

FILED WITH THE COURT

OCTOBER 2, 2020

JEANNE T. COVERT, A.J.S.C.

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<p>IN THE MATTER OF THE APPLICATION OF THE TOWNSHIP OF NORTH HANOVER, A Municipal Corporation of the State of New Jersey</p>	<p>SUPERIOR COURT OF NEW JERSEY LAW DIVISION BURLINGTON COUNTY</p> <p>DOCKET NO: BUR-L-1528-15</p> <p><i>Civil Action</i></p> <p>CONDITIONAL JUDGMENT OF COMPLIANCE AND REPOSE</p>
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THIS MATTER having been opened to the Court by Roselli Griegel Lozier & Lazzaro, P.C., attorneys for the Petitioner Township of North Hanover, Mark Roselli, Esq. appearing, on September 24, 2020, upon proper notice to the public and the Mt. Laurel beneficiaries and in the presence Vitoria Medeiros, J.D. for Fair Share Housing Center, Inc. (hereinafter “FSHC”), and Court Master Mary Beth Lonergan, and it appearing that North Hanover and FSHC having signed a Settlement Agreement on December 13, 2016 to resolve the Township’s rehabilitation obligation, (ii) prior round obligation pursuant to N.J.A.C. 5:93, and (iii) third round (1999 to 2025) fair share obligation, and (b) an Amendment to the Agreement dated May 4, 2017 to allow Rural Housing Preservation Associates, LLC to convert an existing apartment in the Millstream South affordable housing complex to a management office and laundry facility (collectively referred to as the “Settlement Agreement”), settling the instant Mount Laurel IV litigation, which Settlement Agreement provides that the Settlement Agreement is subject to approval of the Court

after a Fairness Hearing conducted pursuant to East/West Venture v. Borough of Fort Lee, 286 N.J. Super 311 (App. Div. 1996); and whereas the Settlement Agreement also permits the Township to request, at a Compliance Hearing, that the Court enter a Judgment of Compliance and Repose with immunity through July 1, 2025, in accordance with East/West Venture, *supra*, at 326, holding Mount Laurel litigation may be settled only after a finding by the Court that (1) the settlement has apparent merit; (2) notice has been given to all members of the class and others who have an interest in the settlement; (3) a hearing has been conducted on the settlement where those affected have sufficient time to prepare; and (4) the settlement is “fair and reasonable to members of the protected class”; and the Court, having so determined for the reasons set forth on the record at the Fairness Hearing held on May 23, 2017, and memorialized in an Order Approving Mount Laurel Settlement Agreement dated June 7, 2017; and the Court having further held a Compliance Hearing on September 24, 2020, and having reviewed the Report of the Special Master Mary Beth Lonergan, PP, AICP, (“Special Master”) dated September 18, 2020, a copy of which is annexed hereto at Exhibit A (“Master’s Report”), and having heard testimony of the Special Master, and the Township’s Planner, David Gerken, AICP, PP; and the Court having found that the Settlement Agreement has apparent merit, more specifically finding that:

- (1) The Settlement Agreement is fair and reasonable to low- and moderate-income persons on whose behalf the affordable units proposed by the settlement are to be built and that the Plaintiff’s affordable housing plan is constitutionally compliant; and
- (2) That the Township has satisfied its Prior Round Obligation as set forth in the Settlement Agreement; and
- (3) That the Township will address its Third Round Obligation as set forth in the Settlement Agreement; and

- (4) That the Township shall comply with the Conditions of the Special Master as set forth in the Master's Report (C-1 in evidence) within sixty (60) days and provide proof of the same to the Court, Special Master, and FSHC; and
- (5) As set forth on the record, all criteria set forth in East/West Venture have been satisfied, subject to the Township addressing the Conditions cited in the Master's Report; and
- (6) Plaintiff's compliance plan, consisting of its Amended Housing Element and Fair Share Plan dated August 2020 (the "2020 HEFSP"), along with various attachments, as well as the various implementing ordinances and resolutions, all such documents together referred to as the "2020 Compliance Plan," which have been reviewed and approved by the Special Master, create the realistic opportunity to meet the Township of North Hanover's Affordable Housing Obligations under the Mount Laurel doctrine and specifically under the procedures set forth in Mount Laurel IV.

Accordingly, the Court has determined to enter a Conditional Judgment of Compliance and Repose, as hereinafter set forth.

IT IS THEREFORE, ON THIS 2nd **DAY OF** October, 2020,

ADJUDGED, DECLARED AND ORDERED AS FOLLOWS:

1. A Conditional Judgment of Compliance and Repose is hereby declared in favor of Petitioner, Township of North Hanover for a Declaratory Judgment of Compliance (the "Conditional Judgment") pursuant to East/West Venture v. Borough of Fort Lee and the Mount Laurel line of cases.
2. The Court hereby declares that the land use regulations and affirmative devices in the Township of North Hanover's 2020 Compliance Plan, subject to implementing the Conditions set forth in the Master's Report annexed hereto and incorporated herein, will

satisfy the Township's constitutional obligation with respect to affordable housing under the Mount Laurel doctrine.

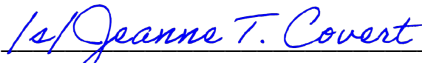
3. The Township, through the adoption of the 2020 HEFSP and the implementation of that plan in accordance with the terms of the Settlement Agreement, subject implementation of the Conditions, will satisfy its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301, *et seq.*, for the Prior Rounds (1987-1999) and Third Round (1999-2025).
4. The Township has implemented agreed-upon compliance mechanisms to address its Third-Round obligations as set forth in the Settlement Agreement and has adopted necessary implementing ordinances and adopted the 2020 HEFSP.
5. The Township shall satisfy the following Conditions, as set forth in the Master's Report and addressed by her at the hearing ("Conditions"):
 - (i) The Township must prepare and submit for review and approval by the Special Master an affordability assistance program manual that will be administered by the Township's Administrative Agent.
 - (ii) The Township will work with the Special Master and FSHC to address issues related to the Township's proposed Spending Plan.
6. The Township shall address the Conditions set forth above within sixty (60) days from the entry of this order, after which the Township shall submit a certification to the Court advising how the conditions have been met, along with any supporting documentation, after which the Special Master shall provide written notification to the Court confirming compliance, which shall enable the Court to enter a final unconditional judgment without the necessity of a court hearing, barring any claim that the Township of North Hanover is

failing to provide a sufficient realistic opportunity for the development of housing for low and moderate income households through June 30, 2025, except for litigation brought to enforce the terms of the FSHC Settlement Agreement with the Township or to enforce the Court's orders in this matter.

7. To the extent it is necessary to determine the status of the conditions being satisfied, the Court has scheduled a follow-up hearing for November 19, 2020 at 2 p.m.
8. The Court shall retain jurisdiction to ensure the implementation of the within Judgment, the Settlement Agreement, and the 2020 Compliance Plan and the program established under the 2020 Compliance Plan.
9. The Township is granted continuing immunity from exclusionary zoning litigation until the earlier of the entry of a Final Judgment of Compliance and Repose or November 19, 2020, the next scheduled court hearing.
10. The Township shall have an ongoing obligation to comply with the monitoring and reporting requirements in the FSHC Settlement Agreement, including reporting annually, on the anniversary of the Final Judgment of Compliance and Repose to be entered after the fulfillment of the outstanding conditions, on all affordable housing activity within the Township and all deposits into and expenditures from the affordable housing trust fund.
11. By this Conditional Judgment of Compliance and Repose, the Court declares the Township of North Hanover to be in compliance with its obligation to have provided and to provide a realistic opportunity for the development of housing affordable to low and moderate income households as defined in what are commonly known as the Mount Laurel cases and in the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, *et seq.*, as amended, subject to implementation of the stated Conditions.

12. The Court, subject to implementation of the Conditions, has approved the Township's Spending Plan and the Township is hereby authorized to impose and collect development fees and to maintain those fees in the Township's Affordable Housing Trust Fund, and to commit or expend same within four (4) years of this Judgment or collection, in accordance with applicable law.
13. If a court of competent jurisdiction in Burlington County (i.e., the Law Division of Burlington County, the Appellate Division of the New Jersey Superior Court, or the New Jersey Supreme Court) or an administrative agency responsible for implementing the Fair Housing Act and COAH regulations makes a decision which, if applied to the Township would reduce its obligation more than twenty (20%) percent of the total prospective third round need obligation established in the Settlement Agreement, and if that calculation is memorialized in an unappealable Final Judgment, the Township shall be entitled to amend the Judgment to reduce *pro rata* its fair share obligation, with reduction being applied first to deferred need and then to need through June 30, 2025. Notwithstanding any such reduction, the Township shall be obligated to otherwise continue to implement all aspects of the Compliance Plan approved pursuant to the Settlement Agreement thereto.

AND IT IS FURTHER ORDERED that a copy of this Judgment be served upon all counsel and interested parties on the Service List, in accordance with the procedure previously established in the Mount Laurel litigation matters.



Jeanne T. Covert, A.J.S.C.

EXHIBIT A