-383-8969

www.hamptontownshipnj.info

Diana Juarez, RMC, CMR
Township Clerk/Administrator

HAMPTON TOWNSHIP RESOLUTION #R2025-19

RESOLUTION ACCEPTING FOURTH ROUND AFFORDABLE HOUSING CALCULATIONS

WHEREAS, the New Jersey Supreme Court, through its rulings in Southern Burlington County NAACP v. Mount Laurel, 67 13 N.J. 151 (1975) and Southern Burlington County NAACP 14 v. Mount Laurel, 92 N.J. 158 (1983), has determined that every municipality in New Jersey has a constitutional obligation to provide through its land use regulations a realistic opportunity for its fair share of its region's present and prospective needs for housing for low- and moderate-income families; and

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 (N.J.S.A. 52:27D-301 et al.); and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.l(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 N.J.S.A. 52:27D-311(m), "[a]ll parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing ("COAH") unless those regulations are contradicted by statute, including P.L. 2024, c.2, or binding court decisions"; and

WHEREAS, COAH regulations authorize municipalities to secure an adjustment to their rehabilitation obligation through a windshield survey and also empower municipalities to secure vacant land adjustments, durational adjustments, and other adjustments; 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 forty-eight (48) hours of adopting the municipal resolution of fair share obligations; and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.l(d), the New Jersey Department of Community Affairs issued "a report on the calculations of regional need and municipal obligations for each region of the State" on or about October 18, 2024 (the "DCA Report"); and

WHEREAS, the DCA Report calculates Hampton Township's Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of 0 and a Prospective Need or New Construction Obligation of 81; and

WHEREAS, Hampton Township reserves the right to adjust its position in the event of any rulings in the Montvale case (MER-L-1778-24) or any other such litigation or legislative action that alters the deadlines and/or requirements of the New Jersey Fair Housing Act; and

WHEREAS, in the event that a third party challenges the calculations provided for in this Resolution, Hampton Township reserves the right to take such position as it deems appropriate in response thereto, including that its Round 4 Present or Prospective Need Obligations should be lower than described herein; and

WHEREAS, Hampton Township seeks a certification of compliance with the FHA and, therefore, directs its Municipal Attorney and Special Counsel to file a declaratory relief action within forty-eight (48) hours of the adoption of this resolution.

NOW, THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Hampton, Sussex County, New Jersey, as follows:

1. All the above Whereas Clauses are incorporated into the operative clauses of this resolution.
2. Hampton Township hereby determines, based on the DCA Report and advice of the Municipal Planner, to adopt the obligations set forth in the DCA Report as its binding Fourth Round Affordable Housing Obligations subject to adjustments made to account for decisions of a court of competent jurisdiction, lack of availability of public water or sewer infrastructure or capacity (i.e. a durational adjustment), lack of vacant land, or a Highlands build-out analysis. Any such adjustments will be adopted as part of the municipality's Fourth Round Housing Element and Fair Share Plan.
3. The Municipal Clerk, Municipal Attorney and Special Counsel are authorized to take all actions required by N.J.S.A. 52:27D-304.1(f)(1)(b), including:
 - a. Filing a declaratory judgement action with the Superior Court and filing a copy of this Resolution with the Department of Community Affairs within forty-eight (48) hours following adoption of this Resolution.
 - b. Publishing this Resolution on the Township's website.
4. The Municipal Attorney, Municipal Planner, Special Counsel and Affordable Housing Subcommittee are authorized to take all actions to draft documents necessary to comply with all Fourth Round affordable housing obligations, including drafting a Housing Element and Fair Share Plan, an Affordable Housing Trust Spending Plan, and effectuating ordinances and resolutions.
5. This Resolution shall take effect immediately.

CERTIFICATION

I hereby certify the foregoing to be a true and correct copy of the Resolution adopted by the Township Committee of the Township of Hampton, Sussex County, New Jersey, at its regular meeting held on January 28, 2025.


 Diana Juarez, RMC
 Hampton Township Clerk

APPENDIX F

Pio Costa/Cage Investors, LLC Documentation

- Hampton Township Ordinances#2018-13, #2018-14, and #2018-15

HAMPTON TOWNSHIP #2018-13

AN ORDINANCE AMENDING THE HAMPTON TOWNSHIP CODE TO AMEND CHAPTER 108 – THE ZONING ORDINANCE TO AMEND ARTICLE IV, THE DISTRICT REGULATIONS TO BE KNOWN AS THE AFFORDABLE HOUSING ZONE DISTRICT WHICH INCLUDES BLOCK 3501, LOT 44.09

Section 4, Article IV is hereby amended to include the new Zone District entitled “The Affordable Housing Zone District” as follows:

Section 108-17.5 – The Affordable Housing Zone District applies to Block 3501, Lot 44.09

A. Purpose.

The purpose of the Affordable Housing Zone District 108-17.5 which applies to Block 3501, Lot 44.09 (the property or “tract”) is to provide areas in the Township responsive to the need to permit Affordable Housing Units and other uses in order to meet the Affordable Housing Obligations of Hampton Township. Residential uses including multi-family housing with Affordable Housing Units and single family housing with Affordable Housing Units are permitted uses on Block 3501, Lot 44.09, Block 3501, Lot 44.08, Block 3603, Lot 7.02 and Block 3603, Lot 7.03. The above referenced four (4) lots shall be the site of up to 612 residential units with 107 units being set aside for Affordable Housing. There is a mandatory 17.5% set-aside for Affordable Housing Units.

B. Principal permitted uses on the land and in buildings.

- 1) Agricultural uses as defined in sec. 108-7.
- 2) Multi-story apartments according to the area and yard requirements as set forth in Section E-2 below.
- 3) Garden apartments as defined in 108-7.
- 4) Townhouses as defined in 108-7.
- 5) Group homes and facilities.
- 6) Detached single-family dwellings according to the area and yard requirements set forth below in Section E-1, below.

Mixed uses of residential and non-residential in the same building are not permitted uses and are prohibited.

All non-residential uses including without limitation commercial and/or retail uses are not permitted in this zone district.

C. Accessory uses permitted.

- 1) Playgrounds.
- 2) Swimming pools subject to the standards of Sec. 108-33A [Amended 05-01-2005]
- 3) Off-street parking, subject to the design standards of Section 108-26, and with respect to number, subject to RSIS standards for residential uses.
- 4) Structures necessary for utilities and infrastructure.

D. Building Height.

Maximum building height (Residential). Residential and multi-family structures shall not exceed 48 feet in height except as allowed in Section 108-39.

Residential and multi-family structures shall be permitted to have four (4) stories of residential units.

E. Area and Yard Requirements.

1) Single family detached dwellings.

a. Standards

Requirements

Minimum Dimensions

Lot area	10,000 square feet
Lot width	80 feet
Lot depth	100 feet
Side yard, each	10 feet each, 30 feet total
Front yard	30 feet
Rear yard	30 feet
Maximum building coverage	35%

b. Accessory Uses. Accessory uses shall be those permitted in Section 108-12.2.

2) Multi-story apartments, townhouses and garden apartments.

a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot width	100 feet
Side yard, each	30 feet
Front yard	50 feet
Rear yard	60 feet
Maximum building coverage	60%

- b. There shall be the following minimum distances between buildings.

Windowless wall to windowless wall	30 feet
Window wall to window wall	30 feet
Window wall to windowless wall	30 feet
Rear to rear	30 feet
End to end	30 feet
Any building face, except garage face to common parking area or street	12 feet
Garage face to common parking area	5 feet

The Planning Board may reduce the above distances if there is an angle between buildings, and sufficient landscaping or buffers are placed between buildings.

- c. Parking spaces in common parking areas for multi-family residential development shall be located within 250 feet of the dwelling units served.
- d. No building shall exceed a length of 250 feet in any single direction.
- e. No room within a dwelling unit intended for human habitation shall be located in a cellar, basement or attic, except that a cellar or basement may contain a family room or recreation room. Any story which abuts a finished grade shall not be considered a basement or cellar. Any floor of any dwelling unit containing a ceiling, the exterior of which floor abuts below the finished grade, shall not be considered a story.
- f. Multi-family development in this district shall not be subject to any density adjustment factors and regulations otherwise applicable to townhouses or garden apartment developments, and all other standards of Sections 108-34 and 108-35 shall not be applicable to multi-family development in this zone district.

F. Density (Residential)

- 1) 15 units per acre where residential development contains market rate and Affordable Housing Units as part of project.

- 2) 20 units per acre, where residential development project is 100% Affordable Units.

G. Minimum off-street parking.

Residential:

- a. RSIS standards, as set forth at N.J.A.C. 5:21-4.14.

H. Affordable Housing

- 1) At least 17.5% of all residential units proposed in an inclusionary residential development of market rate and affordable units shall be affordable to low and moderate-income households as defined by N.J.A.C. 5:93-1.3 and N.J.A.C. 5:93-7.4, provided that once 107 units of affordable rental housing have been developed, this restriction shall no longer apply.
- 2) All inclusionary affordable housing units shall be constructed in accordance with the Township's Affordable Housing Ordinance, the Uniform Housing Affordability Controls (UHAC), the rules and regulations of the N. J. Council on Affordable Housing (COAH), and the Fair Housing Act.

I. Development Fees

No development fees (i.e., Affordable Housing Fees), as described in N.J.S.A. 40:55 D-8.1, et seq., and Hampton Township Code Sections 108-66, 108-67, and 108-68 for residential development only shall be applicable to, assessed to or collected from any development on the Pio Costa Enterprises, LP and Cage Investors, LLC, and Carant, LP. Referred to herein.

CERTIFICATION

I hereby certify that the above Ordinance was adopted by the Hampton Township Committee at their regular meeting held on September 25, 2018 at the Hampton Township Municipal Building, Baleville, Sussex County, New Jersey.

Date: _____

Kathleen Armstrong, RMC
Township Clerk

NOTICE

TAKE NOTICE that the foregoing Ordinance was introduced and passed on the first reading at the regular meeting of the Hampton Township Committee held on August 28, 2018 and was ordered published according to law, and will be further considered at the meeting of the Hampton Township Committee to be held on September 25, 2018 at 7:00 P.M. prevailing time, at the Hampton Township Municipal Building, Baleville, New Jersey at which time and place all interested parties may appear and be heard. A copy of this Ordinance has been posted on the bulletin board upon which Public Noticed as customarily posted in the Township Hall of the Township.

Kathleen Armstrong
Hampton Township Clerk

**HAMPTON TOWNSHIP
NOTICE
ORDINANCE 2018-13**

NOTICE IS HEREBY GIVEN that the foregoing Ordinance #2018-13 was adopted at Final Reading at the regular meeting of the Township Committee of the Township of Hampton, County of Sussex held on Tuesday, September 25, 2018, at the Hampton Township Municipal Building, Baleville, N.J.

Kathleen Armstrong, RMC
Township Clerk

HAMPTON TOWNSHIP ORDINANCE #2018-14-

**AN ORDINANCE AMENDING THE HAMPTON TOWNSHIP CODE TO AMEND
CHAPTER 108 – THE ZONING ORDINANCE TO AMEND ARTICLE IV, THE
DISTRICT REGULATIONS TO INCLUDE A NEW ZONE DISTRICT KNOWN AS
THE AFFORDABLE HOUSING ZONE DISTRICT WHICH INCLUDES
BLOCK 3501, LOT 44.08**

Section 3, Article IV is hereby amended to include the new Zone District entitled “The Affordable Housing Zone District” as follows:

Section 108-17.4 – The Affordable Housing Zone District applies to Block 3501, Lot 44.08

A. Purpose.

The purpose of the Affordable Housing Zone District 108-17.4 which applies to Block 3501, Lot 44.08 (the property or “tract”) is to provide areas in the Township responsive to the need to permit Affordable Housing Units and other uses in order to meet the Affordable Housing Obligations of Hampton Township. Residential uses including multi-family housing with Affordable Housing Units and single family housing with Affordable Housing Units are permitted uses on Block 3501, Lot 44.09, Block 3501, Lot 44.08, Block 3603, Lot 7.02 and Block 3603, Lot 7.03. The above referenced four (4) lots shall be the site of up to 612 residential units with 107 units being set aside for Affordable Housing. There is a mandatory 17.5% set-aside for Affordable Housing Units.

B. Principal permitted uses on the land and in buildings.

- 1) Agricultural uses as defined in sec. 108-7.
- 2) Multi-story apartments.
- 3) Garden apartments as defined in 108-7.
- 4) Townhouses as defined in 108-7.
- 5) Group homes and facilities.
- 6) Detached single-family dwellings according to the area and yard requirements set forth below in Section F3, below.
- 7) All permitted uses in the HC and HC-MFG Districts as defined to 108-15 and 108-16, respectively.
- 8) Professional office as defined in 108-7.
- 9) Retail Business Establishment as defined in 108-7.
- 10) Restaurants as defined in 108-7.
- 11) Restaurants, drive-in or drive-thru as defined in 108-7.
- 12) Shopping center as defined in 108-7.
- 13) Motels or hotels as defined in 108-7.
- 14) Manufacturing as defined in 108-16(BX4).
- 15) Wholesale distribution centers and warehouses.
- 16) Solar farms and panels and wind energy systems.

C. Accessory uses permitted.

- 1) Playgrounds.
- 2) Swimming pools subject to the standards of Sec. 108-33A [Amended 6-25-1985]
- 3) Off-street parking, subject to the design standards of Section 108-26, and with respect to number, subject to RSIS standards for residential uses and 1 per 250 square feet (for non-residential uses).
- 4) Structures necessary for utilities and infrastructure.
- 5) Solar farms and panels and wind energy systems.

D. Building Height.

- 1) Maximum building height (Commercial). Retail and other permitted commercial structures shall not exceed 48 feet in height except as allowed in Sec. 108-39. No story limitation shall apply.
- 2) Maximum building height (Residential). Residential and multi-family structures shall not exceed 48 feet in height except as allowed in Section 108-39. Residential and multi-family structures shall be permitted to have 4 stories of residential units.

E. Area and Yard Requirements.

- 1) Offices, manufacturing plants and wholesale distribution centers and warehouses, and agricultural uses.

a. Principal Building.

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	2 acres
Lot frontage	200 feet
Lot width	200 feet
Lot depth	200 feet
Side yard, each	50 feet
Front yard	100 feet
Rear yard	50 feet

b. Maximum Building Coverage.

<u>Type of Building</u>	<u>Coverage</u>
Principal	50%
Accessory	20%

- c. Where applicable and requested by applicant, the provisions of

Section 108-15E(2) shall apply.

- 2) Retail, including business establishments, restaurants of any kind, shopping centers, hotels, motels, mixed use (residential and non-residential).

- a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	2 acres
Lot frontage	100 feet
Lot depth	150 feet
Side yard, each	30 feet
Front yard	50 feet
Rear yard	50 feet

- b. Maximum Building Coverage

<u>Type of Building</u>	<u>Coverage</u>
Principal	50%
Accessory	20%

- c. Where applicable and requested by the Applicant, the provisions of 108-J5E(2) shall apply.

- 3) Single family detached dwellings.

- a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	10,000 square feet
Lot width	80 feet
Lot depth	100 feet
Side yard, each	10 feet each, 30 feet total
Front yard	30 feet
Rear yard	30 feet
Maximum building coverage	35%

- b. Accessory Uses. Accessory uses shall be those permitted in Section 108-12.2.

- 4) Multi-story apartments, townhouses and garden apartments.

- a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot width	100 feet

Side yard, each	30 feet
Front yard	50 feet
Rear yard	60 feet
Maximum building coverage	60%

- b. There shall be the following minimum distances between buildings.

Windowless wall to windowless wall	30 feet
Window wall to window wall	30 feet
Window wall to windowless wall	30 feet
Rear to rear	30 feet
End to end	30 feet
Any building face, except garage face to common parking area or street	12 feet
Garage face to common parking area	5 feet

The Planning Board may reduce the above distances if there is an angle between buildings, and sufficient landscaping or buffers are placed between buildings.

- c. Parking spaces in common parking areas for multi-family residential development shall be located within 250 feet of the dwelling units served.
- d. No building shall exceed a length of 250 feet in any single direction.
- e. No room within a dwelling unit intended for human habitation shall be located in a cellar, basement or attic, except that a cellar or basement may contain a family room or recreation room. Any story which abuts a finished grade shall not be considered a basement or cellar. Any floor of any dwelling unit containing a ceiling, the exterior of which floor abuts below the finished grade, shall not be considered a story.
- f. Multi-family development in this district shall not be subject to any density adjustment factors and regulations otherwise applicable to townhouses or garden apartment developments, and all other standards of Sections 108-34 and 108-35 shall not be applicable to multi-family development in this zone district.

F. Density (Residential)

- 1) 20 units per acre for land committed to residential development where residential development contains market rate and affordable housing units as part of project.
- 2) 20 units per acre, where residential development project is 100% affordable units.

G. Minimum off-street parking.

- 1) Residential:
 - a. RSIS standards, as set forth at N.J.A.C. 5:21-4, 14 and Table 4.4 therein.
- 2) Retail of any kind:
 - a. Parking shall be provided at one (1) space/250 SF.
- 3) Office Manufacturing/Warehouse/Wholesale Distribution:
 - a. Parking shall follow requirements as located in Section 108-16(g).
- 4) Theaters/Restaurants/Hotels/Other Uses: 1 space per 4 seats.

H. Signs.

- 1) Each pylon sign shall not exceed 50 feet in height, shall be set back from the street rights-of-way and driveways at least 20 feet, shall not exceed an area of 200 square feet, and shall be at least 800 linear feet from the centerline of Route 206.
- 2) Retail/Office to follow Section 108-15(H).
- 3) Manufacturing/Warehouse/Wholesale Distribution: to follow Section 108-(16)-1.
- 4) Notwithstanding the provisions of Section 108-30.4C, digital sequential signs shall be permitted on the Property.
- 5) The provisions of Section 108-30.5E shall not apply to the Property. Signs including, but not limited to digital sequential signs, may be located off of the Property, on land and/or existing free standing signs fronting on Route 206 (pursuant to a private agreement between the Property owner and the owners of land fronting on Route 206) in order to identify and describe the uses on the Property, and for such off Property signs, the provisions of Section 108-30.3 shall not apply.

Signs on the Property and any free standing sign permitted along Route 206 shall pertain only to properties, owned by Pio Costa Enterprises, LP, Cage Investors, LLC and Carant, LP. No billboard type signs will be permitted to advertise any commercial businesses other than those on properties owned by Pio Costa Enterprises, LP, Cage Investors, LLC and Carant, LP, however, community and public service announcement shall be permitted. Digital sequential signs shall be permitted for businesses on the Property and for businesses already identified on existing signs along Route 206.

- 6) Notwithstanding the provisions of Section 108-30.5G, digital sequential signs shall be permitted.
- 7) The provisions of Section 108-30.5H shall not apply.

- 8) Notwithstanding the provisions of Section 108-30.11, the number of signs permitted shall be one free-standing sign per building, provided each establishment in such building shall have a placard (sign) identifying it on the standing sign, one façade sign per establishment; and one off-site sign per establishment. Notwithstanding the provisions of Section 108-30.4C, all signs pertaining to the development of the Property may be digital sequential signs.
- 9) A monument sign, not a pylon sign, shall be permitted along County Route 519 to advertise and identify commercial uses on the Property and residential uses or developments on the Property.

I. Affordable Housing

- 1) At least 17.5% of all residential units proposed in an inclusionary residential development of market rate and affordable units shall be affordable to low and moderate-income households as defined by N.J.A.C. 5:93-1.3 and N.J.A.C. 5:93-7.4, provided that once 107 units of affordable rental housing have been developed, this restriction shall no longer apply.
- 2) All inclusionary affordable housing units shall be constructed in accordance with the Township's Affordable Housing Ordinance, the Uniform Housing Affordability Controls (UHAC), the rules and regulations of the N. J. Council on Affordable Housing (COAH), and the Fair Housing Act.

J. Development Fees.

No development fees (i.e., Affordable Housing Fees), as described in N.J.S.A. 40:55 D-8.1, et seq., and Hampton Township Code Sections 108-66, 108-67, and 108-68 for residential development only, shall be applicable to, assessed to or collected from any development on the Pio Costa Enterprises, LP and Cage Investors, LLC Property.

CERTIFICATION

I hereby certify that the above Ordinance was adopted by the Hampton Township Committee at their regular meeting held on September 25, 2018 at the Hampton Township Municipal Building, Baleville, Sussex County, New Jersey.

Date: _____

Kathleen Armstrong, RMC
Township Clerk

NOTICE

TAKE NOTICE that the foregoing Ordinance was introduced and passed on the first reading at the regular meeting of the Hampton Township Committee held on August 28, 2018 and was ordered published according to law, and will be further considered at the meeting of the Hampton Township Committee to be held on September 25, 2018 at the Hampton Township Municipal Building, Baleville, New Jersey at which time and place all interested parties may appear and be heard. A copy of this Ordinance has been posted on the bulletin board upon which Public Noticed as customarily posted in the Township Hall of the Township.

Kathleen Armstrong
Hampton Township Clerk

**HAMPTON TOWNSHIP
NOTICE
ORDINANCE 2018-14**

NOTICE IS HEREBY GIVEN that the foregoing Ordinance #2018-14 was adopted at Final Reading at the regular meeting of the Township Committee of the Township of Hampton, County of Sussex held on Tuesday, September 25, 2018, at the Hampton Township Municipal Building, Baleville, N.J.

Kathleen Armstrong, RMC
Township Clerk

HAMPTON TOWNSHIP #2018-15

AN ORDINANCE AMENDING THE HAMPTON TOWNSHIP CODE TO AMEND CHAPTER 108 – THE ZONING ORDINANCE TO AMEND ARTICLE IV, THE DISTRICT REGULATIONS TO INCLUDE A NEW ZONE DISTRICT KNOWN AS THE AFFORDABLE HOUSING ZONE DISTRICT WHICH INCLUDES BLOCK 3603, LOT 7.02 AND BLOCK 3603, LOT 7.03

Section 2, Article IV is hereby amended to include the new Zone District entitled “The Affordable Housing Zone District” as follows:

Section 108-17.3 – The Affordable Housing Zone District applies to Block 3603, Lot 7.02 and Block 3603, Lot 7.03.

A. Purpose.

The purpose of the Affordable Housing Zone District 108-17.3 which applies to Block 3603, Lot 7.02 and Block 3603, Lot 7.03 (the property or “tract”) is to provide areas in the Township responsive to the need to permit Affordable Housing Units and other uses in order to meet the Affordable Housing Obligations of Hampton Township. Residential uses including multi-family housing with Affordable Housing Units and single family housing with Affordable Housing Units are permitted uses on Block 3501, Lot 44.09, Block 3501, Lot 44.08, Block 3603, Lot 7.02 and Block 3603, Lot 7.03. The above referenced four (4) lots shall be the site of up to 612 residential units with 107 units being set aside for Affordable Housing. There is a mandatory 17.5 % set-aside for Affordable Housing Units.

B. Principal permitted uses on the land and in buildings.

- 1) Agricultural uses as defined in sec. 108-7.
- 2) Multi-story apartments.
- 3) Garden apartments as defined in 108-7.
- 4) Townhouses as defined in 108-7.
- 5) Group homes and facilities.
- 6) Detached single-family dwellings according to the area and yard requirements set forth below in Section F3, below.
- 7) All permitted uses in the HC and HC-MFG Districts as defined to 108-15 and 108-16, respectively.
- 8) Professional office as defined in 108-7.
- 9) Retail Business Establishment as defined in 108-7.
- 10) Restaurants as defined in 108-7.
- 11) Restaurants, drive-in or drive-thru as defined in 108-7.
- 12) Shopping center as defined in 108-7.
- 13) Motels or hotels as defined in 108-7.
- 14) Manufacturing as defined in 108-16(BX4).

- 15) Wholesale distribution centers and warehouses.
- 16) Solar farms and panels and wind energy systems.

Mixed uses of residential and non-residential in the same building are not permitted uses and are prohibited.

C. Accessory uses permitted.

- 1) Playgrounds.
- 2) Swimming pools subject to the standards of Sec. 108-33A [Amended 6-25-1985]
- 3) Off-street parking, subject to the design standards of Section 108-26, and with respect to number, subject to RSIS standards for residential uses and 1 per 250 square feet (for non-residential uses).
- 4) Structures necessary for utilities and infrastructure.
- 5) Solar farms and panels and wind energy systems.

D. Building Height.

- 1) Maximum building height (Commercial). Retail and other permitted commercial structures shall not exceed 48 feet in height except as allowed in Sec. 108-39. No story limitation shall apply.
- 2) The maximum building height (Residential). Residential and multi-family structures shall not exceed five (5) stories in height except as allowed in Section 108-39. Residential and multi-family structures shall be permitted to have five (5) stories of residential units.

E. Area and Yard Requirements.

- 1) Offices, manufacturing plants and wholesale distribution centers and warehouses, and agricultural uses.

a. Principal Building.

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	2 acres
Lot frontage	200 feet
Lot width	200 feet
Lot depth	200 feet
Side yard, each	50 feet
Front yard	100 feet
Rear yard	50 feet

b. Maximum Building Coverage.

<u>Type of Building</u>	<u>Coverage</u>
Principal	50%
Accessory	20%

- c. Where applicable and requested by applicant, the provisions of Section 108-15E(2) shall apply.

2) Retail, including business establishments, restaurants of any kind, shopping centers, hotels and motels.

a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	2 acres
Lot frontage	100 feet
Lot depth	150 feet
Side yard, each	30 feet
Front yard	50 feet
Rear yard	50 feet

b. Maximum Building Coverage

<u>Type of Building</u>	<u>Coverage</u>
Principal	50%
Accessory	20%

- c. Where applicable and requested by the Applicant, the provisions of 108-J5E(2) shall apply.

3) Single family detached dwellings.

a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	10,000 square feet
Lot width	80 feet
Lot depth	100 feet
Side yard, each	10 feet each, 30 feet total
Front yard	30 feet
Rear yard	30 feet
Maximum building coverage	35%

- b. Accessory Uses. Accessory uses shall be those permitted in Section 108-12.2.

4) Multi-story apartments, townhouses and garden apartments.

a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot width	100 feet
Side yard, each	30 feet
Front yard	50 feet
Rear yard	60 feet
Maximum building coverage	60%

b. There shall be the following minimum distances between buildings.

Windowless wall to windowless wall	30 feet
Window wall to window wall	30 feet
Window wall to windowless wall	30 feet
Rear to rear	30 feet
End to end	30 feet
Any building face, except garage face to common parking area or street	12 feet
Garage face to common parking area	5 feet

The Planning Board may reduce the above distances if there is an angle between buildings, and sufficient landscaping or buffers are placed between buildings.

- c. Parking spaces in common parking areas for multi-family residential development shall be located within 250 feet of the dwelling units served.
- d. No building shall exceed a length of 250 feet in any single direction.
- e. No room within a dwelling unit intended for human habitation shall be located in a cellar, basement or attic, except that a cellar or basement may contain a family room or recreation room. Any story which abuts a finished grade shall not be considered a basement or cellar. Any floor of any dwelling unit containing a ceiling, the exterior of which floor abuts below the finished grade, shall not be considered a story.
- f. Multi-family development in this district shall not be subject to any density adjustment factors and regulations otherwise applicable to townhouses or garden apartment developments, and all other standards of Sections 108-34 and 108-35 shall not be applicable to multi-family development in this zone district.

F. Density (Residential)

- 1) 30 units per acre for land committed to residential development where residential development contains market rate and affordable housing units as part of project.

- 2) 20 units per acre, where residential development project is 100% affordable units.

G. Minimum off-street parking.

- 1) Residential:
 - a. RSIS standards, as set forth at N.J.A.C. 5:21-4, 14 and Table 4.4 therein.
- 2) Retail of any kind:
 - a. Parking shall be provided at one (1) space/250 SF.
- 3) Office Manufacturing/Warehouse/Wholesale Distribution:
 - a. Parking shall follow requirements as located in Section 108-16(g).
- 4) Theaters/Restaurants/Hotels/Other Uses: 1 space per 4 seats.

H. Signs.

- 1) Each pylon sign shall not exceed 50 feet in height, shall be set back from the street rights-of-way and driveways at least 20 feet, shall not exceed an area of 200 square feet, and shall be at least 800 linear feet from the centerline of Route 206.
- 2) Retail/Office to follow Section 108-15(H).
- 3) Manufacturing/Warehouse/Wholesale Distribution: to follow Section 108-(16)-1.
- 4) Notwithstanding the provisions of Section 108-30.4C, digital sequential signs shall be permitted on the Property.
- 5) The provisions of Section 108-30.5E shall not apply to the Property. Signs including, but not limited to digital sequential signs, may be located off of the Property, on land and/or existing free standing signs fronting on Route 206 (pursuant to a private agreement between the Property owner and the owners of land fronting on Route 206) in order to identify and describe the uses on the Property, and for such off Property signs, the provisions of Section 108-30.3 shall not apply.

Signs on the Property and any free standing sign permitted along Route 206 shall pertain only to properties, owned by Pio Costa Enterprises, LP, Cage Investors, LLC and Carant, LP. No billboard type signs will be permitted to advertise any commercial businesses other than those on properties owned by Pio Costa Enterprises, LP, Cage Investors, LLC and Carant, LP, however, community and public service announcement shall be permitted. Digital sequential signs shall be permitted for businesses on the Property and for businesses already identified on

existing signs along Route 206.

- 6) Notwithstanding the provisions of Section 108-30.5G, digital sequential signs shall be permitted.
- 7) The provisions of Section 108-30.5H shall not apply.
- 8) Notwithstanding the provisions of Section 108-30.11, the number of signs permitted shall be one free-standing sign per building, provided each establishment in such building shall have a placard (sign) identifying it on the standing sign, one façade sign per establishment; and one off-site sign per establishment. Notwithstanding the provisions of Section 108-30.4C, all signs pertaining to the development of the Property may be digital sequential signs.
- 9) A monument sign, not a pylon sign, shall be permitted along County Route 519 to advertise and identify commercial uses on the Property and residential uses or developments on the Property.

I. Affordable Housing.

- 1) At least 17.5% of all residential units proposed in an inclusionary residential development of market rate and affordable units shall be affordable to low and moderate-income households as defined by N.J.A.C. 5:93-1.3 and N.J.A.C. 5:93-7.4, provided that once 107 units of affordable rental housing have been developed, this restriction shall no longer apply.
- 2) All inclusionary affordable housing units shall be constructed in accordance with the Township's Affordable Housing Ordinance, the Uniform Housing Affordability Controls (UHAC), the rules and regulations of the N. J. Council on Affordable Housing (COAH), and the Fair Housing Act.

J. Development fees.

No development fees (i.e., Affordable Housing Fees), as described in N.J.S.A. 40:55 D-8.1, et seq., and Hampton Township Code Sections 108-66, 108-67, and 108-68 for residential development only, shall be applicable to, assessed to or collected from any development on the Pio Costa Enterprises, LP and Cage Investors, LLC Properties.

CERTIFICATION

I hereby certify that the above Ordinance was adopted by the Hampton Township Committee at their regular meeting held on September 25, 2018 at the Hampton Township Municipal Building, Baleville, Sussex County, New Jersey.

Date: _____

Kathleen Armstrong, RMC
Township Clerk

NOTICE

TAKE NOTICE that the foregoing Ordinance was introduced and passed on the first reading at the regular meeting of the Hampton Township Committee held on August 28, 2018 and was ordered published according to law, and will be further considered at the meeting of the Hampton Township Committee to be held on September 25, 2018 at 7:00 P.M. prevailing time, at the Hampton Township Municipal Building, Baleville, New Jersey at which time and place all interested parties may appear and be heard. A copy of this Ordinance has been posted on the bulletin board upon which Public Noticed as customarily posted in the Township Hall of the Township.

Kathleen Armstrong
Hampton Township Clerk

HAMPTON TOWNSHIP NOTICE ORDINANCE 2018-15

NOTICE IS HEREBY GIVEN that the foregoing Ordinance #2018-15 was adopted at Final Reading at the regular meeting of the Township Committee of the Township of Hampton, County of Sussex held on Tuesday, September 25, 2018, at the Hampton Township Municipal Building, Baleville, N.J.

Kathleen Armstrong, RMC
Township Clerk

APPENDIX G

15 Route 206, LLC (“Martin”) Documentation

- Hampton Township Ordinance #2018-13

**HAMPTON TOWNSHIP
ORDINANCE #2018-09**

AN ORDINANCE AMENDING THE HAMPTON TOWNSHIP CODE TO AMEND CHAPTER 108 – THE ZONING ORDINANCE TO AMEND ARTICLE IV, THE DISTRICT REGULATIONS TO INCLUDE A NEW ZONE DISTRICT KNOWN AS THE APARTMENT/TOWNHOUSE – MULTIPLE FAMILY - RESIDENTIAL – HIGHWAY COMMERCIAL – MANUFACTURING DISTRICT, WHICH INCLUDES BLOCK 3501, LOT 30.01.

BE IT ORDAINED by the Township Committee of the Township of Hampton, Sussex County, New Jersey, that the Code of the Township of Hampton be amended as follows:

SECTION 1. Article IV, entitled “District Regulations”, of Chapter 108, entitled “Zoning”, is amended to add Section 108-17.2, entitled “APT/TH-HC-MFG -- Apartment/Townhouse - Multiple-Family – Residential -- Highway Commercial -- Manufacturing District”, which shall read as follows:

Section 108-17.2 APT/TH-HC-MFG -- Apartment/Townhouse - Multiple-Family – Residential -- Highway Commercial -- Manufacturing District.

- A. The purpose of the APT/TH-HC-MFG Zone District, which applies to Block 3501, Lot 30.01 (the “Property” or “Tract”), is to provide areas in the Township responsive to the need for multiple family housing, including affordable housing, and commercial and manufacturing development and uses situated in transitional zoning locations with advantageous roadway exposure. The Property, Block 3501, Lot 30.01, which is the subject of this APT/TH-HC-MFG zone district, may be subdivided. The bulk standards applicable to the APT/TH-HC-MFG zone district shall be applicable to the entire Property, and a subdivision shall not result in a non-conformity.
- B. Principal permitted uses on the land and in buildings.
 - 1) Agricultural uses as defined in sec. 108-7.
 - 2) Multi-story apartment
 - 3) Garden apartments as defined in 108-7.
 - 4) Townhouses as defined in 108-7.
 - 5) Group homes and facilities.
 - 6) Detached single-family dwellings according to the area and yard requirements set forth below in section F3, below.
 - 7) All permitted uses in the HC and HC-MFG Districts as defined in 108-15 and 108-16, respectively.
 - 8) Professional office as defined in 108-7.
 - 9) Retail Business Establishment as defined in 108-7.
 - 10) Restaurants as defined in 108-7.
 - 11) Restaurants, drive-in or drive-thru as defined in 108-7.
 - 12) Shopping center as defined in 108-7.
 - 13) Motels or hotels as defined in 108-7.
 - 14) Manufacturing as defined in 108-16(B)(4).
 - 15) Wholesale distribution centers and warehouses.
 - 16) Solar farms and panels and wind energy systems

C. Accessory uses permitted.

- 1) Playgrounds.
- 2) Swimming pools subject to the standards of sec. 108-33A. [Amended 6-25-1985]
- 3) Off-street parking, subject to the design standards of sec. 108-26, and with respect to number, subject to RSIS standards for residential uses and 1 per 250 square feet for non-residential uses).
- 4) Structures necessary for utilities and infrastructure
- 5) Solar farms and panels and wind energy systems

D. Building Height.

- 1) Maximum building height (Commercial). Retail, mixed use, and other permitted commercial structures shall not exceed 48 feet in height except as allowed in sec. 108-39. No story limitation shall apply.
- 2) Maximum building height (Residential). Residential multi-family and mixed use residential/commercial structures shall not exceed 48 feet in height, except as allowed in sec 108-39. Residential multi-family and mixed use residential/commercial structures shall be permitted to have 3 stories of residential units.

E. Southwest Corner of the Property. The Southwest Corner of the Property, as described in section 3.1 of the Settlement Agreement, as described below, and as depicted on Exhibit B, attached thereto and made a part thereof and of this Zoning Ordinance, may be developed for residential uses only, as set forth in the Zoning Ordinance.

- 1) Description. Description. The “Southwest Corner of the Property” is roughly shaped as a trapezoid, and its boundaries are: starting from the corner of the Hampton/Newton boundary, then running in a northerly direction along County Route 519 to the Property’s boundary with Block 3501, Lot 84, then running in an easterly direction along the property line between the Property and Block 3501, Lot 84 to the rear property boundary of Block 3501, Lot 84, then running in a southerly direction, along a tangent extended from the rear property boundary of Block 3501, Lot 84, back to the Hampton/Newton boundary, then running along the Hampton/Newton boundary in a westerly direction to the point and place of beginning.
- 2) Use. The Southwest Corner of the Property may be developed for residential use, provide for access from County Road 519, and may be used for stormwater detention or retention purposes, or be planted with landscaping or vegetation. Commercial development, including the location of structures or building, may occur up to the boundary of the Southwest Corner of the Property.

F. Area and yard requirements (Commercial)

- 1) Offices, manufacturing plants and wholesale distribution centers and warehouses, and agricultural uses.
 - a. Principal building.

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	2 acres
Lot frontage	200 feet
Lot width	200 feet

Lot depth	200 feet
Side yard, each	50 feet
Front yard	100 feet
Rear yard	50 feet

b. Maximum building coverage

<u>Type of Building</u>	<u>Coverage</u>
Principal	50%
Accessory	20%

c. Where applicable and requested by applicant, the provisions of section 108-15E(2) shall apply.

2) Retail, including retail business establishments, restaurants of any kind, shopping centers, hotels, motels, mixed use (residential and non-residential)

a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	2 acres
Lot frontage	100 feet
Lot depth	150 feet
Side yard, each	30 feet
Front yard	50 feet
Rear yard	50 feet

b. Maximum building coverage

<u>Type of Building</u>	<u>Coverage</u>
Principal	50%
Accessory	20%

c. Where applicable and requested by applicant, the provisions of section 108-15E(2) shall apply.

3) Single family detached dwellings

a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot area	10,000 square feet
Lot width	80 feet
Lot depth	100 feet
Side yard, each	10 feet each, 30 feet total
Front yard	30 feet
Rear yard	30 feet
Maximum building coverage	35%

b. Accessory Uses. Accessory uses shall be those permitted in sec. 108-12.2.

4) Multi-story apartments, townhouses, garden apartments, group homes and facilities

a. Standards

<u>Requirements</u>	<u>Minimum Dimensions</u>
Lot width	100 feet
Side yard, each	30 feet
Front yard	50 feet
Rear yard	60 feet
Maximum building coverage	60%

b. There shall be the following minimum distances between buildings.

Windowless wall to windowless wall	30 feet
Window wall to window wall	30 feet
Window wall to windowless wall	30 feet
Rear to rear	30 feet
End to end	30 feet
Any building face, except garage face to common parking area or street	12 feet
Garage face to common parking area	5 feet

The planning board may reduce the above distances if there is an angle between buildings, and sufficient landscaping or buffers are placed between buildings.

- c. Parking spaces in common parking areas for multi-family residential development shall be located within 250 feet of the dwelling units served.
- d. No building shall exceed a length of 250 feet in any single direction.
- e. No room within a dwelling unit intended for human habitation shall be located in a cellar, basement, or attic, except that a cellar or basement may contain a family room or recreation room. Any story which abuts a finished grade shall not be considered a basement or cellar. Any floor of any dwelling unit containing a ceiling, the exterior of which floor abuts below the finished grade, shall not be considered a story.
- f. Multi-family development in this district shall not be subject to any density adjustment factors and regulations otherwise applicable to townhouse or garden apartment developments, and all other standards of sections 108-34 and 108-35 shall not be applicable to multi-family development in this zone district.

G. Density (Residential)

- 1) 15 units per net acre where residential development contains market rate and affordable housing units as part of project.
- 2) 20 units per net acre, where residential development project is 100% affordable units.

H. Minimum off-street parking.

- 1) Residential:
 - a. RSIS standards, as set forth at N.J.A.C. 5:21-4.14 and Table 4.4 therein.

- 2) Retail of any kind:
 - a. Parking shall be provided at one (1) space/250 SF.
- 3) Office Manufacturing/Warehouse/Wholesale Distribution:
 - a. Parking shall follow requirements as located in sec. 108-16(G).
- 4) Theaters/Restaurants/Hotels/Other Uses: 1 space per 4 seats

I. Signs.

- 1) Each pylon sign shall not exceed 50 feet in height, shall be set back from the street rights-of-way and driveways at least 20 feet, shall not exceed an area of 200 square feet, and shall be at least 800 linear feet from the centerline of Route 206.
- 2) Retail/Office to follow sec. 108-15(H).
- 3) Manufacturing/Warehouse/Wholesale Distribution: To follow Section 108-16 (I).
- 4) Notwithstanding the provisions of sec. 108-30.4C, digital sequential signs shall be permitted on the Property.
- 5) The provisions of sec. 108-30.5E shall not apply to the Property. Signs, including, but not limited to digital sequential signs, may be located off of the Property, on land and/or existing free standing signs fronting on Route 206 (pursuant to a private agreement between the Property owner and owners of land fronting on Route 206) in order to identify and describe the uses on the Property, and for such off Property signs, the provisions of section 108-30.3 shall not apply.
 Signs on the Property and any free standing sign permitted along Route 206 shall pertain only to properties owned by the Martins. No billboard type signs will be permitted to advertise any commercial businesses other than those on properties owned by the Martins, however community and public service announcement shall be permitted. Digital sequential signs shall be permitted for businesses on the Property and for businesses already identified on existing signs along Route 206, except that notwithstanding any other provisions in this Section I to the contrary, the existing pylon sign on Route 206 currently identifying Marshalls and Home Goods shall remain as a non-digital sign but may have an additional sign plate or panel inserted to advertise additional commercial uses.
- 6) Notwithstanding the provisions of sec. 108-30.5G, digital sequential signs shall be permitted.
- 7) The provisions of sec. 108-30.5H shall not apply.
- 8) Notwithstanding the provisions of sec. 108-30.11, the number of signs permitted shall be :
 one free-standing sign per building, provided, each establishment in such building shall have a placard (sign) identifying it on the free standing sign; one façade sign per establishment; and one off-site sign per establishment. Notwithstanding the provisions of section 108-30.4C, all signs pertaining to the development of the Property may be digital sequential signs.
- 9) A monument sign, not a pylon sign, shall be permitted along County Route 519 to advertise and identify commercial uses on the Property and residential uses or developments on the Property.

J. Affordable housing:

It is the intent and purpose of this section that the residential development of the Martin Property shall create a realistic opportunity for the development of 57 affordable rental units. The residential development may be in the form of 100% affordable units at a development density of 20 dwelling units per net acre, or via an inclusionary development with a density of 15 dwelling units per net acre, with a set aside of 17.5% on about 22 acres, or a combination of these mechanisms.

- 1) At least 17.5% of all residential units proposed in an inclusionary residential development of market rate and affordable units shall be affordable to low- and moderate-income households as defined by N.J.A.C. 5:93-1.3 and N.J.A.C. 5:93-7.4, provided that once 57 units of affordable rental housing have been developed, this restriction shall no longer apply.
- 2) Affordable units within a mix of market units shall comply with the UHAC rules on phasing.
- 3) The schedule found in N.J.A.C. 5:93-5.6(d) shall be followed in distributing affordable housing units during the construction of the proposed residential development on the Property.

K. Development Fees.

No development fees (i.e., Affordable housing fees), as described in N.J.S.A. 40:55D-8.1 et seq., and Hampton Code sec. 108-66, 108-67, and 108-68, whether for non-residential or residential development, shall be applicable to, assessed or collected from any development on the Martin Property.

SECTION 2. All ordinances or parts of ordinances of the Township inconsistent herewith are repealed to the extent of such inconsistency.

SECTION 3. If any section, subsection, clause or phrase of this ordinance is for any reason held to be unconstitutional or invalid by any court of competent jurisdiction, such decision shall not affect the remaining portion of this ordinance.

SECTION 4. This ordinance shall take effect immediately upon final passage and publication as required by law.

CERTIFICATION

I hereby certify that the above Ordinance was adopted by the Hampton Township Committee at their regular meeting held on June 26, 2018 at the Hampton Township Municipal Building, Baleville, Sussex County, New Jersey.

Date: _____

Kathleen Armstrong, RMC
Township Clerk

**HAMPTON TOWNSHIP
NOTICE
ORDINANCE 2018-09**

NOTICE IS HEREBY GIVEN that the attached Ordinance #2018-09 was introduced at a special meeting of the Hampton Township Committee, Sussex County, New Jersey, held on the 7th day of June, 2018, and passed on first reading, and that such Ordinance will be further considered for final passage and adoption at the regular meeting of the Hampton Township Committee to be held on the 26th day of June, 2018, at the Township Municipal Building, One Municipal Complex Road, Hampton Township, New Jersey at 7:00 p.m., and that at such time and place all persons interested shall be given an opportunity to be heard concerning said Ordinance.

Kathleen Armstrong
Hampton Township Clerk

**HAMPTON TOWNSHIP
NOTICE
ORDINANCE 2018-09**

NOTICE IS HEREBY GIVEN that the foregoing Ordinance #2018-09 was adopted at Final Reading at the regular meeting of the Township Committee of the Township of Hampton, County of Sussex held on Tuesday, June 26, 2018, at the Hampton Township Municipal Building, Baleville, N.J.

Kathleen Armstrong, RMC
Township Clerk

APPENDIX H

Draft of Fourth Round Spending Plan

AFFORDABLE HOUSING TRUST FUND SPENDING PLAN DRAFT

June 5, 2025
Approved by Township Committee ____, 2025

Hampton Township
Sussex County, New Jersey

Prepared By:



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The original of this report was signed and sealed in
accordance with N.J.S.A. 45:14A-12

A handwritten signature in black ink that reads 'M. McKinley Mertz'. The signature is written in a cursive, flowing style.

M. McKinley Mertz, AICP, P.P. #6368

With contributing content by Megan Adam, Associate Planner



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INTRODUCTION

Hampton Township, Sussex County has prepared and will adopt a Fourth Round Housing Element and Fair Share plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and the Fair Housing Act (N.J.S.A. 52:27D-301) as amended.

The Township petitioned the Council on Affordable Housing ("COAH") for Second Round Certification on June 6, 2000, and received substantive certification on November 5, 2003. Hampton Township then petitioned COAH on April 15, 2009, but did not receive Third Round Certification as the Third Round Rules were invalidated by the Court. Subsequent to Mount Laurel IV, a Final Judgment of Compliance and Repose for the Township was granted on November 16, 2018.

A development fee ordinance creating a dedicated revenue source for affordable housing was adopted by the Township on September 27, 2005 (Ordinance 2005-11). This ordinance has subsequently been amended three times, with the most recent amendment adopted on May 26, 2015 (Ordinance 2015-04). In response to the 2024 amendment to the Fair Housing Act and any subsequent changes to the substantive rules, Hampton Township will once again amend its development fee ordinance if necessary to ensure it meets current standards.

As part of the Township's efforts to address its Third Round obligation, Hampton's first Third Round Spending Plan was adopted on December 22, 2017, and subsequently amended on February 22, 2018. The Township's Third Round Spending Plan was approved by the Court on June 8, 2018.

Pursuant to the settlement agreement with Fair Share Housing Center (FSHC) which was executed on November 29, 2016 and amended on October 31, 2027, annual monitoring reports were submitted to the New Jersey Department of Community Affairs, FSHC, and posted to the Township website. These reports provided updates on the Township's Affordable Housing Trust Fund. This 2025 Spending Plan supersedes all prior Spending Plans.

Since the inception of the trust fund in 2006, the Township has collected nearly \$400,000 in development fees, payments in lieu of construction, interest, and other income. Hampton has spent approximately \$45,000 on administrative costs. The balance of the Township's Trust Fund was \$366,869, as of March 31, 2025.

All development fees, payments in lieu of constructing affordable units on site, interest generated by the fees as well as any other source of income are deposited into this separate, interest-bearing affordable housing trust fund for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:93, or applicable regulations, as described in the sections that follow. This Spending Plan is





submitted for approval to expend all current and future affordable housing trust fund monies, as necessary, that will contribute to the development of new affordable housing units.

1. REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated during the period of Fourth Round "Substantive Certification," Hampton Township considered the following:

(a) Development fees

1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
3. Future development that is likely to occur based on historical rates of development.

(b) Payment in lieu (PIL)

Actual and committed payments in lieu (PIL) of construction from developers.

(c) Other funding sources

Funds from other sources, including, but not limited to, the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, proceeds from the sale of affordable units.

(d) Projected interest

Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate.



**(e) Projected Revenues**

Projected Revenues – Housing Trust Fund – June 2025 through June 2035				
	Current Balance	(a) Projected Development Fees:	(d) Interest	TOTAL
Trust Fund Balance as of 3/31/2025	\$366,869	-	-	\$366,869
2025	-	\$15,000	\$68	\$15,068
2026	-	\$30,000	\$135	\$30,135
2027	-	\$30,000	\$135	\$30,135
2028	-	\$30,000	\$135	\$30,135
2029	-	\$30,000	\$135	\$30,135
2030	-	\$30,000	\$135	\$30,135
2031	-	\$30,000	\$135	\$30,135
2032	-	\$30,000	\$135	\$30,135
2033	-	\$30,000	\$135	\$30,135
2034	-	\$30,000	\$135	\$30,135
2035	-	\$15,000	\$68	\$15,068
TOTAL	\$366,869	\$300,000	\$1,350	\$668,219

To calculate the projection of revenue anticipated from the general development fees, 11 years (2013 through 2023) of construction data (for both residential and non-residential construction) for the Township, acquired from the New Jersey Department of Community Affairs, was examined. The historic activities of Township's existing affordable housing trust fund were also analyzed, and the projected development fees reflect both trends.

The Township projects a total of \$300,000 will be collected between July 1, 2025 and June 30, 2035. An additional \$1,350 in interest is projected to be earned through 2035. Interest calculations are based on a historic average of the interest earned in the Township's trust fund. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing. Including the existing trust fund balance, the Township projects a total of \$668,219 through June 30, 2035.





2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by Hampton Township:

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with Hampton's development fee ordinance for both residential and non-residential developments.

(b) Distribution of development fee revenues:

The Administrative Agent and the Municipal Housing Liaison will manage the projects outlined in this Spending Plan and the Housing Element and Fair Share Plan.

The release of funds requires the adoption of a resolution by the Township Committee. Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the Township Committee resolution.

(c) Collection and distribution of barrier free funds:

Collection and distribution of barrier free funds shall be consistent with the Township's Affordable Housing Ordinance (Chapter 108, Article VIII of the Township's Revised General Code) and in accordance with applicable regulations. A process describing the collection and distribution procedures for barrier free escrow is detailed within the Township's Affordable Housing Ordinance.



3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

The following sections represent the anticipated affordable housing expenditures within Hampton Township, that will utilize trust fund monies.

(a) Rental Rehabilitation Program and New Construction Projects (N.J.A.C. 5:93-8.16)

Although there are no projects planned at this time in part due to Hampton's lack of infrastructure, the Township will dedicate \$364,801 to any new construction development that becomes viable within the Township. As discussed in the Township's Fourth Round Housing Element and Fair Share Plan, the Township has a Fourth Round Rehabilitation Obligation of 0.

(b) Affordability Assistance (N.J.A.C. 5:93-8.16)

As per the requirements regarding the use of funds for affordability assistance laid out in N.J.A.C. 5:93-8.16, the Township is required to dedicate at least 30% of all development fees collected and interest earned to provide affordability assistance to low-, and moderate-income households. In addition, at least one-third of the affordability assistance shall be used to provide affordability assistance to very-low-income households.

The calculation of available affordability assistance funds is performed by considering the lifetime of the trust fund. To project the funding amount that is dedicated to affordability assistance, all actual expenditures spent on new construction activities as well as any rehabilitation activities from the inception of the fund are subtracted from the sum of the actual and projected development fees and interest. That total is multiplied by 30% to determine the 30% requirement. The actual affordability assistance expenditures from the inception of the fund are then subtracted from the overall 30% requirement. This final outcome is the total remaining funds that must be dedicated to affordability assistance for the period moving forward.

The Township of Hampton has collected \$395,735 in development fees and interest through March 31, 2025. The Township projects an additional \$300,000 in development fees and \$1,350 in interest through 2035. The Township has spent \$0 on housing activities to date.





Affordability Assistance Projection

Affordability Assistance		
Actual development fees collected, and interest earned through 3/31/2025		\$395,735
Projected Development Fees June 2025-2035	+	\$300,000
Projected Interest June 2025-2035	+	\$1,350
Less Housing Activity Through 4/30/2025	-	\$0
Total	=	\$697,085
30 percent requirement	x 0.30=	\$209,126
<i>Minimum Affordability Assistance</i>	=	\$209,126
<i>Less Affordability Assistance Expenditures through 3/31/2025</i>	-	\$0
Remaining Affordability Assistance Requirement		\$209,126
Minimum Very Low-Income Requirement	÷ 3 =	\$69,709

(c) Administrative Expenses (N.J.A.C. 5:93-8.16)

No more than 20% of revenues collected from development fees shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop and implement: a new construction program; a housing element; and an affirmative marketing program. Administrative funds may be used for: income qualification of households; monitor the turnover of sale and rental units; and compliance with monitoring requirements.

The calculation of allowable administrative expenses is performed by considering the lifetime of the trust fund. To project the funding amount that will be available for administrative costs, the sum of all development fees actually collected, and all interest earned since the inception of the account will be added to the sum of all projected development fees and interest projected to be collected through the remainder of this round. From this amount, any Regional Contribution Agreement (RCA) expenditures made or contractually obligated from the inception of the account are subtracted. This final amount is multiplied by 20% and then actual administrative expenditures made from inception is subtracted out. The final outcome of this calculation, as depicted in the following table, is the total remaining funds that will be available for administrative expenses through the end of this Round.

The Township has collected \$395,735 in development fees and interest from inception through March 31, 2025. The Township projects an additional \$300,000 in development fees and \$1,350 in interest through 2035. The Township has never taken part in an RCA. Hampton has spent \$45,124 on administrative expenses through March 31, 2025.



Administrative Expenses		
Actual development fees collected, and interest earned through 3/31/2025		\$395,735
Projected Development Fees June 2025-2035	+	\$300,000
Projected Interest June 2025-2035	+	\$1,350
RCA expenditures	-	\$0.00
Total	=	\$697,085
20 percent maximum permitted on administrative expenses based on total projection	x 0.20 =	\$139,417
Less Administrative Expenditures through 3/31/2025	-	\$45,124
Projected Allowed Admin. Expenditures	=	\$94,293

Moving forward, the Township projects that \$94,293 will be available from the affordable housing trust fund for administrative expenses for the time period of June 1, 2025, through June 30, 2035. Because the actual administrative expense maximum is calculated on an ongoing basis based on actual revenues, the Township shall be permitted to spend 20% of the actual balance at any given time on administrative fees. Money becomes available for administrative expenses as additional income is collected.

Projected administrative expenditures, subject to the 20 percent cap, include but are not limited to:

- Administration and expenses associated with the Township affordable housing units;
- Expenses associated with the preparation and implementation of the Housing and Fair Share Plan and monitoring of the current and future housing programs for Hampton Township
- Affirmative Marketing;
- Income qualification; and
- Administration of the Township's affordable housing units.

Legal or other fees related to litigation opposing affordable housing sites are not eligible uses of the affordable housing trust fund.



4. EXPENDITURE SCHEDULE

Projected Expenditure Schedule – Housing Trust Fund – June 2025 through June 2035				
	New Construction	Affordability Assistance	Administration	TOTAL
2025	\$18,240	\$10,456	\$4,715	\$33,411
2026	\$36,480	\$20,913	\$9,429	\$66,822
2027	\$36,480	\$20,913	\$9,429	\$66,822
2028	\$36,480	\$20,913	\$9,429	\$66,822
2029	\$36,480	\$20,913	\$9,429	\$66,822
2030	\$36,480	\$20,913	\$9,429	\$66,822
2031	\$36,480	\$20,913	\$9,429	\$66,822
2032	\$36,480	\$20,913	\$9,429	\$66,822
2033	\$36,480	\$20,913	\$9,429	\$66,822
2034	\$36,480	\$20,913	\$9,429	\$66,822
2035	\$18,240	\$10,456	\$4,715	\$33,411
TOTAL	\$364,801	\$209,126	\$94,293	\$668,219

5. EXCESS OR SHORTFALL OF FUNDS

In the event funding sources as identified within this Spending Plan for the projects detailed in the Housing Element and Fair Share Plan prove inadequate to complete the affordable housing programs, the Township shall provide sufficient funding to address any shortfalls through bonding.

In the event that more funds than anticipated are collected or projected funds exceed the amount necessary to implement the Township's affordable housing projects, these excess funds will be used to fund eligible affordable housing activity pursuant to applicable rules and regulations.





SUMMARY

Hampton Township intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:93 and consistent with the housing programs outlined in its adopted Housing Element and Fair Share Plan.

The Township's trust fund has a balance of \$366,869 as of March 31, 2025. Hampton anticipates an additional \$301,350 in revenues and interest by June 30, 2035.

- New construction: \$364,801
- Affordability Assistance: \$209,126, which includes \$69,709 for the very low-income requirement
- Administration: \$94,293

SPENDING PLAN SUMMARY	
Balance as of March 31, 2025	\$366,869
Projected REVENUE June 1, 2025 to June 30, 2035	
Development fees	+ \$300,000
Payments in lieu of construction	+ \$0
Other funds	+ \$0
Interest	+ \$1,350
TOTAL REVENUE + CURRENT BALANCE	= \$668,219
EXPENDITURES	
Funds used for New Construction	- \$364,801
Affordability Assistance	- \$209,126
Administration	- \$94,293
Excess Funds for Additional Housing Activity	= \$0
TOTAL PROJECTED EXPENDITURES	= \$668,219
REMAINING BALANCE	= \$0

