

# **Mid-Point Review of Affordable Housing Activities & 2020 Monitoring**

**North Hanover Township,  
Burlington County**



July 1, 2020

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## EXECUTIVE SUMMARY

Under the supervision of the court-appointed Special Master, the Township of North Hanover and Fair Share Housing Center (“FSHC”) entered into a Settlement Agreement on December 13, 2016, which established the agreed upon housing rehabilitation, Prior Round (1987-1999), Gap (1999-2015) and Prospective Need (2015-2025) obligations, and laid out how the Township would comply with the same. In the Settlement Agreement, the parties agreed that the third round prospective need was 101 units, further stipulating that this obligation had been fully satisfied by virtue of the 128 affordable family rental units, which already existed in the Township and fully addressed the Township’s 25% rental obligation. A First Amendment to the Settlement Agreement was signed on May 4, 2017, to address the reduction in the number of affordable units by one unit – from 128 to 127 – to address the conversion of Unit G-1, a 3-bedroom unit in Millstream South. The complexes in which the affordable units are located were built in the 1980s, prior to the requirement for an onsite management office and laundry facility. They were recently purchased utilizing NJ Housing and Mortgage Finance Agency (“HMFA”) tax credits. It is a requirement of HMFA that 100% affordable projects of 44 or more apartments utilizing such funding have an on-site management office and laundry facilities.

A properly noticed Fairness Hearing was held on May 23, 2017. The Order approving North Hanover’s Mount Laurel Settlement Agreement and providing immunity and repose against Mount Laurel litigation and exclusionary challenges was signed and filed by the court on June 7, 2017. The Order adopted in full the findings and determinations of the Court Master, Mary Beth Lonergan, dated April 24, 2017 (“Court Master’s Report”) which included as Conditions of Compliance those agreed upon terms as set forth in the Settlement Agreement and First Amendment. A Final Compliance Hearing, initially scheduled for January 21, 2020, has been rescheduled for a yet to be determined date.

North Hanover has made progress meeting the terms of the Agreement. A draft Housing Element and Fair Share Plan has been prepared and reviewed by Court Master, Mary Beth Lonergan, PP/AICP, and the Fair Share Housing Center, with comments provided to the Township in May 2020. A revised draft has been prepared by Township affordable housing consultants and is to be submitted to the North Hanover Joint Land Use Board for review. The Township, via its consultant, CGP&H, administers the rehab program in North Hanover Township, which has fully satisfied its rehab obligations for prior rounds.

## CONDITIONS OF COMPLIANCE

The Court’s Order Approving the Mount Laurel Settlement Agreement adopted in full the Court Master’s Report, which set out the following Conditions of Compliance as, negotiated in the Settlement Agreement. North Hanover is actively addressing its conditions of compliance prior to its Compliance Hearing.

### Condition #1 – Amend Township’s Compliance Plan:

Plan is to be amended to reflect the stipulated fair share obligation of two-unit rehabilitation share, one-unit prior round share and 101-unit third round need within 120 days after the Court approved the Settlement Agreement. The Court Master, Mary Beth Lonergan, PP/AICP, and the Fair Share Housing Center have reviewed the draft of the North Hanover Housing Element and Fair Share Plan (“HEFSP”) with comments provided to the Township in May 2020. A revised draft has been prepared

by Township affordable housing consultants, and is to be submitted to the North Hanover Joint Land Use Board for review.

Condition #2 – Provide Updated Affordable Housing Trust Fund and Spending Plan:

An updated Spending Plan is to be adopted upon review and approval of HEFSP.

Conditions #3 and #4 - Provide Updated Fair Share Ordinance and Affirmative Marketing Plan:

Amended Housing Ordinance and revised Marketing Plan to be adopted upon review and approval of HEFSP.

Condition #5 – Adopt Resolution Appointing Municipal Liaison and Administrative Agent:

Resolution appointing Municipal Liaison and Administrative Agent to be adopted upon review and approval of HEFSP.

Condition #6 - Current Copy of Affordable Housing Development Fee Ordinance:

Included as part of the HEFSP, to be submitted as part of North Hanover's revised compliance plan to the court.

## **DEVELOPMENTS THAT ARE NOT COMPLETED**

### ***Inclusionary & Non-Inclusionary Projects***

In the Settlement Agreement, the parties agreed that the 101-unit obligation had already been fully satisfied by virtue of the 128 affordable family rental units in three complexes that already exist in the Township, which also fully address the Township's 25% rental obligation. Accordingly, no inclusionary development is proposed/required by the court for the Township of North Hanover.

It should be noted that the number of affordable units was reduced by one (1) – from 128 to 127 - due to the conversion of Unit G-1, a 3-bedroom unit in Millstream South. This reduction was approved in the First Amendment to Settlement Agreement dated May 4, 2017. These complexes were built in the 1980s, prior to the requirement for an onsite management office and laundry facility. These complexes were recently purchased utilizing NJ Housing and Mortgage Finance Agency ("HMFA") tax credits. It is a requirement of HMFA that 100% affordable projects of 44 or more apartments, utilizing such funding, have an on-site management office and laundry facilities.

## **REHABILITATION OBLIGATION**

The municipality via its consultant, CGP&H, administers the rehab program in North Hanover Township, which has fully satisfied its rehab obligations.

## **VERY LOW INCOME ANALYSIS**

All of North Hanover's affordable projects are HUD funded and exempt from the Very Low Income requirement.

## INVITATION OF SUBMISSIONS

Any interested party may submit comments to the municipality regarding whether any sites no longer present a realistic opportunity and should be replaced by contacting:

Mark Roselli, Esq.  
Roselli Griegel Lozier & Lazzaro, PC  
1337 Highway 33  
Hamilton, New Jersey 08690  
P: 609-586-2257  
mroselli@roselligriegel.com

Any party may by motion request a hearing before the court regarding these issues.



# APPENDIX 2 – 2020 TRUST FUND MONITORING FORM

**North Hanover Township, Burlington County**  
**Trust Fund Balance as of December 31, 2019**

	INCEPTION DEC 31, 2018	JAN 1, 2019 DEC 31, 2019	TOTAL
<b>REVENUE SUMMARY</b>			
Barrier Free Escrow	\$0.00	\$0.00	\$0.00
Development Fees	\$108,213.56	\$5,213.00	\$113,426.56
Interest Earned	\$0.00	\$98.45	\$98.45
Other Income	\$0.00	\$0.00	\$0.00
Payments-in-Lieu of Construction	\$0.00	\$0.00	\$0.00
<b>TOTAL</b>	<b>\$108,213.56</b>	<b>\$5,311.45</b>	<b>\$113,525.01</b>
<b>EXPENDITURE SUMMARY</b>			
Administration	\$0.00	\$7,521.09	\$7,521.09
Affordability Assistance	\$0.00	\$0.00	\$0.00
Barrier Free Conversions	\$0.00	\$0.00	\$0.00
Housing Activity	\$0.00	\$12,275.00	\$12,275.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$19,796.09</b>	<b>\$19,796.09</b>
<b>TRUST FUND ACCOUNT BALANCE AS OF December 31, 2019</b>			<b>\$93,728.92</b>

**HOUSING ACTIVITY : JAN 1, 2019 - DEC 31, 2019**

33 Mary Street, Wrightstown	\$12,275.00
<b>TOTAL</b>	<b>\$12,275.00</b>

**AFFORDABILITY ASSISTANCE: JAN 1, 2019 - DEC 31, 2019**

<b>TOTAL</b>	<b>\$0.00</b>