

First Amendment to the Fourth Round Housing Plan Element and Fair Share Plan

**Township of Verona
Essex County, New Jersey**

Prepared:
February 17, 2026

Prepared for:
Township of Verona Planning Board

Prepared by:



T&M Associates
11 Tindall Road
Middletown, NJ 07748



Daniel Hauben, PP, AICP. LEED Green Associate
NJ Professional Planner: 33LI00630300

SIGNED AND SEALED COPY TO BE FILED WITH THE TOWNSHIP CLERK

Adopted on March 3, 2026 by the Township of Verona Planning Board.
Endorsed on March 11, 2026 by the Verona Township Council.

The original of this document has been signed and sealed in accordance with Law.

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

RESOLUTION No. 2026-061

A motion was made by Mayor Tamburro; seconded by Councilman Roman that the following resolution be adopted:

**ENDORISING THE PLANNING BOARD'S APPROVAL OF THE FIRST
AMENDMENT TO THE 4TH ROUND HOUSING ELEMENT AND
FAIR SHARE PLAN**

WHEREAS, the State Legislature of the State of New Jersey passed and, on March 18, 2024, Governor Phil Murphy signed, a Bill commonly known as A4/S50 or P.L. 2024, c.2, hereinafter referred to as the 4th Round Rules; and

WHEREAS, the 4th Round rules abolished the Council on Affordable Housing, also known as COAH, and delegated its responsibilities to the New Jersey Department of Community Affairs ("DCA"), the New Jersey Housing and Mortgage Finance Agency, and the Affordable Housing Dispute Resolution Program (the "**Program**"), ordered to be formed by the same law; and

WHEREAS, the 4th Round rules ordered the DCA to calculate and publish, not later than October 20, 2024, the "Prospective Need" and "Present Need" housing obligations for each municipality in the State of New Jersey according to a methodology based largely upon the methodology approved by the Honorable Mary C. Jacobsen, A.J.S.C. of Mercer County on March 8, 2018 for the 3rd Round; and

WHEREAS, the Prospective Need obligation represents the need for newly constructed or preserved affordable housing units projected over the next 10 years, calculated for "regions" consisting of three to four counties and allocated to each municipality based upon factors that consider their available vacant land, median household income, and growth in equalized assessed non-residential property value relative to their region; and

WHEREAS, the Township of Verona (the "**Township**") is located in Region 2, identified in the 4th Round rules as consisting of all municipalities in Essex, Union, Morris, and Warren Counties; and

WHEREAS, the Present Need obligation represents the need for rehabilitation of substandard homes in the municipality, occupied by low- and moderate-income households, based upon publicly available local estimates of housing that lacks adequate plumbing or kitchens, is overcrowded, is more than 50 years old, and is likely to be occupied by low- and moderate-income households; and

WHEREAS, on October 18, 2024, the DCA published its calculations of the Prospective and Present Need obligations for every municipality in New Jersey, which included, for the Township of Verona, a Prospective Need of 173 units and a Present Need of 0 units; and

WHEREAS, on January 20, 2025, the Verona Township Council (the "**Township Council**") adopted Resolution 2025-25 (the "**Binding Resolution**"), proposing to establish the Township's Fourth Round Present and Prospective Need obligations pursuant to the amended Fair Housing Act, N.J.S.A. 52:27D-301 et seq. (the "**Amended Act**"); and

WHEREAS, on January 22, 2025, the Township filed the necessary complaint, with the Resolution annexed thereto as Exhibit A, with the Superior Court of New Jersey initiating a declaratory judgment action bearing Docket No. ESX-L-594-25 (the "**DJ Action**") before the Affordable Housing Dispute Resolution Program (the "**Program**"), established pursuant to N.J.S.A. 52:27D-313.2 of the Amended Act, in accordance with the requirements of the Amended Act, and the timeframes set forth in Directive #14-24 issued December 13, 2024 by the Administrative Office of the Courts (the "**Directive**"); and

WHEREAS, the filing of the DJ Action, in accordance with the Act and the Directive, gave the Township immunity from Builder's Remedy lawsuits, which immunity continues to be in full force and effect; and

WHEREAS, Fair Share Housing Center ("FSHC") and New Jersey Builders Association ("NJBA") each filed a challenge to the DJ Action; and

WHEREAS, a settlement agreement (the "**Settlement Agreement**") was executed by and between the Township and FSHC, with NJBA presenting no objection thereto, determining a Fourth Round Present Need obligation for the Township of 0 units and a Fourth Round Prospective Need obligation for the Township of 155 units (the "**Settlement**"); and

WHEREAS, both the assigned Program Member, the Honorable Julio L. Mendez, J.S.C. (Ret.), and the appointed Special Adjudicator, Elizabeth McManus, recommended the acceptance of the Settlement, and by Order filed April 7, 2025 (the "**Obligation Order**"), Essex County Vicinage Designated Mt. Laurel Judge, the Honorable Aldo J. Russo, J.S.C., accepted and adopted the Report and Recommendations for approval of the Settlement submitted by the Program Member, fixing the Township's Fourth Round Present Need obligation at 0 units and Fourth Round Prospective Need obligation of 155 units, consistent with the Settlement terms; and

WHEREAS, in accordance with the Act, the Binding Resolution, the Settlement Agreement and the Order, the Township's affordable housing planning consultant (the "**Township Affordable Housing Planner**") prepared a Housing Element and Fair Share Plan, dated June 9, 2025 addressing the Township's Present Need and Prospective Need Obligations for the Fourth Round ("**HEFSP**"); and

WHEREAS, by the adoption of Resolution 2025-10 following a public hearing during a duly noticed public meeting on June 19, 2025, pursuant to N.J.S.A. 40:55D-28 and as authorized by order filed April 7, 2025 by the Court in the DJ Action, adopted the HEFSP prepared by the Township Affordable Housing Planner addressing the Township's satisfaction of its Fourth Round Prospective Need and Present Need affordable housing obligations as determined by the Court in the DJ Action and in accordance with applicable law including the Amended FHA; and

WHEREAS, the Township Council, pursuant to the Amended FHA and as authorized by the Obligation Order filed by the Court in the DJ Action, by Resolution 2025-127 adopted during a duly noticed public meeting on June 23, 2025, endorsed the HEFSP as adopted by Resolution 2025-10 of the Planning Board of the Township of Verona; and

WHEREAS, through participation in the Program, the Township amicably resolved by settlement (the "**Program Settlements**") all challenges (the "**DJ Action Challenges**") filed concerning the Township's HEFSP, and the Court, by order filed February 18, 2026 in the DJ Action, approved the Program Settlements resolving all DJ Action Challenges, approved the HEFSP as previously adopted by the Township of Verona Planning Board and endorsed by the Township Council, and authorized the adoption of those amendments to HEFSP as were required by the Program Settlements; and

WHEREAS, following the Township entering into the Program Settlements resolving the DJ Action Challenges, pursuant to and as required by the Amended FHA and the Program Settlements and order of the Court in the DJ Action and as directed by the Township, the Township's Affordable Housing Planner prepared the First Amendment to the Fourth Round HEFSP dated February 17, 2026 (the "**Amended Fourth Round HEFSP**"), making those revisions to the HEFSP as were required by the Program Settlements; and

WHEREAS, by the adoption of Resolution 2026-14 following a public hearing during a duly noticed public meeting on March 3, 2026, pursuant to N.J.S.A. 40:55D-28 and as authorized by the order filed February 17, 2026 by the Court in the DJ Action, adopted the Amended Fourth Round HEFSP prepared by the Township Affordable Housing Planner addressing the Township's satisfaction of its Fourth Round Prospective Need and Present Need affordable housing obligations as determined by the Court in the DJ Action and in accordance with applicable law including the Amended FHA; and

WHEREAS, a true and correct copy of the Amended Fourth Round HEFSP is annexed hereto as Exhibit A; and

WHEREAS, a true and correct copy of Planning Board Resolution 2026-14 adopting the Amended Fourth Round HEFSP is annexed hereto as Exhibit B.

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Verona, County of Essex, State of New Jersey as follows:

1. The Township Council hereby endorses the Amended Fourth Round HEFSP as adopted by the Planning Board on March 3, 2026 by Resolution 2026-14.
2. The Township's professionals are directed to continue to take all actions deemed necessary to continue participating in the Program.
3. The Township reserves the right to further amend the Amended Fourth Round HEFSP should that be necessary.

ROLL CALL:

AYES: Roman, McEvoy, Tamburro

NAYS:

ABSTAIN: Holland, McGrath

THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERONA AT A REGULAR MEETING HELD ON MARCH 9, 2026.


JENNIFER KIERNAN, RMC, CMC
MUNICIPAL CLERK



First Amendment to the Fourth Round Housing Plan Element and Fair Share Plan

**Township of Verona
Essex County, New Jersey**

Prepared:
February 17, 2026

Prepared for:
Township of Verona Planning Board

Prepared by:



T&M Associates
11 Tindall Road
Middletown, NJ 07748



Daniel Hauben, PP, AICP. LEED Green Associate
NJ Professional Planner: 33LI00630300

SIGNED AND SEALED COPY TO BE FILED WITH THE TOWNSHIP CLERK

Adopted on March 3, 2026 by the Township of Verona Planning Board.
Endorsed on March 11, 2026 by the Verona Township Council.

The original of this document has been signed and sealed in accordance with Law.

VERONA TOWNSHIP

Mayor and Council

Christopher Tamburro, Mayor
Jack McEvoy, Deputy Mayor
Alex Roman, Councilman
Christine McGrath, Councilwoman
Cynthia Holland, Councilwoman

Planning Board

Mayor Christopher Tamburro, Class I
Kevin O'Sullivan, Class II, Township Manager
Deputy Mayor Jack McEvoy, Class III
Jessica Pearson, Class IV, Planning Board Chairperson
Jason Hyndman Class IV, Planning Board Vice Chairperson
Tim Camuti, Class IV, Planning Board Member
Jesse Lilley, Class IV, Planning Board Member
David Freschi, Class IV, Planning Board Member
Julie Parker, Class IV, Planning Board Member
Jim Day, Alternate Member #1
Dylan Magarrell, Alternate #2

Dee Dee Carpinelli, Planning Board Secretary

Township Officials

Kevin O'Sullivan, Township Manager
Michael Kraus, Deputy Township Manager
Kristine Gould, Executive Assistant

Jennifer Kiernan, RMC, CMC, Township Clerk

Table of Contents

Amended Housing Element and Fair Share Plan Introduction 1

 Amending the 4th Round HEFSP 3

Amended Fair Share Plan 4

 Affordable Housing Obligation 4

 Vacant Land Adjustment & Realistic Development Potential (RDP) 4

 Prior Round and Round 3 Obligations 5

 Round 4 Prospective Need 5

Other Amendments and Agreement Terms..... 10

 Zoning and Redevelopment Plans 10

 Spending Plan 10

 Minimums & Maximums 11

Conclusion 11

Appendices 12

Amended Housing Element and Fair Share Plan Introduction

The Township of Verona (“Township”), Essex County, adopted a Fourth Round Housing Element and Fair Share Plan (“Adopted Plan” or “HEFSP”) on June 19, 2025 as an amendment to the municipal master plan in accordance with the New Jersey Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq., as amended by P.L. 2024, c.2, hereinafter “FHA2”). In accordance with an Order of April 7, 2025 by the Honorable Aldo J. Russo, J.S.C., the Township’s Adopted Plan addressed a fourth round prospective need obligation of 155 new affordable housing units and a fourth round present need obligation of zero (0) rehabilitation units. It also reaffirmed the Township’s strategy for addressing its prospective need obligations from the first, second, and third affordable housing rounds (hereinafter “Prior Rounds”). Furthermore, in accordance with FHA2, the Adopted Plan adjusted the 155-unit prospective need to a 58-unit “realistic development potential”, or “RDP”, to reflect the limited vacant and developable land in Verona. This left a 97-unit “unmet need” (the difference between the prospective need and the RDP), of which the Township was required by FHA2 to satisfy a minimum of 25%, or 25 units.

The Township’s Plan satisfied the 58-unit RDP with proposed redevelopment projects and existing age-restricted units, and the 25 units of unmet need with proposed zoning amendments in the “TC” Town Center zoning district.

The Plan was challenged by:

- A&R Skyline (“A&R”) by way of submittal to the Affordable Housing Dispute Resolution Program (“Program”) dated August 29, 2025;
- DMH2, LLC. (“DMH2”) by way of submittal to the Program on August 31, 2025;
- JMF Properties, LLC (“JMF”) by way of submittal to the Program on August 29, 2025; and
- By Fair Share Housing Center (“FSHC”) by way of a submittal to the Program dated August 30, 2025 (collectively, “Parties”).

Multiple mediation sessions took place between the Parties and the Township from October 21 through December 22, 2025, with Program Judge Honorable Julio L. Mendez, JSC (Retired) and Special Adjudicator Elizabeth K. McManus in order to attempt to resolve the challenges to the Plan.

The challenges were resolved as follows:

A&R Challenge

A&R is the owner of a vacant 1.77-acre tract of land consisting of Lot 6 on Block 2205, which was previously a tunnel entrance for a railway running parallel to Bloomfield Avenue. As the Township was still considering, but had not yet agreed to, conceptual designs provided by A&R at the time of the June 19, 2025 adoption of its 4th Round Plan, the Township included the site in the Adopted HEFSP with a *minimum* of 19 total units and 4 affordable units, plus bonus credits. This was done to allow the Township to include the property in its HEFSP while still allowing the Township and its professionals time to fully vet the concepts provided by A&R and finalize negotiations.

A&R challenged the HEFSP, claiming that the 19-unit yield identified in the Adopted HEFSP was not economically viable for the site and that it would not present a realistic opportunity for the creation of affordable housing. They requested, in their challenge, that the property be included in the Plan with between 38 and 60 units.

The Township negotiated with A&R and arrived at an agreement that the HEFSP will be amended to include the property with 28 total townhouse units, of which three (3) would be affordable and available to families, and one (1) would be used as a home for the developmentally disabled with a minimum of three (3) bedrooms for the disabled population, for a total of six (6) affordable housing units.

JMF Challenge

JMF is the contract purchaser of 251-½ Grove Avenue, also known as Block 1201, Lot 12, which is a former industrial site having an area of 5.54 acres. The property is in the C-2 zone, which the Township had amended in 2024 to permit up to 165 assisted living beds on the property, including 25 beds for low- and moderate-income residents. The Township included the property in its 4th Round HEFSP; however, some weeks following the adoption of the HEFSP the property owner indicated that assisted living was no longer a viable option on the site. JMF, despite not making the Township aware of its interest in the property, filed a challenge to the HEFSP which sought to have the site rezoned to allow between 160 and 180 affordable independent senior living units.

Because the Township would be ineligible to receive any additional credits from the development of age restricted units at the 251-½ Grove Avenue site, due to the surplus of affordable senior units at the existing Hillwood Senior Housing site off-of Fairview Avenue, the Township and JMF settled the challenge to amend their challenge to a family townhouse project of 84 units of which 17 units, a 20% set-aside, would be affordable.

DMH2 Challenge

DMH2 withdrew its Challenge due to the Township finalizing a settlement agreement on November 25, 2025 related to the development of their property on Bloomfield Avenue. As a result of the withdrawal, no changes are required to the HEFSP in relation to DMH2.

FSHC Challenge

Fair Share Housing Center is a non-profit organization with a stated mission of mission of reducing barriers to safe, healthy, and affordable housing in New Jersey. Following the statutory June 30, 2025 deadline for municipalities to adopt their 4th Round HEFSPs, FSHC challenged the Plans of hundreds of municipalities in New Jersey, either seeking additional information about plan components or challenging the substance and constitutionality conformity of the Plans. In the case of the Township of Verona's 4th Round Plan, the core of FSHC's challenge was a disagreement over the methodology used to achieve the 58-unit RDP adjustment of the Township's 4th Round Prospective need. The Township addressed FSHC's challenge with an amended vacant land adjustment analysis that increased the RDP to 67 units, reducing the unmet need to 88 units. The remaining aspects of the FSHC challenge concerned verification of prior round credits and clarification of, and suggested enhancements to, the Township's proposed unmet need mechanisms.

Amending the 4th Round HEFSP

Pursuant to agreements entered into between the Township of Verona, FSHC, A&R, JMF, and DMH2, the Township hereby amends the June 19, 2025 adopted HEFSP as follows:

- The Township revises its RDP from 58 units to 67 units, and revises its Unmet Need from 98 units to 88 units, and the portion required by statute to be satisfied in the plan shall be 25% of that, or 22 units (down from 25 units);
- The Township updates its 4th Round compliance plan based on settlements with A&R and JMF, and Fair Share Housing Center;
- The Township updates the 4th Round Spending Plan to reflect newly adopted regulations.

Additionally, the Township will adopt all necessary ordinances or ordinance amendments necessary to implement the Amended HEFSP, including zoning ordinances, redevelopment plans, and ordinances concerning the administering of affordable housing and the collection and spending of affordable housing trust funds.

Amended Fair Share Plan

Affordable Housing Obligation

A municipality's affordable housing obligation is made up of both a present need (rehabilitation obligation) and a prospective need obligation (new construction obligation). Obligations are calculated in time periods known as "rounds." Whereas present need obligations reset each round, prospective need obligations accumulate overtime.

The Township adopted a Third Round Housing Element and Fair Share Plan in June of 2023 which addressed its affordable housing obligations from the first, second, and third rounds, accumulated between 1987 to 2015 and projected from 2015 to 2025 in accordance with a settlement agreement between the Township and Fair Share Housing Center executed on March 10, 2021.

Pursuant to an agreement between the Township and Fair Share Housing Center dated April 2, 2025, and an April 7, 2025 order of the Honorable Judge Aldo J Russo, JSC, the Township has a 4th Round prospective need obligation of 155 units and a present need obligation of 0 units.

Consequently, the Township's cumulative and current affordable housing obligations are as follows:

- Prior Round (Rounds 1 & 2, from 1987-1999) Obligation: 24 units
- Round 3 (from 1999-2025) Prospective Need Obligation: 215 Units
- Round 4 (from 2025-2035) Present Need (Rehabilitation Obligation): 0 units
- Round 4 (from 2025-2035) Prospective Need Obligation: 155 Units

Vacant Land Adjustment & Realistic Development Potential (RDP)

As a mostly built-out municipality, the Township was eligible to adjust its 155-unit 4th Round prospective need based upon a lack of vacant land in order to reduce the portion of its prospective need that is required to be created by 2035, when the fourth round ends. The adjustment is determined through an analysis of geospatial data, in which the Township is statutorily required to identify all properties in the Township that are "vacant" and "available", determine the portion of those properties that are not environmentally constrained or legally encumbered, and calculate the number of affordable units that could hypothetically be produced on the unconstrained portions of those properties based upon a suitable density and a presumption that 20% of the housing units produced on the properties would be set-aside for low- and moderate-income households. In order to settle the challenge from FSHC, the Township has also

included properties that are not vacant and available¹ but which are expected to be redeveloped and included in the housing plan.

The analysis concluded that the vacant and redevelopable lands in the Township could produce **67 affordable units** if zoned for inclusionary development with a 20% set-aside. This is referred to as the realistic development potential, or RDP.

Historically, the difference between the prospective need and the RDP has been referred to as the “unmet need”, and has been addressed in part or in whole through mechanisms like overlay zoning or accessory apartment incentive programs which create opportunities for affordable housing, but which are not required to create that housing during the 10-year affordable housing round. The unmet need from an RDP of 67 and a prospective need of 155 units is **88 units**. FHA2 requires towns that receive a vacant land adjustment to provide for zoning or other mechanisms that provide a realistic opportunity for at least 25% of the unmet need to be created during the 4th Round. For Verona Township, that number is **22 units**.

Prior Round and Round 3 Obligations

Verona Township adopted a Third Round Housing Element and Fair Share Plan in June of 2023 that addressed the Township’s **24-unit** first and second round prospective need and **215-unit** third round prospective need obligations. The Adopted 4th Round HEFSP identified and reaffirmed the creditworthiness of the housing units addressing the obligations of the prior rounds. Documentation of those housing units can be found in the appendices of the Township’s Third Round Housing Element and Fair Share Plan and in the appendices of this 4th Round HEFSP Amendment. No changes are required to the compliance plan for the Prior Rounds.

Round 4 Prospective Need

Verona’s fourth round prospective need of **155 units** is adjusted to a **67-unit** RDP and an **88-unit** unmet need, due to a lack of vacant and available land. Pursuant to FHA2, the HEFSP must address the entire RDP and at least 25% of the unmet need with compliance mechanisms that have a realistic probability of producing affordable housing during the round ending on June 30, 2035. This amendment to the 4th Round HEFSP reaffirms and expands upon the compliance strategy in the Adopted 4th Round HEFSP based upon the settlements between the Township and FSHC, JMF, and A&R, as follows:

Satisfaction of the 67-unit RDP

Hillwood/Verona Senior Housing. This **159-unit**, 100% affordable senior living facility at 100 Hillwood Terrace (Block 2701, Lot 23) was utilized to satisfy a portion of the prior round obligations with 59 units. An additional **12 units** will be applied

¹ As defined by the Council on Affordable Housing at N.J.A.C. 5:93-1.3

toward the fourth round, which is within the 30% cap on age-restricted units identified at N.J.S.A. 52:27D-311(l).

320 Bloomfield Avenue. The adopted 4th Round HEFSP indicated that a redevelopment plan was prepared for this project at Block 704, Lots 18 and 20, but the originally intended redeveloper asked the Township to delay its adoption. The Township will proceed with adoption of the redevelopment plan for the property, with the same **12-unit** yield and 20% (**2-unit**) set-aside stated in the Adopted plan. The suitability criteria for this site were addressed in the adopted HEFSP and are unchanged for the purposes of this amendment.

Hillcrest Farms / 383 Bloomfield Avenue. The Township is proceeding with adopting a redevelopment plan that allow for a yield of **33 units** at Block 708, Lot 1, including at least **five (5) affordable housing units**, consisting of one (1) 3-bedroom affordable family unit and a minimum of four (4) special needs bedrooms. This is unchanged from the adopted HEFSP. The suitability criteria for this site were addressed in the adopted HEFSP and are unchanged for the purposes of this amendment. As a site with an interested developer, the five affordable units can produce **4.5 bonus credits**, consisting of one (1) bonus credit for each of the four (4) special needs bedrooms and 0.5 redevelopment bonus credits for the one (1) family affordable apartment. This results in a combined **9.5 credits** toward the 4th Round RDP.

Richfield Regency / 420 Bloomfield Avenue. The Township will adopt a redevelopment plan for Block 710, Lot 3, which will permit the mixed-use development having up to **65 residential units** including **10 affordable units**. The suitability criteria for this site were addressed in the adopted HEFSP and are unchanged for the purposes of this amendment. As the property has an interested developer, it is eligible for 0.5 redevelopment bonus credits per affordable unit, or **five (5) bonus credits** for a total of **15 credits** toward the 4th Round RDP.

DMH2 / 176 Bloomfield Avenue. Unchanged from the adopted 4th Round HEFSP, the Township will proceed with a redevelopment plan permitting **28 residential units** on Block 202, Lots 1 and 23, including **four (4) affordable units**. As a redevelopment project, the project is eligible for 0.5 bonus credits for each affordable unit, or **two (2) bonus credits** for a total of **six (6) credits** toward the 4th Round RDP. The suitability criteria for this site were addressed in the adopted HEFSP and are unchanged for the purposes of this amendment.

A&R Skyline / 885 Bloomfield Avenue. Pursuant to the settlement agreement between A&R and the Township Council, the Township will adopt a redevelopment plan that will permit a **28-unit** townhouse development on Block 2205, Lot 6, of which three (3) townhouse units will be affordable family townhouses and one (1) townhouse unit will contain three (3) bedrooms for individuals with developmental disabilities, for a total of **six (6) affordable units**, representing a 20% set-aside. The three family affordable units are eligible for 0.5 transit-oriented bonus credits each

and the three special needs bedrooms are eligible for 1 bonus credit each, for a total of 4.5 bonus credits. However, due to the cap of 16 bonus credits for a 67-unit RDP, the Township is only claiming **3.5 bonus credits** from this project, for a total of **9.5 credits and units**. The suitability criteria for this site were addressed in the adopted HEFSP and are unchanged for the purposes of this amendment.

JMF Properties / 251 ½ Grove Avenue. Pursuant to the settlement agreement between JMF and the Township Council, the Township will undergo the process of designating Block 1201, Lot 12 as an area in need of redevelopment and immediately thereafter adopt a redevelopment plan that will permit up to **84 stacked townhouse units** inclusive of **17 family affordable units** (a 20% set-aside). The suitability criteria for this site were addressed in the adopted HEFSP and continue to be applicable notwithstanding the change in the intended development type from assisted living to family townhouses.

21-25 Grove Avenue. The 4th Round HEFSP will be amended to include this project. An application is before the Zoning Board of Adjustment at the time of this writing to construct an **eleven (11) unit** townhouse development on Block 1702, Lot 22, which would include **two (2) affordable units** in accordance with the Township's mandatory set-aside ordinance. The two affordable units are eligible for 0.5 redevelopment and transit oriented bonus credits each, for a total of **one (1) bonus credit** and a combined three **(3) credits** towards the 4th Round RDP. The property is suitable for inclusion in the HEFSP as follows:

- *“Available site” means a site with clear title, free of encumbrances which preclude development for low and moderate income housing.*

The Township is not aware of any conditions of title or any legal encumbrances which would preclude production of affordable housing on this property.

- *“Suitable site” means a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4.*

The property in question is located on the periphery of the Town Center Zone that fronts Bloomfield Avenue, and directly neighbors commercial uses to the south and single-family residential uses to the north. There are no significant environmental constraints that would preclude the site from producing affordable housing. Additionally, the site has access to appropriate streets and is adjacent to compatible uses.

- *“Developable site” means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.*

The site has access to existing water and sewer infrastructure and is within an existing approved sewer service area.

- *“Approvable site” means a site that may be developed for low and moderate income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. A site may be approvable although not currently zoned for low and moderate income housing.*

The Township is not aware of any conditions which would preclude the site from being developed consistent with applicable State regulations.

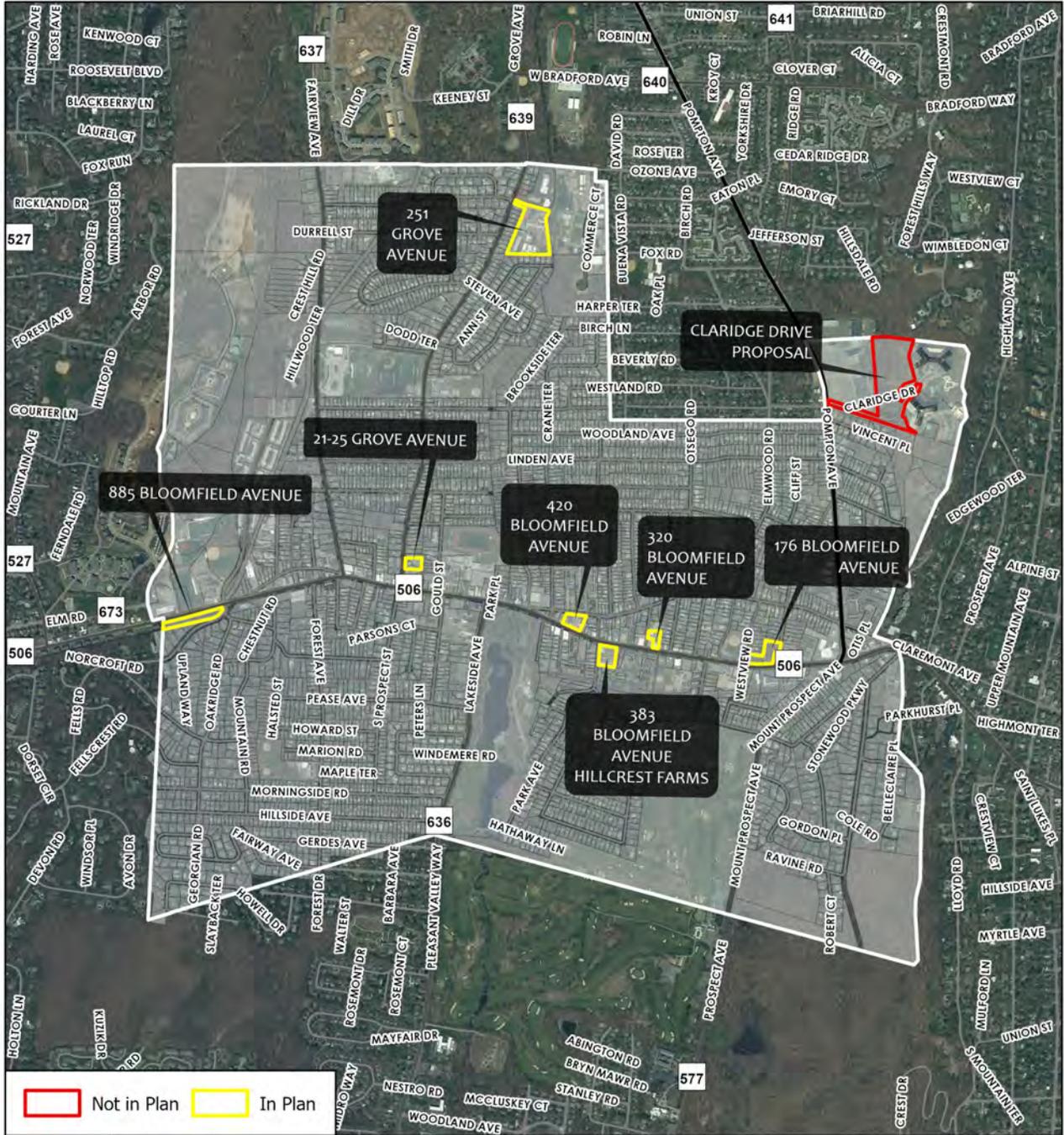
The Township will satisfy its 67-unit RDP with **58 units and 16 bonus credits**, for a total of **74 credits**, leaving a **seven (7) unit** surplus that will be applied toward future affordable housing rounds.

The Township will satisfy the Unmet Need with the following projects:

Town Center Mixed Use (TCMU) Overlay Zone District. This overlay zone was included in the adopted 4th Round HEFSP as a compliance mechanism for addressing the RDP. However, for the purposes of this Amended HEFSP, it will be utilized to address a portion of the Unmet Need. As stated in the Adopted HEFSP, the overlay zone permits up to 70 units across the affected area. The ordinance will be amended to require that any development undertaken in accordance with the overlay zoning shall provide a 20% set-aside, creating an opportunity for up to **14 affordable housing** units. The Township agrees in its Settlement with Fair Share Housing Center that if the TCMU overlay zone does not result in inclusionary development by June 30, 2030, the Township will amend or replace the overlay zone to provide a more realistic opportunity for the creation of affordable housing.

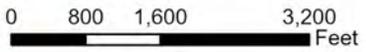
Town Center (TC) Zone Amendment. As stated in the Adopted HEFSP, the Township will amend the Town Center zone to remove an existing provision that requires that any mixed-use development include an equal amount of floor area dedicated to residential and non-residential uses, in order to not only increase the likelihood of mixed-use inclusionary development in the TC zone but to also increase the amount of floor area that could be dedicated to the creation of affordable housing. Whereas the Adopted HEFSP made reference to an illustrative density of 10 units per acre that could be developed in the zone, the amendment to the TC zone will include a sliding scale density that permits up to 20 housing units per acre depending on lot size. This would create a realistic opportunity for at least **33 affordable units** in the TC zone, excluding 420 Bloomfield Avenue which is included in this plan as an RDP compliance mechanism.

The two unmet need mechanisms identified above produce a realistic opportunity for **47 affordable units**, more than double the requirement of 22 units under FHA2.



Not in Plan
 In Plan


 400 Broadacres Drive
 Suite 250
 Bloomfield, NJ 07003
 Phone: (973) 614-0005



**Fourth Round Affordable Housing Sites
 And Lands Considered
 Verona Township
 Essex County, NJ**

NOTE: This map was developed using New Jersey Department of Environmental Protection Geographic Information System digital data, but this secondary product has not been verified by NJDEP and is not State-authorized.

Prepared by: DLH, 02.13.2026
 Source: NJDEP, NJOGIS
 File Path: G:\Projects\VRNA\G2501\GIS\Verona General Map\VeronaAffordableHousing.aprx

Satisfaction of the 67 Unit RDP: Verona's Fourth Round HEFSP	Total Units	Affordable Units	Credits
Hillwood Terrace (30% Cap)	12	12	12
320 Bloomfield Avenue	12	2	2
383 Bloomfield Avenue	33	5	9.5
420 Bloomfield Avenue	65	10	15
176 Bloomfield Avenue	28	4	6
885 Bloomfield Avenue	28	6	9.5
251.5 Grove Avenue	84	17	17
21-25 Grove Avenue	11	2	3
	273	58	74

Other Amendments and Agreement Terms

Pursuant to the agreement to be executed by the Township of Verona and the Parties, the Township will amend its Affordable Housing Ordinance, at Article XIX, “Affordable Housing”, and Development Fee Ordinance, at Article XXI, “Development Fee”, of Chapter 150, “Zoning”, of the Township Code, to reflect changes to the Fair Housing Act pursuant to P.L. 2024, c.2, amendments to the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-26.1 et seq., and newly adopted rules at N.J.A.C. 5:99, which amend and replace portions of COAH’s rules at N.J.A.C. 5:93 and N.J.A.C. 5:97.

The Township also agrees to the following terms:

Zoning and Redevelopment Plans

Not later than March 15, 2026, the Township will adopt redevelopment plans and zoning ordinances for 176, 320, 383, 420, and 885 Bloomfield Avenue, as well as 251-½ Grove Avenue. The Township will also amend its Township-wide mandatory set-aside ordinance to require a 20% affordable housing set-aside with rounding to the nearest whole number, with exceptions for the redevelopment of 383 and 420 Bloomfield Avenue.

Spending Plan

Consistent with the Township’s agreement with FSHC, the Township amends its Spending Plan based upon N.J.A.C. 5:99.

Minimums & Maximums

The FHA2 stipulates certain requirements within C.52:27D-311.k(10)1 which the Verona plan meets. The following is noted:

- A maximum of 30% of the affordable housing units, exclusive of any bonus credits, to address its prospective need affordable housing obligation, may be addressed with age restricted housing. The fourth round obligation is being partially addressed with 12 existing age-restricted units at Hillwood Verona Senior Housing, which is less than the 30% cap of 17 units based on 58 units in the plan.
- A minimum of 50% of the actual affordable housing units, exclusive of bonus credits, created to address its prospective need obligation must be satisfied with the creation of housing available to families with children. More than 50% of units in the Township's compliance plan - 39 units compared to the minimum of 29 units - are family units.
- A minimum of 25% of the actual affordable housing units, exclusive of bonus credits, created to address the Township's prospective need obligation, must be satisfied with the creation of rental housing. Half of the rental units must be available to families with children. Thirty-eight (38) of the 58 affordable units in the plan are rentals, and 19 of them (50%) are family units.
- A minimum of 13% percent of all affordable units referenced in this HEFSP addressing the Township's fourth round prospective need obligation shall be very low-income units for households earning 30 percent or less of the regional median income. The very-low income requirement will be satisfied through the creation of special needs housing units at 383 and 885 Bloomfield as well as the creation of family very-low income units at the developments proposed in the plan in accordance with the 13% very-low income requirement under the Township's affordable housing ordinance. Additionally, 117 of the 159 senior units at Verona Senior Housing are age-restricted very-low income units.

The Township will ensure to the best of its ability that all affordable housing units satisfying the prior round obligations will continue to meet the applicable minimums and maximums set forth in the third round settlement agreement with FSHC as well as any applicable regulatory or statutory requirements.

Conclusion

The adoption of this document by the Verona Planning Board and its endorsement by the Verona Mayor and Council shall constitute an amendment to the Fourth Round HEFSP adopted on June 19, 2025 to address the terms of the agreements between the Township and the Parties with respect to the satisfaction of the

Township's fourth round obligation and its compliance the constitutional obligation to produce a realistic opportunity for affordable housing.

Appendices

This report contains the following appendices.

Appendix A: Agreements with FSHC, A&R, DMH2, and JMF

Appendix B: Amended Vacant Land Adjustment

Appendix C: Amended Development Fee & Affordable Housing Ordinances

Appendix D: Amended Spending Plan

Appendix E: 320 Bloomfield Redevelopment Plan

Appendix F: 383 Bloomfield Redevelopment Plan

Appendix G: 420 Bloomfield Redevelopment Plan

Appendix H: 885 Bloomfield Redevelopment Plan

Appendix I: 251 ½ Grove Redevelopment Plan

Appendix J: TC Town Center Zone Amendment & TCMU Overlay Zone Amendment

Appendix K: Amended Administrative Manuals and Affirmative Marketing Plan

Appendix L: Updated Third Round Documentation

Appendix M: June 2025 Adopted Fourth Round Housing Element and Fair Share Plan

Appendix A: Agreements with FSHC, A&R, DMH2, and JMF

PREPARED BY THE AFFORDABLE HOUSING PROGRAM:

<p>In the Matter of the Application of the Township of Verona</p>	<p>Superior Court of New Jersey Law Division, Civil Part</p> <p>Docket No. ESX-L-594-25</p> <p>Program Settlement Recommendation - Housing Element and Fair Share Plan</p>
---	---

THIS MATTER, having come before the Affordable Housing Dispute Resolution Program (Program), pursuant to the Complaint for Declaratory Judgment filed in this matter on January 22, 2025 (DJ Complaint) by the Petitioner, the Township of Verona (Township), pursuant to the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et. seq. (FHA), and in accordance with Administrative Directive #14-24 and its Addenda, seeking a certification of compliance with the FHA;

AND IT APPEARS that on April 7, 2025, the Hon. Aldo J. Russo, J.S.C. entered an Order as follows:

- (a) Establishing the Township’s Fourth Round “present need” at 0;
- (b) Establishing the Township’s Fourth Round “prospective need” at 155;
- (c) Directing the Township to prepare and adopt a Housing Element and Fair Share Plan on or before June 30, 2025; and

(d) Granting the Township immunity from exclusionary zoning litigation; and

AND IT APPEARS that the Township timely adopted and filed the Township's Proposed Fourth Round Housing Element and Fair Share Plan (HEFSP);

AND IT APPEARS that a challenges to the Township's Fourth Round HEFSP were timely filed by interested parties: Fair Share Housing Center, DMH2 LLC, A&R Skyline Properties LLC, and JMF Properties LLC;

AND the Program having appointed Special Adjudicator Elizabeth McManus, PP, AICP;

And the Program having been advised in writing on December 10, 2025, that a settlement had been reached between the Township and DMH2 LLC such that it had withdrawn its challenge;

AND the Program Member having conducted a settlement conference(s) on October 21, 2025, December 11, 2025, and a session on December 22, 2025, at which time all parties reached a settlement. The settlement terms were placed on the record and include, but are not limited to the following:

- (a) The Township's Present Need (Rehabilitation) Obligation is 0;
- (b) The Township's Prospective Need Obligation (2025-2035) is 155;
- (c) The Township's First and Second Rounds Obligation is 24;

(d) The Township’s Third Round Obligation (1999-2025) is 215;

(e) The Township shall satisfy its Prior Round Obligations as follows:

Prior Round Obligations

NAME	TYPE	UNITS	BONUSES	TENURES	STATUS
Hillwood Senior Housing	100% Affordable Senior	59	0	Rent	Constructed
ARC of Essex County	Special Needs	6	6	Rent	Constructed
Jewish Services Group Home	Special Needs	2	0	Rent	Constructed
Spectrum 360, LLC	Inclusionary Family	15	11	Rent	Approved
Cameco / Verona Flats	100% Affordable Family	95	43	Rent	Constructed
Project Live	Special Needs	3	0	Rent	Constructed

(f) The Township’s Fourth Round obligation is 155. The obligation has been adjusted pursuant to a Vacant Land Adjustment (VLA) with a Realistic Development Potential (RDP) of 65. The Township shall satisfy its Fourth Round RDP as follows:

NAME	TYPE	UNITS	BONUSES	TENURES	STATUS
Hillwood Senior Housing (surplus)	100% Affordable Senior	12	0	Rent	Constructed

NAME	TYPE	UNITS	BONUSES	TENURES	STATUS
21-25 Grove Avenue	Inclusionary Family	2	1	Rent	Proposed
320 Bloomfield Avenue & 11 Church Street	Inclusionary Family	2		Rent	Proposed
Hillcrest Farms/383 Bloomfield Avenue	Inclusionary Family	5	4.5	Rent	Proposed
Richfield Regency/420 Bloomfield Avenue	Inclusionary Family	10	5	Rent	Proposed
855-885 Bloomfield Avenue (A&R)	Inclusionary Family	6	3.5	Sale	Proposed
176 Bloomfield Avenue (DMH2)	Inclusionary Family	4	2	Rent	Proposed
251 Grove Avenue (JMF)	Inclusionary Family	18		Rent	Proposed

(g) The Township’s Fourth Round Unmet Need is 90. The Township shall satisfy its Fourth Round Unmet Need as follows:

Fourth Round Unmet Need

NAME	TYPE	UNITS	TENURES	STATUS
TC Zone Amendment	TBD	25+	TBD	Proposed
Town Center Mixed Use Overlay	TBD	14+	TBD	Proposed

AND the parties have represented that they will execute written settlement agreements and file them with the court;

AND the Township having represented it intends to adopt an Amended HEFSP in accordance with the terms of the settlement;

AND the Special Adjudicator Elizabeth McManus, PP, AICP having submitted a written report to the Program Member recommending endorsement of the settlement terms (attached hereto as Exhibit A);

AND the Program Member having determined that the terms of the settlement are fair, reasonable and adequately protects the interests of low and moderate-income residents of the Township;

AND the Program Member having determined that the terms of the settlement are constitutionally compliant and provide a fair and reasonable opportunity for the Township to meet its obligations under the FHA and Mount Laurel doctrine;

AND for all those reasons, as well as those set forth in the Statement of Reasons (attached hereto as Exhibit B), the Program Member hereby recommends an ORDER directing that:

(a) The settlement terms as set forth above are approved; and

(b) In accordance with N.J.S.A. §52:27D-304.1(f)(2)(c), on or before March 15, 2026, the Township shall adopt and file its Amended HEFSP that

contains the terms of the settlement as well as the implementing ordinances and resolutions proposed within the Amended HEFSP; and

(c) Thereafter, the court shall schedule a Fairness and/or Compliance Hearing to consider approval of the Township's Amended HEFSP and the issuance of a Certification of Compliance and Repose; and

(d) Grant the Township continued immunity from exclusionary zoning litigation for the duration of the compliance process conditioned upon the Township's compliance with its order and good faith implementation of the Amended HEFSP and good faith participation in the compliance process.

Respectfully Submitted by the Program:

By:

/s/ *Hon. Julio L. Mendez*

Hon. Julio L. Mendez, J.S.C. (Ret.)

Dated: January 12, 2026



SPECIAL ADJUDICATOR REPORT

IMO the Application of the Township of Verona, Essex County

Docket No. ESX-L-594-25

January 5, 2026

Prepared for:

Hon. Julio Mendez, J.S.C. (ret.)

Affordable Housing Dispute Resolution Program

Richard J. Hughes Justice Complex

P.O. Box 037

Trenton, New Jersey 08625

Prepared by:

A handwritten signature in black ink, appearing to read 'Elizabeth K. McManus', is written over a horizontal line.

Elizabeth K. McManus, PP, AICP

Special Adjudicator

NJ Professional Planning License 5915

Kyle McManus Associates

P.O. Box 236

2 East Broad Street, 2nd Floor

Hopewell, NJ 08525

609-257-6705 (v)

bmcmanus@kylemcmanus.com



1.0 INTRODUCTION

This report has been prepared and submitted in my capacity as Special Adjudicator to assist the Affordable Housing Dispute Resolution Program (“Program”) in the case titled, In the Matter of the Application of the Township of Verona, Docket No. ESX-L-594-25.

The following Report addresses the below listed topics:

- Compliance of the Township of Verona’s *Fourth Round Housing Element and Fair Share Plan* (adopted June 19, 2025) (“Housing Plan”), and as supplemented by the Township and proposed for amendment via the Mediation Agreement with FSHC.

The Township’s Housing Plan received 4 objections. Each objection identified deficiencies in the Township’s Housing Plan. The 3 developer-objectors each sought inclusionary development on their property. All objections are tentatively resolved with settlement agreements (developer-objectors) or a mediation agreement (FSHC) that have been drafted but are not yet fully executed, as of the writing of this Report.

- The objection filed by Ariela Rutback-Goldman, Esq. on behalf of Fair Share Housing Center (“FSHC”), dated August 30, 2025.
- The objection filed by Cameron W. MacLeod, Esq. on behalf of DMH2, LLC (“DMH2”), dated August 31, 2025. The property the developer sought to have included in the Housing Plan is a 1.56 acre site on Block 202, Lots 1 and 23.
- The objection filed by Steven Mlenak, Esq. on behalf of A&R Skyline Properties LLC (“A&R”), dated August 31, 2025. The property the developer sought to have included in the Housing Plan is a 1.77 acre site on Block 2205, Lot 6.
- The objection filed by Paul G. Jemas, Esq. on behalf of JMF Properties, LLC (“JMF”), dated August 29, 2025. The property the developer sought to have included in the Housing Plan is a 5.54 acre site on Block 1201, Lot 12.

The following provides a summary of Verona’s participation in the Program. In addition to the formal settlement conferences listed below, there were several other discussions I had with the parties and between the parties.

- January 22, 2025: Declaratory judgement filed by the Township
- April 7, 2025: Decision and Order Fixing Municipal Obligations for “Present Need” and “Prospective Need” for the Fourth Round Housing Cycle issued by the Honorable Aldo J. Russo, J.S.C.
- June 20, 2025: Submission of adopted Housing Plan to the Program
- August 29, 2025: Objection to Verona’s Housing Plan filed by JMF
- August 29, 2025: Objection to Verona’s Housing Plan filed by A&R
- August 31, 2025: Objection to Verona’s Housing Plan filed by FSHC
- August 31, 2025: Objection to Verona’s Housing Plan filed by DMH2
- September 30, 2025: Settlement Conference between all parties
- December 11, 2025: Settlement Conference between all parties
- December 17, 2025: Session



2.0 CONTEXT FOR REVIEW

This Report reviews Verona's Housing Plan and supplemental submissions against the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq) ("FHA"), the adopted rules by the Council on Affordable Housing ("COAH") (N.J.A.C. 5:93, N.J.A.C. 5:97), to the extent applicable, relevant case law, the Uniform Housing Affordability Control Rules, N.J.A.C. 5:80-26.1 et seq. ("UHAC"), to the extent applicable given that the rules are in the process of being amended as of the issuance of this Report, Division of Local Planning Service Fair Housing Act Rules (N.J.A.C. 5:99), to the extent applicable given that the rules are draft as of the issuance of this Report, and the Administrative Directives issued by the Program (#14-24, Addendum to #14-24).

The FHA, amended in 2024, set forth a new methodology for calculation of municipal affordable housing obligations, strategies and requirements for preparing a housing plan and satisfying the affordable housing obligations, and procedure for gaining approval of a housing plan and immunity from builder's remedy litigation, among a variety of other topics. As part of these amendments, the Program was created to oversee the newly created process. The goal for each municipality that enters the process is to obtain a compliance certification, which "protects the municipality from exclusionary zoning litigation during the current round of present and prospective need and through July 1 of the year the next round begins, which is also known as a "judgment of compliance" or "judgment of repose" (N.J.S.A. 52:27D-304.q.).

While the FHA provides a variety of strategies and requirements for preparing a housing plan and satisfying a municipal affordable housing obligation, it requires municipalities, as well as objectors, to continue to rely upon adopted COAH's rules for many aspects of compliance:

All parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing unless those regulations are contradicted by statute, including but not limited to P.L.2024,c. 2 (C.52:27D-304.1 et al.), or binding court decisions. (N.J.S.A. 52:27D-311.m.)

Additionally, the FHA provides guidance on not just the newly calculated obligations of the present need and the prospective need, but also how a housing plan should address the prior round obligations.

As part of its housing element and fair share plan, the municipality shall include an assessment of the degree to which the municipality has met its fair share obligation from the prior rounds of affordable housing obligations as established by prior court approval, or approval by the council, and determine to what extent this obligation is unfulfilled or whether the municipality has credits in excess of its prior round obligations... In addressing prior round obligations, the municipality shall retain any sites that, in furtherance of the prior 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 prior rounds continue to present a realistic opportunity, which may include proposing changes to the zoning on the site to make its development more likely, and which may also include the dedication of municipal affordable housing trust fund dollars or other monetary or in-kind resources. The municipality shall only plan to replace any sites planned for development as provided by a prior court approval, settlement agreement, or approval by the council, with alternative development plans, if it is determined that the previously planned sites no longer present a realistic opportunity, and the sites in the alternative development plan provide at least an equivalent number of affordable units and are otherwise in compliance with the "Fair Housing Act." (N.J.S.A. 52:27D-304.1.f.(2)(a)) (emphasis added)



3.0 REHABILITATION OBLIGATION

The Township's Round 4 rehabilitation obligation, also referred to as the present need, is 0 units.

Proposed Satisfaction

- None / not applicable.

Objections & Municipal Response

- A. None.

Findings & Recommendations

- A. None / not applicable.

4.0 ROUNDS 1 AND 2 (1987-1999)

The Township's Rounds 1 and 2 obligation is 24 units.

Proposed Satisfaction

- The Township utilizes a variety of family, senior and special needs affordable units, as well as bonus credits to satisfy the obligation.
- The credits which satisfy the obligation are consistent with the manner in which the Township's 2021 Settlement Agreement with FSHC satisfies the obligation.

Objections & Municipal Response

- A. All objections have been resolved.

Findings & Recommendations

- A. Conditionally Compliant.
 - The Township satisfies the entire obligation as well as the other requirements such as, but not limited to, the rental component and senior limitation.
 - The Township should submit the necessary documents to confirm the 24 credits.

5.0 ROUND 3 (1999-2025)

The Township's Round 3 obligation is 215 units.

Proposed Satisfaction

- The Housing Plan utilized a variety of family, senior and special needs affordable units, as well as bonus credits to satisfy the obligation.
- The credits which satisfy the obligation are not consistent with the manner in which the Township's 2021 Settlement Agreement with FSHC.



Objections & Municipal Response

- A. All objections have been resolved.

Findings & Recommendations

- A. Conditionally Compliant.
- The Township satisfies the entire obligation as well as the other requirements such as, but not limited to, the rental, family and family rental requirements, and the senior limitation.
 - The Township should submit the necessary documents to confirm the 215 credits.

6.0 ROUND 4 (2025-2035)

The Township's Round 4 obligation is 155 units. A vacant land adjustment, with an RDP of 65 and an unmet need of 90, is proposed.

Proposed Satisfaction

- The Township's Housing Plan calculated an RDP of 59; however, the Mediation Agreement increases it to 65 and revises the manner in which it is satisfied. The RDP is satisfied with family, senior and special needs units (including the developer-objector sites), as well as bonus credits.
- The unmet need and the 25% of realistic zoning are addressed through amendment to the Township's TC district and through a new mixed-use and inclusionary development overlay, as described in the Mediation Agreement.

Objections & Municipal Response - RDP

- A. All objections have been resolved.

Findings & Recommendations

- A. Conditionally Compliant.
- The Township satisfies the entire RDP as well as the other RDP requirements such as, but not limited to, the rental, family and family rental requirements, and the senior limitation.
 - The Township satisfied the unmet need and 25% realistic zoning requirement through zoning amendments.
 - The Township should adopt the required zoning ordinances and redevelopment plan amendments to implement the RDP and unmet need mechanisms, as set forth in the FSHC Mediation Agreement and developer Settlement Agreements.

7.0 MISCELLANEOUS

- A. Administrative Documents. There are several administrative documents the Township will need to revise to reflect newly adopted regulations from HMFA and DCA, including but not limited to an affordable housing ordinance, affirmative marketing plan and spending plan.

PREPARED BY THE AFFORDABLE HOUSING PROGRAM:

In the Matter of the Township of Verona	Superior Court of New Jersey Law Division, Civil Part Docket No. ESX-L-594-25
---	---

Statement of Reasons

This Statement of Reasons addresses the challenge to the Township of Verona Fourth Round Housing Element and Fair Share Plan (“HEFSP”), in accordance with N.J.S.A. 52:27D-304.1(f)(2)(b), the directives of the Affordable Housing Dispute Resolution Program, and the legal standards established by the Mount Laurel doctrine and the Fair Housing Act. The recommendation analysis incorporates the history, evolving jurisprudence, and administrative framework governing municipal affordable housing compliance in New Jersey.

This matter came before the Affordable Housing Dispute Resolution Program (“Program”) pursuant to a Complaint for Declaratory Judgment filed on January 22, 2025 (“DJ Complaint”) by the Township of Verona (“Township”), in accordance with the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 *et. seq.* (“FHA”), Administrative Directive #14-24 and its Addenda, seeking a certification of compliance with the FHA. By Order dated April 7, 2025, entered by the Honorable

Aldo J. Russo, J.S.C., the Township's Fourth Round "present need" obligation was established at zero (0), and its "prospective need" at one hundred fifty-five (155). The Township was further directed to prepare and adopt a Housing Element and Fair Share Plan ("HEFSP") by June 30, 2025, and was granted immunity from exclusionary zoning litigation. The Township timely adopted and filed its Proposed Fourth Round HEFSP. Challenges to this Plan were timely submitted by interested parties including Fair Share Housing Center, DMH2 LLC, A&R Skyline Properties LLC, and JMF Properties LLC.

The Program appointed Elizabeth McManus, PP, AICP, as Special Adjudicator, and the Program Member conducted settlement conferences on October 21, 2025, December 11, 2025, and a final session on December 22, 2025, at which time all parties reached a settlement which was placed on the record. On December 10, 2025, the Program was notified that a settlement had been reached between the Township and DMH2 LLC. The settlement includes the following terms: the Township's Present Need (Rehabilitation) Obligation was set at zero (0); the Prospective Need Obligation (2025-2035) at one hundred fifty-five (155); the First and Second Round Obligation at twenty-four (24); and the Third Round Obligation (1999-2025) at two hundred fifteen (215). The Township agreed to satisfy its Prior Round Obligations through already constructed or approved projects, including Hillwood Senior Housing (59 units), ARC of Essex County (6 units), Jewish

Services Group Home (2 units), Spectrum 360, LLC (15 units approved), Cameco/Verona Flats (95 units), and Project Live (3 units).

The Township applied a Vacant Land Adjustment to its Fourth Round obligation of 155 resulting in a Realistic Development Potential (“RDP”) of 65, to be met as specified: 12 surplus units at Hillwood Senior Housing (constructed), 2 units at 21-25 Grove Avenue (proposed), 2 units at 320 Bloomfield Avenue & 11 Church Street (proposed), 5 units at Hillcrest Farms/383 Bloomfield Avenue (proposed), 10 units at Richfield Regency/420 Bloomfield Avenue (proposed), 6 units at 855-885 Bloomfield Avenue (A&R, proposed), 4 units at 176 Bloomfield Avenue (DMH2, proposed), and 18 units at 251 Grove Avenue (JMF, proposed). The Fourth Round Unmet Need of ninety (90), to be addressed through 25+ units via a TC Zone Amendment (proposed) and 14+ units through the Town Center Mixed Use Overlay (proposed).

A written settlement agreement memorializing these terms will be executed and filed and uploaded with the court. The Township has stated its intent to adopt an Amended HEFSP incorporating the settlement terms. The Program Member has reviewed the settlement and determined that its terms are fair, reasonable, and adequately protect the interests of low- and moderate-income residents of the Township. Further, the Program Member concluded that the settlement terms are constitutionally compliant, providing a fair and reasonable opportunity for the

Township to satisfy its affordable housing obligations under the FHA and the Mount Laurel doctrine.

For these reasons, and for those detailed in this Statement of Reasons, the Program Member recommends that an Order be entered: (a) approving the above-recited settlement terms; (b) directing, in accordance with N.J.S.A. 52:27D-304.1(f)(2)(c), that on or before March 15, 2026, the Township must adopt and file its Amended HEFSP, including all implementing ordinances and resolutions proposed within that Plan; (c) ordering that, subsequent to the filing, the court shall schedule a Fairness and/or Compliance Hearing to consider approval of the Amended HEFSP and the issuance of a Certification of Compliance and Repose; and (d) granting the Township continued immunity from exclusionary zoning litigation for the duration of the compliance process, provided that the Township complies with all such Orders, implements the Amended HEFSP in good faith, and fully participates in the compliance process.

The primary focus is the compliance of the Township of Verona's Fourth Round Housing Element and Fair Share Plan ("Housing Plan"), adopted on June 19, 2025, and as supplemented and proposed for amendment contained in the settlement agreement with Fair Share Housing Center ("FSHC") and the various developers. The HEFSP was objected to by four challengers, each identifying deficiencies, with three developer-objectors seeking inclusionary development on their respective

properties. All objections are tentatively resolved through drafted settlement agreements with the developer-objectors and a mediation agreement with FSHC, although these agreements have not yet been fully executed as of the writing of this report, the terms were placed on the record. The objections were filed by Ariela Rutback-Goldman, Esq., on behalf of FSHC (August 30, 2025); by Cameron W. MacLeod, Esq., on behalf of DMH2, LLC, concerning a 1.56-acre site (August 31, 2025); by Steven Mlenak, Esq., on behalf of A&R Skyline Properties, LLC, for a 1.77-acre site (August 31, 2025); and by Paul G. Jemas, Esq., on behalf of JMF Properties, LLC, related to a 5.54-acre site (August 29, 2025).

The procedural history of Verona's participation in the Program includes key events such as the declaratory judgement filing (January 22, 2025), establishing of municipal obligations by court order (April 7, 2025), submission of the adopted Housing Plan (June 20, 2025), timely objection filings (August 29–31, 2025), and subsequent settlement conferences and sessions between September and December 2025.

The mediation process for Verona's Plan and supplemental submissions was conducted in accordance with the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.), applicable COAH rules (N.J.A.C. 5:93 and 5:97), relevant case law, the Uniform Housing Affordability Control Rules (N.J.A.C. 5:80-26.1 et seq.), draft Division of Local Planning Service Fair Housing Act Rules (N.J.A.C. 5:99), and the

Program’s administrative directives. The FHA, amended in 2024, established a new methodology for calculating affordable housing obligations and articulated procedural and substantive requirements to secure both approval of housing plans and immunity from builder’s remedy litigation. The Program is guided by the impressive and detailed recommendations submitted by the appointed Special Adjudicator.

Municipalities, along with objectors, remain entitled to rely on COAH’s adopted rules for various compliance mechanisms except where they are contradicted by statute or binding precedent. Importantly, the FHA requires housing plans to include an assessment of past compliance—specifically, whether prior round obligations have been met, remain unfulfilled, or have surplus credits, as well as the status of sites identified in previous rounds.

Verona’s reviewed obligations for this planning period are as follows: the Round 4 (present need) rehabilitation obligation is zero units, requiring no action. Rounds 1 and 2 (1987–1999) set an obligation of 24 units, which the Township fulfills using a mix of family, senior, and special needs affordable units, including bonus credits and consistent with the 2021 Settlement Agreement with FSHC – thus, this obligation is found to be conditionally compliant, pending submission of appropriate documentation verifying the 24 credits. For Round 3 (1999–2025), the obligation is 215 units, similarly met with a combination of eligible affordable units

and bonus credits; again, the Township is found conditionally compliant, subject to verification of credits. For Round 4 (2025–2035), Verona’s obligation is 155 units, comprising a realistic development potential (RDP) of 65 units and an unmet need of 90 units, as refined by the anticipated Mediation Agreement. The RDP is to be satisfied by designated affordable family, senior, and special needs units across the developer-objector sites and bonus credits.

The unmet need and the required 25% realistic zoning are addressed through amendments to the Township’s TC district and the introduction of a mixed-use, inclusionary overlay, as specified in the Mediation Agreement. All objections regarding the satisfaction of RDP and unmet need have been resolved, and the Township is conditionally compliant pending the timely adoption of the necessary zoning ordinances and redevelopment plan amendments. Verona will need to update various administrative documents, such as the affordable housing ordinance, affirmative marketing and spending plans, to reflect current regulations from the New Jersey Housing and Mortgage Finance Agency (HMFA) and the Department of Community Affairs (DCA).

In conclusion, following a careful review of the entire record under the applicable statutory, regulatory, and judicial requirements, the Township’s HEFSP is found to be conditionally compliant, with the recommendation that Verona timely

submit verification documentation for its housing obligations and adopt the required ordinances to effectuate its Fourth-Round plan.

The Program also concludes that the terms of the settlement are fair, reasonable, and adequately protect the interests of low- and moderate-income residents of the Township. The Program also determined the settlement is constitutionally compliant and offers a fair and reasonable opportunity for the Borough to meet its FHA and Mount Laurel obligations. The Program recommends that an Order be entered approving the settlement terms as summarized above, and that, in accordance with N.J.S.A. §52:27D-304.1(f)(2)(c), the Township adopt and file its Amended HEFSP, including all required implementing ordinances and resolutions, by March 15, 2026.

Moving forward the Program recommends that the court should schedule a Fairness and/or Compliance Hearing to consider approval of the Amended HEFSP and the issuance of a Certification of Compliance and Repose. The order should also grant the Township continued immunity from exclusionary zoning litigation during the compliance process, conditioned on good faith compliance and implementation of the Amended HEFSP and participation in the process. The FHA also directs that municipalities rely on COAH's regulations for compliance mechanisms unless these are contradicted by statute or court decisions. Additionally, municipalities must review their fulfillment of prior round obligations, retain sites under contract or with

completed applications for development, and only substitute sites if the original ones no longer present a realistic opportunity for affordable construction. Through adoption of the required amendments to the HEFSP and implementation of the identified mechanisms, Verona's plan provides a fair and reasonable opportunity to meet its obligations under the FHA and the Mount Laurel doctrine.

The anticipated Mediation Agreement describes compliance steps including the adoption of an amended HEFSP, all necessary ordinances, resolutions, a spending plan, and supporting documents by March 15, 2026. The Township of Verona commits to meeting its affordable housing obligations through measures such as overlay zoning for potential inclusionary development, set asides for affordable units, and working with nonprofit partners to create new group home opportunities.

Importantly, the settlement is endorsed by FSHC (a public interest entity devoted solely to promoting housing for income-restricted households), incorporates a methodologically sound determination of needs and responsibilities. The involvement and subsequent endorsement of FSHC, a public interest organization with a singular mission to advocate for housing for lower-income households, further strengthens the presumption of fairness and adequacy of this Settlement. It includes a practical and equitable mix of compliance tools, thoughtful income targeting and household type requirements, and regular oversight and monitoring. In

the event of substantial changes affecting the Township's RDP, prompt court and FSHC notification are mandated, along with a plan to address those changes.

In conclusion, the settlement resolves Verona's fair share obligations and how it will satisfy them, with clear timelines and action steps. The essential documents—including the amended HEFSP and all implementing ordinances and a spending plan—are to be adopted prior to March 15, 2026, after appropriate Board and Council approvals. Provided all settlement terms are honored, the settlement fully complies with the Fair Housing Act and Mount Laurel doctrine. Significantly, the Special Adjudicator endorses the Program's recommendation approving the settlement.

Based on careful review of the entire record, all the expert reports and legal arguments, the recommendations of the Special Adjudicator, and based on the applicable legal standards outlined in this statement of reasons, the Program concludes that the settlement terms fulfill the critical fairness criteria. It ensures a sufficient number of affordable housing units are constructed using sound methodology, incorporates numerous programmatic features to serve low- and moderate-income residents, and provides for thorough implementation steps and ongoing oversight.

The settlement offers additional advantages, fostering a collaborative local environment for compliance and mitigating the risk of costly and divisive litigation.

By reaching an agreement, all stakeholders—including the Township, housing advocates, developers, and residents—can work cooperatively to ensure the timely provision of needed affordable housing. The settlement establishes clear conditions and milestones for municipal compliance and court approval, setting forth a transparent, enforceable path toward meeting constitutional and statutory obligations under the New Jersey Fair Housing Act and the Mount Laurel doctrine.

In sum, the proposed settlement constitutes a good faith resolution, and it is grounded in documented obligations and pragmatic compliance mechanisms and provides a transparent and enforceable pathway toward Fourth Round compliance. The agreement is consistent with the Fair Housing Act, statutory amendments, and governing administrative directives, and it advances the constitutional objective of providing a realistic opportunity for the construction of affordable housing.

The Program recommends an Order directing that: (a) the settlement terms are approved; (b) pursuant to N.J.S.A. §52:27D-304.1(f)(2)(c), Verona shall adopt and file its Amended HEFSP, including implementing ordinances and resolutions, on or before March 15, 2026; (c) a Fairness and/or Compliance Hearing shall then be scheduled by the court to consider final approval of the Amended HEFSP and issuance of a Certification of Compliance and Repose; and (d) the Township shall be granted continued immunity from exclusionary zoning litigation for the duration of the compliance process, provided it complies with the Order, implements the

Amended HEFSP in good faith, and participates in the compliance process in good faith.

New Jersey's Fair Housing Act (FHA) was amended, in part, due to a recognition of the need to "establish definitive deadlines for municipal action and any challenges to those actions" to ensure timely municipal compliance with their constitutional and statutory housing obligations. See N.J.S.A. §52:27D-302 (m).

The Mount Laurel doctrine arises from a series of seminal New Jersey Supreme Court decisions, beginning with Southern Burlington County NAACP v. Township of Mount Laurel, 67 N.J. 151 (1975) ("Mount Laurel I"), and clarified and expanded in Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158 (1983) ("Mount Laurel II"). These cases established the constitutional obligation that municipalities in New Jersey must provide a realistic opportunity for the development of affordable housing for low- and moderate-income households. The core holding prohibits exclusionary zoning practices and requires affirmative municipal action to provide a reasonable opportunity for the construction of such housing. Later cases, including Mount Laurel III and IV, as well as key Appellate Division decisions, have further articulated the standards by which compliance is measured and the process for judicial and administrative review.

The doctrine's core principle is that "satisfaction of the Mount Laurel obligation shall be determined solely on an objective basis: if the municipality has

in fact provided a realistic opportunity for the construction of its fair share of low- and moderate-income housing, it has met the Mount Laurel obligation to satisfy the conditional requirement; if it has not, then it has failed to satisfy it.” Mount Laurel II, 92 N.J. at 220-22. Good faith efforts are insufficient—the municipality must provide “the substantial equivalent of the fair share.” Id. at 216.

The FHA set forth a streamlined procedure whereby municipalities can secure a compliance certification. That process states that after adoption and filing of a municipality’s housing element and fair share plan (HEFSP), an interested party may file a response, or challenge, alleging with particularity that the municipality’s HEFSP is not in compliance with the FHA or the Mount Laurel doctrine. N.J.S.A. §52:27D-304.1(f)(2)(b).

The FHA declared that the State’s “preference for the resolution of existing and future disputes involving exclusionary zoning is the mediation and review process set forth in this act and not litigation, and that it is the intention of this act to provide various alternatives to the use of the builder's remedy as a method of achieving fair share housing.” N.J.S.A. §52:27D-303. In other words, the legislative framework is to get all parties to the table in an accelerated timeline to engage in discussions with the objective of achieving a resolution.

To that end, the FHA established the unique affordable housing program within the judiciary to facilitate settlement between a municipality and any interested

parties that filed a challenge to the municipality's HEFSP and give the municipality until December 31, 2025, to commit to revise its HEFSP or provide an explanation for why it will not make all or some of the requested changes. N.J.S.A. §52:27D-304.1(f)(2)(b). If a settlement cannot be reached, to resolve a challenge, the Program is to apply an objective assessment standard to determine whether the Municipality's HEFSP complies with the FHA and Mount Laurel doctrine. Ibid. Upon resolution of a challenge, the Program shall issue a compliance certification conditioned upon the municipality's "commitment, as necessary, to revise its fair share plan and housing element in accordance with the resolution of the challenge." Ibid. The Program may also recommend terminating immunity if it finds that the municipality is not in constitutional compliance at any point in the process. Ibid.

The Judiciary issued a directive outlining the process for the implementation of the Program. The new streamlined process allows municipalities to submit their plans for certification. If disputes arise about the feasibility of these plans, mediation and county-level housing judges will resolve issues to ensure compliance with affordable housing goals. The Administrative Directive promulgated procedures implementing the Affordable Housing Alternate Dispute Resolution Program ("Program") created by the FHA. The Directive established guidelines for the resolution of such matters, including the appointment of members, qualified experts, and staff. On May 17, 2024, a notice to the Bar announced the Administrative

Director's appointment of members of the Affordable Housing Dispute Resolution Program, consisting of retired judges, including a chairperson. This Program Member is one of seven appointed by the Judiciary.

Pursuant to N.J.S.A. §52:27D-310 and associated regulations, a compliant HEFSP must include:

Calculation of present and prospective fair share obligations;

Consideration of lands most appropriate for affordable housing, including land offered by willing developers (N.J.S.A. §52:27D-310(f));

Analysis of consistency with the State Development and Redevelopment Plan and (if applicable) the Highlands Plan (N.J.S.A. 52:27D-310(h)-(i));

Detailed site suitability analyses for all inclusionary or 100% affordable housing sites;

Identification and justification of rejected sites proposed by third parties; and

All draft implementing ordinances and resolutions (see also Directive #14-24 and Addenda).

The Plan must demonstrate a “realistic opportunity” for the required housing production, not merely procedural compliance or reliance on overly restrictive, hypothetical, or exclusionary zoning. See In re Fair Lawn Borough, 406 N.J. Super. 433, 441-42 (App. Div. 2009) (“COAH’s regulations recognize that some towns may not have enough currently developable land to meet their fair share requirements,

although they may have vacant land that is capable of future development for that purpose. A municipality may receive a ‘vacant land’ adjustment, conditioned on adopting zoning geared at allowing the eventual development of affordable housing on those properties.”). The town must establish mechanisms that will incentivize future development such as higher density resulting in actual affordable housing units and agree to enact mandatory set aside ordinances.

As part of the Program, the AOC appointed an independent Special Adjudicator to assist the Program. The Special Adjudicator worked closely with the Program, providing expert and objective recommendations to the Program, and most importantly actively assisted in the mediation of each case. The Program Member finds the appointed adjudicator in this case credible, objective and knowledgeable regarding all issues of affordable housing, and particularly as it relates to the Township. Her report and recommendations to the Program were given substantial weight in arriving at the recommendation to the county Mount Laurel Judge.

This Program Member is of the opinion that the Program has been immensely successful. Of the 564 municipalities in New Jersey, a record 423 municipalities timely filed a HESFP with the Program. That represents about 150 more municipalities than have previously participated in the Mount Laurel process. At the same time, over 700 challenges were also timely filed objecting to the plans. Impressively, the Program has mediated each case to determine that the proposed

HEFSP filed by each municipality is compliant and presided over on the sessions to place settlements on the record or to hear oral arguments on matters that are not resolved.

The Judiciary identified all the complex cases and contested cases and referred 232 cases to the Program members. What used to take years of litigations and delays, often spanning the entire ten-year cycle, under the new streamlined process framework requires completion within a 120-day period from September 1 to December 31, 2025. This Program Member has been assigned 36 cases requiring immense amounts of work, organization and cooperation from all parties.

The overall results firmly demonstrate the Program's effectiveness as skillfully implemented by the Judiciary. This is precisely what the Legislature intended in the new law. The FHA marks a new era of efficiency, cost savings, transparency and collaboration in affordable housing planning across New Jersey avoiding never ending litigation and most importantly resulting in real affordable housing units built for real people. In this Program Member's view, the extraordinary advocacy and work of FSHC is a crucial component of the success of the Program process.

Despite the Legislature's preference for settlement, it is still incumbent upon the Program to determine whether a municipality's proposed amended HEFSP enables the municipality to satisfy its fair share obligation and is compliant with the

FHA and the Mount Laurel doctrine. See N.J.S.A. §52:27D-304.1(f)(2)(b). The Program is mindful of the fact that the municipality is permitted to use a variety of means and techniques to provide for its fair share of affordable housing as set forth in N.J.S.A. §52:27D-311 and that courts should employ flexibility in assessing a municipality's HEFSP for compliance with the FHA and Mount Laurel doctrine. In re Adoption of N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 29-33 (2015).

Having reviewed in detail all the submissions of the parties (including the original HEFSP and the proposed Amended HEFSP), the written recommendation of the Special Adjudicator and having presided over the settlement conferences, this Program Member is satisfied that the Verona's proposed Amended HEFSP provides a realistic opportunity for the construction of its fair share of low and moderate income housing and thus is compliant with the FHA and in accordance with S. Burlington Cnty. NAACP v. Mount Laurel, 92 N.J. 158, 220-22 (1983). This Program Member is also satisfied that the terms of the settlement are fair, reasonable and adequately protect the interests of low and moderate-income residents of the municipality. Matter of Twp. of Bordentown, 471 N.J. Super. 196, 218 (App. Div. 2022). Importantly, the comprehensive settlement reached with FSHC and resolves all prior round disputes. Verona has further represented its intent to adopt an Amended HEFSP in compliance with the settlement.

For these reasons, the Program Member recommends an Order directing that:

(a) the settlement terms are approved; (b) pursuant to N.J.S.A. §52:27D-304.1(f)(2)(c), Verona shall adopt and file its Amended HEFSP, including implementing ordinances and resolutions, on or before March 15, 2026; (c) a Fairness and/or Compliance Hearing shall then be scheduled by the court to consider final approval of the Amended HEFSP and issuance of a Certification of Compliance and Repose; and (d) the Township shall be granted continued immunity from exclusionary zoning litigation for the duration of the compliance process, provided it complies with the Order, implements the Amended HEFSP in good faith, and participates in the compliance process in good faith.

Respectfully Submitted by the Program:

By:

/s/ Hon. Julio L. Mendez _____

Hon. Julio L. Mendez, J.S.C. Ret.

Dated: January 12, 2026

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (“MOA”) is made this _____ day of January 2026, by and between the Township of Verona (“Township”), a municipal corporation in the County of Essex and State of New Jersey, and JMF Properties, LLC (“JMF”), and Township and JMF collectively referred to herein as the “Parties”.

1. JMF holds a legal interest in the property designated on the Official Tax Map of the Township as Block 1201, Lot 12, more commonly known as 251 ½ Grove Avenue, Township of Verona, New Jersey 07044 (the “Property”).

2. The Property is a 5.54-acre site located within the Township in the C-2 Professional Office and Business zone district.

3. The Township and JMF mutually seek to provide and allow for development on the Property of a not to exceed 84-unit for sale townhouse project (the “Project”) consisting of 84 total units, with 67 market rate units (30 three-bedroom units and 37 two-bedroom units, collectively the “Market Rate Units”) and 17 units being deed restricted for a 30-year period as affordable housing family units (3 one-bedroom units, 3 three-bedroom units and 11 two-bedroom units, collectively, the “Affordable Family Units”) consistent with the Project as it is presented in the concept plan delivered by JMF to the Township, a true and correct copy of which is annexed hereto as Exhibit “A” (the “Concept Plan”), which consistency shall require, among other things: (i) no Market Rate Units or Affordable Family Units shall be constructed within the flood plain area of the Property; and (ii) a minimum setback of 30-feet from the rear of any townhouse building (exclusive of rear decks) to the nearest residential property line, that is to be screened with a board-on-board fence and a landscaping buffer that is to be approximately 8-feet in width and is to including the planting of mature trees; and (iii) providing parking for the Market Rate Units and Affordable Family Units at a ratio not less than Residential Site Improvement Standards. The Project, as same is to be developed by JMF pursuant to the Concept Plan and this MOA, will generate Fourth Round (2025-2035) affordable housing credits by providing the Affordable Family Units, and the Parties desire to preserve the Affordable Family Units as affordable, low-income and moderate-income pursuant to the Act and UHAC for a period of 30 years (the “Deed Restriction Period”).

4. The Parties mutually agree that: (i) the bedroom distribution for each of the Affordable Family Units and income distribution requirements for each of the Affordable Family Units shall be in compliance with the Fair Housing Act, N.J.S.A. 52:27D-301 et seq. (the “Act”) and applicable Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. (“UHAC”); and (ii) the commencement and termination of the Deed Restriction Period shall be calculated pursuant to the Act and, upon reaching the date of termination thereof, the Township agrees to promptly take formal action as may be required for the releasing of the Restricted Units from said affordability restrictions. The Parties acknowledge and agree that the affordability levels for the Restricted Units as is determined pursuant to the Act shall be subject to the Township’s sole and absolute discretion to verify the eligibility of the Affordable Family Units for affordable housing credit and, upon determination and assignment, shall not be modified for the term of the Deed Restriction Period. The Parties agree that these are essential and non-severable terms of this MOA. If the Program (defined below), County Housing Judge, or court with jurisdiction dispute these terms,

either Party shall have the right to terminate this MOA.

5. The Township shall adopt overlay zoning or amend the existing zoning for the Property, or shall take the steps necessary under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “LRHL”) as may be required, to allow for the construction of the Project as is contemplated by this MOA .

6. The Township is an active participant in the Affordable Housing Dispute Resolution Program (the “Program”), established pursuant to the Act to review and approve municipal Housing Elements and Fair Share Plans (“HEFSPs”) for the Fourth Round compliance cycle. As part of its Fourth Round HEFSP, the Township, pursuant to and consistent with the Act, including but not limited to the procedural deadlines imposed upon the Township by the Act or as may be adjusted by order of the County Housing Judge, intends to take those actions necessary to allow for the development of the Project on the Property to generate Fourth Round affordable housing credits. The Township shall provide this MOA to the Program. The Township and JMF acknowledge and agree that the effectiveness of this MOA is expressly conditioned upon the Program’s issuance of a Compliance Certification to the Township, as defined within the Act at N.J.S.A. 52:27D-304(q) and issued pursuant to N.J.S.A. 52:27D-304.1, and entry of a final order by the county-level housing judge (“Compliance Certification”), confirming that the Affordable Family Units qualify for Fourth Round credit. Should the Affordable Family Units ultimately be deemed ineligible for affordable housing credit, this MOA shall be null and void, neither of the Parties shall have any further obligation to the other with respect to the subject of this MOA.

7. This MOA shall be governed by, and construed in accordance with, the laws of the State of New Jersey.

8. The Township and JMF mutually warrant to each other their authority to enter into this MOA. On January 5, 2026, the Township Council adopted a Resolution authorizing the execution of this MOA on behalf of the Township.

9. This MOA may be executed in several counterparts, each of which shall be deemed original and such counterparts shall together constitute but one and the same agreement. The execution of this MOA by any of the parties may be evidenced by email or facsimile transmission of such party’s signature and such signature shall be deemed to constitute the original signatures of such party hereto.

10. Notwithstanding anything herein to the contrary, provided that the Township has complied with its obligations in this MOA, the Township may terminate this MOA at any time prior to issuance of the Compliance Certification upon written notice to JMF if JMF, after the execution of this MOA, submits a formal objection, intervention, or other challenge to the Township’s proposed HEFSP before the Program or in any related legal proceeding and the Township shall have no further obligation to the JMF under this MOA unless otherwise stated. However, it is understood that JMF’s participation shall be permitted to enforce the terms of this MOA.

11. This MOA contains the entire agreement of the Parties with respect to the subject

matter hereof and supersedes all prior or contemporaneous understandings or agreements. The JMF acknowledges that it has not relied on any statements or representations by the Township or its representatives not set forth herein.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement as of the date first written above.

ATTEST:

TOWNSHIP OF VERONA

By: _____
Jaime R. Placek, Esq. as authorized by
Resolution _____ adopted 12.15.25

ATTEST:

**JMF PROPERTIES, LLC,
a New Jersey Limited Liability Company**



PIRNE DEVITA

By: 
Name: GIUSEPPE FOLGIONE
Title: MEMBER

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (“MOA”) is made this 15th day of December, 2025, by and between the Township of Verona (“Township”), a municipal corporation in the County of Essex and State of New Jersey, and A&R Skyline Properties, LLC (“Owner”), and Township and Owner collectively referred to herein as the “Parties”.

1. The Owner is the current owner of property designated on the Official Tax Map of the Township as Block 2205, Lot 6, more commonly known 885 Bloomfield Avenue, Township of Verona, New Jersey 07044 (the “Property”).

2. The Property is a 1.77-acre site located within an area previously designated by the Township as a Area in Need of Redevelopment under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “LRHL”) that remains unimproved land located in the A-3 Residential Townhouse zone district wherein townhouses are conditional uses with an assigned density of 12 townhouse units per acre.

3. The Township and Owner mutually seek to provide and allow for development on the Property of a 28-unit for sale townhouse project (the “Project”) consisting of 24 market rate units (the “Market Rate Units”), 3 units being deed restricted for a 30-year period as affordable housing family units (the “Affordable Family Units”) and 1 unit deed restricted for a 30-year period for use as group living home for special needs occupants (the “Group Home Unit”; collectively with the Affordable Family Units, the “Restricted Units”) consistent with the Project as it is presented in the concept plan delivered by Owner to the Township, a true and correct copy of which is annexed hereto as Exhibit “A” (the “Concept Plan”). The Project, as same is to be developed by Owner pursuant to the Concept Plan and this MOA, will generate Fourth Round (2025-2035) affordable housing credits by providing the Affordable Family Units and the Group Home Unit, and the Parties desire to preserve the Restricted Units as affordable, low-income and moderate-income pursuant to the Act and UHAC for a period of 30 years (the “Deed Restriction Period”).

4. The Parties mutually agree that: (i) the Group Home Unit shall be a 3 bedroom unit administered consistent with and pursuant to the Affordable Family Units shall be in compliance with the Fair Housing Act, N.J.S.A. 52:27D-301 et seq. (the “Act”) and applicable Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. (“UHAC”) for occupancy by individuals with special needs; (ii) the bedroom distribution for each of the Affordable Family Units and income distribution requirements for each of the Affordable Family Units shall be in compliance with Act and UHAC; and (iii) the commencement and termination of the Deed Restriction Period shall be calculated pursuant to the Act and, upon reaching the date of termination thereof, the Township agrees to promptly take formal action as may be required for the releasing of the Restricted Units from said affordability restrictions. The Parties acknowledge and agree that the affordability levels for the Restricted Units as is determined pursuant to the Act shall be subject to the Township’s sole and absolute discretion to verify the eligibility of the Restricted Units for affordable housing credit and, upon determination and assignment, shall not be modified for the term of the Deed Restriction Period. The Parties agree that these are essential and non-severable terms of this MOA. If the Program (defined below), County Housing Judge, or court with jurisdiction dispute these terms, either Party shall have the right to terminate this MOA.

5. The Owner agrees that, on or before January 15, 2026 it shall submit to the Township, for review and consideration by the Township and its relevant consulting professionals, an application for a 30-year tax abatement for the Project (the "Application") pursuant to the Long-Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "LTTE Law"). Upon confirmation by the Township that the profit anticipated to be generated to Owner by the Project does not exceed the relevant limitations on such profit as is governed by the LTTE Law, the Township, in consideration of the Project requiring the granting of a tax abatement by the Township in order for the Project to be viable for development and in exchange for the production of the Restricted Units by the Project for the benefit of the Township, shall on or before March 15, 2026 award a 30-year tax abatement under the LTTE Law to the Property for the development of the Project pursuant to and consistent with the approved Application.

6. The Township is an active participant in the Affordable Housing Dispute Resolution Program (the "Program"), established pursuant to the Act to review and approve municipal Housing Elements and Fair Share Plans ("HEFSPs") for the Fourth Round compliance cycle. As part of its Fourth Round HEFSP, the Township, pursuant to and consistent with the Act, including but not limited to the procedural deadlines imposed upon the Township by the Act or as may be adjusted by order of the County Housing Judge, intends to take those actions necessary to allow for the development of the Project on the Property to generate Fourth Round affordable housing credits. The Township shall provide this MOA to the Program. The Township and Owner acknowledge and agree that the effectiveness of this MOA is expressly conditioned upon the Program's issuance of a Compliance Certification to the Township, as defined within the Act at N.J.S.A. 52:27D-304(q) and issued pursuant to N.J.S.A. 52:27D-304.1, and entry of a final order by the county-level housing judge ("Compliance Certification"), confirming that the Restricted Units qualify for Fourth Round credit. Should the Restricted Units ultimately be deemed ineligible for affordable housing credit, not inclusive of any bonus credits, this MOA shall be null and void, neither of the Parties shall have any further obligation to the other with respect to the subject of this MOA.

7. This MOA shall be governed by, and construed in accordance with, the laws of the State of New Jersey.

8. The Township and Owner mutually warrant to each other their authority to enter into this MOA. On December 15, 2025, the Township Council adopted a Resolution authorizing the execution of this MOA on behalf of the Township.

9. This MOA may be executed in several counterparts, each of which shall be deemed original and such counterparts shall together constitute but one and the same agreement. The execution of this MOA by any of the parties may be evidenced by email or facsimile transmission of such party's signature and such signature shall be deemed to constitute the original signatures of such party hereto.

10. Notwithstanding anything herein to the contrary, provided that the Township has complied with its obligations in this MOA, the Township may terminate this MOA at any time prior to issuance of the Compliance Certification upon written notice to Owner if Owner after the

execution of this MOA submits a formal objection, intervention, or other challenge to the Township's proposed HEFSP before the Program or in any related legal proceeding and the Township shall have no further obligation to the Owner under this MOA unless otherwise stated. However, it is understood that Owner's participation shall be permitted to enforce the terms of this MOA.

11. This MOA contains the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous understandings or agreements. The Owner acknowledges that it has not relied on any statements or representations by the Township or its representatives not set forth herein.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement as of the date first written above.

ATTEST:



TOWNSHIP OF VERONA

By: _____


Jaime R. Placek, Esq. as authorized by
Resolution R2025-283 adopted 12.15.25

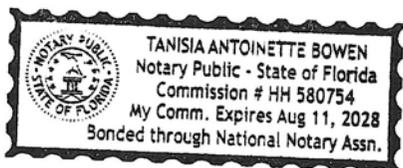
ATTEST:



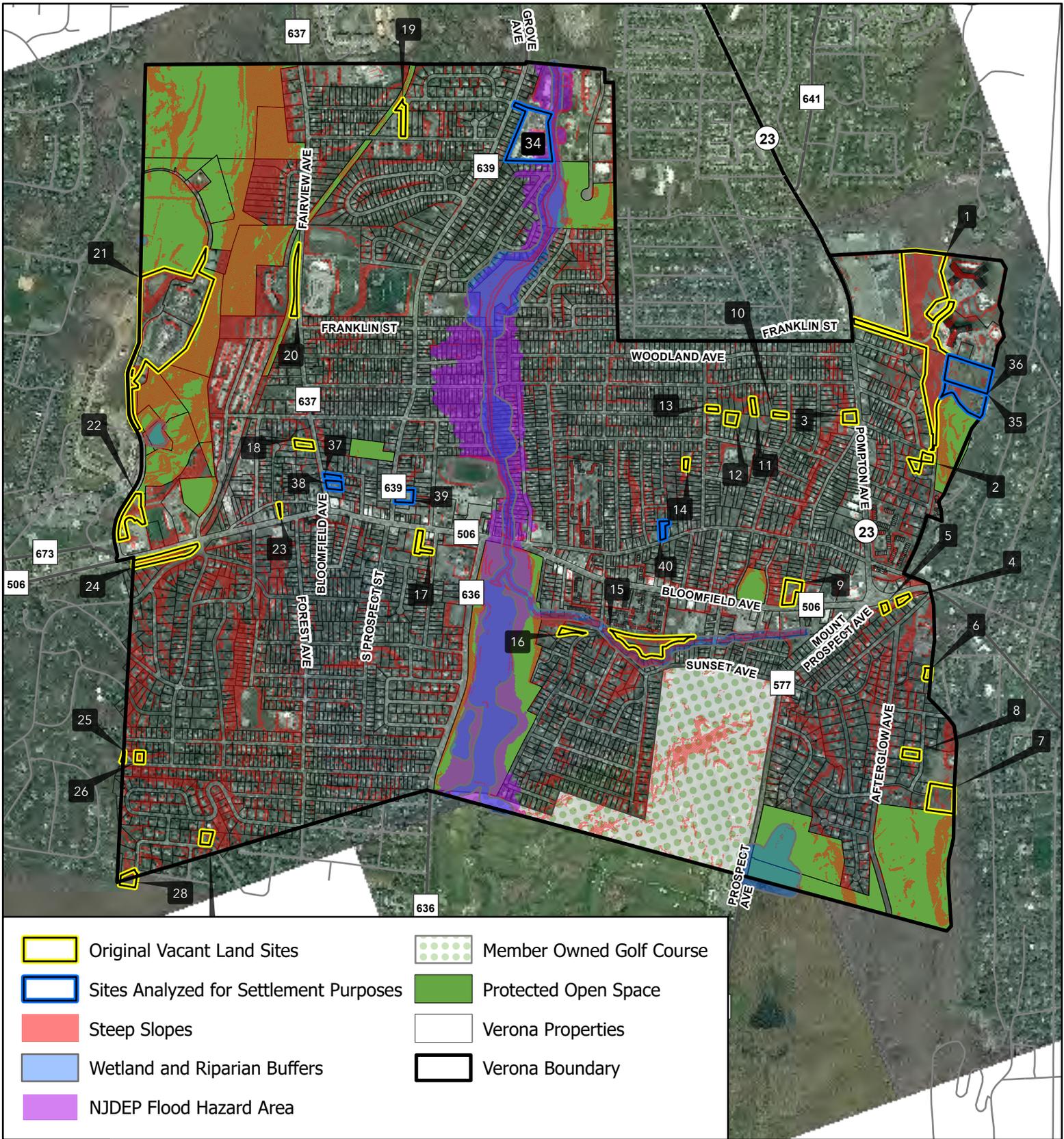
**A&R SKYLINE PROPERTIES, LLC,
a New Jersey Limited Liability Company**

By: _____


Name: RALPH VALENTE
Title: PRESIDENT / OWNER
1/27/26 -



Appendix B: Amended Vacant Land Adjustment




 400 Broadacres Drive
 Suite 250
 Bloomfield, NJ 07003
 Phone: (973) 614-0005

Vacant Land Analysis
Updated 11.5.2025 for Settlement Purposes
Verona Township
Essex County, NJ



Prepared by: DLH, 11.5.2025
 Source: NJDEP, NJOGIS
 File Path: G:\Projects\VRNA\G2501\GIS\Verona General Map\VeronaAffordableHousing.aprx

NOTE: This map was developed using New Jersey Department of Environmental Protection Geographic Information System digital data, but this secondary product has not been verified by NJDEP and is not State-authorized.

Verona Fourth Round Housing Element
and Fair Share Plan - Vacant Land Analysis

PROPOSED UPDATED VACANT LAND ANALYSIS FOR SETTLEMENT PURPOSES

Tract #	Block Lot	Assessed Use	Address	Unconstrained Acres	Applied Density*	Total Units**	RDP Contributing?	Notes	RDP ***
1	104 13	Vacant	26 CRESTMONT ROAD	2.72	15	40	Yes	Owner requested to deed restrict 8.96 as open space. That acreage removed in accordance with N.J.A.C. 5:97-4.2(d), which allows for removal of sites where owner does not wish to see the site developed. Remainder of tract steep slope constrained.	8
	103 2	Vacant	CLARIDGE DRIVE						
2	107 5	Vacant	4 CRESTMONT PLACE	0.62	7	4	No	Secondary lots to SF houses, in SF n'hood, undersized	0
	107 15	Vacant	19 CRESTMONT ROAD						
3	910 9	Vacant	172 POMPTON AVE	0.32	15	4	No	Steep slope constrained	0
4	203 25	Vacant	35 BLOOMFIELD AVE	0.27	15	3	No	Undersized	0
	203 26	Vacant	29 BLOOMFIELD AVE						
5	203 23	Vacant	57 BLOOMFIELD AVE	0.19	15	2	No	Undersized	0
6	303 5	Vacant	10 OVERLOOK PARK	0.24	8	1	No	Undersized	0
7	402 7	Vacant	COLE ROAD	1.90	7	13	Yes		3
8	401 12	Vacant	8 BELLECLAIRE PLACE	0.46	8	3	No	Undersized	0
9	202 23	Vacant	176 BLOOMFIELD AVE	0.77	See note	6	Yes	Redevelopment Site - RDP based on 20% of approved 28 units on the site	6
	202 1	2 Dwelling	200 BLOOMFIELD AVE						
10	906 23	Vacant	110 ELMWOOD ROAD	0.17	8	1	No	Undersized, no access	0
11	906 52	15C Municipal	49 LINDEN AVE	0.22	8	1	No	Undersized, no access	0
12	906 51	15C Municipal	30 ELK ROAD REAR	0.46	8	3	No	Undersized, no access	0
13	906 48	15C Municipal	69 OTSEGO ROAD	0.17	8	1	No	Undersized, no access	0
14	802 43	15C Municipal	CRILLEY COURT	0.15	8	1	No	Undersized	0
15	709 28	Vacant	190 SUNSET AVE	1.64	10	16	No	Steep slopes. No road access due to riparian buffer	0
	709 27	15C Municipal	174 SUNSET AVE						
16	612 5	Vacant	6 COOK LANE	0.27	10	2	No	Undersized	0



Verona Fourth Round Housing Element
and Fair Share Plan - Vacant Land Analysis

PROPOSED UPDATED VACANT LAND ANALYSIS FOR SETTLEMENT PURPOSES

17	1807 12 1807 7	1 1	Vacant Vacant	20 MONTROSE AVE 627 BLOOMFIELD AVE	0.47	22	10	Yes		2
18	1604 22	1	Vacant	54 FAIRVIEW AVE	0.43	8	3	No	Undersized	0
19	1306 12	15C	Municipal	50 DURRELL STREET	0.58	8	4	No	Undersized	0
20	2702 8	15C	Municipal	122-174 FAIRVIEW AVE	0.71	10	7	No	Part of recreational trail	0
21	2504 1	1	Vacant	HILLTOP				No	Housing development	
	2402 8	1	Vacant	HILLTOP				No	Housing development	
	2502 1 2503 1	1 1	Vacant Vacant	100-120 WHITE ROCK ROAD 200-220 WHITE ROCK ROAD	19.17	10	191	No	Housing development Housing development	0
22	2402 1	1	Vacant	ASSESSED IN N CALDWELL	1.02	10	17	No	Common element of Four Seasons Condo development; parking, storage, and access for adjacent Essex County Public Works Facility	0
23	1603 4	1	Vacant	57 PINE STREET	0.05	10	0	No	Undersized	0
24	2205 6	1	Vacant	885 BLOOMFIELD AVE	0.71	See note	28	Yes	RDP based on proposed zoning for 28 units at 20% set-aside for settlement purposes. Actual RDP from site based on current zone density and unconstrained land acreage is 2 units based on 8 total units	6
25	2201 14	1	Vacant	152 HILLSIDE AVE	0.07	10	0	No	Narrow, ditch	0
26	2201 12	1	Vacant	144 HILLSIDE AVE	0.29	7	2	No	Undersized	0
27	2005 29	1	Vacant	26 HOWELL DRIVE	0.46	7	3	No	Undersized	0
28	2002 7	1	Vacant	48 HOWELL DRIVE	0.71	7	4	No	Undersized	0
29	1702 20	15C	Municipal	15 GROVE AVE	0.41	NA	NA	No	Heavily utilized and depended-upon municipal parking lot not appropriate for development	0



30	1703	65	15C	Municipal	550 BLOOMFIELD AVE	1.01	NA	NA	No	Heavily utilized and depended -upon municipal parking lot not appropriate for development	0
31	701	3	4A	Commercial	420 BLOOMFIELD AVE	0.93	See note	65	Yes	Redevelopment Site - RDP based on 20% of proposed yield on the site	13
32	708	1	4A	Commercial	383 BLOOMFIELD AVE	1.09	See note	33	Yes	Redevelopment Site - RDP based on 20% of proposed yield on the site	7
33	704	20	4A	Commercial	11 CHURCH STREET	0.43	See note	12	Yes	Redevelopment Site - RDP based on 20% of approved yield on the site	2
	704	18	4A	Commercial	320 BLOOMFIELD AVE						
34	1201	12	4B	Industrial	251 GROVE AVE	3.06	See note	84	Yes	Proposed Family Zoning- RDP based on set aside of maximum site yield permitted by proposed zoning	17
35	104	10	2	Residential	24 CRESTMONT ROAD	3.30	NA	NA	No	Active religious land use and grounds	0
36	104	11	15D	Religious	CRESTMONT ROAD	2.14	NA	NA	No	Active religious land use and grounds	0
37	1606	4	4A	Commercial	35 FAIRVIEW AVE	0.67	10	6	Yes	Nonconforming land uses	1
	1606	3	4A	Commercial	25 FAIRVIEW AVE						
39	1702	22	4A	Commercial	21 & 25 GROVE AVE	0.61	See note	12	Yes	RDP based upon proposed development	2
40	802	74	4A	Commercial	228 CLAREMONT AVE	0.37	10	3	No	Nonconforming land use, undersized	0
Totals						49.26 Acres					67

This list includes lots in the Township of Verona not deed restricted for open space, and which were identified based upon a query of tax assessment data for lots where the use identified by the tax assessor is "vacant", where assessed improvement value is \$0, or where assessed lot data is null and where aerial imagery confirms the lot is vacant (as in the case of Tract 2). As such, several properties in the list are developed, but shown here to demonstrate that the analysis was comprehensive.

*Hypothetical housing units per acre

** Hypothetical development yield, round down

*** Hypothetical affordable housing set-aside, round to the nearest whole number



**Appendix C: Amended Development Fee & Affordable Housing
Ordinances**

Appendix D: Amended Spending Plan

Appendix E: 320 Bloomfield Redevelopment Plan

Appendix F: 383 Bloomfield Redevelopment Plan

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

ORDINANCE No. 2025-17

**AN ORDINANCE ADOPTING THE REDEVELOPMENT PLAN FOR
383 BLOOMFIELD AVENUE REDEVELOPMENT AREA**

WHEREAS, on May 6, 2024, the Township Council (“the “Township Council”) of the Township of Verona, in the County of Essex, New Jersey (the “Township”) adopted Resolution 2024-075 declaring the entirety of Bloomfield Avenue Corridor, which includes the above referenced property, as an Area in Need of Rehabilitation; and

WHEREAS, on February 3, 2025, the Township Council adopted Resolution 2025-049 declaring the above referenced block and lot as an Area in Need of Redevelopment (the “383 Bloomfield Avenue Redevelopment Area”); and

WHEREAS, more than 45 days have passed since said Resolution was adopted, and no actions have been filed challenging such action; and

WHEREAS, N.J.S.A. 40A:12A-7 provides for a procedure for the adoption of a redevelopment plan for all or a portion of a duly designated redevelopment area; and

WHEREAS, Block No. 708, Lot 1 in the Township (the “Property”) is located within the 383 Bloomfield Avenue Redevelopment Area; and

WHEREAS, N.J.S.A. 40A:12A-7.a, provides that “No redevelopment project shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body, upon its finding that the specifically delineated project area is located in an area in need of redevelopment or in an area in need of rehabilitation, ...”; and sets forth statutory requirements for the contents of a Redevelopment Plan; and

WHEREAS, the Township Council directed its planning consultant, H2M engineers and architects (the “Professional Planner”) to prepare a draft redevelopment plan concerning the 383 Bloomfield Avenue Redevelopment Area; and

WHEREAS, the Township Council is desirous of enacting a redevelopment plan to guide the future use, development and redevelopment of Block 708, Lot 1, heretofore designated as an area in need of redevelopment with provisions to enable the construction of a mixed-use building with affordable housing; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7(e), the Township Council shall refer the redevelopment plan to the Planning Board prior to final adoption of same; and

WHEREAS, the Planning Board shall within 45 days after referral prepare a report containing its recommendation concerning the redevelopment plan, which report shall identify any inconsistencies with the Township Master Plan and recommendations concerning any inconsistencies and any other matters deemed appropriate by the Planning Board; and

WHEREAS, in accordance with N.J.S.A. 40A:12A-7.e, the Township Council shall review the report of the Planning Board and may approve or disapprove or change any recommendation by a vote of the full authorized membership and shall record in its minutes the reasons for not following the recommendations.

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Verona, County of Essex and State of New Jersey as follows:

SECTION 1. The aforementioned recitals are incorporated herein as though fully set forth.

SECTION 2. The Redevelopment Plan, as filed in the Office of the Township Clerk and attached hereto as Exhibit A and by the reference made a part hereof is hereby approved and adopted pursuant to N.J.S.A. 40A-12A-1 et. Seq, provided that the Redevelopment Plan is modified to provide that the plan includes (i) a provision for publicly accessible e-bicycle and bicycle racks and storage for e-bicycles and bicycles; (ii) the developer shall provide a minimum of five (5) affordable housing credits within the project consistent with the projections contained in the approved housing element contained in the Township's Master Plan.

SECTION 3. The zoning district map in the zoning ordinance of the Township is hereby amended to include the Property per the boundaries described in the Redevelopment Plan and the provisions thereon.

SECTION 4. If any section, sub-section, paragraph, sentence or any other part of this Ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

SECTION 5. A copy of this Ordinance and the Redevelopment Plan shall be available for public inspection at the office of the Township Clerk during regular business hours.

SECTION 6. The Township Clerk shall publish notice of the Ordinance in accordance with applicable law.

SECTION 7. This Ordinance shall take effect after final passage and publication as prescribed by law.



ATTEST:

Jennifer Kiernan
JENNIFER KIERNAN, CMC
MUNICIPAL CLERK

NOTICE

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUES OF OCTOBER 30, 2025 AND NOVEMBER 17, 2025.

**JENNIFER KIERNAN, CMC
MUNICIPAL CLERK**

INTRODUCTION: October 6, 2025
PUBLIC HEARING: November 10, 2025
EFFECTIVE DATE: November 30, 2025

Appendix G: 420 Bloomfield Redevelopment Plan

Appendix H: 885 Bloomfield Redevelopment Plan

Appendix I: 251 ½ Grove Redevelopment Plan

**Appendix J: TC Town Center Zone Amendment & TCMU Overlay Zone
Amendment**

**Appendix K: Amended Administrative Manuals and Affirmative Marketing
Plan**

Appendix L: Updated Third Round Documentation

RECORD & RETURN TO:

*Johanna Peña, Administrative Assistant III
NJ Housing and Mortgage Finance Agency
637 S. Clinton Avenue
Trenton, NJ 08611*

LIHTC# 2022

Prepared By: 
Johanna Peña

**DEED OF EASEMENT AND RESTRICTIVE COVENANT
FOR EXTENDED LOW-INCOME OCCUPANCY**

THIS DEED OF EASEMENT and RESTRICTIVE COVENANT (the "Covenant") dated as of August 28, 2025 shall run with the land and is granted by **Verona LIHTC Urban Renewal, LLC**, and its successors and assigns (the "Project Owner") whose principal address is **1000 University Avenue, Suite 500, Rochester, NY 14607**, to the New Jersey Housing and Mortgage Finance Agency, its successors and assigns, (the "Agency") acting as the housing credit agency for the State of New Jersey as described in Section 42(h)(3) of the Internal Revenue Code as amended, and to income eligible members of the public as defined below. As conditioned below this Covenant restricts occupancy of the described premises to income eligible occupants for a specified period of time. This Covenant is made in satisfaction of the requirements of Section 42 of the Federal Tax Reform Act of 1986, P.L. 99-514, as amended, (the "Code").

As indicated on the **Reservation Letter** for the building(s) described below, the Agency has allocated Low Income Housing Tax Credits ("LIHTC") authorized under the Code in an annual amount not to exceed **\$1,761,659** to be claimed by the Project Owner over a 10- or 15- year period pursuant to the Code. In consideration of the receipt of the benefit of the LIHTC, the Project Owner hereby agrees to the following restrictive covenants, which are made in satisfaction of the requirements contained in Section 42(h)(6) of the Code.

- (1) The three (3) building(s), which consist of a total of **ninety-five (95)** residential rental units, of which **95** are LIHTC units, and which will constitute a qualified low-income housing project as defined in Section 42(g)(1) of the Code and regulations promulgated thereunder, the rental units which will be rented or available for rental on a continuous basis to members of the general public, shall be known as **Verona Flats** (the "Project"). The Project is located at **1, 3, 5 Linn Drive, Verona, NJ 07044**, Municipal Tax Map Block No. **2301**, Lot Nos. **11, 12, 14, 15, 16, 17, 19** and a portion of **18 to be consolidated and designated as a new Block 2301, Lot 14.01 in the County of Essex**, New Jersey, and title to which has been recorded in the County Clerk or Register's Office being more fully described as set forth in Attachment "A" hereto.
- (2) If this box is checked, the Project received its allocation of LIHTC from the nonprofit set-aside and/or received points as a qualified nonprofit general partner pursuant to N.J.A.C. 5:80-33 ("Qualified Allocation Plan") as amended and Section 42(h)(5) of the Tax Code, and any new owner during the compliance period must qualify under these rules.

- (3) The applicable fraction, as defined in Section 42(c)(1)(B) of the Code (the smaller of the low-income unit fraction or the low-income floor space fraction), and as provided by the Project Owner in its low-income housing tax credit application (the "Application") is **100** percent. This fraction shall not be decreased during any taxable year of the compliance period or extended use period unless terminated in accordance with the provisions enumerated at Section 42(h)(6)(E) of the Code and, if applicable, paragraph (5) below.
- (4) This Covenant and the Section 42 occupancy and rent restrictions shall commence on the first day of the compliance period as defined in section 42 of the Code, and shall end on the date specified in paragraph (5) below, unless terminated by foreclosure or instrument in lieu of foreclosure, pursuant to the provisions of the Code, and any regulations promulgated thereunder.
- (5) The Code requires that LIHTC projects retain all occupancy and rent restrictions for a minimum of 30 years unless terminated pursuant to section 42(h)(6)(E) of the Code. The Code defines the first 15 years as the compliance period and defines the entire 30 years (or more) as the extended use period. In order to increase the competitive score of the Application, the Project Owner elected to increase the compliance period as indicated with an ("X") below:

[X] If this box is checked, the Project Owner elected in the Application to increase the compliance period described in section 42(i)(1) of the Code by an additional 15 years for a total of 30 years, ("Extended Compliance Period"), and waives the right under section 42(h)(6)(E)(i)(II) of the Code to submit a written request to the Agency to find a buyer after the close of the 14th year of the compliance period, and agrees that this has the effect of delaying the period for finding a buyer under section 42(h)(6)(I) of the Code until the one year period beginning on the date (after the 29th year of the compliance period) that the Project Owner may submit a written request to the Agency to find a buyer. At the end of the extended compliance period will remain a 15-year extended use period. Therefore, this Covenant shall extinguish at the close of the 45th year after the beginning of the compliance period unless terminated by foreclosure or instrument in lieu of foreclosure or unless terminated after the extended compliance period because the Agency was unable to present a qualified contract during the one-year period of time specified in this paragraph (5).

- (6) The compliance period begins at the same time as the credit period. The Project Owner elects when to begin the credit period at the time the Project Owner's first tax return is filed with the Internal Revenue Service. It is expected that the Project Owner will begin the credit period in **2024**.

- (7) The federal set-aside, as defined by section 42(g)(1) of the Tax Code, elected by the Project Owner is checked below.

40% at 60%

At least 40% of the residential units will be rent restricted and occupied by households whose income is 60% or less than the area median income. All tax credit-eligible units must be restricted to no more than 60% of the area median income adjusted for family size.

20% at 50%

At least 20% of the residential units will be rent restricted and occupied by households whose income is 50% or less than the area median income. All tax credit-eligible units must be restricted to no more than 50% of the area median income adjusted for family size.

Average Income

The income of each unit will be designated at 20%, 30%, 40%, 50%, 60%, 70% or 80% of area median income and will be rent restricted and occupied by households whose incomes are less the designated income limitation. The average of all income designations shall not exceed 60% of area median income. Income designations are noted below and may not be amended without written approval from NJHMFA.

- _____ units at 20% of AMI
- _____ units at 30% of AMI
- _____ units at 40% of AMI
- _____ units at 50% of AMI
- _____ units at 60% of AMI
- _____ units at 70% of AMI
- _____ units at 80% of AMI

The selection of this federal set-aside is irrevocable and is binding on the Project Owner and all successors in interest to the Project through the end of the extended use period.

- (8) If this box is checked, the Project is also subject to the state set-aside, which is defined in the 2017 Qualified Allocation Plan and was selected by the Project Owner in its Application. The state set-aside requires that 10 percent or more of the residential units in the Project are both rent restricted and occupied by individuals whose income is 30 percent or less of AMGI. The selection of this state set-aside is irrevocable and is binding on the Project Owner and all successors in interest to the Project through the end of the extended use period.

- (9) If this box is checked, the Project Owner must restrict the greater of 5 units or 5 percent of the total units for occupancy by individuals with special needs. The Owner must also make available at a reasonable cost to all tenants with special needs all services that are appropriate and accessible as needed by the tenants throughout the compliance period. One of the social services provided must be an onsite social services coordinator. With written approval from the Agency, the Project Owner may substitute another special needs population for the one(s) identified in its Application and may substitute services to better address the needs of the tenants with special needs. This restriction shall be in place throughout the extended use period.”
- (10) If this box is checked, the Project is a Special Needs Project (Supported Housing) as defined in the 20__ Qualified Allocation Plan, and as selected by the Project Owner in its Application and as such, the Project Owner must restrict at least 25 percent of the total project units for occupancy by one or more special needs population through the end of the compliance period AND make available at a reasonable cost to all tenants with special needs all services that are appropriate and accessible as needed by the tenants throughout the compliance period. One of the social services provided must be an onsite social services coordinator. With written approval from the Agency, the Project Owner may substitute another special needs population for the one(s) identified in its Application and may substitute services to better address the needs of the tenants with special needs. Notwithstanding the above, if after a period of sixty (60) days of a unit described in this paragraph becoming unoccupied the Project cannot identify an eligible person within the special needs population selected by the Project Owner in its Application to rent the unoccupied unit, such unit may be leased to any low income housing tax credit eligible person or family, with a preference given first to eligible persons in other special needs populations. The next unit of similar size in the Project that becomes unoccupied shall be rented to an eligible person within the special needs population selected by the Project Owner in its Application on the same terms set forth herein.
- (11) If this box is checked, the Project Owner is required to make available to tenants of all LIHTC units 3 appropriate and affordable social service(s) throughout the compliance period in accordance with the Social Services Model as defined in the 2017 Qualified Allocation Plan **OR** participate in the Services for Independent Living (SIL) program, as appropriate, and as selected by the Project Owner in its Application. Social services may be modified to better address the needs of the low-income tenants of the Project upon written approval of the Agency.
- (12) The Project Owner agrees to employ throughout the compliance period a staff person who has successfully completed a NJHMFA-approved tax credit certification program with a continuing education component prior to the project being placed in service. The staff person responsible for verification of tenant income must be the person to successfully pass the certification examination and maintain the certification for the term of the compliance and extended use periods.

- (13) [**X**] If this box is checked, the Project Owner shall maintain in good working order throughout the compliance period all unit and project amenities promised in the Application. There shall be a minimum of 3 unit amenities and 2 project amenities and at least one community policing or public safety enhancement as defined in the 2017 Qualified Allocation Plan.
- (14) [**X**] If this box is checked, the Project Owner agrees to successfully participate in one of the following energy efficiency programs: Enterprise Green Communities; Leadership in Energy and Environmental Design (LEED); National Green Building Standard (NGBS); Climate Choice Homes Program/Energy Star Tier 3 Participation; Living Building Challenge; **OR** Passive House, as defined in the 2017 QAP through the end of the extended use period.
- (15) Pursuant to section 42(h)(6)(B)(iii) of the Code, this Covenant prohibits the disposition to any person of any portion of a building to which this Covenant applies unless all of the building to which such Covenant applies is disposed of to such person.
- (16) Pursuant to Revenue Ruling 2004-82, this Covenant prohibits (i) the eviction or termination of tenancy (other than for good cause) of an existing tenant of any low-income unit or (ii) any increase in the gross rent with respect to the unit not otherwise permitted under section 42 of the Code for the term of the extended use period and a period of three (3) years following any termination of this Covenant, including any termination by foreclosure or instrument in lieu of.
- (17) Pursuant to section 42(h)(6)(B)(iv) of the Code, this Covenant prohibits the refusal to lease to a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937 of the status of the prospective tenant as such a holder.
- (18) This Covenant shall constitute an agreement between the Agency and the Project Owner which is enforceable in the courts of the State of New Jersey by the Agency or by individual(s), whether prospective, present, or former occupants of the Project, who meet the income limitations applicable to the Project under Section 42(g) of the Code, said individual(s) being express beneficiaries of this Covenant.
- (19) The Project Owner agrees to comply with the requirements of the federal Fair Housing Act as it may from time to time be amended.
- (20) The Project Owner agrees (i) to obtain the consent of any recorded lien holder on the Project to the terms and conditions of this Covenant and (ii) it will not grant to any lien holder an interest in the Project that is superior to the terms and conditions of this Covenant. Such consent and subordination of the interests of all recorded lien holders on the Project shall be conditions precedent to the issuance of IRS Form(s) 8609.

- (21) This Covenant is binding on all successors in interest to the Project and shall run with the land until the end of the extended use period set forth in paragraph 5 above, unless terminated prior to said date in accordance with all provisions of the Code and the regulations promulgated thereunder.
- (22) These covenants may, from time to time, be amended only with the written consent of the Agency, to reflect changes to the Code or regulations promulgated thereunder. Project Owner expressly agrees to enter into such amendments as may be necessary to maintain compliance under section 42 of the Code.
- (23) In order to enable the Agency to monitor the Project Owner's compliance with these use and occupancy restrictions pursuant to the Code, Project Owner covenants and agrees that the Agency and its agents or employees shall be allowed to enter and inspect the Project during business hours and to inspect and copy all books and records pertaining to the Project.
- (24) The Project Owner covenants and agrees to comply and cooperate with the Code and all Agency tax credit compliance monitoring procedures including but not limited to completing and sending to the Agency an annual status report, or, if requested by an authorized official of the Agency, more frequent reports, in form and content acceptable to the Agency, which shall demonstrate ongoing compliance with this Covenant.
- (25) The Project Owner covenants and agrees that in the event it files for bankruptcy, liquidates, sells or otherwise transfers ownership of the Project, it will notify the Agency in writing, and further, that as a condition precedent to any sale or transfer it will enter into such agreements with the purchaser or transferee as may be prescribed by the Agency, which have the effect of causing such purchaser or transferee to be bound by these use and occupancy restrictions, as they may be amended or supplemented.
- (26) The terms of this Covenant shall be interpreted, conditioned and supplemented in accordance with and by section 42 of the Code and regulations promulgated thereunder, all of which are incorporated herein by reference, whether or not such provisions of the Code or regulations are expressed or referenced herein. In the event of any conflict between this Covenant and the requirements of the Code, the Code shall prevail. The Agency reserves the right to set conditions for the allocation of LIHTC by regulation that may be more stringent than the Code.
- (27) The invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining provisions.
- (28) This Covenant may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

[SIGNATURES ON NEXT PAGE]

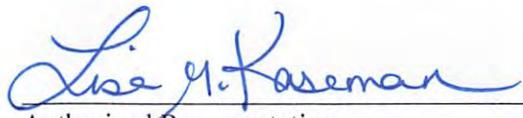
Signatures: This Covenant is granted by the Project Owner whose duly authorized representative's signature appears below.

Sworn and subscribed to before
the undersigned Notary Public or
Attorney on the date appearing below:

WITNESS
(IF INDIVIDUAL, LLC, OR PARTNERSHIP)

PROJECT OWNER:
Verona LIHTC Urban Renewal, LLC
By: Conifer Verona GP, LLC
By: Conifer Realty, LLC

Barbara Clabeay By:

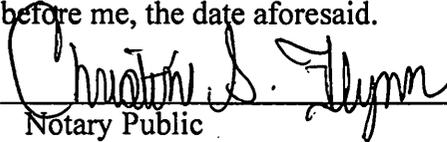

Authorized Representative

Lisa M. Kaseman, Executive Vice President
(Print Name, Title, Organization)

ACKNOWLEDGEMENT FOR LIMITED LIABILITY COMPANY

STATE OF NEW YORK)
) SS:
COUNTY OF MONROE)

I CERTIFY that on August 28, 2025, Lisa M. Kaseman personally came before me, and this person acknowledged under oath, to my satisfaction, that (a) this person is the **Executive Vice President of Conifer Realty, LLC, the sole member of Conifer Verona GP, LLC, Managing Member of Verona LIHTC Urban Renewal, LLC**, the Owner named in this document (the "LLC"); and (b) this document was signed and delivered by the Company as its voluntary act duly authorized by a proper SWORN TO AND SUBSCRIBED before me, the date aforesaid.

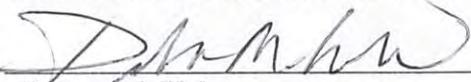

Notary Public

CHRISTINE S. FLYNN
NOTARY PUBLIC-STATE OF NEW YORK
No. 01FL6357511
Qualified in Monroe County
My Commission Expires 04-24-2029

WITNESS


Johanna Peña

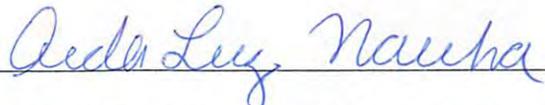
NEW JERSEY HOUSING AND
MORTGAGE FINANCE AGENCY

By: 
Debra M. Urban
Chief of Multifamily Programs

Date: 8/26/25

STATE OF NEW JERSEY, COUNTY OF MERCER SS:

I CERTIFY that on 8/26, 2023, DEBRA M. URBAN personally came before me, a Notary Public of the State of New Jersey, and acknowledged under oath to my satisfaction that a) she is the Chief of Multifamily Programs of NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY, the Agency named in this document, and b) she executed and delivered this document as the voluntary act of the Agency, duly authorized by a proper resolution of its members, on behalf of the Agency.



Notary Public of the State of New Jersey
My Commission Expires on _____

Aida Luz Nauha
Notary Public
New Jersey
Notary ID 2362190
My Commission Expires July 19, 2027



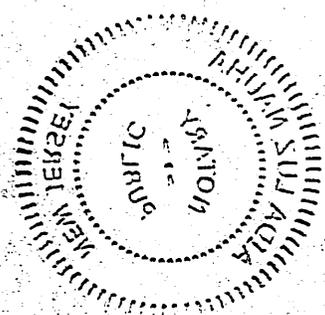
THE SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301
[Signature]
1954

[Signature]

MEMORANDUM FOR THE SECRETARY OF DEFENSE
SUBJECT: [Illegible]

[Signature]

1954



SECRET

EXHIBIT "A"

File No: 175260CD-01

The Land is described as follows:

ALL THAT CERTAIN tract or parcel of land and premises lying, being and situate in Verona Township, County of Essex, and State of New Jersey being more particularly described as follows:

BEING known and designated as Units 1, 2, 3, 4, 5 and 6, together with an aggregate 100% undivided interest in the General Common Elements of said Condominium appurtenant to the aforesaid units in accordance with and subject to the terms, conditions, limitations, covenants, restrictions, easements and provisions as set forth in the Master Deed and By-Laws of Apartments at Verona Condominium, a Condominium, dated June 28, 2023, and recorded in the Office of the Clerk of Essex County on July 7, 2023 in Instrument No. 2023040578.

BEING FURTHER DESCRIBED AS FOLLOWS:

BEGINNING at a point on the northerly line of Pine Street (various widths as per deeds, formerly known as Claremont Avenue), said point being distant 80.96 feet westerly from a mag nail with x-cut found marking the intersection of said northerly line of Pine Street and the westerly line of Depot Street (50 feet wide as per tax map) and running; thence

- 1) Along said northerly line of Pine Street, South 78°29'51" West, a distance of 50.00 feet to a bend point therein; thence**
- 2) Continuing along same, South 75°13'51" West, a distance of 105.62 feet to a bend point therein; thence**
- 3) Continuing along same, South 78°11'21" West, a distance of 108.82 feet to a bend point therein; thence**
- 4) Continuing along same, South 76°35'21" West, a distance of 102.66 feet to a point on the northerly line of Bloomfield Avenue (75 feet wide per Essex County mapping); thence**
- 5) Along said northerly line of Bloomfield Avenue, North 83°13'39" West, a distance of 119.80 feet to a bend point therein; thence**
- 6) Continuing along same, North 85°16'39" West, a distance of 127.67 feet to a point of curvature; thence**
- 7) Along a curve to the right having a radius of 15.00 feet, an arc length of 25.26 feet, with a chord bearing of North 37°01'38" West, a chord distance of 22.38 feet and a central angle of 96°30'02" to a point of compound curvature on the southeasterly line of Linn Drive (various widths as per tax map); thence**
- 8) Along said southeasterly line of Linn Drive along a curve to the right having a radius of 249.00 feet, a total arc length of 177.95 feet, with a chord bearing of North 31°41'49" East, a chord distance of 174.19 feet and a central angle of 40°56'48" to a point of non-tangency; thence**
- 9) Continuing along same, North 61°54'42" East, a distance of 84.84 feet to a point of curvature; thence**
- 10) Continuing along same, along a curve to the left having a radius of 535.00 feet, an arc length of 202.75 feet, with a chord bearing of North 51°03'18" East, a chord distance of 201.54 feet and a central angle of 21°42'49" to a point of tangency; thence**
- 11) Continuing along same, North 40°11'51" East, a distance of 95.87 feet to a point on the westerly line of lands now or formerly of Cam Gar @ Verona, LLC as recorded in Deed Book 12135 Page 7171 (Tract 1); thence**

This page is only a part of a 2021 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; and Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

- 12) Along said lands, South 03°34'51" West, a distance of 13.41 feet to a point in same also being on the northwesterly line of lands formerly of Caldwell Branch-Greenwood Lake Division Erie-Lackawanna Railroad; thence
- 13) Along said Railroad lands, North 40°11'51" East, a distance of 195.60 feet to a point; thence
- 14) Along a new line crossing through said Railroad lands, South 49°48'09" East, a distance of 50.00 feet to a point on the southeasterly line of said Railroad lands; thence
- 15) Along same, South 40°11'51" West, a distance of 41.07 feet to an iron pipe found; thence
- 16) Along the easterly line of lands now or formerly of the Township of Verona as described in Instrument No. 2019025357 (Tax Lot 14), also being the westerly line of former Nelson Place as shown on Filed Map No. 514, South 07°21'09" East, a distance of 132.41 feet to a bend point therein; thence
- 17) Along same, South 04°00'51" West, a distance of 51.49 feet to a point; thence
- 18) Along the division line between lands now or formerly of the Township of Verona as described in Instrument No. 2019025357 (Tax Lot 12) and lands now or formerly of John D. & Marie A. Bianco as described in Deed Book 6109 Page 227, South 69°20'09" East, a distance of 52.19 feet to a point; thence
- 19) Along same, South 04°00'51" West, a distance of 26.16 feet to a point; thence
- 20) Along the division line of lands now or formerly of the Township of Verona as described in Instrument No. 2019025357 (Tax Lot 11) and lands now or formerly John D. & Marie A. Bianco as described in Deed Book 6109 Page 227, South 69°20'09" East, a distance of 69.96 feet to a point; thence
- 21) Along the division line between said lands now or formerly of the Township of Verona and the lands now or formerly of Joel & Monika Martin as described in Deed Book 5917 Page 38, South 10°20'51" West, a distance of 170.85 feet to a point on the aforementioned northerly line of Pine Street being the point of BEGINNING.

This description is prepared in accordance with a certain map entitled "Minor Subdivision Plan, Apartments at Verona, Block 2301 Lots 11, 12, 14, 15, 16, 17, 18 & 19, Township of Verona, Essex County, New Jersey" dated April 7, 2022, Project VEROPRV22.010 as prepared by Neglia Group.

FOR INFORMATIONAL PURPOSES ONLY:

Tax Block: 2301, Tax Lot: 14.01 D0001, 14.01 D0002, 14.01 D0003, 14.01 D0004, 14.01 D0005, 14.01 D0006

This page is only a part of a 2021 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; and Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.



State of New Jersey

PHILIP D. MURPHY
GOVERNOR

DEPARTMENT OF ENVIRONMENTAL PROTECTION

SHAWN M. LATOURETTE
COMMISSIONER

TAHESHA L. WAY
LT. GOVERNOR

Mail Code 401-04Q
Division of Water Supply & Geoscience
Water System Operations Element
Bureau of Water System Engineering
401 E. State Street - P.O. Box 420
Trenton, New Jersey 08625-0420
Tel #: (609) 292-2957 - Fax #: (609) 633-1495
<https://www.nj.gov/dep/watersupply/>

August 29, 2025

Verona Water Department
10 Commerce Court
Verona, NJ 07044

Dear Water Purveyor:

Enclosed is a simplified water main extension permit dated August 29, 2025, issued to you pursuant to the New Jersey Safe Drinking Water Act, N.J.S.A. 58:12A, and in consideration of your application dated September 13, 2024, and signed by Kevin O'Sullivan, Deputy Township Manager.

Your permit is for:

- ◆ Construction of 391 L.F. of 6-inch diameter DIP, 370 L.F. of 4-inch DIP, and 371 L.F. of 2-inch Copper domestic and fire water service laterals to serve One Sunset Avenue Redevelopment, proposed of one (1) apartment building consisting of 200 residential units, 12,500 S.F. of office and amenity space, and pool, including demolition of the existing building; located in Verona Township (One Sunset Avenue, Block # 303, Lot # 4), County of Essex, New Jersey; and
- ◆ The distribution of water for potable purposes from said works.

Your attention is directed to both the **specific and general** conditions of the aforementioned permit. Enclosed with this permit is the Placed into Service Certification (PSC). The PSC **must** be submitted as required by the Submittal Action Requirements in the attached permit conditions. If the facility is not completed within the specified time allotment, an "Extension of Time" shall be requested at least ninety (90) days prior to the permit expiration date to allow for review and approval. No extension of time will be granted to an expired permit. Should you have any questions about this permit, please contact Kelly Hullen at (609) 292-2957. When contacting the Department regarding this permit, please reference the Permit No. and PWSID No. provided herein.

Sincerely,

Steven Pudney, Section Chief
Bureau of Water System Engineering

PWSID NO.: NJ0720001, WCP250002

Enclosures

cc: Sean Savage, P.E., Matrix New World
Mayor and Council of Verona Township
Kelly Hullen and Matt Jones, BWSE



State of New Jersey

PHILIP D. MURPHY
GOVERNOR

DEPARTMENT OF ENVIRONMENTAL PROTECTION

SHAWN M. LATOURETTE
COMMISSIONER

TAHESHA L. WAY
LT. GOVERNOR

Mail Code 401-04Q
Division of Water Supply & Geoscience
Water System Operations Element
Bureau of Water System Engineering
401 E. State Street - P.O. Box 420
Trenton, New Jersey 08625-0420
Tel #: (609) 292-2957 - Fax #: (609) 633-1495
https://www.nj.gov/dep/watersupply/

PERMIT*

Table with permit details including Permit No. WCP250002, Issuance Date: August 29, 2025, Effective Date: August 29, 2025, Expiration Date: August 28, 2030, Name and Address of Applicant: Verona Water Department, and Location of Activity/Facility: One Sunset Avenue.

This permit grants permission to:

- 1. Construct 391 L.F. of 6-inch diameter DIP, 370 L.F. of 4-inch DIP, and 371 L.F. of 2-inch Copper domestic and fire water service laterals to serve One Sunset Avenue Redevelopment...
2. Operate the facilities approved by this permit and distribute water for potable purposes from said works.

According to Simplified Water Main Extension Certification Form:

Dated September 13, 2024, prepared by Matrix New World, received June 26, 2025;

According to Plans entitled:

Table with columns: Date (08/29/2025), Prepared By (Matrix New World Engineering, Inc.)

Additional information: 08/29/2025

This permit is subject to specific and general conditions contained in the following page(s):

Continued on Requirements Page -- 1 of 2

Table with approval information: Approved by the authority of: Shawn M. LaTourette, Commissioner, Department of Environmental Protection; and Steven Pudney, Section Chief.

*The word permit means approval, certification, registration, etc.



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION

SHAWN M. LATOURETTE
COMMISSIONER

PHILIP D. MURPHY
GOVERNOR

TAHESHA L. WAY
LT. GOVERNOR

Mail Code 401-04Q
Division of Water Supply & Geoscience
Water System Operations Element
Bureau of Water System Engineering
401 E. State Street - P.O. Box 420
Trenton, New Jersey 08625-0420
Tel #: (609) 292-2957 - Fax #: (609) 633-1495
<https://www.nj.gov/dep/watersupply/>

PLACED INTO SERVICE CERTIFICATION

Attention: Bureau of Water System Engineering
Engineering Section

PERMIT NO.: WCP250002

ISSUANCE DATE: August 29, 2025

APPLICANT: Verona Water Department

PWSID: NJ0720001

PROJECT DESCRIPTION: Construction of 391 L.F. of 6-inch diameter DIP, 370 L.F. of 4-inch DIP, and 371 L.F. of 2-inch Copper domestic and fire water service laterals to serve One Sunset Avenue Redevelopment, proposed of one (1) apartment building consisting of 200 residential units, 12,500 S.F. of office and amenity space, and pool, including demolition of the existing building.

MUNICIPALITY: Verona Township

COUNTY: Essex

I (We) hereby certify that the following has been built and placed into service* and was completed in conformance with N.J.A.C. 7:10-11.10 and accordance with the approved plans and other supporting information.

COMPLETION DATE: _____

DATE FACILITIES WERE PLACED INTO SERVICE *: _____

Signature of Engineer & Embossed Seal

Name of Engineer / New Jersey License Number

Date

* Placed into service means that the water mains or other permitted infrastructure changes are actually delivering water to all consumers approved by the permit, except to the extent that the remaining number of realty improvements not being served is below the threshold for needing a permit, i.e. less than 30 realty improvements or 12,000 GPD of non-residential demand.

VERONA WATER DEPARTMENT

0720001

SDW Construction Permit : WCP250002

Permit Requirements

Submittal/Action Requirements

Applicable Subject Items	Submittal/Action Type	Requirement
WCP250002, One Sunset Avenue Redevelopment (WSYT2122784)	Completed construction certification report	Within thirty days of completion of the approved facilities the permittee/engineer shall notify the Bureau of Water System Engineering of the completion date and certify that the facilities were constructed in accordance with the approved plans and specifications by returning the enclosed Placed Into Service Certification. Submission shall be no later than 30 days after expiry of permit. [N.J.A.C. 7:10-11]

Text Requirements

All Phases

WCP250002, One Sunset Avenue Redevelopment (WSYT2122784)

1. DISTRIBUTION SYSTEM PERMIT SPECIFIC CONDITIONS.
2. The permittee is advised that the peak daily demand associated with this approval is 0.079 MGD. [N.J.A.C. 7:10-11]
3. The permittee is advised that with this approval and previously approved water main extensions, the projected peak daily demand for this water supply will be 2.291 MGD including versus a current Firm Source/Treatment Capacity of 2.250 MGD. [N.J.A.C. 7:10-11]
4. The permittee is advised that the total water available from bulk purchase agreement from Passaic Valley Water Commission at 72.750 MGM and 630.000 MGY. With this approval and previously approved water main extensions, the projected peak monthly and annual demands are 69.785 MGM and 602.482 MGY. [N.J.A.C. 7:10-11]
5. This permit shall not be construed as an approval for any other future development(s) or service connections to be served by this water main extension. Separate permit applications are necessary for these development(s). [N.J.A.C. 7:10-11]
6. The permittee is advised that a backflow prevention device and physical connection permit is required pursuant to N.J.A.C. 7:10-1 et seq. on a service line that serves a facility containing an unapproved water source which may contaminate the approved water source as a result of cross-connections. Therefore the permittee shall not place such a service line into service until such time as a backflow prevention device has been installed and a physical connection permit has been obtained by the facility supplied by the service line. [N.J.A.C. 7:10-11]
7. For this permit to remain valid, the facilities approved in this permit shall be constructed and placed into service within five years from the effective date of the permit. [N.J.A.C. 7:10-11]
8. The permittee is advised that Verona Water Department has exceeded the firm capacity available water limits. Therefore, the Bureau will not accept any new applications for Water Main Extension or connection permits with an associated demand until water is made available. [N.J.A.C. 7:10-11]
9. PERMIT GENERAL CONDITIONS.
10. The permit is revocable, or subject to modification or change, at any time, when in the judgment of the New Jersey Department of Environmental Protection such revocation, modification or change shall be necessary. [N.J.A.C. 7:10-11]
11. The issuance of this permit shall not be deemed to affect in any way action by the New Jersey Department of Environmental Protection on any future application. [N.J.A.C. 7:10-11]
12. The works, facilities and/or activities shown by plans and/or other engineering data, which are this day approved, subject to the conditions herewith established, shall be constructed and/or executed in conformity with such plans and/or engineering data and said conditions. [N.J.A.C. 7:10-11]

VERONA WATER DEPARTMENT

0720001

SDW Construction Permit : WCP250002

Text Requirements

All Phases

WCP250002, One Sunset Avenue Redevelopment (WSYT2122784)

13. No change in plans or specifications shall be made without prior written permission from the Bureau of Water System Engineering. Modification requests shall be submitted on the applicable form available at www.state.nj.us/dep/watersupply/dws_const.html. [N.J.A.C. 7:10-11]
14. The granting of this permit shall not be construed in any way to affect the title or ownership of property, and shall not make the New Jersey Department of Environmental Protection or the State a party in any suit or question of ownership of property. [N.J.A.C. 7:10-11]
15. This permit does not waive the obtaining of Federal or other State or Local Government consent when necessary. This permit is not valid and no work shall be undertaken until such time as all other required approvals and permits have been obtained. [N.J.A.C. 7:10-11]
16. A copy of this permit shall be kept at the work site, and shall be exhibited upon the request of Department personnel. [N.J.A.C. 7:10-11]
17. In the examination of plans and/or other engineering data, the New Jersey Department of Environmental Protection does not examine the structural features of the design, such as thickness of concrete or its reinforcement, the efficiency of any electrical or mechanical equipment or apparatus, and the approval herewith given does not include these features. [N.J.A.C. 7:10-11]
18. Water distribution by said works shall at all times meet the applicable standards for quality. Additional units for the derivation, treatment and for distribution of the water shall be established if and when required by the New Jersey Department of Environmental Protection. [N.J.A.C. 7:10-11]
19. The operations of the public water facility shall be under the supervision of an operator or operators who shall possess a valid license or licenses issued by the New Jersey Department of Environmental Protection, pursuant to the provisions of the Water Supply and Wastewater Operators' Licensing Act, N.J.S.A. 58:11-64 et seq. [N.J.A.C. 7:10-11]
20. The minimum required licensing classification(s) shall be W-2 and T-2 or equivalent in accordance with the Licensing of Water Supply and Wastewater Treatment System Operators, N.J.A.C. 7:10A-1.1 et seq. [N.J.A.C. 7:10-11]
21. The public water facilities shall be operated in such a manner so as to be in full compliance with the New Jersey Safe Drinking Water Act Rules at N.J.A.C. 7:10-1.1 et seq. and the Water Supply Allocation Rules at N.J.A.C. 7:19-1.1 et seq. [N.J.A.C. 7:10-11]
22. The public water facilities shall be operated in such a manner as to optimize the use of all available sources of water in order to achieve and maintain compliance with bulk purchase agreement. [N.J.A.C. 7:10-11]
23. As per N.J.A.C. 7:10-11.17, an applicant for a permit under this subchapter or any person, subject to the limitation on third party appeal rights set forth in P.L. 1993, c.359 (N.J.S.A. 52:4B-3.1 through 3.3), who believes himself or herself to be aggrieved with respect to any decision made by the Department regarding such permit application submitted pursuant to this subchapter, may contest the decision and request an adjudicatory hearing pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1 within 20 calendar days of the receipt of the permit decision. Filing details and the required form to be submitted are available at www.state.nj.us/dep/watersupply/dws_const.html. [N.J.A.C. 7:10-12]

**NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION
BUREAU OF WATER SYSTEM ENGINEERING
SIMPLIFIED WATER MAIN CERTIFICATION
TECHNICAL REVIEWER'S REPORT**

GENERAL INFORMATION

REVIEWER: Kelly Hullen

PREPARED ON: 08/28/2025

PROJECT NO.: WCP250002

APPLICANT: Verona Water Department

PWSID NO.: NJ0720001

MUNICIPALITY: Verona Township

COUNTY: Essex

SUBJECT: Construction of 391 L.F. of 6-inch diameter DIP, 370 L.F. of 4-inch DIP, and 371 L.F. of 2-inch Copper domestic and fire water service laterals to serve One Sunset Avenue Redevelopment, proposed of one (1) apartment building consisting of 200 residential units, 12,500 S.F. of office and amenity space, and pool, including demolition of the existing building.

LOCATION OF WORK: One Sunset Avenue, Block # 303, Lot # 4

DESIGN ENGINEER: Sean Savage, P.E.

N.J.P.E. LICENSE NO.: 24GE04451000

ENGINEERING FIRM: Matrix New World

PERMIT FEE: \$250.00

SOURCES OF INFORMATION

APPLICATION RECEIVED: June 26, 2025

APPLICATION DATED: September 13, 2024

APPLICATION SIGNED BY: Kevin O'Sullivan, Deputy Township. Manager

ENGINEER'S DRAWINGS:

Document Title	Date	Prepared By
Verona Sunset Urban Renewal, LLC	08/29/2025	Matrix New World Engineering, Inc.

ADDITIONAL INFORMATION DATED: 08/29/2025

A. General Description of Project

This permit is for the construction of 391 L.F. of 6-inch diameter DIP, 370 L.F. of 4-inch DIP, and 371 L.F. of 2-inch Copper domestic and fire water service laterals to serve One Sunset Avenue Redevelopment, proposed of one (1) apartment building consisting of 200 residential units, 12,500 S.F. of office and amenity space, and pool, including demolition of the existing building..

This distribution permit is for:

Diameter	Length	Material	Use
2.00 in	371.00 L.F.	Copper	Domestic service connection
4.00 in	370.00 L.F.	Ductile Iron Pipe (DIP)	Fire service connection
6.00 in	391.00 L.F.	Ductile Iron Pipe (DIP)	Fire department connection

Planning control areas

Area	(Y/N)	Comments
Highlands Planning Area	N	
Highlands Preservation Area	N	
HPA – Exempt?		
HPAA permit?		
Pinelands	N	

B. Technical Evaluation

Kevin O’Sullivan, Deputy Township. Manager, and Sean Savage, P.E. have certified that the proposed water main extensions will be constructed in conformance with the requirements of N.J.A.C. 7:10-11.10 et seq.

Required Item

	<u>Acceptable</u>	<u>Unacceptable</u>
1. Is the water system designed and constructed to meet all demand requirements?	X	
2. Does the system have the monthly allocation to meet the peak month demand?	X	
3. Does the system have the annual allocation to meet the peak yearly demand?	X	
4. Are there NO exceptions to the regulations recorded on PA-10B?	X	
5. Has the PE unconditionally certified that the design is in conformance with regs	X	
6. Does the system have firm source capacity to meet the peak daily demand?	X	
7. Does the system meet the minimum storage requirements (N.J.A.C. 7:19-6.7)?	X	

C. System Capacity

1. Production Capacity

BULK PURCHASED FROM

Name / PWSID	Daily (MGD)	Monthly (MGM)	Yearly (MGY)	Expiration Date	CTR #
1605002	2.000	65.000	630.000	Jun-28-2031	
1605002	0.100	3.100		Temporary Increase	
1605002	0.150	4.650		Temporary Increase	
Total	2.250	72.750	630.000		

GROUND WATER SOURCES

Well Permit Number (If applicable)	Source Name	Allocation Capacity (gpm)	Production Capacity (gpm)	Treatment Plant (if applicable) (gpm)	Assigned Pump / Production Capacity (MGD)
2600077959	Well A	500	0		
2600077958	Well B	275	275	275	0.396
Total Sources					0.396
Minus Largest Well out of service					0.396
Sources Firm Capacity					0.000

Note: Due to MCL exceedance for PFOA, Well A is offline until treatment upgrades are completed. Verona will purchase water from PVWC and anticipate increasing their purchase agreement (updated 8/5/2021, see attachment e-mail).

FIRM CAPACITY

Daily (MGD)
2.250

2. System Demands

a. New Demand

Estimated additional residential demand (N.J.A.C. 5:21-5.2 Table 5.1):

Type/Size of Housing Unit	Water Demand per Unit (in gallons per day)	Number of Units	Average Day Demand	Peaking Factor	Peak Day Demand (MGD)
Low and mid-rise Apt – 1 BR	95	92	8,740	3	0.02622
Low and mid-rise Apt – 2 BR	140	105	14,700	3	0.04410
Low and mid-rise Apt – 3 BR	215	3	645	3	0.00194
Total Residential Demand			24,085		0.07226

Estimated additional non-residential demand (N.J.A.C. 7:10-12.6 Table 1):

Type of Establishment	Water Demand per Unit (in gallons per day)	Number of Units	Average Day Demand	Peaking Factor	Peak Day Demand (MGD)
Office/Amenity	0.125 gal/sf	12,500 sf	1,562.5	3	0.00469
Pool	10 gal/person	52	520	3	0.00156
Total Non-Residential Demand			2,082.5		0.00625

New Peak Residential Demand = 0.07226 MGD
New Peak Non-Residential Demand = 0.00625 MGD
Total New Peak Demand = 0.07851 MGD

b. Previously Allocated Demand

The following permit(s) account for additional demand on the Verona Water Department system: N/A

c. Existing Peak Daily Demand

	2020	2021	2022	2023	2024	2025		
January		51.194	40.242	45.880	46.490	45.740		
February		49.958	41.364	38.280	40.530	36.230		
March		34.989	41.290	42.610	41.530	36.230		
April	46.302	44.535	39.868	38.597	42.340			
May	49.451	53.079	48.844	53.484	49.330			
June	58.925	52.796	64.852	55.202	52.450			
July	62.162	52.865	48.695	54.305	68.560			
August	59.646	56.549	53.108	49.518	55.340			
September	55.064	48.321	48.096	46.600	50.590			
October	47.768	47.722	46.825	44.282	64.340			
November	45.200	39.868	40.392	40.710	38.520			
December	43.641	44.207	40.916	39.830	42.850			
Peak (MGM)	62.162	56.549	64.852	55.202	68.560	45.740	Peak Day	2.212
							Max Month	68.560
Total (MGY)	468.159	576.083	554.492	549.298	592.870	118.200	Max Year	592.870

3. Water Allocation Analysis

The current allocation limits for Verona Water Department are specified in the following Allocation Permit(s):

ALLOCATION LIMITS

PI #_WAP No.	Daily (MGD)	Monthly (MGM)	Yearly (MGY)	Expiration Date
5382_WAP210001		34.600	365.000	6/30/2034
		-34.600	-365.000	
Total Limits	0.000	0.000	0.000	

Wells are out of service.

TOTAL SYSTEM LIMITS

Monthly (MGM)	Yearly (MGY)
72.750	630.000

Anticipated Future Demands

Daily (MGD)
 = Peak Daily Demand + New Estimated Demand
 = 2.212 + 0.079
 = **2.291 MGD**

Monthly (MGM)
 = Max. Month + [31 / 2 x (New Estimated Demand + Previous Commitments)]
 = 68.560 + [31 / 2 x (0.079 + 0)] = 68.560 + 1.225
 = **69.785 MGM**

Yearly (MGY)
 = Max. Year + [365 / 3 x (New Estimated Demand + Previous Commitments)]
 = 592.870 + [365 / 3 x (0.079 + 0)] = 592.870 + 9.612
 = **602.482 MGY**

4. System Capacity Determination

Firm Capacity:	2.250	MGD					
Allocation Limits:			Contract Limits:			Total Limits:	
(Monthly)		MGM	(Monthly)	72.750	MGM	(Monthly)	72.750 MGM
(Yearly)		MGY	(Yearly)	630.000	MGY	(Yearly)	630.000 MGY
Five Year Peak Demand:			Allocated Demand:			Deficit/Surplus:	
(Daily)	2.212	MGD	(Daily)	0.079	MGD	(Monthly)	2.965 MGM
Month/Year	07/2024		(Monthly)	1.225	MGM	(Yearly)	27.518 MGY
(Monthly)	68.560	MGM	(Yearly)	9.612	MGY		
Month/Year	07/2024					Firm-Peak Total:	
(Yearly)	592.870	MGY	Total Peak Demand:			(Daily)	-0.041 MGD
Year	2024		(Daily)	2.291	MGD		
			(Monthly)	69.785	MGM		
			(Yearly)	602.482	MGY		
						WAP Number:	5382

Verona Water Department currently does not have the firm capacity to supply the new estimated peak daily demand. However, it will have the firm capacity once treatment upgrades for Well A are completed.

Since Verona Water Department has made an agreement with Passaic Valley Water Commission to obtain a temporary increase in their bulk purchase agreement, the Bureau approves this permit. Therefore, Verona Water Department **DOES have the firm capacity to supply the additional peak daily demand of 0.079 MGD.**

Therefore, Verona Water Department **DOES** have the Monthly capacity to supply the new estimated monthly demand.

Therefore, Verona Water Department **DOES** have the annual capacity to supply the new estimated annual demand.

D. Storage Tanks

Name	Facility ID	Storage Capacity	Status
Claridge		1.000 MG	Active
Fairway		0.800 MG	Active
Total		1.800 MG	

From N.J.A.C. 7:19-6.7 (b) Verona Water Department is classified as System Type vi having multiple sources with interconnections, therefore the storage requirement is 50% of the projected Average Daily Demand.

Projected Average Daily Demand = 602.482 MGY / 365 day/yr = 1.651 MGD
 Storage Required = 0.50 x 1.651 MG = 0.825 MG
 Storage Provided = 1.800 MG

Therefore, Verona Water Department **DOES** meet the minimum storage requirements.

E. Conclusions

Verona Water Department has enough firm, monthly, and annual capacities to meet the new estimated demands.

The project, as designed, is determined to comply with applicable rules and regulations in accordance with N.J.A.C. 7:10 et seq.

Based on this technical review, it is recommended that this permit application be approved.

Recommendations

Check One:

- Examination of the engineering data submitted indicated that the project, as designed, complies substantially with our rules and regulations.

It is therefore recommended that the project be APPROVED and permit issued for construction, derivation, distribution, subject to the usual conditions.

- Examination of the engineering data submitted indicates that the project, as designed, does not comply with our rules and regulations.

It is therefore recommended that the project be DISAPPROVED.

- The project has remained technically deficient beyond the due date specified by the Department for providing additional information.

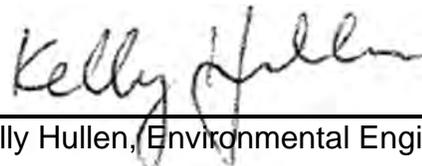
It is therefore recommended that the project be RETURNED.

RECOMMENDED PROVISOS

Check One:

- Specific conditions to approval (standard conditions amended or added to)
- Reasons for disapproval
- Reasons for return
- None required

Date: 08/29/2025



Kelly Hullen, Environmental Engineer 2

Bureau of Water System Engineering

Supervisory Review/Approval Record

PAPER PERMIT DOCUMENTS

- | | Yes | No |
|---|-------------------------------------|--------------------------|
| Project Description accurate and complete? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Location Description accurate and complete? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Has any necessary custom language been added and is it accurate and complete? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Have the applicable parties been copied? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Are the permit dates correct? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

TECHNICAL REVIEWER'S REPORT

- | | | |
|---|-------------------------------------|--------------------------|
| Does the technical review accurately document and evaluate the application? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Has the correct system capacity such as allocation limits, diversions, contracts, allocated demand been used? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Are all calculations correct? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

ELECTRONIC PERMIT SET

- | | | |
|--|-------------------------------------|--------------------------|
| Cover page information complete and matching paper document? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Are all the applicable standard permit conditions included? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Are all custom conditions included, accurate and complete? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Have the necessary and correct subject items been added to the Permit Inventory? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Has the necessary information been added to the Subject Item details? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Has the necessary location coordinate information been added and correct? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

PERMIT FOLDER

- | | | |
|---|-------------------------------------|--------------------------|
| Are all signed copies of correspondences included in the permit folder? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Are the materials in the folder in chronological order of receipt? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Have all superseded documents been clearly marked? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Have all duplicates been removed? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Have copies of checks been removed? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Has all Personally Identifiable Information been removed? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Permit Approval is:	Recommended <input checked="" type="checkbox"/>	NOT Recommended <input type="checkbox"/>
Supervisory Review by: Matthew Jones		Date: 08/29/2025
Any additional comments Section Chief approval		

NJEMS\sd_tech_reviewers_report_simple_05/26/2020



Verona Township
Fire Prevention Bureau
880 Bloomfield Avenue
Verona, NJ 07044
Phone: (973)857-4761
Fax:

Inspection Certificate

Registration Number: 0720-57879-001-01
LHU Code/Local Type: Bg01-High Rise

Certificate Number: FPI-25-457
Inspection Number: FPI-24-561
Inspector: Connor McCann
Inspection Date: 10/8/2024

Take Notice:

This Certifies that the referenced property has been inspected pursuant to the Uniform Fire Safety Act and satisfies minimum requirements of the New Jersey Uniform Fire Code.

Premises:

Verona Limited DIV Housing (7-10 Story High Rise)
100 Hillwood Terrace
Verona, NJ 07044

**This certificate Expires
October 31, 2025**

**This certificate must be posted in a
conspicuous location at the above premises.**

By:

Verona Fire Official or Designee

This certificate does not take the place of other approvals, permits, or licenses required by law. It is non-transferable, and any change in use or occupancy of these premises shall require a new certificate.

**Appendix M: June 2025 Adopted Fourth Round Housing Element and Fair
Share Plan**

VERONA TOWNSHIP

Mayor and Council

Christopher Tamburro, Mayor
Jack McEvoy, Deputy Mayor
Alex Roman, Councilman
Christine McGrath, Councilwoman
Cynthia Holland, Councilwoman

Planning Board

Mayor Christopher Tamburro, Class I
Kevin O'Sullivan, Class II, Township Manager
Deputy Mayor Jack McEvoy, Class III
Jessica Pearson, Class IV, Planning Board Chairperson
Jason Hyndman Class IV, Planning Board Vice Chairperson
Tim Camuti, Class IV, Planning Board Member
Jesse Lilley, Class IV, Planning Board Member
David Freschi, Class IV, Planning Board Member
Julie Parker, Class IV, Planning Board Member
Jim Day, Alternate Member #1
Dylan Magarrell, Alternate #2

Dee Dee Carpinelli, Planning Board Secretary

Township Officials

Kevin O'Sullivan, Township Manager
Michael Kraus, Deputy Township Manager
Kristine Gould, Executive Assistant

Jennifer Kiernan, RMC, CMC, Township Clerk

Table of Contents

Amended Housing Element and Fair Share Plan Introduction 1

 Amending the 4th Round HEFSP 3

Amended Fair Share Plan 4

 Affordable Housing Obligation 4

 Vacant Land Adjustment & Realistic Development Potential (RDP) 4

 Prior Round and Round 3 Obligations 5

 Round 4 Prospective Need 5

Other Amendments and Agreement Terms..... 10

 Zoning and Redevelopment Plans 10

 Spending Plan 10

 Minimums & Maximums 11

Conclusion 11

Appendices 12

Amended Housing Element and Fair Share Plan Introduction

The Township of Verona (“Township”), Essex County, adopted a Fourth Round Housing Element and Fair Share Plan (“Adopted Plan” or “HEFSP”) on June 19, 2025 as an amendment to the municipal master plan in accordance with the New Jersey Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq., as amended by P.L. 2024, c.2, hereinafter “FHA2”). In accordance with an Order of April 7, 2025 by the Honorable Aldo J. Russo, J.S.C., the Township’s Adopted Plan addressed a fourth round prospective need obligation of 155 new affordable housing units and a fourth round present need obligation of zero (0) rehabilitation units. It also reaffirmed the Township’s strategy for addressing its prospective need obligations from the first, second, and third affordable housing rounds (hereinafter “Prior Rounds”). Furthermore, in accordance with FHA2, the Adopted Plan adjusted the 155-unit prospective need to a 58-unit “realistic development potential”, or “RDP”, to reflect the limited vacant and developable land in Verona. This left a 97-unit “unmet need” (the difference between the prospective need and the RDP), of which the Township was required by FHA2 to satisfy a minimum of 25%, or 25 units.

The Township’s Plan satisfied the 58-unit RDP with proposed redevelopment projects and existing age-restricted units, and the 25 units of unmet need with proposed zoning amendments in the “TC” Town Center zoning district.

The Plan was challenged by:

- A&R Skyline (“A&R”) by way of submittal to the Affordable Housing Dispute Resolution Program (“Program”) dated August 29, 2025;
- DMH2, LLC. (“DMH2”) by way of submittal to the Program on August 31, 2025;
- JMF Properties, LLC (“JMF”) by way of submittal to the Program on August 29, 2025; and
- By Fair Share Housing Center (“FSHC”) by way of a submittal to the Program dated August 30, 2025 (collectively, “Parties”).

Multiple mediation sessions took place between the Parties and the Township from October 21 through December 22, 2025, with Program Judge Honorable Julio L. Mendez, JSC (Retired) and Special Adjudicator Elizabeth K. McManus in order to attempt to resolve the challenges to the Plan.

The challenges were resolved as follows:

A&R Challenge

A&R is the owner of a vacant 1.77-acre tract of land consisting of Lot 6 on Block 2205, which was previously a tunnel entrance for a railway running parallel to Bloomfield Avenue. As the Township was still considering, but had not yet agreed to, conceptual designs provided by A&R at the time of the June 19, 2025 adoption of its 4th Round Plan, the Township included the site in the Adopted HEFSP with a *minimum* of 19 total units and 4 affordable units, plus bonus credits. This was done to allow the Township to include the property in its HEFSP while still allowing the Township and its professionals time to fully vet the concepts provided by A&R and finalize negotiations.

A&R challenged the HEFSP, claiming that the 19-unit yield identified in the Adopted HEFSP was not economically viable for the site and that it would not present a realistic opportunity for the creation of affordable housing. They requested, in their challenge, that the property be included in the Plan with between 38 and 60 units.

The Township negotiated with A&R and arrived at an agreement that the HEFSP will be amended to include the property with 28 total townhouse units, of which three (3) would be affordable and available to families, and one (1) would be used as a home for the developmentally disabled with a minimum of three (3) bedrooms for the disabled population, for a total of six (6) affordable housing units.

JMF Challenge

JMF is the contract purchaser of 251-½ Grove Avenue, also known as Block 1201, Lot 12, which is a former industrial site having an area of 5.54 acres. The property is in the C-2 zone, which the Township had amended in 2024 to permit up to 165 assisted living beds on the property, including 25 beds for low- and moderate-income residents. The Township included the property in its 4th Round HEFSP; however, some weeks following the adoption of the HEFSP the property owner indicated that assisted living was no longer a viable option on the site. JMF, despite not making the Township aware of its interest in the property, filed a challenge to the HEFSP which sought to have the site rezoned to allow between 160 and 180 affordable independent senior living units.

Because the Township would be ineligible to receive any additional credits from the development of age restricted units at the 251-½ Grove Avenue site, due to the surplus of affordable senior units at the existing Hillwood Senior Housing site off-of Fairview Avenue, the Township and JMF settled the challenge to amend their challenge to a family townhouse project of 84 units of which 17 units, a 20% set-aside, would be affordable.

DMH2 Challenge

DMH2 withdrew its Challenge due to the Township finalizing a settlement agreement on November 25, 2025 related to the development of their property on Bloomfield Avenue. As a result of the withdrawal, no changes are required to the HEFSP in relation to DMH2.

FSHC Challenge

Fair Share Housing Center is a non-profit organization with a stated mission of mission of reducing barriers to safe, healthy, and affordable housing in New Jersey. Following the statutory June 30, 2025 deadline for municipalities to adopt their 4th Round HEFSPs, FSHC challenged the Plans of hundreds of municipalities in New Jersey, either seeking additional information about plan components or challenging the substance and constitutionality conformity of the Plans. In the case of the Township of Verona's 4th Round Plan, the core of FSHC's challenge was a disagreement over the methodology used to achieve the 58-unit RDP adjustment of the Township's 4th Round Prospective need. The Township addressed FSHC's challenge with an amended vacant land adjustment analysis that increased the RDP to 67 units, reducing the unmet need to 88 units. The remaining aspects of the FSHC challenge concerned verification of prior round credits and clarification of, and suggested enhancements to, the Township's proposed unmet need mechanisms.

Amending the 4th Round HEFSP

Pursuant to agreements entered into between the Township of Verona, FSHC, A&R, JMF, and DMH2, the Township hereby amends the June 19, 2025 adopted HEFSP as follows:

- The Township revises its RDP from 58 units to 67 units, and revises its Unmet Need from 98 units to 88 units, and the portion required by statute to be satisfied in the plan shall be 25% of that, or 22 units (down from 25 units);
- The Township updates its 4th Round compliance plan based on settlements with A&R and JMF, and Fair Share Housing Center;
- The Township updates the 4th Round Spending Plan to reflect newly adopted regulations.

Additionally, the Township will adopt all necessary ordinances or ordinance amendments necessary to implement the Amended HEFSP, including zoning ordinances, redevelopment plans, and ordinances concerning the administering of affordable housing and the collection and spending of affordable housing trust funds.

Amended Fair Share Plan

Affordable Housing Obligation

A municipality's affordable housing obligation is made up of both a present need (rehabilitation obligation) and a prospective need obligation (new construction obligation). Obligations are calculated in time periods known as "rounds." Whereas present need obligations reset each round, prospective need obligations accumulate overtime.

The Township adopted a Third Round Housing Element and Fair Share Plan in June of 2023 which addressed its affordable housing obligations from the first, second, and third rounds, accumulated between 1987 to 2015 and projected from 2015 to 2025 in accordance with a settlement agreement between the Township and Fair Share Housing Center executed on March 10, 2021.

Pursuant to an agreement between the Township and Fair Share Housing Center dated April 2, 2025, and an April 7, 2025 order of the Honorable Judge Aldo J Russo, JSC, the Township has a 4th Round prospective need obligation of 155 units and a present need obligation of 0 units.

Consequently, the Township's cumulative and current affordable housing obligations are as follows:

- Prior Round (Rounds 1 & 2, from 1987-1999) Obligation: 24 units
- Round 3 (from 1999-2025) Prospective Need Obligation: 215 Units
- Round 4 (from 2025-2035) Present Need (Rehabilitation Obligation): 0 units
- Round 4 (from 2025-2035) Prospective Need Obligation: 155 Units

Vacant Land Adjustment & Realistic Development Potential (RDP)

As a mostly built-out municipality, the Township was eligible to adjust its 155-unit 4th Round prospective need based upon a lack of vacant land in order to reduce the portion of its prospective need that is required to be created by 2035, when the fourth round ends. The adjustment is determined through an analysis of geospatial data, in which the Township is statutorily required to identify all properties in the Township that are "vacant" and "available", determine the portion of those properties that are not environmentally constrained or legally encumbered, and calculate the number of affordable units that could hypothetically be produced on the unconstrained portions of those properties based upon a suitable density and a presumption that 20% of the housing units produced on the properties would be set-aside for low- and moderate-income households. In order to settle the challenge from FSHC, the Township has also

included properties that are not vacant and available¹ but which are expected to be redeveloped and included in the housing plan.

The analysis concluded that the vacant and redevelopable lands in the Township could produce **67 affordable units** if zoned for inclusionary development with a 20% set-aside. This is referred to as the realistic development potential, or RDP.

Historically, the difference between the prospective need and the RDP has been referred to as the “unmet need”, and has been addressed in part or in whole through mechanisms like overlay zoning or accessory apartment incentive programs which create opportunities for affordable housing, but which are not required to create that housing during the 10-year affordable housing round. The unmet need from an RDP of 67 and a prospective need of 155 units is **88 units**. FHA2 requires towns that receive a vacant land adjustment to provide for zoning or other mechanisms that provide a realistic opportunity for at least 25% of the unmet need to be created during the 4th Round. For Verona Township, that number is **22 units**.

Prior Round and Round 3 Obligations

Verona Township adopted a Third Round Housing Element and Fair Share Plan in June of 2023 that addressed the Township’s **24-unit** first and second round prospective need and **215-unit** third round prospective need obligations. The Adopted 4th Round HEFSP identified and reaffirmed the creditworthiness of the housing units addressing the obligations of the prior rounds. Documentation of those housing units can be found in the appendices of the Township’s Third Round Housing Element and Fair Share Plan and in the appendices of this 4th Round HEFSP Amendment. No changes are required to the compliance plan for the Prior Rounds.

Round 4 Prospective Need

Verona’s fourth round prospective need of **155 units** is adjusted to a **67-unit** RDP and an **88-unit** unmet need, due to a lack of vacant and available land. Pursuant to FHA2, the HEFSP must address the entire RDP and at least 25% of the unmet need with compliance mechanisms that have a realistic probability of producing affordable housing during the round ending on June 30, 2035. This amendment to the 4th Round HEFSP reaffirms and expands upon the compliance strategy in the Adopted 4th Round HEFSP based upon the settlements between the Township and FSHC, JMF, and A&R, as follows:

Satisfaction of the 67-unit RDP

Hillwood/Verona Senior Housing. This **159-unit**, 100% affordable senior living facility at 100 Hillwood Terrace (Block 2701, Lot 23) was utilized to satisfy a portion of the prior round obligations with 59 units. An additional **12 units** will be applied

¹ As defined by the Council on Affordable Housing at N.J.A.C. 5:93-1.3

toward the fourth round, which is within the 30% cap on age-restricted units identified at N.J.S.A. 52:27D-311(l).

320 Bloomfield Avenue. The adopted 4th Round HEFSP indicated that a redevelopment plan was prepared for this project at Block 704, Lots 18 and 20, but the originally intended redeveloper asked the Township to delay its adoption. The Township will proceed with adoption of the redevelopment plan for the property, with the same **12-unit** yield and 20% (**2-unit**) set-aside stated in the Adopted plan. The suitability criteria for this site were addressed in the adopted HEFSP and are unchanged for the purposes of this amendment.

Hillcrest Farms / 383 Bloomfield Avenue. The Township is proceeding with adopting a redevelopment plan that allow for a yield of **33 units** at Block 708, Lot 1, including at least **five (5) affordable housing units**, consisting of one (1) 3-bedroom affordable family unit and a minimum of four (4) special needs bedrooms. This is unchanged from the adopted HEFSP. The suitability criteria for this site were addressed in the adopted HEFSP and are unchanged for the purposes of this amendment. As a site with an interested developer, the five affordable units can produce **4.5 bonus credits**, consisting of one (1) bonus credit for each of the four (4) special needs bedrooms and 0.5 redevelopment bonus credits for the one (1) family affordable apartment. This results in a combined **9.5 credits** toward the 4th Round RDP.

Richfield Regency / 420 Bloomfield Avenue. The Township will adopt a redevelopment plan for Block 710, Lot 3, which will permit the mixed-use development having up to **65 residential units** including **10 affordable units**. The suitability criteria for this site were addressed in the adopted HEFSP and are unchanged for the purposes of this amendment. As the property has an interested developer, it is eligible for 0.5 redevelopment bonus credits per affordable unit, or **five (5) bonus credits** for a total of **15 credits** toward the 4th Round RDP.

DMH2 / 176 Bloomfield Avenue. Unchanged from the adopted 4th Round HEFSP, the Township will proceed with a redevelopment plan permitting **28 residential units** on Block 202, Lots 1 and 23, including **four (4) affordable units**. As a redevelopment project, the project is eligible for 0.5 bonus credits for each affordable unit, or **two (2) bonus credits** for a total of **six (6) credits** toward the 4th Round RDP. The suitability criteria for this site were addressed in the adopted HEFSP and are unchanged for the purposes of this amendment.

A&R Skyline / 885 Bloomfield Avenue. Pursuant to the settlement agreement between A&R and the Township Council, the Township will adopt a redevelopment plan that will permit a **28-unit** townhouse development on Block 2205, Lot 6, of which three (3) townhouse units will be affordable family townhouses and one (1) townhouse unit will contain three (3) bedrooms for individuals with developmental disabilities, for a total of **six (6) affordable units**, representing a 20% set-aside. The three family affordable units are eligible for 0.5 transit-oriented bonus credits each

and the three special needs bedrooms are eligible for 1 bonus credit each, for a total of 4.5 bonus credits. However, due to the cap of 16 bonus credits for a 67-unit RDP, the Township is only claiming **3.5 bonus credits** from this project, for a total of **9.5 credits and units**. The suitability criteria for this site were addressed in the adopted HEFSP and are unchanged for the purposes of this amendment.

JMF Properties / 251 ½ Grove Avenue. Pursuant to the settlement agreement between JMF and the Township Council, the Township will undergo the process of designating Block 1201, Lot 12 as an area in need of redevelopment and immediately thereafter adopt a redevelopment plan that will permit up to **84 stacked townhouse units** inclusive of **17 family affordable units** (a 20% set-aside). The suitability criteria for this site were addressed in the adopted HEFSP and continue to be applicable notwithstanding the change in the intended development type from assisted living to family townhouses.

21-25 Grove Avenue. The 4th Round HEFSP will be amended to include this project. An application is before the Zoning Board of Adjustment at the time of this writing to construct an **eleven (11) unit** townhouse development on Block 1702, Lot 22, which would include **two (2) affordable units** in accordance with the Township's mandatory set-aside ordinance. The two affordable units are eligible for 0.5 redevelopment and transit oriented bonus credits each, for a total of **one (1) bonus credit** and a combined three **(3) credits** towards the 4th Round RDP. The property is suitable for inclusion in the HEFSP as follows:

- *“Available site” means a site with clear title, free of encumbrances which preclude development for low and moderate income housing.*

The Township is not aware of any conditions of title or any legal encumbrances which would preclude production of affordable housing on this property.

- *“Suitable site” means a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4.*

The property in question is located on the periphery of the Town Center Zone that fronts Bloomfield Avenue, and directly neighbors commercial uses to the south and single-family residential uses to the north. There are no significant environmental constraints that would preclude the site from producing affordable housing. Additionally, the site has access to appropriate streets and is adjacent to compatible uses.

- *“Developable site” means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.*

The site has access to existing water and sewer infrastructure and is within an existing approved sewer service area.

- *“Approvable site” means a site that may be developed for low and moderate income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. A site may be approvable although not currently zoned for low and moderate income housing.*

The Township is not aware of any conditions which would preclude the site from being developed consistent with applicable State regulations.

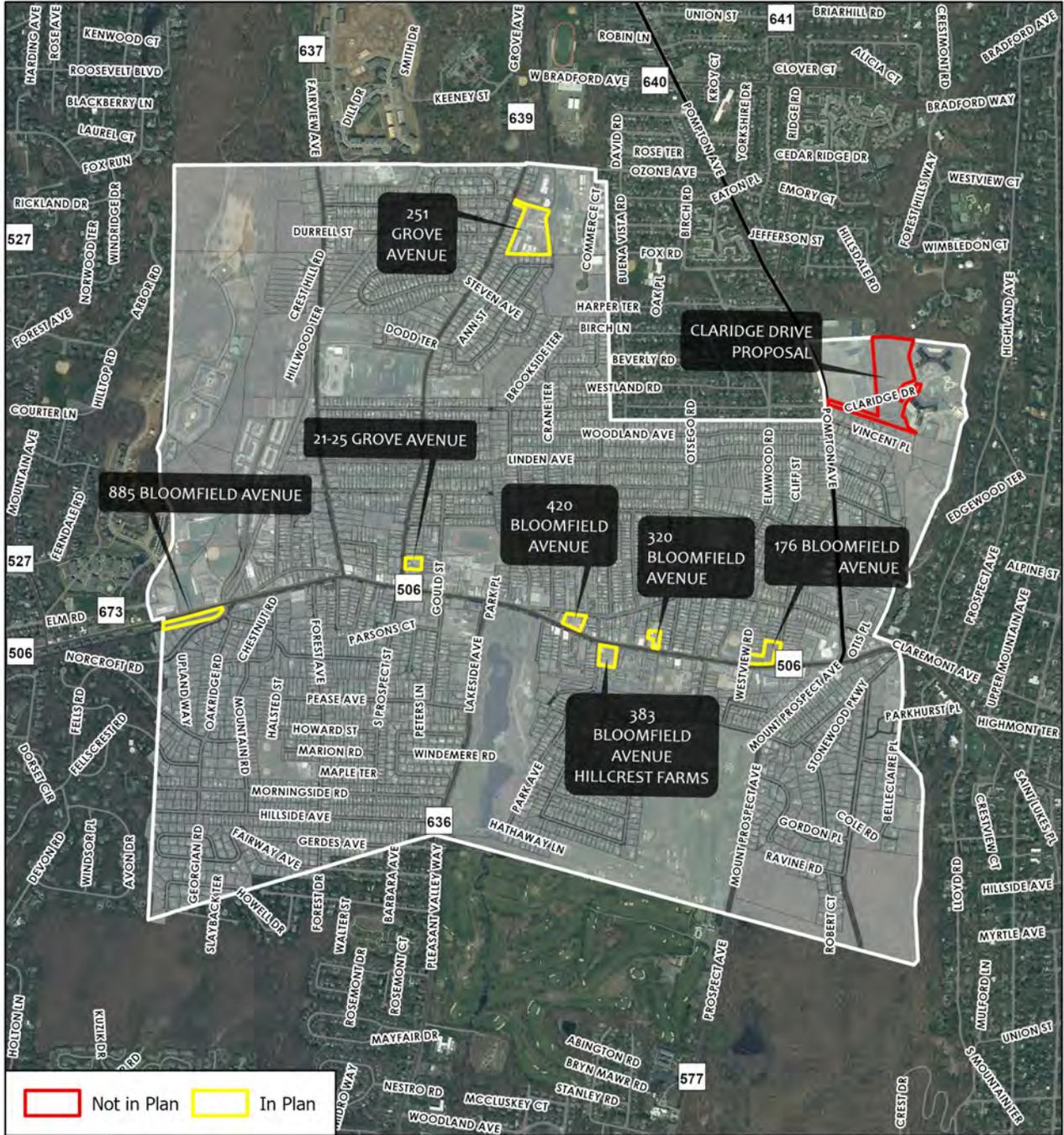
The Township will satisfy its 67-unit RDP with **58 units and 16 bonus credits**, for a total of **74 credits**, leaving a **seven (7) unit** surplus that will be applied toward future affordable housing rounds.

The Township will satisfy the Unmet Need with the following projects:

Town Center Mixed Use (TCMU) Overlay Zone District. This overlay zone was included in the adopted 4th Round HEFSP as a compliance mechanism for addressing the RDP. However, for the purposes of this Amended HEFSP, it will be utilized to address a portion of the Unmet Need. As stated in the Adopted HEFSP, the overlay zone permits up to 70 units across the affected area. The ordinance will be amended to require that any development undertaken in accordance with the overlay zoning shall provide a 20% set-aside, creating an opportunity for up to **14 affordable housing** units. The Township agrees in its Settlement with Fair Share Housing Center that if the TCMU overlay zone does not result in inclusionary development by June 30, 2030, the Township will amend or replace the overlay zone to provide a more realistic opportunity for the creation of affordable housing.

Town Center (TC) Zone Amendment. As stated in the Adopted HEFSP, the Township will amend the Town Center zone to remove an existing provision that requires that any mixed-use development include an equal amount of floor area dedicated to residential and non-residential uses, in order to not only increase the likelihood of mixed-use inclusionary development in the TC zone but to also increase the amount of floor area that could be dedicated to the creation of affordable housing. Whereas the Adopted HEFSP made reference to an illustrative density of 10 units per acre that could be developed in the zone, the amendment to the TC zone will include a sliding scale density that permits up to 20 housing units per acre depending on lot size. This would create a realistic opportunity for at least **33 affordable units** in the TC zone, excluding 420 Bloomfield Avenue which is included in this plan as an RDP compliance mechanism.

The two unmet need mechanisms identified above produce a realistic opportunity for **47 affordable units**, more than double the requirement of 22 units under FHA2.



Not in Plan
 In Plan


 400 Broadacres Drive
 Suite 250
 Bloomfield, NJ 07003
 Phone: (973) 614-0005



**Fourth Round Affordable Housing Sites
 And Lands Considered
 Verona Township
 Essex County, NJ**

NOTE: This map was developed using New Jersey Department of Environmental Protection Geographic Information System digital data, but this secondary product has not been verified by NJDEP and is not State-authorized.

Prepared by: DLH, 02.13.2026
 Source: NJDEP, NJOGIS
 File Path: G:\Projects\VRNA\G2501\GIS\Verona General Map\VeronaAffordableHousing.aprx

Satisfaction of the 67 Unit RDP: Verona's Fourth Round HEFSP	Total Units	Affordable Units	Credits
Hillwood Terrace (30% Cap)	12	12	12
320 Bloomfield Avenue	12	2	2
383 Bloomfield Avenue	33	5	9.5
420 Bloomfield Avenue	65	10	15
176 Bloomfield Avenue	28	4	6
885 Bloomfield Avenue	28	6	9.5
251.5 Grove Avenue	84	17	17
21-25 Grove Avenue	11	2	3
	273	58	74

Other Amendments and Agreement Terms

Pursuant to the agreement to be executed by the Township of Verona and the Parties, the Township will amend its Affordable Housing Ordinance, at Article XIX, “Affordable Housing”, and Development Fee Ordinance, at Article XXI, “Development Fee”, of Chapter 150, “Zoning”, of the Township Code, to reflect changes to the Fair Housing Act pursuant to P.L. 2024, c.2, amendments to the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-26.1 et seq., and newly adopted rules at N.J.A.C. 5:99, which amend and replace portions of COAH’s rules at N.J.A.C. 5:93 and N.J.A.C. 5:97.

The Township also agrees to the following terms:

Zoning and Redevelopment Plans

Not later than March 15, 2026, the Township will adopt redevelopment plans and zoning ordinances for 176, 320, 383, 420, and 885 Bloomfield Avenue, as well as 251-½ Grove Avenue. The Township will also amend its Township-wide mandatory set-aside ordinance to require a 20% affordable housing set-aside with rounding to the nearest whole number, with exceptions for the redevelopment of 383 and 420 Bloomfield Avenue.

Spending Plan

Consistent with the Township’s agreement with FSHC, the Township amends its Spending Plan based upon N.J.A.C. 5:99.

Minimums & Maximums

The FHA2 stipulates certain requirements within C.52:27D-311.k(10)1 which the Verona plan meets. The following is noted:

- A maximum of 30% of the affordable housing units, exclusive of any bonus credits, to address its prospective need affordable housing obligation, may be addressed with age restricted housing. The fourth round obligation is being partially addressed with 12 existing age-restricted units at Hillwood Verona Senior Housing, which is less than the 30% cap of 17 units based on 58 units in the plan.
- A minimum of 50% of the actual affordable housing units, exclusive of bonus credits, created to address its prospective need obligation must be satisfied with the creation of housing available to families with children. More than 50% of units in the Township's compliance plan - 39 units compared to the minimum of 29 units - are family units.
- A minimum of 25% of the actual affordable housing units, exclusive of bonus credits, created to address the Township's prospective need obligation, must be satisfied with the creation of rental housing. Half of the rental units must be available to families with children. Thirty-eight (38) of the 58 affordable units in the plan are rentals, and 19 of them (50%) are family units.
- A minimum of 13% percent of all affordable units referenced in this HEFSP addressing the Township's fourth round prospective need obligation shall be very low-income units for households earning 30 percent or less of the regional median income. The very-low income requirement will be satisfied through the creation of special needs housing units at 383 and 885 Bloomfield as well as the creation of family very-low income units at the developments proposed in the plan in accordance with the 13% very-low income requirement under the Township's affordable housing ordinance. Additionally, 117 of the 159 senior units at Verona Senior Housing are age-restricted very-low income units.

The Township will ensure to the best of its ability that all affordable housing units satisfying the prior round obligations will continue to meet the applicable minimums and maximums set forth in the third round settlement agreement with FSHC as well as any applicable regulatory or statutory requirements.

Conclusion

The adoption of this document by the Verona Planning Board and its endorsement by the Verona Mayor and Council shall constitute an amendment to the Fourth Round HEFSP adopted on June 19, 2025 to address the terms of the agreements between the Township and the Parties with respect to the satisfaction of the

Township's fourth round obligation and its compliance the constitutional obligation to produce a realistic opportunity for affordable housing.

Appendices

This report contains the following appendices.

Appendix A: Agreements with FSHC, A&R, DMH2, and JMF

Appendix B: Amended Vacant Land Adjustment

Appendix C: Amended Development Fee & Affordable Housing Ordinances

Appendix D: Amended Spending Plan

Appendix E: 320 Bloomfield Redevelopment Plan

Appendix F: 383 Bloomfield Redevelopment Plan

Appendix G: 420 Bloomfield Redevelopment Plan

Appendix H: 885 Bloomfield Redevelopment Plan

Appendix I: 251 ½ Grove Redevelopment Plan

Appendix J: TC Town Center Zone Amendment & TCMU Overlay Zone Amendment

Appendix K: Amended Administrative Manuals and Affirmative Marketing Plan

Appendix L: Updated Third Round Documentation

Appendix M: 176 Bloomfield Avenue

Appendix N: June 2025 Adopted Fourth Round Housing Element and Fair Share Plan

Appendix A: Agreements with FSHC, A&R, DMH2, and JMF

PREPARED BY THE AFFORDABLE HOUSING PROGRAM:

In the Matter of the Application of
the Township of Verona

Superior Court of New Jersey
Law Division, Civil Part

Docket No. ESX-L-594-25

**Program Settlement Recommendation -
Housing Element and Fair Share Plan**

THIS MATTER, having come before the Affordable Housing Dispute Resolution Program (Program), pursuant to the Complaint for Declaratory Judgment filed in this matter on January 22, 2025 (DJ Complaint) by the Petitioner, the Township of Verona (Township), pursuant to the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et. seq. (FHA), and in accordance with Administrative Directive #14-24 and its Addenda, seeking a certification of compliance with the FHA;

AND IT APPEARS that on April 7, 2025, the Hon. Aldo J. Russo, J.S.C. entered an Order as follows:

- (a) Establishing the Township’s Fourth Round “present need” at 0;
- (b) Establishing the Township’s Fourth Round “prospective need” at 155;
- (c) Directing the Township to prepare and adopt a Housing Element and Fair Share Plan on or before June 30, 2025; and

(d) Granting the Township immunity from exclusionary zoning litigation; and

AND IT APPEARS that the Township timely adopted and filed the Township's Proposed Fourth Round Housing Element and Fair Share Plan (HEFSP);

AND IT APPEARS that a challenges to the Township's Fourth Round HEFSP were timely filed by interested parties: Fair Share Housing Center, DMH2 LLC, A&R Skyline Properties LLC, and JMF Properties LLC;

AND the Program having appointed Special Adjudicator Elizabeth McManus, PP, AICP;

And the Program having been advised in writing on December 10, 2025, that a settlement had been reached between the Township and DMH2 LLC such that it had withdrawn its challenge;

AND the Program Member having conducted a settlement conference(s) on October 21, 2025, December 11, 2025, and a session on December 22, 2025, at which time all parties reached a settlement. The settlement terms were placed on the record and include, but are not limited to the following:

- (a) The Township's Present Need (Rehabilitation) Obligation is 0;
- (b) The Township's Prospective Need Obligation (2025-2035) is 155;
- (c) The Township's First and Second Rounds Obligation is 24;

(d) The Township’s Third Round Obligation (1999-2025) is 215;

(e) The Township shall satisfy its Prior Round Obligations as follows:

Prior Round Obligations

NAME	TYPE	UNITS	BONUSES	TENURES	STATUS
Hillwood Senior Housing	100% Affordable Senior	59	0	Rent	Constructed
ARC of Essex County	Special Needs	6	6	Rent	Constructed
Jewish Services Group Home	Special Needs	2	0	Rent	Constructed
Spectrum 360, LLC	Inclusionary Family	15	11	Rent	Approved
Cameco / Verona Flats	100% Affordable Family	95	43	Rent	Constructed
Project Live	Special Needs	3	0	Rent	Constructed

(f) The Township’s Fourth Round obligation is 155. The obligation has been adjusted pursuant to a Vacant Land Adjustment (VLA) with a Realistic Development Potential (RDP) of 65. The Township shall satisfy its Fourth Round RDP as follows:

NAME	TYPE	UNITS	BONUSES	TENURES	STATUS
Hillwood Senior Housing (surplus)	100% Affordable Senior	12	0	Rent	Constructed

NAME	TYPE	UNITS	BONUSES	TENURES	STATUS
21-25 Grove Avenue	Inclusionary Family	2	1	Rent	Proposed
320 Bloomfield Avenue & 11 Church Street	Inclusionary Family	2		Rent	Proposed
Hillcrest Farms/383 Bloomfield Avenue	Inclusionary Family	5	4.5	Rent	Proposed
Richfield Regency/420 Bloomfield Avenue	Inclusionary Family	10	5	Rent	Proposed
855-885 Bloomfield Avenue (A&R)	Inclusionary Family	6	3.5	Sale	Proposed
176 Bloomfield Avenue (DMH2)	Inclusionary Family	4	2	Rent	Proposed
251 Grove Avenue (JMF)	Inclusionary Family	18		Rent	Proposed

(g) The Township’s Fourth Round Unmet Need is 90. The Township shall satisfy its Fourth Round Unmet Need as follows:

Fourth Round Unmet Need

NAME	TYPE	UNITS	TENURES	STATUS
TC Zone Amendment	TBD	25+	TBD	Proposed
Town Center Mixed Use Overlay	TBD	14+	TBD	Proposed

AND the parties have represented that they will execute written settlement agreements and file them with the court;

AND the Township having represented it intends to adopt an Amended HEFSP in accordance with the terms of the settlement;

AND the Special Adjudicator Elizabeth McManus, PP, AICP having submitted a written report to the Program Member recommending endorsement of the settlement terms (attached hereto as Exhibit A);

AND the Program Member having determined that the terms of the settlement are fair, reasonable and adequately protects the interests of low and moderate-income residents of the Township;

AND the Program Member having determined that the terms of the settlement are constitutionally compliant and provide a fair and reasonable opportunity for the Township to meet its obligations under the FHA and Mount Laurel doctrine;

AND for all those reasons, as well as those set forth in the Statement of Reasons (attached hereto as Exhibit B), the Program Member hereby recommends an ORDER directing that:

(a) The settlement terms as set forth above are approved; and

(b) In accordance with N.J.S.A. §52:27D-304.1(f)(2)(c), on or before March 15, 2026, the Township shall adopt and file its Amended HEFSP that

contains the terms of the settlement as well as the implementing ordinances and resolutions proposed within the Amended HEFSP; and

(c) Thereafter, the court shall schedule a Fairness and/or Compliance Hearing to consider approval of the Township's Amended HEFSP and the issuance of a Certification of Compliance and Repose; and

(d) Grant the Township continued immunity from exclusionary zoning litigation for the duration of the compliance process conditioned upon the Township's compliance with its order and good faith implementation of the Amended HEFSP and good faith participation in the compliance process.

Respectfully Submitted by the Program:

By:

/s/ *Hon. Julio L. Mendez*

Hon. Julio L. Mendez, J.S.C. (Ret.)

Dated: January 12, 2026



SPECIAL ADJUDICATOR REPORT

IMO the Application of the Township of Verona, Essex County

Docket No. ESX-L-594-25

January 5, 2026

Prepared for:

Hon. Julio Mendez, J.S.C. (ret.)

Affordable Housing Dispute Resolution Program

Richard J. Hughes Justice Complex

P.O. Box 037

Trenton, New Jersey 08625

Prepared by:

A handwritten signature in black ink, appearing to read 'Elizabeth K. McManus', is written over a horizontal line.

Elizabeth K. McManus, PP, AICP

Special Adjudicator

NJ Professional Planning License 5915

Kyle McManus Associates

P.O. Box 236

2 East Broad Street, 2nd Floor

Hopewell, NJ 08525

609-257-6705 (v)

bmcmanus@kylemcmanus.com



1.0 INTRODUCTION

This report has been prepared and submitted in my capacity as Special Adjudicator to assist the Affordable Housing Dispute Resolution Program (“Program”) in the case titled, In the Matter of the Application of the Township of Verona, Docket No. ESX-L-594-25.

The following Report addresses the below listed topics:

- Compliance of the Township of Verona’s *Fourth Round Housing Element and Fair Share Plan* (adopted June 19, 2025) (“Housing Plan”), and as supplemented by the Township and proposed for amendment via the Mediation Agreement with FSHC.

The Township’s Housing Plan received 4 objections. Each objection identified deficiencies in the Township’s Housing Plan. The 3 developer-objectors each sought inclusionary development on their property. All objections are tentatively resolved with settlement agreements (developer-objectors) or a mediation agreement (FSHC) that have been drafted but are not yet fully executed, as of the writing of this Report.

- The objection filed by Ariela Rutback-Goldman, Esq. on behalf of Fair Share Housing Center (“FSHC”), dated August 30, 2025.
- The objection filed by Cameron W. MacLeod, Esq. on behalf of DMH2, LLC (“DMH2”), dated August 31, 2025. The property the developer sought to have included in the Housing Plan is a 1.56 acre site on Block 202, Lots 1 and 23.
- The objection filed by Steven Mlenak, Esq. on behalf of A&R Skyline Properties LLC (“A&R”), dated August 31, 2025. The property the developer sought to have included in the Housing Plan is a 1.77 acre site on Block 2205, Lot 6.
- The objection filed by Paul G. Jemas, Esq. on behalf of JMF Properties, LLC (“JMF”), dated August 29, 2025. The property the developer sought to have included in the Housing Plan is a 5.54 acre site on Block 1201, Lot 12.

The following provides a summary of Verona’s participation in the Program. In addition to the formal settlement conferences listed below, there were several other discussions I had with the parties and between the parties.

- January 22, 2025: Declaratory judgement filed by the Township
- April 7, 2025: Decision and Order Fixing Municipal Obligations for “Present Need” and “Prospective Need” for the Fourth Round Housing Cycle issued by the Honorable Aldo J. Russo, J.S.C.
- June 20, 2025: Submission of adopted Housing Plan to the Program
- August 29, 2025: Objection to Verona’s Housing Plan filed by JMF
- August 29, 2025: Objection to Verona’s Housing Plan filed by A&R
- August 31, 2025: Objection to Verona’s Housing Plan filed by FSHC
- August 31, 2025: Objection to Verona’s Housing Plan filed by DMH2
- September 30, 2025: Settlement Conference between all parties
- December 11, 2025: Settlement Conference between all parties
- December 17, 2025: Session



2.0 CONTEXT FOR REVIEW

This Report reviews Verona's Housing Plan and supplemental submissions against the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq) ("FHA"), the adopted rules by the Council on Affordable Housing ("COAH") (N.J.A.C. 5:93, N.J.A.C. 5:97), to the extent applicable, relevant case law, the Uniform Housing Affordability Control Rules, N.J.A.C. 5:80-26.1 et seq. ("UHAC"), to the extent applicable given that the rules are in the process of being amended as of the issuance of this Report, Division of Local Planning Service Fair Housing Act Rules (N.J.A.C. 5:99), to the extent applicable given that the rules are draft as of the issuance of this Report, and the Administrative Directives issued by the Program (#14-24, Addendum to #14-24).

The FHA, amended in 2024, set forth a new methodology for calculation of municipal affordable housing obligations, strategies and requirements for preparing a housing plan and satisfying the affordable housing obligations, and procedure for gaining approval of a housing plan and immunity from builder's remedy litigation, among a variety of other topics. As part of these amendments, the Program was created to oversee the newly created process. The goal for each municipality that enters the process is to obtain a compliance certification, which "protects the municipality from exclusionary zoning litigation during the current round of present and prospective need and through July 1 of the year the next round begins, which is also known as a "judgment of compliance" or "judgment of repose" (N.J.S.A. 52:27D-304.q.).

While the FHA provides a variety of strategies and requirements for preparing a housing plan and satisfying a municipal affordable housing obligation, it requires municipalities, as well as objectors, to continue to rely upon adopted COAH's rules for many aspects of compliance:

All parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing unless those regulations are contradicted by statute, including but not limited to P.L.2024,c. 2 (C.52:27D-304.1 et al.), or binding court decisions. (N.J.S.A. 52:27D-311.m.)

Additionally, the FHA provides guidance on not just the newly calculated obligations of the present need and the prospective need, but also how a housing plan should address the prior round obligations.

As part of its housing element and fair share plan, the municipality shall include an assessment of the degree to which the municipality has met its fair share obligation from the prior rounds of affordable housing obligations as established by prior court approval, or approval by the council, and determine to what extent this obligation is unfulfilled or whether the municipality has credits in excess of its prior round obligations... In addressing prior round obligations, the municipality shall retain any sites that, in furtherance of the prior 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 prior rounds continue to present a realistic opportunity, which may include proposing changes to the zoning on the site to make its development more likely, and which may also include the dedication of municipal affordable housing trust fund dollars or other monetary or in-kind resources. The municipality shall only plan to replace any sites planned for development as provided by a prior court approval, settlement agreement, or approval by the council, with alternative development plans, if it is determined that the previously planned sites no longer present a realistic opportunity, and the sites in the alternative development plan provide at least an equivalent number of affordable units and are otherwise in compliance with the "Fair Housing Act." (N.J.S.A. 52:27D-304.1.f.(2)(a)) (emphasis added)



3.0 REHABILITATION OBLIGATION

The Township's Round 4 rehabilitation obligation, also referred to as the present need, is 0 units.

Proposed Satisfaction

- None / not applicable.

Objections & Municipal Response

- A. None.

Findings & Recommendations

- A. None / not applicable.

4.0 ROUNDS 1 AND 2 (1987-1999)

The Township's Rounds 1 and 2 obligation is 24 units.

Proposed Satisfaction

- The Township utilizes a variety of family, senior and special needs affordable units, as well as bonus credits to satisfy the obligation.
- The credits which satisfy the obligation are consistent with the manner in which the Township's 2021 Settlement Agreement with FSHC satisfies the obligation.

Objections & Municipal Response

- A. All objections have been resolved.

Findings & Recommendations

- A. Conditionally Compliant.
 - The Township satisfies the entire obligation as well as the other requirements such as, but not limited to, the rental component and senior limitation.
 - The Township should submit the necessary documents to confirm the 24 credits.

5.0 ROUND 3 (1999-2025)

The Township's Round 3 obligation is 215 units.

Proposed Satisfaction

- The Housing Plan utilized a variety of family, senior and special needs affordable units, as well as bonus credits to satisfy the obligation.
- The credits which satisfy the obligation are not consistent with the manner in which the Township's 2021 Settlement Agreement with FSHC.



Objections & Municipal Response

- A. All objections have been resolved.

Findings & Recommendations

- A. Conditionally Compliant.
- The Township satisfies the entire obligation as well as the other requirements such as, but not limited to, the rental, family and family rental requirements, and the senior limitation.
 - The Township should submit the necessary documents to confirm the 215 credits.

6.0 ROUND 4 (2025-2035)

The Township's Round 4 obligation is 155 units. A vacant land adjustment, with an RDP of 65 and an unmet need of 90, is proposed.

Proposed Satisfaction

- The Township's Housing Plan calculated an RDP of 59; however, the Mediation Agreement increases it to 65 and revises the manner in which it is satisfied. The RDP is satisfied with family, senior and special needs units (including the developer-objector sites), as well as bonus credits.
- The unmet need and the 25% of realistic zoning are addressed through amendment to the Township's TC district and through a new mixed-use and inclusionary development overlay, as described in the Mediation Agreement.

Objections & Municipal Response - RDP

- A. All objections have been resolved.

Findings & Recommendations

- A. Conditionally Compliant.
- The Township satisfies the entire RDP as well as the other RDP requirements such as, but not limited to, the rental, family and family rental requirements, and the senior limitation.
 - The Township satisfied the unmet need and 25% realistic zoning requirement through zoning amendments.
 - The Township should adopt the required zoning ordinances and redevelopment plan amendments to implement the RDP and unmet need mechanisms, as set forth in the FSHC Mediation Agreement and developer Settlement Agreements.

7.0 MISCELLANEOUS

- A. Administrative Documents. There are several administrative documents the Township will need to revise to reflect newly adopted regulations from HMFA and DCA, including but not limited to an affordable housing ordinance, affirmative marketing plan and spending plan.

PREPARED BY THE AFFORDABLE HOUSING PROGRAM:

In the Matter of the Township of Verona	Superior Court of New Jersey Law Division, Civil Part Docket No. ESX-L-594-25
---	---

Statement of Reasons

This Statement of Reasons addresses the challenge to the Township of Verona Fourth Round Housing Element and Fair Share Plan (“HEFSP”), in accordance with N.J.S.A. 52:27D-304.1(f)(2)(b), the directives of the Affordable Housing Dispute Resolution Program, and the legal standards established by the Mount Laurel doctrine and the Fair Housing Act. The recommendation analysis incorporates the history, evolving jurisprudence, and administrative framework governing municipal affordable housing compliance in New Jersey.

This matter came before the Affordable Housing Dispute Resolution Program (“Program”) pursuant to a Complaint for Declaratory Judgment filed on January 22, 2025 (“DJ Complaint”) by the Township of Verona (“Township”), in accordance with the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 *et. seq.* (“FHA”), Administrative Directive #14-24 and its Addenda, seeking a certification of compliance with the FHA. By Order dated April 7, 2025, entered by the Honorable

Aldo J. Russo, J.S.C., the Township's Fourth Round "present need" obligation was established at zero (0), and its "prospective need" at one hundred fifty-five (155). The Township was further directed to prepare and adopt a Housing Element and Fair Share Plan ("HEFSP") by June 30, 2025, and was granted immunity from exclusionary zoning litigation. The Township timely adopted and filed its Proposed Fourth Round HEFSP. Challenges to this Plan were timely submitted by interested parties including Fair Share Housing Center, DMH2 LLC, A&R Skyline Properties LLC, and JMF Properties LLC.

The Program appointed Elizabeth McManus, PP, AICP, as Special Adjudicator, and the Program Member conducted settlement conferences on October 21, 2025, December 11, 2025, and a final session on December 22, 2025, at which time all parties reached a settlement which was placed on the record. On December 10, 2025, the Program was notified that a settlement had been reached between the Township and DMH2 LLC. The settlement includes the following terms: the Township's Present Need (Rehabilitation) Obligation was set at zero (0); the Prospective Need Obligation (2025-2035) at one hundred fifty-five (155); the First and Second Round Obligation at twenty-four (24); and the Third Round Obligation (1999-2025) at two hundred fifteen (215). The Township agreed to satisfy its Prior Round Obligations through already constructed or approved projects, including Hillwood Senior Housing (59 units), ARC of Essex County (6 units), Jewish

Services Group Home (2 units), Spectrum 360, LLC (15 units approved), Cameco/Verona Flats (95 units), and Project Live (3 units).

The Township applied a Vacant Land Adjustment to its Fourth Round obligation of 155 resulting in a Realistic Development Potential (“RDP”) of 65, to be met as specified: 12 surplus units at Hillwood Senior Housing (constructed), 2 units at 21-25 Grove Avenue (proposed), 2 units at 320 Bloomfield Avenue & 11 Church Street (proposed), 5 units at Hillcrest Farms/383 Bloomfield Avenue (proposed), 10 units at Richfield Regency/420 Bloomfield Avenue (proposed), 6 units at 855-885 Bloomfield Avenue (A&R, proposed), 4 units at 176 Bloomfield Avenue (DMH2, proposed), and 18 units at 251 Grove Avenue (JMF, proposed). The Fourth Round Unmet Need of ninety (90), to be addressed through 25+ units via a TC Zone Amendment (proposed) and 14+ units through the Town Center Mixed Use Overlay (proposed).

A written settlement agreement memorializing these terms will be executed and filed and uploaded with the court. The Township has stated its intent to adopt an Amended HEFSP incorporating the settlement terms. The Program Member has reviewed the settlement and determined that its terms are fair, reasonable, and adequately protect the interests of low- and moderate-income residents of the Township. Further, the Program Member concluded that the settlement terms are constitutionally compliant, providing a fair and reasonable opportunity for the

Township to satisfy its affordable housing obligations under the FHA and the Mount Laurel doctrine.

For these reasons, and for those detailed in this Statement of Reasons, the Program Member recommends that an Order be entered: (a) approving the above-recited settlement terms; (b) directing, in accordance with N.J.S.A. 52:27D-304.1(f)(2)(c), that on or before March 15, 2026, the Township must adopt and file its Amended HEFSP, including all implementing ordinances and resolutions proposed within that Plan; (c) ordering that, subsequent to the filing, the court shall schedule a Fairness and/or Compliance Hearing to consider approval of the Amended HEFSP and the issuance of a Certification of Compliance and Repose; and (d) granting the Township continued immunity from exclusionary zoning litigation for the duration of the compliance process, provided that the Township complies with all such Orders, implements the Amended HEFSP in good faith, and fully participates in the compliance process.

The primary focus is the compliance of the Township of Verona's Fourth Round Housing Element and Fair Share Plan ("Housing Plan"), adopted on June 19, 2025, and as supplemented and proposed for amendment contained in the settlement agreement with Fair Share Housing Center ("FSHC") and the various developers. The HEFSP was objected to by four challengers, each identifying deficiencies, with three developer-objectors seeking inclusionary development on their respective

properties. All objections are tentatively resolved through drafted settlement agreements with the developer-objectors and a mediation agreement with FSHC, although these agreements have not yet been fully executed as of the writing of this report, the terms were placed on the record. The objections were filed by Ariela Rutback-Goldman, Esq., on behalf of FSHC (August 30, 2025); by Cameron W. MacLeod, Esq., on behalf of DMH2, LLC, concerning a 1.56-acre site (August 31, 2025); by Steven Mlenak, Esq., on behalf of A&R Skyline Properties, LLC, for a 1.77-acre site (August 31, 2025); and by Paul G. Jemas, Esq., on behalf of JMF Properties, LLC, related to a 5.54-acre site (August 29, 2025).

The procedural history of Verona's participation in the Program includes key events such as the declaratory judgement filing (January 22, 2025), establishing of municipal obligations by court order (April 7, 2025), submission of the adopted Housing Plan (June 20, 2025), timely objection filings (August 29–31, 2025), and subsequent settlement conferences and sessions between September and December 2025.

The mediation process for Verona's Plan and supplemental submissions was conducted in accordance with the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.), applicable COAH rules (N.J.A.C. 5:93 and 5:97), relevant case law, the Uniform Housing Affordability Control Rules (N.J.A.C. 5:80-26.1 et seq.), draft Division of Local Planning Service Fair Housing Act Rules (N.J.A.C. 5:99), and the

Program’s administrative directives. The FHA, amended in 2024, established a new methodology for calculating affordable housing obligations and articulated procedural and substantive requirements to secure both approval of housing plans and immunity from builder’s remedy litigation. The Program is guided by the impressive and detailed recommendations submitted by the appointed Special Adjudicator.

Municipalities, along with objectors, remain entitled to rely on COAH’s adopted rules for various compliance mechanisms except where they are contradicted by statute or binding precedent. Importantly, the FHA requires housing plans to include an assessment of past compliance—specifically, whether prior round obligations have been met, remain unfulfilled, or have surplus credits, as well as the status of sites identified in previous rounds.

Verona’s reviewed obligations for this planning period are as follows: the Round 4 (present need) rehabilitation obligation is zero units, requiring no action. Rounds 1 and 2 (1987–1999) set an obligation of 24 units, which the Township fulfills using a mix of family, senior, and special needs affordable units, including bonus credits and consistent with the 2021 Settlement Agreement with FSHC – thus, this obligation is found to be conditionally compliant, pending submission of appropriate documentation verifying the 24 credits. For Round 3 (1999–2025), the obligation is 215 units, similarly met with a combination of eligible affordable units

and bonus credits; again, the Township is found conditionally compliant, subject to verification of credits. For Round 4 (2025–2035), Verona’s obligation is 155 units, comprising a realistic development potential (RDP) of 65 units and an unmet need of 90 units, as refined by the anticipated Mediation Agreement. The RDP is to be satisfied by designated affordable family, senior, and special needs units across the developer-objector sites and bonus credits.

The unmet need and the required 25% realistic zoning are addressed through amendments to the Township’s TC district and the introduction of a mixed-use, inclusionary overlay, as specified in the Mediation Agreement. All objections regarding the satisfaction of RDP and unmet need have been resolved, and the Township is conditionally compliant pending the timely adoption of the necessary zoning ordinances and redevelopment plan amendments. Verona will need to update various administrative documents, such as the affordable housing ordinance, affirmative marketing and spending plans, to reflect current regulations from the New Jersey Housing and Mortgage Finance Agency (HMFA) and the Department of Community Affairs (DCA).

In conclusion, following a careful review of the entire record under the applicable statutory, regulatory, and judicial requirements, the Township’s HEFSP is found to be conditionally compliant, with the recommendation that Verona timely

submit verification documentation for its housing obligations and adopt the required ordinances to effectuate its Fourth-Round plan.

The Program also concludes that the terms of the settlement are fair, reasonable, and adequately protect the interests of low- and moderate-income residents of the Township. The Program also determined the settlement is constitutionally compliant and offers a fair and reasonable opportunity for the Borough to meet its FHA and Mount Laurel obligations. The Program recommends that an Order be entered approving the settlement terms as summarized above, and that, in accordance with N.J.S.A. §52:27D-304.1(f)(2)(c), the Township adopt and file its Amended HEFSP, including all required implementing ordinances and resolutions, by March 15, 2026.

Moving forward the Program recommends that the court should schedule a Fairness and/or Compliance Hearing to consider approval of the Amended HEFSP and the issuance of a Certification of Compliance and Repose. The order should also grant the Township continued immunity from exclusionary zoning litigation during the compliance process, conditioned on good faith compliance and implementation of the Amended HEFSP and participation in the process. The FHA also directs that municipalities rely on COAH's regulations for compliance mechanisms unless these are contradicted by statute or court decisions. Additionally, municipalities must review their fulfillment of prior round obligations, retain sites under contract or with

completed applications for development, and only substitute sites if the original ones no longer present a realistic opportunity for affordable construction. Through adoption of the required amendments to the HEFSP and implementation of the identified mechanisms, Verona's plan provides a fair and reasonable opportunity to meet its obligations under the FHA and the Mount Laurel doctrine.

The anticipated Mediation Agreement describes compliance steps including the adoption of an amended HEFSP, all necessary ordinances, resolutions, a spending plan, and supporting documents by March 15, 2026. The Township of Verona commits to meeting its affordable housing obligations through measures such as overlay zoning for potential inclusionary development, set asides for affordable units, and working with nonprofit partners to create new group home opportunities.

Importantly, the settlement is endorsed by FSHC (a public interest entity devoted solely to promoting housing for income-restricted households), incorporates a methodologically sound determination of needs and responsibilities. The involvement and subsequent endorsement of FSHC, a public interest organization with a singular mission to advocate for housing for lower-income households, further strengthens the presumption of fairness and adequacy of this Settlement. It includes a practical and equitable mix of compliance tools, thoughtful income targeting and household type requirements, and regular oversight and monitoring. In

the event of substantial changes affecting the Township's RDP, prompt court and FSHC notification are mandated, along with a plan to address those changes.

In conclusion, the settlement resolves Verona's fair share obligations and how it will satisfy them, with clear timelines and action steps. The essential documents—including the amended HEFSP and all implementing ordinances and a spending plan—are to be adopted prior to March 15, 2026, after appropriate Board and Council approvals. Provided all settlement terms are honored, the settlement fully complies with the Fair Housing Act and Mount Laurel doctrine. Significantly, the Special Adjudicator endorses the Program's recommendation approving the settlement.

Based on careful review of the entire record, all the expert reports and legal arguments, the recommendations of the Special Adjudicator, and based on the applicable legal standards outlined in this statement of reasons, the Program concludes that the settlement terms fulfill the critical fairness criteria. It ensures a sufficient number of affordable housing units are constructed using sound methodology, incorporates numerous programmatic features to serve low- and moderate-income residents, and provides for thorough implementation steps and ongoing oversight.

The settlement offers additional advantages, fostering a collaborative local environment for compliance and mitigating the risk of costly and divisive litigation.

By reaching an agreement, all stakeholders—including the Township, housing advocates, developers, and residents—can work cooperatively to ensure the timely provision of needed affordable housing. The settlement establishes clear conditions and milestones for municipal compliance and court approval, setting forth a transparent, enforceable path toward meeting constitutional and statutory obligations under the New Jersey Fair Housing Act and the Mount Laurel doctrine.

In sum, the proposed settlement constitutes a good faith resolution, and it is grounded in documented obligations and pragmatic compliance mechanisms and provides a transparent and enforceable pathway toward Fourth Round compliance. The agreement is consistent with the Fair Housing Act, statutory amendments, and governing administrative directives, and it advances the constitutional objective of providing a realistic opportunity for the construction of affordable housing.

The Program recommends an Order directing that: (a) the settlement terms are approved; (b) pursuant to N.J.S.A. §52:27D-304.1(f)(2)(c), Verona shall adopt and file its Amended HEFSP, including implementing ordinances and resolutions, on or before March 15, 2026; (c) a Fairness and/or Compliance Hearing shall then be scheduled by the court to consider final approval of the Amended HEFSP and issuance of a Certification of Compliance and Repose; and (d) the Township shall be granted continued immunity from exclusionary zoning litigation for the duration of the compliance process, provided it complies with the Order, implements the

Amended HEFSP in good faith, and participates in the compliance process in good faith.

New Jersey's Fair Housing Act (FHA) was amended, in part, due to a recognition of the need to "establish definitive deadlines for municipal action and any challenges to those actions" to ensure timely municipal compliance with their constitutional and statutory housing obligations. See N.J.S.A. §52:27D-302 (m).

The Mount Laurel doctrine arises from a series of seminal New Jersey Supreme Court decisions, beginning with Southern Burlington County NAACP v. Township of Mount Laurel, 67 N.J. 151 (1975) ("Mount Laurel I"), and clarified and expanded in Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158 (1983) ("Mount Laurel II"). These cases established the constitutional obligation that municipalities in New Jersey must provide a realistic opportunity for the development of affordable housing for low- and moderate-income households. The core holding prohibits exclusionary zoning practices and requires affirmative municipal action to provide a reasonable opportunity for the construction of such housing. Later cases, including Mount Laurel III and IV, as well as key Appellate Division decisions, have further articulated the standards by which compliance is measured and the process for judicial and administrative review.

The doctrine's core principle is that "satisfaction of the Mount Laurel obligation shall be determined solely on an objective basis: if the municipality has

in fact provided a realistic opportunity for the construction of its fair share of low- and moderate-income housing, it has met the Mount Laurel obligation to satisfy the conditional requirement; if it has not, then it has failed to satisfy it.” Mount Laurel II, 92 N.J. at 220-22. Good faith efforts are insufficient—the municipality must provide “the substantial equivalent of the fair share.” Id. at 216.

The FHA set forth a streamlined procedure whereby municipalities can secure a compliance certification. That process states that after adoption and filing of a municipality’s housing element and fair share plan (HEFSP), an interested party may file a response, or challenge, alleging with particularity that the municipality’s HEFSP is not in compliance with the FHA or the Mount Laurel doctrine. N.J.S.A. §52:27D-304.1(f)(2)(b).

The FHA declared that the State’s “preference for the resolution of existing and future disputes involving exclusionary zoning is the mediation and review process set forth in this act and not litigation, and that it is the intention of this act to provide various alternatives to the use of the builder's remedy as a method of achieving fair share housing.” N.J.S.A. §52:27D-303. In other words, the legislative framework is to get all parties to the table in an accelerated timeline to engage in discussions with the objective of achieving a resolution.

To that end, the FHA established the unique affordable housing program within the judiciary to facilitate settlement between a municipality and any interested

parties that filed a challenge to the municipality's HEFSP and give the municipality until December 31, 2025, to commit to revise its HEFSP or provide an explanation for why it will not make all or some of the requested changes. N.J.S.A. §52:27D-304.1(f)(2)(b). If a settlement cannot be reached, to resolve a challenge, the Program is to apply an objective assessment standard to determine whether the Municipality's HEFSP complies with the FHA and Mount Laurel doctrine. Ibid. Upon resolution of a challenge, the Program shall issue a compliance certification conditioned upon the municipality's "commitment, as necessary, to revise its fair share plan and housing element in accordance with the resolution of the challenge." Ibid. The Program may also recommend terminating immunity if it finds that the municipality is not in constitutional compliance at any point in the process. Ibid.

The Judiciary issued a directive outlining the process for the implementation of the Program. The new streamlined process allows municipalities to submit their plans for certification. If disputes arise about the feasibility of these plans, mediation and county-level housing judges will resolve issues to ensure compliance with affordable housing goals. The Administrative Directive promulgated procedures implementing the Affordable Housing Alternate Dispute Resolution Program ("Program") created by the FHA. The Directive established guidelines for the resolution of such matters, including the appointment of members, qualified experts, and staff. On May 17, 2024, a notice to the Bar announced the Administrative

Director's appointment of members of the Affordable Housing Dispute Resolution Program, consisting of retired judges, including a chairperson. This Program Member is one of seven appointed by the Judiciary.

Pursuant to N.J.S.A. §52:27D-310 and associated regulations, a compliant HEFSP must include:

Calculation of present and prospective fair share obligations;

Consideration of lands most appropriate for affordable housing, including land offered by willing developers (N.J.S.A. §52:27D-310(f));

Analysis of consistency with the State Development and Redevelopment Plan and (if applicable) the Highlands Plan (N.J.S.A. 52:27D-310(h)-(i));

Detailed site suitability analyses for all inclusionary or 100% affordable housing sites;

Identification and justification of rejected sites proposed by third parties; and

All draft implementing ordinances and resolutions (see also Directive #14-24 and Addenda).

The Plan must demonstrate a “realistic opportunity” for the required housing production, not merely procedural compliance or reliance on overly restrictive, hypothetical, or exclusionary zoning. See In re Fair Lawn Borough, 406 N.J. Super. 433, 441-42 (App. Div. 2009) (“COAH’s regulations recognize that some towns may not have enough currently developable land to meet their fair share requirements,

although they may have vacant land that is capable of future development for that purpose. A municipality may receive a ‘vacant land’ adjustment, conditioned on adopting zoning geared at allowing the eventual development of affordable housing on those properties.”). The town must establish mechanisms that will incentivize future development such as higher density resulting in actual affordable housing units and agree to enact mandatory set aside ordinances.

As part of the Program, the AOC appointed an independent Special Adjudicator to assist the Program. The Special Adjudicator worked closely with the Program, providing expert and objective recommendations to the Program, and most importantly actively assisted in the mediation of each case. The Program Member finds the appointed adjudicator in this case credible, objective and knowledgeable regarding all issues of affordable housing, and particularly as it relates to the Township. Her report and recommendations to the Program were given substantial weight in arriving at the recommendation to the county Mount Laurel Judge.

This Program Member is of the opinion that the Program has been immensely successful. Of the 564 municipalities in New Jersey, a record 423 municipalities timely filed a HESFP with the Program. That represents about 150 more municipalities than have previously participated in the Mount Laurel process. At the same time, over 700 challenges were also timely filed objecting to the plans. Impressively, the Program has mediated each case to determine that the proposed

HEFSP filed by each municipality is compliant and presided over on the sessions to place settlements on the record or to hear oral arguments on matters that are not resolved.

The Judiciary identified all the complex cases and contested cases and referred 232 cases to the Program members. What used to take years of litigations and delays, often spanning the entire ten-year cycle, under the new streamlined process framework requires completion within a 120-day period from September 1 to December 31, 2025. This Program Member has been assigned 36 cases requiring immense amounts of work, organization and cooperation from all parties.

The overall results firmly demonstrate the Program's effectiveness as skillfully implemented by the Judiciary. This is precisely what the Legislature intended in the new law. The FHA marks a new era of efficiency, cost savings, transparency and collaboration in affordable housing planning across New Jersey avoiding never ending litigation and most importantly resulting in real affordable housing units built for real people. In this Program Member's view, the extraordinary advocacy and work of FSHC is a crucial component of the success of the Program process.

Despite the Legislature's preference for settlement, it is still incumbent upon the Program to determine whether a municipality's proposed amended HEFSP enables the municipality to satisfy its fair share obligation and is compliant with the

FHA and the Mount Laurel doctrine. See N.J.S.A. §52:27D-304.1(f)(2)(b). The Program is mindful of the fact that the municipality is permitted to use a variety of means and techniques to provide for its fair share of affordable housing as set forth in N.J.S.A. §52:27D-311 and that courts should employ flexibility in assessing a municipality's HEFSP for compliance with the FHA and Mount Laurel doctrine. In re Adoption of N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 29-33 (2015).

Having reviewed in detail all the submissions of the parties (including the original HEFSP and the proposed Amended HEFSP), the written recommendation of the Special Adjudicator and having presided over the settlement conferences, this Program Member is satisfied that the Verona's proposed Amended HEFSP provides a realistic opportunity for the construction of its fair share of low and moderate income housing and thus is compliant with the FHA and in accordance with S. Burlington Cnty. NAACP v. Mount Laurel, 92 N.J. 158, 220-22 (1983). This Program Member is also satisfied that the terms of the settlement are fair, reasonable and adequately protect the interests of low and moderate-income residents of the municipality. Matter of Twp. of Bordentown, 471 N.J. Super. 196, 218 (App. Div. 2022). Importantly, the comprehensive settlement reached with FSHC and resolves all prior round disputes. Verona has further represented its intent to adopt an Amended HEFSP in compliance with the settlement.

For these reasons, the Program Member recommends an Order directing that:

(a) the settlement terms are approved; (b) pursuant to N.J.S.A. §52:27D-304.1(f)(2)(c), Verona shall adopt and file its Amended HEFSP, including implementing ordinances and resolutions, on or before March 15, 2026; (c) a Fairness and/or Compliance Hearing shall then be scheduled by the court to consider final approval of the Amended HEFSP and issuance of a Certification of Compliance and Repose; and (d) the Township shall be granted continued immunity from exclusionary zoning litigation for the duration of the compliance process, provided it complies with the Order, implements the Amended HEFSP in good faith, and participates in the compliance process in good faith.

Respectfully Submitted by the Program:

By:

/s/ Hon. Julio L. Mendez _____

Hon. Julio L. Mendez, J.S.C. Ret.

Dated: January 12, 2026

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (“MOA”) is made this _____ day of January 2026, by and between the Township of Verona (“Township”), a municipal corporation in the County of Essex and State of New Jersey, and JMF Properties, LLC (“JMF”), and Township and JMF collectively referred to herein as the “Parties”.

1. JMF holds a legal interest in the property designated on the Official Tax Map of the Township as Block 1201, Lot 12, more commonly known as 251 ½ Grove Avenue, Township of Verona, New Jersey 07044 (the “Property”).

2. The Property is a 5.54-acre site located within the Township in the C-2 Professional Office and Business zone district.

3. The Township and JMF mutually seek to provide and allow for development on the Property of a not to exceed 84-unit for sale townhouse project (the “Project”) consisting of 84 total units, with 67 market rate units (30 three-bedroom units and 37 two-bedroom units, collectively the “Market Rate Units”) and 17 units being deed restricted for a 30-year period as affordable housing family units (3 one-bedroom units, 3 three-bedroom units and 11 two-bedroom units, collectively, the “Affordable Family Units”) consistent with the Project as it is presented in the concept plan delivered by JMF to the Township, a true and correct copy of which is annexed hereto as Exhibit “A” (the “Concept Plan”), which consistency shall require, among other things: (i) no Market Rate Units or Affordable Family Units shall be constructed within the flood plain area of the Property; and (ii) a minimum setback of 30-feet from the rear of any townhouse building (exclusive of rear decks) to the nearest residential property line, that is to be screened with a board-on-board fence and a landscaping buffer that is to be approximately 8-feet in width and is to including the planting of mature trees; and (iii) providing parking for the Market Rate Units and Affordable Family Units at a ratio not less than Residential Site Improvement Standards. The Project, as same is to be developed by JMF pursuant to the Concept Plan and this MOA, will generate Fourth Round (2025-2035) affordable housing credits by providing the Affordable Family Units, and the Parties desire to preserve the Affordable Family Units as affordable, low-income and moderate-income pursuant to the Act and UHAC for a period of 30 years (the “Deed Restriction Period”).

4. The Parties mutually agree that: (i) the bedroom distribution for each of the Affordable Family Units and income distribution requirements for each of the Affordable Family Units shall be in compliance with the Fair Housing Act, N.J.S.A. 52:27D-301 et seq. (the “Act”) and applicable Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. (“UHAC”); and (ii) the commencement and termination of the Deed Restriction Period shall be calculated pursuant to the Act and, upon reaching the date of termination thereof, the Township agrees to promptly take formal action as may be required for the releasing of the Restricted Units from said affordability restrictions. The Parties acknowledge and agree that the affordability levels for the Restricted Units as is determined pursuant to the Act shall be subject to the Township’s sole and absolute discretion to verify the eligibility of the Affordable Family Units for affordable housing credit and, upon determination and assignment, shall not be modified for the term of the Deed Restriction Period. The Parties agree that these are essential and non-severable terms of this MOA. If the Program (defined below), County Housing Judge, or court with jurisdiction dispute these terms,

either Party shall have the right to terminate this MOA.

5. The Township shall adopt overlay zoning or amend the existing zoning for the Property, or shall take the steps necessary under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “LRHL”) as may be required, to allow for the construction of the Project as is contemplated by this MOA .

6. The Township is an active participant in the Affordable Housing Dispute Resolution Program (the “Program”), established pursuant to the Act to review and approve municipal Housing Elements and Fair Share Plans (“HEFSPs”) for the Fourth Round compliance cycle. As part of its Fourth Round HEFSP, the Township, pursuant to and consistent with the Act, including but not limited to the procedural deadlines imposed upon the Township by the Act or as may be adjusted by order of the County Housing Judge, intends to take those actions necessary to allow for the development of the Project on the Property to generate Fourth Round affordable housing credits. The Township shall provide this MOA to the Program. The Township and JMF acknowledge and agree that the effectiveness of this MOA is expressly conditioned upon the Program’s issuance of a Compliance Certification to the Township, as defined within the Act at N.J.S.A. 52:27D-304(q) and issued pursuant to N.J.S.A. 52:27D-304.1, and entry of a final order by the county-level housing judge (“Compliance Certification”), confirming that the Affordable Family Units qualify for Fourth Round credit. Should the Affordable Family Units ultimately be deemed ineligible for affordable housing credit, this MOA shall be null and void, neither of the Parties shall have any further obligation to the other with respect to the subject of this MOA.

7. This MOA shall be governed by, and construed in accordance with, the laws of the State of New Jersey.

8. The Township and JMF mutually warrant to each other their authority to enter into this MOA. On January 5, 2026, the Township Council adopted a Resolution authorizing the execution of this MOA on behalf of the Township.

9. This MOA may be executed in several counterparts, each of which shall be deemed original and such counterparts shall together constitute but one and the same agreement. The execution of this MOA by any of the parties may be evidenced by email or facsimile transmission of such party’s signature and such signature shall be deemed to constitute the original signatures of such party hereto.

10. Notwithstanding anything herein to the contrary, provided that the Township has complied with its obligations in this MOA, the Township may terminate this MOA at any time prior to issuance of the Compliance Certification upon written notice to JMF if JMF, after the execution of this MOA, submits a formal objection, intervention, or other challenge to the Township’s proposed HEFSP before the Program or in any related legal proceeding and the Township shall have no further obligation to the JMF under this MOA unless otherwise stated. However, it is understood that JMF’s participation shall be permitted to enforce the terms of this MOA.

11. This MOA contains the entire agreement of the Parties with respect to the subject

matter hereof and supersedes all prior or contemporaneous understandings or agreements. The JMF acknowledges that it has not relied on any statements or representations by the Township or its representatives not set forth herein.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement as of the date first written above.

ATTEST:

TOWNSHIP OF VERONA

By: _____
Jaime R. Placek, Esq. as authorized by
Resolution _____ adopted 12.15.25

ATTEST:

**JMF PROPERTIES, LLC,
a New Jersey Limited Liability Company**



PIRNE DEVITA

By: 
Name: GIUSEPPE FOLGIONE
Title: MEMBER

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (“MOA”) is made this 15th day of December, 2025, by and between the Township of Verona (“Township”), a municipal corporation in the County of Essex and State of New Jersey, and A&R Skyline Properties, LLC (“Owner”), and Township and Owner collectively referred to herein as the “Parties”.

1. The Owner is the current owner of property designated on the Official Tax Map of the Township as Block 2205, Lot 6, more commonly known 885 Bloomfield Avenue, Township of Verona, New Jersey 07044 (the “Property”).

2. The Property is a 1.77-acre site located within an area previously designated by the Township as a Area in Need of Redevelopment under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “LRHL”) that remains unimproved land located in the A-3 Residential Townhouse zone district wherein townhouses are conditional uses with an assigned density of 12 townhouse units per acre.

3. The Township and Owner mutually seek to provide and allow for development on the Property of a 28-unit for sale townhouse project (the “Project”) consisting of 24 market rate units (the “Market Rate Units”), 3 units being deed restricted for a 30-year period as affordable housing family units (the “Affordable Family Units”) and 1 unit deed restricted for a 30-year period for use as group living home for special needs occupants (the “Group Home Unit”; collectively with the Affordable Family Units, the “Restricted Units”) consistent with the Project as it is presented in the concept plan delivered by Owner to the Township, a true and correct copy of which is annexed hereto as Exhibit “A” (the “Concept Plan”). The Project, as same is to be developed by Owner pursuant to the Concept Plan and this MOA, will generate Fourth Round (2025-2035) affordable housing credits by providing the Affordable Family Units and the Group Home Unit, and the Parties desire to preserve the Restricted Units as affordable, low-income and moderate-income pursuant to the Act and UHAC for a period of 30 years (the “Deed Restriction Period”).

4. The Parties mutually agree that: (i) the Group Home Unit shall be a 3 bedroom unit administered consistent with and pursuant to the Affordable Family Units shall be in compliance with the Fair Housing Act, N.J.S.A. 52:27D-301 et seq. (the “Act”) and applicable Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. (“UHAC”) for occupancy by individuals with special needs; (ii) the bedroom distribution for each of the Affordable Family Units and income distribution requirements for each of the Affordable Family Units shall be in compliance with Act and UHAC; and (iii) the commencement and termination of the Deed Restriction Period shall be calculated pursuant to the Act and, upon reaching the date of termination thereof, the Township agrees to promptly take formal action as may be required for the releasing of the Restricted Units from said affordability restrictions. The Parties acknowledge and agree that the affordability levels for the Restricted Units as is determined pursuant to the Act shall be subject to the Township’s sole and absolute discretion to verify the eligibility of the Restricted Units for affordable housing credit and, upon determination and assignment, shall not be modified for the term of the Deed Restriction Period. The Parties agree that these are essential and non-severable terms of this MOA. If the Program (defined below), County Housing Judge, or court with jurisdiction dispute these terms, either Party shall have the right to terminate this MOA.

5. The Owner agrees that, on or before January 15, 2026 it shall submit to the Township, for review and consideration by the Township and its relevant consulting professionals, an application for a 30-year tax abatement for the Project (the "Application") pursuant to the Long-Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "LTTE Law"). Upon confirmation by the Township that the profit anticipated to be generated to Owner by the Project does not exceed the relevant limitations on such profit as is governed by the LTTE Law, the Township, in consideration of the Project requiring the granting of a tax abatement by the Township in order for the Project to be viable for development and in exchange for the production of the Restricted Units by the Project for the benefit of the Township, shall on or before March 15, 2026 award a 30-year tax abatement under the LTTE Law to the Property for the development of the Project pursuant to and consistent with the approved Application.

6. The Township is an active participant in the Affordable Housing Dispute Resolution Program (the "Program"), established pursuant to the Act to review and approve municipal Housing Elements and Fair Share Plans ("HEFSPs") for the Fourth Round compliance cycle. As part of its Fourth Round HEFSP, the Township, pursuant to and consistent with the Act, including but not limited to the procedural deadlines imposed upon the Township by the Act or as may be adjusted by order of the County Housing Judge, intends to take those actions necessary to allow for the development of the Project on the Property to generate Fourth Round affordable housing credits. The Township shall provide this MOA to the Program. The Township and Owner acknowledge and agree that the effectiveness of this MOA is expressly conditioned upon the Program's issuance of a Compliance Certification to the Township, as defined within the Act at N.J.S.A. 52:27D-304(q) and issued pursuant to N.J.S.A. 52:27D-304.1, and entry of a final order by the county-level housing judge ("Compliance Certification"), confirming that the Restricted Units qualify for Fourth Round credit. Should the Restricted Units ultimately be deemed ineligible for affordable housing credit, not inclusive of any bonus credits, this MOA shall be null and void, neither of the Parties shall have any further obligation to the other with respect to the subject of this MOA.

7. This MOA shall be governed by, and construed in accordance with, the laws of the State of New Jersey.

8. The Township and Owner mutually warrant to each other their authority to enter into this MOA. On December 15, 2025, the Township Council adopted a Resolution authorizing the execution of this MOA on behalf of the Township.

9. This MOA may be executed in several counterparts, each of which shall be deemed original and such counterparts shall together constitute but one and the same agreement. The execution of this MOA by any of the parties may be evidenced by email or facsimile transmission of such party's signature and such signature shall be deemed to constitute the original signatures of such party hereto.

10. Notwithstanding anything herein to the contrary, provided that the Township has complied with its obligations in this MOA, the Township may terminate this MOA at any time prior to issuance of the Compliance Certification upon written notice to Owner if Owner after the

execution of this MOA submits a formal objection, intervention, or other challenge to the Township's proposed HEFSP before the Program or in any related legal proceeding and the Township shall have no further obligation to the Owner under this MOA unless otherwise stated. However, it is understood that Owner's participation shall be permitted to enforce the terms of this MOA.

11. This MOA contains the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous understandings or agreements. The Owner acknowledges that it has not relied on any statements or representations by the Township or its representatives not set forth herein.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement as of the date first written above.

ATTEST:



TOWNSHIP OF VERONA

By: _____


Jaime R. Placek, Esq. as authorized by
Resolution R2025-283 adopted 12.15.25

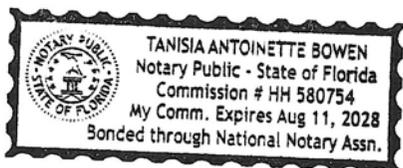
ATTEST:



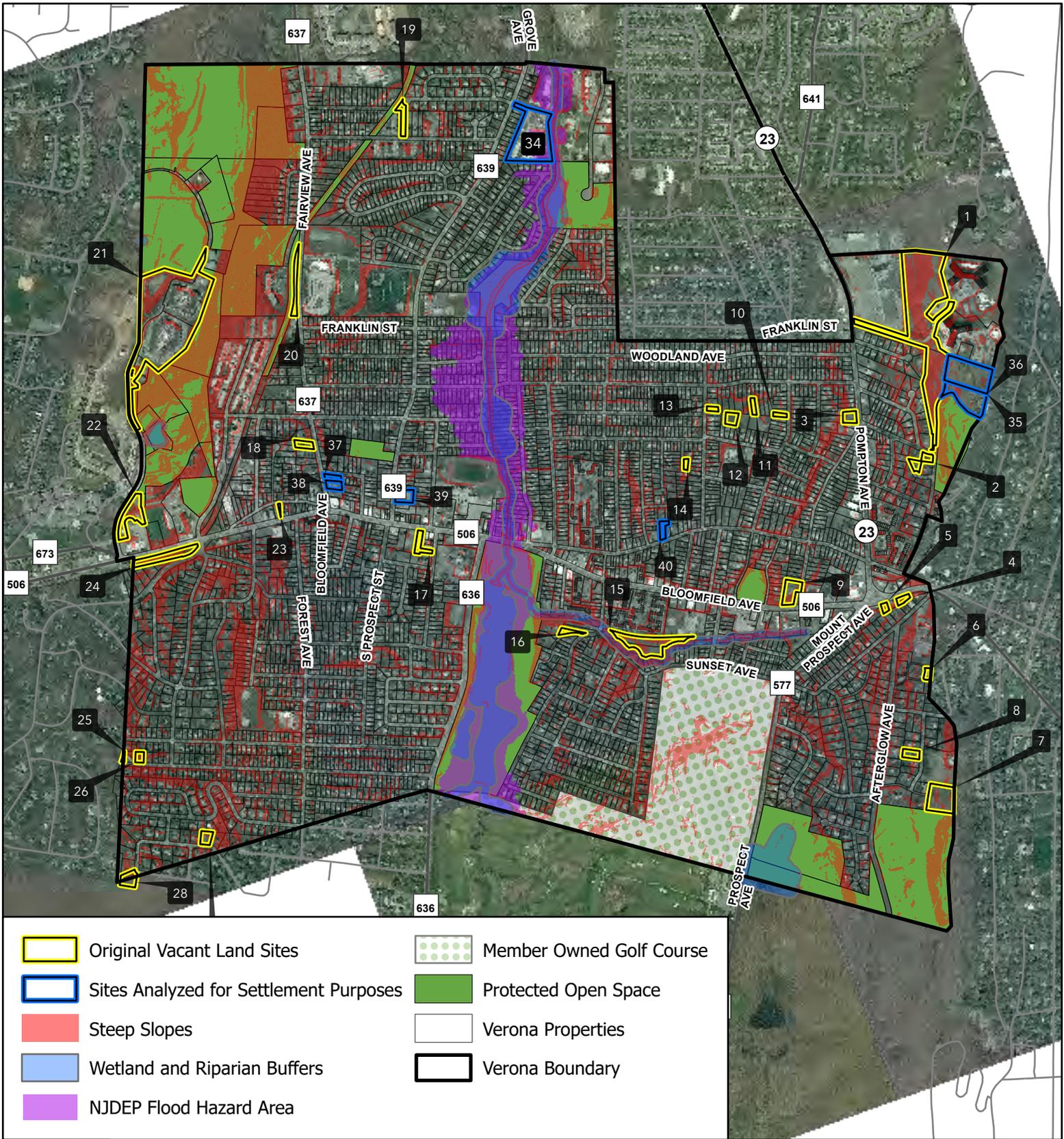
**A&R SKYLINE PROPERTIES, LLC,
a New Jersey Limited Liability Company**

By: _____


Name: RALPH VALENTE
Title: PRESIDENT / OWNER
1/27/26 -

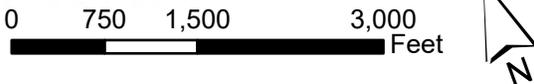


Appendix B: Amended Vacant Land Adjustment




 400 Broadacres Drive
 Suite 250
 Bloomfield, NJ 07003
 Phone: (973) 614-0005

Vacant Land Analysis
Updated 11.5.2025 for Settlement Purposes
Verona Township
Essex County, NJ



Prepared by: DLH, 11.5.2025
 Source: NJDEP, NJOGIS
 File Path: G:\Projects\VRNA\G2501\GIS\Verona General Map\VeronaAffordableHousing.aprx

NOTE: This map was developed using New Jersey Department of Environmental Protection Geographic Information System digital data, but this secondary product has not been verified by NJDEP and is not State-authorized.

Verona Fourth Round Housing Element
and Fair Share Plan - Vacant Land Analysis

PROPOSED UPDATED VACANT LAND ANALYSIS FOR SETTLEMENT PURPOSES

Tract #	Block Lot	Assessed Use	Address	Unconstrained Acres	Applied Density*	Total Units**	RDP Contributing?	Notes	RDP ***
1	104 13	Vacant	26 CRESTMONT ROAD	2.72	15	40	Yes	Owner requested to deed restrict 8.96 as open space. That acreage removed in accordance with N.J.A.C. 5:97-4.2(d), which allows for removal of sites where owner does not wish to see the site developed. Remainder of tract steep slope constrained.	8
	103 2	Vacant	CLARIDGE DRIVE						
2	107 5	Vacant	4 CRESTMONT PLACE	0.62	7	4	No	Secondary lots to SF houses, in SF n'hood, undersized	0
	107 15	Vacant	19 CRESTMONT ROAD						
3	910 9	Vacant	172 POMPTON AVE	0.32	15	4	No	Steep slope constrained	0
4	203 25	Vacant	35 BLOOMFIELD AVE	0.27	15	3	No	Undersized	0
	203 26	Vacant	29 BLOOMFIELD AVE						
5	203 23	Vacant	57 BLOOMFIELD AVE	0.19	15	2	No	Undersized	0
6	303 5	Vacant	10 OVERLOOK PARK	0.24	8	1	No	Undersized	0
7	402 7	Vacant	COLE ROAD	1.90	7	13	Yes		3
8	401 12	Vacant	8 BELLECLAIRE PLACE	0.46	8	3	No	Undersized	0
9	202 23	Vacant	176 BLOOMFIELD AVE	0.77	See note	6	Yes	Redevelopment Site - RDP based on 20% of approved 28 units on the site	6
	202 1	2 Dwelling	200 BLOOMFIELD AVE						
10	906 23	Vacant	110 ELMWOOD ROAD	0.17	8	1	No	Undersized, no access	0
11	906 52	15C Municipal	49 LINDEN AVE	0.22	8	1	No	Undersized, no access	0
12	906 51	15C Municipal	30 ELK ROAD REAR	0.46	8	3	No	Undersized, no access	0
13	906 48	15C Municipal	69 OTSEGO ROAD	0.17	8	1	No	Undersized, no access	0
14	802 43	15C Municipal	CRILLEY COURT	0.15	8	1	No	Undersized	0
15	709 28	Vacant	190 SUNSET AVE	1.64	10	16	No	Steep slopes. No road access due to riparian buffer	0
	709 27	15C Municipal	174 SUNSET AVE						
16	612 5	Vacant	6 COOK LANE	0.27	10	2	No	Undersized	0



Verona Fourth Round Housing Element
and Fair Share Plan - Vacant Land Analysis

PROPOSED UPDATED VACANT LAND ANALYSIS FOR SETTLEMENT PURPOSES

17	1807 12 1807 7	1 1	Vacant Vacant	20 MONTROSE AVE 627 BLOOMFIELD AVE	0.47	22	10	Yes		2
18	1604 22	1	Vacant	54 FAIRVIEW AVE	0.43	8	3	No	Undersized	0
19	1306 12	15C	Municipal	50 DURRELL STREET	0.58	8	4	No	Undersized	0
20	2702 8	15C	Municipal	122-174 FAIRVIEW AVE	0.71	10	7	No	Part of recreational trail	0
21	2504 1	1	Vacant	HILLTOP				No	Housing development	
	2402 8	1	Vacant	HILLTOP				No	Housing development	
	2502 1 2503 1	1 1	Vacant Vacant	100-120 WHITE ROCK ROAD 200-220 WHITE ROCK ROAD	19.17	10	191	No	Housing development Housing development	0
22	2402 1	1	Vacant	ASSESSED IN N CALDWELL	1.02	10	17	No	Common element of Four Seasons Condo development; parking, storage, and access for adjacent Essex County Public Works Facility	0
23	1603 4	1	Vacant	57 PINE STREET	0.05	10	0	No	Undersized	0
24	2205 6	1	Vacant	885 BLOOMFIELD AVE	0.71	See note	28	Yes	RDP based on proposed zoning for 28 units at 20% set-aside for settlement purposes. Actual RDP from site based on current zone density and unconstrained land acreage is 2 units based on 8 total units	6
25	2201 14	1	Vacant	152 HILLSIDE AVE	0.07	10	0	No	Narrow, ditch	0
26	2201 12	1	Vacant	144 HILLSIDE AVE	0.29	7	2	No	Undersized	0
27	2005 29	1	Vacant	26 HOWELL DRIVE	0.46	7	3	No	Undersized	0
28	2002 7	1	Vacant	48 HOWELL DRIVE	0.71	7	4	No	Undersized	0
29	1702 20	15C	Municipal	15 GROVE AVE	0.41	NA	NA	No	Heavily utilized and depended-upon municipal parking lot not appropriate for development	0



30	1703	65	15C	Municipal	550 BLOOMFIELD AVE	1.01	NA	NA	No	Heavily utilized and depended -upon municipal parking lot not appropriate for development	0
31	701	3	4A	Commercial	420 BLOOMFIELD AVE	0.93	See note	65	Yes	Redevelopment Site - RDP based on 20% of proposed yield on the site	13
32	708	1	4A	Commercial	383 BLOOMFIELD AVE	1.09	See note	33	Yes	Redevelopment Site - RDP based on 20% of proposed yield on the site	7
33	704	20	4A	Commercial	11 CHURCH STREET	0.43	See note	12	Yes	Redevelopment Site - RDP based on 20% of approved yield on the site	2
	704	18	4A	Commercial	320 BLOOMFIELD AVE						
34	1201	12	4B	Industrial	251 GROVE AVE	3.06	See note	84	Yes	Proposed Family Zoning- RDP based on set aside of maximum site yield permitted by proposed zoning	17
35	104	10	2	Residential	24 CRESTMONT ROAD	3.30	NA	NA	No	Active religious land use and grounds	0
36	104	11	15D	Religious	CRESTMONT ROAD	2.14	NA	NA	No	Active religious land use and grounds	0
37	1606	4	4A	Commercial	35 FAIRVIEW AVE	0.67	10	6	Yes	Nonconforming land uses	1
	1606	3	4A	Commercial	25 FAIRVIEW AVE						
39	1702	22	4A	Commercial	21 & 25 GROVE AVE	0.61	See note	12	Yes	RDP based upon proposed development	2
40	802	74	4A	Commercial	228 CLAREMONT AVE	0.37	10	3	No	Nonconforming land use, undersized	0
Totals						49.26 Acres					67

This list includes lots in the Township of Verona not deed restricted for open space, and which were identified based upon a query of tax assessment data for lots where the use identified by the tax assessor is "vacant", where assessed improvement value is \$0, or where assessed lot data is null and where aerial imagery confirms the lot is vacant (as in the case of Tract 2). As such, several properties in the list are developed, but shown here to demonstrate that the analysis was comprehensive.

*Hypothetical housing units per acre

** Hypothetical development yield, round down

*** Hypothetical affordable housing set-aside, round to the nearest whole number



**Appendix C: Amended Development Fee & Affordable Housing
Ordinances**

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, NEW JERSEY**

ORDINANCE NO. 2026-08

**REPEALING ARTICLE XIX AND XXI OF CHAPTER 150 OF THE CODE
OF THE TOWNSHIP IN ITS ENTIRETY AND REPLACING WITH A NEW
ARTICLE XIX-AFFORDABLE HOUSING AND ARTICLE XXI-
DEVELOPMENT FEES**

WHEREAS, the State of New Jersey has adopted an Amended Fair Housing Act at P.L. 2024, c. 2 (A4) which provides new Fourth Round affordable housing fair share requirements for each municipality; and

WHEREAS, the State has adopted new Fourth Round substantive affordable housing regulations at N.J.A.C. 5:99; and

WHEREAS, The New Jersey Department of Community Affairs (DCA) and the Housing and Mortgage Finance Agency (NJHMFA) have adopted new Uniform Housing and Affordability Controls (UHAC) at N.J.A.C. 5:80-26.1 et seq; and

WHEREAS, in order to maintain compliance with said state regulations regarding affordable housing, the Township of Verona (the "Township") must amend certain sections of the Township Code; and

WHEREAS, Articles XIX and XXI of Chapter 150 of the Township Code contain requirements for affordable housing provisions based on previous COAH regulations and regulations regarding affordable housing development fees; and

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Verona, County of Essex, State of New Jersey, that Articles XIX and XXI of Chapter 380, of the Township Code are hereby repealed and replaced as follows:

SECTION ONE:

Chapter XIX, AFFORDABLE HOUSING

§150-19.1. Purpose.

- A. This section of the Code sets forth regulations regarding the very low-, low- and moderate-income housing units in the Township of Verona, consistent with the provisions outlined in P.L 2024, Chapter 2, including the amended Fair Housing Act ("FHA") at N.J.S.A. 52:27D-301 et seq., as well as the Department of Community Affairs, Division of Local Planning Services ("LPS") at N.J.A.C. 5:99 et seq., statutorily upheld existing regulations of the now-defunct Council on Affordable Housing ("COAH") at N.J.A.C. 5:93 and 5:97 (provided they do not conflict with N.J.A.C. 5:99), the Uniform Housing Affordability Controls ("UHAC") at N.J.A.C. 5:80-26.1 et seq., and as reflected in the adopted municipal Fourth Round Housing Element and Fair Share Plan ("HEFSP").
- B. This Ordinance is intended to ensure that very low-, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very low-, low- and moderate-income households shall occupy these units pursuant to statutory requirements. This Ordinance shall apply to all inclusionary developments, individual affordable units, and 100% affordable housing developments except where inconsistent with applicable law. Low-Income Housing Tax Credit financed developments shall adhere to affirmative marketing and random selection procedures set forth in UHAC.
- C. The Verona Township Planning Board has adopted a HEFSP pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. The Fair Share Plan describes the ways the municipality shall address its fair share of very low-, low- and moderate-income housing as approved by the Superior Court and documented in the Housing Element.

D. This Ordinance implements and incorporates the relevant provisions of the HEFSP and addresses the requirements of P.L 2024, Chapter 2, the FHA, and N.J.A.C. 5:99, NJ Supreme Court upheld COAH regulations at N.J.A.C. 5:93 and 5:97 (provided they do not conflict with N.J.A.C. 5:99), and UHAC at N.J.A.C. 5:80-26.1, as may be amended and supplemented.

E. Applicability

1. The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that are proposed to be created pursuant to the municipality's most recently adopted HEFSP.
2. This Ordinance shall apply to all developments that contain very-low-, low- and moderate-income housing units included in the Municipal HEFSP, including any unanticipated future developments that will provide very-low-, low- and moderate-income housing units.
3. Projects receiving federal Low Income Housing Tax Credit financing and proposed for credit in the municipality's most recently adopted HEFSP shall comply with the affirmative fair marketing requirements of UHAC at N.J.A.C. 5:80-26.16 and the length of the affordability controls applicable to such projects shall be not less than a 30-year compliance period plus a 15-year extended-use period, for a total of not less than 45 years.

F. Monitoring and Reporting Requirements

1. The municipality shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its court-approved Housing Element and Fair Share Plan:
 - (a) The municipality shall provide electronic monitoring data with the Department pursuant to P.L 2024, Chapter 2 and N.J.A.C. 5:99 through the Affordable Housing Monitoring System (AHMS). All monitoring information required to be made public by the FHA shall be available to the public on the Department's website at <https://www.nj.gov/dca/dlps/hss/MuniStatusReporting.shtml>.
 - (b) On or before February 15 of each year, the municipality shall provide annual reporting of its municipal Affordable Housing Trust Fund activity to the Department on the AHMS portal. The reporting shall include an accounting of all municipal Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended, for the previous year from January 1st to December 31st.
 - (c) On or before February 15 of each year, the annual reporting of the status of all affordable housing activity shall be provided to the Department on the AHMS portal, for the previous year from January 1st to December 31st.

§150-19.2. Definitions.

As used herein the following terms shall have the following meanings:

ACT

The Fair Housing Act of 1985, P.L. 1985, c. 222 (*N.J.S.A. 52:27D-301 et seq.*), as amended by P.L. 2024, c.2.

ADAPTABLE

Constructed in compliance with the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.

ADMINISTRATIVE AGENT

The entity responsible for the administration of affordable units in accordance with this chapter, as well as N.J.A.C. 5:99-7 and N.J.A.C. 5:80-26.15

AFFIRMATIVE MARKETING

A regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.16.

AFFORDABILITY AVERAGE

The average percentage of regional median income at which deed-restricted units in an affordable housing development are affordable to low- and moderate-income households.

AFFORDABLE

A sales price or rent within the economic means of a low- or moderate-income household, as defined in the UHAC as, in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.7 and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.13.

AFFORDABLE HOUSING DELIVERY MECHANISMS

Any of the methods of creating or preserving actual housing units available to low- and moderate-income households or creating a realistic opportunity for the construction of such units, as permitted by the Act.

AFFORDABLE HOUSING DEVELOPMENT

A housing development incorporated in the Housing Element and Fair Share Plan, and including, but not limited to, an inclusionary development, a municipal construction project or a 100% affordable development.

AFFORDABLE HOUSING PROGRAM(S)

Any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality's fair share obligation.

AFFORDABLE HOUSING DISPUTE RESOLUTION PROGRAM

The dispute resolution program established pursuant to N.J.S.A. 52:27D-313.2.

AFFORDABLE UNIT

A housing unit proposed or created pursuant to the Act, including units created with municipal affordable housing trust funds.

AGE-RESTRICTED UNIT

A housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that: 1) all the residents of the development where the unit is situated are 62 years old or older; or 2) at least 80% of the units are occupied by one person that is 55 years old or older (except that persons younger than 19 may not be permanent residents); or 3) the development has been designated by the Secretary of the United States Department of Housing and Urban Development as "housing for older persons" as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607(b)(2).

AGENCY

The New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (N.J.S.A. 55:14K-1 *et seq.*).

ALTERNATIVE LIVING ARRANGEMENT

A structure in which households live in distinct bedrooms, yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangements include, but are not limited to: transitional facilities for the homeless, Class A, B, C, D, and E boarding homes as regulated by the New Jersey Department of Community Affairs; residential health-care facilities as regulated by the New Jersey Department of Health and Senior Services; group homes for the developmentally disabled and mentally ill as licensed and/or regulated by the New Jersey Department of Human Services; and congregate living arrangements.

ASSISTED LIVING RESIDENCE

A facility licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining for four or more adult persons unrelated to the proprietor and to assure that assisted living services are available when needed and that offers units containing, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

CERTIFIED HOUSEHOLD

A household that has been certified by an administrative agent as a low-income household

or moderate-income household.

COMMISSIONER

The Commissioner of the Department of Community Affairs.

COMPLIANCE CERTIFICATION

The certification issued to a municipality by the Program pursuant to section 3 at P.L. 2024, c. 2, that provides a municipality immunity from exclusionary zoning litigation during the current round of present and prospective need and through July 1 of the year the next round of affordable housing obligations begins, also known as a “judgment of compliance” resulting in an “order for repose.” Compliance certification includes a judgment of repose granted in an action filed pursuant to section 13 at P.L. 1985, c. 222 (N.J.S.A. 52:27D-313).

COMPLIANT MUNICIPALITY

A municipality that is in the process of seeking compliance certification pursuant to the directives issued by the Administrative Office of the Courts, has obtained compliance certification, or has filed for, or has obtained, a Judgment of Compliance, Order for Repose, or other court approval pursuant to the Act.

CONSTRUCTION

New construction and additions, but does not include alterations, reconstruction, renovations, conversion, relocation, or repairs, as those terms are defined in the State Uniform Construction Code promulgated pursuant to the State Uniform Construction Code Act, P.L. 1975, c. 217 (N.J.S.A. 52:27D-119 et seq.).

COUNTY-LEVEL HOUSING JUDGE

A judge appointed pursuant to section 5 at P.L. 2024, c. 2, to resolve disputes over the compliance of municipal fair share affordable housing obligations and municipal fair share plans and housing elements with the Act.

DCA or DEPARTMENT

The State of New Jersey Department of Community Affairs.

DEFICIENT HOUSING UNIT

A housing unit with health and safety code violations that require the repair or replacement of at least one major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load-bearing structural systems.

DEVELOPER

Any person, partnership, association, company or corporation that is the legal or beneficial owner of a lot or any land, improved or unimproved, which is proposed to be included in a proposed development, including the holder of an option to contract or purchase, or other person having an enforceable proprietary interest in such land.

DEVELOPMENT

The division of a parcel of land into two or more parcels; the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure; and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to N.J.S.A. 40:55D-1 et seq.

DEVELOPMENT APPLICATION

The application form and all accompanying documents required by ordinance for approval of a subdivision plat, a site plan, planned development, conditional use, zoning variance, or direction of the issuance of a permit pursuant to N.J.S.A. 40:55D-34 or 40:55D-36.

DEVELOPMENT FEE

Money paid by a developer for the improvement of residential and non-residential property as permitted pursuant to N.J.S.A. 52:27D-329.2 and 40:55D-8.1 through 40:55D-8.7 and N.J.A.C. 5:99-3

DIVISION

Division of Local Planning Services within the Department of Community Affairs.

EMERGENT OPPORTUNITY

A circumstance that has arisen whereby affordable housing can be created through a delivery mechanism not originally anticipated by or included in a fair share plan that has received compliance certification.

EQUALIZED ASSESSED VALUE

The assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with Sections 1, 5, and 6 of P.L. 1973, c. 123 (*N.J.S.A. 54:1-35a through 54:1-35c*). Estimates at the time of building permit may be obtained by the tax assessor using construction cost estimates. Final EAV shall be determined at project completion by the municipal assessor.

EXCESS RCA FUNDS

Unspent money transferred prior to July 17, 2008, pursuant to a regional contribution agreement whose terms have been fulfilled.

EXCLUSIONARY ZONING LITIGATION

Litigation challenging the fair share plan, housing element, ordinances, or resolutions that implement the fair share plan or housing element of a municipality based on alleged noncompliance with the Act or the Mount Laurel doctrine, which litigation shall include, but shall not be limited to, litigation seeking a builder's remedy.

EXTENSION OF EXPIRING CONTROLS

Extending the deed restriction period on units where the controls will expire in the current round of a housing obligation, so that the total years of a deed restriction is at least 60 years.

FAIR SHARE OBLIGATION

The total of the present need and prospective need as determined by the Affordable Housing Dispute Resolution Program, or a court of competent jurisdiction.

FAIR SHARE PLAN

The plan or proposal, which may readily be adopted with accompanying ordinances and resolutions, pursuant to subsection f. of section 3 at P.L. 2024, c. 2 (*N.J.S.A. 52:27D-304.1*) by which a municipality proposes to satisfy its obligation to create a realistic opportunity to meet its fair share of low- and moderate-income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low- and moderate-income housing, as provided in the municipal housing element, and addresses the development regulations necessary to implement the housing element, including, but not limited to, inclusionary requirements and development fees, and the elimination of unnecessary housing cost-generating features from the municipal land use ordinances and regulations.

FHA

The New Jersey Fair Housing Act, *N.J.S.A. 52:27D-301 et seq.*

GREEN BUILDING STRATEGIES

Strategies that minimize the impact of development on the environment and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

HMFA OR THE AGENCY

The New Jersey Housing and Mortgage Finance Agency established pursuant to P.L. 1983, c. 530 (*N.J.S.A. 55:14K-1 et seq.*).

HOUSING ELEMENT

The portion of the municipality's Master Plan, required by the Municipal Land Use Law ("MLUL"), *N.J.S.A. 40:55D-28b(3)* and the Act consisting of reports, statements, proposals, maps, diagrams, and text designed to meet the municipality's fair share of its region's present and prospective housing needs, particularly with regard to low- and moderate-income housing, which shall include the municipal present and prospective obligation for affordable housing, determined pursuant to subsection f. at *N.J.S.A. 52:27D-304.1*.

HOUSING PROJECT

A project, or distinct portion of a project, which is designed and intended to provide decent, safe, and sanitary dwellings, apartments, or other living accommodations for persons of low- and moderate-income; such work or undertaking may include buildings, land, equipment, facilities, and other real or personal property for necessary, convenient, or desirable appurtenances, streets, sewers, water service, parks, site preparation, gardening, administrative, community, health, recreational, educational, welfare, or other purposes. The term "housing project" may also be applied to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration, and repair of the improvements, and all other work in connection therewith.

HOUSING REGION

A geographic area established pursuant to *N.J.S.A. 52:27D-304.2* for each round of low- and moderate-income housing obligations pursuant to the Act.

INCLUSIONARY DEVELOPMENT

A development containing both affordable units and market rate units. This term includes, but is not necessarily limited to: new construction, the conversion of a nonresidential structure to residential use and the creation of new affordable units through the reconstruction of a vacant residential structure.

JUDGMENT OF COMPLIANCE or JUDGMENT FOR REPOSE

A determination issued by the Superior Court approving a municipality's fair share plan to satisfy its affordable housing obligation for a particular 10-year round.

LOW-INCOME HOUSEHOLD

A household with a total gross annual household income equal to 50% or less of the regional median household income.

LOW-INCOME HOUSING

Housing unit that is affordable according to the Federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs and occupied or reserved for occupancy by households with a gross household income equal to 50 percent or less of the median gross household income for households of the same size within the housing region in which the housing is located.

MAJOR SYSTEM

The primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a residential building, which includes, but is not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement or load-bearing structural systems.

MARKET-RATE UNITS

Housing not restricted to low- and moderate-income households that may sell or rent at any price.

MEDIAN INCOME

The median income by household size for the applicable COAH housing region, as approved by the New Jersey Superior Court.

MIXED USE DEVELOPMENT

Any development that includes both a non-residential development component and a residential development component. This includes developments where there is a common developer for both components – multiple persons or entities may be considered a common developer if they have a contractual relationship obligating each entity to develop at least a portion of the residential or non-residential component, or to contribute resources to the development. The residential and non-residential developments must be located on the same lot or adjoining lots, which may include lots separated by a street, river, or other geographical feature.

MODERATE-INCOME HOUSEHOLD

A household with a total gross annual household income in excess of 50% but less than 80% of the regional median household income.

MODERATE-INCOME HOUSING

Housing affordable according to the Federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs and occupied or reserved for occupancy by households with a gross household income equal to more than 50 percent but less than 80 percent of the median gross household income for households of the same size within the housing region in which the housing is located..

MODERATE-INCOME HOUSEHOLD

A household with a total gross annual household income greater than 50% but less than 80% of the regional median household income for the applicable COAH housing region.

MODERATE-INCOME HOUSING UNIT

Housing that is affordable according to standards set by the Federal Department of Housing and Urban Development or other recognized authorities for home ownership and rental costs, and is occupied or reserved for occupancy by households with a gross household income more than 50% but less than 80% of the median gross household income for households of the same size within the relevant housing region. It is a restricted unit affordable to a moderate-income household.

MONI

The no-longer-active Market Oriented Neighborhood Investment Program, as it was authorized by the Agency.

MUNICIPAL AFFORDABLE HOUSING TRUST FUND

A separate, interest-bearing account held by a municipality for the deposit of development fees, payments in lieu of constructing affordable units on sites zoned for affordable housing, barrier-free escrow funds, recapture funds, proceeds from the sale of affordable units, rental income, repayments from affordable housing program loans, enforcement fines, unexpended RCA funds from completed RCA projects, application fees, and other funds collected by the municipality for its affordable housing programs. These funds must be used to address municipal low- and moderate-income housing obligations within the time frames established by the Legislature and relevant chapters. “Municipal affordable housing trust fund” also means “municipal development trust fund” and “municipal development fee trust fund.”

MUNICIPAL DEVELOPMENT FEE ORDINANCE

An ordinance adopted by a municipality’s governing body that authorizes the collection of development fees.

MUNICIPAL HOUSING LIAISON (MHL)

An appointed municipal employee responsible for overseeing and/or administering the affordable housing units created within the municipality, and overseeing the authorization of individuals provided access to the AHMS.

NEW CONSTRUCTION

The creation of a new housing unit regulated by a code enforcement official, regardless of the means of creation. Newly constructed units are demonstrated by the issuance of a certificate of occupancy, and may include new residences created through additions, alterations, adaptive reuse, subdivision, conversion of existing space, or relocating a

structure.

NEW JERSEY AFFORDABLE HOUSING TRUST FUND

An account established pursuant to N.J.S.A. 52:27D-320.

NEW JERSEY HOUSING RESOURCE CENTER OR HOUSING RESOURCE CENTER

The online affordable housing listing portal, or its successor, overseen by the Agency pursuant to N.J.S.A. 52:27D-321.3 et seq.

95/5 RESTRICTION

A deed restriction governing a restricted ownership unit that is part of a housing element that received substantive certification from COAH pursuant to N.J.A.C. 5:93, as it was in effect at the time of the receipt of substantive certification, before October 1, 2001, or any other deed restriction governing a restricted ownership unit with a seller repayment option requiring 95 percent of the price differential to be paid to the municipality or an instrument of the municipality at the closing of a sale at market price.

NON-EXEMPT SALE

Any sale or transfer of ownership other than the transfer of ownership between spouses; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor's deed to a Class A beneficiary and the transfer of ownership by court order.

NON-RESIDENTIAL DEVELOPMENT

1. Any building or structure, or portion thereof, including, but not limited to, any appurtenant improvements, which is designated to a use group other than a residential use group according to the State Uniform Construction Code, N.J.A.C. 5:23, promulgated to effectuate the State Uniform Construction Code Act, N.J.S.A. 52:27D-119 et seq., including any subsequent amendments or revisions thereto;
2. Hotels, motels, vacation timeshares, and child-care facilities; and
3. The entirety of all continuing care facilities within a continuing care retirement community which is subject to the Continuing Care Retirement Community Regulation and Financial Disclosure Act, N.J.S.A. 52:27D-330 et seq.

NON-RESIDENTIAL DEVELOPMENT FEE

The fee authorized to be imposed pursuant to N.J.S.A. 40:55D-8.1 through 40:55D-8.7.

ORDER FOR REPOSE

The protection a municipality has from a builder's remedy lawsuit for a period of time following the entry of a judgment of compliance by the Superior Court; a judgment of compliance often results in an order for repose.

PAYMENT IN LIEU OF CONSTRUCTING AFFORDABLE UNITS

The payment of funds to the municipality by a developer when affordable units are not produced on a site zoned for an inclusionary development.

PERSON WITH A DISABILITY

A person with a physical disability, infirmity, malformation, or disfigurement which is caused by bodily injury, birth defect, aging, or illness including epilepsy and other seizure disorders, and which shall include, but not be limited to, any degree of paralysis, amputation, lack of physical coordination, blindness or visual impairment, deafness or hearing impairment, the inability to speak or a speech impairment, or physical reliance on a service animal, wheelchair, or other remedial appliance or device.

PRICE DIFFERENTIAL

The difference between the controlled sale price of a restricted unit and the contract price at the exit sale of the unit, determined as of the date of a proposed contract of sale for the unit. If there is no proposed contract of sale, the price differential is the difference between the

controlled sale price of a restricted unit and the appraised value of the unit as if it were not subject to UHAC, determined as of the date of the appraisal. If the controlled sale price exceeds the contract price or, in the absence of a contract price, the appraised value, the price differential is zero dollars.

PRIOR ROUND UNIT

A housing unit that addresses a municipality's fair share obligation from a round prior to the fourth round of affordable housing obligations, including any unit that: (1) received substantive certification from COAH; (2) is part of a third-round settlement agreement or judgment of compliance approved by a court of competent jurisdiction, inclusive of units created pursuant to a zoning designation adopted as part of the settlement agreement or judgment of compliance to create a realistic opportunity for development; (3) is subject to a grant agreement or other contract with either the State or a political subdivision thereof entered into prior to July 1, 2025, pursuant to either item (1) or (2) above; or (4) otherwise addresses a municipality's fair share obligation from a round prior to the fourth round of affordable housing obligations. A unit created after the enactment of P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.1) on March 20, 2024, is not a prior round unit unless: (1) it is created pursuant to a prior round development plan or zoning designation that received COAH or court approval on or before the cutoff date of June 30, 2025, or the date that the municipality adopts the implementing ordinances and resolutions for the fourth round of affordable housing obligations, whichever occurs sooner; and (2) its siting and creation are consistent with the form of the prior round development plan or zoning designation in effect as of the cutoff date, without any amendment or variance.

PROSPECTIVE NEED

A projection of housing needs based on development and growth which is reasonably likely to occur in a region or a municipality, as the case may be, as a result of actual determination of public and private entities. Prospective need shall be determined by the methodology set forth pursuant to sections 6 and 7 of P.L.2024, c. 2 (C.52:27D-304.2 and C.52:27D-304.3) for the fourth round and all future rounds of housing obligations.

QUALIFIED URBAN AID MUNICIPALITY

A municipality that meets the criteria established pursuant to N.J.S.A. 52:27D-304.3.c(1).

RANDOM SELECTION PROCESS

A process (e.g., by lottery) by which income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit.

RCA ADMINISTRATOR

An appointed municipal employee responsible for the oversight and/or administration of affordable units and associated revenues and expenditures within the municipality that were funded through regional contribution agreements.

RCA PROJECT PLAN

A past application, submitted by a receiving municipality in a regional contribution agreement (RCA), detailing how the receiving municipality intended to create or rehabilitate low- and moderate-income housing.

RECEIVING MUNICIPALITY

For the purposes of a regional contribution agreement (RCA), a municipality that contractually agreed to assume a portion of another municipality's fair share affordable housing obligation.

RECONSTRUCTION

Any project where the extent and nature of the work is such that the work area cannot be occupied while the work is in progress, and a new certificate of occupancy is required before the work area can be reoccupied, pursuant to the Rehabilitation Subcode of the Uniform Construction Code, N.J.A.C. 5:23-6. Projects consisting solely of floor finish replacement, painting or wallpapering, or the replacement of equipment or furnishings are not included. Asbestos hazard abatement and lead hazard abatement projects are not considered

reconstruction solely because occupancy of the work area is not permitted.

RECREATIONAL FACILITIES AND COMMUNITY CENTERS

Any indoor or outdoor buildings, spaces, structures, or improvements intended for active or passive recreation, including but not limited to ball fields, meeting halls, and classrooms, accommodating either organized or informal activity.

REGIONAL CONTRIBUTION AGREEMENT (RCA)

A contractual agreement, pursuant to the Act, into which two municipalities voluntarily entered into prior to July 18, 2008, to transfer a portion of a municipality's affordable housing obligation to another municipality within its housing region.

REHABILITATION

The repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

RENT

The gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted living residences, rent does not include charges for food and services.

RESIDENTIAL DEVELOPMENT FEE

Money paid by a developer for the improvement of residential property as permitted pursuant to N.J.S.A. 52:27D-329.2 and N.J.A.C. 5:99-3.2.

RESTRICTED UNIT

A dwelling unit, whether a rental unit or ownership unit, that is subject to the affordability controls of N.J.A.C. 5:80-26.1 et seq., as may be amended and supplemented, but does not include a market-rate unit financed under UHORP or MONI.

SENIOR CENTER

Any recreational facility or community center that offers activities and services specifically oriented toward serving senior citizens.

SPENDING PLAN

A method for allocating funds contained within an affordable housing trust fund account – including, but not limited to, development fees collected and to be collected under an approved municipal development fee ordinance, or pursuant to N.J.S.A. 52:27D-329.1 et seq. – for the purpose of meeting the housing needs of low- and moderate-income individuals.

SUPPORTIVE HOUSING HOUSEHOLD

Avery low-, low- or moderate-income household certified as income eligible by an administrative agent in accordance with N.J.A.C. 5:80-26.14, in which at least one member is an individual who requires supportive services to maintain housing stability and independent living and who is part of a population identified by federal or state statute, regulation, or program guidance as eligible for supportive or special needs housing. Such populations include, but are not limited to: persons with intellectual or developmental disabilities, persons with serious mental illness, person with head injuries (as defined in Section 2 of P.L. 1977), persons with physical disabilities or chronic health conditions, persons who are homeless as defined by the U.S. Department of Housing and Urban Development at 24 C.F.R. Part 578, survivors of domestic violence, youth aging out of foster care, and other special needs populations recognized under programs administered by the U.S. Department of Housing and Urban Development, the Low-Income Housing Tax Credit Program, the McKinney-Vento Act, or the New Jersey Department of Human Services. A supportive housing household may include family members, unrelated individuals, or live-in aides, provided that the household meets the income eligibility requirements of this subchapter, except that in the case of unrelated individuals not operating as a family unit, income eligibility shall be tested on an individual basis rather than in the aggregate; the unit is leased or sold subject to the affordability controls established herein; and the supportive services available to the household are designed to promote housing stability, independent living, and community integration. The determination of whether unrelated individuals are operating as a family unit shall be made based on the applicant's self-identification of household members

on the affordable housing application.

SUPPORTIVE HOUSING SPONSORING PROGRAM

Grant or loan program which provided financial assistance to the development of the unit.

SUPPORTIVE HOUSING UNIT

A restricted rental unit that is affordable to very low-, low- or moderate-income households and is reserved for occupancy by a supportive housing household. A supportive housing unit is intended to provide long-term, community-based housing for individuals with intellectual or developmental disabilities, as defined at N.J.S.A. 30:6D-25(b). Such units must be leased subject to the affordability controls established herein; remain subject to Affirmative Marketing requirements, household certification, and administrative agent oversight; and may, with the approval of the municipal housing liaison and the administrative agent, be leased either by the bedroom or to a single household in the case of multi-bedroom configurations, provided such arrangement is consistent with the Federal Fair Housing Act (Title VIII of the Civil Rights Act of 1968) and the project's Affirmative Marketing Program. A supportive housing unit may, with the approval of the administrative agent, be subject to a master lease by an approved supportive housing operator, provided that all subleases are to be certified supportive housing households and remain fully subject to the affordability controls of this subchapter. Rents for supportive housing units shall not exceed the rent standards established and published by the New Jersey Department of Human Services. Supportive housing units are also referred to as permanent supportive housing units.

TREASURER

The Treasurer of the State of New Jersey.

SPECIAL MASTER

An expert appointed by a Superior Court Judge to assist the Court, the municipality and any intervenors or other interested parties in applying the Mount Laurel Doctrine, including a determination of municipal fair share and an evaluation of the effectiveness of the municipality's Fair Share Plan.

UHAC

The Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26.1 et seq.

UHORP

The Agency's Urban Homeownership Recovery Program, as it was authorized by the Agency Board.

VERY-LOW-INCOME-HOUSEHOLD

A housing affordable according to the Federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs and occupied or reserved for occupancy by households with a gross household income equal to 30 percent or less of the median gross household income for households of the same size within the housing region in which the housing is located.

VERY-LOW-INCOME HOUSING

Housing affordable according to the Federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs and occupied or reserved for occupancy by households with a gross household income equal to 30 percent or less of the median gross household income for households of the same size within the housing region in which the housing is located.

VERY-LOW-INCOME UNIT

A restricted unit that is affordable to a very-low-income household. Very-low-income units are a subset of low-income units.

VETERAN

A veteran as defined at N.J.S.A. 54:4-8.10.

VETERANS' PREFERENCE

The agreement between a municipality and a developer or residential development owner

that allows for low- to moderate-income veterans to be given preference for up to 50 percent of rental units in relevant projects, as provided for at N.J.S.A. 52:27D-311.j.

WEATHERIZATION

Building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for rehabilitation crediting purposes.

§150-19.3. New Construction.

A. New Construction (per N.J.A.C. 5:93 as may be updated per various sections in N.J.A.C. 5:97 and N.J.S.A. 52:27D-301 et seq.).

1. The following requirements shall apply to all new or planned developments that contain very low-, low- and moderate-income housing units. To the extent possible, details related to the adherence to the requirements below shall be outlined in the resolution granting municipal subdivision or site plan approval of the project to assist municipal representatives, developers and Administrative Agents.
2. Completion Schedule (previously known as phasing). Final site plan or subdivision approval shall be contingent upon the affordable housing development meeting the following completion schedule for very low-, low- and moderate-income units whether developed in a single-phase development, or in a multi-phase development:

Maximum Percentage of Market-Rate Units Issued a Temporary or Final Certificate of Occupancy	Minimum Percentage of Affordable Units Issued a Temporary or Final Certificate of Occupancy
25+1	10
50	50
75	75
90	100

3. Design. The following design requirements apply to affordable housing developments, excluding prior round units.
 - (a) Universal design requirements for restricted (affordable) units
 - (1) Each bedroom in each restricted unit must have at least one window.
 - (2) Restricted units must include adequate air conditioning and heating.
 - (b) Design of 100 percent affordable developments:
 - (1) Restricted units must meet the minimum square footage required for the number of inhabitants for which the unit is marketed and the minimum square footage required for each bedroom, as set forth in the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.
 - (c) Design of developments comprising market-rate rental units and restricted rental units. The following does not apply to prior round units, unless stated otherwise.
 - (1) Restricted units must use the same building materials and architectural design elements (for example, plumbing, insulation, or siding) as market-rate units of the same unit type (for example, flat or townhome) within the same development, except that restricted units and market-rate units may use different interior finishes. This shall apply to prior round units.
 - (2) Restricted units and market-rate units within the same affordable development must be sited such that restricted units are not concentrated in less desirable locations.
 - (3) Restricted units may not be physically clustered so as to segregate restricted and market-rate units within the same development or within the same building, but must be interspersed throughout the development, except that age-restricted and supportive housing units may be physically clustered if the clus-

tering facilitates the provision of on-site medical services or on-site social services. Prior round affordable units shall be integrated with market rate units to the extent feasible.

- (4) Restricted units must be of the same unit type as market-rate units within the same building.
 - (5) Restricted units and bedrooms must be no less than 90 percent of the minimum size prescribed by the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.
- (d) Design of developments containing for-sale units, including those with a mix of rental and for-sale units. Restricted rental units shall meet the requirements of section b above. Restricted sale units shall comply with the below:
- (1) Restricted units must use the same building standards as market-rate units of the same unit type (for example, flat, townhome, or single-family home), except that restricted units and market-rate units may use different interior finishes. This shall apply to prior round units.
 - (2) Restricted units may be clustered, provided that the buildings or housing product types containing the restricted units are integrated throughout the development and are not concentrated in an undesirable location or in undesirable locations. Prior round affordable units shall be integrated with market rate units to the extent feasible.
 - (3) Restricted units may be of different unit housing product types than market-rate units, provided that there is a restricted option available for each market rate housing type. Developments containing market-rate duplexes, townhomes, and/or single-family homes shall offer restricted housing options that also include duplexes, townhomes, and/or single-family homes. Penthouses and higher priced end townhouses may be exempt from this requirement. The proper ratio for restricted to market-rate unit type shall be subject to municipal ordinance or, if not specified, shall be determined at the time of site plan approval.
 - (4) Restricted units must meet the minimum square footage required for the number of inhabitants for which the unit is marketed and the minimum square footage required for each bedroom, as set forth in the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.
 - (5) Penthouse and end units may be reserved for market-rate sale, provided that the overall number, value, and distribution of affordable units across the development is not negatively impacted by such reservation(s).
4. Utilities.
- (a) In inclusionary developments, affordable (restricted) units shall utilize the same type of cooling and heating source as market-rate units within the affordable housing development. This shall apply to prior round units as well.
 - (b) Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance in accordance with N.J.AC 5:80-26.13(e).
5. Amenities in Inclusionary Development. Residents of restricted units must be offered the same access to communal amenities as residents of market-rate units within the same affordable development. Examples of communal amenities include, but are not limited to, community pools, fitness and recreation centers, playgrounds, common rooms and outdoor spaces, and building entrances and exits. This shall apply to prior round units.
- A. Low/moderate split and bedroom distribution of affordable housing units:
1. At least 50% of all affordable units in any development (rounded to the nearest whole number) shall be restricted for very low- and low-income households. Very low-income units shall represent at least 13% of the affordable unit mix.
 2. In each affordable development, at least 50% of the restricted units within each bedroom distribution (rounded to the nearest whole number) shall be low-income

units, including at least 13% very-low income.

3. Unless otherwise approved by the Division of Local Planning Services in the DCA, affordable developments that are not age-restricted or supportive / special needs housing shall be structured such that:
 - (a) At a minimum, the number of bedrooms within the restricted units equals twice the number of restricted units;
 - (b) Two-bedroom and/or three-bedroom units compose at least 50 percent of all restricted units;
 - (c) No more than 20 percent of all restricted units, rounded up or down to the nearest whole number in either direction, are efficiency or one-bedroom units;
 - (d) At least 30 percent of all restricted units, rounded up or down to the nearest whole number in either direction, are two-bedroom units;
 - (e) At least 20 percent of all restricted units, rounded up or down to the nearest whole number in either direction, are three-bedroom units; and
 - (f) The remainder of the restricted units, if any, are allocated at the discretion of the developer in accordance with the Township's housing element and fair share plan.
4. Unless otherwise approved by the Division, in each affordable development, restricted units that are age-restricted or supportive housing must be structured such that, at a minimum, the number of bedrooms within the restricted units equals the number of restricted units. For example, the standard may be met by creating a two-bedroom unit for each efficiency unit. In affordable developments with 20 or more restricted units that are age-restricted or supportive housing, two-bedroom and three-bedroom units must compose at least five percent of those restricted units.

B. Accessibility requirements:

1. Any new construction shall be adaptable; however, elevators shall not be required in any building or within any dwelling unit for the purpose of compliance with this section. In buildings without elevator service, only ground floor dwelling units shall be required to be constructed to conform with the technical design standards of the barrier free subcode. "Ground floor" means the first floor with a dwelling unit or portion of a dwelling unit, regardless of whether that floor is at grade. A building may have more than one ground floor.
2. Notwithstanding the exemption for townhouse dwelling units in the barrier free subcode, the first floor of all townhouse dwelling units and of all other multi-floor dwelling units that are attached to at least one other dwelling unit shall be subject to the technical design standards of the barrier free subcode and shall include the following features:
 - (a) An adaptable toilet and bathing facility on the first floor;
 - (b) An adaptable kitchen on the first floor;
 - (c) An interior accessible route of travel however an interior accessible route of travel shall not be required between stories;
 - (d) An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and
 - (e) If not all of the foregoing requirements above. can be satisfied, then an interior accessible route of travel shall be provided between stories within an individual unit; and
 - (f) An accessible entranceway as set forth at P.L. 2005, c. 350 (*N.J.S.A. 52:27D-311a et seq.*), and the Barrier Free Subcode, N.J.A.C. 5:23-7, or evidence that the Township has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible.

- (1) Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.
 - (2) To this end, the builder of restricted units shall deposit funds within the Township of Verona's affordable housing trust fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.
 - (3) The funds deposited shall be used by the Township for the sole purpose of making the adaptable entrance of any affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.
 - (4) The developer of the restricted units shall submit a design plan and cost estimate for the conversion from adaptable to accessible entrances to the construction official of the Township of Verona.
 - (5) Once the construction official has determined that the design plan to convert the unit entrances from adaptable to accessible meets the requirements of the Barrier Free Subcode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made to the Township of Verona's affordable housing trust fund in care of the Municipal Treasurer, who shall ensure that the funds are deposited into the affordable housing trust fund and appropriately earmarked for the intended purpose.
- (g) Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is "site-impracticable" to meet the requirements. If full compliance with this section would be site impracticable, compliance with this section for any portion of the dwelling shall be required to the extent that it is not site impracticable. Determinations of site impracticability shall comply with the Barrier Free Subcode at N.J.A.C. 5:23-7.

C. Affordable Housing Programs

1. Pursuant to amended UHAC regulations at N.J.A.C. 5:80-26.1 et seq. and, in addition, pursuant to P.L. 2024, c.2 and specifically to the amended FHA at N.J.S.A. 52:27D-311.m, "All parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing unless those regulations are contradicted by statute, including but not limited to P.L. 2024, c.2, or binding court decisions." The following are many of the main provisions of the COAH regulations at either N.J.A.C. 5:93 or 5:97 that have been upheld by the NJ Supreme Court. Municipalities should consult the cited full COAH regulations when preparing the HEFSP for required documentation, etc. Additional compliance details may also be included in the specific municipal program manual.
2. Assisted Living Residence (per N.J.A.C. 5:97-6.11).
 - (a) An assisted living residence is a facility licensed by the New Jersey Department of Health to provide apartment-style housing and congregate dining and to assure that assisted living services are available. All or a designated number of apartments in the facility shall be restricted to low- and moderate-income households.
 - (b) The unit of credit shall be the apartment. However, a two-bedroom apartment shall be eligible for two units of credit if it is restricted to two unrelated individuals.
 - (c) A recipient of a Medicaid waiver shall automatically qualify as a low- or moderate-income household.
 - (d) Assisted living units are considered age-restricted housing in a HEFSP and shall be included with the maximum number of units that may be age-restricted.
 - (e) Low- and moderate-income residents cannot be charged any upfront fees.
 - (f) The units shall comply with UHAC with the following exceptions:
 - (1) Affirmative marketing (N.J.A.C. 5:80-26.16); provided that the units are restricted to recipients of Medicaid waivers;

- (2) The deed restriction may be on the facility, rather than individual apartments or rooms;
 - (3) Low/moderate income split and affordability average (N.J.A.C. 5:80-26.4); only if all of the affordable units are affordable to households at a maximum of 60 percent of median income; and
 - (g) Tenant income eligibility (N.J.A.C. 5:80-26.14); up to 80 percent of an applicant's gross income may be used for rent, food and services based on occupancy type and the affordable unit must receive the same basic services as required by the Agency's underwriting guidelines and financing policies. The cost of non-housing related services shall not exceed one and two-thirds times the rent established for each unit.
3. Supportive Housing and Group Homes (per N.J.A.C. 5:97-6.10).
- (a) The following provisions shall apply to group homes, residential health care facilities, and supportive shared living housing:
 - (1) Units are subject to Affirmative Marketing requirements, household certification, and administrative agent oversight; and may, with the approval of the municipal housing liaison and the administrative agent, be leased either by the bedroom or to a single household in the case of multi-bedroom configurations, provided such arrangement is consistent with the Federal Fair Housing Act (Title VIII of the Civil Rights Act of 1968).
 - (2) Units may, with the approval of the administrative agent, be subject to a master lease by an approved supportive housing operator, provided that all subleases are to be certified supportive housing households and remain fully subject to the affordability controls of this subchapter. Rents for supportive housing units shall not exceed the rent standards established and published by the New Jersey Department of Human Services.
 - (3) The unit of credit shall be the bedroom. However, the unit of credit shall be the unit if occupied by a single person or household.
 - (4) Housing that is age-restricted shall be included with the maximum number of units that may be age-restricted pursuant to the Act.
 - (5) Occupancy shall not be restricted to youth under 18 years of age.
 - (6) In affordable developments with 20 or more restricted units that are supportive housing, two-bedroom units must compose at least five percent of those restricted units.
 - (7) The bedrooms and/or units shall comply with UHAC with the following exceptions:
 - (i) Affirmative marketing; however, group homes, residential health care facilities, permanent supportive housing, and supportive shared living housing shall be affirmatively marketed to broadest possible population of qualified individuals with special needs in accordance with a plan approved by the sponsoring program;
 - (ii) Affordability average and bedroom distribution (N.J.A.C. 5:80-26.4).
 - (8) With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, group homes, residential health care facilities, supportive shared living housing and permanent supportive housing shall have the appropriate controls on affordability in accordance with the Act. In the event that a supportive housing provider is unable to record or execute a long-term deed restriction, the units shall be subject to annual recertification by the Municipal Housing Liaison to confirm continued occupancy and compliance with this Section.
 - (9) Objective standards shall be applied in the selection of tenants for supportive housing units and shall be designed to ensure that individuals are not excluded in an arbitrary or capricious manner.
 - (10) The following documentation shall be submitted by the sponsor to the municipality prior to marketing the completed units or facility:

- (i) An Affirmative Marketing Plan in accordance with D1 above; and
 - (ii) If applicable, proof that the supportive and/or special needs housing is regulated by the New Jersey Department of Health and Senior Services, the New Jersey Department of Human Services or another State agency in accordance with the requirements of this section, which includes validation of the number of bedrooms or units in which low- or moderate-income occupants reside.
- (11) The sponsor/owner shall complete annual monitoring as directed by the MHL.

D. Regional Income Limits.

1. Administrative agents shall use the current regional income limits for the purpose of pricing affordable units and determining income eligibility of households.
2. Regional income limits are based on regional median income, which is established by a regional weighted average of the “median family incomes” published by HUD. The procedure for computing the regional median income is detailed in N.J.A.C. 5:80-26.3.
3. Updated regional income limits are effective as of the effective date of the regional Section 8 income limits for the year, as published by HUD, or 45 days after HUD publishes the regional Section 8 income limits for the year, whichever comes later. The new income limits may not be less than those of the previous year.

E. Maximum rents and sales prices.

1. In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC N.J.A.C. 5:80-26.4.
2. The average rent for all restricted units within each affordable housing development shall be affordable to households earning no more than 52 percent of regional median income.
3. The maximum rent for restricted rental units within each affordable housing development shall be affordable to households earning no more than 60 percent of regional median income. The maximum rent may be increased to no more than 70 percent of regional median income for moderate-income units within affordable developments where very-low-income units compose at least 13 percent of the restricted units; however, the number of units with rent affordable to households earning 70 percent of regional median income may not exceed the number of very-low-income units in excess of 13 percent (rounded up) of the restricted units.)
4. The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units. Very low-income units, if required, should be distributed between each bedroom count as proportionally as possible to the total number of restricted units within each bedroom count, and shall be part of the low-income requirement.
5. The maximum sales price of restricted ownership units within each affordable housing development shall be affordable to households earning no more than 70 percent of median income, and each affordable housing development must achieve an affordability average that does not exceed 55 percent for all restricted ownership units. In achieving this affordability average, moderate-income ownership units must be available for at least three different prices for each bedroom type, and low-income ownership units must be available for at least two different prices for each bedroom type when the number of low- and moderate-income units permits.
6. The master deeds and declarations of covenants and restrictions for affordable developments may not distinguish between restricted units and market-rate units in the calculation of any condominium or homeowner association fees and special assessments to be paid by low- and moderate-income purchasers and those to be paid by market-rate purchasers. Notwithstanding the foregoing sentence, condominium units subject to a municipal ordinance adopted before December 20, 2004, which ordinance provides for condominium or homeowner association fees and/or assessments different from those provided for in this subsection are governed by the ordinance.

7. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units other than assisted living facilities, the following standards shall be met:
 - (a) A studio or efficiency unit shall be affordable to a one-person household;
 - (b) A one-bedroom unit shall be affordable to a 1 1/2 person household;
 - (c) A two-bedroom unit shall be affordable to a three-person household;
 - (d) A three-bedroom unit shall be affordable to a 4 1/2 person household; and
 - (e) A four-bedroom unit shall be affordable to a six-person household.
8. In determining the initial rents for compliance with the affordability average requirements for restricted units in assisted living facilities, the following standards shall be met:
 - (a) A studio or efficiency unit shall be affordable to a one-person household;
 - (b) A one-bedroom unit shall be affordable to a 1 1/2 person household; and
 - (c) A two-bedroom unit shall be affordable to a two-person household or to two one-person households.
9. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95% of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 30% of the eligible monthly income of the appropriate size household as determined under N.J.A.C. 5:80-26.7, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented.
10. The initial rent for a restricted rental unit shall be calculated so that the total monthly housing expense, including an allowance for tenant-paid utilities, does not exceed 30 percent of the gross monthly income of a household of the appropriate size whose income is targeted to the applicable percentage of median income for the unit, as determined pursuant to N.J.A.C. 5:80-26.3, as may be amended and supplemented. The rent shall also comply with the affordability average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented.
11. At the anniversary date of the tenancy of the certified household occupying a restricted rental unit, following a minimum 90-day notice provided to the occupant household, the rent may be increased to an amount commensurate with the annual percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U), specifically U.S. Bureau of Labor Statistics Series CUUR0100SAH, titled "Housing in Northeast urban, all urban consumers, not seasonally adjusted." The maximum allowable rent increase for the year will be effective as of the same date as the regional median income limits determined pursuant to N.J.A.C. 5:80-26.3 and published by the Agency. This rent increase may not exceed five percent in any one year and notice thereof must be filed with the administrative agent. If the landlord has charged a tenant less than the initial maximum allowable rent for a restricted unit, the landlord may, with the approval of the administrative agent, use the maximum allowable rent instead of the current rent in performing this multiplication to establish the rent for the next tenant under a new lease. LIHTC units are not governed by the provisions of this section, but rather by the provisions of the State's Qualified Allocation Plan, N.J.A.C. 5:80-33.1 through 33.40.

§150-19.4. Affordability Controls and Requirements

A. Purpose.

1. The requirements of this section apply to all developments that contain affordable housing units, including any currently unanticipated future developments that will

provide low- and moderate-income housing units.

B. Affirmative marketing.

1. The Township shall adopt by resolution an affirmative marketing plan, subject to approval of the Superior Court, compliant with N.J.A.C. 5:80-26.16, as may be amended and supplemented.
2. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, English-speaking ability, marital or familial status, gender, affectional or sexual orientation, disability, age (except for "housing for older persons" as defined at N.J.S.A. 10:5-1 et seq., and age-restricted units as permitted pursuant to 42 U.S.C. §§ 3601 et seq.), number of children, source of lawful income, or any other characteristic described in the New Jersey Law Against Discrimination, N.J.S.A. 10:5-1 through 50, to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward Housing Region 2 and is required to be followed throughout the period of deed restriction.
3. The Affirmative Marketing Plan provides the following preferences, provided that units that remain unoccupied after these preferences are exhausted may be offered to households without regard to these preferences
 - (a) The affirmative marketing plan shall provide a regional preference for all households that live and/or work in COAH Housing Region 2, composed of Essex, Morris, Union, and Warren Counties.
 - (b) Subordinate to the regional preference, there shall be a preference for households that live and/or work in New Jersey.
 - (c) With respect to existing restricted units undergoing approved rehabilitation for the purpose of preservation or to restricted units newly created to replace existing restricted units undergoing demolition, a preference for the very-low-, low-, and moderate-income households that are displaced by the rehabilitation or demolition and replacement.
 - (d) Where the Township has entered into an agreement with a developer or residential development owner to provide a preference for very-low-, low-, and moderate-income veterans who served in time of war or other emergency, pursuant to N.J.S.A. 52:27D-311.j, there shall be a preference for veterans for up to 50 percent of the restricted rental units in a particular project.
4. The municipality has the ultimate responsibility for adopting the affirmative marketing plan and for the proper administration of the affirmative marketing program, including initial sales and rentals and resales and re-rentals. The administrative agent designated by the Township of Verona shall implement the affirmative marketing plan to assure the affirmative marketing of all affordable units.
5. The administrative agent designated by the Township shall assure the affirmative marketing of all affordable units is consistent with the affirmative marketing plan for the municipality.
6. In implementing the affirmative marketing plan, the administrative agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
7. The affirmative marketing plan shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the affirmative marketing plan, the administrative agent shall consider the use of language translations where appropriate.
8. The affirmative marketing process for available affordable units shall begin at least four months (or 120 days) prior to the expected date of occupancy and may begin before construction commences. For owner-occupied units, affirmative marketing

advertising and outreach activities must continue until all of the marketed units have been sold, except that paid advertising may cease when the number of applications received is at least three times the number of units to be sold. For rental units, affirmative marketing advertising and outreach activities must continue, as long as applications are being accepted, except that paid advertising may cease when the number of applications received is at least three times the number of units to be filled.

9. Applications must be accepted for no less than 45 days following the initial advertisement on the New Jersey Housing Resource Center, except for the resale of owner-occupied units, in which case, applications must be accepted for no less than 30 days.
10. Applications for affordable housing shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; the municipal administration building and the municipal library in the municipality in which the units are located; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.
11. In addition to other Affirmative Marketing strategies, the Administrative Agent shall provide specific notice of the availability of affordable housing units on the New Jersey Housing Resource Center website. Any other entities, including developers or persons or companies retained to implement the Affirmative Marketing Process, shall comply with this paragraph
12. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by the Township of Verona.

C. Occupancy standards.

1. In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the administrative agent shall strive to:
 - (a) Ensure each bedroom is occupied by at least one person, except for age-restricted and supportive and special needs housing units;
 - (b) Provide a bedroom for every two adult occupants;
 - (c) With regard to occupants under the age of 18, accommodate the household's requested arrangement, except that such arrangement may not result in more than two occupants under the age of 18 occupying any bedroom; and
 - (d) Avoid placing a one-person household into a unit with more than one bedroom.
2. Additional provisions related to occupancy standards (if any) shall be provided in the municipal operating manual.

D. Selection of occupants of affordable housing units.

1. The administrative agent shall use a random selection process to select occupants of low- and moderate-income housing.
2. A waiting list of all eligible candidates will be maintained in accordance with the provisions of N.J.A.C. 5:80-26. 16.

E. Control periods for restricted ownership units and enforcement mechanisms.

1. Control periods for restricted ownership units shall be in accordance with N.J.A.C. 5:80- 26.6, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the controls on affordability for a period of at least 30 years subject to the requirements of N.J.A.C. 5:80-26.6, as may be amended and supplemented.
2. Rehabilitated housing units that are improved to code standards shall be subject to affordability controls for a period of not less than 10 years (crediting towards present need only).
3. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit. The date of commencement shall be identified in the deed restriction.
4. If existing affordability controls are being extended, the extended control period for a

- restricted ownership unit commences on the effective date of the extension, which is the end of the original control period.
5. After the end of any control period, the restricted ownership unit remains subject to the affordability controls set forth in this subchapter until the owner gives notice of their intent to make an exit sale, at which point:
 - (a) If the municipality exercises the right to extend the affordability controls on the unit, no exit sale occurs and a new control period commences; or
 - (b) If the municipality does not exercise the right to extend the affordability controls on the unit, the affordability controls terminate following the exit sale.
 6. Prior to the issuance of any building permit for the construction/rehabilitation of restricted ownership units, the developer/owner and the municipality shall record a preliminary instrument provided by the Administrative Agent.
 7. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the nonrestricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.
 8. At the time of the initial sale of the unit and upon each successive price-restricted sale, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obliging the purchaser, as well as the purchaser's heirs, successors, and assigns, to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.
 9. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to price-restricted ownership units.
- F. Price restrictions for restricted ownership units, homeowners' association fees and resale prices.
1. Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.7, as may be amended and supplemented, including:
 - (a) The initial purchase price and affordability percentage for a restricted ownership unit shall be set by the Administrative Agent.
 - (b) The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the standards set forth in N.J.A.C. 5:80-26.7.
 - (1) If the resale occurs prior to the one-year anniversary of the date on which title to the unit was transferred to a certified household, the maximum resale price for a is the most recent non-exempt purchase price.
 - (2) If the resale occurs on or after such anniversary date, the maximum resale price is the most recent non-exempt purchase price increased to reflect the cumulative annual percentage increases to the regional median income, effective as of the same date as the regional median income calculated pursuant to N.J.A.C. 5:80-26.3
 - (c) The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of anticipated capital improvements. Eligible capital improvements shall be:
 - (1) Those that render the unit suitable for a larger household or the addition of a bathroom.
 - (2) The maximum resale price may be further increased by an amount up to the cumulative dollar value of approved capital improvements made after the last non-exempt sale for improvements and/or upgrades to the unit, excluding capital improvements paid for by the entity favored on the recapture note and recapture lien described at N.J.A.C. 5:80-26.6(d);
 - (d) No increase for capital improvements is permitted if the maximum resale price prior to adjusting for capital improvements already exceeds whatever initial purchase price the unit would have if it were being offered for purchase for the first time at the initial affordability percentage. All adjustments for capital improvements are subject to 10-year, straight-line depreciation.
 2. Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting)

shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase but shall be separate and apart from any contract of sale for the underlying real estate. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price of the air conditioning equipment, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The seller and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

G. Buyer income eligibility.

1. Buyer income eligibility for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.17, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50% of median income, and moderate-income ownership units shall be reserved for households with a gross household income less than 80% of median income.
2. Notwithstanding the foregoing, the Administrative Agent may, upon approval by the municipality, and subject to the Division's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there is an insufficient number of eligible low-income purchasers in the housing region to permit prompt occupancy of the unit and all other reasonable efforts to attract a low-income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit. Similarly, the administrative agent may permit low-income purchasers to buy very-low-income units in housing markets where, as determined by the Division, units are reserved for very-low-income purchasers, but there is an insufficient number of very-low-income purchasers to permit prompt occupancy of the units. In such instances, the purchased unit must be maintained as a very-low-income unit and sold at a very-low-income price point such that on the next resale the unit will still be affordable to very-low-income households and able to be purchased by a very-low-income household. A very-low-income unit that is seeking bonus credit pursuant to N.J.S.A. 52:27D-311.k(9) must first be advertised exclusively as a very-low-income unit according to the Affirmative Marketing requirements at N.J.A.C. 5:80-26.16, then advertised as a very-low-income or low-income unit for at least 30 additional days prior to referring any low-income household to the unit.
3. A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the administrative agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.
4. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, property taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 35 percent of the household's eligible monthly income; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
 - (a) The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for housing expenses, and the proposed housing expenses will reduce its housing costs;
 - (b) The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for housing expenses in the past and has proven its ability to pay; or
 - (c) The household is currently in substandard or overcrowded living conditions;
 - (d) The household documents the existence of assets, within the asset limitation

otherwise applicable, with which the household proposes to supplement the rent payments

H. Limitations on indebtedness secured by ownership unit; subordination.

1. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the administrative agent shall determine in writing that the proposed indebtedness complies with the provisions of this section, and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.
2. With the exception of original purchase money mortgages, during a control period neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95% of the maximum allowable resale price of that unit, as such price is determined by the administrative agent in accordance with N.J.A.C. 5:80-26.7(c)..

I. Control periods for restricted rental units.

1. Control periods for units that meet the definition of prior round units shall be pursuant to the 2001 UHAC rules originally adopted October 1, 2001, 33 N.J.R. 3432, and shall remain subject to the requirements of this ordinance for a period of at least 30 years as applicable unless otherwise indicated.
2. Other than for prior round units, control periods for restricted rental units shall be in accordance with N.J.A.C. 5:80-26.12, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of this Ordinance for a period of at least 40 years. Restricted rental units created as part of developments receiving 9% Low-Income Housing Tax Credits must comply with a control period of not less than a 30-year compliance period plus a 15-year extended use period for a total of 45 years.
3. The affordability control period for a restricted rental unit shall commence on the first date that a unit is issued a certificate of occupancy following the execution of the deed restriction or, if affordability controls are being extended, on the effective date of the extension, which is the end of the original control period.
4. Rehabilitated renter-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.
5. Prior to the issuance of any building permit for the construction/rehabilitation of restricted rental units, the developer/owner and the municipality shall record a preliminary instrument provided by the Administrative Agent.
6. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Essex. A copy of the filed document shall be provided to the administrative agent within 30 days of the receipt of a certificate of occupancy.
7. A restricted rental unit shall remain subject to the affordability controls of this chapter, despite the occurrence of any of the following events:
 - (a) Sublease or assignment of the lease of the unit;
 - (b) Sale or other voluntary transfer of the ownership of the unit
 - (c) The entry and enforcement of any judgment of foreclosure on the property containing the unit; or
 - (d) The end of the control period, until the occupant household vacates the unit, or is certified as over-income and the controls are released in accordance with UHAC.

J. Price restrictions for rental units; leases and fees.

1. The initial rent for a restricted rental unit shall be set by the Administrative Agent.
2. A written lease shall be required for all restricted rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be retained on file by the Administrative Agent.
3. No additional fees, operating costs, or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.

- (a) Operating costs, for the purposes of this section, include certificate of occupancy fees, move-in fees, move-out fees, mandatory internet fees, mandatory cable fees, mandatory utility submetering fees, and for developments with more than one and a half off-street parking spaces per unit, parking fees for one parking space per household.
 - 4. Any fee structure that would remove or limit affordable unit occupant access to any amenities or services that are required or included for market-rate unit occupants is prohibited. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.
 - 5. Fees for unit-specific, non-communal items that are charged to market-rate unit tenants on an optional basis, such as pet fees for tenants with pets, storage spaces, bicycle-share programs, or one-time rentals of party or media rooms, may also be charged to affordable unit tenants, if applicable.
 - 6. Pet fees may not exceed \$30.00 per month and associated one-time payments for optional fees pertaining to pets, such as a pet cleaning fee, are prohibited.
 - 7. Fees charged to affordable unit tenants for other optional, unit-specific, non-communal items shall not exceed the amounts charged to market-rate tenants.
 - 8. For any prior round rental unit leased before December 20, 2024, elements of the existing fee structure that are consistent with prior rules, but inconsistent with 5:80-26.13(c)1, may continue until the occupant household's current lease term expires or that occupant household vacates the unit, whichever occurs later.
- K. Tenant income eligibility.
- 1. Tenant income eligibility shall be in accordance with N.J.A.C. 5:80-26.14, as may be amended and supplemented, and shall be determined as follows:
 - (a) Very-low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of median income.
 - (b) Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of median income.
 - (c) Moderate-income rental units shall be reserved for households with a gross household income less than 80% of median income.
 - 2. The administrative agent shall certify a household as eligible for a restricted rental unit when the household is a very-low-income household, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35% (40% for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.17, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exist:
 - (a) The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
 - (b) The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
 - (c) The household is currently in substandard or overcrowded living conditions;
 - (d) The household documents the existence of assets with which the household proposes to supplement the rent payments; or
 - (e) The household documents proposed third-party assistance from an outside source such as a family member in a form acceptable to the administrative agent and the owner of the unit.
 - 3. The applicant shall file documentation sufficient to establish the existence of the circumstances in Subsection K.2(a) through (e) above with the administrative agent, who shall counsel the household on budgeting.
- L. Conversions.
- 1. Each affordable housing unit created through the conversion of a nonresidential structure shall be considered a new housing unit and shall be subject to the affordability controls for a new housing unit.

§150-19.5. Administration

- A. Establishment of Municipal Housing Liaison position and compensation; powers and duties.
1. Establishment of position of Municipal Housing Liaison. There is hereby established the position of the Municipal Housing Liaison for Verona.
 2. The Municipal Housing Liaison shall be approved by the Division, or is in the process of getting approval, and fully or conditionally meets the requirements for qualifications, including initial and periodic training as set forth in N.J.A.C. 5:99-1 et seq.
 3. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for Verona, including the following responsibilities which may not be contracted out:
 - (a) Serving as Verona's primary point of contact for all inquiries from the Affordable Housing Dispute Resolution Program, the State, affordable housing providers, administrative agents, and interested households;
 - (b) The oversight of affirmative marketing plans and affordability controls;
 - (c) When applicable, overseeing and monitoring any contracting Administrative Agent.
 - (d) Monitoring the status of all restricted units in Verona's fair share plan;
 - (e) Verifying, certifying and providing annual information within AHMS at such time and in such form as required by the Division.
 - (f) Coordinating meetings with affordable housing providers and administrative agents, as applicable;
 - (g) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Division.
 - (h) Overseeing the recording of a preliminary instrument in the form set forth at N.J.A.C. 5:80-26.1 for each affordable housing development.
 - (i) Coordinating with the Administrative Agent, municipal attorney and municipal Construction Code Official to ensure that permits are not issued unless the document required in C.8. above has been duly recorded.
 - (j) Listing on the municipal website contact information for the MHL and Administrative Agents.
 4. Compensation. Compensation shall be fixed by the governing body at the time of the appointment of the Municipal Housing Liaison.
- B. Administrative Agent
1. All municipalities that have created or will create affordable housing programs and/or affordable units shall designate or approve, for each project within its HEFSP, an administrative agent to administer the affordable housing program and/or affordable housing units in accordance with the requirements of the FHA, NJAC 5:99-1 et seq. and UHAC.
 2. The fees for administrative agents shall be paid as follows:
 - (a) Administrative agent fees related to rental units shall be paid by the developer/owner.
 - (b) Administrative agent fees related to initial sale of units shall be paid by the developer.
 - (c) Administrative agent fees related to resales shall be paid by the seller of the affordable home.

(d) Administrative agent fees related to ongoing administration and enforcement shall be paid by the municipality.

3. An Operating Manual for each affordable housing program shall be provided by the Administrative Agent(s). The Operating Manual(s) shall be available for public inspection in the Office of the Clerk and in the office(s) of the Administrative Agent(s). Operating manuals shall be adopted by resolution of the Governing Body.

4. Subject to the role of the Administrative Agent(s), the duties and responsibilities as are set forth in N.J.A.C. 5:99-7 and which are described in full detail in the Operating Manual, including those set forth in UHAC, include:

(a) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Division;

(b) Affirmative marketing:

(1) Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of the municipality and the provisions of N.J.A.C. 5:80-26.16.

(2) Providing counseling, or contracting to provide counseling services, to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements; and landlord/tenant law.

(c) Household certification.

(1) Soliciting, scheduling, conducting and following up on interviews with interested households.

(2) Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;

(3) Providing written notification to each applicant as to the determination of eligibility or non-eligibility within 5 days of the determination thereof.

(4) Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in the Appendices J and K of N.J.A.C. 5:80-26.1 et seq.

(5) Creating and maintaining a referral list of eligible applicant households living in the housing region, and eligible applicant households with members working in the housing region, where the units are located.

(6) Employing a random selection process as provided in the Affirmative Marketing Plan when referring households for certification to affordable units.

(d) Affordability controls.

(1) Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for the recording at the time of conveyance of title of each restricted unit.

(2) Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and filed properly with the County Register of Deeds or County Clerk's office after the termination of the affordability controls for each restricted unit in accordance with UHAC.

(3) Communicating with lenders and the Municipal Housing Liaison regarding foreclosures.

(4) Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.11.

- (e) Records retention.
 - (1) Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded recapture mortgage, and note, as appropriate.
 - (2) Records received, retained, retrieved, or transmitted in furtherance of crediting affordable units of a municipality constitute public records of the municipality as defined by N.J.S.A. 47:3-16, and are legal property of the municipality.
- (f) Resales and re-rentals.
 - (1) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or re-rental.
 - (2) Instituting and maintaining an effective means of communicating information to very low-, low-, or moderate-income households regarding the availability of restricted units for resale or re-rental.
- (g) Processing requests from unit owners.
 - (1) Reviewing and approving requests from owners of restricted units who wish to refinance or take out home equity loans during the term of their ownership to determine that the amount of indebtedness to be incurred will not violate the terms of this ordinance.
 - (2) Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems.
 - (3) Notifying the municipality of an owner's intent to sell a restricted unit.
 - (4) Making determinations on requests by owners of restricted units for hardship waivers.
- (h) Enforcement.
 - (1) Securing annually from the municipality a list of all affordable ownership units for which property tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;
 - (2) Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;
 - (3) Sending annual mailings to all owners of affordable dwelling units reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.19(d)4;
 - (4) Establishing a program for diverting unlawful rent payments to the municipal Affordable Housing Trust Fund; and
 - (5) Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent setting forth procedures for administering the affordability controls.
- (i) The Administrative Agent(s) shall, as delegated by the municipality, have the authority to take all actions necessary and appropriate to carry out its/their responsibilities, herein.

C. Responsibilities of The Owner of a development containing affordable units.

1. The owner of all developments containing affordable units subject to this subchapter or the assigned management company thereof shall provide to the administrative agent:
 - (a) Site plan, architectural plan, or other plan that identifies the location of each affordable unit, if subject to the site plan approval, settlement agreement, or other applicable document regulating the location of affordable units. The administrative agent shall determine the location of affordable units if not set forth in the site plan approval, settlement agreement, or other applicable document.
 - (b) The total number of units in the project and the number of affordable units.
 - (c) The breakdown of the affordable units by or identification of affordable unit locations by bedroom count and income level, including street addresses / unit numbers, if subject to the site plan approval, settlement agreement, or other applicable document regulating the breakdown of affordable units. The administrative agent shall determine the bedroom and income distribution if not set forth in the site plan approval, settlement agreement, or other applicable document.
 - (d) Floor plans of all affordable units, including complete and accurate identification of all rooms and the dimensions thereof.
 - (e) A projected construction schedule.
 - (f) The location of any common areas and elevators.
 - (g) The name of the person who will be responsible for official contact with the administrative agent for the duration of the project, which must be updated if the contact changes.
2. In addition to 1 above, the owner of rental developments containing affordable rental units subject to this subchapter or the assigned management company thereof shall:
 - (a) Send to all current tenants in all restricted rental units an annual mailing containing a notice as to the maximum permitted rent and a reminder of the requirement that the unit must remain their principal place of residence, which is defined as residing in the unit at least 260 days out of each calendar year, together with the telephone number, mailing address, and email address of the administrative agent to whom complaints of excess rent can be issued.
 - (b) Provide to the administrative agent a description of any applicable fees.
 - (c) Provide to the administrative agent a description of the types of utilities and which utilities will be included in the rent.
 - (d) Agree and ensure that the utility configuration established at the start of the rent-up process not be altered at any time throughout the restricted period.
 - (e) Provide to the administrative agent a proposed form of lease for any rental units.
 - (f) Ensure that the tenant selection criteria for the applicants for affordable units not be more restrictive than the tenant selection criteria for applicants for non-restricted units.
 - (g) Strive to maintain the continued occupancy of the affordable units during the entire restricted period.
3. In addition to 1, above, the owner of affordable for-sale developments containing affordable for-sale units subject to this subchapter or the assigned management company thereof shall provide the administrative agent:
 - (a) Proposed pricing for all units, including any purchaser options and add-on items.
 - (b) Condominium or homeowner association fees and any other applicable fees.
 - (c) Estimated real property taxes.
 - (d) Sewer, water, trash disposal, and any other utility assessments.
 - (e) Flood insurance requirement, if applicable.
 - (f) The State-approved planned real estate development public offering statement and/or master deed, where applicable, as well as the full build-out budget.
 - (g)

§150-19.4. Enforcement of Affordable Housing Regulations

- A. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an owner, developer or tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- B. After providing written notice of a violation to an owner, developer or tenant of an affordable unit and advising the owner, developer or tenant of the penalties for such violations, the municipality may take the following action against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
 1. The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation, or violations, of the regulations governing the affordable housing unit. If the owner, developer or tenant is found by the Court to have violated any provision of the regulations governing affordable housing units the owner, developer or tenant shall be subject to one or more of the following penalties, at the discretion of the Court:
 - (a) A fine of not more than \$500 or imprisonment for a period not to exceed 90 days, or both, unless otherwise specified below, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;
 - (b) In the case of an owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Affordable Housing Trust Fund of the gross amount of rent illegally collected;
 - (c) In the case of an owner who has rented his or her affordable unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.
- C. The municipality shall have the authority to levy fines against the owner of the development for instances of noncompliance with NJHRC advertising requirements (N.J.S.A. 52:27D-321.6.e.(2)), following written notice to the owner. The fine for the first offense of noncompliance shall be \$5,000, the fine for the second offense of noncompliance shall be \$10,000, and the fine for each subsequent offense of noncompliance shall be \$15,000.
- D. The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the first purchase money mortgage and shall constitute a lien against the low- or moderate-income unit.
 1. Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the affordable unit of the violating owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any first purchase money mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.
 2. The proceeds of the Sheriff's sale shall first be applied to satisfy the first purchase money mortgage lien and any prior liens upon the low- or moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus shall be placed in escrow by the municipality for the owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the owner shall make a claim with the municipality for such. Failure of the owner to claim such balance within the two-year period shall automatically result in a forfeiture of such

balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the owner or forfeited to the municipality.

3. Foreclosure due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as they apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
 4. If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the first purchase money mortgage and any prior liens, the municipality may acquire title to the affordable unit by satisfying the first purchase money mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the first purchase money mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the affordable unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess that would have been realized from an actual sale as previously described.
 5. Failure of the low- or moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the owner to accept an offer to purchase from any qualified purchaser that may be referred to the owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- or moderate-income unit as permitted by the regulations governing affordable housing units.
 6. The affordable unit owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the owner.
- E. It is the responsibility of the municipal housing liaison and the administrative agent(s) to ensure that affordable housing units are administered properly. All affordable units must be occupied within a reasonable amount of time and be re-leased within a reasonable amount of time upon the vacating of the unit by a tenant. If an administrative agent or municipal housing liaison becomes aware of or suspects that a developer, landlord, or property manager has not complied with these regulations, it shall report this activity to the Division. The Division must notify the developer, landlord, or property manager, in writing, of any violation of these regulations and provide a 30-day cure period. If, after the 30-day cure period, the developer, landlord, or property manager remains in violation of any terms of this subchapter, including by keeping a unit vacant, the developer, landlord, or property manager may be fined up to the amount required to construct a comparable affordable unit of the same size and the deed-restricted control period will be extended for the length of the time the unit was out of compliance, in addition to the remedies provided for in this section. For the purposes of this subsection, a reasonable amount of time shall presumptively be 60 days, unless a longer period of time is required due to demonstrable market conditions and/or failure of the municipal housing liaison or the administrative agent to refer a certified tenant.
- F. Banks and other lending institutions are prohibited from issuing any loan secured by owner occupied real property subject to the affordability controls set forth in this subchapter if such loan would be in excess of amounts permitted by the restriction documents recorded in the deed or mortgage book in the county in which the property is located. Any loan issued in violation of this subsection is void as against public policy.
- G. The Agency and the Department hereby reserve, for themselves and for each administrative agent appointed pursuant to this subchapter, all of the rights and remedies available at law and in equity for the enforcement of this subchapter, including, but not limited to, fines, evictions, and foreclosures as approved by a county-level housing judge.
- H. Appeals
1. Appeals from all decisions of an administrative agent appointed pursuant to this subchapter must be filed, in writing, with the municipal housing liaison. A decision by the municipal housing liaison may be appealed to the Division. A written decision of

the Division Director upholding, modifying, or reversing an administrative agent's decision is a final administrative action.

§150-19.6. Affordable housing set-aside.

- A. Any site plan or subdivision application that creates five (5) or more new dwelling units shall set-aside 20% of the new units for low- and moderate-income households consistent with the requirements of this Article.
- B. Any affordable units generated through such mandatory set-aside shall be subject to all other provisions of this ordinance.
- C. All such affordable units shall be governed by this ordinance with respect to the controls on affordability, including bedroom distribution, and affirmatively marketed to the housing region in conformance with UHAC at N.J.A.C. 5:80-26.1 et seq., any successor regulation, and all other applicable laws.
- D. No subdivision shall be permitted or approved for the purpose of avoiding compliance with this requirement. Developers cannot, for example, subdivide a project into two lots and then make each of them a number of units just below the threshold.
- E. The mandatory set-aside requirements of this section do not give any developer the right to any rezoning, variance or other relief, or establish any obligation on the part of the municipality to grant such rezoning, variance or other relief.
- F. This municipality-wide mandatory set-aside requirement does not apply to any sites or specific zones otherwise identified in the HEFSP, for which density and set-aside requirements shall be governed by the specific standards as set forth therein.
- G. In the event that the inclusionary set-aside of 20% of the total number of residential units does not result in a full integer, the developer shall round to the nearest whole number of units, except as may be agreed to between the Township and a developer/redeveloper and which is approved by the Division, the Program, or a court of competent jurisdiction.

Article XXI

Development Fee

§ 150-21.1 Purpose.

- A. This section establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with the amended Fair Housing Act (P.L.2024, c.2), N.J.A.C. 5:99, and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7). Fees collected pursuant to this Ordinance shall be used for the sole purpose of providing very low-, low- and moderate-income housing in accordance with a Court-approved Spending Plan.

§ 150-21.2 Basic requirements.

- B. The Township of Verona shall maintain an affordable housing trust fund to deposit all residential and non-residential development fees, payment in lieu of constructing affordable units, barrier-free escrow funds, recapture funds, proceeds from the sale of affordable units, rental income, repayments from affordable housing program loans, enforcement fines, unexpended RCA funds remaining from a completed RCA project, application fees, and any other funds collected by the Township in connection with its affordable housing programs.
- C. The Township of Verona shall not spend, or commit to spend, any affordable housing trust funds, 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 or by the Division pursuant to N.J.S.A. 52:27D-329.2.a(4). The Township shall not spend affordable housing trust funds unless the Program has approved a plan for spending such funds in accordance with N.J.S.A. 52:27D-329.2.a(4) or the Division has approved spending plan expenditures for emergent opportunities to create affordable housing after the Township has obtained compliance certification in conformance with N.J.A.C. 5:99-4.

§ 150-21.3 Residential development fees.

- A. Within all of the Township of Verona Zoning Districts, residential developers shall pay a fee of 1% of the equalized assessed value for residential development, provided no increased density is permitted.
- B. When an increase in residential density pursuant to *N.J.S.A. 40:55D-70d(5)* (known as a "d" variance) has been permitted, developers may be required to pay a development fee of 6% of the equalized assessed value for each additional unit that may be realized.

Example: If an approval allows for four units to be constructed on a site that was zoned for two units, the fees could equal 1% of the equalized assessed value on the first two units, and 6% of the equalized assessed value for the additional two units. However, if the zoning on the site has changed during the two-year period preceding the filing of such a variance application, the density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.

§ 150-21.4 Residential development fees - Eligible exactions; ineligible exactions and exemptions.

- A. Affordable housing developments, developments where a developer is providing for the construction of affordable units elsewhere in the municipality, and developments where the developer has made an eligible payment in lieu of on-site construction of affordable units, if permitted by ordinance, or by agreement with the municipality shall be exempt from development fees. All other forms of new construction shall be subject to development fees unless exempted below.
- B. Developments that have received preliminary or final approval prior to the adoption of this ordinance and any preceding ordinance permitting the collection of development fees shall be exempt from the payment of development fees, unless the developer seeks a substantial change in the original approval. Where a site plan approval does not apply, the issuance of a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for the purpose of determining the right to an exemption. In all cases, the applicable fee percentage shall be determined based upon the development fee ordinance in effect on the date that the construction permit is issued.
- C. Development fees shall be imposed and collected when an existing structure is expanded or undergoes a change to a more intense use. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
- D. Developers of tax-exempt or not-for-profit projects shall be subject to a reduced development fee of 1%.
- E. No development fee shall be collected for the demolition and replacement of a residential building resulting from a fire or natural disaster.
- F. Developers of existing single family residential dwellings shall be exempt from development fees, including additions, renovations, rebuilding or replacement of an existing single-family dwelling and the construction of accessory buildings or other structures on the same lot as the principal dwelling, provided no increase in density is permitted.

§ 150-21.5 Nonresidential development fees.

- A. Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to two and one-half (2.5) percent of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.
- B. Non-residential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to two and one-half (2.5) percent of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.
- C. Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of two and a half percent (2.5%) shall be calculated on the difference between the equalized assessed value of the pre-existing land and improvement and the equalized assessed value of the newly improved structure, i.e land and improvement, at the time final certificate of occupancy is issued. If the calculation required

under this section results in a negative number, the non-residential development fee shall be zero.

§ 150-21.6 Nonresidential development fees - Eligible exactions; ineligible exactions and exemptions.

- A. The non-residential portion of a mixed-use inclusionary or market rate development shall be subject to the two and a half (2.5) percent development fee, unless otherwise exempted below.
- B. The 2.5 percent fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.
- C. Nonresidential developments shall be exempt from the payment of nonresidential development fees in accordance with the exemptions required pursuant to the Statewide Non-Residential Development Fee Act (*N.J.S.A. 40:55D-8.1 through 8.7*), as specified in Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption." Any exemption claimed by a developer shall be substantiated by that developer.
- D. A developer of a nonresidential development exempted from the nonresidential development fee pursuant to the Statewide Non-Residential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the nonresidential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy for the nonresidential development, whichever is later.
- E. If a property which was exempted from the collection of a nonresidential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid nonresidential development fees under these circumstances may be enforceable by the Township of Verona as a lien against the real property of the owner.

§ 150-21.7 Collection of fees.

- A. Fifty percent of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the time of issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at the issuance of the certificate of occupancy. No certificate of occupancy shall be issued to the developer until all remaining developer fees have been paid in full.
- B. Upon the granting of a preliminary, final or other applicable approval for a development, the applicable approving authority or entity shall notify or direct its staff to notify the construction official responsible for the issuance of a building permit.
- C. For non-residential developments only, the developer shall also be provided with a copy of Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption" to be completed as per the instructions provided. The developer of a non-residential development shall complete Form N-RDF as per the instructions provided. The construction official shall verify the information submitted by the non-residential developer as per the instructions provided in the Form N-RDF. The Tax assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- D. The construction official responsible for the issuance of a building permit shall notify the local tax assessor of the issuance of the first building permit for a development which is subject to a development fee.
- E. Within 90 days of receipt of that notice, the municipal tax assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development.
- F. The construction official responsible for the issuance of a final certificate of occupancy shall notify the local assessor of any and all requests for the scheduling of a final inspection on property which is subject to a development fee.
- G. Within 10 business days of a request for the scheduling of a final inspection, the municipal assessor shall confirm or modify the previously estimated equalized assessed value of the improvements of the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.

- H. Should the Township of Verona fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b. of Section 37 of P.L. 2008, c. 46 (*N.J.S.A. 40:55D-8.6*).

§ 150-21.8 Contested fees.

- A. A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation.
- (1) Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by Verona Township. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.
- B. A developer may challenge non-residential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest bearing escrow account by Verona Township. Appeals from a determination of the Director may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

§ 150-21.9 Affordable housing trust fund.

- A. There is hereby created a separate, interest-bearing housing trust fund in Citizens Bank for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls. All development fees paid by developers pursuant to this article shall be deposited into this fund. The following additional funds shall be deposited in the affordable housing trust fund and shall at all times be identifiable by source and amount:
- (1) Payments in lieu of on-site construction of affordable units;
 - (2) Developer-contributed funds to make 10% of the adaptable entrances in a townhouse or other multistory attached development accessible;
 - (3) Rental income from municipally operated units;
 - (4) Repayments from affordable housing program loans;
 - (5) Recapture funds;
 - (6) Proceeds from the sale of affordable units; and
 - (7) Any other funds collected in connection with Verona's affordable housing program.
- B. The municipality shall provide the Division with written authorization, in the form of a tri-party escrow agreement(s) between the municipality, the Division and the financial institution in which the municipal affordable housing trust fund has been established to permit the Division to direct the disbursement of the funds as provided for in N.J.A.C. 5:99-2.1 et seq.
- C. With the approval of the Department's Division of Local Government Services, the municipality may invest its affordable housing trust fund in the State of New Jersey cash management fund, provided that the amount of money in the cash management fund that comprises the funds and income attributable to such funds shall at all times be identifiable.
- D. All interest accrued in the affordable housing trust fund shall only be used on eligible affordable housing activities included in an approved spending plan or an emergent opportunity authorized by the Division.

§ 150-21.10 Use of funds.

- A. Funds deposited in the housing trust fund may be used for any activity approved by the Program or a court of competent jurisdiction, or as approved by the Division as an emergent opportunity to create affordable housing, including but not limited to:
1. A rehabilitation program whose purpose is to renovate deficient housing units that are occupied by low- and moderate-income households, in accordance with the New Jersey State Housing Code, N.J.A.C. 5:28, or the requirements of the Rehabilitation Subcode, N.J.A.C. 5:23-6, as applicable, and costs related to the rehabilitation of the unit. Any recaptured funds from a rehabilitation program shall be deposited into a municipality's affordable housing trust fund and subject to the provisions thereof;
 2. New construction of affordable housing units and related development costs; in the case of inclusionary developments, eligible costs shall be prorated based on the proportion of affordable housing units included in the development;
 3. Creation of a market to affordable program to pay down the cost of unrestricted units and offer them in sound condition, for sale or rent, at affordable prices to low- and moderate-income households to address all or a portion of the affordable housing obligation;
 4. Extensions or improvements of roads and infrastructure directly serving affordable housing development sites; in the case of inclusionary developments, costs shall be prorated based on the proportion of affordable housing units included in the development;
 5. RCAs, approved prior to July 17, 2008;
 6. Acquisition and/or improvement of land to be used for affordable housing;
 8. The extension of expiring controls;
 9. The construction of group homes and supportive and special needs housing;
 10. Maintenance and repair of affordable housing units;
 11. To defray the costs of structured parking; in the case of inclusionary developments, eligible costs shall be prorated based on the proportion of affordable housing units included in the development;
 12. Affordability assistance in accordance with N.J.A.C. 5:99-2.5;
 13. Repayment of municipal bonds issued to finance low- and moderate-income housing activity;
 14. Any other activity as specified in the approved spending plan or as approved by the Division as an emergent affordable housing opportunity; or
 15. Any other activity approved by the Division.
- B. Funds shall not be expended:
1. To reimburse the Township for activities that occurred prior to the authorization to collect development fees;
 2. On attorney fees or court costs to obtain a judgment of compliance or order of repose, including any associated administration costs;
 3. On any costs in connection with a challenge to a determination of the municipality's fair share obligation; or
 4. On any costs in connection with a challenge to the municipality's obligation, housing element, or fair share plan.

- C. The Township shall set aside a portion of development fees collected and interest earned from the affordable housing trust fund for the purpose of providing affordability assistance to very low-, low-, and moderate-income households in affordable units included in the municipal fair share plan.
- (1) Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, and rental assistance.
 - (2) Affordability assistance for very-low-income households may include offering a subsidy to developers of inclusionary or 100 percent affordable housing developments or buying down the cost of low- or moderate-income units in a municipal fair share plan to make them affordable to very low-income households, including special needs and supportive housing opportunities.
 - (3) Township of Verona may contract with a private or public entity to administer any part of its housing element and fair share plan, including the requirement for affordability assistance, or any program or activity for which the Township expends development fee proceeds.
- D. No more than 20 percent of all affordable housing trust funds, exclusive of those collected prior to July 17, 2008, to fund an RCA, shall be expended on administration, in accordance with N.J.A.C. 5:99-2.4 and the following:
- (1) Administrative expenses may include costs reasonably related to the determination of the fair share obligation and the development of a municipal housing element and fair share plan and may include fees necessary to develop or implement affordable housing programs, an affirmative marketing program, and/or expenses that are reasonably necessary for compliance with the processes of the Program, including, but not limited to, the costs to the Township of resolving a challenge pursuant to the Program.
 - (2) Administrative expenses may also include costs associated with functions carried out in compliance with UHAC, including activities related to the marketing program and waitlist management, administering the placement of occupants in housing units, income qualification of households, monitoring the turnover of sale and rental units, preserving existing affordable housing, and compliance with the Division's monitoring requirements.
 - (3) The proportion of a Township employee's salary related to the MHL or RCA administrator functions and fees for required educational programs, may be paid as an administrative expense from the Township affordable housing trust fund.
- E. Development fees collected by the Township shall be expended or committed for expenditure within four years of the date of collection.
- (1) The funds have been spent on a housing activity in accordance with N.J.A.C. 5:99-2.3;
 - (2) The Division has been provided with an executed contract or legally enforceable agreement funding the implementation of an allowable housing activity in accordance with N.J.A.C. 5:99-2.3, and the following, as applicable: a municipal resolution or ordinance creating the affordable housing program, a policy and procedures manual, and completion of affordable housing trust fund and unit monitoring, indicating units completed or rehabilitated, or the municipality has otherwise demonstrated a firm and binding obligation to spend such funds in a manner consistent with addressing its respective affordable housing obligation;
 - (3) For affordability assistance expenses, the Division has been provided with the following: demonstration of a firm and binding obligation to spend such funds in a manner consistent with addressing the affordability assistance obligation required by the Act or a municipal resolution or ordinance and an executed contract or agreement for expenses related to providing affordability assistance to existing low- and moderate-income households, a policies and procedures manual for any affordability assistance program executed by the municipality, and a contract with an administrative agent to carry out the program if applicable; or

- (4) For administrative expenses, the Division has been provided with the following: a municipal resolution or ordinance and an executed contract or agreement for expenses related to administering affordable housing.

§ 150-21.11 Barrier Free Escrow.

- B. The Township may collect fees to adapt affordable unit entrances to be accessible in accordance with the Act and the Barrier Free Subcode, N.J.A.C. 5:23-7. Funds collected for this purpose shall at all times be identifiable from other funds, and shall be identified in the monitoring reports submitted to the State pursuant to N.J.A.C. 5:99-5.

§ 150-21.12 Payments in lieu of constructing affordable units on-site

- A. Payments in lieu of constructing affordable units shall not be imposed on any non-residential development.
- B. Payments in lieu of constructing affordable units shall be identified on its monitoring report pursuant to N.J.A.C. 5:99-5.2.
- C. Pursuant to N.J.A.C. 5:99-2.7, the Township shall specify in its Spending Plan the intended use of any payments in lieu of constructing affordable units on site.
- D. Residential development fees shall not be charged in connection with any development that makes a payment in accordance with this section.

§ 150-21.13 Other funds

The affordable housing trust fund may also contain recaptured funds, proceeds from the sale of affordable units, rental income, repayments from affordable housing program loans, enforcement fines and application fees, and any other funds collected by the Township in connection with its affordable housing programs. The Township shall identify any such funds on its monitoring report pursuant to N.J.A.C. 5:99-5 and include a plan for the use of the funds in its spending plan.

§ 150-21.11 Monitoring.

On or before February 15 of each year, the municipality shall provide annual electronic data reporting of trust fund activity for the previous year from January 1st to December 31st through the AHMS Reporting System. This reporting shall include an accounting of all Municipal Affordable Housing Trust Fund activity, including the sources and amounts of all funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, previously eligible payments in lieu of constructing affordable units on site (if permitted by ordinance or by agreement with the municipality prior to the March 20, 2024 statutory elimination per P.L. 2024, c.4), funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income from municipally-owned affordable housing units, repayments from affordable housing program loans, interest and any other funds collected in connection with municipal housing programs, as well as an accounting of the expenditures of revenues and implementation of the Spending Plan approved by the Court.

§ 150-21.12 Ongoing collection of fees.

The ability for the Township of Verona to impose, collect and expend development is subject to maintaining its status as a compliant municipality. If the Township of Verona fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance and Repose or compliance certification, it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the New Jersey Affordable Housing Trust Fund established pursuant to Section 20 of P.L. 1985, c. 222 (*N.J.S.A. 52:27D-320*). Should the Township's compliant status lapse, it shall submit an updated spending plan in accordance with the time frames set forth at *N.J.S.A. 52:27D-304.1* for municipal submission of a housing element and fair share plans in order to renew control over the collection and spending of its trust funds.

SECTION TWO: REPEAL OF INCONSISTENT PROVISIONS

All ordinances or parts thereof in conflict or inconsistent with this Ordinance are hereby repealed, but only to the extent of such conflict or inconsistency, it being the legislative intent that all such

ordinances or part of ordinances now existing or in effect unless the same are in conflict or inconsistent with any provision of this Ordinance shall remain in effect.

SECTION THREE: SEVERABILITY

The provisions of this Ordinance are declared to be severable and if any section, subsection, sentence, clause or phrase thereof for any reason be held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining sections, subsections, sentences, clauses and phrases of this Ordinance, but shall remaining in effect; it being the legislative intent that this Ordinance shall stand notwithstanding the invalidity of any part.

SECTION FOUR: EFFECTIVE DATE

This Ordinance shall take effect immediately upon passage and publication as provided by law.

SECTION FIVE: CODIFICATION

This ordinance shall be a part of the Code of the Township of Verona as though codified and fully set forth therein. The Municipal Clerk shall have this ordinance codified and incorporated in the official copies of the Code.

The Municipal Clerk and the Township Attorney are authorized and directed to change any Chapter, Article and/or Section number of the Code of the Township of Verona in the event that the codification of this Ordinance reveals that there is a conflict between the numbers and the existing Code, and in order to avoid confusion and possible accidental repealers of existing provisions not intended to be repealed.

ATTEST:


JENNIFER KIERNAN
MUNICIPAL CLERK

NOTICE

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF FEBRUARY 27, 2026 AND POSTED ON THE TOWNSHIP'S LEGAL NOTICES WEBPAGE ON MARCH 11, 2026.

**JENNIFER KIERNAN
MUNICIPAL CLERK**

INTRODUCTION: February 23, 2026
PUBLIC HEARING: March 9, 2026
EFFECTIVE DATE: March 30, 2026

Appendix D: Amended Spending Plan

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

RESOLUTION No. 2026-058

A motion was made by Councilman Roman; seconded by Councilwoman McGrath that the following resolution be adopted:

**ADOPTING THE FOURTH ROUND AFFORDABLE HOUSING TRUST
FUND SPENDING PLAN FOR THE TOWNSHIP OF VERONA**

WHEREAS, The Township of Verona has prepared a Housing Element and Fair Share (“HEFSP”) 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).; and

WHEREAS, The Township of Verona first adopted Ordinance 2007-01, a development fee ordinance on March 5, 2007 to begin funding its affordable housing trust fund.; and

WHEREAS, all development fees, payments in-lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited into this separate, interest-bearing Affordable Housing Trust Fund “Trust Fund” for the purposes of affordable housing, these funds shall be spent in accordance with applicable affordable housing regulations; and

WHEREAS, N.J.A.C. 5:99 requires that a municipality which has adopted a HEFSP and intends to collect development fees and other permitted revenues to fund the implementation of an approved HEFSP shall adopt a plan for spending current funds and funds anticipated to be collected during the affordable housing round (“spending plan”); and

WHEREAS, the most recent spending plans were adopted by the Township in June of 2023 for the implementation of the Township’s Third Round HEFSP and in June of 2025 for the implementation of the Township’s Fourth Round HEFSP.

THEREFORE, BE IT RESOLVED, by the Township Council of the Township of Verona in the County of Essex, New Jersey hereby adopts the Amended Fourth Round Spending Plan that is attached hereto as Exhibit A.

ROLL CALL:

AYES: Holland, McGrath, Roman, McEvoy, Tamburro

NAYS:

THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERONA AT A REGULAR MEETING HELD ON MARCH 9, 2026.


JENNIFER KIERNAN, RMC, CMC
MUNICIPAL CLERK



EXHIBIT A



AMENDED TOWNSHIP OF VERONA

FOURTH ROUND AFFORDABLE HOUSING SPENDING PLAN

February 26, 2026

INTRODUCTION

The Township of Verona has prepared a Housing Element and Fair Share (“HEFSP”) 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). The Township of Verona first adopted a development fee ordinance on March 5, 2007 to begin funding its affordable housing trust fund.

N.J.A.C. 5:99 requires that a municipality which has adopted a HEFSP and intends to collect development fees and other permitted revenues to fund the implementation of an approved HEFSP shall adopt a plan for spending current funds and funds anticipated to be collected during the affordable housing round (“spending plan”). The most recent spending plans were adopted by the Township in June of 2023 for the implementation of the Township’s Third Round HEFSP and in June of 2025 for the implementation of the Township’s Fourth Round HEFSP.

All development fees, payments in-lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited into this separate, interest-bearing Affordable Housing Trust Fund “Trust Fund” for the purposes of affordable housing. These funds shall be spent in accordance with applicable affordable housing regulations.

1. REVENUES FOR CERTIFICATION PERIOD

As of January 1, 2026, the Township of Verona has a balance of **\$3,305,602** in its Affordable Housing Trust Fund. All of Verona’s development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, interest generated on the trust fund, and other permitted revenues, are deposited in separate interest-bearing affordable housing trust funds in Citizens Bank for the purposes of affordable housing. All housing trust fund monies shall be spent in accordance with current affordable housing rules as described in the sections that follow.

To date, the Township has collected **\$683,330** in fees and interest and **\$3,250,000** in payments in lieu of construction of on-site affordable housing. The Township has expended **\$480,030** on affordable housing activities and **\$170,530** in consulting fees and other administrative costs.

The Township projects the following revenue through the end of Round 4 (June 30, 2035).

- (a) Development fees: Based on historical trends, the Township is estimating annual development fees that total **\$194,424** through June 30, 2035.
- (b) Payment in lieu (PIL): The Township does not currently anticipate the contribution of any payments in lieu for the municipal Affordable Housing Trust Fund through June 30, 2035.
- (c) Other funding sources: The Township does not anticipate any other funding sources through June 30, 2035.
- (d) Projected interest: It is estimated that the Township of Verona will collect approximately **\$3,257** in total interest through June 30, 2035.

TABLE 1: PROJECTED REVENUES											
Affordable Housing Trust Fund, January 1, 2026 through June 30, 2035											
Source	1/1/26-12/31/26	1/1/27-12/31/27	1/1/28-12/31/28	1/1/29-12/31/29	1/1/30-12/31/30	1/1/31-12/31/31	1/1/32-12/31/32	1/1/33-12/31/33	1/1/34-12/31/34	1/1/35-6/30/35	Total
a) Development Fees	\$15,000	\$20,000	\$22,000	\$20,000	\$20,400	\$20,808	\$21,224	\$21,649	\$22,082	\$11,262	\$194,424
b) PIL Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
c) Other Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d) Interest	\$212	\$585	\$439	\$297	\$108	-\$3	\$186	\$380	\$579	\$475	\$3,257
Total	\$15,212	\$20,585	\$22,439	\$20,297	\$20,508	\$20,805	\$21,410	\$22,028	\$22,661	\$11,737	\$197,682

The Township of Verona projects a total of **\$197,682** in revenue and interest to be collected between January 1, 2026 and June 30, 2035. This projected amount, when added to the Township of Verona’s trust fund balance of **\$3,305,602** results in anticipated total revenue of **\$3,503,284** available to fund and administer its affordable housing plan. All interest earned on the account shall be used only for the purposes of affordable housing.

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 the Township of Verona.

- (a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with the Township's development fee ordinance for both residential and non-residential developments in accordance with all applicable rules, regulations and legislation.

(b) Distribution of development fee revenues:

The release of funds requires adoption by the governing body of a resolution in accordance with the spending plan. 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 governing body's resolution.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

The Township of Verona anticipates utilizing its trust fund resources as follows:

(a) **Creation of Affordable Housing (N.J.A.C. 5:99-2.3)**

- As described in Verona's Housing Element and Fair Share Plan, the Township collected a **\$3,250,000** payment in-lieu of creating on site affordable housing from the Sunset Avenue / Spectrum 360 Redeveloper which will be used to pay down Township debt accumulated to create the 100% affordable Verona Flats project during the Third Round.
- The Township may provide up to **\$150,000** to a special needs housing provider to make more feasible to the creation of a three-bedroom group home at 885 Bloomfield Avenue. Should the Township assess, as part of negotiations for a PILOT on the development, that such assistance from the affordable housing trust fund is not necessary for the creation of the special needs units, or should the development fail to transpire, the Township reserves the right to utilize the \$150,000 from the trust fund for other purposes. These may include administrative expenses, or the creation of affordable housing elsewhere in the Township, including aiding other affordable housing projects in the HEFSP.

(b) **Administrative Expenses (N.J.A.C. 5:99-2.4)**

The Township is permitted to spend up to 20% of the of all affordable housing trust funds, exclusive of those collected prior to July 17, 2008, to fund an RCA (regional contribution agreement), on administrative expenses. Because "affordable housing trust funds" includes payments in lieu of constructing affordable units on site, the Township's administrative expenses allowance is estimated at **\$662,712**, as detailed in Table 2, below. The Township has never run an RCA.

Administrative expenses may include costs reasonably related to the determination of the fair share obligation and the development of a municipal housing element and fair share plan and may include fees necessary to develop or implement affordable housing programs, an affirmative marketing program, and/or expenses that are reasonably necessary for compliance with the processes of the Affordable Housing Dispute Resolution Program

(“Program”), including, but not limited to, the costs to the municipality of resolving a challenge pursuant to the Program. Administrative expenses may also include costs associated with functions carried out in compliance with UHAC, including activities related to the marketing program and waitlist management, administering the placement of occupants in housing units, income qualification of households, monitoring the turnover of sale and rental units, preserving existing affordable housing, and compliance with the Division’s monitoring requirements.

The Township projects that a maximum of **\$103,284** will be spent from the affordable housing trust fund on administrative expenses over the course of the Fourth Round.

TABLE 2: ADMINISTRATIVE EXPENSE CALCULATION		
		Total
Actual trust fund revenues through January 1, 2026		\$683,330
Projected development fees and interest through June 30, 2035	+	\$197,682
Other projected revenues through June 30, 2035	+	\$3,250,000
Sum of trust fund revenues	=	\$4,131,012
Less revenues expended on RCA Programs	-	0
Net trust fund revenues		\$4,131,012
20% Maximum for Admin. Expense	x .20	\$826,202
Less Admin through 1/1/2026	-	163,490
Available for Admin. Through June 30, 2035	=	\$662,712

(c) **Affordability Assistance (N.J.A.C. 5:99-2.5)**

The Township is required to “set aside a portion of all development fees collected and interest earned for the purpose of providing affordability assistance to very low-, low- and moderate-income households in affordable units included in the municipality’s fair share plan”. This may use of funds to subsidize the creation of very-low income housing, including special needs and supportive housing.

As previously stated, the Township may make up to **\$150,000** available to a special needs housing operator if necessary to offset costs related to the creation of a group home at 885 Bloomfield Avenue, constituting a qualifying affordability assistance expenditure.

4. EXPENDITURE SCHEDULE

The Township of Verona intends to expend its affordable housing trust funds on the schedule detailed in Table 3. In accordance with N.J.A.C. 5:99-5.5, the Township will spend or commit to expend all development fees on authorized activities or purposes within four years of the date of collection.

TABLE 3: EXPENDITURE SCHEDULE											
Projects/Program	Projected Expenditure Schedule July 1, 2025 – December 31, 2035										Total
	1/1/26-12/31/26	1/1/27-12/31/27	1/1/28-12/31/28	1/1/29-12/31/29	1/1/30-12/31/30	1/1/31-12/31/31	1/1/32-12/31/32	1/1/33-12/31/33	1/1/34-12/31/34	1/1/35-6/30/35	
Verona Flats Debt Payment	\$3,250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,250,000
885 Bloomfield Group Home Subsidy	\$0	\$37,500	\$37,500	\$37,500	\$37,500	\$0	\$0	\$0	\$0	\$0	\$162,000
Administrative Expenses	\$0	\$0	\$0	\$0	\$11,284	\$0	\$0	\$0	\$0	\$92,000	\$150,000
Total	\$3,250,000	\$37,500	\$37,500	\$37,500	\$37,500	\$11,284	\$-	\$-	\$-	\$92,000	\$3,503,284

5. EXCESS OR SHORTFALL OF FUNDS

In the event of excess funds, the Township reserves the right to use surplus revenues toward administrative expenses, or toward buying down low-income units to make them affordable to very low-income households. In the event that a shortfall of anticipated revenues occurs, the Township of Verona will address the shortfall of funds through an alternative funding source to be identified by the Township, or the Township will amend its spending plan to ensure availability of funds to implement the Fourth Round Housing Element and Fair Share Plan. The Township adopted a resolution of intent to fund its fourth round affordable housing obligation on June 23, 2025.

6. BARRIER- FREE ESCROW

Collection and distribution of barrier free funds shall be consistent with the Township of Verona's Affordable Housing Ordinance and in accordance with N.J.A.C. 5:99.

SUMMARY

The Township intends to spend affordable housing trust fund revenues pursuant to applicable rules and to be consistent with the housing programs outlined in the 2025 Housing Element and Fair Share Plan and the 2026 Amendment to the Housing Element and Fair Share Plan.

The Township's Affordable Housing Trust Fund has a balance of **\$3,305,602** as of January 1, 2026 and estimates a total of **\$197,682** in potential revenue and interest to be collected by June 30, 2035, when the fourth round ends. This projected amount, when added to the Township of

Verona's trust fund balance results in anticipated total of **\$3,503,284** of trust funds available to fund and administer its affordable housing plan. The Township intends to exhaust its current and projected trust funds as shown in Table 4, Spending Plan Summary, below.

TABLE 4: SPENDING PLAN SUMMARY		
		Total
Balance as of January 1, 2026		\$3,305,602
Projected Revenue Through June 30, 2035		
Development fees	+	\$194,424
Payments in lieu of construction	+	\$0.00
Other funds	+	\$0.00
Interest	+	\$3,257
Total Available Funds		\$3,503,284
Projected Expenditures through 2035		
Verona Flats Debt Payment	+	\$3,250,000
Affordability Assistance, 885 Bloomfield Group Home		\$150,000
Administration	+	\$103,284
Total Projected Expenditures	=	\$3,503,284
Remaining Balance	=	\$0.00

*Administrative expenses are limited to 20 percent of what is actually collected.

Appendix E: 320 Bloomfield Redevelopment Plan

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

ORDINANCE No. 2026-02

**ADOPTING THE REDEVELOPMENT PLAN FOR 320 BLOOMFIELD
AVENUE AND 11 CHURCH STREET (BLOCK 704, LOTS 18 AND 20)
REDEVELOPMENT AREA**

WHEREAS, on May 6, 2024, the Township Council (“the “Township Council”) of the Township of Verona, in the County of Essex, New Jersey (the “Township”) adopted Resolution 2024-075 declaring the entirety of Bloomfield Avenue Corridor, which includes the above referenced property, as an Area in Need of Rehabilitation; and

WHEREAS, on September 9, 2024, the Township Council adopted Resolution 2024-151 declaring the above referenced block and lots as an Area in Need of Redevelopment (the “320 Bloomfield Avenue and 11 Church Redevelopment Area”); and

WHEREAS, more than 45 days have passed since said Resolution was adopted, and no actions have been filed challenging such action; and

WHEREAS, N.J.S.A. 40A:12A-7 provides for a procedure for the adoption of a redevelopment plan for all or a portion of a duly designated redevelopment area; and

WHEREAS, Block No. 704, Lots 18 and 20 in the Township (the “Property”) are located within the 320 Bloomfield Avenue and 11 Church Street Redevelopment Area; and

WHEREAS, N.J.S.A. 40A:12A-7.a., provides that “No redevelopment project shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body, upon its finding that the specifically delineated project area is located in an area in need of redevelopment or in an area in need of rehabilitation, ...”; and sets forth statutory requirements for the contents of a Redevelopment Plan; and

WHEREAS, the Township Council directed its planning consultant, H2M engineers and architects (the “Professional Planner”) to prepare a draft redevelopment plan concerning the 320 Bloomfield Avenue and 11 Church Street Redevelopment Area; and

WHEREAS, the Township Council is desirous of enacting a redevelopment plan to guide the future use, development and redevelopment of Blocks 704, Lots 18 and 20, heretofore designated as an area in need of redevelopment with provisions to enable the construction of a mixed-use building with affordable housing.

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Verona, County of Essex and State of New Jersey as follows:

SECTION 1. The Redevelopment Plan, as filed in the Office of the Township Clerk and attached hereto as Exhibit A and by the reference made a part hereof is hereby approved and adopted pursuant to N.J.S.A. 40A-12A-1 et. seq.

SECTION 2. If any section, sub-section, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

SECTION 3. This ordinance shall take effect 20 days after final passage and publication as prescribed by law.



ATTEST:

Jennifer Kiernan
JENNIFER KIERNAN
MUNICIPAL CLERK

NOTICE

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUES OF JANUARY 26, 2026 AND POSTED ON THE TOWNSHIP'S LEGAL NOTICES WEBPAGE ON MARCH 11, 2026.

**JENNIFER KIERNAN, CMC
MUNICIPAL CLERK**

INTRODUCTION: January 19, 2026
PUBLIC HEARING: March 9, 2026
EFFECTIVE DATE: March 30, 2026

Appendix F: 383 Bloomfield Redevelopment Plan

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

ORDINANCE No. 2025-17

**AN ORDINANCE ADOPTING THE REDEVELOPMENT PLAN FOR
383 BLOOMFIELD AVENUE REDEVELOPMENT AREA**

WHEREAS, on May 6, 2024, the Township Council (“the “Township Council”) of the Township of Verona, in the County of Essex, New Jersey (the “Township”) adopted Resolution 2024-075 declaring the entirety of Bloomfield Avenue Corridor, which includes the above referenced property, as an Area in Need of Rehabilitation; and

WHEREAS, on February 3, 2025, the Township Council adopted Resolution 2025-049 declaring the above referenced block and lot as an Area in Need of Redevelopment (the “383 Bloomfield Avenue Redevelopment Area”); and

WHEREAS, more than 45 days have passed since said Resolution was adopted, and no actions have been filed challenging such action; and

WHEREAS, N.J.S.A. 40A:12A-7 provides for a procedure for the adoption of a redevelopment plan for all or a portion of a duly designated redevelopment area; and

WHEREAS, Block No. 708, Lot 1 in the Township (the “Property”) is located within the 383 Bloomfield Avenue Redevelopment Area; and

WHEREAS, N.J.S.A. 40A:12A-7.a, provides that “No redevelopment project shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body, upon its finding that the specifically delineated project area is located in an area in need of redevelopment or in an area in need of rehabilitation, ...”; and sets forth statutory requirements for the contents of a Redevelopment Plan; and

WHEREAS, the Township Council directed its planning consultant, H2M engineers and architects (the “Professional Planner”) to prepare a draft redevelopment plan concerning the 383 Bloomfield Avenue Redevelopment Area; and

WHEREAS, the Township Council is desirous of enacting a redevelopment plan to guide the future use, development and redevelopment of Block 708, Lot 1, heretofore designated as an area in need of redevelopment with provisions to enable the construction of a mixed-use building with affordable housing; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7(e), the Township Council shall refer the redevelopment plan to the Planning Board prior to final adoption of same; and

WHEREAS, the Planning Board shall within 45 days after referral prepare a report containing its recommendation concerning the redevelopment plan, which report shall identify any inconsistencies with the Township Master Plan and recommendations concerning any inconsistencies and any other matters deemed appropriate by the Planning Board; and

WHEREAS, in accordance with N.J.S.A. 40A:12A-7.e, the Township Council shall review the report of the Planning Board and may approve or disapprove or change any recommendation by a vote of the full authorized membership and shall record in its minutes the reasons for not following the recommendations.

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Verona, County of Essex and State of New Jersey as follows:

SECTION 1. The aforementioned recitals are incorporated herein as though fully set forth.

SECTION 2. The Redevelopment Plan, as filed in the Office of the Township Clerk and attached hereto as Exhibit A and by the reference made a part hereof is hereby approved and adopted pursuant to N.J.S.A. 40A-12A-1 et. Seq, provided that the Redevelopment Plan is modified to provide that the plan includes (i) a provision for publicly accessible e-bicycle and bicycle racks and storage for e-bicycles and bicycles; (ii) the developer shall provide a minimum of five (5) affordable housing credits within the project consistent with the projections contained in the approved housing element contained in the Township's Master Plan.

SECTION 3. The zoning district map in the zoning ordinance of the Township is hereby amended to include the Property per the boundaries described in the Redevelopment Plan and the provisions thereon.

SECTION 4. If any section, sub-section, paragraph, sentence or any other part of this Ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

SECTION 5. A copy of this Ordinance and the Redevelopment Plan shall be available for public inspection at the office of the Township Clerk during regular business hours.

SECTION 6. The Township Clerk shall publish notice of the Ordinance in accordance with applicable law.

SECTION 7. This Ordinance shall take effect after final passage and publication as prescribed by law.



ATTEST:

Jennifer Kiernan
JENNIFER KIERNAN, CMC
MUNICIPAL CLERK

NOTICE

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUES OF OCTOBER 30, 2025 AND NOVEMBER 17, 2025.

**JENNIFER KIERNAN, CMC
MUNICIPAL CLERK**

INTRODUCTION: October 6, 2025
PUBLIC HEARING: November 10, 2025
EFFECTIVE DATE: November 30, 2025

Appendix G: 420 Bloomfield Redevelopment Plan

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

ORDINANCE No. 2026-05

**ADOPTING THE REDEVELOPMENT PLAN FOR
420 BLOOMFIELD AVENUE REDEVELOPMENT AREA (BLOCK 701, LOT 3)**

WHEREAS, on May 6, 2024, the Township Council (“the “Township Council”) of the Township of Verona, in the County of Essex, New Jersey (the “Township”) adopted Resolution 2024-075 declaring the entirety of Bloomfield Avenue Corridor, which includes the above referenced property, as an Area in Need of Rehabilitation; and

WHEREAS, on February 9, 2026, the Township Council adopted Resolution 2026-028 declaring the above referenced block and lot as a non-condemnation area in need of redevelopment (the “420 Bloomfield Avenue Redevelopment Area”); and

WHEREAS, N.J.S.A. 40A:12A-7 provides for a procedure for the adoption of a redevelopment plan for all or a portion of a duly designated redevelopment area; and

WHEREAS, Block 701, Lot 3 in the Township (the “Property”) are located within the 420 Bloomfield Avenue Redevelopment Area; and

WHEREAS, N.J.S.A. 40A:12A-7a provides that “No redevelopment project shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body, upon its finding that the specifically delineated project area is located in an area in need of redevelopment or in an area in need of rehabilitation, ...”; and sets forth statutory requirements for the contents of a Redevelopment Plan; and

WHEREAS, the Township Council directed its planning consultant, H2M engineers and architects (the “Professional Planner”) to prepare a draft redevelopment plan concerning the 420 Bloomfield Avenue Redevelopment Area; and

WHEREAS, the Township Council is desirous of enacting a redevelopment plan to guide the future use, development and redevelopment of Block 701, Lot 3, heretofore designated as an area in need of redevelopment with provisions to enable the construction of a mixed-use building with affordable housing.

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Verona, County of Essex and State of New Jersey as follows:

SECTION 1. The Redevelopment Plan, as filed in the Office of the Township Clerk and attached hereto as Exhibit A and by the reference made a part hereof is hereby approved and adopted pursuant to N.J.S.A. 40A-12A-1 et. seq.

SECTION 2. If any section, sub-section, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

SECTION 3. This ordinance shall take effect 20 days after final passage and publication as prescribed by law.



ATTEST:


JENNIFER KIERNAN
MUNICIPAL CLERK

NOTICE

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF FEBRUARY 27, 2026 AND POSTED ON THE TOWNSHIP'S LEGAL NOTICES WEBPAGE ON MARCH 11, 2026.

**JENNIFER KIERNAN, CMC
MUNICIPAL CLERK**

INTRODUCTION: February 23, 2026
PUBLIC HEARING: March 9, 2026
EFFECTIVE DATE: March 30, 2026

Appendix H: 885 Bloomfield Redevelopment Plan

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

ORDINANCE No. 2026-06

**ADOPTING THE REDEVELOPMENT PLAN FOR 885 BLOOMFIELD
AVENUE REDEVELOPMENT AREA (BLOCK 2205, LOT 6)**

WHEREAS, on February 11, 2019, the Township Council (“the “Township Council”) of the Township of Verona, in the County of Essex, New Jersey (the “Township”) adopted Resolution 2019-56 declaring Block 2205, Lot 6, as identified in the municipal tax maps, to be a Non-Condemnation Redevelopment Area; and

WHEREAS, on May 6, 2024, the Township Council (“the “Township Council”) of the Township of Verona, in the County of Essex, New Jersey (the “Township”) adopted Resolution 2024-075 declaring the entirety of Bloomfield Avenue Corridor, which includes the above referenced property, as an Area in Need of Rehabilitation; and

WHEREAS, more than 45 days have passed since said Resolution was adopted, and no actions have been filed challenging such action; and

WHEREAS, N.J.S.A. 40A:12A-7 provides for a procedure for the adoption of a redevelopment plan for all or a portion of a duly designated redevelopment area; and

WHEREAS, Block 2205, Lot 6 in the Township (the “Property”) are located within the 885 Bloomfield Avenue Redevelopment Area; and

WHEREAS, N.J.S.A. 40A:12A-7.a provides that “No redevelopment project shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body, upon its finding that the specifically delineated project area is located in an area in need of redevelopment or in an area in need of rehabilitation, ...”; and sets forth statutory requirements for the contents of a Redevelopment Plan; and

WHEREAS, the Township Council directed its planning consultant, H2M engineers and architects (the “Professional Planner”) to prepare a draft redevelopment plan concerning the 885 Bloomfield Avenue Redevelopment Area; and

WHEREAS, the Township Council is desirous of enacting a redevelopment plan to guide the future use, development and redevelopment of Block 2205, Lot 6, heretofore designated as an area in need of redevelopment with provisions to enable the construction of a townhouse with units affordable family units and affordable group home units.

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Verona, County of Essex and State of New Jersey as follows:

SECTION 1. The Redevelopment Plan, as filed in the Office of the Township Clerk and attached hereto as Exhibit A and by the reference made a part hereof is hereby approved and adopted pursuant to N.J.S.A. 40A-12A-1 et. seq.

SECTION 2. If any section, sub-section, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

SECTION 3. This ordinance shall take effect 20 days after final passage and publication as prescribed by law.



ATTEST:

A handwritten signature in blue ink that reads "Jennifer Kiernan". The signature is fluid and cursive, written in a professional style.

JENNIFER KIERNAN
MUNICIPAL CLERK

NOTICE

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF FEBRUARY 27, 2026 AND POSTED ON THE TOWNSHIP'S LEGAL NOTICES WEBPAGE ON MARCH 11, 2026.

**JENNIFER KIERNAN, CMC
MUNICIPAL CLERK**

INTRODUCTION: February 23, 2026 – *Referred to Planning Board for consistency review*
PUBLIC HEARING: March 9, 2026
EFFECTIVE DATE: March 30, 2026

Appendix I: 251 ½ Grove Redevelopment Plan

**Appendix J: TC Town Center Zone Amendment & TCMU Overlay Zone
Amendment**

TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY

ORDINANCE #2026-04

**AMENDING AND SUPPLEMENTING THE STANDARDS OF THE TOWN
CENTER ZONE DISTRICT IN CHAPTER 150 "ZONING" OF THE CODE OF
THE TOWNSHIP VERONA**

WHEREAS, the Township of Verona has the authority to regulate land uses within its municipal boundaries under the Municipal Land Use Law, N.J.S.A. 40:55D-1, et. seq.;

WHEREAS, the Township of Verona Planning Board adopted a new Master Plan on September 29, 2022; and

WHEREAS, the Master Plan identifies the Town Center (TC) Zone District covering the core downtown area of Verona along Bloomfield Avenue and some surrounding parcels on Claremont and Grove Avenues as areas recommended for change;

WHEREAS, the Township's Master Plan recommends several amendments to the Township's Zoning Code and has made certain recommendations in the TC Zone District; and

NOW, THEREFORE, BE IT ORDAINED, by the Township Committee of the Township of Verona, in the State of New Jersey, that the code of the Township of Verona be and is hereby amended and supplemented to read as follows:

(Added text is **emboldened**, and text being eliminated is shown in ~~strikethrough italics~~.)

SECTION 1.

Chapter 150, "Zoning," Article II, "Definitions and Word Usage," Section 150-2.3, "Definitions," of the General Legislation of the Township of Verona is hereby amended by supplementing and deleting the following definitions.

§ 150-2.3 Definitions.

~~AMUSEMENT MACHINE, OTHER~~

~~Any automatic or mechanical machine or device or entertainment or music vending machine, except an amusement game machine, which is or are operated or set in motion by the deposit therein of any coin or coins, tokens or slugs or the like thereof purchased for cash.~~

ARTISANAL WORKSHOP

Shops of special trade, including the small-scale manufacturing, compounding, assembly, processing, packaging or similar treatment of such products as: baked goods, candy, ceramics, pottery, china, weaving and other textile arts, painting, woodworking and other artistic endeavors and similar trades. Retail sales on the premises of products made on the premises are required.

BREW PUB

An establishment that sells at least 25% or more of its product , such as ale, in-house and is accompanied by a restaurant area for dine-in use only.

COMMERCIAL ENTERTAINMENT

The rendering of entertainment, as opposed to products or services, to the general public. Commercial entertainment includes uses such as theaters and auditoriums, and indoor amusement/entertainment facilities such as a virtual gaming, bowling alley, an ice-skating rink, escape rooms, indoor rock-climbing gyms, and indoor tennis or pickleball courts. Commercial entertainment shall not include event space, dance halls or night clubs.

CRAFT DISTILLERY

A distillery operating with a craft distillery license as defined and regulated within N.J.S.A. 33:1-10.

EVENT SPACE

A commercial venue available for rent or that may be otherwise retained for the exclusive purpose of hosting a planned activity scheduled to occur at a specific time,

such as a wedding, birthday party or business conference. Alternatively, a venue that may be rented to a private group or individual to conduct an event, where the purpose of the event is unrelated to the approved use of the host venue and is therefore not accessory to the underlying principal use, is required to obtain secondary use approval as an event space and shall meet the requirements of both an event space and any of the underlying principal uses. Excluded from this use are locations where there is an approved full-time principal use where an event may be hosted that is accessory to the principal use, such as a book-signing event at a bookstore or a private dinner party at a restaurant.

GHOST KITCHEN OR VIRTUAL KITCHEN

A food production facility in a shared kitchen for meals solely intended for offsite consumption and dependent on delivery by on-demand food couriers or a delivery service.

MED SPA

A facility that provides cosmetic services such as infusion therapy, skin laser rejuvenation, laser hair removal, Botox and dermal filler, microneedling, weight loss, etc. Such facilities operate under the oversight of a licensed physician, deliver services through skilled and certified practitioners, and ensure appropriate supervision by a qualified healthcare professional. A Med Spa is not a Medical Office.

MEDICAL BUILDING

A building that contains establishments dispensing health services, including same-day treatment, but not including any building that houses patients overnight.

MEDICAL OFFICE

A building or portion of a building principally engaged in providing services for health maintenance, diagnosis and treatment of human diseases, pain or other physical or mental condition of patients solely on an outpatient basis. No patients shall be kept overnight on the premises. Examples of medical offices shall include but not be limited to general physicians, dentists, physical therapy, chiropractors, optometrists or ophthalmologists, psychologists, cardiologists and other various specialties, but shall not include medical clinics, urgent care centers, outpatient surgical centers (ambulatory surgery center), retail care clinics or behavioral health care facilities.

OFFICE, PROFESSIONAL

Any office used for such services as are provided by ~~medical practitioners~~, lawyers, architects, engineers and similar professions.

MICROBREWERY

An establishment required to be licensed as a microbrewery as defined and regulated within N.J.S.A. 33:1-10. Microbreweries shall provide a sampling room and retail sales area. Microbreweries are prohibited from selling food or operating a restaurant in or outside the building in which it is operating. Despite the foregoing, pretzels, potato chips, nuts or similar prepared snack foods may be provided to patrons without charge. Microbreweries shall be permitted only as a principal use and shall not be permitted as an accessory use.

NIGHTCLUB

An establishment in which music, dancing, and/or live entertainment is conducted and which may also dispense liquor and/or food.

~~POOL HALL or BILLIARD HALL~~—*A structure containing more than two pool tables or billiard tables available for use by the public in the same place, location or premises other than structures that contain establishments that sell or display for sale pool tables or billiard tables.*

RETAIL SALES ESTABLISHMENT

An establishment wherein goods, merchandise, produce, commodities, or similar articles are offered for sale or sold to the general public for their own use or for consumption.

~~RETAIL SERVICE ESTABLISHMENT~~—*A store that sells services such as drugstores, opticians, travel agencies, real estate offices, jewelry repair, photographic studios and dry cleaners, shoe repair facilities, tailors, seamstresses.*

RETAIL SERVICES

The rendering of services, as opposed to products, to the general public. Retail services, including but not limited to, recreation services and facilities, photography studio, studios for the instruction of the arts, including art studios, dance studios, gymnastics, or martial arts, museums, and art galleries. This shall include services provided by financial institutions, travel agencies, real estate offices, jewelry repair, photographers, dry cleaners, shoemakers, and tailors and seamstresses.

~~RETAIL STORE—A store where goods are sold directly to the consumer for personal or household use, with or without incidental processing on the premises, including any establishment which requires a club membership or fee payment to permit entry to the establishment for the sale of goods or services whether or not the words "wholesale or warehouse" appear in the name of the establishment.~~

~~VIDEO GAME ARCADE—An establishment that as its primary use contains a collection of video games that can be played by a customer for a fee.~~

SHARED KITCHEN, SHARED WOODSHOP, OR SHARED TEXTILE SPACE

Shared commercial kitchen, woodshop, textile, or production spaces that provide access to space and tools to local small producers for a fee or with a sublease. These spaces shall be focused on tools within one industry, such as a health-inspected, commercial kitchen for food production that a small business can rent by the hour or a well-outfitted woodshop accessed by a set of subtenants who share the tools.

SECTION 2.

Chapter 150, "Zoning," Article XVII, "Schedule of District Regulations," is hereby amended as follows.

§ 150-17.14 TC (TOWN CENTER) Zone District

A. Purpose and Intent

The Town Center (TC) Zone is intended to reinforce Verona's traditional downtown as a compact, pedestrian-oriented commercial district supporting neighborhood-scale retail, services, dining, offices, and mixed-use development. The TC Zone is specifically intended to: promote active street-level commercial uses; encourage mixed-use buildings with residential or office uses above the ground floor; discourage uses that generate high-volume, episodic attendance or simultaneous arrival and departure of large groups; limit reliance on off-site public or municipal parking to satisfy zoning requirements; and protect adjacent residential neighborhoods from incompatible traffic, noise, and operational impacts.

B. ~~A.~~ The principal permitted uses. No building or premises shall be erected, altered or used except for uses designated for each district as follows:

- (1) **Personal services,**
- (2) ~~(1)~~ Retail stores **sales,** and retail services establishments, including stores or shops or retail **where the business is** conducted entirely within the confines of a building.
- (3) ~~(2) Cafeterias, full service restaurants, snack and nonalcoholic beverage bars, confectionery and nut stores, retail bakeries. These uses shall have a maximum seating capacity of 100 patrons. These uses shall be permitted on lots having frontage on Bloomfield Avenue. Full-service restaurants, cafés, bakeries, and similar food service establishments, snack and non-alcoholic beverage bars, and confectionery and nut stores.~~
- (4) ~~(3)~~ Banks and other financial institutions, but not including drive in uses.
~~(4) Theatrical and motion picture theaters.~~
- (5) ~~(5) Family day care centers.~~ **Day Care Facilities**
- (6) ~~(6) Personal service establishments.~~ **Coworking space.**
- (7) **Brewpubs and microbreweries in compliance with state licensing requirements.**
- (8) **Artisanal Workshop**
- (9) **Shared Kitchen, shared workshops, and shared textile spaces subject to applicable square-footage and operational limits.**
- (10) **Art galleries, studios, and instructional spaces with incidental assembly only.**

- (11) Med Spa
- (12) Commercial recreation facility.

Nothing contained herein shall prohibit two or more principal uses on a singular site in the TC Zone, provided the principal uses have their own distinct space and are separated from the other principal use(s) by interior walls and have separate entrances either to a common area or to the exterior.

C. ~~B.~~ Permitted accessory uses. Any of the following accessory uses may be permitted in conjunction with a permitted principal use:

- (1) Accessory uses customarily incidental to the principal or conditional use.
- (2) Outdoor restaurant seating in accordance with § 150-7.23.
- (3) Sidewalk café in accordance with § 150-7.22.

D. ~~C.~~ Area, yard and bulk regulations:

- (1) Minimum lot size: 2,000 square feet.
- (2) Minimum lot width: 50 feet.
- (3) Minimum front yard setback: zero feet.
- (4) **Maximum Front Yard Setback: 10 feet.**
- (5) ~~(4)~~ Minimum side yard setback (one): zero feet.
- (6) ~~(5)~~ Minimum side yard setbacks (both): zero feet.
- (7) ~~(6)~~ Minimum side yard setbacks (both) percentage of lot width: N/A.
- (8) ~~(7)~~ Minimum rear yard setback: 20 feet.
- (9) ~~(8)~~ Maximum height for principal building (stories/feet): 3/50.
- (10) ~~(9)~~ Maximum height for accessory structures: 15 feet.
- (11) ~~(10)~~ Maximum building coverage: 80%.
- (12) ~~(11)~~ Maximum improved lot coverage: 100%.
- (13) ~~(12)~~ Minimum landscaped buffer along residential zone: 15 feet.
- (14) **Maximum allowable residential density is as follows:**

Maximum Lot Area	Maximum Density (residential units per acre)
40,000 square feet and greater	20
25,000 square feet - 39,999 square feet	18
20,000 square feet - 24,999 square feet	16
10,000 square feet - 19,999 square feet	11

E. ~~D.~~ Conditional uses. The following conditional uses are permitted within the Town Center zone (TC) subject to area, yard and bulk regulations and ~~other controls identified in the conditional use regulations of this chapter.~~ **the following conditions:**

- (1) ~~Mixed residential and retail subject to the mixed use standards set forth in §150-8.3.~~ **Mixed-Uses are permitted with the following conditions and subject to site plan review when required:**
 - (a) Residential units are not permitted on the first floor of any building when mixed with retail or office use.
 - (b) Office/retail. Office space is not permitted on the first floor of any building when mixed with a retail use or a commercial use.
 - (c) A dense landscape buffer of not less than 15 feet shall be reserved between the mixed uses and any adjoining residential uses.
- (2) ~~Mixed retail and commercial (nonmedical) subject to the mixed use standards set forth in § 150-8.3.~~
- (3) ~~Mixed retail and professional office (nonmedical) subject to the mixed use standards set forth in § 150-8.3.~~
- (2) ~~(4)~~ Massage parlors subject to the conditional standards set forth in § 150-8.11.
- (3) **Distilleries, and microbreweries subject to the conditional standards set forth in § 150-8.13.**
- (4) **Commercial Entertainment as per the requirements set forth in § 150-8.14.**

F. Prohibited Uses

The following uses are expressly prohibited in the TC Zone District:

- (1) Event venues, banquet halls, party halls, or similar assembly uses;
- (2) Houses of worship, prayer halls, or religious assembly uses;
- (3) Nightclubs and dance halls;

- (4) Any use primarily characterized by assembly-based or episodic gatherings;
- (5) Warehousing, storage, or distribution facilities;
- (6) Drive-through facilities;
- (7) Ghost or Virtual Kitchens
- (8) Any use requiring regular reliance on municipal or public parking lots to meet minimum parking requirements.

G. Parking Regulations

- (1) Off-street parking shall be provided in accordance with Article XII.
- (2) Municipal or public parking lots shall not be used to satisfy minimum parking requirements for any use requiring variance relief.
- (3) Shared parking arrangements may be permitted only where supported by a professional parking analysis demonstrating non-overlapping peak demand.

H. Operational Standards

- (1) No outdoor amplification, broadcast sound, or exterior speakers shall be permitted.
- (2) Uses generating repetitive late-night or early-morning activity shall be deemed incompatible with the TC Zone.
- (3) Any use not expressly listed as a permitted or conditional use shall be deemed prohibited unless relief is granted pursuant to N.J.S.A. 40:55D-70(d)(1).

SECTION 3. Chapter 150, "Zoning," Article VIII, "Regulations Governing Certain Conditional Uses," is hereby amended as follows.

§150-8.3 Mixed Uses

A. Mixed uses may be permitted upon authorization of the Planning Board in accordance with the following conditions and subject to site plan review when required:

- (1) Planned commercial developments.
 - i. Planned commercial developments must have a minimum of 1.5 contiguous acres.
 - ii. Planned commercial development must have site access from Bloomfield Avenue or Depot Street only.
- (2) Residential/office or retail mixed use. When residential units are mixed with retail or office space, the residential units shall not be located on the first floor in any building. Access to a residential unit at the street level shall not be construed to be a residential unit on the first floor.
- (3) Office/retail mixed use. When office space is mixed with retail space, the office space shall not be located on the first floor in any building. Access to office space from street level shall not be construed as office space on the first floor.

B. Conditional use requirements applicable to all mixed uses, **except for those in the TC Zone District:**

- (1) Mixed uses shall have an even distribution between principal uses within each building(s).
- (2) Parking for the various types of uses shall be provided in accordance with the requirements of Article XII of this chapter.
- (3) Not less than 20% of the lot shall be reserved for open space and landscaping.
- (4) A dense landscape buffer of not less than 15 feet shall be reserved between the mixed uses and any adjoining residential uses.
- (5) In the C-2 zone, site access must be from Bloomfield or Pompton Avenues.

§150-8.13 Microbreweries and Craft Distilleries

- A. Strict compliance with N. J. S.A. 33: 1- 10 and shall provide a sampling room and retail sales area where product shall be sold to consumers and where samples shall be offered.
- B. Shall not sell food or operate a restaurant on the licensed premises, including in any outdoor facility. However, pretzels, potato chips, nuts, or similar prepared snack foods are not prohibited from being provided without charge.
- C. Shall be permitted as a principal use only and shall not be permitted as an accessory use.

§150-8.14 Commercial Entertainment

- A. The property shall have frontage on Bloomfield Avenue.
- B. Off-street parking shall be located to the rear or side of the property.
- C. For indoor commercial entertainment facilities, the minimum lot size shall be at least 5,000 square feet.

SECTION 4. Repealer

All ordinances or parts of ordinances inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

SECTION 5. Severability

If any section, subsection, or provision of this Ordinance is held invalid, such invalidity shall not affect the remaining provisions.

SECTION 6. Effective Date

This Ordinance shall take effect upon final adoption and publication as provided by law.



ATTEST:

Jennifer Kiernan
JENNIFER KIERNAN
MUNICIPAL CLERK

NOTICE

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF FEBRUARY 27, 2026 AND POSTED ON THE TOWNSHIP'S LEGAL NOTICES WEBPAGE ON MARCH 11, 2026.

JENNIFER KIERNAN, CMC
MUNICIPAL CLERK

INTRODUCTION: February 9, 2026
PUBLIC HEARING: March 9, 2026
EFFECTIVE DATE: March 30, 2026

TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY

ORDINANCE No. 2026-07

**AMENDING AND SUPPLEMENTING THE STANDARDS OF THE TOWN
CENTER MIXED-USE ("TCMU") ZONE DISTRICT IN CHAPTER 150
"ZONING" OF THE CODE OF THE TOWNSHIP VERONA**

WHEREAS, the Township of Verona has the authority to regulate land uses within its municipal boundaries under the Municipal Land Use Law, N.J.S.A. 40:55D-1, et. seq.;

WHEREAS, in June 2025, the Township of Verona adopted a Housing Element and Fair Share Plan, including a Master Plan Housing Element and Fair Share Plan to address the Township's Third Round Affordable Housing Obligations; and

WHEREAS, in June 2025, the Township filed a declaratory judgment action, captioned *In re Application of Township of Verona*, No. ESX-L-594-25, seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan (hereinafter "Fair Share Plan"), satisfies its "fair share" of the regional need for low and moderate income housing pursuant to the Mount Laurel doctrine; and

WHEREAS, challenges to the Township's Fourth Round HEFSP were timely filed by interested parties: Fair Share Housing Center, DMH2 LLC, A&R Skyline Properties LLC, and JMF Properties LLC; and

WHEREAS, the Fair Share Housing Center ("FSHC") and the parties listed above agreed to settle on certain positions regarding the Fair Share Plan such that each party agreed the Fair Share plan satisfies Verona's "fair share" of the regional need for low- and moderate-income housing subject to certain amendments to the Fair Share Plan and;

WHEREAS, Verona had previously enacted the zoning for the TCMU district, which it is now desires to amend to further the purposes of the Fair Share Plan and as per the Settlement Agreement; and

NOW, THEREFORE, BE IT ORDAINED, by the Township Committee of the Township of Verona, in the State of New Jersey, that the code of the Township of Verona be and is hereby amended and supplemented to read as follows:

(Added text is **emboldened**, and text being eliminated is shown in ~~*strikethrough italics*~~.)

SECTION 1.

Chapter 150, "Zoning," Article XVII, "Schedule of District Regulations," Section 150-17.14A, "TC MU (Town Center-Mixed Use) Zone," of the General Legislation of the Township of Verona is hereby amended by supplementing and deleting the following definitions.

The following are the specifications applicable to the TC MU Zone.

A. Principal permitted uses.

No building or premises shall be erected, altered or used except for uses designated for each property within the TC MU district as follows:

- (1) Retail stores and retail service establishments, including stores or shops or retail business.
- (2) Cafeterias, full-service restaurants, snack and nonalcoholic beverage bars, confectionery and nut stores, retail bakeries.
- (3) Banks and other financial institutions, but not including drive-in uses.
- (4) Theatrical and motion picture theaters.
- (5) Family day-care centers.
- (6) Personal service establishments.
- (7) Residences. Residential housing units, including a required set-aside for affordable housing units.

B. Permitted accessory uses.

Any of the following accessory uses are permitted in conjunction with a permitted principal use:

- (1) Accessory uses customarily incidental to the principal or conditional use.
- (2) Outdoor restaurant seating in accordance with § 150-7.23, provided also that a minimum of six feet is maintained on the sidewalk for pedestrian movement between the edge of any approved outdoor dining area and the curb face.
- (3) Sidewalk cafes in accordance with § 150-7.22, provided also that a minimum of six feet is maintained on the sidewalk for pedestrian movement between the edge of any approved sidewalk cafe and the curb face.
- (4) Parking lots, including structured parking garages.
- (5) Amenity space(s) serving residences such as a fitness area, lobby, mailroom, meeting space for residences (not open to the general public), coffee service area, and the like as may be approved by the Verona Planning Board.
- (6) Internal roadways, parking areas, loading/unloading zones, courtyards and sidewalks.

C. Development standards.

- (1) Any property having any portion of a building bounded by Bloomfield Avenue shall be considered to front on Bloomfield Avenue.
- (2) All nonresidential uses shall be conducted entirely within the confines of the first floor of a building having frontage along Bloomfield Avenue with a maximum building footprint depth of 100 feet as measured from the building along Bloomfield Avenue to the rear (or back), including any setback from the street, of the retail or other nonresidential establishment including those identified as permitted uses.
- (3) Residential buildings and parking areas may be built on any area exceeding the 100-foot limitation as well as on any area of a property fronting Bloomfield Avenue where there is a permitted nonresidential use having a building depth of 50 feet as measured from the building along Bloomfield Avenue to the rear (or back), including any set back from the street.
- (4) Cafeterias, full-service restaurants, snack and nonalcoholic beverage bars, confectionery and nut stores and retail bakeries shall have a maximum seating capacity of 100 patrons and shall only be permitted on lots having frontage on Bloomfield Avenue.
- (5) Residential units, including the required affordable units, shall be situated on the second and third stories of the properties fronting Bloomfield Avenue which shall have nonresidential uses on the first 50 feet of the ground floor as measured from the building along Bloomfield Avenue to the rear (or back), including any setback from the street, subject to the limitations in Subsection C(6) hereof.
- (6) Residences, including the affordable units, shall be a principal permitted use on the ground floor (or first floor) as well as the second and third stories of the properties fronting on the side streets of Montrose Avenue and South Prospect Street. Notwithstanding the foregoing provisions, including the requirements of Subsection C(7) hereof, when a building fronting on Bloomfield Avenue has a depth of a minimum of 50 feet and contains nonresidential uses, then the residences may be built on the ground floor 50 feet or further upon the property to the south of Bloomfield Avenue.
- (7) Four pedestrian entrances to all of the residences in the TC MU Zone, of not greater than 12 feet in width, as measured from the inside of the door frame of each side of the door, may be provided along Bloomfield Avenue. All other pedestrian entrances shall be provided from the rear (or side) of any property located in the TC MU Zone or from an entrance from Montrose Avenue or South Prospect Street. The provisions of Subsection F, Affordable housing multifamily residential specifications, of this section shall also be complied with.
- (8) Parking lots, including structured parking garages, shall not exceed 28 feet in height, excluding a parapet wall not greater than six feet in height. Any parking structure shall contain a twenty-two-foot-wide cartway, inclusive of ground floor visitor parking areas, unless the Township Engineer approves deviation. No parking lot or structure shall front on Bloomfield Avenue.
- (9) The internal drives shall contain a twenty-two-foot-wide cartway, unless the Township Engineer approves a deviation.
- (10) There shall be a minimum of 100 feet between any two driveway curb openings on Bloomfield Avenue.

- (11) Primary materials for the exterior of buildings shall be brick, wood, HardiePlank[®] panels or similar fiber cement siding, stone, precast and cast stone and manufactured stone, and glass.
- (12) All entrances to any building shall be defined and articulated by architectural elements such as lintels, pediments, pilasters, columns, porticoes, porches, overhangs, railings, etc.
- (13) An appropriate roof pitch and roofline architectural treatment is required. If a flat roof is designed (or proposed), then the architectural treatment must be aesthetically pleasing so the building does not look like a monolithic structure.
- (14) The affordable residential units are required to be integrated with the market rate units.
- (15) Section 150-21.3 pertaining to residential fees shall not be applicable to the TC MU Zone.

D. Area, yard, bulk and parking regulations.

Note: All setbacks shall be measured from a structural (also known as a dominant) building wall(s). The appropriate dimension for building setbacks between structural building walls (defined as full or complete walls and excluding knee or hip walls and architectural walls or elements designed to add a wall feature and not be a load-bearing wall) and part of any building or property boundary shall be determined by the applicant's planner or architect at the time of site plan review based on the geometry of the site.

1.	Minimum lot size (square feet)	5,000
2.	Minimum lot width (feet)	50
3.	Minimum front yard setback (feet)	2
4.	Maximum front yard setback (feet)	30
5.	Minimum side yard setback-one (feet)	0
6.	Minimum side yard setbacks-both (feet)	0
7.	Minimum side yard setbacks-both (percentage of lot width)	N/A
8.	Minimum rear yard setback (feet) (this shall exclusively mean and is defined as the boundary with the houses of worship located at Block 1807, Lots 1 and 13)	18
9.	Maximum height for principal building (stories/feet)	3/50
10.	Maximum height for accessory structures other than parking structures (feet)	15
11.	Maximum building coverage, first floor building area as a percent of land area (percent)	80
12.	Maximum improved and landscaped lot coverage, defined as first floor building area plus impervious coverage, plus landscaped buffer area as a percent of land area (percent)	95
13.	Minimum landscaped buffer along a residential zone (feet) boundary, or along the boundary with any house of worship	15
14.	Parking provisions: <ol style="list-style-type: none"> i. Notwithstanding § 150-12.6B, pertaining to RSIS parking standards, which shall not apply to the TC MU Zone, any residential development(s) in the TC MU Zone shall provide a minimum of 1.5 vehicle parking spaces per residential unit. ii. A minimum of 90% of such parking spaces shall be provided on-site, and the remaining 10% of required parking spaces may be provided through a long-term lease (or parking lot rental agreement), with a minimum term of 10 years, of off-street parking spaces no further than 1,000 feet from the development. <ul style="list-style-type: none"> • All required or designated resident parking shall be provided within the boundaries of the TC MU Overlay Zone. 	N/A

	<p>Off-site parking satisfied outside of the TC MU Zone shall be limited to required or dedicated spaces for ground-floor commercial uses and shall be reserved for employees or customers of those commercial uses.</p> <ul style="list-style-type: none"> • Off-site parking spaces shall only qualify for off-site parking agreements/ leases if located in public or commercial parking lots/ facilities or private parking lots/facilities which are accessory to existing nonresidential uses where the number of parking spaces exceeds the required amount for those existing nonresidential uses. • Such parking agreement or lease shall be in writing at the time a site plan application is submitted to the Verona Planning Board. • No private parking lot/ facility serving an existing use shall receive off-site parking spaces from the TCMU Zone if such an arrangement would cause or exacerbate a shortfall in the required number of parking spaces for that existing use. <p>iii. A minimum of 5% of all on-site parking spaces shall be exclusively reserved and identified for electrically charged vehicles. The parking space(s) shall be equipped with electric charging devices (or apparatus). In addition, if the State of New Jersey should require that a greater number of electrically charged vehicle spaces be required than is required herein, then that requirement shall be applicable to any site plan application to be filed under the provisions of this chapter.</p>	
--	---	--

E. Conditional uses.

The following conditional uses which are permitted within the Town Center Zone as identified in the conditional use regulations of the Township's zoning ordinance shall not apply to the TC MU Zone, except where specified in Subsection B hereof.

- (1) Mixed retail and residential uses.
- (2) Mixed retail and commercial (nonmedical) with residential uses.
- (3) Mixed retail and professional office (nonmedical) with residential uses.

F. Affordable housing multifamily residential specifications.

The TC MU Zone shall supersede the preexisting TC Zone applicable to the properties at Block 1807, Lots 2 through 12 and Lot 14 when an application for site plan approval is filed for any multifamily residential development having greater than two residential units.

- (1) Any residential development shall set aside **20%** ~~15%~~ **of the total number of proposed rental or for sale units, when the units are rented, for affordable housing and 20% of the units for affordable housing when the residential units are for sale.**
- (2) The intent of the TC MU Zone is to permit the development of an inclusionary multifamily residential development in which a certain proportion of the dwelling units are set aside for occupancy by low- and moderate-income households satisfying the FHA and Uniform Housing Affordability Controls ("UHAC," N.J.A.C. 5:80-26.1 et seq.).
- (3) The residential multifamily residences situated in the TC MU Zone shall satisfy the following conditions:
- (4) There shall be no more than two bedrooms per residential unit, except three-bedroom units shall be provided as required under UHAC.
- (5) No three-bedroom unit shall have an area less than 900 square feet.
- (6) No more than 70 residential units, or 22 residential units per acre, may be located

in the TC MU.

- (7) The maximum living space, meaning finished floor area in any unit, shall not exceed 1,200 square feet unless UHAC, or other affordable housing rule or regulation, requires a larger unit size, which said applicable larger unit size shall only be applicable to the affordable units.

SECTION 1. Repealer

All ordinances or parts of ordinances inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

SECTION 2. Severability

If any section, subsection, or provision of this Ordinance is held invalid, such invalidity shall not affect the remaining provisions.

SECTION 3. Effective Date

This Ordinance shall take effect upon final adoption and publication as provided by law.



ATTEST:

Jennifer Kiernan
JENNIFER KIERNAN
MUNICIPAL CLERK

NOTICE

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF FEBRUARY 27, 2026 AND POSTED ON THE TOWNSHIP'S LEGAL NOTICES WEBPAGE ON MARCH 11, 2026.

JENNIFER KIERNAN, CMC
MUNICIPAL CLERK

INTRODUCTION: February 23, 2026

PUBLIC HEARING: March 9, 2026

EFFECTIVE DATE: March 30, 2026

**Appendix K: Amended Administrative Manuals and Affirmative Marketing
Plan**

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

RESOLUTION No. 2026-059

A motion was made by Councilman Roman; seconded by Councilwoman McGrath that the following resolution be adopted:

**ADOPTING AN "AFFIRMATIVE MARKETING PLAN" FOR FOURTH
ROUND AFFORDABLE HOUSING**

WHEREAS, in accordance with P.L. 2024, Chapter 2 and the New Jersey Uniform Housing Affordability Controls ("UHAC") (N.J.A.C. 5:80-26.1 *et seq.*), the Township of Verona is required to adopt an Affirmative Marketing Plan to ensure that all affordable housing units created are affirmatively marketed to very low-, low- and moderate-income households, particularly those living and/or working within Housing Region 2, the Housing Region encompassing the Township of Verona.

NOW, THEREFORE, BE IT RESOLVED, by the Township Council of the Township of Verona, County of Essex, New Jersey, does hereby adopt the following Affirmative Marketing Plan:

Affirmative Marketing Plan

- A. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, English-speaking ability, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children, source of lawful income, or any other characteristic described in the New Jersey Law Against Discrimination, to housing units which are being marketed by a developer or sponsor of affordable housing. The Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the Housing Region in which the municipality is located and covers the entire period of the deed restriction for each restricted housing unit. The Township of Verona is located in Housing Region 2, consisting of Essex, Morris, Union, and Warren Counties.
- B. The Township of Verona has a plan to address both its Prior Round Obligation (1987-2025) and its Fourth Round Obligation (2025-2035). This Affirmative Marketing Plan shall apply to all developments that contain or will contain very low-, low- and moderate-income units, including those that are part of the municipality's Housing Element and Fair Share Plan, and those that may be constructed in future developments not yet anticipated by the Housing Element and Fair Share Plan.
- C. The Affirmative Marketing Plan shall be implemented by the Administrative Agent under contract to the *Township of Verona*, or the Administrative Agent of any specific developer approved by the municipality.
- D. All of the costs of advertising and affirmatively marketing affordable housing units shall be borne by the developers/sellers/owners of affordable unit(s), and all such advertising and affirmative marketing shall be subject to approval and oversight by the designated Administrative Agent.
- E. The implementation of the Affirmative Marketing Plan for a development that includes affordable housing shall commence at least 120 days prior to expected occupancy. The implementation of the Affirmative Marketing Plan shall continue until all very low-, low- and moderate-income housing units are initially occupied and for as long as the affordable units remain deed restricted such that qualifying new tenants and/or purchasers continues to be necessary.
- F. The Affirmative Marketing Plan is a continuing program that shall be followed throughout the entire period of affordability restrictions. In implementing the Affirmative Marketing Plan, the Administrative Agent, whether acting on behalf of the Township of Verona or on behalf of a specific developer, shall meet the following requirements at a minimum:
 1. The primary marketing and advertising must be employed at the start of the marketing program and continue until all units are leased or sold or until the number of applications received is at least three times the number of units.

Additional advertising and publicity shall be on an "as needed" basis. The developer/owner shall disseminate all public service announcements and pay for display advertisements. The developer/owner shall provide proof of all publications to the Administrative Agent. All press releases and advertisements shall be approved in advance by the Administrative Agent.

2. The advertisements shall, at a minimum, include:
 - a. The name and location of the housing project;
 - b. An address sufficient to find directions to the housing units;
 - c. A range of prices or rents for the affordable housing units;
 - d. The sizes, as measured in number of bedrooms of the affordable housing units;
 - e. The types (that is, family, age-restricted, or supportive) and number of affordable units available;
 - f. The number of units available to very low-, low-, and moderate-income households;
 - g. The accessibility features, if any, of the affordable housing units;
 - h. The maximum income permitted to qualify for the affordable housing units;
 - i. The population(s), if any, given preference in the selection process pursuant to N.J.A.C. 5:80-26.17(k)2;
 - j. Where applications (paper and online) for the affordable housing units may be found;
 - k. The expected lease-up/closing date(s) for the affordable housing units;
 - l. The expected date of the random selection;
 - m. The business hours when interested households may obtain paper applications for the affordable housing units;
 - n. Contact information, including an email address and phone number that are regularly monitored by the administrative agent;
 - o. The name of the sales agent and/or rental manager; and
 - p. Application fees, if any.
 3. Affirmative fair marketing of affordable units must be completed in accordance with the requirements set forth in UHAC at N.J.A.C. 5:80-26.16 in all media and outlets required by the rules.
 4. Each affordable housing development must complete worksheet substantially in the form of the model affirmative marketing worksheet published by the state.
 5. Affordable units must be listed on the New Jersey Housing Resource Center's website (www.njhrc.gov) in accordance with N.J.A.C. 5:80-26.16(f)1 at least 60 days before the random selection.
 6. Applications, or notices thereof, used as part of the affirmative marketing program must be available in the following locations:
 - a. All county administration buildings in the Region
 - b. All county libraries in the Region
 7. Additional outreach will be provided to organizations or locations to be identified in any Settlement Agreement or the Compliance Certification.
 8. The municipality's Administrative Agent, or the Administrative Agent of a specific developer, shall comply with all requirements set forth in N.J.S.A. 52:27D-321.3 et seq. with regard to the affirmative marketing of affordable housing units.
- G. The municipality's Administrative Agent shall develop, maintain and update a list of community contact person(s) and/or organizations(s) in Essex, Morris, Union, and Warren Counties that will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region, including major regional employers.
- H. The municipality's Administrative Agent shall develop, maintain and update a list of major employers in Essex, Morris, Union, and Warren Counties that will aid in the affirmative marketing program.
- I. A random selection method to select occupants of very low-, low- and moderate-income housing will be used by the municipality's Administrative Agent, or the Administrative Agent of any specific developer, in conformance with N.J.A.C. 5:80-26.16(d). This Affirmative Marketing Plan provides a regional preference for very low-, low- and moderate-income households that live and/or work in Housing Region 2, which is comprised of Essex, Morris, Union, and Warren Counties, with a subordinate and secondary state-wide preference. Pursuant to the New Jersey Fair Housing Act (C.52:27D-311), a preference for very low-, low- and moderate-income veterans duly qualified under

N.J.A.C. 54:4-8.10 may also be exercised, provided an agreement to this effect has been executed between the developer or landlord and the municipality prior to the affirmative marketing of the units.

- J. All developers/owners of very low-, low- and moderate-income housing units shall be required to undertake and pay the costs of the marketing of the affordable units in their respective developments, subject to the direction and supervision of the municipality's Administrative Agent.

BE IT FURTHER RESOLVED that the appropriate municipal officials and professionals are authorized to take all actions required to implement the terms of this Resolution.

BE IT FURTHER RESOLVED that this Resolution shall take effect pursuant to law.

ROLL CALL:

AYES: Holland, McGrath, Roman, McEvoy, Tamburro

NAYS:

THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERONA AT A REGULAR MEETING HELD ON MARCH 9, 2026.


JENNIFER KIERNAN, RMC, CMC
MUNICIPAL CLERK



AFFIRMATIVE FAIR HOUSING MARKETING PLAN
For Township of Verona Affordable Housing in Region 2

I. APPLICANT AND PROJECT INFORMATION

(Complete Section I individually for all developments or programs within the municipality.)

1 Sunset Ave

1a. Administrative Agent Name, Address, Phone Number TKLD Consulting LLC 162 Middlesex Ave Paramus, NJ 07652 917-675-9057		1b. Development or Program Name, Address 1 Sunset Ave Verona, NJ Spectrum 360 Project	
1c. Number of Affordable Units: 15 Number of Rental Units: 15 Number of For-Sale Units:	1d. Price or Rental Range From TBD To TBD	1e. State and Federal Funding Sources (if any)	
1f. <input type="checkbox"/> Age Restricted <input checked="" type="checkbox"/> Non-Age Restricted	1g. Approximate Starting Dates Advertising: During Construction Occupancy: Following Completion		
1h. County Essex, Morris, Union, Warren		1i. Census Tract(s): 0212.00 Block 303, Lot 4	
1j. Managing/Sales Agent's Name, Address, Phone Number TBD			
1k. Application Fees (if any): TBD			

I. APPLICANT AND PROJECT INFORMATION

(Complete Section I individually for all developments or programs within the municipality.)

2 PIRHL/Cameco

2a. Administrative Agent Name, Address, Phone Number Conifer 1200 Howard Boulevard, suite 250 Mount Laurel, NJ 08054 Phone: 844-871-6798 Email: contactus@coniferllc.com		2b. Development or Program Name, Address Verona Flats 1 Linn Drive Verona, NJ 07044	
2c. Number of Affordable Units: 95 Number of Rental Units: 95 Number of For-Sale Units:	2d. Price or Rental Range From \$988 To \$1680	2e. State and Federal Funding Sources (if any) <p style="text-align: center;">LIHTC</p>	
2f.		2g. Approximate Starting Dates	

<input type="checkbox"/> Age Restricted <input checked="" type="checkbox"/> Non-Age Restricted	Advertising: During Construction Occupancy: Following Completion
2h. County Essex, Morris, Union, Warren	2i. Census Tract(s): 0210.00 Block 2301 Lots 11, 12, 14-19
2j. Managing/Sales Agent's Name, Address, Phone Number Verona Flats 1 Linn Drive Verona, NJ 07044 844-871-6798	
2k. Application Fees (if any): \$30.00	

I. APPLICANT AND PROJECT INFORMATION

(Complete Section I individually for all developments or programs within the municipality.)

3 Hillwood Senior Housing

3a. Administrative Agent Name, Address, Phone Number NJ Housing and Mortgage Finance Agency 637 S Clinton Ave PO Box 18550 Trenton, NJ 08750	3b. Development or Program Name, Address Hillwood Senior Housing 100 Hillwood Terrace Verona, NJ	
3c. Number of Affordable Units: 159 Number of Rental Units: 159 Number of For-Sale Units:	3d. Price or Rental Range From \$1600 To \$1,850	3e. State and Federal Funding Sources (if any) Section 8
3f. <input checked="" type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	3g. Approximate Starting Dates Advertising: Occupied Occupancy: Occupied	
3h. County Essex, Morris, Union, Warren	3i. Census Tract(s): Block 128, Lot 23	
3j. Managing/Sales Agent's Name, Address, Phone Number Francis A. Thomas Senior Director, Property Management, NJHMFA		
3k. Application Fees (if any):		

(Sections II through IV should be consistent for all affordable housing developments and programs within the municipality. Sections that differ must be described in the approved contract between the municipality and the administrative agent and in the approved Operating Manual.)

II. RANDOM SELECTION

2. Describe the random selection process that will be used once applications are received.

Initial Randomization: Applicants are selected at random before income-eligibility is determined, regardless of household size or desired number of bedrooms. The process is as follows:

- After advertising is implemented, applications are accepted for 60 days.
- At the end of the period, sealed applications are selected one-by-one through a lottery (unless fewer applications are received than the number of available units, then all eligible households will be placed in a unit).
- An applicant pool is created by listing applicants in the order selected.
- Applications are reviewed for income-eligibility. Ineligible households are informed that they are being removed from the applicant pool or given the opportunity to correct and/or update income and household information.
- Eligible households are matched to available units based upon the number of bedrooms needed (and any other special requirements, such as the need for an accessible unit).
- If there are sufficient names remaining in the pool to fulfill re-rental needs anticipated over the next two years, the applicant pool shall be closed; however, if insufficient applicants remain on the list to cover the subsequent two years, the list may be kept open.
- When the applicant pool is close to being depleted, the Administrative Agent will re-open the pool and conduct a new random selection process after fulfilling the affirmative marketing requirements. The new applicant pool will be added to the remaining list of initial applicants.

III. MARKETING

3a. Direction of Marketing Activity: (indicate which group(s) in the housing region are least likely to apply for the housing without special outreach efforts because of its location and other factors)

- White (non-Hispanic)
 Black (non-Hispanic)
 Hispanic
 American Indian or Alaskan Native
 Asian or Pacific Islander
 Other group:

3b.

HOUSING RESOURCE CENTER (njhousing.gov) A free, online listing of affordable housing	X
Affordable Housing.com (affordablehousing.com) Affordable housing online search site	X
NJ 2-1-1 (nj211.org) New Jersey's comprehensive information and referral organization	X
Municipality Website: https://www.veronanj.org/affordablehousing	X

3c. Commercial Media (required) (Check all that applies)

X	ON-GOING	WWW.NJHRC.ORG	ENTIRE STATE
X	ON-GOING	VERONANJ.ORG	TOWNSHIP OF VERONA
TARGETS ENTIRE HOUSING REGION 2			
Daily Newspaper			
X	Once at the start of the Affirmative	Star-Ledger	Northern and Central New Jersey

	Marketing process with additional monthly as needed		
TARGETS PARTIAL HOUSING REGION 2			
	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL NEWSPAPER(S)	CIRCULATION AREA
X	Once at the start of the Affirmative Marketing process with additional monthly as needed	Daily Record	Morris
X	Once at the start of the Affirmative Marketing process with additional monthly as needed	Express Times	Warren
Weekly Newspaper			
<input type="checkbox"/>		Belleville Post	Essex
<input type="checkbox"/>		Belleville Times	Essex
X	Once at the start of the Affirmative Marketing process with additional monthly as needed	Essex Chronical	Essex
<input type="checkbox"/>		East Orange Record	Essex
<input type="checkbox"/>		Glen Ridge Paper	Essex
<input type="checkbox"/>		Glen Ridge Voice	Essex
<input type="checkbox"/>		Independent Press	Essex
<input type="checkbox"/>		Irvington Herald	Essex
<input type="checkbox"/>		Item of Millburn and Short Hills	Essex
<input type="checkbox"/>		Montclair Times	Essex
<input type="checkbox"/>		News-Record	Essex
<input type="checkbox"/>		Nutley Journal	Essex
<input type="checkbox"/>		Nutley Sun	Essex
<input type="checkbox"/>		Observer	Essex
<input type="checkbox"/>		Orange Transcript	Essex
<input type="checkbox"/>		Progress	Essex
<input type="checkbox"/>		Vailsburg Leader	Essex
<input type="checkbox"/>		Verona-Cedar Grove Times	Essex

<input type="checkbox"/>		West Essex Tribune	Essex
<input type="checkbox"/>		West Orange Chronicle	Essex
<input type="checkbox"/>		Atom Tabloid & Citizen Gazette	Middlesex, Union
<input type="checkbox"/>		Chatham Courier	Morris
<input type="checkbox"/>		Chatham Independent Press	Morris
<input type="checkbox"/>		Citizen of Morris County	Morris
<input type="checkbox"/>		Florham Park Eagle	Morris
<input type="checkbox"/>		Hanover Eagle	Morris
<input type="checkbox"/>		Madison Eagle	Morris
<input type="checkbox"/>		Morris News Bee	Morris
<input type="checkbox"/>		Mt. Olive Chronicle	Morris
<input type="checkbox"/>		Neighbor News	Morris
<input type="checkbox"/>		Randolph Reporter	Morris
<input type="checkbox"/>		Roxbury Register	Morris
<input type="checkbox"/>		Parsippany Life	Morris
<input type="checkbox"/>		Clark Patriot	Union
<input type="checkbox"/>		Cranford Chronicle	Union
<input type="checkbox"/>		Echo Leader	Union
<input type="checkbox"/>		Elizabeth Reporter	Union
<input type="checkbox"/>		Hillside Leader	Union
<input type="checkbox"/>		Leader of Kenilworth & Roselle Park	Union
<input type="checkbox"/>		Madison Independent Press, The	Union
<input type="checkbox"/>		Millburn and Short Hills Independent Press	Union
<input type="checkbox"/>		News Record	Union
<input type="checkbox"/>		Record-Press	Union
<input type="checkbox"/>		Scotch Plains Times (Fanwood Times)	Union
<input type="checkbox"/>		Spectator Leader	Union
<input checked="" type="checkbox"/>		Union Leader	Union
<input type="checkbox"/>		Warren Reporter	Warren

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL TV STATION(S)	CIRCULATION AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 2			
<input type="checkbox"/>		2 WCBS-TV Cbs Broadcasting Inc.	
		3 KYW-TV Cbs Broadcasting Inc.	
<input type="checkbox"/>		4 WNBC NBC Telemundo License Co. (General Electric)	
<input type="checkbox"/>		5 WNYW Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		7 WABC-TV American Broadcasting Companies, Inc (Walt Disney)	
<input type="checkbox"/>		9 WWOR-TV Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		11 WPIX Wpix, Inc. (Tribune)	
<input type="checkbox"/>		13 WNET Educational Broadcasting Corporation	
<input type="checkbox"/>		25 WNYE-TV New York City Dept. Of Info Technology & Telecommunications	
<input type="checkbox"/>		31 WPXN-TV Paxson Communications License Company, Llc	
<input type="checkbox"/>		41 WXTV Wxtv License Partnership, G.p. (Univision Communications Inc.)	
<input type="checkbox"/>		47 WNJU NBC Telemundo License Co. (General Electric)	
<input type="checkbox"/>		50 WNJN New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		52 WNJT New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		54 WTBY-TV Trinity Broadcasting Of New York, Inc.	
<input type="checkbox"/>		58 WNJB New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		62 WRNN-TV Wrnn License Company, Llc	
<input type="checkbox"/>		63 WMBC-TV Mountain Broadcastng Corporation	
<input type="checkbox"/>		68 WFUT-TV Univision New York Llc	Spanish

TARGETS PARTIAL HOUSING REGION 2			
<input type="checkbox"/>		42 WKOB-LP Nave Communications, Llc	Essex
<input type="checkbox"/>		22 WMBQ-CA Renard Communications Corp.	Essex, Morris, Union
<input type="checkbox"/>		66 WFME-TV Family Stations Of New Jersey, Inc.	Essex, Morris, Union
<input type="checkbox"/>		21 WLIW Educational Broadcasting Corporation	Essex, Union
<input type="checkbox"/>		60 W60AI Ventana Television, Inc	Essex, Union
<input type="checkbox"/>		36 W36AZ New Jersey Public Broadcasting Authority	Morris
<input type="checkbox"/>		6 WPVI-TV American Broadcasting Companies, Inc (Walt Disney)	Morris, Union, Warren
<input type="checkbox"/>		65 WUVP-TV Univision Communications, Inc.	Morris, Union, Warren
<input type="checkbox"/>		23 W23AZ Centenary College	Morris, Warren
<input type="checkbox"/>		28 WBRE-TV Nexstar Broadcasting, Inc.	Morris, Warren
<input type="checkbox"/>		35 WYBE Independence Public Media Of Philadelphia, Inc.	Morris, Warren
<input type="checkbox"/>		39 WLVT-TV Lehigh Valley Public Telecommunications Corp.	Morris, Warren
<input type="checkbox"/>		44 WVIA-TV Ne Pa Ed Tv Association	Morris, Warren
<input type="checkbox"/>		56 WOLF-TV Wolf License Corp	Morris, Warren
<input type="checkbox"/>		60 WBPH-TV Sonshine Family Television Corp	Morris, Warren
<input type="checkbox"/>		69 WFMZ-TV Maranatha Broadcasting Company, Inc.	Morris, Warren
<input type="checkbox"/>		10 WCAU NBC Telemundo License Co. (General Electric)	Warren
<input type="checkbox"/>		16 WNEP-TV New York Times Co.	Warren
<input type="checkbox"/>		17 WPHL-TV Tribune Company	Warren
<input type="checkbox"/>		22 WYOU Nexstar Broadcasting, Inc.	Warren
<input type="checkbox"/>		29 WTXF-TV Fox Television Stations, Inc. (News Corp.)	Warren
<input type="checkbox"/>		38 WSWB Mystic Television of Scranton Llc	Warren
<input type="checkbox"/>		48 WGTW-TV Trinity Broadcasting Network	Warren

<input type="checkbox"/>		49 W49BE New Jersey Public Broadcasting Authority	Warren
<input type="checkbox"/>		55 W55BS New Jersey Public Broadcasting Authority	Warren
<input type="checkbox"/>		57 WPSG Cbs Broadcasting Inc.	Warren
<input type="checkbox"/>		61 WPPX Paxson Communications License Company, Llc	Warren

	DURATION & FREQUENCY OF OUTREACH	NAMES OF CABLE PROVIDER(S)	BROADCAST AREA
TARGETS PARTIAL HOUSING REGION 2			
<input type="checkbox"/>		Cablevision of Newark	Partial Essex
<input type="checkbox"/>		Comcast of NJ (Union System)	Partial Essex, Union
<input type="checkbox"/>		Cablevision of Oakland	Partial Essex, Morris
<input type="checkbox"/>		Cable Vision of Morris	Partial Morris
<input type="checkbox"/>		Comcast of Northwest NJ	Partial Morris, Warren
<input type="checkbox"/>		Patriot Media & Communications	Partial Morris
<input type="checkbox"/>		Service Electric Broadband Cable	Partial Morris, Warren
<input type="checkbox"/>		Cablevision of Elizabeth	Partial Union
<input type="checkbox"/>		Comcast of Plainfield	Partial Union
<input type="checkbox"/>		Cable Vision of Morris	Partial Warren
<input type="checkbox"/>		Service Electric Cable TV of Hunterdon	Partial Warren

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL RADIO STATION(S)	BROADCAST AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 2			
AM			
<input type="checkbox"/>		WFAN 660	
<input type="checkbox"/>		WOR 710	
<input type="checkbox"/>		WABC 770	
FM			
<input type="checkbox"/>		WFNY-FM 92.3	
<input type="checkbox"/>		WPAT-FM 93.1	Spanish
<input type="checkbox"/>		WNYC-FM 93.9	

<input type="checkbox"/>		WFME 94.7	Christian
<input type="checkbox"/>		WPLJ 95.5	
<input type="checkbox"/>		WQXR-FM 96.3	
<input type="checkbox"/>		WQHT 97.1	
<input type="checkbox"/>		WRKS 98.7	
<input type="checkbox"/>		WAWZ 99.1	Christian
<input type="checkbox"/>		WHTZ 100.3	
<input type="checkbox"/>		WCBS-FM 101.1	
<input type="checkbox"/>		WKXW-FM 101.5	
<input type="checkbox"/>		WQCD 101.9	
<input type="checkbox"/>		WNEW 102.7	
<input type="checkbox"/>		WKTU 103.5	
<input type="checkbox"/>		WAXQ 104.3	
<input type="checkbox"/>		WWPR-FM 105.1	
<input type="checkbox"/>		WLTW 106.7	
TARGETS PARTIAL HOUSING REGION 2			
AM			
<input type="checkbox"/>		WWRL 1600	Essex
<input type="checkbox"/>		WXMC 1310	Essex, Morris
<input type="checkbox"/>		WWRV 1330	Essex, Morris (Spanish)
<input type="checkbox"/>		WZRC 1480	Essex, Morris (Chinese/Cantonese)
<input type="checkbox"/>		WMCA 570	Essex, Morris, Union (Christian)
<input type="checkbox"/>		WNYC 820	Essex, Morris, Union
<input type="checkbox"/>		WCBS 880	Essex, Morris, Union
<input type="checkbox"/>		WPAT 930	Essex, Morris, Union (Caribbean, Mexican, Mandarin)
<input type="checkbox"/>		WWDJ 970	Essex, Morris, Union (Christian)
X	Once at the start additional as necessary	WINS 1010	Essex, Morris, Union
<input type="checkbox"/>		WEPN 1050	Essex, Morris, Union
<input type="checkbox"/>		WKMB 1070	Essex, Morris, Union (Christian)

<input type="checkbox"/>		WBBR 1130	Essex, Morris, Union
<input type="checkbox"/>		WLIB 1190	Essex, Morris, Union (Christian)
<input type="checkbox"/>		WMTR 1250	Essex, Morris, Union
<input type="checkbox"/>		WADO 1280	Essex, Morris, Union (Spanish)
<input type="checkbox"/>		WNSW 1430	Essex, Morris, Union (Portuguese)
<input type="checkbox"/>		WJDM 1530	Essex, Morris, Union (Spanish)
<input type="checkbox"/>		WQEW 1560	Essex, Morris, Union
<input type="checkbox"/>		WWRU 1660	Essex, Morris, Union (Korean)
<input type="checkbox"/>		WCTC 1450	Union
<input type="checkbox"/>		WCHR 1040	Warren
<input type="checkbox"/>		WEEX 1230	Warren
<input type="checkbox"/>		WNNJ 1360	Warren
<input type="checkbox"/>		WRNJ 1510	Warren
FM			
<input type="checkbox"/>		WMSC 90.3	Essex
<input type="checkbox"/>		WFUV 90.7	Essex
<input type="checkbox"/>		WBGO 88.3	Essex, Morris, Union
<input type="checkbox"/>		WSOU 89.5	Essex, Morris, Union
<input type="checkbox"/>		WKCR-FM 89.9	Essex, Morris, Union
<input type="checkbox"/>		WFMU 91.1	Essex, Morris, Union
<input type="checkbox"/>		WNYE 91.5	Essex, Morris, Union
<input type="checkbox"/>		WSKQ-FM 97.9	Essex, Morris, Union (Spanish)
<input type="checkbox"/>		WBAI 99.5	Essex, Morris, Union
<input type="checkbox"/>		WDHA -FM 105.5	Essex, Morris, Union
<input type="checkbox"/>		WCAA 105.9	Essex, Morris, Union (Latino)
<input type="checkbox"/>		WBLS 107.5	Essex, Morris, Union
<input type="checkbox"/>		WHUD 100.7	Essex, Morris, Warren
<input type="checkbox"/>		WPRB 103.3	Essex, Union, Warren
<input type="checkbox"/>		WMNJ 88.9	Morris
<input type="checkbox"/>		WJSV 90.5	Morris

<input type="checkbox"/>		WNNJ-FM 103.7	Morris, Warren
<input type="checkbox"/>		WMGQ 98.3	Union
<input type="checkbox"/>		WCTO 96.1	Union, Warren
<input type="checkbox"/>		WNTI 91.9	Warren
<input type="checkbox"/>		WSBG 93.5	Warren
<input type="checkbox"/>		WZZO 95.1	Warren
<input type="checkbox"/>		WAEB-FM 104.1	Warren
<input type="checkbox"/>		WHCY 106.3	Warren

3d. Other Publications (such as neighborhood newspapers, religious publications, and organizational newsletters)
(Check all that applies)

		NAME OF PUBLICATIONS	OUTREACH AREA	RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 2				
Monthly				
<input type="checkbox"/>		Sino Monthly	Jersey/NYC area	Chinese-American
TARGETS PARTIAL HOUSING REGION 2				
Daily				
<input type="checkbox"/>		24 Horas	Bergen, Essex, Hudson, Middlesex, Passaic, Union Counties	Portuguese-Language
Weekly				
<input type="checkbox"/>		Arab Voice Newspaper	North Jersey/NYC area	Arab-American
<input type="checkbox"/>		Brazilian Voice, The	Newark	Brazilian-American
<input type="checkbox"/>		Catholic Advocate, The	Essex County area	Catholic
<input type="checkbox"/>		La Voz	Hudson, Union, Middlesex Counties	Cuban community
<input type="checkbox"/>		Italian Tribune	North Jersey/NYC area	Italian community
<input type="checkbox"/>		New Jersey Jewish News	Northern and Central New Jersey	Jewish
<input type="checkbox"/>		El Nuevo Coqui	Newark	Puerto Rican community
<input type="checkbox"/>		Banda Oriental Latinoamérica	North Jersey/NYC area	South American community
<input type="checkbox"/>		El Especialito	Union City	Spanish-Language
<input checked="" type="checkbox"/>	Once at start additional as necessary	La Tribuna Hispana	Basking Ridge, Bound Brook, Clifton, East Rutherford, Elizabeth, Fort Lee, Greebrook, Linden, Lydenhurst, Newark, North Plainfield, Orange, Passaic, Paterson,	Spanish-Language

			Plainfield, Roselle, Scotch Plains, Union, Union City, West NY	
<input type="checkbox"/>		Ukranian Weekly	New Jersey	Ukranian community

3e. Employer Outreach (names of employers throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing) (Check all that applies)

DURATION & FREQUENCY OF OUTREACH	NAME OF EMPLOYER/COMPANY	LOCATION
----------------------------------	--------------------------	----------

Essex County

X	Once at start additional as necessary	Newark Liberty International Airport	Newark Airport, Newark, NJ
X		Verizon Communications	540 Broad St Newark, NJ 07102
X		Prudential Financial, Inc.	751 Broad St Newark, NJ 07102
X	Once at start additional as necessary	Continental Airlines	
X	Once at start additional as necessary	University of Medicine/Dentistry	Office of Marketing & Media Relations 150 Bergen Street Room D347 Newark, NJ 07103
X		Public Service Enterprise Group	80 Park Plz Newark, NJ 07102
X	Once at start additional as necessary	Mountainside Medical Group	101 Roseland Ave. Caldwell, NJ 07006
X	Once at start additional as necessary	Essex Fells Public Works	307 Runnymede Rd. Essex Fells, NJ 07021
X	Once at start additional as necessary	Horizon Blue Cross Blue Shield of NJ	3 Penn Plaza E Newark, NJ 07101
<input type="checkbox"/>	Once at start additional as necessary	Servpro	513 W Mt Pleasant Ave Livingston, NJ 07039

Morris County

X	Once at start additional as necessary	Morristown Medical Center	100 Madison Avenue Morristown, NJ 07962
<input type="checkbox"/>		AT&T	295 N Maple Ave, Basking Ridge, NJ and 180 Park Ave, Florham Park, NJ
<input type="checkbox"/>		US Army Armament R&D	21 Picatinny Arsenal, Picatinny Arsnl, NJ 67 Whippany Rd, Whippany, NJ and 475 South St, Morristown, NJ and 5 Wood Hollow Rd, Parsippany, NJ and 24 Mountain Ave, Mendham, NJ
X	Once at start additional as necessary	Lucent Technologies	
X	Once at start additional as necessary	Novartis Pharmaceutical	59 State Route 10, East Hanover, NJ
X	Once at start additional as necessary	Kraft foods	200 Deforest Ave, East Hanover, NJ and 7 Campus Dr, Parsippany, NJ

<input type="checkbox"/>		Mennen Sports Arena	161 E Hanover Ave, Morristown, NJ
<input type="checkbox"/>		Honeywell	101 Columbia Rd Morristown, NJ 07960
X	Once at start additional as necessary	Pfizer	5 Woodhollow Rd, Parsippany and 175 Tabor Rd, Morris Plains
X	Once at start additional as necessary	St. Clare's Hospital	25 Pocono Road Denville, NJ

Union County

<input type="checkbox"/>		A&M Industrial Supply Co	1414 Campbell St Rahway
<input type="checkbox"/>		A.J. Seabra inc,	574 Ferry St Newark
X	Once at start additional as necessary	NJ DMV	Springfield Plaza, 271 US-22, Springfield, NJ 07081
X	Once at start additional as necessary	Comcast Network	800 Rahway Ave Union, NJ
<input type="checkbox"/>		HoneyWell Inc.	1515 West Blancke Street Bldgs 1501 and 1525 Linden, NJ
<input type="checkbox"/>		IBM Corporation	27 Commerce Drive Cranford, nj
X	Once at start additional as necessary	Howard Press	450 West First Ave Roselle,nj
<input type="checkbox"/>		Lucent Technologies	600 Mountain Ave Murray Hill,NJ
X	Once at start additional as necessary	Merck & Co. Inc	1 Merck Drive PO Box 2000 (RY60-200E) Rahway, NJ
X	Once at start additional as necessary	Rahway Hospital	865 Stone Street Rahway, NJ
<input type="checkbox"/>		Rotuba Extruders, Inc	1401 Park Ave South Linden
<input type="checkbox"/>		Union County College	1033 Springfield Ave Cranford,NJ

Warren County

X	Once at start additional as necessary	Masterfoods USA	800 High Street Hackettstown, NJ
X	Once at start additional as necessary	Warren Hospital	185 Roseberry St Phillipsburg, NJ
<input type="checkbox"/>		Roche Vitamins	206 Roche Drive Belvidere, NJ
X	Once at start additional as necessary	Hackettstown Hospital	651 Willow Grove St. Hackettstown, NJ
X	Once at start additional as necessary	Lopatcong Care Center	390 Red School Lane Phillipsburg, NJ
X	Once at start additional as	Mallinckrodt/Baker, Inc	222 Red School Lane Phillipsburg, NJ

3f. Community Contacts (names of community groups/organizations throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing)			
Name of Group/Organization	Outreach Area	Racial/Ethnic Identification of Readers/Audience	
Fair Share Housing Center	Statewide	Various	
The NJ State Conference of the NAACP	Statewide	African American	
The Latino Action Network	Statewide	Latinos/Hispanic Americans	
Oranges and Maplewood NAACP	Portion of 2 Region	African American	
Latino Edification Multicultural Aid Center	Portion of 2 Region	Latinos/Hispanic Americans	
Elizabeth NAACP	Portion of 2 Region	African American	
The Supportive Housing Center	Statewide	People with Disabilities	
Newark NAACP	Portion of 2 Region	African American	
Somasian	Portion of 2 Region	Asian American	
Local Continuum of Care, if applicable	Portion of 2 Region	Households in need of Supportive Housing	
Union County Supportive Housing	Union County	People with disabilities	
Families and Community Together	Union County	Various	
Urban League of Union County	Union County	African American and other underserved people	

3g. Transit Stops
Project flyers posted at transit (bus and/or train/light rail) stops within ¼ mile of the development or elsewhere in the housing region.

IV. APPLICATIONS

Applications for affordable housing for the above units will be available at the following locations:		
4a. County Administration Buildings and/or Libraries for all counties in the housing region (list county building, address, contact person) (Check all that applies)		
	BUILDING	LOCATION
X	Morris County Library	30 East Hanover Avenue, Whippany, NJ 07981
X	Warren County Library Headquarters	199 Hardwick Street, Belvidere, NJ 07823
X	Essex County/Hall of Records	465 Dr. Martin Luther King, Jr. Blvd, Newark, NJ 07102 (973)621-4400
X	Union County/Administration Building	Elizabethtown Plaza, Elizabeth, NJ 07207 (908)527-4100
4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)		
Verona Township 600 Bloomfield Ave. Verona, NJ 07044 (Clerk's office)		

Verona Library 17 Gould St. Verona NJ 07044 (Front Desk)

4c. Sales/Rental Office for units (if applicable)

TBD

V. CERTIFICATIONS AND ENDORSEMENTS

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the (select one: Municipality's substantive certification or DCA Balanced Housing Program funding or HMFA UHORP/MONI/CHOICE funding).

Laura Mongello
Name (Type or Print)

Administrative Agent
Title/Municipality

Signature

Date

Appendix L: Updated Third Round Documentation

RECORD & RETURN TO:

*Johanna Peña, Administrative Assistant III
NJ Housing and Mortgage Finance Agency
637 S. Clinton Avenue
Trenton, NJ 08611*

LIHTC# 2022

Prepared By: 
Johanna Peña

**DEED OF EASEMENT AND RESTRICTIVE COVENANT
FOR EXTENDED LOW-INCOME OCCUPANCY**

THIS DEED OF EASEMENT and RESTRICTIVE COVENANT (the "Covenant") dated as of August 28, 2025 shall run with the land and is granted by **Verona LIHTC Urban Renewal, LLC**, and its successors and assigns (the "Project Owner") whose principal address is **1000 University Avenue, Suite 500, Rochester, NY 14607**, to the New Jersey Housing and Mortgage Finance Agency, its successors and assigns, (the "Agency") acting as the housing credit agency for the State of New Jersey as described in Section 42(h)(3) of the Internal Revenue Code as amended, and to income eligible members of the public as defined below. As conditioned below this Covenant restricts occupancy of the described premises to income eligible occupants for a specified period of time. This Covenant is made in satisfaction of the requirements of Section 42 of the Federal Tax Reform Act of 1986, P.L. 99-514, as amended, (the "Code").

As indicated on the **Reservation Letter** for the building(s) described below, the Agency has allocated Low Income Housing Tax Credits ("LIHTC") authorized under the Code in an annual amount not to exceed **\$1,761,659** to be claimed by the Project Owner over a 10- or 15- year period pursuant to the Code. In consideration of the receipt of the benefit of the LIHTC, the Project Owner hereby agrees to the following restrictive covenants, which are made in satisfaction of the requirements contained in Section 42(h)(6) of the Code.

- (1) The three (3) building(s), which consist of a total of **ninety-five (95)** residential rental units, of which **95** are LIHTC units, and which will constitute a qualified low-income housing project as defined in Section 42(g)(1) of the Code and regulations promulgated thereunder, the rental units which will be rented or available for rental on a continuous basis to members of the general public, shall be known as **Verona Flats** (the "Project"). The Project is located at **1, 3, 5 Linn Drive, Verona, NJ 07044**, Municipal Tax Map Block No. **2301**, Lot Nos. **11, 12, 14, 15, 16, 17, 19** and a portion of **18 to be consolidated and designated as a new Block 2301, Lot 14.01 in the County of Essex**, New Jersey, and title to which has been recorded in the County Clerk or Register's Office being more fully described as set forth in Attachment "A" hereto.
- (2) If this box is checked, the Project received its allocation of LIHTC from the nonprofit set-aside and/or received points as a qualified nonprofit general partner pursuant to N.J.A.C. 5:80-33 ("Qualified Allocation Plan") as amended and Section 42(h)(5) of the Tax Code, and any new owner during the compliance period must qualify under these rules.

- (3) The applicable fraction, as defined in Section 42(c)(1)(B) of the Code (the smaller of the low-income unit fraction or the low-income floor space fraction), and as provided by the Project Owner in its low-income housing tax credit application (the "Application") is **100** percent. This fraction shall not be decreased during any taxable year of the compliance period or extended use period unless terminated in accordance with the provisions enumerated at Section 42(h)(6)(E) of the Code and, if applicable, paragraph (5) below.
- (4) This Covenant and the Section 42 occupancy and rent restrictions shall commence on the first day of the compliance period as defined in section 42 of the Code, and shall end on the date specified in paragraph (5) below, unless terminated by foreclosure or instrument in lieu of foreclosure, pursuant to the provisions of the Code, and any regulations promulgated thereunder.
- (5) The Code requires that LIHTC projects retain all occupancy and rent restrictions for a minimum of 30 years unless terminated pursuant to section 42(h)(6)(E) of the Code. The Code defines the first 15 years as the compliance period and defines the entire 30 years (or more) as the extended use period. In order to increase the competitive score of the Application, the Project Owner elected to increase the compliance period as indicated with an ("X") below:

[X] If this box is checked, the Project Owner elected in the Application to increase the compliance period described in section 42(i)(1) of the Code by an additional 15 years for a total of 30 years, ("Extended Compliance Period"), and waives the right under section 42(h)(6)(E)(i)(II) of the Code to submit a written request to the Agency to find a buyer after the close of the 14th year of the compliance period, and agrees that this has the effect of delaying the period for finding a buyer under section 42(h)(6)(I) of the Code until the one year period beginning on the date (after the 29th year of the compliance period) that the Project Owner may submit a written request to the Agency to find a buyer. At the end of the extended compliance period will remain a 15-year extended use period. Therefore, this Covenant shall extinguish at the close of the 45th year after the beginning of the compliance period unless terminated by foreclosure or instrument in lieu of foreclosure or unless terminated after the extended compliance period because the Agency was unable to present a qualified contract during the one-year period of time specified in this paragraph (5).

- (6) The compliance period begins at the same time as the credit period. The Project Owner elects when to begin the credit period at the time the Project Owner's first tax return is filed with the Internal Revenue Service. It is expected that the Project Owner will begin the credit period in **2024**.

- (7) The federal set-aside, as defined by section 42(g)(1) of the Tax Code, elected by the Project Owner is checked below.

40% at 60%

At least 40% of the residential units will be rent restricted and occupied by households whose income is 60% or less than the area median income. All tax credit-eligible units must be restricted to no more than 60% of the area median income adjusted for family size.

20% at 50%

At least 20% of the residential units will be rent restricted and occupied by households whose income is 50% or less than the area median income. All tax credit-eligible units must be restricted to no more than 50% of the area median income adjusted for family size.

Average Income

The income of each unit will be designated at 20%, 30%, 40%, 50%, 60%, 70% or 80% of area median income and will be rent restricted and occupied by households whose incomes are less the designated income limitation. The average of all income designations shall not exceed 60% of area median income. Income designations are noted below and may not be amended without written approval from NJHMFA.

- _____ units at 20% of AMI
- _____ units at 30% of AMI
- _____ units at 40% of AMI
- _____ units at 50% of AMI
- _____ units at 60% of AMI
- _____ units at 70% of AMI
- _____ units at 80% of AMI

The selection of this federal set-aside is irrevocable and is binding on the Project Owner and all successors in interest to the Project through the end of the extended use period.

- (8) If this box is checked, the Project is also subject to the state set-aside, which is defined in the 2017 Qualified Allocation Plan and was selected by the Project Owner in its Application. The state set-aside requires that 10 percent or more of the residential units in the Project are both rent restricted and occupied by individuals whose income is 30 percent or less of AMGI. The selection of this state set-aside is irrevocable and is binding on the Project Owner and all successors in interest to the Project through the end of the extended use period.

- (9) If this box is checked, the Project Owner must restrict the greater of 5 units or 5 percent of the total units for occupancy by individuals with special needs. The Owner must also make available at a reasonable cost to all tenants with special needs all services that are appropriate and accessible as needed by the tenants throughout the compliance period. One of the social services provided must be an onsite social services coordinator. With written approval from the Agency, the Project Owner may substitute another special needs population for the one(s) identified in its Application and may substitute services to better address the needs of the tenants with special needs. This restriction shall be in place throughout the extended use period.”
- (10) If this box is checked, the Project is a Special Needs Project (Supported Housing) as defined in the 20__ Qualified Allocation Plan, and as selected by the Project Owner in its Application and as such, the Project Owner must restrict at least 25 percent of the total project units for occupancy by one or more special needs population through the end of the compliance period AND make available at a reasonable cost to all tenants with special needs all services that are appropriate and accessible as needed by the tenants throughout the compliance period. One of the social services provided must be an onsite social services coordinator. With written approval from the Agency, the Project Owner may substitute another special needs population for the one(s) identified in its Application and may substitute services to better address the needs of the tenants with special needs. Notwithstanding the above, if after a period of sixty (60) days of a unit described in this paragraph becoming unoccupied the Project cannot identify an eligible person within the special needs population selected by the Project Owner in its Application to rent the unoccupied unit, such unit may be leased to any low income housing tax credit eligible person or family, with a preference given first to eligible persons in other special needs populations. The next unit of similar size in the Project that becomes unoccupied shall be rented to an eligible person within the special needs population selected by the Project Owner in its Application on the same terms set forth herein.
- (11) If this box is checked, the Project Owner is required to make available to tenants of all LIHTC units 3 appropriate and affordable social service(s) throughout the compliance period in accordance with the Social Services Model as defined in the 2017 Qualified Allocation Plan **OR** participate in the Services for Independent Living (SIL) program, as appropriate, and as selected by the Project Owner in its Application. Social services may be modified to better address the needs of the low-income tenants of the Project upon written approval of the Agency.
- (12) The Project Owner agrees to employ throughout the compliance period a staff person who has successfully completed a NJHMFA-approved tax credit certification program with a continuing education component prior to the project being placed in service. The staff person responsible for verification of tenant income must be the person to successfully pass the certification examination and maintain the certification for the term of the compliance and extended use periods.

- (13) [**X**] If this box is checked, the Project Owner shall maintain in good working order throughout the compliance period all unit and project amenities promised in the Application. There shall be a minimum of 3 unit amenities and 2 project amenities and at least one community policing or public safety enhancement as defined in the 2017 Qualified Allocation Plan.
- (14) [**X**] If this box is checked, the Project Owner agrees to successfully participate in one of the following energy efficiency programs: Enterprise Green Communities; Leadership in Energy and Environmental Design (LEED); National Green Building Standard (NGBS); Climate Choice Homes Program/Energy Star Tier 3 Participation; Living Building Challenge; **OR** Passive House, as defined in the 2017 QAP through the end of the extended use period.
- (15) Pursuant to section 42(h)(6)(B)(iii) of the Code, this Covenant prohibits the disposition to any person of any portion of a building to which this Covenant applies unless all of the building to which such Covenant applies is disposed of to such person.
- (16) Pursuant to Revenue Ruling 2004-82, this Covenant prohibits (i) the eviction or termination of tenancy (other than for good cause) of an existing tenant of any low-income unit or (ii) any increase in the gross rent with respect to the unit not otherwise permitted under section 42 of the Code for the term of the extended use period and a period of three (3) years following any termination of this Covenant, including any termination by foreclosure or instrument in lieu of.
- (17) Pursuant to section 42(h)(6)(B)(iv) of the Code, this Covenant prohibits the refusal to lease to a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937 of the status of the prospective tenant as such a holder.
- (18) This Covenant shall constitute an agreement between the Agency and the Project Owner which is enforceable in the courts of the State of New Jersey by the Agency or by individual(s), whether prospective, present, or former occupants of the Project, who meet the income limitations applicable to the Project under Section 42(g) of the Code, said individual(s) being express beneficiaries of this Covenant.
- (19) The Project Owner agrees to comply with the requirements of the federal Fair Housing Act as it may from time to time be amended.
- (20) The Project Owner agrees (i) to obtain the consent of any recorded lien holder on the Project to the terms and conditions of this Covenant and (ii) it will not grant to any lien holder an interest in the Project that is superior to the terms and conditions of this Covenant. Such consent and subordination of the interests of all recorded lien holders on the Project shall be conditions precedent to the issuance of IRS Form(s) 8609.

- (21) This Covenant is binding on all successors in interest to the Project and shall run with the land until the end of the extended use period set forth in paragraph 5 above, unless terminated prior to said date in accordance with all provisions of the Code and the regulations promulgated thereunder.
- (22) These covenants may, from time to time, be amended only with the written consent of the Agency, to reflect changes to the Code or regulations promulgated thereunder. Project Owner expressly agrees to enter into such amendments as may be necessary to maintain compliance under section 42 of the Code.
- (23) In order to enable the Agency to monitor the Project Owner's compliance with these use and occupancy restrictions pursuant to the Code, Project Owner covenants and agrees that the Agency and its agents or employees shall be allowed to enter and inspect the Project during business hours and to inspect and copy all books and records pertaining to the Project.
- (24) The Project Owner covenants and agrees to comply and cooperate with the Code and all Agency tax credit compliance monitoring procedures including but not limited to completing and sending to the Agency an annual status report, or, if requested by an authorized official of the Agency, more frequent reports, in form and content acceptable to the Agency, which shall demonstrate ongoing compliance with this Covenant.
- (25) The Project Owner covenants and agrees that in the event it files for bankruptcy, liquidates, sells or otherwise transfers ownership of the Project, it will notify the Agency in writing, and further, that as a condition precedent to any sale or transfer it will enter into such agreements with the purchaser or transferee as may be prescribed by the Agency, which have the effect of causing such purchaser or transferee to be bound by these use and occupancy restrictions, as they may be amended or supplemented.
- (26) The terms of this Covenant shall be interpreted, conditioned and supplemented in accordance with and by section 42 of the Code and regulations promulgated thereunder, all of which are incorporated herein by reference, whether or not such provisions of the Code or regulations are expressed or referenced herein. In the event of any conflict between this Covenant and the requirements of the Code, the Code shall prevail. The Agency reserves the right to set conditions for the allocation of LIHTC by regulation that may be more stringent than the Code.
- (27) The invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining provisions.
- (28) This Covenant may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

[SIGNATURES ON NEXT PAGE]

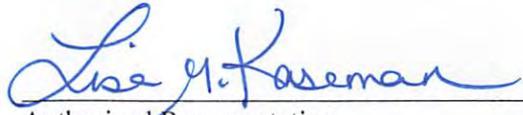
Signatures: This Covenant is granted by the Project Owner whose duly authorized representative's signature appears below.

Sworn and subscribed to before
the undersigned Notary Public or
Attorney on the date appearing below:

WITNESS
(IF INDIVIDUAL, LLC, OR PARTNERSHIP)

PROJECT OWNER:
Verona LIHTC Urban Renewal, LLC
By: Conifer Verona GP, LLC
By: Conifer Realty, LLC

Barbara Clabeau By:



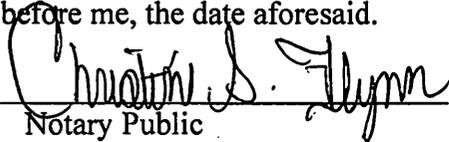
Authorized Representative

Lisa M. Kaseman, Executive Vice President
(Print Name, Title, Organization)

ACKNOWLEDGEMENT FOR LIMITED LIABILITY COMPANY

STATE OF NEW YORK)
) SS:
COUNTY OF MONROE)

I CERTIFY that on August 28, 2025, Lisa M. Kaseman personally came before me, and this person acknowledged under oath, to my satisfaction, that (a) this person is the **Executive Vice President of Conifer Realty, LLC, the sole member of Conifer Verona GP, LLC, Managing Member of Verona LIHTC Urban Renewal, LLC**, the Owner named in this document (the "LLC"); and (b) this document was signed and delivered by the Company as its voluntary act duly authorized by a proper SWORN TO AND SUBSCRIBED before me, the date aforesaid.

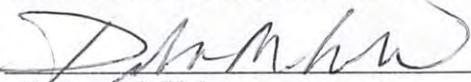

Notary Public

CHRISTINE S. FLYNN
NOTARY PUBLIC-STATE OF NEW YORK
No. 01FL6357511
Qualified in Monroe County
My Commission Expires 04-24-2029

WITNESS


Johanna Peña

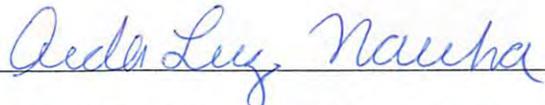
NEW JERSEY HOUSING AND
MORTGAGE FINANCE AGENCY

By: 
Debra M. Urban
Chief of Multifamily Programs

Date: 8/26/25

STATE OF NEW JERSEY, COUNTY OF MERCER SS:

I CERTIFY that on 8/26, 2023, DEBRA M. URBAN personally came before me, a Notary Public of the State of New Jersey, and acknowledged under oath to my satisfaction that a) she is the Chief of Multifamily Programs of NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY, the Agency named in this document, and b) she executed and delivered this document as the voluntary act of the Agency, duly authorized by a proper resolution of its members, on behalf of the Agency.



Notary Public of the State of New Jersey
My Commission Expires on _____

Aida Luz Nauha
Notary Public
New Jersey
Notary ID 2362190
My Commission Expires July 19, 2027



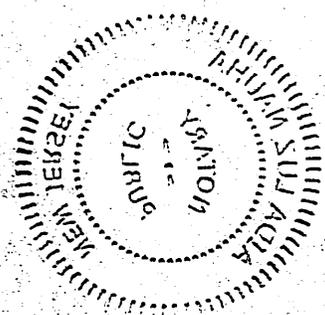
SECRET
[Signature]

[Signature]

[Faint typed text]

[Signature]

[Faint typed text]



[Faint typed text]

EXHIBIT "A"

File No: 175260CD-01

The Land is described as follows:

ALL THAT CERTAIN tract or parcel of land and premises lying, being and situate in Verona Township, County of Essex, and State of New Jersey being more particularly described as follows:

BEING known and designated as Units 1, 2, 3, 4, 5 and 6, together with an aggregate 100% undivided interest in the General Common Elements of said Condominium appurtenant to the aforesaid units in accordance with and subject to the terms, conditions, limitations, covenants, restrictions, easements and provisions as set forth in the Master Deed and By-Laws of Apartments at Verona Condominium, a Condominium, dated June 28, 2023, and recorded in the Office of the Clerk of Essex County on July 7, 2023 in Instrument No. 2023040578.

BEING FURTHER DESCRIBED AS FOLLOWS:

BEGINNING at a point on the northerly line of Pine Street (various widths as per deeds, formerly known as Claremont Avenue), said point being distant 80.96 feet westerly from a mag nail with x-cut found marking the intersection of said northerly line of Pine Street and the westerly line of Depot Street (50 feet wide as per tax map) and running; thence

- 1) Along said northerly line of Pine Street, South 78°29'51" West, a distance of 50.00 feet to a bend point therein; thence**
- 2) Continuing along same, South 75°13'51" West, a distance of 105.62 feet to a bend point therein; thence**
- 3) Continuing along same, South 78°11'21" West, a distance of 108.82 feet to a bend point therein; thence**
- 4) Continuing along same, South 76°35'21" West, a distance of 102.66 feet to a point on the northerly line of Bloomfield Avenue (75 feet wide per Essex County mapping); thence**
- 5) Along said northerly line of Bloomfield Avenue, North 83°13'39" West, a distance of 119.80 feet to a bend point therein; thence**
- 6) Continuing along same, North 85°16'39" West, a distance of 127.67 feet to a point of curvature; thence**
- 7) Along a curve to the right having a radius of 15.00 feet, an arc length of 25.26 feet, with a chord bearing of North 37°01'38" West, a chord distance of 22.38 feet and a central angle of 96°30'02" to a point of compound curvature on the southeasterly line of Linn Drive (various widths as per tax map); thence**
- 8) Along said southeasterly line of Linn Drive along a curve to the right having a radius of 249.00 feet, a total arc length of 177.95 feet, with a chord bearing of North 31°41'49" East, a chord distance of 174.19 feet and a central angle of 40°56'48" to a point of non-tangency; thence**
- 9) Continuing along same, North 61°54'42" East, a distance of 84.84 feet to a point of curvature; thence**
- 10) Continuing along same, along a curve to the left having a radius of 535.00 feet, an arc length of 202.75 feet, with a chord bearing of North 51°03'18" East, a chord distance of 201.54 feet and a central angle of 21°42'49" to a point of tangency; thence**
- 11) Continuing along same, North 40°11'51" East, a distance of 95.87 feet to a point on the westerly line of lands now or formerly of Cam Gar @ Verona, LLC as recorded in Deed Book 12135 Page 7171 (Tract 1); thence**

This page is only a part of a 2021 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; and Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

- 12) Along said lands, South 03°34'51" West, a distance of 13.41 feet to a point in same also being on the northwesterly line of lands formerly of Caldwell Branch-Greenwood Lake Division Erie-Lackawanna Railroad; thence
- 13) Along said Railroad lands, North 40°11'51" East, a distance of 195.60 feet to a point; thence
- 14) Along a new line crossing through said Railroad lands, South 49°48'09" East, a distance of 50.00 feet to a point on the southeasterly line of said Railroad lands; thence
- 15) Along same, South 40°11'51" West, a distance of 41.07 feet to an iron pipe found; thence
- 16) Along the easterly line of lands now or formerly of the Township of Verona as described in Instrument No. 2019025357 (Tax Lot 14), also being the westerly line of former Nelson Place as shown on Filed Map No. 514, South 07°21'09" East, a distance of 132.41 feet to a bend point therein; thence
- 17) Along same, South 04°00'51" West, a distance of 51.49 feet to a point; thence
- 18) Along the division line between lands now or formerly of the Township of Verona as described in Instrument No. 2019025357 (Tax Lot 12) and lands now or formerly of John D. & Marie A. Bianco as described in Deed Book 6109 Page 227, South 69°20'09" East, a distance of 52.19 feet to a point; thence
- 19) Along same, South 04°00'51" West, a distance of 26.16 feet to a point; thence
- 20) Along the division line of lands now or formerly of the Township of Verona as described in Instrument No. 2019025357 (Tax Lot 11) and lands now or formerly John D. & Marie A. Bianco as described in Deed Book 6109 Page 227, South 69°20'09" East, a distance of 69.96 feet to a point; thence
- 21) Along the division line between said lands now or formerly of the Township of Verona and the lands now or formerly of Joel & Monika Martin as described in Deed Book 5917 Page 38, South 10°20'51" West, a distance of 170.85 feet to a point on the aforementioned northerly line of Pine Street being the point of BEGINNING.

This description is prepared in accordance with a certain map entitled "Minor Subdivision Plan, Apartments at Verona, Block 2301 Lots 11, 12, 14, 15, 16, 17, 18 & 19, Township of Verona, Essex County, New Jersey" dated April 7, 2022, Project VEROPRV22.010 as prepared by Neglia Group.

FOR INFORMATIONAL PURPOSES ONLY:

Tax Block: 2301, Tax Lot: 14.01 D0001, 14.01 D0002, 14.01 D0003, 14.01 D0004, 14.01 D0005, 14.01 D0006

This page is only a part of a 2021 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; and Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.



State of New Jersey

PHILIP D. MURPHY
GOVERNOR

DEPARTMENT OF ENVIRONMENTAL PROTECTION

SHAWN M. LATOURETTE
COMMISSIONER

TAHESHA L. WAY
LT. GOVERNOR

Mail Code 401-04Q
Division of Water Supply & Geoscience
Water System Operations Element
Bureau of Water System Engineering
401 E. State Street - P.O. Box 420
Trenton, New Jersey 08625-0420
Tel #: (609) 292-2957 - Fax #: (609) 633-1495
<https://www.nj.gov/dep/watersupply/>

August 29, 2025

Verona Water Department
10 Commerce Court
Verona, NJ 07044

Dear Water Purveyor:

Enclosed is a simplified water main extension permit dated August 29, 2025, issued to you pursuant to the New Jersey Safe Drinking Water Act, N.J.S.A. 58:12A, and in consideration of your application dated September 13, 2024, and signed by Kevin O'Sullivan, Deputy Township Manager.

Your permit is for:

- ◆ Construction of 391 L.F. of 6-inch diameter DIP, 370 L.F. of 4-inch DIP, and 371 L.F. of 2-inch Copper domestic and fire water service laterals to serve One Sunset Avenue Redevelopment, proposed of one (1) apartment building consisting of 200 residential units, 12,500 S.F. of office and amenity space, and pool, including demolition of the existing building; located in Verona Township (One Sunset Avenue, Block # 303, Lot # 4), County of Essex, New Jersey; and
- ◆ The distribution of water for potable purposes from said works.

Your attention is directed to both the **specific and general** conditions of the aforementioned permit. Enclosed with this permit is the Placed into Service Certification (PSC). The PSC **must** be submitted as required by the Submittal Action Requirements in the attached permit conditions. If the facility is not completed within the specified time allotment, an "Extension of Time" shall be requested at least ninety (90) days prior to the permit expiration date to allow for review and approval. No extension of time will be granted to an expired permit. Should you have any questions about this permit, please contact Kelly Hullen at (609) 292-2957. When contacting the Department regarding this permit, please reference the Permit No. and PWSID No. provided herein.

Sincerely,

Steven Pudney, Section Chief
Bureau of Water System Engineering

PWSID NO.: NJ0720001, WCP250002

Enclosures

cc: Sean Savage, P.E., Matrix New World
Mayor and Council of Verona Township
Kelly Hullen and Matt Jones, BWSE



State of New Jersey

PHILIP D. MURPHY
GOVERNOR

DEPARTMENT OF ENVIRONMENTAL PROTECTION

SHAWN M. LATOURETTE
COMMISSIONER

TAHESHA L. WAY
LT. GOVERNOR

Mail Code 401-04Q
Division of Water Supply & Geoscience
Water System Operations Element
Bureau of Water System Engineering
401 E. State Street - P.O. Box 420
Trenton, New Jersey 08625-0420
Tel #: (609) 292-2957 - Fax #: (609) 633-1495
https://www.nj.gov/dep/watersupply/

PERMIT*

Table with permit details including Permit No. WCP250002, Issuance Date: August 29, 2025, Effective Date: August 29, 2025, Expiration Date: August 28, 2030, Name and Address of Applicant: Verona Water Department, Location of Activity/Facility: One Sunset Avenue, Verona Township, Essex County, Type of Permit: Potable Water Supply, Statute(s): N.J.S.A. 58:12A-1.1 et seq.

This permit grants permission to:

- 1. Construct 391 L.F. of 6-inch diameter DIP, 370 L.F. of 4-inch DIP, and 371 L.F. of 2-inch Copper domestic and fire water service laterals to serve One Sunset Avenue Redevelopment, proposed of one (1) apartment building consisting of 200 residential units, 12,500 S.F. of office and amenity space, and pool, including demolition of the existing building;
2. Operate the facilities approved by this permit and distribute water for potable purposes from said works.

According to Simplified Water Main Extension Certification Form:

Dated September 13, 2024, prepared by Matrix New World, received June 26, 2025;

According to Plans entitled:

Table with columns: Date (08/29/2025), Prepared By (Matrix New World Engineering, Inc.)

Additional information: 08/29/2025

This permit is subject to specific and general conditions contained in the following page(s):

Continued on Requirements Page -- 1 of 2

Table with signature lines for Shawn M. LaTourette, Commissioner and Steven Pudney, Section Chief.

*The word permit means approval, certification, registration, etc.



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION

SHAWN M. LATOURETTE
COMMISSIONER

PHILIP D. MURPHY
GOVERNOR

TAHESHA L. WAY
LT. GOVERNOR

Mail Code 401-04Q
Division of Water Supply & Geoscience
Water System Operations Element
Bureau of Water System Engineering
401 E. State Street - P.O. Box 420
Trenton, New Jersey 08625-0420
Tel #: (609) 292-2957 - Fax #: (609) 633-1495
<https://www.nj.gov/dep/watersupply/>

PLACED INTO SERVICE CERTIFICATION

Attention: Bureau of Water System Engineering
Engineering Section

PERMIT NO.: WCP250002

ISSUANCE DATE: August 29, 2025

APPLICANT: Verona Water Department

PWSID: NJ0720001

PROJECT DESCRIPTION: Construction of 391 L.F. of 6-inch diameter DIP, 370 L.F. of 4-inch DIP, and 371 L.F. of 2-inch Copper domestic and fire water service laterals to serve One Sunset Avenue Redevelopment, proposed of one (1) apartment building consisting of 200 residential units, 12,500 S.F. of office and amenity space, and pool, including demolition of the existing building.

MUNICIPALITY: Verona Township

COUNTY: Essex

I (We) hereby certify that the following has been built and placed into service* and was completed in conformance with N.J.A.C. 7:10-11.10 and accordance with the approved plans and other supporting information.

COMPLETION DATE: _____

DATE FACILITIES WERE PLACED INTO SERVICE *: _____

Signature of Engineer & Embossed Seal

Name of Engineer / New Jersey License Number

Date

* Placed into service means that the water mains or other permitted infrastructure changes are actually delivering water to all consumers approved by the permit, except to the extent that the remaining number of realty improvements not being served is below the threshold for needing a permit, i.e. less than 30 realty improvements or 12,000 GPD of non-residential demand.

VERONA WATER DEPARTMENT

0720001

SDW Construction Permit : WCP250002

Permit Requirements

Submittal/Action Requirements

Applicable Subject Items	Submittal/Action Type	Requirement
WCP250002, One Sunset Avenue Redevelopment (WSYT2122784)	Completed construction certification report	Within thirty days of completion of the approved facilities the permittee/engineer shall notify the Bureau of Water System Engineering of the completion date and certify that the facilities were constructed in accordance with the approved plans and specifications by returning the enclosed Placed Into Service Certification. Submission shall be no later than 30 days after expiry of permit. [N.J.A.C. 7:10-11]

Text Requirements

All Phases

WCP250002, One Sunset Avenue Redevelopment (WSYT2122784)

1. DISTRIBUTION SYSTEM PERMIT SPECIFIC CONDITIONS.
2. The permittee is advised that the peak daily demand associated with this approval is 0.079 MGD. [N.J.A.C. 7:10-11]
3. The permittee is advised that with this approval and previously approved water main extensions, the projected peak daily demand for this water supply will be 2.291 MGD including versus a current Firm Source/Treatment Capacity of 2.250 MGD. [N.J.A.C. 7:10-11]
4. The permittee is advised that the total water available from bulk purchase agreement from Passaic Valley Water Commission at 72.750 MGM and 630.000 MGY. With this approval and previously approved water main extensions, the projected peak monthly and annual demands are 69.785 MGM and 602.482 MGY. [N.J.A.C. 7:10-11]
5. This permit shall not be construed as an approval for any other future development(s) or service connections to be served by this water main extension. Separate permit applications are necessary for these development(s). [N.J.A.C. 7:10-11]
6. The permittee is advised that a backflow prevention device and physical connection permit is required pursuant to N.J.A.C. 7:10-1 et seq. on a service line that serves a facility containing an unapproved water source which may contaminate the approved water source as a result of cross-connections. Therefore the permittee shall not place such a service line into service until such time as a backflow prevention device has been installed and a physical connection permit has been obtained by the facility supplied by the service line. [N.J.A.C. 7:10-11]
7. For this permit to remain valid, the facilities approved in this permit shall be constructed and placed into service within five years from the effective date of the permit. [N.J.A.C. 7:10-11]
8. The permittee is advised that Verona Water Department has exceeded the firm capacity available water limits. Therefore, the Bureau will not accept any new applications for Water Main Extension or connection permits with an associated demand until water is made available. [N.J.A.C. 7:10-11]
9. PERMIT GENERAL CONDITIONS.
10. The permit is revocable, or subject to modification or change, at any time, when in the judgment of the New Jersey Department of Environmental Protection such revocation, modification or change shall be necessary. [N.J.A.C. 7:10-11]
11. The issuance of this permit shall not be deemed to affect in any way action by the New Jersey Department of Environmental Protection on any future application. [N.J.A.C. 7:10-11]
12. The works, facilities and/or activities shown by plans and/or other engineering data, which are this day approved, subject to the conditions herewith established, shall be constructed and/or executed in conformity with such plans and/or engineering data and said conditions. [N.J.A.C. 7:10-11]

VERONA WATER DEPARTMENT

0720001

SDW Construction Permit : WCP250002

Text Requirements

All Phases

WCP250002, One Sunset Avenue Redevelopment (WSYT2122784)

13. No change in plans or specifications shall be made without prior written permission from the Bureau of Water System Engineering. Modification requests shall be submitted on the applicable form available at www.state.nj.us/dep/watersupply/dws_const.html. [N.J.A.C. 7:10-11]
14. The granting of this permit shall not be construed in any way to affect the title or ownership of property, and shall not make the New Jersey Department of Environmental Protection or the State a party in any suit or question of ownership of property. [N.J.A.C. 7:10-11]
15. This permit does not waive the obtaining of Federal or other State or Local Government consent when necessary. This permit is not valid and no work shall be undertaken until such time as all other required approvals and permits have been obtained. [N.J.A.C. 7:10-11]
16. A copy of this permit shall be kept at the work site, and shall be exhibited upon the request of Department personnel. [N.J.A.C. 7:10-11]
17. In the examination of plans and/or other engineering data, the New Jersey Department of Environmental Protection does not examine the structural features of the design, such as thickness of concrete or its reinforcement, the efficiency of any electrical or mechanical equipment or apparatus, and the approval herewith given does not include these features. [N.J.A.C. 7:10-11]
18. Water distribution by said works shall at all times meet the applicable standards for quality. Additional units for the derivation, treatment and for distribution of the water shall be established if and when required by the New Jersey Department of Environmental Protection. [N.J.A.C. 7:10-11]
19. The operations of the public water facility shall be under the supervision of an operator or operators who shall possess a valid license or licenses issued by the New Jersey Department of Environmental Protection, pursuant to the provisions of the Water Supply and Wastewater Operators' Licensing Act, N.J.S.A. 58:11-64 et seq. [N.J.A.C. 7:10-11]
20. The minimum required licensing classification(s) shall be W-2 and T-2 or equivalent in accordance with the Licensing of Water Supply and Wastewater Treatment System Operators, N.J.A.C. 7:10A-1.1 et seq. [N.J.A.C. 7:10-11]
21. The public water facilities shall be operated in such a manner so as to be in full compliance with the New Jersey Safe Drinking Water Act Rules at N.J.A.C. 7:10-1.1 et seq. and the Water Supply Allocation Rules at N.J.A.C. 7:19-1.1 et seq. [N.J.A.C. 7:10-11]
22. The public water facilities shall be operated in such a manner as to optimize the use of all available sources of water in order to achieve and maintain compliance with bulk purchase agreement. [N.J.A.C. 7:10-11]
23. As per N.J.A.C. 7:10-11.17, an applicant for a permit under this subchapter or any person, subject to the limitation on third party appeal rights set forth in P.L. 1993, c.359 (N.J.S.A. 52:4B-3.1 through 3.3), who believes himself or herself to be aggrieved with respect to any decision made by the Department regarding such permit application submitted pursuant to this subchapter, may contest the decision and request an adjudicatory hearing pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1 within 20 calendar days of the receipt of the permit decision. Filing details and the required form to be submitted are available at www.state.nj.us/dep/watersupply/dws_const.html. [N.J.A.C. 7:10-12]

**NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION
BUREAU OF WATER SYSTEM ENGINEERING
SIMPLIFIED WATER MAIN CERTIFICATION
TECHNICAL REVIEWER'S REPORT**

GENERAL INFORMATION

REVIEWER: Kelly Hullen

PREPARED ON: 08/28/2025

PROJECT NO.: WCP250002

APPLICANT: Verona Water Department

PWSID NO.: NJ0720001

MUNICIPALITY: Verona Township

COUNTY: Essex

SUBJECT: Construction of 391 L.F. of 6-inch diameter DIP, 370 L.F. of 4-inch DIP, and 371 L.F. of 2-inch Copper domestic and fire water service laterals to serve One Sunset Avenue Redevelopment, proposed of one (1) apartment building consisting of 200 residential units, 12,500 S.F. of office and amenity space, and pool, including demolition of the existing building.

LOCATION OF WORK: One Sunset Avenue, Block # 303, Lot # 4

DESIGN ENGINEER: Sean Savage, P.E.

N.J.P.E. LICENSE NO.: 24GE04451000

ENGINEERING FIRM: Matrix New World

PERMIT FEE: \$250.00

SOURCES OF INFORMATION

APPLICATION RECEIVED: June 26, 2025

APPLICATION DATED: September 13, 2024

APPLICATION SIGNED BY: Kevin O'Sullivan, Deputy Township. Manager

ENGINEER'S DRAWINGS:

Document Title	Date	Prepared By
Verona Sunset Urban Renewal, LLC	08/29/2025	Matrix New World Engineering, Inc.

ADDITIONAL INFORMATION DATED: 08/29/2025

A. General Description of Project

This permit is for the construction of 391 L.F. of 6-inch diameter DIP, 370 L.F. of 4-inch DIP, and 371 L.F. of 2-inch Copper domestic and fire water service laterals to serve One Sunset Avenue Redevelopment, proposed of one (1) apartment building consisting of 200 residential units, 12,500 S.F. of office and amenity space, and pool, including demolition of the existing building..

This distribution permit is for:

Diameter	Length	Material	Use
2.00 in	371.00 L.F.	Copper	Domestic service connection
4.00 in	370.00 L.F.	Ductile Iron Pipe (DIP)	Fire service connection
6.00 in	391.00 L.F.	Ductile Iron Pipe (DIP)	Fire department connection

Planning control areas

Area	(Y/N)	Comments
Highlands Planning Area	N	
Highlands Preservation Area	N	
HPA – Exempt?		
HPAA permit?		
Pinelands	N	

B. Technical Evaluation

Kevin O’Sullivan, Deputy Township. Manager, and Sean Savage, P.E. have certified that the proposed water main extensions will be constructed in conformance with the requirements of N.J.A.C. 7:10-11.10 et seq.

Required Item

	<u>Acceptable</u>	<u>Unacceptable</u>
1. Is the water system designed and constructed to meet all demand requirements?	X	
2. Does the system have the monthly allocation to meet the peak month demand?	X	
3. Does the system have the annual allocation to meet the peak yearly demand?	X	
4. Are there NO exceptions to the regulations recorded on PA-10B?	X	
5. Has the PE unconditionally certified that the design is in conformance with regs	X	
6. Does the system have firm source capacity to meet the peak daily demand?	X	
7. Does the system meet the minimum storage requirements (N.J.A.C. 7:19-6.7)?	X	

C. System Capacity

1. Production Capacity

BULK PURCHASED FROM

Name / PWSID	Daily (MGD)	Monthly (MGM)	Yearly (MGY)	Expiration Date	CTR #
1605002	2.000	65.000	630.000	Jun-28-2031	
1605002	0.100	3.100		Temporary Increase	
1605002	0.150	4.650		Temporary Increase	
Total	2.250	72.750	630.000		

GROUND WATER SOURCES

Well Permit Number (If applicable)	Source Name	Allocation Capacity (gpm)	Production Capacity (gpm)	Treatment Plant (if applicable) (gpm)	Assigned Pump / Production Capacity (MGD)
2600077959	Well A	500	0		
2600077958	Well B	275	275	275	0.396

Total Sources					0.396
Minus Largest Well out of service					0.396
Sources Firm Capacity					0.000

Note: Due to MCL exceedance for PFOA, Well A is offline until treatment upgrades are completed. Verona will purchase water from PVWC and anticipate increasing their purchase agreement (updated 8/5/2021, see attachment e-mail).

FIRM CAPACITY

Daily (MGD)
2.250

2. System Demands

a. New Demand

Estimated additional residential demand (N.J.A.C. 5:21-5.2 Table 5.1):

Type/Size of Housing Unit	Water Demand per Unit (in gallons per day)	Number of Units	Average Day Demand	Peaking Factor	Peak Day Demand (MGD)
Low and mid-rise Apt – 1 BR	95	92	8,740	3	0.02622
Low and mid-rise Apt – 2 BR	140	105	14,700	3	0.04410
Low and mid-rise Apt – 3 BR	215	3	645	3	0.00194
Total Residential Demand			24,085		0.07226

Estimated additional non-residential demand (N.J.A.C. 7:10-12.6 Table 1):

Type of Establishment	Water Demand per Unit (in gallons per day)	Number of Units	Average Day Demand	Peaking Factor	Peak Day Demand (MGD)
Office/Amenity	0.125 gal/sf	12,500 sf	1,562.5	3	0.00469
Pool	10 gal/person	52	520	3	0.00156
Total Non-Residential Demand			2,082.5		0.00625

New Peak Residential Demand = 0.07226 MGD
New Peak Non-Residential Demand = 0.00625 MGD
Total New Peak Demand = 0.07851 MGD

b. Previously Allocated Demand

The following permit(s) account for additional demand on the Verona Water Department system: N/A

c. Existing Peak Daily Demand

	2020	2021	2022	2023	2024	2025		
January		51.194	40.242	45.880	46.490	45.740		
February		49.958	41.364	38.280	40.530	36.230		
March		34.989	41.290	42.610	41.530	36.230		
April	46.302	44.535	39.868	38.597	42.340			
May	49.451	53.079	48.844	53.484	49.330			
June	58.925	52.796	64.852	55.202	52.450			
July	62.162	52.865	48.695	54.305	68.560			
August	59.646	56.549	53.108	49.518	55.340			
September	55.064	48.321	48.096	46.600	50.590			
October	47.768	47.722	46.825	44.282	64.340			
November	45.200	39.868	40.392	40.710	38.520			
December	43.641	44.207	40.916	39.830	42.850			
Peak (MGM)	62.162	56.549	64.852	55.202	68.560	45.740	Peak Day	2.212
							Max Month	68.560
Total (MGY)	468.159	576.083	554.492	549.298	592.870	118.200	Max Year	592.870

3. Water Allocation Analysis

The current allocation limits for Verona Water Department are specified in the following Allocation Permit(s):

ALLOCATION LIMITS

PI #_WAP No.	Daily (MGD)	Monthly (MGM)	Yearly (MGY)	Expiration Date
5382_WAP210001		34.600	365.000	6/30/2034
		-34.600	-365.000	
Total Limits	0.000	0.000	0.000	

Wells are out of service.

TOTAL SYSTEM LIMITS

Monthly (MGM)	Yearly (MGY)
72.750	630.000

Anticipated Future Demands

Daily (MGD)
 = Peak Daily Demand + New Estimated Demand
 = 2.212 + 0.079
 = **2.291 MGD**

Monthly (MGM)
 = Max. Month + [31 / 2 x (New Estimated Demand + Previous Commitments)]
 = 68.560 + [31 / 2 x (0.079 + 0)] = 68.560 + 1.225
 = **69.785 MGM**

Yearly (MGY)
 = Max. Year + [365 / 3 x (New Estimated Demand + Previous Commitments)]
 = 592.870 + [365 / 3 x (0.079 + 0)] = 592.870 + 9.612
 = **602.482 MGY**

4. System Capacity Determination

Firm Capacity:	2.250	MGD					
Allocation Limits:			Contract Limits:			Total Limits:	
(Monthly)		MGM	(Monthly)	72.750	MGM	(Monthly)	72.750 MGM
(Yearly)		MGY	(Yearly)	630.000	MGY	(Yearly)	630.000 MGY
Five Year Peak Demand:			Allocated Demand:			Deficit/Surplus:	
(Daily)	2.212	MGD	(Daily)	0.079	MGD	(Monthly)	2.965 MGM
Month/Year	07/2024		(Monthly)	1.225	MGM	(Yearly)	27.518 MGY
(Monthly)	68.560	MGM	(Yearly)	9.612	MGY		
Month/Year	07/2024					Firm-Peak Total:	
(Yearly)	592.870	MGY	Total Peak Demand:			(Daily)	-0.041 MGD
Year	2024		(Daily)	2.291	MGD		
			(Monthly)	69.785	MGM		
			(Yearly)	602.482	MGY		
						WAP Number:	5382

Verona Water Department currently does not have the firm capacity to supply the new estimated peak daily demand. However, it will have the firm capacity once treatment upgrades for Well A are completed.

Since Verona Water Department has made an agreement with Passaic Valley Water Commission to obtain a temporary increase in their bulk purchase agreement, the Bureau approves this permit. Therefore, Verona Water Department **DOES have the firm capacity to supply the additional peak daily demand of 0.079 MGD.**

Therefore, Verona Water Department **DOES** have the Monthly capacity to supply the new estimated monthly demand.

Therefore, Verona Water Department **DOES** have the annual capacity to supply the new estimated annual demand.

D. Storage Tanks

Name	Facility ID	Storage Capacity	Status
Claridge		1.000 MG	Active
Fairway		0.800 MG	Active
Total		1.800 MG	

From N.J.A.C. 7:19-6.7 (b) Verona Water Department is classified as System Type vi having multiple sources with interconnections, therefore the storage requirement is 50% of the projected Average Daily Demand.

Projected Average Daily Demand = 602.482 MGY / 365 day/yr = 1.651 MGD
 Storage Required = 0.50 x 1.651 MG = 0.825 MG
 Storage Provided = 1.800 MG

Therefore, Verona Water Department **DOES** meet the minimum storage requirements.

E. Conclusions

Verona Water Department has enough firm, monthly, and annual capacities to meet the new estimated demands.

The project, as designed, is determined to comply with applicable rules and regulations in accordance with N.J.A.C. 7:10 et seq.

Based on this technical review, it is recommended that this permit application be approved.

Recommendations

Check One:

- Examination of the engineering data submitted indicated that the project, as designed, complies substantially with our rules and regulations.

It is therefore recommended that the project be APPROVED and permit issued for construction, derivation, distribution, subject to the usual conditions.

- Examination of the engineering data submitted indicates that the project, as designed, does not comply with our rules and regulations.

It is therefore recommended that the project be DISAPPROVED.

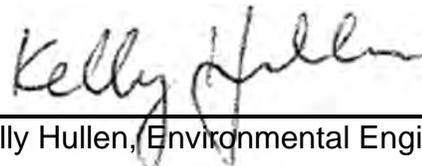
- The project has remained technically deficient beyond the due date specified by the Department for providing additional information.

It is therefore recommended that the project be RETURNED.

RECOMMENDED PROVISOS

Check One:

- Specific conditions to approval (standard conditions amended or added to)
- Reasons for disapproval
- Reasons for return
- None required



Kelly Hullen, Environmental Engineer 2

Bureau of Water System Engineering

Date: 08/29/2025

Supervisory Review/Approval Record

PAPER PERMIT DOCUMENTS

- | | Yes | No |
|---|-------------------------------------|--------------------------|
| Project Description accurate and complete? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Location Description accurate and complete? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Has any necessary custom language been added and is it accurate and complete? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Have the applicable parties been copied? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Are the permit dates correct? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

TECHNICAL REVIEWER'S REPORT

- | | | |
|---|-------------------------------------|--------------------------|
| Does the technical review accurately document and evaluate the application? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Has the correct system capacity such as allocation limits, diversions, contracts, allocated demand been used? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Are all calculations correct? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

ELECTRONIC PERMIT SET

- | | | |
|--|-------------------------------------|--------------------------|
| Cover page information complete and matching paper document? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Are all the applicable standard permit conditions included? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Are all custom conditions included, accurate and complete? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Have the necessary and correct subject items been added to the Permit Inventory? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Has the necessary information been added to the Subject Item details? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Has the necessary location coordinate information been added and correct? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

PERMIT FOLDER

- | | | |
|---|-------------------------------------|--------------------------|
| Are all signed copies of correspondences included in the permit folder? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Are the materials in the folder in chronological order of receipt? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Have all superseded documents been clearly marked? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Have all duplicates been removed? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Have copies of checks been removed? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Has all Personally Identifiable Information been removed? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Permit Approval is:	Recommended <input checked="" type="checkbox"/>	NOT Recommended <input type="checkbox"/>
Supervisory Review by: Matthew Jones		Date: 08/29/2025
Any additional comments Section Chief approval		

NJEMS\sd_tech_reviewers_report_simple_05/26/2020



Verona Township
Fire Prevention Bureau
880 Bloomfield Avenue
Verona, NJ 07044
Phone: (973)857-4761
Fax:

Inspection Certificate

Registration Number: 0720-57879-001-01
LHU Code/Local Type: Bg01-High Rise

Certificate Number: FPI-25-457
Inspection Number: FPI-24-561
Inspector: Connor McCann
Inspection Date: 10/8/2024

Take Notice:

This Certifies that the referenced property has been inspected pursuant to the Uniform Fire Safety Act and satisfies minimum requirements of the New Jersey Uniform Fire Code.

Premises:

Verona Limited DIV Housing (7-10 Story High Rise)
100 Hillwood Terrace
Verona, NJ 07044

**This certificate Expires
October 31, 2025**

**This certificate must be posted in a
conspicuous location at the above premises.**

By:

Verona Fire Official or Designee

This certificate does not take the place of other approvals, permits, or licenses required by law. It is non-transferable, and any change in use or occupancy of these premises shall require a new certificate.

Appendix M: 176 Bloomfield Avenue

TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY

ORDINANCE No. 2026-03

ADOPTING THE REDEVELOPMENT PLAN FOR
176-200 BLOOMFIELD AVENUE
(BLOCK 202, LOTS 1 AND 23) REHABILITATION AREA

WHEREAS, on May 6, 2024, the Township Council (“the “Township Council”) of the Township of Verona, in the County of Essex, New Jersey (the “Township”) adopted Resolution 2024-075 declaring the entirety of Bloomfield Avenue Corridor, which includes the above referenced property, as an Area in Need of Rehabilitation; and

WHEREAS, more than 45 days have passed since said Resolution was adopted, and no actions have been filed challenging such action; and

WHEREAS, on the 25th day of November 2025, a Settlement Agreement was signed between and among the Township of Verona Planning Board (the “Board”), the Township, and DMH2, LLC (the “Developer”);

WHEREAS, pursuant to the Settlement Agreement the Township is required to adopt a Redevelopment Plan for the said property, which is in a designated Area in Need of Rehabilitation;

WHEREAS, N.J.S.A. 40A:12A-7 provides for a procedure for the adoption of a redevelopment plan for all or a portion of a duly designated rehabilitation area; and

WHEREAS, Block No. 201, Lots 1 and 23 in the Township (the “Property”) are located within the Bloomfield Avenue Rehabilitation Area; and

WHEREAS, N.J.S.A. 40A:12A-7.a, provides that “No redevelopment project shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body, upon its finding that the specifically delineated project area is located in an area in need of redevelopment or in an area in need of rehabilitation, ...”; and sets forth statutory requirements for the contents of a Redevelopment Plan; and

WHEREAS, the Township Council is desirous of enacting a redevelopment plan to guide the future use, development and redevelopment of Block 202, Lots 1 and 23, with provisions to enable the construction of a 28-unit inclusionary multifamily building with affordable housing.

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Verona, County of Essex and State of New Jersey as follows:

SECTION 1. The Redevelopment Plan, as filed in the Office of the Township Clerk and attached hereto as Exhibit A and by the reference made a part hereof is hereby approved and adopted pursuant to N.J.S.A. 40A-12A-1 et. seq.

SECTION 2. If any section, sub-section, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

SECTION 3. This ordinance shall take effect 20 days after final passage and publication as prescribed by law.



ATTEST:

Jennifer Kiernan
JENNIFER KIERNAN
MUNICIPAL CLERK

NOTICE

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF FEBRUARY 27, 2026 AND POSTED ON THE TOWNSHIP’S LEGAL NOTICES WEBPAGE ON MARCH 11, 2026.

JENNIFER KIERNAN, CMC
MUNICIPAL CLERK

INTRODUCTION: February 9, 2026
PUBLIC HEARING: March 9, 2026
EFFECTIVE DATE: March 30, 2026

**Appendix N: June 2025 Adopted Fourth Round Housing Element and Fair
Share Plan**