

TOWNSHIP OF RANDOLPH

PUBLIC NOTICE OF "FAIRNESS AND PRELIMINARY COMPLIANCE HEARING" TO APPROVE SETTLEMENT OF MOUNT LAUREL LITIGATION

PLEASE TAKE NOTICE that a "Fairness and Preliminary Compliance Hearing" will be held on March 31, 2022 at 9:30 am before the Honorable Stephan C. Hansbury, J.S.C., Superior Court of New Jersey, Law Division, Morris County Courthouse, Washington & Court Streets, Morristown, New Jersey 07963 to consider the proposed Settlement Agreement between the Township of Randolph ("Township") and Fair Share Housing Center in the Mount Laurel action entitled In the Matter of the Application of the Township of Randolph, Docket No. MRS-L-1640-15. Due to the Public Health Emergency and State of Emergency declared by Governor Philip D. Murphy, Governor of the State of New Jersey on March 9, 2020 under Executive Order No. 103 (2020), this Hearing will take place through virtual technology adopted for use by the Court. Anyone who desires to receive instructions regarding how to access and/or participate in the Hearing through virtual technology should provide an e-mail address or mailing address to Edward J. Buzak, Esq. and Keli L. Gallo, Esq. at the e-mail or mailing addresses at the end of this Notice on or before March 17, 2022.

Through this judicial proceeding, the Court will evaluate whether the proposed Settlement Agreement is fair and reasonable to the region's very-low, low and moderate income households according to the principles set forth in Morris County Fair Housing Council v. Boonton Tp., 197 N.J. Super. 359 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986) and East/West Venture v. Bor. of Fort Lee, 286 N.J. Super. 311 (App. Div. 1996). In addition, the purpose of the hearing is to consider whether the Township's plan as summarized in the Settlement Agreement with FSHC and further supplemented in this Notice provides a realistic opportunity to satisfy the Township's rehabilitation, Prior Round and Third Round "fair share" of the regional need for housing affordable to very-low income, low income and moderate income households pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301, et seq., the substantive, applicable regulations of the New Jersey Council on Affordable Housing ("COAH"), the New Jersey Supreme Court's March 10, 2015 decision in the matter of In re: N.J.A.C. 5:96 & 5:97, 221 N.J. 1 (2015) and other applicable laws and judicial decisions related to a Fairness Hearing.

Fair Share Housing Center ("FSHC"), a public interest organization representing the housing rights of New Jersey's poor and an interested party in connection with the above-referenced lawsuit, has sought to enhance opportunities for very-low, low and moderate income housing. The Township and FSHC have resolved various substantive issues concerning the Township's affordable housing obligation and the means by which the Township intends to satisfy that obligation, subject to all required public hearings. The terms of the settlement have been memorialized in a Settlement Agreement executed on behalf of the Township and FSHC which is available for public inspection and copying during regular business hours at the Office of the Township Clerk, Township of Randolph 502 Millbrook Avenue, Randolph, New Jersey 07869 and also available on the Township website (www.randolphnj.org).

The terms of the settlement with FSHC include, but are not limited to, the following:

1. The Township has a Prior Round obligation of 261 units, which has been met through the following compliance mechanisms:
 - 76 credits from Canfield Mews – 38 units and 38 bonus credits
 - 54 credits from Arrowgate – 27 units and 27 bonus credits
 - 10 units/credits from Brookside Village
 - 40 units/credits from Woodmont
 - 65 units/credits from India Brook Senior Housing
 - 5 credits from Peer Group Housing – 4 supportive housing bedrooms and 1 bonus credit
 - 6 supportive housing bedrooms/credits from ARC – Much Dignity Housing
 - 5 supportive housing bedrooms/credits from Schoolhouse Group Home
2. For the purposes of settlement, the parties agree that the Township's Third Round (1999-2025) Prospective Need obligation is 643, which will be met through the following compliance mechanisms:

Completed and Approved Developments

207 credits from the following completed and approved developments:

- 40 credits for the extension of affordability controls at Woodmont
- 17 units/credits for Boulder Ridge
- 5 units/credits for Grecco Realty, LLC – 477 Route 10
- 1 unit/credit for Rose of Sharon – 236 Dover-Chester Road
- 64 credits for Bennett Avenue Family Housing – 32 units and 32 bonus credits
- 6 units/credits for Morris County AHC
- 1 unit/credit for Habitat House – Block 59, Lot 15
- 1 unit/credit for Habitat House – Block 134, Lot 3.02
- 1 unit/credit for Habitat House – Block 134, Lot 9
- 35 units/credits for India Brook Senior Housing
- 8 credits for High Avenue House – 4 supportive housing bedrooms and 4 bonus credits
- 6 credits for Our House – 3 supportive housing bedrooms and 3 bonus credits
- 8 credits for Skylands Group Home – 4 supportive housing bedrooms and 4 bonus credits
- 8 units/credits for Sunrise Assisted Living
- 6 units/credits for Brightview Assisted Living

Proposed New Developments

271 credits from the following proposed new developments, as adjusted from the Settlement Agreement:

- 7 credits for Randolph Mountain
- 30 credits for KAB Mount Freedom – 15 units and 15 bonus credits (increased from 14 units and 3 bonus credits listed in Settlement Agreement)
- 80 credits for Canoe Brook – 40 units and 40 bonus credits
- 3 credits/units for Elbaum Site
- 27 units/credits for LYS/Sporn
- 30 units/credits for Heller Site
- 30 credits for Gateway Apartments – 15 units and 15 bonus credits
- 25 units/credits for E.A. Porter Site – Habitat for Humanity
- 2 units/credits for Morris County Housing Authority – Block 191, Lot 11
- 37 units/credits for Franklin Road Sites (increased from 36 units/credits listed in Settlement Agreement)

Replacement Credits

Credits for Sites in the Amended SS/VO and VCR-3 Zones and Replacement Sites for the Skylands Site

The Settlement Agreement provides that the Township will identify and reserve available water for specific properties in both the SS/VO and VCR-3 Zones that will provide 59 affordable housing credits (21 credits in the SS/VO Zone and 39 credits in the VCR-3 Zone).

In addition, the Settlement Agreement provides that the Township will rezone the Skylands site (Block 42, Lot 5) to permit the development of 300 residential rental units with a set-aside of 60 affordable units and obtain a commitment from the owner of that site to market the site exclusively for inclusionary development such that the Township could obtain 120 credits for that site (60 units and 60 rental bonus credits). The Settlement Agreement further provided that if the Township could not obtain a commitment from the owner to market the site exclusively for inclusionary development, the Township would replace the site with other mechanisms that create the same amount of affordable rental units. Since the owner of the Skylands site would not commit to marketing that site exclusively for inclusionary development, the Township needs to replace the Skylands site with other mechanisms.

As a result, the Township is seeking approval to replace the 179 credits listed above (less the modification to the existing mechanisms from the additional 2 units at KAB Mt Freedom and the Franklin Road sites and the 12 associated, additional bonus credits) with the following compliance mechanisms which provide 165 replacement credits:

Mount Freedom Sites West of Brookside Road

14 credits from the following additional sites in Mt. Freedom West of Brookside Road:

- Block 97, Lot 25 (1215 Sussex Turnpike) - This property consists of approximately 0.64 acres and is presently developed with a 926 square foot home built in 1860. The

property is proposed to be redeveloped with 5 or 6 duplex units including 1 affordable housing unit.

- Block 100, Lots 1, 2, 4, and 5.01 (2-8 Schuman Road) - These properties are on the South side of Sussex Turnpike and consist of four contiguous properties under common ownership. These properties were identified in the Mount Freedom Center Village Plan as seasonal properties as well as one, two, and three family properties with several exhibiting obsolete or faulty site layouts. In total, the lot area is 1.07 acres which can support up to 12 total units including 2 affordable housing units.
- Block 101, Lots 9, 10 and 11 (1188-1192 Sussex Turnpike) – These properties are located on the southern side of Sussex Turnpike and are comprised of three contiguous parcels under common ownership. These properties are proposed to be redeveloped with 26 total units including 5 affordable housing units.
- Block 101, Lots 5, 6 and 7 (1196-1200 Sussex Turnpike) - These properties are comprised of three contiguous parcels under common ownership. Lot 5 is currently utilized as veterinary office and the adjacent parcels are partially vacant. The total lot area is 1.9 acres which can support up to 30 total units including 6 affordable housing units.

Mount Freedom Sites East of Brookside Road

48 credits from the following additional site in Mount Freedom East of Brookside Road:

- Berger Tract/Avalon Bay (Block 224, Lots 1-4 and 83-86) -This site is located at the corner of Sussex Turnpike and Brookside Road and has been offered by Avalon Bay to be included in the Township's Plan. The site is comprised of 8 contiguous parcels. Current tax records show 12.4 acres, but the contract purchaser contends that the total lot area is closer to 14 acres. Based upon 14 acres and a density of approximately 17 units per acre, the site could produce 240 total units including 48 affordable housing units. The market rate and affordable unit distribution requirements for the project are as follows: (a) a maximum of 202 market rate units; and (b) a minimum of 48 affordable credits as follows: (i) a minimum of 30 affordable family rental units; and (ii) a maximum of 18 supportive needs beds provided in up to 8 apartment units.

Route 10 Sites

55 credits from the following additional sites located along Route 10:

- Block 44, Lots 8 and 9 (879-885 Route 10) - This property is located on the east-bound side of Route 10 and is comprised of two contiguous parcels under common ownership totaling approximately 7.59 acres. Lot 9 is presently developed with an existing small commercial structure and Lot 8 is vacant and undeveloped. The property owner has expressed interest in redeveloping the site at a gross density of 12

units per acre. Overall, the site would generate 91 total units including 18 affordable housing units.

- Block 44, Lot 10 (873 Route 10) - This property is also on the east-bound side of Route 10 adjacent to Block 44, Lots 8 and 9 identified above. The parcel is approximately 3.94 acres and is vacant and undeveloped. Based upon a rezoning to a gross density of 12 units per acre, a total of 48 units could be provided including 10 affordable housing units.
- Block 44, Lot 13 (821 Route 10) -This property is also on the east-bound side of Route 10 and is comprised of a single parcel totaling approximately 11.18 acres. The site is presently vacant and undeveloped. The property is under contract with a developer of inclusionary rental housing (Avalon Bay according to filed documents). Based upon a rezoning at a gross density of 12 units per acre, the site would generate 134 total units including 27 affordable units.

Remaining Bonus Credits

48 remaining bonus credits under the 25% cap:

At least 48 of the affordable housing units will be rental units and eligible for a 2 for 1 rental bonus.

Summary of Replacement Credits

The additional sites identified above will yield 117 affordable housing units. With 48 additional bonus credits, an aggregate of 165 affordable housing credits are hereby replaced.

NOTE: BECAUSE THERE MAY BE CHANGES PROPOSED OR MADE IN THE DETAILS OF THE SITES OR THE SUBSTITUTION OF SITES AFTER THIS NOTICE IS PUBLISHED AND DISTRIBUTED, THE TOWNSHIP WILL PLACE ON ITS WEBSITE NOT LATER THAN MARCH 11, 2022 A SUMMARY OF CHANGES, IF ANY, IN THE INFORMATION CONTAINED ABOVE. FURTHERMORE, ANY CHANGES PROPOSED OR MADE ON OR AFTER MARCH 11, 2022 WILL BE PRESENTED DURING THE COURSE OF THE FAIRNESS HEARING.

3. The parties have agreed that should the Township's Third Round Prospective Need obligation be reduced by more than 10 percent as a result of the application of an opinion or decision by any Court or administrative agency having jurisdiction, the Township can seek to reduce its Third Round Prospective Need obligation accordingly.

4. Upon the Court's approval of the Settlement Agreement, the Township shall be granted a 10 year Judgment of Compliance and Repose for the time period of July 1, 2015 to July 1, 2025.

Any interested party, including, without limitation, any very-low, low or moderate income person residing in the housing region, any organization representing the interests of very-low, low and moderate income persons, any owner of property in the Township, or any organization representing the interests of owners of property in the Township may file comments on, or objections to, the Settlement Agreements. Such comments or objections, together with copies of any supporting affidavits or other documents, must be filed in writing, on or before March 17, 2022. In addition, any person wishing to be heard, whether or not a written objection has been filed, shall advise of that intention in writing on or before March 17, 2022. Since the Hearing will proceed via virtual technology, those interested parties filing comments or objections, and persons advising in writing of the desire to be heard, who desire to participate through virtual technology will be provided instructions on how to participate in the Hearing. Failure to provide written comments and objections, or written notice of the desire to be heard, may preclude presentation of any evidence, oral presentation or argument. Written responses by any of the parties to the comments or objections shall be filed on or before March 24, 2022. Such comments, objections and responses, together with copies of any supporting affidavits or other documents, must be filed in writing with the Honorable Stephan C. Hansbury, J.S.C., Superior Court of New Jersey, Law Division, Morris County Courthouse, Washington & Court Streets, Morristown, New Jersey 07963 and, if filed by an attorney, filed on eCourts. In addition, copies of all comments, objections and responses, together with copies of any supporting affidavits or other documents, must be forwarded by mail or e-mail to:

Elizabeth McManus, PP, AICP, LEED AP (Court-appointed Special Master)
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Counsel for the Township shall upload on eCourts all comments, objections and responses, together with copies of any supporting affidavits or other documents that were not filed directly on eCourts, for access by the Court.

This Notice is intended to inform all interested parties of the existence of the Settlement Agreement and the possible consequences of Court approval of the Settlement Agreement. It does not indicate any view by the Court as to the merits of the above referenced Mount Laurel action, the fairness, reasonableness, or adequacy of the settlement, or whether the Court will approve the settlement or enter a Judgment of Compliance and Repose.

Dated: February 24, 2022

/s/ Donna Marie Luciani
Donna Marie Luciani,
Township Clerk