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February 23, 2021

Brian T. Giblin Sr., Esq.
Giblin & Gannaio, LLC
2 Forest Ave Suite 200
Oradell, NJ 07649

Re: In the Matter of the Township of Verona, County of Essex,
Docket No. ESX L-4773-15

Dear Mr. Giblin:

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

Background

Verona filed the above-captioned matter on July 2, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq. in accordance with In re N.J.A.C. 5:96 and 5:97, supra. Through the declaratory judgment process, the Township and FSHC agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

Settlement terms

The Township and FSHC hereby agree to the following terms:

1. FSHC agrees that the Township, through the adoption of a Housing Element and Fair Share Plan conforming with the terms of this Agreement (hereafter "the Plan") and through the implementation of the Plan and this Agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.

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

| | |
|--|-----|
| Rehabilitation Share (per Kinsey Report ¹) | 23 |
| Prior Round Obligation (pursuant to <u>N.J.A.C. 5:93</u>) | 24 |
| Third Round (1999-2025) Prospective Need (per Hon. Judge Jacobson March 2018 decision ²) | 215 |

4. For purposes of this Agreement, the Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).
5. The Township's efforts to meet its present need include the following: The Township may conduct a structural conditions survey in accordance with the applicable rules and processes of the Council on Affordable Housing. This survey shall be submitted for review to the Special Master and FSHC at least 60 days prior to the compliance hearing in this matter, in the event the survey demonstrates that there is not a Rehabilitation obligation, and if that conclusion is accepted by the Special Master and FSHC, the Township shall have no obligation to administer a rehabilitation program. In the event that there is a rehabilitation obligation demonstrated by the survey or that the municipality does not conduct a survey and therefore accepts the 23-unit obligation, the municipality plans to meet this obligation through participation in the Essex County Home Improvement Program and through a supplemental municipally operated rehabilitation program that shall be available to rental units. Said municipal program shall meet the requirements in N.J.A.C.5:93-5.2.

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

² In The Matter of the Application of the Municipality of Princeton, Docket No. MER-L-1550-15 (Law Div. 2018)

6. As noted above, the Township has a Prior Round prospective need of 24 units, which is met through the following compliance mechanisms:

| Satisfaction of the 24-Unit Prior Round Obligation | | | | |
|---|----------------------|--------------|----------------------|----------------------|
| Project | Unit Type | Units | Bonus Credits | Total Credits |
| Hillwood Senior Housing (6 of 59) | Senior Rental | 6 | 0 | 6 |
| ARC of Essex County | Special Needs Rental | 6 | 6 | 12 |
| Jewish Services Group Home | Special Needs Rental | 2 | 0 | 2 |
| Spectrum 360, LLC (4 of 15) | Family Rental | 4 | 0 | 4 |
| Total | | 18 | 6 | 24 |

7. The Township has implemented or will implement the following mechanisms to address its Third Round prospective need of 215 units:

| Satisfaction of the 215-Unit Third Round Obligation | | | | |
|--|----------------------|--------------|----------------------|----------------------|
| Project | Unit Type | Units | Bonus Credits | Total Credits |
| Hillwood Senior Housing (53 of 59) | Senior Rental | 53 | 0 | 53 |
| Spectrum 360, LLC (11 of 15) | Family Rental | 11 | 11 | 22 |
| Cameco 100% Affordable | Family Rental | 95 | 43 | 138 |
| Project Live | Special Needs Rental | 3 | 0 | 3 |
| Total | | 162 | 54 | 216 |

8. In addition to meeting the 215-unit third round obligation, the Township agrees to the implement the following mechanisms:
- A. Maintain its current mandatory set-aside ordinance, known as Ordinance 2018-25, and adopted on October 15, 2018. This ordinance requires land currently zoned for nonresidential uses and subsequently receives a zoning change or use variance to permit multi-family residential development, or land that is currently zoned for residential uses and receives a zoning change or density variance to permit higher density multi-family residential development, provided the number of dwelling units is five (5) or more than the number of units previously permitted, to include an affordable housing set-aside on all such additional units beginning at five (5) or more over the number of units previously permitted of 15%, if the affordable units will be for rent, and 20% if the affordable units will be for sale.

- B. Adopt overlay zoning for Block 1807, Lots 2-12, 14. This ordinance shall permit mixed use development composed of residential and nonresidential uses, including but not limited to multi-family housing on upper stories where facing Bloomfield Avenue and all stories where facing other streets. The maximum density shall be not less than 22 du/ac. The maximum building height shall be 3 stories / 50 feet. The affordable housing set-aside shall be 15% where the affordable units are for rent and 20% where the affordable units are for sale.
9. The Township intends to provide a realistic opportunity for the development of affordable housing through the adoption of inclusionary zoning on the Spectrum 360, LLC site on Block 303, Lot 4. Development on the site shall be consistent with the Settlement Agreement between the Township of Verona and Spectrum 360, LLC, dated January 31, 2020.
10. The Township will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:
- A. Cameco 100% Affordable – Municipal Sponsored Construction on Block 2301, Lots 11, 12, 14, 15, 16, 17, 18 & 19. This site shall be developed with a 100% affordable family rental development composed of 95 units.

In accordance with N.J.A.C. 5:93-5.5, the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. The Township meets this obligation through adoption of a Resolution of Intent to Fund, which shall be adopted at the time of adoption of the Housing Element and Fair Share Plan.

In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process: including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor and construction. The schedule shall provide for construction to begin within two years of court approval of this settlement, except that the Township shall not be required to fund the development on the Cameco site until 30 days after the awards are announced in the second low income housing tax credit application process held by the New Jersey Housing and Mortgage Finance Agency after the execution of this agreement, even if that period of time is greater than two years. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity. The Township shall show how it meets these obligations as part of the Housing and Element and Fair Share Plan prepared pursuant to this Agreement.

The parties recognize the following with regard to payments being made by the Spectrum 360, LLC site to support the Cameco 100% affordable development: Spectrum 360, LLC is providing a payment of \$3,250,000 and is providing an on-site set-aside of 15 affordable units. The parties recognize that the payment by an inclusionary developer in lieu of

affordable housing may impact the ability of the Cameco 100% affordable development to receive public subsidies, including federal Low Income Housing Tax Credits. Verona recognizes that its obligation to support the development of the Cameco 100% affordable development may include providing financial subsidies for all or a portion of the needed funding that the development may not be eligible for in view of its connection to an inclusionary development.

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

| Satisfaction of the 13% Very Low Income Obligation | | | | |
|---|------------------|--------------------|------------------------------|-----------------|
| Projects Post July 1, 2008 | Unit Type | Total Units | Very Low Income Units | |
| | | | Required | Provided |
| | | | | |
| Spectrum 360, LLC | Family Rental | 15 | 1.95 | 2 |
| Cameco 100% Affordable | Family Rental | 8595 | 11.0512.35 | 4412 |
| Total | | 110 | 14.30 | 14 |

12. The Township shall meet its Third Round Prospective Need in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 6 above:

- A. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
 - B. At least 50 percent of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
 - C. At least twenty-five percent of the Third Round Prospective Need shall be met through rental units, including at least half in rental units available to families.
 - D. At least half of the units addressing the Third Round Prospective Need in total must be available to families.
 - E. The Township agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
13. The Township shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network (P.O.

Box 943, Freehold, NJ 07728), Oranges and Maplewood NAACP (P.O. Box 1127, East Orange, NJ 07019), Newark NAACP (P.O. Box 1262, Newark, NJ 07101, Morris County NAACP (P.O. Box 2256, Morristown, NJ 07962, Elizabeth NAACP (P.O. Box 6732, Elizabeth, NJ 07206), and the Supportive Housing Association. The Township shall, as part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, provide notice to those organizations of all available affordable housing units. As part of its regional affirmative marketing strategies during implementation of its fair share plan, the Township and/or its Administrative Agent shall also provide notice of all available affordable housing units to the above-referenced organizations and ensure posting of all units on the New Jersey Housing Resource Center, <https://www.nj.gov/njhrc> consistent with applicable law. The Township also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.

14. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. The Township as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied. Income limits for all units that are part of the Plan required by this Agreement and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by the Township annually within 30 days of the publication of determinations of median income by HUD as follows:

- A. Regional income limits shall be established for the region that the Township is located within (i.e. Region 4) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
- B. The income limits attached hereto as Exhibit A are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2020, and shall be utilized until the Township updates the income

limits after HUD has published revised determinations of median income for the next fiscal year.

- C. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
 - D. The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement.
15. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
16. As an essential term of this Agreement, within one hundred and twenty (120) days of Court's approval of this Agreement, the Township shall introduce an ordinance or ordinances providing for the amendment of the Township's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this Agreement and the zoning contemplated herein and adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement.
17. The parties agree that if a decision of a court of competent jurisdiction in Essex County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Township for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round need obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's/ obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
18. The Township shall prepare a Spending Plan within the period referenced above in paragraph 16, subject to the review of FSHC and approval of the Court, and reserves the right to seek approval from the Court that the expenditures of funds contemplated under the Spending Plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this

settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of this Agreement, which shall be established by the date on which it is executed by a representative of the Township, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the Township agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

19. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
20. The Fair Housing Act includes two provisions regarding action to be taken by the Township during the ten-year period of protection provided in this Agreement. The Township agrees to comply with those provisions as follows:
 - A. The parties recognize that the date for the midpoint review has passed. The parties agree that the fairness hearing and compliance hearing process shall include an opportunity to be heard consistent with the midpoint review requirements of the statute.
 - B. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of this Agreement, and every third year thereafter, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
21. FSHC is hereby deemed to have party status in this matter and to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading. The parties to this Agreement agree to request the Court to enter an order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.
22. This Agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The Township shall present its planner as a witness at this hearing. FSHC agrees to support this Agreement at the fairness hearing. In the event the Court approves this proposed settlement, the parties

contemplate the municipality will receive “the judicial equivalent of substantive certification and accompanying protection as provided under the FHA,” as addressed in the Supreme Court’s decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The “accompanying protection” shall remain in effect through July 1, 2025. If this Agreement is rejected by the Court at a fairness hearing it shall be null and void.

23. The Township agrees to pay FSHC’s attorneys fees and costs in the amount of Five Thousand Dollars (\$5,000.00) within thirty (30) days of the Court’s approval of this Agreement pursuant to a duly-noticed fairness hearing.
24. If an appeal is filed of the Court’s approval or rejection of this Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of this Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court’s approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court’s approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
25. This Agreement may be enforced through a motion to enforce litigant’s rights or a separate action filed in Superior Court, Essex County. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney’s fees.
26. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
27. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
28. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
29. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
30. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
31. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.

32. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.
33. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.
34. No member, official or employee of the Township shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
35. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.
36. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

TO FSHC:

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

TO THE TOWNSHIP:

Matthew Cavallo, MPA, CPM, Manager
Verona Town Hall
600 Bloomfield Avenue
Verona, NJ 07044
Phone: (973) 857-4767
Telecopier: (973) 857-4270
Email: mcavallo@veronanj.org

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

Jennifer Kiernan, RMC, Clerk
Verona Town Hall
600 Bloomfield Avenue
Verona, NJ 07044
Phone: (973) 857-4770
Telecopier: (973) 857-8551
Email: jkiernan@veronanj.org

Please sign below if these terms are acceptable.

Sincerely,

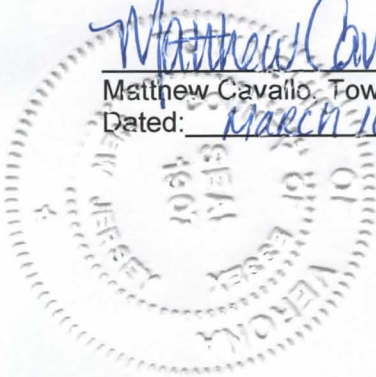
Adam Gordon, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the Township of Verona, with the authorization
of the governing body:



Matthew Cavallo, Township Manager

Dated: MARCH 10, 2021



overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

TO FSHC:

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

TO THE TOWNSHIP:

Matthew Cavallo, MPA, CPM, Manager
Verona Town Hall
600 Bloomfield Avenue
Verona, NJ 07044
Phone: (973) 857-4767
Telecopier: (973) 857-4270
Email: mcavallo@veronanj.org

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

Jennifer Kiernan, RMC, Clerk
Verona Town Hall
600 Bloomfield Avenue
Verona, NJ 07044
Phone: (973) 857-4770
Telecopier: (973) 857-8551
Email: jkiernan@veronanj.org

Please sign below if these terms are acceptable.

Sincerely,



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

On behalf of the Township of Verona, with the authorization
of the governing body:

Matthew Cavallo, Township Manager
Dated: _____

EXHIBIT A: 2020 INCOME LIMITS

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - April 24, 2020

2020 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

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

| | | 1 Person | *1.5 Person | 2 Person | *3 Person | 4 Person | *4.5 Person | 5 Person | 6 Person | 7 Person | 8+ Person | Max Increase Rents** Sales*** | | Regional Asset Limit**** |
|--|----------|----------|-------------|----------|-----------|-----------|-------------|-----------|-----------|-----------|-----------|----------------------------------|-------|-----------------------------|
| Region 1 Bergen, Hudson, Passaic and Sussex | Median | \$67,166 | \$71,964 | \$76,761 | \$86,357 | \$95,952 | \$99,790 | \$103,628 | \$111,304 | \$118,980 | \$126,656 | 1.9% | 0.84% | \$185,539 |
| | Moderate | \$53,733 | \$57,571 | \$61,409 | \$69,085 | \$76,761 | \$79,832 | \$82,902 | \$89,043 | \$95,184 | \$101,325 | | | |
| | Low | \$33,583 | \$35,982 | \$38,381 | \$43,178 | \$47,976 | \$49,895 | \$51,814 | \$55,652 | \$59,490 | \$63,328 | | | |
| | Very Low | \$20,150 | \$21,589 | \$23,028 | \$25,907 | \$28,786 | \$29,937 | \$31,088 | \$33,391 | \$35,694 | \$37,997 | | | |
| Region 2 Essex, Morris, Union and Warren | Median | \$73,857 | \$79,132 | \$84,408 | \$94,959 | \$105,510 | \$109,730 | \$113,951 | \$122,391 | \$130,832 | \$139,273 | 1.9% | 4.71% | \$202,419 |
| | Moderate | \$59,085 | \$63,306 | \$67,526 | \$75,967 | \$84,408 | \$87,784 | \$91,160 | \$97,913 | \$104,666 | \$111,418 | | | |
| | Low | \$36,928 | \$39,566 | \$42,204 | \$47,479 | \$52,755 | \$54,865 | \$56,975 | \$61,196 | \$65,416 | \$69,636 | | | |
| | Very Low | \$22,157 | \$23,740 | \$25,322 | \$28,488 | \$31,653 | \$32,919 | \$34,185 | \$36,717 | \$39,250 | \$41,782 | | | |
| Region 3 Hunterdon, Middlesex and Somerset | Median | \$83,650 | \$89,625 | \$95,600 | \$107,550 | \$119,500 | \$124,280 | \$129,060 | \$138,620 | \$148,180 | \$157,740 | 1.9% | 1.01% | \$227,546 |
| | Moderate | \$66,920 | \$71,700 | \$76,480 | \$86,040 | \$95,600 | \$99,424 | \$103,248 | \$110,896 | \$118,544 | \$126,192 | | | |
| | Low | \$41,825 | \$44,813 | \$47,800 | \$53,775 | \$59,750 | \$62,140 | \$64,530 | \$69,310 | \$74,090 | \$78,870 | | | |
| | Very Low | \$25,095 | \$26,888 | \$28,680 | \$32,265 | \$35,850 | \$37,284 | \$38,718 | \$41,586 | \$44,454 | \$47,322 | | | |
| Region 4 Mercer, Monmouth and Ocean | Median | \$76,469 | \$81,931 | \$87,393 | \$98,317 | \$109,242 | \$113,611 | \$117,981 | \$126,720 | \$135,460 | \$144,199 | 1.9% | 5.96% | \$205,486 |
| | Moderate | \$61,175 | \$65,545 | \$69,915 | \$78,654 | \$87,393 | \$90,889 | \$94,385 | \$101,376 | \$108,368 | \$115,359 | | | |
| | Low | \$38,235 | \$40,966 | \$43,697 | \$49,159 | \$54,621 | \$56,806 | \$58,990 | \$63,360 | \$67,730 | \$72,099 | | | |
| | Very Low | \$22,941 | \$24,579 | \$26,218 | \$29,495 | \$32,772 | \$34,083 | \$35,394 | \$38,016 | \$40,638 | \$43,260 | | | |
| Region 5 Burlington, Camden and Gloucester | Median | \$67,620 | \$72,450 | \$77,280 | \$86,940 | \$96,600 | \$100,464 | \$104,328 | \$112,056 | \$119,784 | \$127,512 | 1.9% | 7.21% | \$179,028 |
| | Moderate | \$54,096 | \$57,960 | \$61,824 | \$69,552 | \$77,280 | \$80,371 | \$83,462 | \$89,645 | \$95,827 | \$102,010 | | | |
| | Low | \$33,810 | \$36,225 | \$38,640 | \$43,470 | \$48,300 | \$50,232 | \$52,164 | \$56,028 | \$59,892 | \$63,756 | | | |
| | Very Low | \$20,286 | \$21,735 | \$23,184 | \$26,082 | \$28,980 | \$30,139 | \$31,298 | \$33,617 | \$35,935 | \$38,254 | | | |
| Region 6 Atlantic, Cape May, Cumberland, and Salem | Median | \$57,458 | \$61,562 | \$65,666 | \$73,874 | \$82,083 | \$85,366 | \$88,649 | \$95,216 | \$101,782 | \$108,349 | 1.9% | 6.97% | \$153,730 |
| | Moderate | \$45,966 | \$49,250 | \$52,533 | \$59,100 | \$65,666 | \$68,293 | \$70,919 | \$76,173 | \$81,426 | \$86,679 | | | |
| | Low | \$28,729 | \$30,781 | \$32,833 | \$36,937 | \$41,041 | \$42,683 | \$44,325 | \$47,608 | \$50,891 | \$54,175 | | | |
| | Very Low | \$17,237 | \$18,469 | \$19,700 | \$22,162 | \$24,625 | \$25,610 | \$26,595 | \$28,565 | \$30,535 | \$32,505 | | | |

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

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

**This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3 (Consumer price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, 2018 or 2019 because of the lack of authority to do so, may increase rent by up to the applicable combined percentage including 2020 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

*** This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

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

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

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

RESOLUTION No. 2021-046

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

**AUTHORIZING THE EXECUTION OF A SETTLEMENT AGREEMENT
WITH FAIR SHARE HOUSING CENTER WITH REGARD
TO DOCKET NO. ESX-L-4773-15**

WHEREAS, the Township filed a Complaint for Declaratory Judgment on July 2, 2015, in the Superior Court of New Jersey in a Mount Laurel litigation that was consolidated into the matter which became known as "In All Declaratory Judgment Actions Filed by Various Municipalities, County of Essex, Pursuant to the Supreme Court's Decision in In Re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015)," Docket No. ESX-L-4773-15 (the "DJ Action"); and

WHEREAS, in the DJ Action, the Township sought a declaration from the Court that its Zoning Code and Housing Element are constitutionally compliant with the Court's Mount Laurel Doctrine and a judgment of compliance and a judgment of repose that would protect the Township from Builders' Remedy lawsuits; and

WHEREAS, Fair Share Housing Center (FSHC) is a Supreme Court-designated interested party in this matter in accordance with In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015)(Mount Laurel IV);

WHEREAS, through the declaratory judgment process, the Township and FSHC agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

WHEREAS, the Township and FSHC desire to memorialize the terms and conditions of the settlement in the form of an agreement (the "Settlement Agreement").

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

1. The preamble to this Resolution is hereby incorporated as if more fully set forth herein.
2. The Township Manager and the Township Clerk are hereby authorized to execute the Settlement Agreement, in the form attached hereto as Exhibit A, with such changes, omissions or amendments as the Township Manager deems appropriate in consultation with the Township Attorney, the Township's affordable housing counsel, bond counsel, financial consultant and other professionals.
3. This resolution shall take effect immediately.

ROLL CALL:

AYES: McGrath, Roman, Ryan, Roman

NAYS:

ABSTAIN: McEvoy

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 THE REGULAR MEETING HELD ON MARCH 8, 2021.


JENNIFER KIERNAN
MUNICIPAL CLERK

