

25 INDEPENDENCE BOULEVARD  
WARREN, NEW JERSEY 07059-6747

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December 26, 2019

**VIA Email ([acruz@newjerseylaw.net](mailto:acruz@newjerseylaw.net))  
and Regular Mail**

Albert Cruz, Esq.  
DiFrancesco Bateman Kunzman, Davis, Lehrer & Flaum, P.C.  
15 Mountain Boulevard  
Warren, New Jersey 07059

**Re: Christopher and Ashley Felice v. Township of Chatham  
Docket No. MRS-L-002712-19**

Dear Mr. Cruz:

With regard to the above-captioned matter, enclosed please find a courtesy copy of our clients' Complaint and CIS filed against the Township of Chatham this date. Please advise if you will accept service on behalf of the Township of Chatham.

Very truly yours,

  
Cara Ann Murphy

CAM/tal  
cc: Robert F. Simon, Esq.

**HEROLD LAW, P.A.**  
Robert F. Simon, Esq. (009461992)  
25 Independence Boulevard  
Warren, New Jersey 07059-6747  
(908) 647-1022  
*Attorneys for Plaintiffs*

CHRISTOPHER AND ASHLEY FELICE,

*Plaintiffs,*

v.

TOWNSHIP OF CHATHAM,

*Defendant.*

SUPERIOR COURT OF NEW JERSEY

LAW DIVISION: MORRIS COUNTY  
DOCKET NO.

CIVIL ACTION

**COMPLAINT IN LIEU OF  
PREROGATIVE WRITS**

Plaintiffs, Christopher and Ashley Felice, (hereinafter referred to as "Plaintiffs"), by way of Complaint in Lieu of Prerogative Writs against the Defendant, Township of Chatham (the "Township" or "Defendant"), say:

**THE PARTIES**

1. Plaintiffs Christopher and Ashley Felice are individuals who reside at 20 Candace Lane, Chatham, New Jersey.

2. Defendant, Township of Chatham, including the Mayor, Township Committee ("Township Committee"), and other municipal officers, administrative officers, and code enforcement officers, agents and agencies thereof (jointly and severally the "Township" or "Defendant"), is a duly constituted municipal corporation of the State of New Jersey, having offices at 58 Meyersville Road, Chatham, NJ 07928.

**NATURE OF ACTION**

3. In this action, Plaintiffs challenge any designation of the municipal building and property located at 58 Meyersville Road, Chatham, New Jersey (the “Municipal Building” or the “Property”) as a municipal affordable housing site (“Municipal Affordable Housing Site”) by the Township Committee at its November 14, 2019 Township Committee Meeting (the “November 14<sup>th</sup> Meeting”).

4. Plaintiffs also challenge any designation of the Property as a Municipal Affordable Housing Site via the adoption of Resolution 2019-217 (“Resolution 2019-217”) by the Township Committee on December 12, 2019. Attached hereto as Exhibit “A” is a true and correct copy of Resolution 2019-217.

5. The Property was purportedly selected by Defendant as a Municipal Affordable Housing Site pursuant to a settlement agreement (the “Settlement Agreement”) between the Township and Fair Share Housing Center, Inc. (“FSHC”), which set forth the Township’s affordable housing obligations. Attached hereto as Exhibit “B” is a true and correct copy of the Settlement Agreement<sup>1</sup> between the Township and FSHC.

6. The Property is not an appropriate Municipal Affordable Housing Site so to satisfy the Defendant’s obligations under the Settlement Agreement, as the Township failed to take into proper account the current use, location, and layout of the Property, density of the proposed development, pedestrian access and utility issues, and incompatibility with adjacent and neighboring properties.

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<sup>1</sup> The Settlement Agreement provides that the Township will identify an “appropriate site or sites” for seventy-four affordable family rental units and submit the site or sites for review. See Ex. B, p. 4.

7. Plaintiffs further challenge the Defendant's determination that the Township's municipal complex will no longer be located at 58 Meyersville Road, Chatham, New Jersey, but rather at an undetermined location in Chatham Township.

8. The designation of the Property as a Municipal Affordable Housing Site and adoption of Resolution 2019-217 were made without proper notice to the public and were wholly inconsistent with the Ordinance ("Ordinance") and Master Plan (the "Master Plan") of the Township of Chatham.

9. The actions of the Township were not designed to effectuate the Ordinance or Master Plan elements, including its land use element and housing element, and were made without consideration of the general welfare of property owners residing adjacent to or near the Property.

10. As the actions of the Township were accomplished without consideration of the general welfare of the Township, do not advance the health, safety and welfare of the Township's residents and property owners, are not in the best interest of proper zoning and planning, and were adopted contrary to the New Jersey Open Public Meetings Act and the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. (the "MLUL"), Plaintiffs seek, inter alia, judgment declaring any determination that the Township's municipal complex will no longer be located at 58 Meyersville Road, and the selection of the Municipal Building as a Municipal Affordable Housing Site, including via the adoption of Resolution 2019-217, as invalid, void and contrary to law.

11. Upon information and belief, at the November 14<sup>th</sup> Meeting of the Township Committee, the Township Committee was scheduled to hear a presentation concerning "Municipal Affordable Housing Site or Sites" from the Township Administrator Robert S. Hoffman. Attached hereto as Exhibit "C" is a true and correct copy of the Township Committee Agenda for the November 14<sup>th</sup> Meeting (the "Agenda").

12. No notice was provided to the public that a vote on any designation of the Municipal Building as a Municipal Affordable Housing Site would occur at the November 14<sup>th</sup> Meeting.

13. In the presentation, Mr. Hoffman advised that on December 13, 2018, the Township Committee authorized the Settlement Agreement in which the Township agreed to build seventy-four affordable housing units on municipally owned land. Attached hereto as Exhibit “D” is a true and correct copy of the Township Committee Minutes for the November 14<sup>th</sup> Meeting (the “Minutes”).

14. Contrary to Mr. Hoffman’s assertions, the Settlement Agreement contains no language requiring the seventy-four units be built on municipally-owned property.

15. At the November 14<sup>th</sup> Meeting, the Township Committee advised the public it had considered the pros and cons of risking a builders’ remedy lawsuit and deemed having 100% affordable housing a better option for the Township.

16. The Township Committee advised it considered all municipally owned properties and easements to determine the best location for sixty-five of the seventy-four required affordable units; however no information was provided concerning what other sites were considered and the manner by which any such determination was made.

17. Though the Township Committee voted to designate the Municipal Building as the Municipal Affordable Housing Site at the November 14<sup>th</sup> Meeting, no ordinance or resolution was introduced or adopted at that time designating the Property for affording housing to comply with the Settlement Agreement.

18. On December 12, 2019, Resolution 2019-217 was adopted by the Township Committee.

19. Resolution 2019-217 provides that on November 14, 2019, the Township Administrator presented to the Township Committee the Property as a site for sixty-five low and moderate household family rental units, with another site or sites for an additional nine units to be determined.

20. Resolution 2019-217 provides that the proposal for the Municipal Building as an affordable housing site arises because the building has “outlived its useful life,” not that it is located in an appropriate location for low and moderate affordable housing, or that it fits within the Master Plan of the Township.

21. Resolution 2019-217 further provides that the Township Administrator determined that a new combined municipal and police building would “result in savings to the Township and its taxpayers...” however, no proper analysis was conducted demonstrating that there would be any cost savings, or why such analysis is relevant to satisfying the Township’s obligations under the Settlement Agreement.

22. No evidence or information was presented by the Township Committee or Mr. Hoffman to demonstrate that the Municipal Building was the “most viable site” for affordable housing, or that other unidentified sites were “too constrained and too costly” to serve as a Municipal Affordable Housing Site.

23. In considering the selection of the Municipal Building as a Municipal Affordable Housing Site, the Township Committee relied upon a report commissioned in 2008, *over eleven year ago*, and determined without proper evidence or analysis that it would be cheaper to build a new municipal complex at an undetermined location than to renovate the existing municipal complex at 58 Meyersville Road.

24. No proper analysis was conducted by Defendant to determine the viability of the selection of the Municipal Building as a Municipal Affordable Housing Site or the likelihood that tax credits could be obtained to fund the proposed 100% affordable housing development at the Property.

25. Furthermore, no estimates were provided as to the overall cost of converting the Municipal Building to a Municipal Affordable Housing Site and no information was provided as to its proposed design or developer.

26. No information was provided by Defendant as to how the Property can purportedly be both a Municipal Affordable Housing Site and the location for the Township's Senior Center and Recreation Department, which are currently operating at the Municipal Building.

27. No information or evidence was provided by Defendant that any affordable housing developers are, or would be, interested in developing the Property for 100% affordable housing.

28. Utilizing the Property as a Municipal Affordable Housing Site is improper given the size and dimensions of the Property, the loss of open space, and existing environmental constraints at the Property.

29. Without any proper analysis conducted as to the viability or desirability of the Property as a Municipal Affordable Housing Site, or as to the relocation of the municipal complex from the Property, and without any comprehensive review of same by the Township Planner or the Chatham Township Planning Board, and despite being contrary to the Master Plan, the Township Committee improperly voted on November 14, 2019 and adopted Resolution 2019-217 to designate the Property as a municipal affordable housing site.

**COUNT I**  
**(Failure to Provide Adequate Public Notice)**

30. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 30 as if set forth at length herein.

31. The Township failed to provide proper notice under the Open Public Meetings Act prior to voting to select the Property as a Municipal Affordable Housing Site and to relocate the municipal offices and services from the Property.

32. There was no adequate notice to the public provided in the Agenda or prior to the adoption of Resolution 2019-217 that the Township Committee would be voting whether to select the Property as a Municipal Affordable Housing Site or whether to relocate municipal services from the Property.

33. As such, the determination to relocate the municipal complex from the Property, and the selection of the Property as a Municipal Affordable Housing Site, and Resolution 2019-217, are void and of no effect, and are invalid.

**WHEREFORE**, Plaintiffs demand judgment against Defendant as follows:

- a. declaring that the actions of the Township were *ultra vires* and were arbitrary, capricious, unreasonable, and contrary to law;
- b. voiding the selection of the Property as a Municipal Affordable Housing Site and finding that Resolution 2019-217 is *ultra vires* and without effect;
- c. preliminarily and permanently enjoining any actions to effectuate the provisions of said selection of the Property as a Municipal Affordable Housing Site and Resolution 2019-217; and
- d. awarding Plaintiffs attorneys' fees, costs of suit and such other and further equitable relief as may be just and proper.

**COUNT II**

**(Failure to comply with the Township Ordinance and Master Plan)**

34. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 33 as if set forth at length herein.

35. The use of the Property as a Municipal Affordable Housing Site is not substantially consistent with the Master Plan, including the Land Use Element and Housing Element of the Master Plan, nor designed to effectuate such plan elements.

36. The use of the Property as a Municipal Affordable Housing Site is not permitted by the Ordinance, and is inconsistent with the historical use of the Property as the Township's municipal complex.

37. The Township improperly considered any impacts associated with the Municipal Affordable Housing Site on the adjoining properties and neighborhoods, including but not limited to the location of the development on the property, the size of the structure, and its traffic and visual impacts.

38. The determination to relocate the municipal complex from the Property, and the selection of the Property as a Municipal Affordable Housing Site, do not reflect any reasonable consideration of the existing character of the Property and surrounding properties.

39. The determination to relocate the municipal complex from the Property, and the selection of the Property as a Municipal Affordable Housing Site, were inappropriately made without adequate or meaningful planning consideration or input by the public.

40. The selection of the Property as a Municipal Affordable Housing Site was made without any study or analysis to confirm that the Township school system is presently able to absorb the number of children expected to be generated by the construction of sixty-five housing units.

41. The Township did not conduct the necessary due diligence in determining that the municipal complex should be relocated from the Property, or that the Property is a suitable site for sixty-five units of low and moderate affordable housing development.

42. The Municipal Affordable Housing Site as contemplated by the Township to be located at the Property is not appropriate, as no study or analysis has been conducted to ascertain the financial implications of relocating the municipal services, buildings and infrastructure at the Property to an unknown location in favor of the development of affordable housing at the Property.

43. The development contemplated by the Township at the Property is not suitable as there is no access to mass transit, public transportation, employment, and shopping for residents of the proposed low and moderate housing.

44. The selection of the Property as a Municipal Affordable Housing Site was not consistent with the Ordinance or the MLUL, nor was it the subject of meaningful planning consideration in consideration of the terms and goals contained in the Township's existing Master Plan.

45. The selection of the Property as a Municipal Affordable Housing Site fails to further the purpose of the Township Master Plan so to adequately preserve the desirability of the community and its neighborhoods by managing the scale of new and expanded development and alterations to their landscapes.

46. The determination to relocate the municipal complex from the Property, and the selection of the Municipal Building as a Municipal Affordable Housing Site, do not adhere to the Township Master Plan's goals.

47. There is no Township Master Plan recommendation or statement that is supportive of the determination to relocate the municipal complex from the Property, or the selection of the Property as a Municipal Affordable Housing Site.

48. The determination to relocate the municipal complex from the Property, and the selection of the Property as a Municipal Affordable Housing Site, are not consistent with the Township Master Plan's goal of preserving the existing development plan of the community.

49. The selection of the Municipal Building as a Municipal Affordable Housing Site does not advance the health, safety and welfare of the Township's residents and property owners.

50. The determination to relocate the municipal complex from the Property, and the selection of the Property as a Municipal Affordable Housing Site, are not compatible with, and does not further, a legitimate comprehensive plan for the zoning of the Township.

51. The determination to relocate the municipal complex from the Property, and the selection of the Property as a Municipal Affordable Housing Site, were not achieved in a manner reasonably or rationally related to legitimate municipal concerns and otherwise conflicts with the purposes of the MLUL.

52. The determination to relocate the municipal complex from the Property, and the selection of the Property as a Municipal Affordable Housing Site, do not maintain a relationship of mutual benefit among different land uses, nor does it encourage, protect or continue the unique character of the Township.

53. The determination to relocate the municipal complex from the Property, and the selection of the Property as a Municipal Affordable Housing Site and the process by which Resolution 2019-217 was adopted, are contrary to law, including, but not limited to, the provisions and requirements of the Open Public Meetings Act and the MLUL.

54. The determination to relocate the municipal complex from the Property, the selection of the Property as a Municipal Affordable Housing Site, and Resolution 2019-217, are arbitrary, capricious and unreasonable, and contrary to law.

55. As such, the determination to relocate the municipal complex from the Property, and the selection of the Property as a Municipal Affordable Housing Site, and Resolution 2019-217, are void and of no effect, and are invalid.

**WHEREFORE**, Plaintiffs demand judgment against Defendant as follows:

- a. declaring that the actions of the Township were *ultra vires* and were arbitrary, capricious, unreasonable, and contrary to law;
- b. voiding the selection of the Property as a Municipal Affordable Housing Site and finding that Resolution 2019-217 is *ultra vires* and without effect;
- c. preliminarily and permanently enjoining any actions to effectuate said selection of the Property as a Municipal Affordable Housing Site and provisions of Resolution 2019-217; and
- d. awarding Plaintiffs attorneys' fees, costs of suit and such other and further equitable relief as may be just and proper.

**COUNT III**  
**(Failure to provide a public benefit)**

56. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 55 as if set forth at length herein.

57. The determined to relocate the municipal complex from the Property, the selection of the Property as a Municipal Affordable Housing Site, and Resolution 2019-217, fail to bear the requisite reasonable relationship to, and are not substantially connected to, safeguarding the public

health, safety, welfare, morals and collective interests of the Township of Chatham and its citizens or neighboring municipalities and their citizens.

58. As such, the determination to relocate the municipal complex from the Property, and the selection of the Municipal Building as a Municipal Affordable Housing Site, and Resolution 2019-217, are void and of no effect, and are invalid.

**WHEREFORE**, Plaintiffs demand judgment against Defendant as follows:

- a. declaring that the actions of the Township were *ultra vires* and were arbitrary, capricious, unreasonable, and contrary to law;
- b. voiding the selection of the Property as a Municipal Affordable Housing Site and finding that Resolution 2019-217 is *ultra vires* and without effect;
- c. preliminarily and permanently enjoining any actions to effectuate the selection of the Property as a Municipal Affordable Housing Site and provisions of Resolution 2019-217; and
- d. awarding Plaintiffs attorneys' fees, costs of suit and such other and further equitable relief as may be just and proper.

**COUNT IV**

**(Failure to make requisite or comprehensive findings)**

59. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 58 as if set forth at length herein.

60. The haste with which the Township determined to relocate the municipal complex from the Property, selected the Property as a Municipal Affordable Housing Site, and adopted Resolution 2019-217, improperly deprived the public and Plaintiffs of any meaningful opportunity to participate in or challenge said determinations made by the Township Committee.

61. The Township Committee failed to make requisite or comprehensive findings of fact sufficient to warrant the relocation of the municipal complex from the Property, or choosing the Property as a Municipal Affordable Housing Site, or adoption of Resolution 2019-217.

62. The failure of the individual members of the Township Committee to set forth adequate findings caused the decision to relocate the municipal complex from the Property, and choosing the Property as a Municipal Affordable Housing Site, and adoption of Resolution 2019-217, to be defective and invalid.

63. The decision to relocate the municipal complex from the Property, and choosing the Property as a Municipal Affordable Housing Site, and adoption of Resolution 2019-217, were arbitrary, capricious, unreasonable, and contrary to law, including the MLUL.

64. As such, the decision to relocate the municipal complex from the Property, and choosing the Property as a Municipal Affordable Housing Site, and Resolution 2019-217, are void and of no effect, and are invalid.

**WHEREFORE**, Plaintiffs demand judgment against Defendant as follows:

- a. declaring that the actions of the Township were *ultra vires* and were arbitrary, capricious, unreasonable, and contrary to law;
- b. voiding the selection of the Property as a Municipal Affordable Housing Site and finding that Resolution 2019-217 is *ultra vires* and without effect;
- c. preliminarily and permanently enjoining any actions to effectuate the selection of the Property as a Municipal Affordable Housing Site and provisions of Resolution 2019-217; and
- d. awarding Plaintiffs attorneys' fees, costs of suit and such other and further equitable relief as may be just and proper.

**COUNT V**  
**(Failure to comply with N.J.A.C. 5:93-5.3)**

65. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 64 as if set forth at length herein.

66. The selection of the Property as a Municipal Affordable Housing Site is invalid, as a determination has not been made as to whether the Municipal Building is approvable, available, developable and suitable pursuant to N.J.A.C. 5:93-1.3.

67. The site criteria and general requirements for new low and moderate income projects are similarly set forth in N.J.A.C. 5:93-5.3. These terms are defined as follows:

“‘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.”

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

“‘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.

“‘Developable site’ means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable area-wide water quality management plan (including the wastewater management plan) or is included in an amendment to the area-wide water quality management plan submitted to and under review the Department of Environmental Protection (DEP).”

68. Under N.J.A.C. 5:93-5.3(b), “[m]unicipalities shall designate sites that are available, suitable, developable and approvable, as defined in N.J.A.C. 5:93-1.

69. No information has been provided by the Township that a review or analysis has been conducted to determine that the Property meets the criteria above or otherwise was a “suitable site” for the proposed development of the Municipal Building, especially given its location and environmental constraints.

70. Furthermore, no information has been provided by the Township that suggests that the Municipal Building has the necessary and required access to appropriate water and sewer infrastructure, and is consistent with the applicable area-wide water quality management plan (including the wastewater management plan) or is included in an amendment to the area-wide water quality management plan submitted to and under review the Department of Environmental Protection (DEP).

71. The Township was inappropriate in its proposed placement of affordable housing – let alone sixty-five rental units – within an area that is environmentally constrained and without access to public transportation and other amenities.

72. The decision to relocate the municipal complex from the Property, and choosing the Property as a Municipal Affordable Housing Site, and adoption of Resolution 2019-217, were arbitrary, capricious, unreasonable, and contrary to law, including the MLUL.

73. As such, the decision to relocate the municipal complex from the Property, and choosing the Property as a Municipal Affordable Housing Site, and Resolution 2019-217, are void and of no effect, and are invalid.

**WHEREFORE**, Plaintiffs demand judgment against Defendant as follows:

- a. declaring that the actions of the Township were *ultra vires* and were arbitrary, capricious, unreasonable, and contrary to law;
- b. voiding the selection of the Property as a Municipal Affordable Housing Site and finding that Resolution 2019-217 is *ultra vires* and without effect;
- c. preliminarily and permanently enjoining any actions to effectuate the selection of the Property as a Municipal Affordable Housing Site and provisions of Resolution 2019-217;

- d. awarding Plaintiffs attorneys' fees, costs of suit and such other and further equitable relief as may be just and proper.

HEROLD LAW, P.A.  
Attorneys for Plaintiffs

By: /s/ Robert F. Simon  
Robert F. Simon, Esq.

Dated: December 26, 2019

**CERTIFICATION PURSUANT TO R. 4:5-1**

I hereby certify that the matter in controversy is not the subject of any other court proceeding or arbitration, with the exception of a matter entitled In the Matter of the Application of the Township of Chatham, County of Morris, Superior Court of New Jersey, Morris County Law Division, Docket No. MRS-L-1659-15. To the best of my knowledge and belief, no other parties need to be joined at this time, and no other proceedings are contemplated at this time.

HEROLD LAW, P.A.  
Attorneys for Plaintiffs

By: /s/ Robert F. Simon

Robert F. Simon, Esq.

Dated: December 26, 2019

**DESIGNATION OF TRIAL COUNSEL**

Robert F. Simon, Esq. is hereby designated as trial counsel for the within matter.

HEROLD LAW, P.A.  
Attorneys for Plaintiffs

By: /s/ Robert F. Simon

Robert F. Simon, Esq.

Dated: December 26, 2019

**CERTIFICATION OF TRANSCRIPTS**

Pursuant to R. 4:69-4, I hereby certify that I have ordered the transcripts of all relevant hearings, and that same shall be supplied to the court within the time period required under said Rule.

HEROLD LAW, P.A.  
Attorneys for Plaintiffs

By: /s/ Robert F. Simon

Robert F. Simon, Esq.

Dated: December 26, 2019

# EXHIBIT A

**RESOLUTION 2019-217**

**RESOLUTION OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, AUTHORIZING THE TOWNSHIP ATTORNEY TO REQUEST AN EXTENSION OF THE AFFORDABLE HOUSING COMPLIANCE HEARING**

**A. TOWNSHIP'S AFFORDABLE HOUSING OBLIGATION AND COMPLIANCE MECHANISMS**

**WHEREAS**, on July 7, 2015, the Township of Chatham filed a declaratory judgment action in the Superior Court of New Jersey, Morris County, seeking a judgment fixing the Township's affordable housing obligation for the period of 1999 to 2025, commonly known as the Third Round, and the mechanisms to meet that obligation; and

**WHEREAS**, on December 13, 2018, the Township Committee authorized a Settlement Agreement fixing the Township's Third Round affordable housing obligation at 387 units; and

**WHEREAS**, based upon a Vacant Land Adjustment, the Township's Realistic Development Potential was determined to be 200 units, with the RDP to be met utilizing the following compliance mechanisms:

<u>Affordable Housing Mechanism</u>	<u>Units or Credits</u>
Regional Contribution Agreement with the City of Newark	8
Extension of Expiring Affordability Controls at the Vernon Grove Condominium at Chatham Glen (For sale units)	72
100% Affordable Housing Development at Arbor Green at Chatham (Skate Park) (Family rentals)	24
Bonus credits for family rentals at Arbor Green	24
100% municipally sponsored family rentals at a site or sites to be identified	74
Bonus credits for 100% municipally sponsored family rentals	<u>26</u>
<b>Total</b>	<b>228; and</b>

**WHEREAS**, there is a Third Round unmet affordable housing need of 159 units, the difference between the Third Round obligation of 387 units and the 228 credits; and

**WHEREAS**, unmet need is addressed by utilizing the following mechanisms: a mandatory municipal-wide affordable housing set-aside ordinance and an inclusionary overlay zoning of Block 128, Lot 9, commonly known as Fairmount Commons; and

**WHEREAS**, on February 22, 2019, the Superior Court of New Jersey approved the Settlement Agreement fixing the Township's affordable housing obligation and the mechanisms described above, and required the Township to take the steps necessary to implement the terms of the Settlement by July 22, 2019, including identifying a site or sites for the 74 units of the 100% municipally sponsored affordable housing development; and

**WHEREAS**, through various Case Management Orders, with the last Order being entered on October 31, 2019, that date was extended until the next Case Management Conference scheduled for December 17, 2019; and

**WHEREAS**, the October 31, 2019 Case Management Order provided that the Township's "current immunity from builder's remedy lawsuits shall remain extended until further Order of the Court;" and

**B. ORDINANCES AND RESOLUTIONS IMPLEMENTING SETTLEMENT AGREEMENT**

**WHEREAS**, on September 14, 2019, the Township in furtherance of the Settlement Agreement adopted Resolution 2019-174 Affordable Housing Marketing Plan and Resolution 2019-175 Appointing Municipal Housing Liaison; and

**WHEREAS**, on October 24, 2019, the Township adopted Ordinance 2019-15 Affordable Housing Ordinance, inclusive of a mandatory municipal-wide affordable housing set-aside ordinance; and

**WHEREAS**, on the December 12, 2019 Township Committee Agenda, the following additional implementing Ordinances are scheduled for consideration: Ordinance 2019-19 Fairmount Commons Overlay Zone; Ordinance 2019-20 Payment in Lieu of Taxes Ordinance for Arbor Green at Chatham; Ordinance 2019-22 Development Fee Ordinance; and

**C. PUBLIC COMMENT**

**WHEREAS**, on November 14, 2019, at a duly noticed Township Committee meeting, the Township Administrator presented to the Township Committee the Municipal Building as a site for 65 low and moderate household family rentals, with another site or sites for an additional 9 units to be determined; and

**WHEREAS**, on March 24, 2008, Crane Associates, P.C., issued a Final Report titled "Facility Upgrade Survey/Assessment" which concluded that the Municipal Building required exterior and interior upgrades at a cost of \$3,807,216.00; and

**WHEREAS**, today's estimated cost would be \$4,588,493.35 based upon an inflation rate for the period from 2008 to 2019 according to the Bureau of Labor Statistics; and

**WHEREAS**, the Municipal Building is not fully occupied, with the Board of Education moving out in early 2019; and

**WHEREAS**, the proposal for the Municipal Building arises because the Municipal Building has outlived its useful life requiring extensive renovation to the roof, heating, ventilating and air-conditioning systems, windows and its size exceeds the needs of the municipal work-force which could be more efficiently housed in a new combined Municipal Building and Police Department at the current site of the Police Building; and

**WHEREAS**, the New Jersey Department of Corrections notified the Township that the Police Building does not comply with applicable regulations requiring new holding cells and a secure sally port which could be more efficiently housed in a new combined Municipal Building and Police Department at the current site of the Police Building; and

**WHEREAS**, the Township Administrator determined that a new combined Municipal and Police Building would result in savings to the Township and its taxpayers promoting the efficient expenditure of public funds; and

**WHEREAS**, retooling the current Municipal Building for 65 low and moderate income housing would serve to satisfy a substantial portion of the Township's affordable housing obligation, while preserving the same building footprint, the Senior Center, gym, the ball field, and parking lot facing Mountainview Road; and

**WHEREAS**, on November 14, 2019, the Township Committee heard public comment regarding its designation of the Municipal Building and scheduled a further Special Meeting for November 26, 2019 for additional public comment and discussion regarding that designation; and

**WHEREAS**, on November 26, 2019, the Township Administrator again presented to the Township Committee the basis for the recommendation of the designation, and the Township Committee determined that updated information was necessary regarding the designation of the Municipal Building and that based upon that information that it would reconsider the designation; and

**WHEREAS**, the public comments questioned the need for a new combined Municipal Building and Police Department, in response to these public comments, the Township

Committee determined that the following information was necessary: updating the March, 2008 Crane Associates, P.C., "Facility Upgrade Survey/ Assessment"; obtaining a cost estimate to renovate the current Police Department building to current DOC standards, inclusive of 4 to 6 holding cells and a secure sally port; obtaining a cost estimate to move the Police Department from its current location to the current Municipal Building; obtaining a cost estimate to construct a new combined Municipal and Police Department Building at the current Police Department Building; and

**WHEREAS**, the Township Engineer has been exploring seeking a permit from the New Jersey Department of Environmental Protection to use a portion of the Skate Park property for affordable family rental units in addition to the twenty-four (24) units already approved as Arbor Green at Chatham; and

**WHEREAS**, on December 17, 2019, the Township Administrator and Engineer have a pre-application meeting with the DEP to start the application process; and

**D. REQUEST FOR EXTENSION**

**WHEREAS**, obtaining this updated and additional information requires an extension of time within which to hold the Compliance Hearing and for the Township to file a permit application with the DEP regarding the use of the Skate Park for additional affordable family rental units; and

**WHEREAS**, the Township staff and professionals will reconsider sites that were rejected and consider new sites that present a realistic development potential for a 100% municipally sponsored family rental development or developments; and

**WHEREAS**, based upon the need for this updated and additional information, the Township Committee directs the Township Attorney to seek an extension of the scheduling of the Compliance Hearing as follows:

	<u>Date</u>
a. Vote on Development Fee and Fairmount Commons Overlay Zone Ordinances	December 19, 2019
b. Presentation of updated financial analysis for Municipal Building and Police Department, and designation of Municipal Building or designation of new site or sites for affordable housing	June 11, 2020
c. Township Committee decision regarding designation	June 25, 2020
d. 2020 Housing Element and Fair Share Plan considered by Planning Board	July 6, 2020
e. 2020 Housing Element and Fair Share Plan considered by Township Committee	July 9, 2020
f. Township Committee introduction of remaining implementing ordinances or resolutions	July 9, 2020
g. Township issuing Request for Proposals for Developer or Developers	July 10, 2020
h. Township Committee public hearings on implementing ordinances	August 13, 2020

- i. Township Committee designation of Developer or Developers August 13, 2020
- j. Scheduling and Notice of Compliance Hearing During week of July 20, 2020
- k. Compliance Hearing During week of September 14, 2020;

and

**WHEREAS**, the Township Committee hereby reaffirms the terms and conditions of the Settlement Agreement.

**NOW, THEREFORE, BE IT RESOLVED**, by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey, as follows:

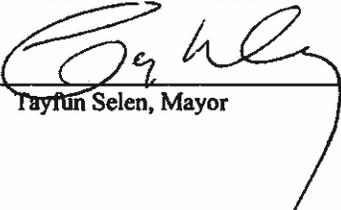
1. The Township Attorney is hereby directed to request that the Superior Court of New Jersey grant an extension of the date for the Compliance Hearing based upon the above circumstances and the proposed schedule.
2. This Resolution shall take effect immediately.

Adopted: December 12, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

  
 Gregory J. LaConte, Clerk

By:   
 Tayfun Selen, Mayor

I, Gregory J. LaConte, Township Clerk of the Township of Chatham in the County of Morris, New Jersey, hereby certify the foregoing to be a true complete copy of a resolution adopted by the Township Committee of the Township of Chatham at a regular meeting held on December 12, 2109.

Date Issued: \_\_\_\_\_

\_\_\_\_\_  
Township Clerk

# EXHIBIT B



Peter J. O'Connor, Esq.  
Kevin D. Walsh, Esq.  
Adam M. Gordon, Esq.  
Laura Smith-Denker, Esq.  
David T. Rammler, Esq.  
Joshua D. Bauers, Esq.

December 13, 2018

Albert E. Cruz, Esq.  
DiFrancesco, Bateman, Kunzman, David, Lehrer, & Flaum, P.C.  
15 Mountain Boulevard  
Warren, New Jersey 07059

**Re: In the Matter of the Application of the Township of Chatham, County of Morris, Docket No. MRS-L-1659-15**

Dear Mr. Cruz:

This letter memorializes the terms of an agreement reached between the Township of Chatham ("Township" or "Chatham"), the declaratory judgment plaintiff, and Fair Share Housing Center, Inc. ("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**

Chatham filed the above-captioned matter on July 7, 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 ("Plan" or "HEFSP") 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 Chatham hereby agree that Chatham's affordable housing obligations are as follows:

{A1056702.1 }

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Rehabilitation Share (per Kinsey Report <sup>1</sup> )	63
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	83
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this Agreement)	387

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 Present Need/ Rehabilitation Share obligation, as determined by a structural conditions survey performed by the Township in accordance with applicable law, and confirmed by Special Master Phillip B. Caton, PP, FAICP, is 6 units. The municipality agrees to address the Present Need established by the Court in accordance with applicable law. The parties agree that the municipality shall not be required to establish a rental rehabilitation program. This is sufficient to satisfy the Township's Present Need obligations.
6. As noted above, the Township has a Prior Round prospective need of 83 units, which is met through the following compliance mechanisms:

Developments/Compliance Mechanisms	Details/Status	Units	Bonuses
Vernon Grove Condominium at Chatham Glen, family for sale units located at Block 64.02, Lots 1.01 to 2.16, and Block 64.03, Lots 1.01 to 2.20	These 75 affordable family for sale units were developed as part of an inclusionary development and sold starting in 1986. The deed restrictions were in effect for a period of 30 years, as set forth in Exh. A to this Agreement.	75	
Group home located at Block 67, Lot 3	During the compliance phase of this matter, the municipality will provide documentation evidencing the creditworthiness of these units.	6	6
Total:		81	6
		87 units	

7. The municipality, as calculated in Exh. B, has a realistic development potential ("RDP") of 200 units. That RDP will be satisfied as follows:

Developments/Compliance Mechanisms	Units	Bonuses
<b>Details/Status</b> 1. <i>Regional Contribution Agreement (RCA) with City of Newark:</i>  This 8-unit RCA was approved by the Council on Affordable Housing on November 6, 1996.	8	

<sup>1</sup> 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, May 2016.

Developments/Compliance Mechanisms Details/Status	Units	Bonuses
<p>2. <i>Vernon Grove Condominium at Chatham Glen, extension of expiring controls on affordable family, for-sale units:</i></p> <p>The documentation evidencing the extension of these controls for a period of at least 30 years is attached as Exh. C. The extension of controls was approved by court order dated May 4, 2018, which is attached hereto as Exh. D.</p>	72	
<p>3. <i>Family rental units created through inclusionary zoning of Block 66, Lot 1, a 30.74-acre parcel with provision of off-site units phased with the market-rate units on a portion of Block 48.16, Lot 117.27 (aka "Skate Park site"):</i></p> <p>On December 14, 2017, the Township adopted Ordinance 2017-15, which applies to Block 66, Lot 1. That ordinance provides for the production of 54 market-rate homes and 24 affordable homes on-site or off-site. The Township has stated that it anticipates that 24 units will be provided at the Skate Park site. The municipality will demonstrate a realistic opportunity for 24 affordable units prior to or at the compliance hearing in this matter by providing an agreement with the developer at least 30 days prior to the compliance hearing in this matter.</p> <p>The Township, in order to show a realistic opportunity, and in view of the fact that the developer would have a 31% set aside if it provides 78 total units, including 24 affordable, agrees to provide an agreement with the developer of Block 66, Lot 1 showing the location of the affordable units and evidencing the developer's obligation to provide the affordable units and stating that the developer agrees the zoning for the site presents a realistic opportunity for the development of affordable housing; that the developer has received an adequate compensatory benefit; that the developer specifically waives any claims that could be brought asserting a taking, inverse condemnation and any related claims; and that the developer waives claims regarding the absence or inadequacy of a compensatory benefit and the absence or inadequacy of incentives of the developer required by <u>N.J.S.A. 52:27D-311h</u>. <del>The developer must agree to waive its right to object at the fairness and compliance hearings in this matter and must agree to comply with the Uniform Housing Affordability Controls, as modified by this Agreement regarding providing units at 30% of median income, and with rents that will be adjusted annually in accordance with paragraph 14 of this Agreement, and must agree that half of the units, rounded up, will be available to low-income households, including 4 that will be available to very low income households.</del></p> <p>Prior to the fairness hearing at which this compliance mechanism is evaluated, the Township agrees to provide a letter from the developer in which the developer acknowledges and endorses the rents that it would receive for the 24 units at the Skate Park site.</p> <p>The developer shall further agree to comply with the following phasing requirements: (a) The developer must submit a building permit application for the Skate Park site by the time the first Certificate of Occupancy is issued for the market rate units at the Dixiedale Development. (b) The developer must complete the foundation for the Skate Park site by the time 40% of the market rate units at the Dixiedale Development is completed. (c) The</p>	24	24

Developments/Compliance Mechanisms Details/Status	Units	Bonuses
Certificate of Occupancy for the Skate Park site must be issued by the time 70% of the market rate units at the Dixiedale Development is completed.		
<p data-bbox="370 409 1120 493">4. <i>Affordable family rental units through the development of a 100% affordable development on a site to be identified and provided by the municipality</i></p> <p data-bbox="321 520 1141 1008">The Township agrees to provide a memorandum of understanding between the Township and a developer for this 100% affordable development and to otherwise provide information necessary to demonstrate a realistic opportunity prior to the hearing at which the fairness of this compliance mechanism is evaluated. At least 30 days prior to the hearing at which the fairness of this compliance mechanism is evaluated, the municipality will identify an appropriate site or sites for 74 affordable family rental units and submit the site or sites for review by the Special Master and FSHC. Prior to the hearing at which the fairness of this compliance mechanism is evaluated, the municipality will acquire or otherwise obtain, including through a tax foreclosure, if necessary, an appropriate site for the 74 affordable family rental units. The parties agree that the municipality may not receive a final judgment in this matter without the identification and provision of an appropriate site for the 74 affordable family rental units and without providing a developer's agreement for the development. The parties further agree that the developer's agreement may be provided after the compliance hearing and shall be provided before the entry of final judgment.</p>	74	26
<b>Total:</b>	178	50 228

8. With a Third Round obligation of 387 units, and 228 credits recognized by paragraph 7, in addition to a 4-unit surplus from the Prior Round, the Township has an unmet need of 155 units (387-228-4=155), which shall be addressed through the following mechanisms:
- a. Within 150 days of the Court's entry of an Order approving the fairness of this settlement, the Township additionally agrees to adopt an ordinance, subject to the ~~review of FSHG and the Special Master, providing that if the Township permits the~~ construction of any multi-family or single-family attached residential development not already included in this Agreement that is "approvable" and "developable," as defined at N.J.A.C. 5:93-1.3, at a gross residential density of 6 units to the acre or more, the Township shall require a 20-percent set-aside of affordable housing. This requirement shall apply beginning with the effective date of the 20-percent set-aside ordinance to any multi-family or single-family attached residential development, including the residential portion of a mixed-use project, which consists of six (6) or more new residential units, whether permitted by a zoning amendment, a variance granted by the Township's Planning or Zoning Board, or adoption of a Redevelopment Plan or amended Redevelopment Plan in areas in need of redevelopment or rehabilitation. Nothing in this paragraph precludes the Township from imposing an affordable housing set-aside in a development not required to have a set-aside pursuant to this paragraph consistent with N.J.S.A. 52:27D-311(h) and other applicable law. This requirement does not create any entitlement for a property owner or applicant for a zoning amendment, variance, or adoption of a Redevelopment Plan or amended Redevelopment Plan in areas in need of redevelopment or rehabilitation, or for approval of any particular proposed

- project. This requirement does not apply to any sites or specific zones otherwise identified in the Settlement Agreement or HEFSP, for which density and set-aside standards shall be governed by the specific standards set forth therein. A property shall not be permitted to be subdivided so as to avoid meeting this requirement.
- b. Overlay zone permitting family rental or for sale units at Block 138, Lot 1, a 3.2-acre parcel that is currently used for an office building. The Township will adopt an overlay zone to permit 12 units to an acre with a 20% set-aside if for sale, and 15% set-aside if for rental.
9. The Township will provide a realistic opportunity for the development of affordable housing through the adoption of inclusionary zoning on the following site, as addressed fully above in paragraph 7:
- a. Block 66, Lot 1, a 30.24-acre parcel with provision of off-site units phased with the market-rate units on a portion of Block 48.16, Lot 117.27 (aka "Skate Park site")
10. The Township has assumed certain obligations with regard to providing affordable housing through means other than inclusionary zoning, as follows:
- a. The non-inclusionary compliance mechanisms are as follows:
    - i. The Township has already extended controls on 72 affordable family for-sale units as documented in Exhs. C and D to this Agreement. This is sufficient to receive credits for those units, provided that during the compliance phase of this matter the municipality demonstrates how it will fund the financial contributions required with regard to those units.
    - ii. Affordable family rental units through the development of a 100% affordable development on a site to be identified and provided by the municipality
  - b. 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 and compliance mechanisms. 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 intends to provide a stable alternative source, such as affordable housing developer fees or municipal bonding, in the event that the funding request is not approved. The Township will meet those obligations in accordance with the deadlines established by paragraph 7 of this Agreement and prior to the compliance hearing in this matter.
  - c. In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments and compliance mechanisms, 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 by June 30, 2021. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity. The Township will meet those obligations in accordance with the deadlines established by paragraph 7 of this Agreement and prior to the compliance hearing in this matter.
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 Township will demonstrate how it will comply with this requirement during the compliance phase of this matter.

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 7 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, including unmet 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, including unmet 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, including unmet need, 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, including unmet need.
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, the Morris County Chapter of the NAACP, Newark NAACP, East Orange NAACP, Housing Partnership for Morris County, Community Access Unlimited, Inc., Northwest New Jersey Community Action Program, Inc. (NORWESCAP), Homeless Solutions of Morristown, and the Supportive Housing Association, and 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. 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 the Council on Affordable Housing ("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 ("UHAC") 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 the United States Department of Housing and Urban Development ("HUD") as follows:

- a. Regional income limits shall be established for the region that the Township is located within (i.e. Region 2) 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 Exh. E are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2018, 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 fifty (150) days of Court's approval of this Agreement, the Township shall introduce and adopt 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 Morris 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 and FSHC will consent to amend the judgment in this matter to reduce the Township's 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 and retaining 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, 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 FSHC, using forms previously developed for this purpose by the COAH 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. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of the Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any

mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the Court regarding these issues.

- 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 FSHC, 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 FSHC, 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. The parties will request that the Court conduct the review and approval of this Agreement and compliance with the Agreement and applicable law as follows:

- a. The fairness of this Agreement must be evaluated by the Court in accordance with 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), and East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996).
- b. The parties will request that this Agreement be the subject of two hearings. The first hearing will evaluate the fairness of the present and prospective need obligations assigned to the municipality; the RDP; and all compliance mechanisms intended to satisfy the RDP and address unmet need, with the exception of the 74-unit 100% affordable family rental development on a site to be identified and provided by the municipality. Upon approval of this Agreement at the first hearing, FSHC shall sign a Stipulation of Dismissal with Prejudice and Without Costs in that litigation styled Fair Share Housing Center, Inc. v. Township of Chatham, County of Morris, State of New Jersey, Superior Court of New Jersey, Law Division, Morris County, Docket No. MRS-L-000234-18. The parties agree to request that the Court schedule the first hearing to occur in February 2019.
- c. The second hearing will be a fairness hearing and a compliance hearing, with the fairness review at the second hearing being limited to the 74-unit 100% affordable family rental development on a site or sites to be identified and provided by the municipality. The parties agree to request that the Court schedule the second hearing to occur in July 2019.
- d. The Township shall present its planner as a witness at the hearings scheduled to evaluate fairness and compliance.
- e. The parties agree to support this settlement at the fairness hearing.

- f. As part of the order finding that the municipality has complied with the terms of this Agreement and taken all necessary steps, following the second hearing, 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.
23. The Township agrees to pay FSHC's attorneys fees and costs in the amount of \$15,000 within forty-five (45) days of the Court's approval of this Agreement pursuant to a duly-noticed fairness hearing. By separate agreement between the Township and Southern Boulevard Urban Renewal, LLC, this fee is to be paid within thirty (30) days of the Court's approval of components of this Agreement following the first hearing. In the event Southern Boulevard Urban Renewal, LLC, does not pay the fees to FSHC within thirty (30) days of the approval of this Agreement by the Court following the first hearing, the Township agrees to pay that amount to FSHC within fifteen (15) days of a request being made by FSHC to the Township for the funds.
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 Law Division unless and until an appeal of the Law Division's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the Law Division'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, Morris County.
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 attached to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits 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. 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:**

Kevin D. Walsh, Esq.  
Fair Share Housing Center  
510 Park Boulevard  
Cherry Hill, NJ 08002  
Phone: (856) 665-5444  
Email: kevinwalsh@fairsharehousing.org

**TO THE TOWNSHIP:**

Albert E. Cruz, Esq.  
DiFrancesco, Bateman, Kunzman, David, Lehrer, & Flaum, P.C.  
15 Mountain Boulevard  
Warren, New Jersey 07059  
Email: acruz@newjerseylaw.net

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

Greg LaConte, Township Clerk  
58 Meyersville Road  
Chatham, NJ 07928  
Email: glaconte@chathamtownship.org

December 13, 2018  
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**WITH A COPY TO THE  
TOWNSHIP  
ADMINISTRATOR:**

Thomas Ciccarone, Township Administrator  
58 Meyersville Road  
Chatham, NJ 07928  
Email: tciccarone@chathamtownship.org

Please sign below if these terms are acceptable.

Sincerely,



Kevin D. Walsh, Esq.  
Counsel for Intervenor/Interested Party  
Fair Share Housing Center

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

  
Dated: 12/13/18

List of Exhibits

<u>Exhibit</u>	<u>Document</u>
<u>A</u>	<u>Portion of original Vernon Grove Condominium Master Deed with thirty (30) year affordable housing deed restriction recorded on September 24, 1986 in Book 2889, beginning at Page 661</u>
<u>B</u>	<u>Vacant Land Analysis prepared by Francis J. Banisch, III, PP/AICP</u>
<u>C</u>	<u>Amendment to Vernon Grove Condominium Master Deed Extending Affordability Controls Thirty Years from September 24, 2016 recorded on May 1, 2018 in Book 23336, beginning at Page 727</u>
<u>D</u>	<u>Partial Judgment on Partial Fairness Hearing filed on May 4, 2018</u>
<u>E</u>	<u>2018 Affordable Housing Regional Income Limits by Household Size</u>

December 13, 2018  
Page 14

**Exhibit A: Portion of original Vernon Grove Condominium Master Deed with thirty (30) year affordable housing deed restriction recorded on September 24, 1986 in Book 2889, beginning at Page 661**

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{A1056702.1 }

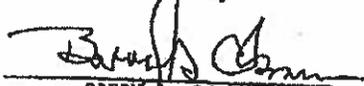
MASTER DEED  
FOR  
VERNON GROVE CONDOMINIUM

101460

Developed by  
BAKER FIRESTONE LIMITED PARTNERSHIP  
485 Washington Avenue  
Pleasantville, New York 10570

DATED: August 21, 1986

Prepared by:

  
BARRY A. OSMUN

Record and Return to:  
CPUMY, DEL DEO, DOLAN, GRIFFINGER & VECCHIONE  
A Professional Corporation  
One Gateway Center  
Newark, New Jersey 07102-5311

RECEIVED  
SEP 24 1 54 PM '86  
*Joseph J. Bell*  
MORRIS COUNTY CLERK

COUNTY OF MORRIS.  
OWNERSHIP ... *N.O.S.*  
... BY TRANSFER ... *Joseph J. Bell*  
SEP 24 1986 ... *J.A.B.*

ck  
PAID  
284.<sup>00</sup>  
*eferr*

EQ-2860 REC 661

nothing contained in this paragraph or elsewhere in this Master Deed shall be deemed to constitute a submission of the Remaining Property or any portion thereof to the Condominium Act.

ARTICLE 17

COVENANTS AND RESTRICTIONS

1. Each Condominium Unit Owner, by virtue of his being the owner of a Unit in the Condominium, and each owner of other real property within the Community, by virtue of such ownership, will automatically become a member of the Community Association and does hereby covenant and agree to be bound by all of the provisions contained in the Condominium Documents including, but not limited to, the By-Laws of the Community Association, as such documents presently exist or as they may be amended in the future.

2. No Condominium, no Condominium Association, no Condominium Unit Owner, no real estate owner, and no tenants in common as hereinafter provided, within the Community, shall terminate its or their respective membership in the Community Association, and unless and until such termination is approved by a vote of not less than ninety (90%) percent of the Condominium Unit Owners in each and every of the condominiums in the Community ninety (90%) percent of such real estate owners and ninety (90%) percent of such tenants in common within the Community.

3. Each Condominium Unit Owner, by virtue of his being the owner of a Unit in the Condominium, does hereby covenant and agree to be bound by all of the restrictions, rules and regulations established by the Glenwood Housing Corporation including, without limitation, those provisions contained in the Glenwood Housing Corporation's Procedures for Selection and Resale, as such document presently exists or as it may be amended from time to time. The provisions of such Procedures for Selection and Resale, which is included as a part hereof as Exhibit "I", include without limitation eligibility criteria for the selection of purchasers of Units, restrictions on pricing and rental of Units and resale restrictions and requirements. Such restrictions shall run for a period of thirty (30) years following the recording of this Master Deed.

4. None of the provisions of any of the Condominium Documents shall be altered, amended or modified except by such procedure as may be specified in such document or, in the absence of any such specified procedure, by a vote of not less

than two-thirds (2/3) of the Unit Owners and two-thirds (2/3) of such real estate owners, and two-thirds (2/3) of the tenants in common as hereinafter set forth; provided, however, only the Unit Owners of the Condominium shall, except as may otherwise be reasonably required in order to maintain community-wide uniformity, have the right to adopt and effect any alteration, amendment, or modification which pertains solely to the Condominium.

5. The rights, restrictions, licenses, privileges, benefits and burdens established by and under this Article of the Master Deed shall be perpetual, except that the restrictions on resale and leasing contained in Glenwood Housing Corporation's Procedures for Selection and Resale shall expire on the thirty-first anniversary of the recording of this Master Deed, and shall run with the land. They shall continue as stated for as long as any portion of the Condominium Property remains subject to the provisions of the Condominium Act. All of the provisions thereof shall be binding upon and shall inure to the benefit of the owner of all or of any part thereof or interest therein, and his heirs, executors, administrators, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public.

Upon removal of all or any portion of the Condominium Property from the provisions of said Act, Unit Owners of the Condominium so removed shall continue to be members of the Community Association in all respects including, but not limited to, the maintenance and management of all Community Facilities administered by the Community and their proportionate contribution toward the maintenance, repair and replacement of such Community Facilities. Upon dissolution of the Community Association under the corporate laws of the State of New Jersey all property of the Community Association shall be distributed in the manner set forth in the By-Laws thereof at the same may exist at such time.

Notwithstanding the foregoing, as long as Community Facilities of the type described herein owned and/or operated by the Community Association remain in operation, there shall be an association, incorporated or unincorporated, which shall maintain, manage and operate such Community Facility in the same manner as though the users thereof were subject to the provisions of the Condominium Act. To effectuate the foregoing, such users shall form an association, which association to the extent practicable shall have all of the powers attributed to an association of Unit Owners under the Condominium Act. All the rights, restrictions, licenses, privileges, benefits and burdens established by this instrument

shall, to the extent applicable to such Association, remain in full force and effect.

6. The Condominium is subject to all covenants, restrictions and easements of record, zoning and other municipal and other governmental ordinances and regulations and to the following restrictions:

(a) Each of the Units may be used only as a private residence for a single family by the Unit Owner thereof or by his permitted lessees and the members of said lessee's immediate family subject, however, to applicable governmental regulations and the By-Laws and Rules and Regulations of the Condominium Association and the Community Association. Notwithstanding the foregoing, the Developer may, without the permission of the Board of Trustees, retain one or more Units for use as models, sales and administrative offices in connection with the sale or rental of the Units. All such use will terminate no later than April 30, 1989. Such retention and use by the Developer will not create any right of Board of Trustee membership beyond the phase out of Developer membership on the Board set forth in the By-Laws of the Condominium Association.

(b) No clothes poles or lines shall be installed or maintained in the Common Elements or Limited Common Elements.

(c) No animals, livestock or poultry of any kind shall be raised, bred or kept in any Unit or in the Common Elements. Dogs, cats or other household pets are permitted, not to exceed two per Unit, provided that they are not kept, bred or maintained for any commercial purpose and that they are housed within the Unit. No outside animal pens or yards shall be permitted; all walking pets must be leashed and all other pets must be in an enclosed cage or other container whenever they are anywhere on the Community Property outside of the Unit of their owner. Each Unit Owner is responsible for properly disposing of any excrement from his pet.

(d) No trailer, tractor (except a small garden tractor), truck (commercial or unregistered), mobile home, recreation vehicle, boat trailer or the like shall be stored or housed on the Condominium Property. All vehicles on the Property must be kept in operable condition and have current plates and inspection stickers.

(e) No portion of the Common Elements or other portion of the Condominium Property shall be used or maintained for the dumping of rubbish or debris. Trash, garbage or other waste shall be kept in sanitary containers on the Property for weekly or more frequent collection.

(f) No exterior loudspeakers other than as contained in portable radios or television sets shall be permitted. No unshielded floodlights shall be installed in any exterior area of any Unit.

(g) No business, trade or profession shall be conducted in any Unit without the prior approval of all municipal and other governmental bodies having jurisdiction over such matters. In the event formal approval is obtained for any such proposed use, the Unit so affected shall in all events be restricted to the office of that of a physician, dentist or other practitioner of the healing arts and sciences, attorney at law, accountant, professional engineer, architect or artist, and the use of the Property for any such purpose shall be restricted to not more than fifty percent (50%) of the livable area of the Unit; and no exterior sign shall be erected or displayed except one nonilluminated sign, which shall be no larger than eight inches in height and thirty inches in length.

(h) No external or visible radio, television, or any type of communication aerial shall be installed or affixed on or about the exterior of any Building constructed or erected on the Property or elsewhere on such Property without the prior written consent of the Association.

(i) No signs of any kind shall be permitted upon the Property except as provided in section (g) above.

(j) In order to provide an orderly procedure in the case of title transfers and to assist in the maintenance of a current, up-to-date roster of Unit Owners, the Owner of a Unit shall give the Secretary of the Condominium Association timely notice of his intent to list his Unit for sale and upon closing of title, the Unit Owner shall forthwith notify such Secretary of the names and home addresses of the purchasers and their institutional mortgage lender, if any.

(k) No Unit Owner or occupant shall build, plant or maintain any matter or thing upon, in, over or under the Common Elements without the prior written consent of the Association.

(l) No Unit Owner or occupant shall burn, chop or cut anything on, over or above the Common Elements.

(m) Unit Owners shall not have any right to paint or otherwise decorate or change the appearance of any portion of the exterior of any Building.

(n) To the extent that equipment, facilities and fixtures within any Unit(s) shall be connected to similar

equipment, facilities or fixtures affecting or serving other Unit(s) or the Common Elements, then the use thereof by the individual Unit Owners shall be subject to the By-Laws and the Rules and Regulations of the Association.

(c) Nothing shall be done or kept in any Unit or in or upon the Common Elements which will increase the rates of insurance of the Building(s) or the contents thereof beyond the rates applicable for Units without the prior written consent of the Association. No Unit Owner shall permit anything to be done or kept in his Unit or in or upon the Common Elements which will result in the cancellation of insurance on any of the Buildings or the contents thereof or which will be in violation of any law.

(p) No noxious or offensive activities shall be carried on, in or upon the Common Elements or in any Unit nor shall anything be done therein either willfully or negligently which may be or become an annoyance or nuisance to the other residents in the Condominium.

(q) No immoral, improper, offensive or unlawful use shall be made of any Unit; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(r) Nothing shall be done to any Unit or on or in the Common Elements which will impair the structural integrity of any Building or which will structurally change a Building. No Unit Owner (other than the Developer) may make any structural additions, alterations or improvements in or to his Unit or in or to the Common Elements without the prior written approval of the Association or impair any easement without the prior written consent of the Association. The Board of Trustees of the Association shall have the obligation to answer any written request received by it from a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit within forty-five (45) days after receipt of such request and failure to do so within the stipulated time shall constitute a consent to the proposed structural addition, alteration or improvement. Any application to any municipal authority for a permit to make an addition, alteration or improvement in or to any Unit must be approved by the Association and, if approved, shall be executed by the Board of Trustees of the Association and may then be submitted by the Unit Owner. Such approval, however, shall not incur any liability on the part of the Association to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

The Unit Owner shall furnish the Association with a copy of any such permit which he has procured. The provisions of this subparagraph (r) shall not apply to Unsold Units until such Unsold Units have been initially sold and conveyed by the Developer.

(s) Draperies, blinds, curtains or other window coverings must be installed by each Unit Owner on all windows of his Unit and must be maintained in said windows at all times. All floor areas in a Unit must be covered by padding, carpeting, area rugs, tile or linoleum of a size and quality reasonably acceptable to the Association. These provisions shall not apply to any Unit(s) owned by the Developer.

(t) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably intended and suited and which are incident to the use and occupancy of the Units.

(u) Units may be rented only upon prior written approval of the Chatham Township Affordable Housing Committee (the "Committee"), at a rental determined by the Committee in accordance with the Glenwood Housing Corporation's Procedures for Selection and Resale, the Master Deed and By-Laws of the Condominium Association, and the By-Laws of the Community Association. Eligibility criteria for renters shall be the same as for the selection of initial purchasers pursuant to the provisions of the Glenwood Housing Corporation's Procedures for Selection and Resale.

In addition to the foregoing restrictions, no Unit owner may lease less than an entire Unit. Further, the right to lease a Unit is conditioned on said Lease being in writing and expressly made subject to all provisions of this Master Deed, the By-Laws of the Association, the Glenwood Housing Corporation's Procedures for Selection and Resale and all other Condominium Documents as defined herein, including the right of amendment reserved to Developer herein, and provided further that any failure of the Lessee to fully comply with the terms and conditions of such documents shall constitute a default under the Lease.

In the event a tenant of a Unit defaults under his lease by failure to comply with the provisions of this Master Deed or any of the other Condominium Documents, then, in addition to all other remedies which it may have, the Condominium Association shall notify the Unit Owner of such default(s) and demand that the same be cured through the Unit Owner's efforts within thirty (30) days after such notice. If any such default is not cured within said thirty (30) day

period, then the Unit Owner shall immediately thereafter, at his own cost and expense, institute and diligently prosecute an eviction action against his tenant on account of such default(s). Such action shall not be compromised or settled without the prior written consent of the Association. In the event the Unit Owner fails to fulfill the foregoing obligation, then the Association shall have the right, but not the duty, to institute and prosecute such action as attorney-in-fact for the Unit Owner and at the Unit Owner's sole cost and expense, including all legal fees incurred. Said costs and expenses shall be deemed to constitute a lien on the particular Unit involved, and collection thereof may be enforced by the Association in the same manner as the Association is entitled to enforce collection of Common Expenses. By acceptance of a deed to any Unit, each and every Unit Owner does thereby automatically and irrevocably name, constitute, appoint and confirm the Association as his attorney-in-fact for the purposes described in this subparagraph (u).

(v) Each Unit Owner shall have the right to mortgage or encumber his Unit in accordance with the By-Laws of the Condominium Association.

(w) All property taxes, special assessments and other charges imposed by any taxing authority are to be separately assessed against and collected on each Unit as a single parcel as provided in the Condominium Act. In the event that for any year such taxes are not separately taxed to each Unit, but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his proportionate undivided percentage interest in the Common Elements.

(x) Each Unit Owner shall pay for his own telephone and other utilities, if any, which are separately metered or billed to each user by the respective utility company. Utilities which are not separately metered or billed shall be treated as part of the Common Expenses.

(y) Nothing contained in any provision of this Article or any other provisions of this Master Deed shall prohibit or impair the establishment by the Condominium Association and/or the Community Association, in conformity with the Condominium Documents, of other or different covenants and/or restrictions as may from time to time appear proper, necessary or desirable in the management of the Condominium.

December 13, 2018  
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**Exhibit B: Vacant Land Analysis prepared by**  
**Francis J. Banisch, III, PP/AICP**

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## Parcels Contributing to Realistic Development Potential

### Vacant Parcels Outside SSA Contributing to Realistic Development Potential (RDP)

MAP ID	Block	Lot	GIS Acres	Prop Code	PropLoc	Zoning	OwnName	SSA	Constrained Acres	Developable Area	6 Units/Acre	20% set aside
1	48.21	181.01	2.139	3B	GREEN VILLAGE RD REAR	R-1	DE POORTERE, ROBERT E & MAUREEN	N	1.62	0.519	3.114	0
2	63	4	1.144	1	RIVER RD	R-2	O HANLON, CAROL & COOK, JOANNE	N	0.54	0.604	3.624	0
3	139	3.02	1.813	1	SPRING VALLEY RD	R-1	PASTERNAK, BLASE & IZA	N	1.183	0.63	3.78	0
4	48.21	181	1.374	3B	GREEN VILLAGE RD REAR	R-1	DE POORTERE, ROBERT E & MAUREEN	N	0.7	0.674	4.044	0
5	48.2	188	14.727	1	BRITTEN RD REAR	R-1	MURPHY, DONALD A & ELIZABETH	N	13.847	0.88	5.28	1
6	48.21	180	1.935	3B	533 GREEN VILLAGE RD	R-1A	FERBER, VIRGINIA B	N	1.04	0.895	5.37	1
7	48.21	165.04	3.728	1	GREEN VILLAGE RD	R-3	MILLER, DANIEL S	N	2.63	1.098	6.588	1
8	139	15	3.206	1	10 LOANTAKA LN SO	R-1	PAPATHOMAS, JAMES ETAL	N	2.05	1.156	6.936	1
9	48.19	157	10.512	1	BRITTEN RD	R-1	RICE, DANIEL C & MARIE J	N	8.73	1.782	10.692	2
10	48.2	183	15.938	3B	BRITTEN RD	R-1A	RIECK, JOHN JR & JANE-CZA FARMS	N	14.08	1.858	11.148	2
11	143	1.05	2.592	1	TREADWELL AVE	R-1	GASSER, ROBERT C & KARYN ANN	N	0.19	2.402	14.412	2
12	48.18	144	7.607	3B	425 GREEN VILLAGE RD	R-1A	HINDS, ROSE DORIS, TRUSTEE	N	2.82	4.787	28.722	5
13	144	19.03	13.574	3B	LOANTAKA WAY	R-1	PLATT, HELEN MEAD, TRUSTEE	N	7.44	6.134	36.804	7
14	48.21	174	25.895	3B	GREEN VILLAGE RD	R-1	FERBER, VIRGINIA B	N	19.72	6.175	37.05	7
15	48.18	140	28.877	3B	GREEN VILLAGE RD	R-1	BRILL, JAMES	N	14.19	14.687	88.122	17
										<b>61.082</b>	<b>366.492</b>	<b>46</b>

## Parcels Contributing to Realistic Development Potential

Vacant Parcels in SSA Contributing to Realistic Development Potential (RDP)

Map ID	Block	Lot	Acres	Tax Class	Property Location	Owner	Constrained	Developable	# Units	Low/Mod Units @ 20% Set Aside
A	66	1	30.7	3B	Hillside Avenue	Harr	4.2	26.5	238.5 @ 9/ac	47
B	67	17	4	3B	Hillside Avenue	Harr	2.1	1.9	17.1 @ 9/ac	3
C	138	1	3.4	1	Shunpike Road	Fuller	0.2	3.2	19.2 @ 6/ac	3
D	142	1 & 2 Giralda	136	15C	Woodland Avenue	Chatham Township	109.9	26.1	156.6 @ 6/ac	31
E	48.15	117	32.7	4A	Shunpike Road	Fairmount CC	10.8	21.9	262 @ 12/acre	52
F	144	33	13.7	15D	Green Village Road	Oak Knoll School	4.6	7.7	91 @ 12/acre	18
							131.8	87.3	784.4	154

RDP from SSA            154  
 RDP from non-SSA    46  
**Townwide RDP        200**

December 13, 2018  
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**Exhibit C: Amendment to Vernon Grove Condominium Master Deed Extending  
Affordability Controls Thirty Years from September 24, 2016 recorded on  
May 1, 2018 in Book 23336, beginning at Page 727**

{A1056702.1 }

<b>Morris County Recording Cover Sheet</b>    Honorable Ann F. Grossi, Esq. Morris County Clerk		MORRIS COUNTY, NJ Ann F. Grossi AMND-OR BOOK 23336 PG 727 RECORDED 05/01/2018 10:45:52 FILE NUMBER 2018023696 RCPT # 1348458; RECD BY: SKEEFE eRecord RECORDING FEES 80.00 INDEX FEE
<i>Official Use Only - Realty Transfer Fee</i>		<i>Official Use Only - Barcode</i>
Date of Document: 2017-09-18	Type of Document: AMENDMENT TO MASTER DEED	
First Party Name: Vernon Grove Condominium Association, Inc.	Second Party Name: Vernon Grove Condominium Association, Inc.	
Additional Parties:		

<b>THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY</b>	
Block:	Lot:
Municipality:	
Consideration:	
Mailing Address of Grantee:	

<b>THE FOLLOWING SECTION IS FOR ORIGINAL MORTGAGE BOOK &amp; PAGE INFORMATION FOR AN ASSIGNMENT, RELEASE, OR SATISFACTION OF A MORTGAGE OR AN AGREEMENT RESPECTING A MORTGAGE</b>	
Original Book: 2889,	Original Page: 881,

<b>MORRIS COUNTY RECORDING COVER SHEET</b> Please do not detach this page from the original document as it contains important recording information and is part of the permanent record.  <b>WARNING: Information contained on the Recording Cover Sheet must exactly match the information within the attached document or the document will be rejected and returned.</b>
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**AMENDMENT TO THE MASTER DEED EXTENDING AFFORDABILITY CONTROLS  
THIRTY YEARS FROM SEPTEMBER 24, 2016**

Dated: 9/19/17

Prepared By:

  
\_\_\_\_\_  
Daniel Barros, Esq.

Record and return to:  
Cutolo Barros LLC  
151 Highway 33 East, Suite 204  
Manalapan, New Jersey 07726

**AMENDMENT TO THE MASTER DEED EXTENDING AFFORDABILITY  
CONTROLS THIRTY YEARS FROM SEPTEMBER 24, 2016**

**WHEREAS**, the Association was established and exists as a non-profit corporation and by virtue of a certain Master Deed, recorded on September 24, 1986, in the Office of the Clerk of Morris County in Deed Book 2889, Page 681, *et seq.*, as may be amended (the "Master Deed"); and

**WHEREAS**, Article 30, Section B of the Master Deed provides, in part, that, "[t]his Master Deed may be amended at any time after the date hereof by a vote of at least two-thirds (2/3) of all Unit Owners at any meeting of the Association duly held in accordance with the provisions of the By-Laws of the Association, provided, however, that any such amendment shall have been approved in writing by each bank, mortgage banker or other institutional holder of a first mortgage on any Unit, which approval shall not be unreasonably withheld, and provided that any such amendment shall not impair the property rights of any Unit Owner or be contrary to the requirements of the Condominium Act, N.J.S.A. 46:8b-1 *et. seq.*, as amended and as the same may from time to time be amended. No amendment shall be effective until recorded in the Office of the Clerk of Morris County, New Jersey..."; and

**WHEREAS**, Article 14 of the Master Deed provides, in pertinent part, "[e]ach Owner or occupant of a Unit shall comply with, and shall assume ownership or occupancy subject to, law, rules and regulations of governmental authorities having jurisdiction over the Condominium, the provisions of this Master Deed, the Articles of Incorporation, the By-Laws and Rules and Regulations of the Condominium Association and the Community Association and any other documents, amendments or supplements to the foregoing as described in Article 2 hereof."; and

**WHEREAS**, Article 14 of the Master Deed provides "[u]pon acceptance of a Deed to a Unit, each Unit Owner shall automatically become a member of the Condominium Association and the Community Association and shall be a member for so long as he shall hold legal title to his Unit, subject to all provisions of this Master Deed, the Condominium Act, the Articles of Incorporation, the By-Laws and the Rules and Regulations which may now or hereafter be established for or by such Condominium and Community Association."; and

**WHEREAS**, Article 17 Section 1 of the Master Deed provides that "[e]ach Condominium Unit Owner, by virtue of his being the owner of a Unit in the Condominium, and each owner of other real property within the Community, by virtue of such ownership, will automatically become a member of the Community Association and does hereby covenant and agree to be bound by all of the provisions contained in the Condominium Documents including, but not limited to, the By-Laws of the Community Association, as such documents presently exist or as they may be amended in the future."; and

**WHEREAS**, Article 17 Section 3 of the Master Deed provides that "[e]ach Condominium Unit Owner, by virtue of his being the Owner of a Unit in the Condominium, does hereby covenant and agree to be bound by all of the restrictions, rules and regulations established by the Glenwood Housing Corporation, including, without limitation, those provisions contained in the Glenwood Housing Corporation's Procedures for Selection and Resale, as such document presently exists or as it may be amended from time to time. The provisions of such Procedures for Selection and Resale, which is included as a part hereof as Exhibit "I", include without limitation eligibility

criteria for the selection of purchasers of Units, restrictions on pricing and rental of Units and resale restrictions and requirements. Such restrictions shall run for a period of thirty (30) years following the recording of this Master Deed.”; and

**WHEREAS**, Article 17 Section 5 of the Master Deed provides that “[t]he rights, restriction, licenses, privileges, benefits and burdens established by and under this Article of the Master Deed shall be perpetual, except that the restrictions on resale and leasing contained in Glenwood Housing Corporation’s Procedures for Selection and Resale shall expire on the thirty - first anniversary of the recording of this Master Deed, and shall run with the land. They shall continue for as long as any portion of the Condominium Property remains subject to the provisions of the Condominium Act. All of the provisions thereof shall be binding upon and shall inure to the benefit of the owner of all or of any part thereof or interest therein, and his heirs, executors, administrators, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public.”;

**WHEREAS**, Article 24 of the Master Deed provides that “[e]ach Owner or occupant of a Unit shall comply with, and shall assume ownership or occupancy subject to laws, rules and regulations of governmental authorities having jurisdiction over the Condominium, the provisions of this Master Deed, the Articles of Incorporation, By-Laws and Rules and Regulations of the Condominium Association and any other documents, amendments or supplements to the foregoing as described in Article 2M hereof, the Articles of Incorporation, By-Laws and Rules and Regulations of the Community Association and to the Glenwood Housing Corporation’s Procedures for Selection and Resale.”; and

**WHEREAS**, the Board of Trustees of the Association and the Membership decided to amend the Master Deed as set forth below; and

**WHEREAS**, a proposed amendment to the Master Deed was placed before the Membership of the Association for approval; and

**WHEREAS**, the necessary quorum of Members was present, either in person or by proxy, to conduct the meeting; and

**WHEREAS**, at least two thirds (2/3) of all Members attending a special meeting on September 19, 2017, either in person or by proxy, did indeed vote in favor of amending the Master Deed and By-Laws; and

**WHEREAS**, the Board of Trustees has determined that it is in the best interest of the Association to have such Amendment recorded in the Morris County Clerk’s Office, the Amendment is now hereby submitted for recording in the Morris County Clerk’s Office.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The Members of the Association voted to amend and did so amend Article 17.3 of the Master Deed to read as follows, with the amended language being set forth in bold:

Each Condominium Unit Owner, by virtue of his being the Owner of a Unit in the Condominium, does hereby covenant and agree to

be bound by all of the restrictions, rules and regulations established by the Glenwood Housing Corporation, including, without limitation, those provisions contained in the Glenwood Housing Corporation's Procedures for Selection and Resale, as such document presently exists or as it may be amended from time to time. The provisions of such Procedures for Selection and Resale, which is included as a part hereof as Exhibit "I", include without limitation eligibility criteria for the selection of purchasers of Units, restrictions on pricing and rental of Units and resale restrictions and requirements. Such restrictions shall run for a period of thirty (30) years from September 24, 2016 and the affordability control restrictions are extended on each individual Unit in Vernon Grove Condominium for thirty (30) years from September 24, 2016.

- 2. All other terms and conditions of the Master Deed and By-Laws remain in full force and effect.
- 3. Should any provision hereof be determined to be invalid, the remaining provisions hereof shall remain in full force and effect.
- 4. Any provision contained within any previously adopted resolution or amendment of the Association that conflicts with any provisions set forth herein shall be deemed void and the provision contained herein shall govern.

IN WITNESS WHEREOF, Vernon Grove Condominium Association, Inc. has caused this instrument to be executed by its duly authorized representative this 19 day of SEPTEMBER, 2017.

Witness/Attestator  
[complete below]

Vernon Grove Condominium Association, Inc.  
[complete below]

Signature: [Handwritten Signature]

Signature: [Handwritten Signature]

Name: JENNIFER KERWIN

Name: ANDREA VEZZOSI-CERZA

Title: Secretary

Title: President

Date: [m] 9 / [d] 19 / [y] 2017

Date: [m] 9 / [d] 19 / [y] 2017

CORPORATE ACKNOWLEDGMENT

STATE OF NEW JERSEY )  
 ) : SS.  
COUNTY OF MORRIS )

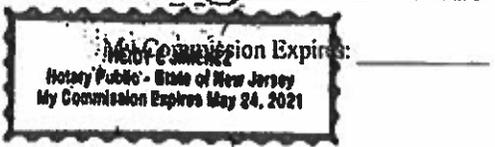
I CERTIFY that on the 19 day of SEPTEMBER 2017, [print] JENNIFER KERWIN personally appeared before me and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the Secretary of Vernon Grove Condominium Association, Inc, a non-profit corporation of the State of New Jersey, named in this document;
- (b) this person signed this document as attesting witness for the proper corporation officer who is [print] ANDREA VERZOSI CERZA the President of the corporation;
- (c) this person knows the proper corporate seal of the corporation and the proper corporate seal was affixed; and
- (d) this document was signed and delivered by the corporation as its voluntary act and deed by virtue of authority from its Board of Trustees.

Signature: Jennifer Kerwin  
Name: JENNIFER KERWIN  
Title: Secretary

[notarize]  
Signed and sworn before me on  
September 19<sup>th</sup>, 2017.

Heidy E. Jimenez  
NOTARY PUBLIC OF NEW JERSEY



**Simplifile E-recording Banking Detail**  
Detail View

Prepared for: Elizabeth Smith  
Included Organization: Cutolo Barros, LLC  
For the period: 05/01/2018  
Account number: NJTBTR  
Report generated: 05/01/2018 09:18 PM MDT

**Charges**

NAME	TYPE	PG	ENTRY	RECORD DATE	AMT	SF	TOTAL
<b>Morris County, NJ</b>							
<b>May 1, 2018</b>							
<b>Master Deed</b>							
2018.4.30 Amendment to the By-Laws	AMENDMENT TO MASTER DEED	6	E.2018023898 B 23338 P.72Z	05/01/2018 10:45 AM EDT	80.00 A	4.50 A	84.50
<b>Totals for Morris County, NJ</b>					<b>80.00</b>	<b>4.50</b>	<b>84.50</b>
<b>LICENSE</b>							
License and Support Fee					0.00	295.00 B	295.00
						295.00	295.00
<b>Total of All Charges</b>					<b>80.00</b>	<b>299.50</b>	<b>379.50</b>

**Payments**

PAYMENT PROCESSING	DESCRIPTION	ACCOUNT #	BANK DATE	AMT	SF	TOTAL
Simplifile ACH: Cutolo Barros LLC Operating Account	License	*****7054	05/02/2018	0.00	295.00 B	295.00
Simplifile ACH: Cutolo Barros LLC Operating Account	Record Fees	*****7054	05/02/2018	80.00 A	4.50 A	84.50
<b>Total of All Payments</b>				<b>80.00</b>	<b>299.50</b>	<b>379.50</b>

Document Count: 1  
Package Count: 1

Questions Contact:  
Simplifile Support 800.460.5657, option 3  
5072 North 300 West  
Provo, UT 84604

**Simplifile E-recording Banking Detail**  
Detail View

Prepared for: Elizabeth Smith  
Included Organization: Cutolo Barros, LLC  
For the period: 05/01/2018  
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**Charges**

NAME	TYPE	PO	ENTRY	RECORD DATE	AMT	SF	TOTAL
<b>Morris County, NJ</b>							
<b>May 1, 2018</b>							
<b>Master Deed</b>							
2018.4.30 Amendment to the By-Laws	AMENDMENT TO MASTER DEED	6	E 2018023696 B 23336 P 727	05/01/2018 10:45 AM EDT	80.00 A	4.50 A	84.50
<b>Totals for Morris County, NJ</b>					<b>80.00</b>	<b>4.50</b>	<b>84.50</b>
<b>LICENSE</b>							
License and Support Fee					0.00	295.00 D	295.00
						295.00	295.00
<b>Total of All Charges</b>					<b>80.00</b>	<b>299.50</b>	<b>379.50</b>

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<b>Total of All Payments</b>				<b>80.00</b>	<b>299.50</b>	<b>379.50</b>

Document Count: 1  
Package Count: 1

Questions Contact:  
Simplifile Support 800.460.5657, option 3  
5072 North 300 West  
Provo, UT 84604

December 13, 2018  
Page 17

**Exhibit D: Partial Judgment on Partial Fairness Hearing**  
**filed on May 4, 2018**

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{A1056702.1}

Steven A. Kunzman, Esq. (Atty I.D. # 012731981)  
Our File No.: C22172

**DIFRANCESCO, BATEMAN, KUNZMAN,  
DAVIS, LEHRER & FLAUM, P.C.**  
15 Mountain Boulevard  
Warren, New Jersey 07059  
Tele: 908-757-7800  
Attorneys for Township of Chatham

**FILED**  
MAY 04 2018  
Maryann L. Nergaard  
J.S.C.

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IN THE MATTER OF THE TOWNSHIP OF CHATHAM FOR A JUDGMENT OF COMPLIANCE OF ITS THIRD ROUND HOUSING ELEMENT AND FAIR SHARE PLAN	: SUPERIOR COURT OF NEW JERSEY : LAW DIVISION: MORRIS COUNTY : DOCKET NO.: MRS-L-1659-15 : : (MOUNT LAUREL) : : <i>Civil Action</i> : : <b>PARTIAL JUDGMENT ON</b> : <b>PARTIAL FAIRNESS HEARING</b> : :
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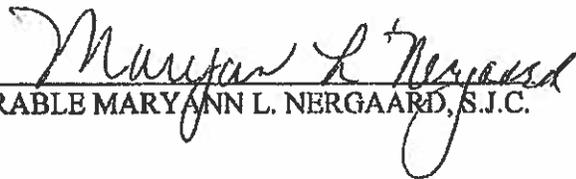
**THIS MATTER** having been opened to the Court by DiFrancesco, Bateman, Kunzman, Davis, Lehrer & Flaum, P.C., attorneys for the Plaintiff, Township of Chatham ("Township"), (Steven A. Kunzman, Esq., and Albert E. Cruz, Esq., appearing), in the presence of Kevin D. Walsh, Esq., attorney for interested party, Fair Share Housing Center, Inc. ("FSHC"), and in the presence of Gregg S. Sodini, Esq., attorney for the Vernon Grove Condominium Association, Inc. ("Vernon Grove"), and in the presence of the Court-appointed Special Master, Philip B. Caton, P.P., F.A.I.C.P., ("Special Master") on a Partial Fairness Hearing for approval of that Agreement between the Township of Chatham and Vernon Grove Condominium Association, Inc., last dated March 29, 2018, pursuant to East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311 (App. Div. 1996); and whereas the Agreement provides that after a Hearing, the Court may enter an Order approving the Agreement and the Amendment to the Master Deed

Extending Affordability Controls Thirty Years from September 24, 2016, in accordance with East/West Venture, supra, at 326, which held that 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 determined for the reasons set forth on the record at the Partial Fairness Hearing held on May 4, 2018, and memorialized in this Order dated May 4, 2018, and the Court having further heard testimony of the Township’s Planner, Francis J. Banisch, III, P.P., A.I.C.P., and a representative of Vernon Grove as well as the Special Master, and the Court having received and reviewed other documentary evidence, and the Court having found (1) the Agreement is fair and reasonable to low and moderate income persons on whose behalf the affordability controls on the units proposed by the Agreement serve the implementation of the Township’s affordable housing plan; and the Court having found, upon the conclusion of the hearing, for the reasons set forth by the Court that applicable criteria set forth in East/West Venture have been satisfied; and the Court having determined to enter an Order as hereinafter set forth;

IT IS THEREFORE, ON THIS 4<sup>th</sup> DAY OF MAY, 2018, ADJUDGED,  
DECLARED AND ORDERED AS FOLLOWS:

1. Partial Judgment is hereby declared in favor of Township of Chatham approving the Agreement and the Amendment to the Master Deed Extending Affordability Controls Thirty Years from September 24, 2016, pursuant to East/West Venture v. Borough of Fort Lee and the Mount Laurel line of cases.

**AND IT IS FURTHER ORDERED** that a copy of this Partial Judgment on Partial Fairness Hearing be served upon all interested parties in accordance with the procedure previously established in Morris County Mount Laurel litigation matters.

  
HONORABLE MARYANN L. NERGAARD, S.J.C.

Opposed \_\_\_\_\_  
Unopposed \_\_\_\_\_

*Reasons placed on the record  
This date*

December 13, 2018  
Page 18

**Exhibit E: 2018 Affordable Housing Regional  
Income Limits by Household Size**

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{A1056702.1}

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - April 2018

### 2018 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

	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****
<b>Region 1</b>												
Median	\$63,597	\$68,140	\$72,682	\$81,767	\$90,853	\$94,487	\$98,121	\$105,389	\$112,657	\$119,926		
Moderate	\$50,878	\$54,512	\$58,146	\$65,414	\$72,682	\$75,589	\$78,497	\$84,311	\$90,126	\$95,940	2.2%	\$175,679
Low	\$31,798	\$34,070	\$36,341	\$40,884	\$45,426	\$47,343	\$49,060	\$52,695	\$56,329	\$59,963	5.52%	
Very Low	\$19,079	\$20,442	\$21,805	\$24,530	\$27,256	\$28,346	\$29,436	\$31,617	\$33,797	\$35,978		
<b>Region 2</b>												
Median	\$66,755	\$71,523	\$76,291	\$85,828	\$95,364	\$99,179	\$102,993	\$110,622	\$118,252	\$125,881		
Moderate	\$53,404	\$57,218	\$61,033	\$68,662	\$76,291	\$79,343	\$82,395	\$88,498	\$94,601	\$100,705	2.2%	\$182,955
Low	\$33,377	\$35,762	\$38,146	\$42,914	\$47,682	\$49,589	\$51,497	\$55,311	\$59,126	\$62,940	1.22%	
Very Low	\$20,026	\$21,457	\$22,887	\$25,748	\$28,609	\$29,754	\$30,898	\$33,187	\$35,475	\$37,764		
<b>Region 3</b>												
Median	\$75,530	\$80,925	\$86,320	\$97,110	\$107,900	\$112,216	\$116,532	\$125,164	\$133,796	\$142,428		
Moderate	\$60,424	\$64,740	\$69,056	\$77,688	\$86,320	\$89,773	\$93,226	\$100,131	\$107,037	\$113,942	2.2%	\$205,458
Low	\$37,765	\$40,463	\$43,160	\$48,555	\$53,950	\$56,108	\$58,266	\$62,582	\$66,898	\$71,214	2.37%	
Very Low	\$22,659	\$24,278	\$25,896	\$29,133	\$32,370	\$33,665	\$34,960	\$37,549	\$40,139	\$42,728		
<b>Region 4</b>												
Median	\$69,447	\$74,407	\$79,368	\$89,289	\$99,209	\$103,178	\$107,146	\$115,083	\$123,020	\$130,956		
Moderate	\$55,557	\$59,526	\$63,494	\$71,431	\$79,368	\$82,542	\$85,717	\$92,066	\$98,416	\$104,765	2.2%	\$186,616
Low	\$34,723	\$37,204	\$39,684	\$44,644	\$49,605	\$51,589	\$53,573	\$57,541	\$61,510	\$65,478	5.19%	
Very Low	\$20,834	\$22,322	\$23,810	\$26,787	\$29,763	\$30,953	\$32,144	\$34,525	\$36,906	\$39,287		
<b>Region 5</b>												
Median	\$61,180	\$65,550	\$69,920	\$78,660	\$87,400	\$90,896	\$94,392	\$101,384	\$108,376	\$115,368		
Moderate	\$48,944	\$52,440	\$55,936	\$62,928	\$69,920	\$72,717	\$75,514	\$81,107	\$86,701	\$92,294	2.2%	\$161,977
Low	\$30,590	\$32,775	\$34,960	\$39,330	\$43,700	\$45,448	\$47,196	\$50,692	\$54,188	\$57,684	5.05%	
Very Low	\$18,354	\$19,665	\$20,976	\$23,598	\$26,220	\$27,269	\$28,318	\$30,415	\$32,513	\$34,610		
<b>Region 6</b>												
Median	\$51,085	\$54,734	\$58,383	\$65,681	\$72,979	\$75,898	\$78,817	\$84,655	\$90,494	\$96,332		
Moderate	\$40,868	\$43,787	\$46,706	\$52,545	\$58,383	\$60,718	\$63,054	\$67,724	\$72,395	\$77,066	2.2%	\$136,680
Low	\$25,543	\$27,367	\$29,192	\$32,840	\$36,489	\$37,949	\$39,409	\$42,328	\$45,247	\$48,166	0.00%	
Very Low	\$15,326	\$16,420	\$17,515	\$19,704	\$21,894	\$22,769	\$23,645	\$25,397	\$27,148	\$28,900		

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). The increase for 2015 was 2.3%, the increase for 2016 was 1.1%, the increase for 2017 was 1.7%, and the increase for 2018 is 2.2% (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, or 2017 may increase rent by up to the applicable combined percentage from their last rental increase for that unit. 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.

Note: Since the Regional Income Limits for Region 6 in 2017 were higher than the 2018 calculations, the 2017 income limits will remain in force for 2018 (as previously required by N.J.A.C. 5:97-9.2(c)).

# EXHIBIT C

**TOWNSHIP OF CHATHAM  
TOWNSHIP COMMITTEE AGENDA  
NOVEMBER 14, 2019  
November 14, 2019 Draft**

**Meeting Called to Order**

**Adequate Notice** of this meeting of the Township Committee was given as required by the Open Public Meetings Act as follows: Notice was given to both The Chatham Courier and the Morris County Daily Record on January 4, 2019; notice was posted on the bulletin board in the main hallway of the Municipal Building on January 4, 2019; and notice was filed with the Township Clerk on January 4, 2019.

**Flag Salute**

**Roll call**

**Approval of Agenda**

**Reports:**

**Hearing of Citizens/Petitions Note:** This is an opportunity for any member of the public to be heard about issues which are not topics scheduled for Public Hearings tonight. To help facilitate an orderly meeting, and to permit all to be heard, speakers will be limited to five minutes.

**Consent Agenda** (routine items that may be passed by a single roll call vote; any Committee member may call for a separate discussion or vote on any item)

1. Resolution 2019-202 Payment of Bills
2. Resolution 2019-203 Receipt of Reports
3. Resolution 2019-204 Approving Meeting Minutes
4. Resolution 2019-205 Approving Executive Session Minutes
5. Resolution 2019-206 Releasing Escrow Balances
6. Resolution 2019-207 Releasing Performance Bond
7. Resolution 2019-208 Amending 2019 Budget – MACC DEDR Grant
8. Resolution 2019-209 Amending 2019 Budget – MACC Supplemental Grant
9. Resolution 2019-210 Amending Salary Resolution
10. Resolution 2019-211 Appointing SLEO III
11. Resolution 2019-212 Budget Transfers
12. Resolution 2019-213 Cancelling Unexpended Balances

**Discussion: possible ordinance or resolution**

1. Best Practices Inventory
2. Commuter Shuttle

**Presentation**

1. Payment in Lieu of Taxes (PILOT) for Arbor Green at Chatham
2. Municipal Affordable Housing Site or Sites

**Additional Resolutions for Consideration**

1. Resolution 2019-214 Authorizing Redevelopment Agreement with Southern Boulevard Urban Renewal, LLC for Arbor Green at Chatham (Skate Park)
2. Resolution 2019-215 Authorizing RFQ for Architectural Services

**Introduction of Ordinances**

1. Ordinance 2019-18 Development Fee Ordinance
2. Ordinance 2019-19 Fairmount Commons Overlay Zone
3. Ordinance 2019-20 Payment in Lieu of Taxes Ordinance for Arbor Green at Chatham
4. Ordinance 2019-21 Establishing Police Chaplain

**Hearing of Citizens**

**Executive Session – If Necessary**

**Adjourn**

\*In accordance with the Open Public Meetings Act, items to be discussed in Executive Session will be made public as soon as known.

**ORDINANCE 2019-18**

**AN ORDINANCE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS,  
STATE OF NEW JERSEY, AMENDING CHAPTER XXIX, TITLED "AFFORDABLE  
HOUSING" OF THE REVISED GENERAL ORDINANCES TO ADD A NEW  
SUBSECTION 29-2, TITLED "DEVELOPMENT FEES"**

**BE IT ORDAINED** by the Township Committee of the Township of Chatham, in the  
County of Morris, State of New Jersey, as follows:

**Section 1.** Subsection 29-2 titled "Development Fees" of Revised General Ordinances of the  
Township of Chatham, is hereby added as follows:

**29-2 Development Fees.**

**§29-2.1 Purpose**

- A. In Holmdel Builder's Association v. Holmdel Township, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 ("Act"), N.J.S.A. 52:27D-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's ("COAH's") adoption of rules.
- B. Pursuant to P.L.2008, c.46 section 8 (N.J.S.A. 52:27D-329.2) and the Statewide Non-residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), COAH is authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of the Council or court of competent jurisdiction and have a COAH-approved spending plan may retain fees collected from nonresidential development.
- C. In Re Adoption of N.J.A.C. 5:96 and 5:97 by COAH, 221 N.J. 1 (2015) ("Mount Laurel IV"), the Supreme Court remanded COAH's duties to the Superior Court. As a result, affordable housing development fee collections and expenditures from municipal affordable housing trust funds to implement municipal Third Round Fair Share Plans through July 7, 2025 are under the Court's jurisdiction and are subject to approval by the Court.
- D. This article establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH's regulations and in accordance P.L. 2008, c.46, §§ 8 and 32-38. Fees collected pursuant to this article shall be used for the sole purpose of providing low- and moderate-income housing. This article shall be interpreted within the framework of COAH's rules on development fees, codified at N.J.A.C. 5:93-8.

**§ 29-2.2 Definitions.**

As used in this Subsection, the following terms shall have the meanings indicated:

**AFFORDABLE HOUSING DEVELOPMENT**

A development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a one-hundred-percent affordable development.

**COAH or THE COUNCIL**

The New Jersey Council on Affordable Housing established under the Act which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the state.

#### DEVELOPER

The legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

#### DEVELOPMENT FEE

Money paid by a developer for the improvement of property as permitted in N.J.A.C 5:93-8.3

#### 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 N.J.S.A. 54:1-35c).

#### SUBSTANTIAL IMPROVEMENT

Any reconstruction, addition, or other improvement of a structure, the cost of which exceeds fifty (50%) percent of the equalized assessed value of the structure before the start of construction of the improvement or an addition where the improvement exceeds 3,000 square feet.

#### SUBSTANTIVE CERTIFICATION

A determination by COAH approving a municipality's housing element and fair-share plan in accordance with the provision of the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) and the rules and criteria as set forth herein.

#### § 29-2.3 Development fees.

##### A. Residential development fees.

##### (1) Imposed fees.

- (a) Within the Township of Chatham, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5% 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 4% of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base 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. Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal 1.5% of the equalized assessed value on the first two units; and the specified higher percentage up to 4% of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

##### (2) Eligible exactions, ineligible exactions and exemptions for residential development:

- (a) Affordable housing developments and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.
- (b) Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval.

Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.

Alternate 1 (New construction only)

- (c) Except as provided in Subsection 29-2.3A(2)(d) below, development fees shall be imposed and collected on new residential construction. The development fee shall be calculated on the equalized assessed value of the new residential structure.

Alternate 2 (New construction and substantial improvement)

- (d) Except as provided in Subsection 29-2.3A(2)(d) below, development fees shall be imposed and collected on new residential construction or when an existing residential structure undergoes a substantial improvement as defined in Section 29-2.2 above, excluding additions, or is demolished and replaced. The development fee shall be calculated on the equalized assessed value of the new residential structure or on the increase in the equalized assessed value of the substantially improved residential structure.

Alternate 3 (New construction, substantial improvement and additions)

- (c) Except as provided in Subsection 29-2.3A(2)(d) below, development fees shall be imposed and collected on new residential construction or when an existing residential structure undergoes a substantial improvement as defined in Section 29-2.2 above, is demolished and replaced, or is expanded where the size of the change, replacement, or expansion is greater than 3,000 square feet. The development fee shall be calculated on the increase in the equalized assessed value of the new or improved structure.
- (d) Developers of residential structures demolished and replaced as a result of fire, or natural disaster, or other catastrophic events shall be exempt from paying a development fee.

B. Nonresidential development fees.

(1) Imposed fees.

- (a) Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2.5% of the equalized assessed value of the land and improvements, for all new nonresidential construction on an unimproved lot or lots.
- (b) Nonresidential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing structures to be used for nonresidential purposes.
- (c) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the preexisting land and improvement and the equalized assessed value of the newly improved structure, i.e., land and improvement, at the time a final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the nonresidential development fee shall be zero.

(2) Eligible exactions, ineligible exactions and exemptions for nonresidential development.

- (a) The nonresidential portion of a mixed-use inclusionary or market-rate development shall be subject to the development fee of 2.5% unless otherwise exempted below.
- (b) The fee of 2.5% 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 P.L.2008, c.46, as specified in the 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 P.L.2008, c.46, shall be subject to it at such time 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 of 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 as a lien against the real property of the owner.

#### § 29-2.4 Exempt development types.

The following development types are exempt from development fees:

- A. Nonprofit and public education buildings.
- B. Houses of worship.
- C. Public amenities (recreational, community, or senior centers).
- D. Parking lots and structures.
- E. Nonprofit hospital relocation or improvement.
- F. State, county and local government buildings.
- G. Transit hubs, transit villages, and light-rail hubs.
- H. Commercial farm buildings and Use Group U structures.
- I. Developments with a general development plan approval, or executed developer's or redeveloper's agreement, prior to July 17, 2008, with a fee or affordable housing requirement the equivalent of at least 1% of equalized assessed value.

#### § 29-2.5 Collection procedures.

- A. Upon the granting of a preliminary, final or other applicable approval, for a development, the applicable approving authority (Planning or Zoning Board) shall direct its staff to notify the construction official responsible for the issuance of a building permit.
- B. For nonresidential 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 nonresidential development shall complete Form N-RDF as per the instructions provided. The construction official shall verify the information submitted by the nonresidential developer as per the instructions provided in the Form N-RDF. The Township Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- C. The construction official responsible for the issuance of a building permit shall notify the Township Tax Assessor that he has prepared to be issued the first building permit for a development, at which time an amount of 50% of the total fee is due at the issuance of

the first building permit. The remaining amount owed will be paid at the issuance of a final certificate of occupancy.

- D. Within 30 days of receipt of that notice, the Township Tax Assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development and the fee is calculated as cited above.
- E. The construction official responsible for the issuance of a final certificate of occupancy notifies the Township Tax Assessor of any and all requests for the scheduling of a final inspection on property.
- F. Within 10 business days of a request for the scheduling of a final inspection, the Township Tax 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 remaining amount of the fee due.
- G. Should the Township 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).
- H. 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 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 issuance of certificate of occupancy.
- I. Appeal of development fees.
  - (1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by the 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, N.J.S.A. 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.
  - (2) A developer may challenge nonresidential 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 the 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, N.J.S.A. 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.

#### § 29-2.6 Affordable Housing Trust Fund.

- A. There is hereby created a separate, interest-bearing housing trust fund to be maintained by the Chief Financial Officer for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.
- B. 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 the Township's affordable housing program.
- C. The Township previously provided COAH with written authorization, in the form of a three-party escrow agreement between the Township, a bank, COAH, to permit COAH to direct the disbursement of the funds as provided for in N.J.A.C. 5:93-8. The Superior Court shall now have jurisdiction to direct the disbursement of the Township's trust funds.
  - D. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by COAH or a court of competent jurisdiction.

§ 29-2.7 Use of funds.

- A. The Township shall not spend development fees until COAH or a court of competent jurisdiction has approved a plan for spending such fees. Thereafter, the expenditure of all funds shall conform to the spending plan approved by COAH or a court of competent jurisdiction. Funds deposited in the housing trust fund may be used for any activity approved by COAH or a court of competent jurisdiction to address the Township's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to, preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing nonresidential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:93-8 and specified in the approved spending plan.
- B. Funds shall not be expended to reimburse the Township for past housing activities.
- C. At least 30% of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30% or less of median income by region.
  - (1) Affordability assistance programs may include down-payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners' association or condominium fees and special assessments, and assistance with emergency repairs.
  - (2) Affordability assistance to households earning 30% or less of median income may include buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income.
  - (3) Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- D. The Township 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, in accordance with N.J.A.C. 5:93-8.16(d).
- E. No more than 20% of all revenues collected from development fees, may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction

program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with COAH's monitoring requirements as set forth in the Court-approved Settlement Agreement with FSHC, dated December 13, 2018. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

§ 29-1.8 Monitoring.

On or about December 13 of each year through 2025, the Township shall provide annual reporting of trust fund activity to the DCA, COAH, or NJLGS, 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. This reporting shall include an accounting of all housing trust fund activity, including the collection of development fees from residential and nonresidential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with the Township's housing program, as well as to the expenditure of revenues and implementation of the plan approved by COAH or a court of competent jurisdiction. All monitoring reports shall be completed on forms designed by COAH or other entity designated by the State of New Jersey.

§ 29-1.9 Ongoing collection of fees.

The ability for the Township to impose, collect and expend development fees shall expire with its Court-issued Judgment of Compliance and Repose unless the Township has (1) filed an adopted Housing Element and Fair Share Plan with COAH, a court of competent jurisdiction or other entity designated by the State of New Jersey; (2) has petitioned for substantive certification or filed a declaratory judgment action; (3) and has received COAH's or a court of competent jurisdiction's approval of its Development Fee Ordinance. If the Township fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance and Repose, 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). The Township shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its judgment of compliance; nor shall the Township retroactively impose a development fee on such a development. The Township shall not expend development fees after the expiration of its judgment of compliance.

**REPEALER**

All Ordinances or parts of Ordinances inconsistent herewith are repealed as to such inconsistencies.

**SEVERABILITY**

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

**EFFECTIVE DATE**

This Ordinance shall not become effective until approved by the Superior Court of New Jersey.

Introduced:

TOWNSHIP OF CHATHAM, COUNTY OF  
MORRIS, STATE OF NEW JERSEY

Adopted:

Attest:

BY:

\_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

**ORDINANCE 2019-19**

**AN ORDINANCE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, ESTABLISHING AN INCLUSIONARY AFFORDABLE HOUSING OVERLAY ZONE IN THE PI-1 PROFESSIONAL INSTITUTIONAL DISTRICT AND AMENDING CHAPTER XXX, TITLED "LAND DEVELOPMENT", ARTICLE 7, TITLED "ZONING REGULATIONS" APPLICABLE TO BLOCK 128, LOT 9, LOCATED AT 466 SOUTHERN BOULEVARD TO ADDRESS A PORTION OF THE TOWNSHIP OF CHATHAM'S THIRD ROUND AFFORDABLE HOUSING OBLIGATIONS**

**WHEREAS**, the Township of Chatham ("Township") filed a Declaratory Judgment Action in the Superior Court of New Jersey, Morris County, captioned IMO Township of Chatham, Docket No. MRS-L-1659-15 ("Declaratory Judgment Action"), in furtherance of the Supreme Court's March 10, 2015, decision in In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) ("Supreme Court Decision"); and

**WHEREAS**, the Township entered into a Settlement Agreement with the Fair Share Housing Center, Inc. on December 13, 2018 ("Settlement Agreement") that determines the Township's affordable housing obligation and the mechanisms for how the obligation will be addressed; and

**WHEREAS**, the Township's Planning Board adopted a Housing Element and Fair Share Plan, that comprehensively provides for the creation of affordable housing in the Township in a manner consistent with all applicable affordable housing statutes and regulations and the Settlement Agreement; and

**WHEREAS**, the Township identified one parcel of land determined to be appropriate for development of higher-density inclusionary residential development in the Township located on Block 128, Lot 9 located at 466 Southern Boulevard within the PI-1 District which possesses sufficient land area to accommodate inclusionary residential development at appropriate inclusionary zoning densities to address a portion of the Township's Third Round affordable housing obligation; and

**WHEREAS**, the zoning amendments herein support residential inclusionary development consistent with the Settlement Agreement and the Township's Housing Element and Fair Share Plan.

**NOW, THEREFORE, BE IT ORDAINED**, by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey, as follows:

**Section 1.** Article XXX, Subsection 30-75.1 titled "Zone Districts" is hereby amended to add a new overlay zone titled "PI-AHO" Professional and Institutional Affordable Housing Inclusionary Overlay Zone as follows:

**30-75.1 Zone Districts.**

For the purpose of this Chapter, the Township is hereby subdivided into twenty-two (22) zone districts known as:

- CP County Park District
- WA Wildemess Area District
- R-1 Residence District
- R-1A Residence District
- R-2 Residence District
- R-2A Residence District
- R-2B-1 Residence District
- R-2B-2 Residence District
- R-3 Residence District
- R-4 Residence District
- R-5 Residence District
- R-5A Residence District
- R-6A Townhouse District
- R-6B Townhouse District
- R-6C Residence District
- R-7 Apartment District
- AH Affordable Housing District
- B-1 Business Center District
- B-2 Neighborhood Business District
- PI-1 Professional Institutional District
- PI-2 Professional Institutional District
- PCD Planned Commercial District

**Overlay Districts:**

- Great Swamp Watershed Overlay District (Ord. No. 2017-16)
- Upper Passaic River Watershed Overlay District (Ord. No. 2017-16)
- Professional and Institutional Affordable Housing Inclusionary Overlay Zone

**Section 2.** Article XXX, Subsection 30-75.2 titled "Map and Schedule" is hereby amended to include the following: one (1) new overlay zone designation, "PI-AHO" Professional and Institutional Affordable Housing Inclusionary Overlay Zone as indicated on the "Official Zoning Map, Township of Chatham, Morris County, New Jersey," dated March, 1999, which is hereby replaced by the "Official Zoning Map, Township of Chatham, Morris County, New Jersey," dated March, 1999, revised as of October, 2019, and listed below:

Block 128, Lot 9

**Section 3.** Amend Article XXX to include a new Section 30-84, titled "Requirements for PI-AHO Professional and Institutional Affordable Housing Inclusionary Overlay Zone", to the Revised General Ordinances of the Township of Chatham as follows:

(a) Purpose.

The Township recognizes its obligation under the New Jersey Fair Housing Act to provide for its "fair share" of the regional need of low and moderate income (affordable) housing. The PI-AHO Professional and Institutional Affordable Housing Inclusionary Overlay Zone is established to provide an affordable housing overlay development option allowing townhouses and/or apartments on Block 128, Lot 9 to address a portion of the Township's affordable housing obligation subject to the affordable housing set-asides prescribed below.

(b) Area and Density Requirements.

1. Minimum Area. Each development shall have a minimum tract area of three (3) acres. Public or private roads, easements or rights-of-way shall not be deemed to divide acreage of a development.

2. **Maximum Density.** Twelve (12) dwelling units/acre.
3. **Minimum Lot Size Per Dwelling.** A minimum lot size of 1,200 square feet shall be required for all fee simple townhouse dwelling units.

(c) **Maximum Building Coverage.**

1. The total ground floor area of all buildings shall not exceed thirty (30%) percent of the lot area.

(d) **Maximum Impervious Coverage.**

1. The total area of all impervious surfaces shall not exceed sixty (60%) percent of the lot area.

(e) **Setback Requirements.**

1. No principal building shall be located within thirty (30) feet of a public street or exterior property line of the tract nor within ten (10) feet of any internal roadway.
2. No townhouse dwelling structure shall have more than two (2) continuous attached dwelling units with the same front building line, and such variations in the building line shall be offset at least four (4) feet.

(f) **Distance Between Buildings.** Minimum distances as specified below shall be maintained between principal buildings:

Positions of Building Walls	Minimum Distance Between Buildings at Any Point
Front facing front	50'
Front facing rear	50'
Front facing side	25'
Rear facing rear	50'
Rear facing side	30'
Side facing side	15'

(g) **Building Requirements.**

1. **Height.** No building shall exceed a height of two and one-half (2 1/2) stories or thirty-five (35) feet whichever is the lesser, except that existing buildings in excess of the permitted number of stories or height may be re-used for any permitted principal or accessory use.
2. **Units Per Building.** No townhouse building shall contain more than six(6) dwelling units.

(h) **Dwelling Unit Requirements.**

1. Each dwelling unit shall contain as a minimum a separate living room, a separate bedroom, a separate bath, a room for storage and utilities, and a kitchen, which kitchen facility shall be located separate and apart from other rooms in the unit with the exception of the dining room.
2. **Minimum Floor Area.** Each dwelling unit shall have a minimum floor area, as "floor area" is defined in Section 30-6, in accordance with the following schedule:

Number of Bedrooms	Minimum Required Floor Area Per Dwelling Unit (in Sq. Ft.)
1	900
2	1,150
For each additional	200 additional

3. No basement shall contain a bedroom.
  4. Each dwelling unit shall have at least two (2) private outside entrances.
  5. Each dwelling unit shall contain its own heating plant and system and shall constitute a separate, independent unit for metering and all other purposes with respect to all required utilities and similar conveniences. No central or common laundry or similar facilities intended for two (2) or more units shall be permitted.
  6. Each dwelling unit shall have at least one (1) individual private yard area, balcony, deck, open patio or court adjoining the unit and having a width of at least fifteen (15) feet and an area of at least one hundred fifty (150) square feet. Each private yard area, patio, court or deck shall be effectively screened in order to provide a reasonable degree of privacy.
  7. In addition to the above requirements, a storage space with separate access and containing a minimum of eighty (80) square feet of floor area shall be provided for each dwelling unit in the basement of the building in which the unit is located or in the garage serving the unit. Storage space located in a garage shall not encroach upon or be located above a minimum area of ten feet by twenty (10' by 20') feet for the parking of a motor vehicle.
  8. The layout and arrangement of buildings and their design shall incorporate energy saving and green design features where practicable.
- (i) Accessory Buildings.
1. Setbacks. Accessory buildings shall meet the street, property line and internal roadway setbacks of the principal buildings and shall be at least twenty-five (25) feet from a principal building and fifteen (15) feet from another accessory building. Detached garages shall be at least fifteen (15) feet from a principal building or from any other garage or accessory building. Clubhouses, swimming pools and recreation facilities shall be at least one hundred (100) feet from a property line.
  2. Height. The maximum height of an accessory building shall be fifteen (15) feet except for clubhouses which shall not exceed twenty-eight (28) feet in height. Existing buildings in excess of the permitted number of stories or height may be re-used for any permitted principal or accessory use.
  3. When a clubhouse or other accessory building is attached to a building containing a permitted principal use, the bulk requirements for the permitted principal use shall apply.
  4. Design. Architectural design and materials used in the construction of accessory buildings shall conform to or complement the style of construction of principal buildings.
  5. Except to the extent inconsistent with the specific provisions of this Subsection, the provisions of Subsection 30-96.13 shall be followed.
  6. Signs. The provisions of Section 30-98 shall be followed.
- (j) Off-Street Parking and Internal Roadways. Off-street parking and internal roadways shall conform to the provisions of Subsection 30-64.2, and, in addition, the following requirements shall be met:
1. All off-street parking areas and internal roadways shall be paved, bounded by permanent curbing and constructed in accordance with Township of Chatham road specifications; provided, however, that, upon recommendation of the Township Engineer, the requirement of curbing may be waived or modified when

found not to be needed for control of storm water, protection of pavement and similar purposes.

2. Parking areas shall be located at least five (5) feet from a building and fifteen (15) feet from a property line.
3. Except as otherwise provided in the New Jersey Residential Site Improvement Standards, internal roadways shall be at least twenty-four (24) feet in width for two (2)-way traffic and twelve (12) feet in width for one (1)-way traffic and shall not enter a street within fifty (50) feet of an existing intersection. Drives leading from internal roadways to parking areas shall be at least twenty (20) feet in width.
4. The arrangement and location of garages, parking areas and internal roadways shall be subject to approval of the Planning Board and shall be designed to insure maximum safety, proper circulation and maximum convenience for residents and their guests.
5. Sidewalks shall be provided along at least one side of any internal road serving the development.
6. Unless otherwise provided in the New Jersey Residential Site Improvements Standards, minimum requirements for off-street parking spaces shall be as follows for low and moderate income housing units:

1 bedroom	1.75 parking spaces
2 bedroom unit	2.0 parking spaces
3 or more bedroom unit	2.5 parking spaces

(k) Landscaping and Common Open Space.

1. There shall be provided a minimum of thirty (30%) percent of the entire tract for common open space, which shall be deed restricted against future development and managed by the homeowners association. Said open space shall not contain any impervious surfaces, detention facilities or other structural or infrastructure improvements.
2. The common open space, where improved, shall be attractively landscaped with varieties of flowering plants, grasses, trees and shrubs that will serve to minimize water use. All proposed landscaping, including existing and new trees, shrubs and natural screening shall be shown on the site plan submitted to the Planning Board for approval.
3. Except as otherwise provided in the New Jersey Residential Site Improvement Standards, sidewalks or walkways constructed in accordance with the Township specifications shall be provided in such locations and of such widths as required and approved by the Planning Board to insure safe and convenient pedestrian traffic.
4. Sidewalks shall be provided along Southern Boulevard within the development.
5. Effective screening by a fence or wall no less than five (5) feet nor more than seven (7) feet in height shall be provided to shield parking areas and other common facilities from view of adjoining residential properties, provided, however, screening by hedge or other natural landscaping may be substituted for the required fence or wall if approved by the Planning Board as part of the site plan.
6. Lighting. Adequate artificial lighting shall be provided in parking areas and along sidewalks, walkways and internal roadways. The source of lighting shall be directed downward, away from buildings and adjoining streets and property lines.

Lighting fixtures shall be so arranged that the direct source of light is not visible from any adjacent property.

(l) Utilities.

1. Adequate provision shall be made for storm water drainage, water supply and sewage treatment and disposal.
2. All telephone, electric and CATV service, including outdoor lighting on the property, shall be by underground conduit.
3. Fire Hydrants. Fire hydrants shall be installed at locations specified by the Township. Such hydrants shall be provided with appropriate water pressure and otherwise adequately maintained by the owner or owners of the dwelling units. All such hydrants shall conform to the standards of the National Board of Fire Underwriters or Township requirements, whichever is more restrictive.
4. Solid Waste, Including Recyclable Materials. Suitable provision shall be made for the orderly deposit and pick-up of solid waste, including recyclable materials. The locations and numbers of all facilities for such purposes shall be subject to approval by the Planning Board and shall meet all regulations of the Township Board of Health and applicable provisions of Section 18-1 of the Revised General Ordinances of the Township of Chatham as well as the following:
  - (a) Each receptacle shall be located in a completely enclosed building.
  - (b) Buildings used solely for the purpose of housing receptacles shall be located at least five (5) feet from an internal roadway and shall otherwise meet the requirements for accessory buildings.
  - (c) Buildings used to house receptacles shall be so located as to permit convenient vehicular access.

(m) Developer's Obligation to Provide Affordable Housing.

1. Prior to the issuance of any construction permit, and as a condition precedent to the grant of any approval of a development application by the Planning Board, Board of Adjustment or Zoning Officer, as applicable, a developer shall be required to enter into an agreement with the Township Committee to construct at least 15 percent to 20 percent of all dwelling units as low and moderate income housing units as prescribed in Subsection 30-84(m)2 below. At least 50% of the rental units shall be available to low income households with the remainder available to moderate income households. The required agreement shall make provisions for the developer's obligation to construct the affordable units and the phasing of construction of market units shall provide for the construction of affordable units in tandem with the market units according to the requirements of N.J.A.C.5:93-5.6(d).
2. The required minimum residential densities and affordable housing set asides shall be as follows:
  - (a) Townhouse or other for-sale units: 12 dwelling units per acre with a 20% affordable housing set-aside; and/or.
  - (b) Multi-family rental housing, such as garden apartments:  
12 dwelling units per acre with a 15% affordable housing set-aside.
  - (c) Townhouse and multi-family at the prescribed densities and set-asides identified above may be mixed on single parcel of land.

(n) Development Option.

The "PI-AHO" Professional and Institutional Affordable Housing Inclusionary Overlay Zone provides a development option allowing townhouses and/or apartments on Block 128, Lot 9 at the election of the owner. The "PI-AHO" Professional and Institutional

Affordable Housing Inclusionary Overlay Zone does not supersede the existing underlying PI-1 Professional Institutional District and does not render existing uses on Block 128, Lot 9 non-conforming.

**Section 4.** All other Ordinances, part of Ordinances, or other local requirements that are inconsistent or in conflict with this Ordinance are hereby repealed to the extent of any inconsistency or conflict, and the provisions of this Ordinance apply.

**Section 5.** Notwithstanding that any provision of this Ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, all remaining provisions of the Ordinance shall continue to be of full force and effect.

**Section 6.** This Ordinance shall take effect immediately upon (1) adoption; (2) publication in accordance with the laws of the State of New Jersey; and (3) filing of the final form of adopted Ordinance by the Clerk with the Morris County Planning Board pursuant to N.J.S.A. 40:55D-16.

Introduced:

TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY

Adopted:

Attest:

BY: \_\_\_\_\_

Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

**ORDINANCE 2019-20**

**AN ORDINANCE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, APPROVING THE LONG TERM TAX EXEMPTION APPLICATION AND AUTHORIZING THE MAYOR AND TOWNSHIP CLERK TO EXECUTE A FINANCIAL AGREEMENT BY AND BETWEEN THE TOWNSHIP OF CHATHAM AND SOUTHERN BOULEVARD URBAN RENEWAL, LLC, PURSUANT TO N.J.S.A. 40A:20-1 ET SEQ. FOR PROPERTY LOCATED AT 405 SOUTHERN BOULEVARD, ALSO KNOWN AS A PORTION OF LOT 117.27 IN BLOCK 48.16, AS SHOWN ON THE OFFICIAL TAX MAP OF THE TOWNSHIP OF CHATHAM, LOCATED IN THE SKATE PARK REDEVELOPMENT AREA**

**BE IT ORDAINED** by the Township Committee of the Township of Chatham, in the County of Morris, State of New Jersey, as follows:

**Section 1.** The Township Committee of the Township of Chatham ("Township") designated a portion of Block 48.16, Lot 117.27 ("Property") as the Skate Park Redevelopment Area ("Redevelopment Area") and adopted the Redevelopment Plan for the Redevelopment Area ("Plan") on December 13, 2018.

**Section 2.** On December 13, 2018, the Township adopted a Resolution conditionally designating Southern Boulevard Urban Renewal, LLC ("Redeveloper"), as redeveloper of the Property subject to certain conditions.

**Section 3.** Redeveloper is an urban renewal entity, created in accordance with the Long Term Tax Exemption Law, constituting Chapter 431 of the Pamphlet Laws of 1991 of the State, and the act amendatory thereof and supplementary thereto ("Long Term Tax Exemption Law," as codified in N.J.S.A. 40A:20-1 et seq.), which shall take title to the Property and act as Redeveloper.

**Section 4.** On October 21, 2019, Redeveloper obtained preliminary and final site plan and subdivision and bulk variance approvals from the Township Planning Board for the Property for a residential development of 24 affordable housing units and related site improvements ("Project").

**Section 5.** The Township and Redeveloper have completed negotiations on a Redevelopment Agreement to be considered for approval by the Township on November 14, 2019, which sets forth certain terms and conditions with respect to the sale of the Property to Redeveloper by the Township, the redevelopment of the Property, the construction of the Project and the payment of certain costs in connection therewith ("Redevelopment Agreement").

**Section 6.** Pursuant to and in accordance with the provisions of the Long Term Tax Exemption Law, the Township is authorized to provide for tax exemptions within a redevelopment area and for payments in lieu of taxes.

**Section 7.** The Redeveloper submitted an application ("Exemption Application," a copy of which is attached hereto as Exhibit A) to the Township, dated October 25, 2019, including a form of financial agreement ("Financial Agreement," a copy of which is attached hereto as Exhibit B), for the approval of a Project, as such term is used in the Long Term Tax Exemption Law, all in accordance with N.J.S.A. 40A:20-8.

**Section 8.** The Exemption Application requests a 30-year term for the Financial Agreement and an annual service charge ("Annual Service Charge") based on 6.28% of annual gross revenue, subject to staged increases beginning in Year 16, as set forth in the Financial Agreement and as provided for under the Long Term Tax Exemption Law.

**Section 9.** The Township and Redeveloper reached agreement regarding, among other things, the terms and conditions relating to the Annual Service Charge, and they desire to execute the Financial Agreement.

**NOW, THEREFORE, BE IT ORDAINED** by the Township Committee of the Township of Chatham, County of Morris, New Jersey, as follows:

**Section 1.** The Township acknowledges that Redeveloper, by effectuating the redevelopment of the Property, will provide significant and long-term benefits to the Township.

**Section 2.** The Township makes the following findings:

**A.** Relative benefits of the Project when compared to the costs:

1. The Property currently generates no real estate tax revenue to the Township because the Property is owned by the Township and assessed as municipal property. The projected Annual Service Charge will generate average revenue to the Township of approximately \$17,000 annually over the term;
2. It is estimated that the Project will create approximately 50 jobs during construction and 1 new permanent job after completion of construction;
3. The Project will provide 24 units of affordable housing to the region;
4. The Project will further the redevelopment objectives of the Redevelopment Plan; and
5. The Township has determined that the benefits of the Project significantly outweigh the costs to the Township.

**B.** Assessment of the importance of the tax exemption in obtaining development of the Project and influencing the locational decisions of probable occupants:

1. The relative stability and predictability of the Annual Service Charge will make the Project more attractive to investors and lenders needed to finance the Project; and
2. The relative stability and predictability of the Annual Service Charge will allow stabilization of the Project operating budget, allowing a high level of design and aesthetics as well as the use of high quality materials which will maintain the appearance of the buildings over the life of the Project, which will insure that it will have a positive impact on the surrounding area.

**Section 3.** The Exemption Application is hereby accepted and approved.

**Section 4.** The Financial Agreement shall be for a 30-year term with an annual service charge based on 6.28% of annual gross revenue for the Project, and subject to certain staged increases beginning in Year 16, in accordance with the Long Term Tax Exemption Law.

**Section 5.** The Financial Agreement is hereby authorized to be executed and delivered on behalf of the Township by the Mayor in substantially the form attached hereto as Exhibit B. The Township Clerk is hereby authorized and directed to attest to the execution of the Financial Agreement by the Mayor and to affix the corporate seal of the Township to the Financial Agreement.

**Section 6.** This Ordinance shall take effect upon final passage and publication as required by law.

**EXHIBIT A**

**EXEMPTION APPLICATION**

**EXHIBIT B**

**FORM OF FINANCIAL AGREEMENT**

**EFFECTIVE DATE**

This Ordinance shall take effect twenty (20) days after publication in accordance with applicable law.

Introduced: September 26, 2019

TOWNSHIP OF CHATHAM, COUNTY OF  
MORRIS, STATE OF NEW JERSEY

Adopted: October 10, 2019

Attest:

BY: \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

**ORDINANCE 2019-21**

**AN ORDINANCE ADDING ARTICLE III, TITLED "DEPARTMENTS ESTABLISHED", SECTION 2-11, TITLED "POLICE DEPARTMENT", SUBSECTION 2-11.17, TITLED "POLICE CHAPLAIN", OF THE REVISED GENERAL ORDINANCES OF THE TOWNSHIP OF CHATHAM TO ALLOW FOR A POLICE CHAPLAIN**

**BE IT ORDAINED**, by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey, as follows:

**Section 1.** Article III, titled "Departments Established", Section 2-11, titled "Police Department", Subsection 2-11.17, titled "Police Chaplain" of the Revised General Ordinances of the Township of Chatham is hereby added as follows:

**Subsection 2-11.17 Police Chaplain**

- A. Position created. The position of Police Chaplain for the Township of Chatham Police Department is hereby created in accordance with statutory authority. The position(s) will be a volunteer position. The position of Chaplain shall be under the control of the Chief of Police.
- B. Qualifications. Any person appointed as Chaplain shall be an ordained clergyman in good standing in the religious body from which he/she is selected. The chaplain shall have basic training and shall be a certified Police Chaplain credentialed in accordance with the rules and regulations of the Township of Chatham Police Department and shall be qualified in accordance with statutory requirements.
- C. Duties of Police Chaplain. The Duties of Police Chaplain shall include, but not be limited to, assisting the Township of Chatham Police Department in death notifications, station house adjustments, and any other duties that may be assigned by the Chief of Police.
- D. Rank and salary. Any person appointed as Chaplain shall serve in that capacity without rank or salary.
- E. Term of office. A person(s) appointed as Chaplain shall serve for a period of one year from the date of appointment and shall continue to serve in that capacity until he/she is either terminated or reappointed with the recommendation of the Chief of Police regarding the appointment of the Chaplain. The Mayor shall appoint the Chaplains in accordance with this section with the advice and consent of the Borough Council.

**Section 2.** If any Section, paragraph, subdivision, clause or provision of this Ordinance shall be adjudged invalid, such adjudication shall apply only to the Section, paragraph, subdivision, clause or provision so adjudged and the remainder of the Ordinance shall be deemed valid and effective.

**Section 3.** All ordinances or parts of ordinances inconsistent with or in conflict with this Ordinance are hereby repealed to the extent of such inconsistency.

**Section 4.** This Ordinance shall take effect after final passage, adoption and

publication according to law.

Introduced: November 14, 2019

Adopted:

Attest:

TOWNSHIP OF CHATHAM, COUNTY OF  
MORRIS, STATE OF NEW JERSEY

BY: \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

DRAFT

**RESOLUTION 2019-202**

**RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF  
CHATHAM AUTHORIZING PAYMENT OF BILLS, PAYROLLS, SCHOOL TAXES  
AND COUNTY TAXES**

**BE IT RESOLVED** that bills in the total amount of \$1,110,763.43 and the prior month's payroll of \$408,708.80 Current Fund, \$43,127.88 Sewer No. 1, \$8,802.73 Sewer No. 2, and \$19,793.70 Police Private Employment be paid.

**BE IT FURTHER RESOLVED** that taxes due to the School District of the Chathams, for the month of November 2019, in the amount of \$3,200,207.00 be paid.

**BE IT FURTHER RESOLVED** that taxes due to the County of Morris, for the Fourth Quarter of 2019, in the amount of \$2,586,055.96 be paid.

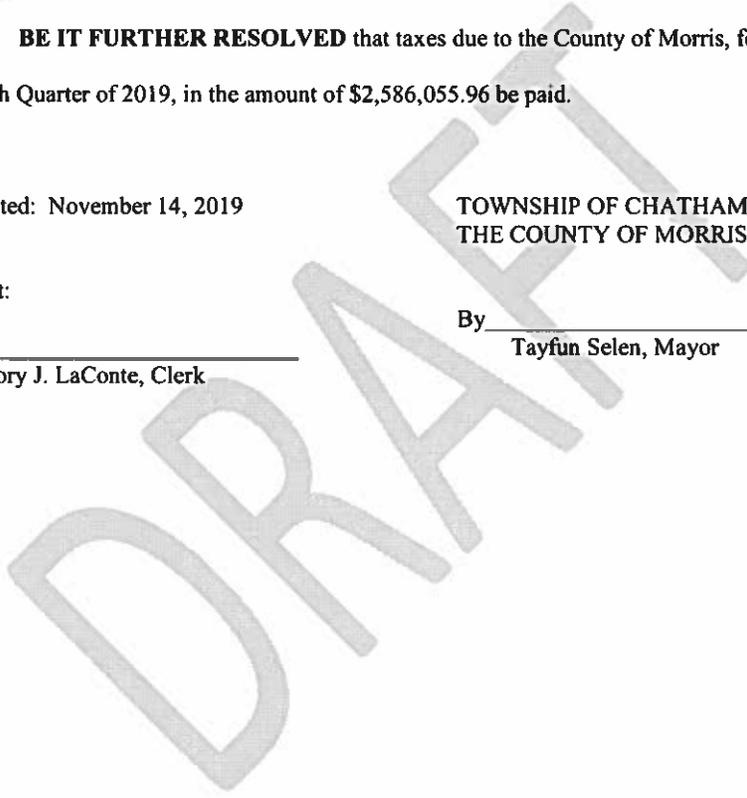
Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk



**RESOLUTION 2019-203**

**RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF  
CHATHAM, ACKNOWLEDGING RECEIPT OF REPORTS**

**BE IT RESOLVED** by the Township Committee of the Township of Chatham that  
the following monthly reports of departments be acknowledged as received:

CFO – October  
Tax Collector – October  
Police Department – October  
Construction Official – June, July, August, September  
State Training Fees – 2<sup>nd</sup> Quarter

Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

DRAFT

**RESOLUTION 2019-204**

**RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF  
CHATHAM APPROVING MINUTES OF MEETINGS**

**BE IT RESOLVED** that the Township Committee of the Township of Chatham  
acknowledges receipt of and approves the minutes of the Township Committee meetings held  
on October 24, 2019.

Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

DRAFT

**RESOLUTION 2019-205**

**RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP  
OF CHATHAM APPROVING EXECUTIVE SESSION MINUTES OF MEETINGS**

**BE IT RESOLVED** that the Township Committee of the Township of Chatham acknowledges receipt of and approves Executive Session minutes of the Township Committee meetings held on October 24, 2019.

Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

DRAFT

**RESOLUTION 2019-206****TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, RELEASING DEVELOPER ESCROW ACCOUNT AND/OR PERFORMANCE BOND BALANCES**

**WHEREAS**, developers are required to deposit monies with the Township for the purposes of offsetting Township professional costs to review plans or to inspect approved development and for the purpose of ensuring the satisfactory completion of public or private improvements; and

**WHEREAS**, these deposited monies, following all necessary withdrawals to cover Township expenses or costs, may be released upon satisfactory completion of work, receipt of review board decisions, or completion of guaranteed work, upon passage of a Township resolution authorizing such release.

**NOW, THEREFORE, BE IT RESOLVED** by the Township Committee of the Township of Chatham that the following guarantee amount or account balances, with interest adjustments as prescribed by state and local laws, may be released to the depositor of record:

<u>NAME</u>	<u>Project</u>	<u>A/C NUMBER</u>	<u>AMOUNT</u>
Primavera Hills at Chatham 117 North Union Ave Cranford, NJ 07016	RO 18-036	7764943352	\$423.00
Primavera Hills at Chatham 117 North Union Ave Cranford, NJ 07016	Performance Bond For RO 18-036	7764943360	\$270.00
Calusa Partners 89 Sunset Drive Chatham, NJ 07928	RO 18-037	7764943386	\$190.00
James L. Sibona 6 Cypress Circle Morristown, NJ 07960	BOH 19-139-51	7765172405	\$975.00

Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

**RESOLUTION 2019-207**

**RESOLUTION OF THE TOWNSHIP OF CHATHAM, COUNTY MORRIS, STATE OF NEW JERSEY RELEASING THE PERFORMANCE BOND AND CASH BOND FOR ROSEPOND LLC, BLOCK 135, LOTS 19 AND 19.01**

**WHEREAS**, the Planning Board has granted preliminary and final site plan approval for a project at Valle Estates, Block 135, Lots 19 and 19.01 (the subject property); and

**WHEREAS**, said approvals required, in accordance with the requirements of the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq., and the Developer's Agreement between the developer and the Township, the posting of a performance bond and cash bond to secure completion of the public improvements that were part of the project, and which was posted by the developer; and

**WHEREAS**, as set forth by the Township Engineer, John Ruschke, P.E., in his report dated November 4, 2019, the public improvements have been satisfactorily completed to the extent that Performance Bond No. 0396796 in the amount of \$549,632.52 and a Cash Bond held in Escrow Account 11089 in the amount of \$61,645.82 plus interest may be released and returned to the developer;

**NOW, THEREFORE, BE IT RESOLVED**, by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey, that Performance Bond 0396796 in the amount of \$549,632.52 and a Cash Bond held in Escrow Account 11089 in the amount of \$61,645.82 plus interest posted by the developer is hereby released and returned to the developer, in accordance with the report of John Ruschke, P.E., dated November 4, 2019, and it is further provided that no maintenance guaranty is required.

Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

**RESOLUTION 2019-208**

**A RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING THE 2019 BUDGET**

**WHEREAS**, N.J.S. 40A: 4-87 provides that the Director of the Division of Local Government Services may approve the insertion of any special item of revenue in the budget of any county or municipality when such item shall have become available by law and the amount thereof was not determined at the time of the adoption of the budget, and

**WHEREAS**, the Director may also approve the insertion of an item of appropriation for an equal amount, and

**WHEREAS**, the Township of Chatham will receive \$20,073.00 from the County of Morris Municipal Alliance to Prevent Alcoholism and Drug Abuse DEDR and wishes to amend its 2019 Budget to include these funds as a revenue,

**NOW, THEREFORE, BE IT RESOLVED**, that the Township Committee of the Township of Chatham, County of Morris, State of New Jersey hereby requests the Director of the Division of Local Government Services to approve the insertion of an item of revenue in the budget of the year 2019 in the sum of \$20,073.00 which will be available as a revenue from:

**Miscellaneous Revenues – Section F: Special Items of General revenue – Public and Private Revenues Offset with Appropriations:**

Municipal Alliance to Prevent Alcoholism and Drug Abuse DEDR, and

**BE IT FURTHER RESOLVED**, that a like sum of \$20,073.00 be and the same is hereby appropriated under the caption of:

**Public and Private Programs Offset by Revenues:**

Municipal Alliance to Prevent Alcoholism and Drug Abuse DEDR.

**BE IT FURTHER RESOLVED**, that the Township Clerk forward a copy of this resolution to the Director of Local Government Services.

Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

I, Gregory J. LaConte, Township Clerk of the Township of Chatham in the County of Morris, New Jersey, hereby certify the foregoing to be a true complete copy of a resolution adopted by the Township Committee of the Township of Chatham at a regular meeting held on November 14, 2019.

Date Issued: \_\_\_\_\_

\_\_\_\_\_  
Township Clerk

**RESOLUTION 2019-209**

**A RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING THE 2019 BUDGET.**

**WHEREAS**, N.J.S. 40A: 4-87 provides that the Director of the Division of Local Government Services may approve the insertion of any special item of revenue in the budget of any county or municipality when such item shall have become available by law and the amount thereof was not determined at the time of the adoption of the budget, and

**WHEREAS**, the Director may also approve the insertion of an item of appropriation for an equal amount, and

**WHEREAS**, the Township of Chatham will receive \$3,000.00 from the County of Morris Municipal Alliance to Prevent Alcoholism and Drug Abuse Supplemental and wishes to amend its 2019 Budget to include these funds as a revenue,

**NOW, THEREFORE, BE IT RESOLVED**, that the Township Committee of the Township of Chatham, County of Morris, State of New Jersey hereby requests the Director of the Division of Local Government Services to approve the insertion of an item of revenue in the budget of the year 2019 in the sum of \$3,000.00 which will be available as a revenue from:

**Miscellaneous Revenues – Section F: Special Items of General revenue – Public and Private Revenues Offset with Appropriations:**

Municipal Alliance to Prevent Alcoholism and Drug Abuse Supplemental, and

**BE IT FURTHER RESOLVED**, that a like sum of \$3,000.00 be and the same is hereby appropriated under the caption of:

**Public and Private Programs Offset by Revenues:**

Municipal Alliance to Prevent Alcoholism and Drug Abuse Supplemental.

**BE IT FURTHER RESOLVED**, that the Township Clerk forward a copy of this resolution to the Director of Local Government Services.

Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

I, Gregory J. LaConte, Township Clerk of the Township of Chatham in the County of Morris, New Jersey, hereby certify the foregoing to be a true complete copy of a resolution adopted by the Township Committee of the Township of Chatham at a regular meeting held on November 14, 2019.

Date Issued: \_\_\_\_\_

\_\_\_\_\_  
Township Clerk

**RESOLUTION 2019-210**

**RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM, IN THE COUNTY OF MORRIS, AMENDING EMPLOYEE SALARIES FOR THE YEAR 2019**

**WHEREAS**, Resolution 2019-092 was adopted on March 28, 2019 setting the employee salaries for the year 2019; and

**WHEREAS**, the salary for the Assistant Pool Manager needs to be amended so that the position receives the agreed to 2% increase which equates to \$357.00.

**BE IT RESOLVED** by the Township Committee of the Township of Chatham, in the County of Morris, New Jersey, that Resolution 2019-092 is hereby amended be effective May 1, 2019.

Assistant Pool Manager	\$18,207
------------------------	----------

This Resolution shall take effect immediately.

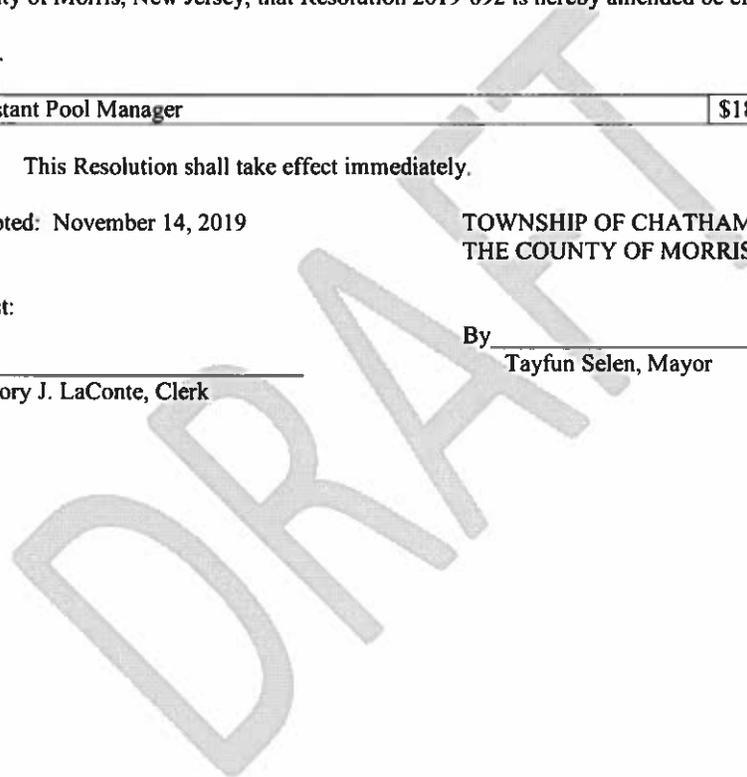
Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk



**RESOLUTION 2019-212****RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF  
CHATHAM AUTHORIZING BUDGET TRANSFERS**

**WHEREAS**, the Township Committee of the Township of Chatham, County of Morris has determined that certain appropriations, in the 2019 municipal budget, are not sufficient to meet anticipated expenses; and

**WHEREAS**, N.J.S. 40A: 4-58 authorizes the transfer from appropriations where excess exists to other appropriations that are anticipated to be insufficient.

**NOW, THEREFORE, BE IT RESOLVED**, by the Township Committee of the Township of Chatham, County of Morris that the following transfers are hereby affected:

<b>Current Fund Appropriation</b>	<b>To</b>	<b>From</b>
General Administration OE	\$ 15,000	
Municipal Clerk OE	\$ 1,000	
Computerized Data Process OE	\$ 1,000	
Legal Services OE	\$ 30,000	
Planning Board OE	\$ 20,000	
Code Enforcement /Admin OE	\$ 2,000	
Police OE	\$ 5,000	
Road Repairs OE	\$ 10,000	
Vehicle Maintenance OE	\$ 15,000	
Police S&W		\$ 15,000
Colony Pool S&W		\$ 70,000
Recreation S&W		\$ 14,000
<b>Current Fund Total</b>	<b>\$ 99,000</b>	<b>\$ 99,000</b>

Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

**RESOLUTION 2019-213****A RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, CANCELLING VARIOUS UNEXPENDED BALANCES**

**WHEREAS**, The Report On Examination of Financial Statements (Audit) for the year ended December 31, 2018 revealed a number of miscellaneous items including unallocated receipts, appropriated reserves, reserves for special deposits, unexpended improvement authorizations, and state aid receivables and reserves, and

**WHEREAS**, The Chief Financial Officer has determined that these items may all be cancelled,

**NOW, THEREFORE, BE IT RESOLVED**, that the Township Committee of the Township of Chatham, County of Morris, State of New Jersey hereby cancels the following items:

<b>Current Fund Schedule of Receivables</b>	
Municipal Alliance Program DEDR	\$2,681.30
FEMA Emergency Generator Grant	\$200.00
<b>Current Fund Appropriation</b>	
<b>Matching Funds for Grants</b>	
-Municipal Alliance Program	\$740.88
FEMA Emergency Generator Grant	\$200.00
<b>Sewer Utility #1 Capital Fund Schedule of Improvement Authorizations</b>	
Ordinance 2013-015	\$2,110,888.81
Ordinance 2016-018	\$48,951.97
<b>Sewer Utility #2 Capital Fund Schedule of Improvement Authorizations</b>	
Ordinance 2010-15	\$13,261.88

Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

\_\_\_\_\_  
Gregory J. LaConte, Clerk

By \_\_\_\_\_  
Tayfun Selen, Mayor

**RESOLUTION 2019-214**

**RESOLUTION OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, AUTHORIZING THE MAYOR AND CLERK TO SIGN A REDEVELOPMENT AGREEMENT BETWEEN THE TOWNSHIP OF CHATHAM AND SOUTHERN BOULEVARD URBAN RENEWAL, LLC**

**WHEREAS**, on October 12, 2017 and October 26, 2017, the Township Committee of the Township of Chatham (“Township”) designated a portion of Block 48.16, Lot 117.27 (“Property”) as the Skate Park Redevelopment Area (“Redevelopment Area”); and

**WHEREAS**, on December 13, 2018, the Township Committee adopted an Ordinance authorizing the Redevelopment Plan for the Redevelopment Area (“Plan”); and

**WHEREAS**, on December 13, 2018, the Township adopted a Resolution conditionally designating Southern Boulevard Urban Renewal, LLC (“Redeveloper”) as redeveloper of the Redevelopment Area subject to certain conditions; and

**WHEREAS**, on October 21, 2019, the Redeveloper received Final Site Plan Approval from the Township Planning Board for the Redevelopment Area for a two-story twenty-four (24) unit affordable housing development (“Approval”); and

**WHEREAS**, the Approval was granted subject to the execution of a Redevelopment Agreement between the Township and the Redeveloper; and

**WHEREAS**, the Township and Redeveloper negotiated a Redevelopment Agreement which is attached to this Resolution; and

**WHEREAS**, the Redevelopment Agreement is in substantially final form subject to finalization by the Township Attorney.

**NOW, THEREFORE, BE IT RESOLVED**, by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey, as follows:

1. The Mayor and Clerk are hereby authorized to sign the Redevelopment Agreement with Southern Boulevard Urban Renewal, LLC, as discussed in this Resolution.
2. The Agreement to be signed will be in substantially the form attached subject to finalization by the Township Attorney.
3. This Resolution shall take effect immediately.

Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

**RESOLUTION 2019-215**

**RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF  
CHATHAM AUTHORIZING A REQUEST FOR QUALIFICATIONS (RFQ) OR  
REQUEST FOR PROPOSAL (RFP) FOR ARCHITECTURAL SERVICES**

**BE IT RESOLVED**, by the Township Committee of the Township of Chatham that authorization is given to the Township Administrator and the QPA solicit quotes or prepare an RFP for architectural services.

Adopted: November 14, 2019

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

By \_\_\_\_\_  
Tayfun Selen, Mayor

\_\_\_\_\_  
Gregory J. LaConte, Clerk

DRAFT

# EXHIBIT D

**MINUTES  
TOWNSHIP COMMITTEE  
REGULAR MEETING  
NOVEMBER 14, 2019**

Mayor Selen called the Regular Meeting of the Township Committee of the Township of Chatham to order at 7:30 P.M.

**Adequate Notice** of this meeting of the Township Committee was given as required by the Open Public Meetings Act as follows: Notice was given to both The Chatham Courier and the Morris County Daily Record on January 4, 2019; notice was posted on the bulletin board in the main hallway of the Municipal Building on January 4, 2019; and notice was filed with the Township Clerk on January 4, 2019.

Mayor Selen invited Township Committee Members-Elect Stacey Ewald and Celeste Fondaco to lead the Flag Salute.

**Roll Call**

Answering present to the roll call were Committeewoman Ness, Committeewoman Swartz, Committeeman Ritter, Deputy Mayor Kelly and Mayor Selen.

**Approval of Agenda**

The Commuter Shuttle discussion item was removed from the agenda, as Committeeman Ritter said he could provide an update during reports.

Committeewoman Ness moved to approve the Agenda as amended. Deputy Mayor Kelly seconded the motion, which carried unanimously.

**Reports**

Committeeman Ritter reported that he and Administrator Hoffmann had a conference call with TransOptions and State Shuttle, and progress is being made on the pilot program. The survey had over 130 responses. The shuttle fee is currently anticipated to be \$5, and steps are being taken to try to reduce it to \$3.50. The Township recommended a two-week pilot period will be run to see if the shuttle is feasible. Determinations need to be made who will underwrite potential shortfalls for the two-week pilot program. The Township stated that it would not fund a shortfall. Committeeman Ritter further reported that the 11<sup>th</sup> Annual Chatham Turkey Trot will be held on Thanksgiving Day, and proceeds benefit the Chatham Township Fire Department, Diabetes Research Institute and Chatham Emergency Squad. Committeeman Ritter also said that the Township Committee has discussed establishing a veterans memorial, and he suggested potentially renaming Shunpike Field as Veterans Park.

Committeewoman Swartz extended sympathies to the Nelson Family following the recent passing of Peggy Nelson. Committeewoman Swartz noted all of Mrs. Nelson's various volunteer endeavors, including having served on the Library of the Chathams Board of Trustees.

Committeewoman Ness reported that the Environmental Commission has discussed a Transition Team for the implementation of the plastic bag ordinance. The Green Team is working toward Sustainable Jersey Silver Status. Committeewoman Ness reported that the Joint Recreation Committee has begun discussing possibly allowing recreation activities to begin earlier on Sundays. Committeewoman Ness further noted that she recently attended a fundraiser for the John Taylor Babbitt Foundation, and she discussed the Foundation's efforts to supply AEDs. Committeeman Ritter asked how many teams requested an early start on Sundays. Committeewoman Ness said that several sports have requested an early start, mainly the baseball travel teams. Currently the start time on Sunday is noon, and the Recreation Committee has discussed a trial period with a 10:30 AM start time.

Committeeman Kelly reported that the Community Garden has three self-funded projects. Eagle Scout candidate Brian Becker has finished a project to better outline the garden plots to clearly define and delineate the area. A gate reconstruction project and a fence reconstruction project will also be undertaken. Both will be funded through the fees paid by plot-holders. The registration deadline for existing plot-holders to renew their registration is November 30<sup>th</sup>, after which new gardeners will be invited to apply for a plot. Deputy Mayor Kelly further reported

that the Chatham Township Historical Society recently hosted a program by Kevin Doherty about businesses that used to exist within the Township.

Mayor Selen congratulated Stacey Ewald and Celeste Fondaco on winning the election for Township Committee, and congratulated all candidates who ran. Mayor Selen also reported that the Township has been awarded a Green Acres grant toward the purchase of open space, and he thanked Deputy Mayor Kelly, Administrator Hoffmann and Open Space Chairman Joe Basralian for their efforts in applying for the grant. Mayor Selen also recognized Veterans Day, and further wished everyone a Happy Thanksgiving.

Deputy Mayor Kelly reported that two Eagle Scout candidates are working with the Open Space Committee on the Green Village Pond Area trailhead. Scouts Jared Simonetti and Jonathan Field are working on a bridge project along the trail.

Committeeman Ritter asked about the purpose of the open space grant. Deputy Mayor Kelly said that it is a retroactive grant to reimburse the Township for a portion of the purchase price of the open space property on the southwest side of Southern Boulevard at the intersection of River Road.

### **Hearing of Citizens**

Mayor Selen opened the Hearing of Citizens.

1. Dan Miller, 465 Green Village Road, spoke about his family's history in Green Village. He also addressed the noise ordinance as it relates to garbage collection. Mr. Miller said that the Morris County MUA's collection of recycling has been occurring earlier than the Board of Health's noise ordinance allows. Administrator Hoffmann asked if the alleged violations have been reported. Mr. Miller said that he has not previously reported the matter. Mr. Miller also addressed noise from bicycle riders and joggers, stating that bicyclists and joggers often speak very loudly while travelling on Green Village Road. Committeewoman Ness asked about a Board of Health response. The Township Clerk indicated that when a noise disturbance is occurring, residents can call the Police. He noted that enforcement of noise ordinance violations by bicyclists can be difficult, as the bicyclist has moved on prior to the arrival of police officers. Mr. Miller suggested that signage be put up to remind bicyclists and joggers to be cognizant of noise. Mr. Miller further addressed traffic violations committed by bicyclists, and asked that the Police Department enforce the rules with bicyclists the same way they would with drivers.
2. Jane Devlin, 420 River Road, suggested that the Township put up a nicer Christmas tree this year, and noted that the Borough has a beautiful Christmas tree.
3. Stacey Ewald, 54 Nicholson Drive, commented on the Veterans Memorial Park concept, and suggested that Shunpike might be too busy of a location. Committeeman Ritter said that if the memorial is in too quiet of an area, nobody will know it is there.
4. Rich Matlaga, 36 Dale Drive, asked if the Township Committee has a liaison to the Board of Education. Committeewoman Ness said that she is the liaison, and there is two-way communication when topics of interest arise.
5. Chris Jagoe, 318 Fairmount Avenue, addressed the Fairmount Avenue Sidewalk Project, and said that he had been informed by Administrator Hoffmann that the Township will still have to pay almost \$250,000 toward the project. Mr. Jagoe said that the project is an unnecessary expense, and he asked about the funding approval process. Administrator Hoffmann said that the project is partially funded by a Safe Routes to School Grant, and it is a 50% matching grant. If the Township moves forward with the project, the Township Committee will be asked to adopt a capital ordinance to fund the Township's share of the costs. Engineer Ruschke added that the Township has until August 2020 to award the contract for the project. Administrator Hoffmann said that during the 2020 Budget process, the funding of the project will be further addressed. Committeewoman Swartz asked if there is a chance that the Township Committee will opt to not move forward with the project. Engineer Ruschke said that is up to the Township Committee to decide, and noted that it is frowned upon by the DOT for municipalities to turn down awarded grants for which they had applied.

6. Mrs. Devlin agreed with Committeeman Ritter’s comments about having a veterans memorial in a public area.

Seeing no further comment, Mayor Selen closed the Hearing of Citizens.

**Consent Agenda**

**RESOLUTION 2019-202  
RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM  
AUTHORIZING PAYMENT OF BILLS, PAYROLLS, SCHOOL TAXES AND COUNTY TAXES**

**BE IT RESOLVED** that bills in the total amount of \$1,110,763.43 and the prior month’s payroll of \$408,708.80 Current Fund, \$43,127.88 Sewer No. 1, \$8,802.73 Sewer No. 2, and \$19,793.70 Police Private Employment be paid.

**BE IT FURTHER RESOLVED** that taxes due to the School District of the Chathams, for the month of November 2019, in the amount of \$3,200,207.00 be paid.

**BE IT FURTHER RESOLVED** that taxes due to the County of Morris, for the Fourth Quarter of 2019, in the amount of \$2,586,055.96 be paid.

**RESOLUTION 2019-203  
RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM,  
ACKNOWLEDGING RECEIPT OF REPORTS**

**BE IT RESOLVED** by the Township Committee of the Township of Chatham that the following monthly reports of departments be acknowledged as received:

- CFO – October
- Tax Collector – October
- Police Department – October
- Construction Official – June, July, August, September
- State Training Fees – 2<sup>nd</sup> Quarter

**RESOLUTION 2019-204  
RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM  
APPROVING MINUTES OF MEETINGS**

**BE IT RESOLVED** that the Township Committee of the Township of Chatham acknowledges receipt of and approves the minutes of the Township Committee meetings held on October 24, 2019.

**RESOLUTION 2019-205  
RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP  
OF CHATHAM APPROVING EXECUTIVE SESSION MINUTES OF MEETINGS**

**BE IT RESOLVED** that the Township Committee of the Township of Chatham acknowledges receipt of and approves Executive Session minutes of the Township Committee meetings held on October 24, 2019.

**RESOLUTION 2019-206  
TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM, IN THE COUNTY OF  
MORRIS, STATE OF NEW JERSEY, RELEASING DEVELOPER ESCROW ACCOUNT  
AND/OR PERFORMANCE BOND BALANCES**

**WHEREAS**, developers are required to deposit monies with the Township for the purposes of offsetting Township professional costs to review plans or to inspect approved development and for the purpose of ensuring the satisfactory completion of public or private improvements; and

**WHEREAS**, these deposited monies, following all necessary withdrawals to cover Township expenses or costs, may be released upon satisfactory completion of work, receipt of review board decisions, or completion of guaranteed work, upon passage of a Township resolution authorizing such release.

**NOW, THEREFORE, BE IT RESOLVED** by the Township Committee of the Township of Chatham that the following guarantee amount or account balances, with interest adjustments as prescribed by state and local laws, may be released to the depositor of record:

<b>NAME</b>	<b>Project</b>	<b>A/C NUMBER</b>	<b>AMOUNT</b>
Primavera Hills at Chatham 117 North Union Ave Cranford, NJ 07016	RO 18-036	7764943352	\$423.00

Primavera Hills at Chatham 117 North Union Ave Cranford, NJ 07016	Performance Bond For RO 18-036	7764943360	\$270.00
Calusa Partners 89 Sunset Drive Chatham, NJ 07928	RO 18-037	7764943386	\$190.00
James L. Sibona 6 Cypress Circle Morristown, NJ 07960	BOH 19-139-51	7765172405	\$975.00

**RESOLUTION 2019-207****RESOLUTION OF THE TOWNSHIP OF CHATHAM, COUNTY MORRIS, STATE OF NEW JERSEY RELEASING THE PERFORMANCE BOND AND CASH BOND FOR ROSEPOND LLC, BLOCK 135, LOTS 19 AND 19.01**

**WHEREAS**, the Planning Board has granted preliminary and final site plan approval for a project at Valle Estates, Block 135, Lots 19 and 19.01 (the subject property); and

**WHEREAS**, said approvals required, in accordance with the requirements of the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq., and the Developer's Agreement between the developer and the Township, the posting of a performance bond and cash bond to secure completion of the public improvements that were part of the project, and which was posted by the developer; and

**WHEREAS**, as set forth by the Township Engineer, John Ruschke, P.E., in his report dated November 4, 2019, the public improvements have been satisfactorily completed to the extent that Performance Bond No. 0396796 in the amount of \$549,632.52 and a Cash Bond held in Escrow Account 11089 in the amount of \$61,645.82 plus interest may be released and returned to the developer;

**NOW, THEREFORE, BE IT RESOLVED**, by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey, that Performance Bond 0396796 in the amount of \$549,632.52 and a Cash Bond held in Escrow Account 11089 in the amount of \$61,645.82 plus interest posted by the developer is hereby released and returned to the developer, in accordance with the report of John Ruschke, P.E., dated November 4, 2019, and it is further provided that no maintenance guaranty is required.

**RESOLUTION 2019-208****A RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING THE 2019 BUDGET**

**WHEREAS**, N.J.S. 40A: 4-87 provides that the Director of the Division of Local Government Services may approve the insertion of any special item of revenue in the budget of any county or municipality when such item shall have become available by law and the amount thereof was not determined at the time of the adoption of the budget, and

**WHEREAS**, the Director may also approve the insertion of an item of appropriation for an equal amount, and

**WHEREAS**, the Township of Chatham will receive \$20,073.00 from the County of Morris Municipal Alliance to Prevent Alcoholism and Drug Abuse DEDR and wishes to amend its 2019 Budget to include these funds as a revenue,

**NOW, THEREFORE, BE IT RESOLVED**, that the Township Committee of the Township of Chatham, County of Morris, State of New Jersey hereby requests the Director of the Division of Local Government Services to approve the insertion of an item of revenue in the budget of the year 2019 in the sum of \$20,073.00 which will be available as a revenue from:

**Miscellaneous Revenues – Section F: Special Items of General revenue – Public and Private Revenues Offset with Appropriations:****Municipal Alliance to Prevent Alcoholism and Drug Abuse DEDR, and**

**BE IT FURTHER RESOLVED**, that a like sum of \$20,073.00 be and the same is hereby appropriated under the caption of:

**Public and Private Programs Offset by Revenues:**

Municipal Alliance to Prevent Alcoholism and Drug Abuse DEDR.

**BE IT FURTHER RESOLVED**, that the Township Clerk forward a copy of this resolution to the Director of Local Government Services.

**RESOLUTION 2019-209  
A RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM,  
COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING THE 2019 BUDGET.**

WHEREAS, N.J.S. 40A: 4-87 provides that the Director of the Division of Local Government Services may approve the insertion of any special item of revenue in the budget of any county or municipality when such item shall have become available by law and the amount thereof was not determined at the time of the adoption of the budget, and

WHEREAS, the Director may also approve the insertion of an item of appropriation for an equal amount, and

WHEREAS, the Township of Chatham will receive \$3,000.00 from the County of Morris Municipal Alliance to Prevent Alcoholism and Drug Abuse Supplemental and wishes to amend its 2019 Budget to include these funds as a revenue,

NOW, THEREFORE, BE IT RESOLVED, that the Township Committee of the Township of Chatham, County of Morris, State of New Jersey hereby requests the Director of the Division of Local Government Services to approve the insertion of an item of revenue in the budget of the year 2019 in the sum of \$3,000.00 which will be available as a revenue from:

**Miscellaneous Revenues – Section F: Special Items of General revenue – Public and Private Revenues Offset with Appropriations:**

Municipal Alliance to Prevent Alcoholism and Drug Abuse Supplemental, and

BE IT FURTHER RESOLVED, that a like sum of \$3,000.00 be and the same is hereby appropriated under the caption of:

**Public and Private Programs Offset by Revenues:**

Municipal Alliance to Prevent Alcoholism and Drug Abuse Supplemental.

BE IT FURTHER RESOLVED, that the Township Clerk forward a copy of this resolution to the Director of Local Government Services.

**RESOLUTION 2019-210  
RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM, IN  
THE COUNTY OF MORRIS, AMENDING EMPLOYEE SALARIES FOR THE YEAR 2019**

WHEREAS, Resolution 2019-092 was adopted on March 28, 2019 setting the employee salaries for the year 2019; and

WHEREAS, the salary for the Assistant Pool Manager needs to be amended so that the position receives the agreed to 2% increase which equates to \$357.00.

BE IT RESOLVED by the Township Committee of the Township of Chatham, in the County of Morris, New Jersey, that Resolution 2019-092 is hereby amended be effective May 1, 2019.

Assistant Pool Manager	\$18,207
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This Resolution shall take effect immediately.

**RESOLUTION 2019-211  
RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM  
APPOINTING CHARLES RIBAUDO TO THE POSITION OF SPECIAL LAW  
ENFORCEMENT OFFICER III**

BE IT RESOLVED, by the Township Committee of the Township of Chatham that a conditional offer of employment is hereby extended to Charles Ribaudo with an appointment date of November 16, 2019 at a rate of \$35 per hour pending the successful completion of his pre-employment physical and qualifications; and,

BE IT FURTHER RESOLVED, that the Special Law Enforcement Officer III will work 35 hours a week, and no more than 40 hours a week; and

BE IT FURTHER RESOLVED, that the terms and conditions of the Shared Services Agreement with the School District of the Chathams Board of Education as authorized by Resolution 2018-12 shall be considered part of the terms of employment.

**RESOLUTION 2019-212  
RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM  
AUTHORIZING BUDGET TRANSFERS**

WHEREAS, the Township Committee of the Township of Chatham, County of Morris has determined that certain appropriations, in the 2019 municipal budget, are not sufficient to meet anticipated expenses; and

WHEREAS, N.J.S. 40A: 4-58 authorizes the transfer from appropriations where excess exists to other appropriations that are anticipated to be insufficient.

NOW, THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Chatham, County of Morris that the following transfers are hereby affected:

**Current Fund**

Appropriation	To	From
General Administration OE	\$ 15,000	
Municipal Clerk OE	\$ 1,000	
Computerized Data Process OE	\$ 1,000	
Legal Services OE	\$ 30,000	
Planning Board OE	\$ 20,000	
Code Enforcement /Admin OE	\$ 2,000	
Police OE	\$ 5,000	
Road Repairs OE	\$ 10,000	
Vehicle Maintenance OE	\$ 15,000	
Police S&W		\$ 15,000
Colony Pool S&W		\$ 70,000
Recreation S&W		\$ 14,000
Current Fund Total	\$ 99,000	\$ 99,000

**RESOLUTION 2019-213**  
**A RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM,**  
**COUNTY OF MORRIS, STATE OF NEW JERSEY, CANCELLING VARIOUS UNEXPENDED**  
**BALANCES**

WHEREAS, The Report On Examination of Financial Statements (Audit) for the year ended December 31, 2018 revealed a number of miscellaneous items including unallocated receipts, appropriated reserves, reserves for special deposits, unexpended improvement authorizations, and state aid receivables and reserves, and

WHEREAS, The Chief Financial Officer has determined that these items may all be cancelled,  
**NOW, THEREFORE, BE IT RESOLVED**, that the Township Committee of the Township of Chatham, County of Morris, State of New Jersey hereby cancels the following items:

<b>Current Fund Schedule of Receivables</b>	
Municipal Alliance Program DEDR	\$2,681.30
FEMA Emergency Generator Grant	\$200.00
<b>Current Fund Appropriation</b>	
Matching Funds for Grants	
-Municipal Alliance Program	\$740.88
FEMA Emergency Generator Grant	\$200.00
<b>Sewer Utility #1 Capital Fund Schedule of Improvement Authorizations</b>	
Ordinance 2013-015	\$2,110,888.81
Ordinance 2016-018	\$48,951.97
<b>Sewer Utility #2 Capital Fund Schedule of Improvement Authorizations</b>	
Ordinance 2010-15	\$13,261.88

Committeeman Ritter asked about the salary resolution amendment. Administrator Hoffmann said that the Assistant Pool Manager had not received the 2% increase that should have been included in the 2019 salary.

Committeewoman Ness moved to approve the Consent Agenda. Deputy Mayor Kelly seconded the motion.

**Roll call:** Committeewoman Ness, Aye; Committeewoman Swartz, Aye; Committeeman Ritter, Aye; Deputy Mayor Kelly, Aye; Mayor Selen, Aye.

**Presentation**

**Best Practices Inventory**

Administrator Hoffmann reported that every municipality in New Jersey is required by the State to complete a Best Practices Inventory, and it must appear on a governing body agenda and be discussed. The Township's score in 2019 is 41.5 out of 46, and any score over 30 means that the municipality will not lose out on State Aid. Administrator Hoffmann noted that what the State calls State Aid is in reality money owed to municipalities for use of right-of-ways. Administrator Hoffmann said that the Township had to answer "no" on some questions, and he reviewed those questions with the Township Committee. Administrator Hoffmann noted that the Audit commented on the need for segregation of duties, and the Township's staffing levels are too low to properly segregate duties.

Committeewoman Swartz asked about the anticipated IT Audit, and if integrating personnel will be part of that. Administrator Hoffmann said that the new IT provider will be part of that discussion. He also noted that the Township received 12 bids for IT services, and the review process has been interesting in the level of detail and analysis required. A recommendation for contract award is anticipated for the December 12<sup>th</sup> meeting.

Committeewoman Ness commented on the Veterans Day Observance Ceremony in Green Village on November 11<sup>th</sup>. Mayor Selen said that he also attended the Veterans Day Ceremony at Juniper Village.

Committeewoman Ness also commented that Santa and Mrs. Claus will be at the Chatham Borough Gazebo on December 7<sup>th</sup> and 8<sup>th</sup>.

#### PILOT Agreement

Administrator Hoffmann explained that a Payment In Lieu of Taxes (PILOT) is a financial agreement that helps implement goals for development and redevelopment, and PILOTs are a financing tool for municipalities to assist in projects that would not otherwise be feasible. Administrator Hoffmann also said that PILOT programs help facilitate affordable housing obligations through development and redevelopment. Administrator Hoffmann further explained that the first step is for an property to be declared by the governing body as an area in need of redevelopment, and a redevelopment plan has to be presented. The redevelopment plan is then reviewed by both the Planning Board and Governing Body. An agreement would then be entered into with the developer for an annual service charge, which is based on the gross annual revenues generated by the development which is usually rental income.

Administrator Hoffmann discussed the benefits of a PILOT. He said that a PILOT provides tax relief to developers, and gives them certainty about some of the future costs. This helps them obtain funding for the project. The redevelopment transforms blighted property, and brings in more ratables following the term of the PILOT. The municipality retains 95% of the PILOT, and the County receives the remaining 5%. The portion retained by the municipality is intended to cover municipal services such emergency services.

For the Arbor Green Project, Administrator Hoffmann stated that the agreed rate of the PILOT will be 6.28% of the gross rental income. This will result in the Township receiving approximately \$17,900 in the first year, and the County will receive \$900. The corresponding Dixiedale project will be market rate subject to property taxes. Administrator Hoffmann said that an analysis was performed to see how projected property taxes from the Dixiedale development would cover the costs associated with any new students in Chatham schools from the two developments. The projected ratable increase is approximately \$636,000 which will expand the tax base. This may help decrease the amount that each Township taxpayer has to pay in school taxes.

Attorney Cruz said that there will be a request to introduce an ordinance for a PILOT at the Arbor Green development. He noted that the development provides 24 units toward the Township's affordable housing obligation. Attorney Cruz further stated that if the Dixiedale property had been subject to a builders remedy lawsuit, there could potentially be a much larger number of units than the 53 that will be built.

Committeeman Ritter asked that the affordable housing FAQs on the Township website be updated.

Administrator Hoffmann indicated that the data in his report was reviewed with the Superintendent and Business Administrator of the School District of the Chathams. Attorney Cruz addressed the projection of the number of school children that the developments will generate. He said that existing similar developments in the Township can be used for comparative purposes to develop projections. A study by Rutgers University's Bloustein School of Planning and Public Policy is also used as a basis for the projections.

#### Municipal Affordable Housing Site or Sites

Administrator Hoffmann addressed the implementation of the Court-approved Affordable Housing Plan. On December 13, 2018 the Township Committee authorized a settlement of the litigation with the Fair Share Housing Center regarding affordable housing compliance. The agreement stipulates that the Township's realistic development potential is 200 units, and it was agreed that 24 units will be developed at the Skate Park site. The Township had also renewed affordable controls on the 72 Vernon Grove affordable housing units, a group home counted as 4 units, and a regional contribution of 8 units will result in the Township contributing to the rehabilitation of 8 units for affordable housing somewhere in Morris County. The Township agreed to build 74 units on municipally owned land. The Township has 28 bonus credits, 18 of which are being used at this time.

Attorney Cruz discussed the Vacant Land Analysis (VLA), and said that it is a tool for municipalities to determine the realistic development potential. The properties in the VLA may not necessarily get developed as affordable housing, and the VLA helps project the Township's capacity for future development. Attorney Cruz said that the VLA is a mechanism to help reduce the Township's obligation based upon available land. Typically for the Township to have 200 affordable units, 1000 total units would need to be built. However, the mechanisms employed by the Township reduces the total development while meeting the Township's Third Round obligation. By remaining compliant with the Settlement Agreement, the Township is protected from builders remedy lawsuits.

Administrator Hoffmann reiterated that the Township agreed to construct 74 affordable units on municipally controlled land. The Township Committee had considered the pros and cons of risking a builders remedy lawsuit, which could potentially result in 500 new homes being built in order to generate the required affordable housing. Having a 100% affordable housing solution was deemed a better option, as it would result in less overall development. The Township considered all municipally owned properties and easements to determine the best location for the 74 units.

Administrator Hoffmann said that the site of the Municipal Building on Meyersville Road has been determined as the best place for 65 units. He noted that the Senior Center will be able to remain, and the Township will also still have a gym at the site. The municipal offices will move to a new location. Nine affordable units will be build at another site as yet to be determined, and the units will be built with grant funding.

Attorney Cruz noted that the Township will not become a landlord, but will rather designate a developer to build the units.

Administrator Hoffmann said that in March 2008, a report was commissioned to assess the needed improvements to the Municipal Building. The projected cost of the improvements required at the time came to \$3,807,216.00 in 2008 figures. Factoring in the Bureau of Labor Statistics inflation rate, the 2019 figure comes to \$4,588,493.35.

Administrator Hoffmann noted that the Municipal Building was originally constructed as a school and opened in 1970, and was vacated in the early 1980s. After a few years of the building being vacant, municipal offices moved in during 1987. Administrator Hoffmann described the various improvements needed in the Municipal Building, including HVAC upgrades and a new roof. He also noted the utility costs relative to the number of employees in the building. Administrator Hoffmann also discussed the improvements needed at the Police Headquarters, which include new holding cells, a sally-port, a new roof, HVAC improvements and electrical upgrades. The anticipated cost of the Police Headquarters comes to \$5 million. Administrator Hoffmann said that it will be cheaper over the 30-year lifespan of a bond for the Township to build a new municipal complex than to make the necessary repairs at the two current facilities.

The next step for the Township will be to designate a developer, and then to present to concept plans to the public once they are available. The Township will also keep in touch with the

Senior Center and the Recreation Department to make sure their needs are satisfied. A new parking plan for the municipal complex will also be needed.

Committeeman Ritter noted that other sites were considered. Administrator Hoffmann said that the Municipal Building became the most viable site when it was determined that the other site was too constrained and too costly. What was thought to be a primary site had several limitations, and it would have been five-stories tall and would require the extension of a sewer line at the cost of the Township. Committeeman Ritter noted that even if the Municipal Building were in pristine condition, it would still be the best site.

Attorney Cruz said that the Settlement Agreement stipulates that a site or sites would be designated by the end of June 2019. For various reasons, the Court granted the Township extensions to determine the best site. Attorney Cruz said that he needs to report back to the Court in December with the designated site. The Township Committee is being asked to designate the Municipal Building as the site for 65 affordable units with a site or sites for the remaining 9 units to be determined at a later time so that the Township can remain in compliance with the Settlement Agreement.

Committeewoman Swartz asked about the ramifications for not designating a site or sites for the 74 units. Attorney Cruz said that the Court has been extending the Township's immunity from builders remedy lawsuits. Committeewoman Swartz asked Attorney Cruz to elaborate on the benefits of immunity from builders remedy lawsuits. Attorney Cruz said that the immunity allows municipalities to retain control over their own zoning regulations. Builders remedy lawsuits allow developers to construct new housing at a higher density. Committeewoman Swartz said that there is a possibility that a developer might not be able to find available land for a builders remedy lawsuit.

Deputy Mayor Kelly said that several other sites were eliminated by the Township for consideration, but a developer would not be constrained by the 74 units figure. He noted that a developer could feasibly propose 15 units on a single acre with only two or three affordable units toward the Township's obligation. Deputy Mayor Kelly said that such a method would potentially result in much more development. Committeeman Ritter said that a developer would not likely build townhomes on a road such as Huron Drive. He said that the Noe Pond Club is one of the largest private parcels that could be subject to a builders remedy lawsuit. Committeeman Ritter further noted that the Township was criticized for allowing 54 units at Dixiedale, when there could have potentially been up to 405. He also reiterated that use of the Municipal Building as a site for affordable housing remains the best option, and the process does not end with the proposed action. Attorney Cruz said that the process will include an application before the Planning Board. He also noted that the Court hearing to approve the development will also be a public hearing.

Mayor Selen noted the failure of the NJ State Legislature to address affordable housing matters, and he hopes that the Trenton politicians will step up and solve affordable housing issues.

Committeewoman Swartz noted that the Senior Center will need to temporarily relocate, and the use of the gym will temporarily be lost. She also said that the Township will lose acreage that it will not be able to get back. Committeewoman Swartz stated that the Township will lose a resource by giving up the current Municipal Building.

Committeewoman Ness noted that the settlement negotiations began in 2015, and concluded in 2018. She said that in 2019 the Committee needs to implement what had been agreed to in prior years. Committeewoman Swartz commended the Township Committee for wading through the various issues regarding affordable housing, as well as the Finance Committee for analyzing the costs of repairing the Municipal Building.

Committeewoman Swartz said that having 65 units at the Municipal Building site leaves 9 more to be developed elsewhere.

Deputy Mayor Kelly asked that the public be given a chance to speak before a vote is taken to designate a site for affordable housing.

Mayor Selen opened the floor for public comment.

1. Nancy Styple, 97 Ormont Road, said that it is emotional and disturbing for a site to be chosen. Mrs. Styple said that the only criteria that she saw considered for choosing the

Municipal Building site was cost, and she is concerned about the loss of open space. Mrs. Style said she is not convinced that the other potential areas are not developable.

Committeeman Ritter asked if the alternate sites can be disclosed. Attorney Cruz said that factors other than cost were considered, and the proposal for the Municipal Building site is to use the footprint of the current structure. Attorney Cruz also said that all municipally controlled properties and easements were considered.

Committeewoman Ness said that using the Municipal Building site will result in minimal disturbance.

Mrs. Style said she does not believe that the open space at the site will remain.

2. Dan Miller, 465 Green Village Road, said that the Township should disclose what properties were considered and let the public decide what is best. Administrator Hoffmann reiterated that every municipally owned property was considered, as well as municipal easements and tax foreclosures, and he said that due diligence was performed. Mr. Miller said that while due diligence may have been performed, there should be more transparency in the process. Mr. Miller also asked who will fund refurbishing the Senior Center and the Mountainview Gym. Committeewoman Ness said that discussions have not gotten that far. Mr. Miller said that the costs should be determined before moving forward. Administrator Hoffmann noted that the Township Administrative Offices will remain in the current facility for at least two more years. Mr. Miller commented on costs for sewers for new affordable housing, and said it would be offensive to spread the cost of those sewers on those who are outside the sewer service area.
3. Jane Devlin, 420 River Road, said that the Township Committee seems to take steps backward, and a lot of people seem afraid for there to be affordable housing. Mrs. Devlin asked that the alternative sites considered be disclosed. Administrator Hoffmann said that the list is extensive, and noted a concern that the Township would receive backlash if a property was overlooked when the list is compiled. Deputy Mayor Kelly said that once a list is reviewed by the Township Attorney, perhaps a list of the top three or four alternatives could be released.
4. Stacey Ewald, 54 Nicholson Drive, asked if the selection of the Municipal Building will be locked in, or if another property could be selected if something suitable is found. Attorney Cruz said that the Township will need an adequate reason to change sites. He said that any other site would have to be viable and municipally-controlled. Mrs. Ewald asked if the developer selection is subject to public bidding. Attorney Cruz said that typically developers would not want the limitation of having to keep the Senior Center. Committeeman Ritter asked if the Court would be concerned that two new members are joining the Township Committee in January. Attorney Cruz noted that there are elections every year, and nothing would ever get done if the Court let that be a concern. He also noted that the Settlement Agreement was entered into in 2018.
5. Ruth Ann Connors, 48 Meyersville Road, said she only found out a couple days ago that the Municipal Building was under consideration for affordable housing. She also addressed Committeewoman Ness's comment about disruption, and said that there is not anywhere in the Township where 65 units could be placed without causing disruption. Mrs. Connors also alleged that most affordable housing residents are divorced mothers. She also questioned the projection that only 16 students will be added to the School District from the proposed development. Mrs. Connors reiterated that the affordable housing development will be disruptive wherever it is built, and noted that the open space at the Municipal Building site is one of the only open space sites in this section of the Township. She also asked about the number of stories that the proposed building would have. Administrator Hoffmann said that there will be three stories, plus the Senior Center. Mrs. Connors said she does not understand why 65 units will be in one spot, and asked if they could be spread around the Township. Administrator Hoffmann clarified that the projection of 16 students is for the Arbor Green and Dixiedale sites, and with the Municipal Building site the total is anticipated to be 50 students.
6. Christina Mott, 22 Nicholson Drive, asked about the criteria of using the Municipal Building site and the Skate Park site for affordable housing. Administrator Hoffmann said that moving the Police Department to the Municipal Building site would increase response times. He said that relocating DPW was also considered, however the Great

Swamp's environmental protections disallowed that. Mrs. Mott also asked who will be writing the grant applications for affordable housing at the Municipal Building site. Administrator Hoffmann said that the developer will need to apply for the grants, and the Township will be performing due diligence by meeting with the funding agencies.

7. Sue Hoag, 76 Canterbury Road, said that she was on the Open Space Committee for over 20 years, and many of the available properties in the Township are constrained by open space regulations or steep slopes. Mrs. Hoag also said that she lives in Chatham Glen, and said that the Vernon Grove residents are lovely people. Mrs. Hoag also said that there are 300 units in her condominium complex, and she said she has not seen a traffic impact.
8. Larry Niech, 19 Lisa Drive, said that the decision to designate the Municipal Building site for affordable housing seemed to come out of nowhere. He also said that the decision is being made without knowing where the new municipal complex will be located.
9. Mrs. Devlin said that the Township should not generalize who will live in the affordable housing. She asked that people be open minded and that Chatham be a welcoming town. Mrs. Devlin further said that she wishes that affordable housing programs could give a preference to people who already live in the community. She also said that supporting affordable housing is an ethical thing to do.
10. Jennifer McNally, 19 Ferndale, thanked Administrator Hoffmann for his presentation. Mrs. McNally asked if the necessary repairs to the Police Department and the Municipal Building are a surprise or if they were previously known. Administrator Hoffmann said that the compliance dates for the Police Department are October 2020 and October 2021, and there are improvements required by the State. The cost of repairs includes an addition and reconfiguration, and it was in July 2019 that it came to his attention. Committeewoman Ness said that the Township was informed a few years ago that the upgrades to the Police Department were needed.
11. Doug Pitney, 54 Mountainview Road, said that the affordable housing will appear to be four stories from where his house is located. Mr. Pitney read from a letter that he had sent to the Township Committee members. He said that he objects to converting the Municipal Building to affordable housing. Mr. Pitney further suggested that the Township seek tenants for the space formerly occupied by the School District. He also expressed his outrage that the roof is leaking at the Municipal Building. Mr. Pitney suggested that if the Municipal Building does become affordable housing, that Mountainview Road be turned into a cul-de-sac at the bottom of the hill.
12. Chris Jagoe, 318 Fairmount Avenue, asked that the Township Attorney be directed to ask the Court for an extension on the affordable housing matter.

Mayor Selen closed the floor to the public.

Committeeman Ritter asked if the Township can request an extension. Attorney Cruz said that an extension can be requested, and it would be up to the Judge if the extension is granted. He noted that the Township has already received extensions, and the designation of a site was supposed to have been made in July 2019. Attorney Cruz further stated that the Municipal Building is a viable site, and he said that "not in my backyard" is not a viable argument to make before the Court. Committeeman Ritter asked about the threat of a builders remedy lawsuit. Attorney Cruz said that there are builders who seek out such opportunities, and a builders remedy lawsuit could come at any time if immunity is lost. The next case management conference is scheduled for December 17<sup>th</sup>, and Attorney Cruz recommended that the Township Committee act on the designation at this meeting so as to maintain compliance with the Judge's orders and the Settlement Agreement. Committeeman Ritter asked if the Township can request a change in January if the new Township Committee members have ideas regarding a different location, or if the Township will be locked in to the decision. Attorney Cruz said that the Court will respond to changed circumstances. However, picking a new site that had previously been rejected is not a changed circumstance.

Mr. Pitney disrupted the meeting, and asked why the Township Committee has to make a decision on this matter. He also why the Township will be voting on the matter when negotiations were not done publicly. Mayor Selen said that the floor is closed to the public, and

Mr. Pitney will have a chance to ask questions later. Attorney Cruz said that matters of litigation are required to be handled in Executive Session. Mr. Pitney accused Attorney Cruz of not adequately representing the Township, and said that the Township should continue to seek alternative locations. He also said that the Township Committee is not adequately prepared to make a decision. Administrator Hoffmann said that the Township has received several extensions from the Court, and said in an angry tone that Attorney Cruz has been properly representing the Township.

Committeewoman Ness said that the Township Committee has often asked Attorney Cruz when it will be appropriate to publicly discuss the affordable housing issues, and the Township Committee has been reviewing and discussing options for a long time. She also said that the Township has been unable to find space to build a Skate Park, much less affordable housing. Committeewoman Ness further commented on the work that went in to reviewing various possibilities.

Deputy Mayor Kelly said that if a decision is not made at this meeting, there will not be any additional information to help make a decision at the December 12<sup>th</sup> meeting. He noted that the Township Committee is obligated to designate a site or sites for affordable housing.

Committeewoman Swartz said that the Township Committee is deciding to walk away from an asset, and she noted that there are still a lot of unknown costs.

Committeeman Ritter said that when Mrs. Ewald and Mrs. Fondaco take office, they may have new ideas to present. He also said that nobody likes the idea of converting the Municipal Building to affordable housing, however because of the nature of litigation there cannot always be transparency. Committeeman Ritter encouraged the public to attend Township Committee meetings to be aware of the business being conducted.

Committeewoman Ness moved to designate 58 Meyersville Road as the Municipal Affordable Housing Site. Deputy Mayor Kelly seconded the motion.

**Roll call:** Committeewoman Ness, Aye; Committeewoman Swartz, Nay; Committeeman Ritter, Aye; Deputy Mayor Kelly, Aye; Mayor Selen, Aye.

Deputy Mayor Kelly said he will be holding a Coffee with a Committeeman event on Saturday.  
**Additional Resolutions for Consideration**

**Resolution 2019-214**

**RESOLUTION 2019-214  
RESOLUTION OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE  
OF NEW JERSEY, AUTHORIZING THE MAYOR AND CLERK TO SIGN A  
REDEVELOPMENT AGREEMENT BETWEEN THE TOWNSHIP OF CHATHAM  
AND SOUTHERN BOULEVARD URBAN RENEWAL, LLC**

**WHEREAS**, on October 12, 2017 and October 26, 2017, the Township Committee of the Township of Chatham ("Township") designated a portion of Block 48.16, Lot 117.27 ("Property") as the Skate Park Redevelopment Area ("Redevelopment Area"); and

**WHEREAS**, on December 13, 2018, the Township Committee adopted an Ordinance authorizing the Redevelopment Plan for the Redevelopment Area ("Plan"); and

**WHEREAS**, on December 13, 2018, the Township adopted a Resolution conditionally designating Southern Boulevard Urban Renewal, LLC ("Redeveloper") as redeveloper of the Redevelopment Area subject to certain conditions; and

**WHEREAS**, on October 21, 2019, the Redeveloper received Final Site Plan Approval from the Township Planning Board for the Redevelopment Area for a two-story twenty-four (24) unit affordable housing development ("Approval"); and

**WHEREAS**, the Approval was granted subject to the execution of a Redevelopment Agreement between the Township and the Redeveloper; and

**WHEREAS**, the Township and Redeveloper negotiated a Redevelopment Agreement which is attached to this Resolution; and

**WHEREAS**, the Redevelopment Agreement is in substantially final form subject to finalization by the Township Attorney.

**NOW, THEREFORE, BE IT RESOLVED**, by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey, as follows:

1. The Mayor and Clerk are hereby authorized to sign the Redevelopment Agreement with Southern Boulevard Urban Renewal, LLC, as discussed in this Resolution.
2. The Agreement to be signed will be in substantially the form attached subject to finalization by the Township Attorney.
3. This Resolution shall take effect immediately.

Attorney Cruz provided background and explained the purpose of Resolution 2019-214.

Deputy Mayor Kelly moved to adopt Resolution 2019-214. Committeewoman Ness seconded the motion.

**Roll call:** Committeewoman Ness, Aye; Committeewoman Swartz, Aye; Committeeman Ritter, Aye; Deputy Mayor Kelly, Aye; Mayor Selen, Aye.

Resolution 2019-215

**RESOLUTION 2019-215  
RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF  
CHATHAM AUTHORIZING A REQUEST FOR QUALIFICATIONS (RFQ) OR  
REQUEST FOR PROPOSAL (RFP) FOR ARCHITECTURAL SERVICES**

**BE IT RESOLVED**, by the Township Committee of the Township of Chatham that authorization is given to the Township Administrator and the QPA solicit quotes or prepare an RFP for architectural services.

Attorney Cruz said that this resolution authorizes the Township Administrator to solicit quotes for architectural services.

Committeewoman Ness moved to adopt Resolution 2019-214. Deputy Mayor Kelly seconded the motion.

**Roll call:** Committeewoman Ness, Aye; Committeewoman Swartz, Nay; Committeeman Ritter, Aye; Deputy Mayor Kelly, Aye; Mayor Selen, Aye.

Introduction of Ordinances

Ordinance 2019-18

**ORDINANCE 2019-18  
AN ORDINANCE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF  
NEW JERSEY, AMENDING CHAPTER XXIX, TITLED "AFFORDABLE HOUSING" OF THE  
REVISED GENERAL ORDINANCES TO ADD A NEW SUBSECTION 29-2, TITLED  
"DEVELOPMENT FEES"**

**BE IT ORDAINED** by the Township Committee of the Township of Chatham, in the County of Morris, State of New Jersey, as follows:

**Section 1.** Subsection 29-2 titled "Development Fees" of Revised General Ordinances of the Township of Chatham, is hereby added as follows:

**29-2 Development Fees.**

**§29-2.1 Purpose**

- A. In Holmdel Builder's Association v. Holmdel Township, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 ("Act"), N.J.S.A. 52:27D-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's ("COAH's") adoption of rules.
- B. Pursuant to P.L.2008, c.46 section 8 (N.J.S.A. 52:27D-329.2) and the Statewide Non-residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), COAH is authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of the Council or court of competent jurisdiction and

have a COAH-approved spending plan may retain fees collected from nonresidential development.

- C. In Re Adoption of N.J.A.C. 5:96 and 5:97 by COAH, 221 N.J. 1 (2015) (“Mount Laurel IV”), the Supreme Court remanded COAH’s duties to the Superior Court. As a result, affordable housing development fee collections and expenditures from municipal affordable housing trust funds to implement municipal Third Round Fair Share Plans through July 7, 2025 are under the Court’s jurisdiction and are subject to approval by the Court.
- D. This article establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH’s regulations and in accordance P.L. 2008, c.46, §§ 8 and 32-38. Fees collected pursuant to this article shall be used for the sole purpose of providing low- and moderate-income housing. This article shall be interpreted within the framework of COAH’s rules on development fees, codified at N.J.A.C. 5:93-8.

§ 29-2.2 Definitions.

As used in this Subsection, the following terms shall have the meanings indicated:

**AFFORDABLE HOUSING DEVELOPMENT**

A development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a one-hundred-percent affordable development.

**COAH or THE COUNCIL**

The New Jersey Council on Affordable Housing established under the Act which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the state.

**DEVELOPER**

The legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

**DEVELOPMENT FEE**

Money paid by a developer for the improvement of property as permitted in N.J.A.C 5:93-8.3

**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 N.J.S.A. 54:1-35c).

**SUBSTANTIAL IMPROVEMENT**

Any reconstruction, addition, or other improvement of a structure, the cost of which exceeds fifty (50%) percent of the equalized assessed value of the structure before the start of construction of the improvement or an addition where the improvement exceeds 3,000 square feet.

**SUBSTANTIVE CERTIFICATION**

A determination by COAH approving a municipality’s housing element and fair-share plan in accordance with the provision of the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) and the rules and criteria as set forth herein.

§ 29-2.3 Development fees.

A. Residential development fees.

(1) Imposed fees.

- (a) Within the Township of Chatham, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5% 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 4% of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base 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. Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal 1.5% of the equalized assessed value on the first two units; and the specified higher percentage up to 4% of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

(2) Eligible exactions, ineligible exactions and exemptions for residential development:

- (a) Affordable housing developments and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.
- (b) Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.

Alternate 1 (New construction only)

- (c) Except as provided in Subsection 29-2.3A(2)(d) below, development fees shall be imposed and collected on new residential construction. The development fee shall be calculated on the equalized assessed value of the new residential structure.

Alternate 2 (New construction and substantial improvement)

- (d) Except as provided in Subsection 29-2.3A(2)(d) below, development fees shall be imposed and collected on new residential construction or when an existing residential structure undergoes a substantial improvement as defined in Section 29-2.2 above, excluding additions, or is demolished and replaced. The development fee shall be calculated on the equalized assessed value of the new residential structure or on the increase in the equalized assessed value of the substantially improved residential structure.

Alternate 3 (New construction, substantial improvement and additions)

- (c) Except as provided in Subsection 29-2.3A(2)(d) below, development fees shall be imposed and collected on new residential construction or when an existing residential structure undergoes a substantial improvement as defined in Section 29-2.2 above, is demolished and replaced, or is expanded where the size of the change, replacement, or expansion is greater than 3,000 square feet. The development fee shall be calculated on the increase in the equalized assessed value of the new or improved structure.
- (d) Developers of residential structures demolished and replaced as a result of fire, or natural disaster, or other catastrophic events shall be exempt from paying a development fee.

B. Nonresidential development fees.

(1) Imposed fees.

- (a) Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2.5% of the equalized assessed value of the land and improvements, for all new nonresidential construction on an unimproved lot or lots.
- (b) Nonresidential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing structures to be used for nonresidential purposes.
- (c) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the preexisting land and improvement and the equalized assessed value of the newly improved structure, i.e., land and

improvement, at the time a final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the nonresidential development fee shall be zero.

- (2) Eligible exactions, ineligible exactions and exemptions for nonresidential development.
- (a) The nonresidential portion of a mixed-use inclusionary or market-rate development shall be subject to the development fee of 2.5% unless otherwise exempted below.
  - (b) The fee of 2.5% 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 P.L.2008, c.46, as specified in the 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 P.L.2008, c.46, shall be subject to it at such time 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 of 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 as a lien against the real property of the owner.

#### § 29-2.4 Exempt development types.

The following development types are exempt from development fees:

- A. Nonprofit and public education buildings.
- B. Houses of worship.
- C. Public amenities (recreational, community, or senior centers).
- D. Parking lots and structures.
- E. Nonprofit hospital relocation or improvement.
- F. State, county and local government buildings.
- G. Transit hubs, transit villages, and light-rail hubs.
- H. Commercial farm buildings and Use Group U structures.
- I. Developments with a general development plan approval, or executed developer's or redeveloper's agreement, prior to July 17, 2008, with a fee or affordable housing requirement the equivalent of at least 1% of equalized assessed value.

#### § 29-2.5 Collection procedures.

- A. Upon the granting of a preliminary, final or other applicable approval, for a development, the applicable approving authority (Planning or Zoning Board) shall direct its staff to notify the construction official responsible for the issuance of a building permit.
- B. For nonresidential 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 nonresidential development shall complete Form N-RDF as per the instructions provided. The construction official shall verify the information submitted by the nonresidential developer as per the instructions provided in the Form N-RDF. The Township Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- C. The construction official responsible for the issuance of a building permit shall notify the Township Tax Assessor that he has prepared to be issued the first building permit for a development, at which time an amount of 50% of the total fee is due at the issuance of the first building permit. The remaining amount owed will be paid at the issuance of a final certificate of occupancy.
- D. Within 30 days of receipt of that notice, the Township Tax Assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development and the fee is calculated as cited above.

- E. The construction official responsible for the issuance of a final certificate of occupancy notifies the Township Tax Assessor of any and all requests for the scheduling of a final inspection on property.
- F. Within 10 business days of a request for the scheduling of a final inspection, the Township Tax 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 remaining amount of the fee due.
- G. Should the Township 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).
- H. 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 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 issuance of certificate of occupancy.
- I. Appeal of development fees.
  - (1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by the 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, N.J.S.A. 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.
  - (2) A developer may challenge nonresidential 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 the 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, N.J.S.A. 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.

#### § 29-2.6 Affordable Housing Trust Fund.

- A. There is hereby created a separate, interest-bearing housing trust fund to be maintained by the Chief Financial Officer for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.
- B. 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 the Township's affordable housing program.
- C. The Township previously provided COAH with written authorization, in the form of a three-party escrow agreement between the Township, a bank, COAH, to permit COAH to direct the disbursement of the funds as provided for in N.J.A.C. 5:93-8. The Superior Court shall now have jurisdiction to direct the disbursement of the Township's trust funds.
- D. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by COAH or a court of competent jurisdiction.

#### § 29-2.7 Use of funds.

- A. The Township shall not spend development fees until COAH or a court of competent jurisdiction has approved a plan for spending such fees. Thereafter, the expenditure of all funds shall conform to the spending plan approved by COAH or a court of competent jurisdiction. Funds deposited in the housing trust fund may be used for any activity approved by COAH or a court of competent

jurisdiction to address the Township's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to, preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing nonresidential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:93-8 and specified in the approved spending plan.

- B. Funds shall not be expended to reimburse the Township for past housing activities.
- C. At least 30% of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30% or less of median income by region.
  - (1) Affordability assistance programs may include down-payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners' association or condominium fees and special assessments, and assistance with emergency repairs.
  - (2) Affordability assistance to households earning 30% or less of median income may include buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income.
  - (3) Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- D. The Township 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, in accordance with N.J.A.C. 5:93-8.16(d).
- E. No more than 20% of all revenues collected from development fees, may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with COAH's monitoring requirements as set forth in the Court-approved Settlement Agreement with FSHC, dated December 13, 2018. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

#### § 29-1.8 Monitoring.

On or about December 13 of each year through 2025, the Township shall provide annual reporting of trust fund activity to the DCA, COAH, or NJLGS, 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. This reporting shall include an accounting of all housing trust fund activity, including the collection of development fees from residential and nonresidential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with the Township's housing program, as well as to the expenditure of revenues and implementation of the plan approved by COAH or a court of competent jurisdiction. All monitoring reports shall be completed on forms designed by COAH or other entity designated by the State of New Jersey.

#### § 29-1.9 Ongoing collection of fees.

The ability for the Township to impose, collect and expend development fees shall expire with its Court-issued Judgment of Compliance and Repose unless the Township has (1) filed an adopted Housing Element and Fair Share Plan with COAH, a court of competent jurisdiction or other entity designated by the State of New Jersey; (2) has petitioned for substantive certification or filed a declaratory judgment action; (3) and has received COAH's or a court of competent jurisdiction's approval of its Development Fee Ordinance. If the Township fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance and Repose, 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). The Township shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its judgment of compliance; nor shall the Township retroactively impose a development fee on such a development. The Township shall not expend development fees after the expiration of its judgment of compliance.

#### **REPEALER**

All Ordinances or parts of Ordinances inconsistent herewith are repealed as to such inconsistencies.

#### **SEVERABILITY**

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

#### **EFFECTIVE DATE**

This Ordinance shall not become effective until approved by the Superior Court of New Jersey.

Attorney Cruz said that the draft ordinance has three options for the Township Committee to consider. He also explained the purpose of collecting a development fee is to collect a one-time fee for the affordable housing needs of the Township. The fees collected are put into a trust fund rather than the general account, which can only be used for affordable housing purposes specified in a spending plan which is subject to the approval of the Superior Court. Attorney Cruz said that development fee ordinances are common tools utilized to help meet the Constitutional mandate for realistic affordable housing development, and a development fee ordinance is important for municipalities such as Chatham Township who have chosen to have a municipally sponsored affordable housing development. He further noted that the Township has had an unenforced development fee since 2008.

Attorney Cruz also said that this draft ordinance addresses a prior discussion regarding a definition of "substantial improvement," and the current definition in the Township Code Book is utilized in this draft. He said that any reconstruction, addition or improvement of a structure the cost of which exceeds 50% of the equalized assessed value of the structure before the start of construction of the improvement.

Committeeman Ritter moved to introduce Ordinance 2019-18. Deputy Mayor Kelly seconded the motion.

Attorney Cruz noted that the ordinance has an exemption for residential structures that are demolished and replaced as a result of fire, natural disaster or catastrophic event.

Committeewoman Ness said that prior discussion of additions greater than 2,000 square feet, and she commented on the number of permits that were issued for additions of that size. She said that she favors the third option if it is set at 2,000 square feet.

Committeeman Ritter said that he favors only having the development fee apply to new construction. Mayor Selen asked if tear-downs are also considered new construction. Attorney Cruz said that new construction would be on vacant land, and he noted that option 2 includes new construction and tear-downs.

Committeewoman Swartz said that the ordinance leaves too much uncertainty, and said she would prefer to go with option 2 to include new construction and tear-downs. Committeeman Ritter asked if the ordinance should define what percentage needs to be demolished for it to be considered a tear-down, or if it is the cost of the work to be done. Attorney Cruz said it is by cost. Engineer Ruschke addressed FEMA definitions of tear-downs. He also said that the Township has a need to start collecting fees, and the ordinance can be modified if necessary. Engineer Ruschke also said that it is not a substantial number of homeowners who will be impacted by this ordinance.

Deputy Mayor Kelly said that the public has expressed that they do not want taxes levied on those least able to pay them, and not having a development fee will result in a tax on everyone. He noted that the property owners to whom the development fee would apply will be voluntarily making improvements to their properties with the foreknowledge that they need to pay the fee.

Deputy Mayor Kelly also said that a substantial improvement to a home makes it less affordable, therefore there is a philosophical justification to the development fee.

Mayor Selen said that he supports the development fee as a means to avoid having a tax on all Township property owners. He also said that he prefers having the fee assessed on additions of 3,000 square feet rather than 2,000 square feet.

Committeewoman Swartz noted that the Planning Board deemed a prior draft of this ordinance to be inconsistent with the Master Plan.

Committeeman Ritter asked if amendments to the draft ordinance need to be approved by the Committee-member who had made the motion to introduce the ordinance. Attorney Cruz confirmed that such approval is necessary. Committeeman Ritter having made the motion to introduce the ordinance, he indicated that he does not agree to amending the ordinance unless it is to limit the development to tear-downs. Attorney Cruz noted that the Township Committee can override the Planning Board's inconsistency determination by adopting a reasons resolution.

Attorney Cruz noted that the Township Committee can vote against the motion to introduce the ordinance with all three options, and then have a motion from someone else to introduce it with an option for which there is consensus.

**Roll call:** Committeewoman Ness, Nay; Committeewoman Swartz, Nay; Committeeman Ritter, Nay; Deputy Mayor Kelly, Nay; Mayor Selen, Nay.

#### Ordinance 2019-22

**ORDINANCE 2019-22**  
**AN ORDINANCE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF**  
**NEW JERSEY, AMENDING CHAPTER XXIX, TITLED "AFFORDABLE HOUSING" OF THE**  
**REVISED GENERAL ORDINANCES TO ADD A NEW SUBSECTION 29-2, TITLED**  
**"DEVELOPMENT FEES"**

**BE IT ORDAINED** by the Township Committee of the Township of Chatham, in the County of Morris, State of New Jersey, as follows:

**Section 1.** Subsection 29-2 titled "Development Fees" of Revised General Ordinances of the Township of Chatham, is hereby added as follows:

#### **29-2 Development Fees.**

##### **§29-2.1 Purpose**

- E. In Holmdel Builder's Association v. Holmdel Township, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 ("Act"), N.J.S.A. 52:27D-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's ("COAH's") adoption of rules.
- F. Pursuant to P.L.2008, c.46 section 8 (N.J.S.A. 52:27D-329.2) and the Statewide Non-residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), COAH is authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of the Council or court of competent jurisdiction and have a COAH-approved spending plan may retain fees collected from nonresidential development.
- G. In Re Adoption of N.J.A.C. 5:96 and 5:97 by COAH, 221 N.J. 1 (2015) ("Mount Laurel IV"), the Supreme Court remanded COAH's duties to the Superior Court. As a result, affordable housing development fee collections and expenditures from municipal affordable housing trust funds to implement municipal Third Round Fair Share Plans through July 7, 2025 are under the Court's jurisdiction and are subject to approval by the Court.
- H. This article establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH's regulations and in accordance P.L. 2008, c.46, §§ 8 and 32-38. Fees collected pursuant to this article shall be used for the sole purpose of providing low- and moderate-income housing. This article shall be interpreted within the framework of COAH's rules on development fees, codified at N.J.A.C. 5:93-8.

##### **§ 29-2.2 Definitions.**

As used in this Subsection, the following terms shall have the meanings indicated:

**AFFORDABLE HOUSING DEVELOPMENT**

A development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a one-hundred-percent affordable development.

**COAH or THE COUNCIL**

The New Jersey Council on Affordable Housing established under the Act which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the state.

**DEVELOPER**

The legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

**DEVELOPMENT FEE**

Money paid by a developer for the improvement of property as permitted in N.J.A.C 5:93-8.3

**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 N.J.S.A. 54:1-35c).

**SUBSTANTIAL IMPROVEMENT**

Any reconstruction, addition, or other improvement of a structure, the cost of which exceeds fifty (50%) percent of the equalized assessed value of the structure before the start of construction of the improvement.

**SUBSTANTIVE CERTIFICATION**

A determination by COAH approving a municipality's housing element and fair-share plan in accordance with the provision of the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) and the rules and criteria as set forth herein.

§ 29-2.3 Development fees.

C. Residential development fees.

(3) Imposed fees.

- (e) Within the Township of Chatham, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5% of the equalized assessed value for residential development, provided no increased density is permitted.
- (f) 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 4% of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base 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. Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal 1.5% of the equalized assessed value on the first two units; and the specified higher percentage up to 4% of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

(4) Eligible exactions, ineligible exactions and exemptions for residential development:

- (e) Affordable housing developments and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.

- (f) Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.
- (g) Except as provided in Subsection 29-2.3A(2)(d) below, development fees shall be imposed and collected on new residential construction or when an existing residential structure undergoes a substantial improvement as defined in Section 29-2.2 above, is demolished and replaced, or is expanded where the size of the change, replacement, or expansion is greater than 2,500 square feet. The development fee shall be calculated on the increase in the equalized assessed value of the new or improved structure.
- (h) Developers of residential structures demolished and replaced as a result of fire, or natural disaster, or other catastrophic events shall be exempt from paying a development fee.

D. Nonresidential development fees.

(3) Imposed fees.

- (d) Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2.5% of the equalized assessed value of the land and improvements, for all new nonresidential construction on an unimproved lot or lots.
  - (e) Nonresidential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing structures to be used for nonresidential purposes.
  - (f) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the preexisting land and improvement and the equalized assessed value of the newly improved structure, i.e., land and improvement, at the time a final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the nonresidential development fee shall be zero.
- (4) Eligible exactions, ineligible exactions and exemptions for nonresidential development.
- (f) The nonresidential portion of a mixed-use inclusionary or market-rate development shall be subject to the development fee of 2.5% unless otherwise exempted below.
  - (g) The fee of 2.5% shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.
  - (h) Nonresidential developments shall be exempt from the payment of nonresidential development fees in accordance with the exemptions required pursuant to P.L.2008, c.46, as specified in the Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption." Any exemption claimed by a developer shall be substantiated by that developer.
  - (i) A developer of a nonresidential development exempted from the nonresidential development fee pursuant to P.L.2008, c.46, shall be subject to it at such time 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 of the nonresidential development, whichever is later.
  - (j) 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 as a lien against the real property of the owner.

§ 29-2.4 Exempt development types.

The following development types are exempt from development fees:

- J. Nonprofit and public education buildings.

- K. Houses of worship.
- L. Public amenities (recreational, community, or senior centers).
- M. Parking lots and structures.
- N. Nonprofit hospital relocation or improvement.
- O. State, county and local government buildings.
- P. Transit hubs, transit villages, and light-rail hubs.
- Q. Commercial farm buildings and Use Group U structures.
- R. Developments with a general development plan approval, or executed developer's or redeveloper's agreement, prior to July 17, 2008, with a fee or affordable housing requirement the equivalent of at least 1% of equalized assessed value.

§ 29-2.5 Collection procedures.

- J. Upon the granting of a preliminary, final or other applicable approval, for a development, the applicable approving authority (Planning or Zoning Board) shall direct its staff to notify the construction official responsible for the issuance of a building permit.
- K. For nonresidential 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 nonresidential development shall complete Form N-RDF as per the instructions provided. The construction official shall verify the information submitted by the nonresidential developer as per the instructions provided in the Form N-RDF. The Township Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- L. The construction official responsible for the issuance of a building permit shall notify the Township Tax Assessor that he has prepared to be issued the first building permit for a development, at which time an amount of 50% of the total fee is due at the issuance of the first building permit. The remaining amount owed will be paid at the issuance of a final certificate of occupancy.
- M. Within 30 days of receipt of that notice, the Township Tax Assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development and the fee is calculated as cited above.
- N. The construction official responsible for the issuance of a final certificate of occupancy notifies the Township Tax Assessor of any and all requests for the scheduling of a final inspection on property.
- O. Within 10 business days of a request for the scheduling of a final inspection, the Township Tax 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 remaining amount of the fee due.
- P. Should the Township 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).
- Q. 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 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 issuance of certificate of occupancy.
- R. Appeal of development fees.
  - (3) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by the 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, N.J.S.A. 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.
  - (4) A developer may challenge nonresidential 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 the 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, N.J.S.A. 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.

§ 29-2.6 Affordable Housing Trust Fund.

- E. There is hereby created a separate, interest-bearing housing trust fund to be maintained by the Chief Financial Officer for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.
- F. The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
  - (8) Payments in lieu of on-site construction of affordable units;
  - (9) Developer-contributed funds to make 10% of the adaptable entrances in a townhouse or other multistory attached development accessible;
  - (10) Rental income from municipally operated units;
  - (11) Repayments from affordable housing program loans;
  - (12) Recapture funds;
  - (13) Proceeds from the sale of affordable units; and
  - (14) Any other funds collected in connection with the Township's affordable housing program.
- G. The Township previously provided COAH with written authorization, in the form of a three-party escrow agreement between the Township, a bank, COAH, to permit COAH to direct the disbursement of the funds as provided for in N.J.A.C. 5:93-8. The Superior Court shall now have jurisdiction to direct the disbursement of the Township's trust funds.
- H. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by COAH or a court of competent jurisdiction.

§ 29-2.7 Use of funds.

- F. The Township shall not spend development fees until COAH or a court of competent jurisdiction has approved a plan for spending such fees. Thereafter, the expenditure of all funds shall conform to the spending plan approved by COAH or a court of competent jurisdiction. Funds deposited in the housing trust fund may be used for any activity approved by COAH or a court of competent jurisdiction to address the Township's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to, preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing nonresidential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:93-8 and specified in the approved spending plan.
- G. Funds shall not be expended to reimburse the Township for past housing activities.
- H. At least 30% of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30% or less of median income by region.
  - (4) Affordability assistance programs may include down-payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners' association or condominium fees and special assessments, and assistance with emergency repairs.
  - (5) Affordability assistance to households earning 30% or less of median income may include buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income.
  - (6) Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- I. The Township 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, in accordance with N.J.A.C. 5:93-8.16(d).

- J. No more than 20% of all revenues collected from development fees, may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with COAH's monitoring requirements as set forth in the Court-approved Settlement Agreement with FSHC, dated December 13, 2018. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

#### § 29-1.8 Monitoring.

On or about December 13 of each year through 2025, the Township shall provide annual reporting of trust fund activity to the DCA, COAH, or NJLGS, 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. This reporting shall include an accounting of all housing trust fund activity, including the collection of development fees from residential and nonresidential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with the Township's housing program, as well as to the expenditure of revenues and implementation of the plan approved by COAH or a court of competent jurisdiction. All monitoring reports shall be completed on forms designed by COAH or other entity designated by the State of New Jersey.

#### § 29-1.9 Ongoing collection of fees.

The ability for the Township to impose, collect and expend development fees shall expire with its Court-issued Judgment of Compliance and Repose unless the Township has (1) filed an adopted Housing Element and Fair Share Plan with COAH, a court of competent jurisdiction or other entity designated by the State of New Jersey; (2) has petitioned for substantive certification or filed a declaratory judgment action; (3) and has received COAH's or a court of competent jurisdiction's approval of its Development Fee Ordinance. If the Township fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance and Repose, 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). The Township shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its judgment of compliance; nor shall the Township retroactively impose a development fee on such a development. The Township shall not expend development fees after the expiration of its judgment of compliance.

#### **REPEALER**

All Ordinances or parts of Ordinances inconsistent herewith are repealed as to such inconsistencies.

#### **SEVERABILITY**

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

#### **EFFECTIVE DATE**

This Ordinance shall not become effective until approved by the Superior Court of New Jersey.

Committeewoman Ness moved to introduce Ordinance 2019-22 with the third option amended to 2,500 square feet, and amending the definition of a substantial improvement. Deputy Mayor Kelly seconded the motion.

Committeewoman Swartz asked if the ordinance still has all three options. Attorney Cruz said that the draft with all three options was not introduced, and the motion on the table makes the changes described by Committeewoman Ness.

Committeeman Ritter asked if the ordinance can be further amended at the next meeting. Attorney Cruz said that it can be amended, and a determination would need to be made at that time if the amendment was substantive enough to warrant republication and a further public hearing.

Committeeman Ritter noted that had the General Election turned out differently, the ordinance might be amended again next year.

**Roll call:** Committeewoman Ness, Aye; Committeewoman Swartz, Nay; Committeeman Ritter, Nay; Deputy Mayor Kelly, Aye; Mayor Selen, Aye.

Public Hearing for Ordinance 2019-22 will be scheduled for December 12, 2019.

Ordinance 2019-19

**ORDINANCE 2019-19**

**AN ORDINANCE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, ESTABLISHING AN INCLUSIONARY AFFORDABLE HOUSING OVERLAY ZONE IN THE PI-1 PROFESSIONAL INSTITUTIONAL DISTRICT AND AMENDING CHAPTER XXX, TITLED "LAND DEVELOPMENT", ARTICLE 7, TITLED "ZONING REGULATIONS" APPLICABLE TO BLOCK 128, LOT 9, LOCATED AT 466 SOUTHERN BOULEVARD TO ADDRESS A PORTION OF THE TOWNSHIP OF CHATHAM'S THIRD ROUND AFFORDABLE HOUSING OBLIGATIONS**

**WHEREAS**, the Township of Chatham ("Township") filed a Declaratory Judgment Action in the Superior Court of New Jersey, Morris County, captioned IMO Township of Chatham, Docket No. MRS-L-1659-15 ("Declaratory Judgment Action"), in furtherance of the Supreme Court's March 10, 2015, decision in In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) ("Supreme Court Decision"); and

**WHEREAS**, the Township entered into a Settlement Agreement with the Fair Share Housing Center, Inc. on December 13, 2018 ("Settlement Agreement") that determines the Township's affordable housing obligation and the mechanisms for how the obligation will be addressed; and

**WHEREAS**, the Township's Planning Board adopted a Housing Element and Fair Share Plan, that comprehensively provides for the creation of affordable housing in the Township in a manner consistent with all applicable affordable housing statutes and regulations and the Settlement Agreement; and

**WHEREAS**, the Township identified one parcel of land determined to be appropriate for development of higher-density inclusionary residential development in the Township located on Block 128, Lot 9 located at 466 Southern Boulevard within the PI-1 District which possesses sufficient land area to accommodate inclusionary residential development at appropriate inclusionary zoning densities to address a portion of the Township's Third Round affordable housing obligation; and

**WHEREAS**, the zoning amendments herein support residential inclusionary development consistent with the Settlement Agreement and the Township's Housing Element and Fair Share Plan.

**NOW, THEREFORE, BE IT ORDAINED**, by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey, as follows:

**Section 1.** Article XXX, Subsection 30-75.1 titled "Zone Districts" is hereby amended to add a new overlay zone titled "PI-AHO" Professional and Institutional Affordable Housing Inclusionary Overlay Zone as follows:

**30-75.1 Zone Districts.**

For the purpose of this Chapter, the Township is hereby subdivided into twenty-two (22) zone districts known as:

- CP County Park District
- WA Wilderness Area District
- R-1 Residence District
- R-1A Residence District
- R-2 Residence District
- R-2A Residence District
- R-2B-1 Residence District
- R-2B-2 Residence District
- R-3 Residence District
- R-4 Residence District
- R-5 Residence District
- R-5A Residence District
- R-6A Townhouse District
- R-6B Townhouse District
- R-6C Residence District
- R-7 Apartment District
- AH Affordable Housing District
- B-1 Business Center District
- B-2 Neighborhood Business District
- PI-1 Professional Institutional District
- PI-2 Professional Institutional District

PCD Planned Commercial District

Overlay Districts:

Great Swamp Watershed Overlay District (Ord. No. 2017-16)  
 Upper Passaic River Watershed Overlay District (Ord. No. 2017-16)  
 Professional and Institutional Affordable Housing Inclusionary Overlay Zone

**Section 2.** Article XXX, Subsection 30-75.2 titled "Map and Schedule" is hereby amended to include the following: one (1) new overlay zone designation, "PI-AHO" Professional and Institutional Affordable Housing Inclusionary Overlay Zone as indicated on the "Official Zoning Map, Township of Chatham, Morris County, New Jersey," dated March, 1999, which is hereby replaced by the "Official Zoning Map, Township of Chatham, Morris County, New Jersey," dated March, 1999, revised as of October, 2019, and listed below:

Block 128, Lot 9

**Section 3.** Amend Article XXX to include a new Section 30-84, titled "Requirements for PI-AHO Professional and Institutional Affordable Housing Inclusionary Overlay Zone", to the Revised General Ordinances of the Township of Chatham as follows:

(a) Purpose.

The Township recognizes its obligation under the New Jersey Fair Housing Act to provide for its "fair share" of the regional need of low and moderate income (affordable) housing. The PI-AHO Professional and Institutional Affordable Housing Inclusionary Overlay Zone is established to provide an affordable housing overlay development option allowing townhouses and/or apartments on Block 128, Lot 9 to address a portion of the Township's affordable housing obligation subject to the affordable housing set-asides prescribed below.

(b) Area and Density Requirements.

1. Minimum Area. Each development shall have a minimum tract area of three (3) acres. Public or private roads, easements or rights-of-way shall not be deemed to divide acreage of a development.
2. Maximum Density. Twelve (12) dwelling units/acre.
3. Minimum Lot Size Per Dwelling. A minimum lot size of 1,200 square feet shall be required for all fee simple townhouse dwelling units.

(c) Maximum Building Coverage.

1. The total ground floor area of all buildings shall not exceed thirty (30%) percent of the lot area.

(d) Maximum Impervious Coverage.

1. The total area of all impervious surfaces shall not exceed sixty (60%) percent of the lot area.

(e) Setback Requirements.

1. No principal building shall be located within thirty (30) feet of a public street or exterior property line of the tract nor within ten (10) feet of any internal roadway.
2. No townhouse dwelling structure shall have more than two (2) continuous attached dwelling units with the same front building line, and such variations in the building line shall be offset at least four (4) feet.

(f) Distance Between Buildings. Minimum distances as specified below shall be maintained between principal buildings:

Positions of Building Walls	Minimum Distance Between Buildings at Any Point
Front facing front	50'
Front facing rear	50'
Front facing side	25'
Rear facing rear	50'
Rear facing side	30'
Side facing side	15'

(g) Building Requirements.

1. Height. No building shall exceed a height of two and one-half (2 1/2) stories or thirty-five (35) feet whichever is the lesser, except that existing buildings in excess of the permitted number of stories or height may be re-used for any permitted principal or accessory use.
2. Units Per Building. No townhouse building shall contain more than six(6) dwelling units.

(h) Dwelling Unit Requirements.

1. Each dwelling unit shall contain as a minimum a separate living room, a separate bedroom, a separate bath, a room for storage and utilities, and a kitchen, which kitchen facility shall be located separate and apart from other rooms in the unit with the exception of the dining room.
2. Minimum Floor Area. Each dwelling unit shall have a minimum floor area, as "floor area" is defined in Section 30-6, in accordance with the following schedule:

Number of Bedrooms	Minimum Required Floor Area Per Dwelling Unit (in Sq. Ft.)
1	900
2	1,150
For each additional	200 additional

3. No basement shall contain a bedroom.
4. Each dwelling unit shall have at least two (2) private outside entrances.
5. Each dwelling unit shall contain its own heating plant and system and shall constitute a separate, independent unit for metering and all other purposes with respect to all required utilities and similar conveniences. No central or common laundry or similar facilities intended for two (2) or more units shall be permitted.
6. Each dwelling unit shall have at least one (1) individual private yard area, balcony, deck, open patio or court adjoining the unit and having a width of at least fifteen (15) feet and an area of at least one hundred fifty (150) square feet. Each private yard area, patio, court or deck shall be effectively screened in order to provide a reasonable degree of privacy.
7. In addition to the above requirements, a storage space with separate access and containing a minimum of eighty (80) square feet of floor area shall be provided for each dwelling unit in the basement of the building in which the unit is located or in the garage serving the unit. Storage space located in a garage shall not encroach upon or be located above a minimum area of ten feet by twenty (10' by 20') feet for the parking of a motor vehicle.
8. The layout and arrangement of buildings and their design shall incorporate energy saving and green design features where practicable.

(i) Accessory Buildings.

1. Setbacks. Accessory buildings shall meet the street, property line and internal roadway setbacks of the principal buildings and shall be at least twenty-five (25) feet from a principal building and fifteen (15) feet from another accessory building. Detached garages shall be at least fifteen (15) feet from a principal building or from any other garage or accessory building. Clubhouses, swimming pools and recreation facilities shall be at least one hundred (100) feet from a property line.
2. Height. The maximum height of an accessory building shall be fifteen (15) feet except for clubhouses which shall not exceed twenty-eight (28) feet in height. Existing buildings in excess of the permitted number of stories or height may be re-used for any permitted principal or accessory use.
3. When a clubhouse or other accessory building is attached to a building containing a permitted principal use, the bulk requirements for the permitted principal use shall apply.
4. Design. Architectural design and materials used in the construction of accessory buildings shall conform to or complement the style of construction of principal buildings.
5. Except to the extent inconsistent with the specific provisions of this Subsection, the provisions of Subsection 30-96.13 shall be followed.

6. Signs. The provisions of Section 30-98 shall be followed.

(j) Off-Street Parking and Internal Roadways. Off-street parking and internal roadways shall conform to the provisions of Subsection 30-64.2, and, in addition, the following requirements shall be met:

1. All off-street parking areas and internal roadways shall be paved, bounded by permanent curbing and constructed in accordance with Township of Chatham road specifications; provided, however, that, upon recommendation of the Township Engineer, the requirement of curbing may be waived or modified when found not to be needed for control of storm water, protection of pavement and similar purposes.
2. Parking areas shall be located at least five (5) feet from a building and fifteen (15) feet from a property line.
3. Except as otherwise provided in the New Jersey Residential Site Improvement Standards, internal roadways shall be at least twenty-four (24) feet in width for two (2)-way traffic and twelve (12) feet in width for one (1)-way traffic and shall not enter a street within fifty (50) feet of an existing intersection. Drives leading from internal roadways to parking areas shall be at least twenty (20) feet in width.
4. The arrangement and location of garages, parking areas and internal roadways shall be subject to approval of the Planning Board and shall be designed to insure maximum safety, proper circulation and maximum convenience for residents and their guests.
5. Sidewalks shall be provided along at least one side of any internal road serving the development.
6. Unless otherwise provided in the New Jersey Residential Site Improvements Standards, minimum requirements for off-street parking spaces shall be as follows for low and moderate income housing units:

1 bedroom	1.75 parking spaces
2 bedroom unit	2.0 parking spaces
3 or more bedroom unit	2.5 parking spaces

(k) Landscaping and Common Open Space.

1. There shall be provided a minimum of thirty (30%) percent of the entire tract for common open space, which shall be deed restricted against future development and managed by the homeowners association. Said open space shall not contain any impervious surfaces, detention facilities or other structural or infrastructure improvements.
2. The common open space, where improved, shall be attractively landscaped with varieties of flowering plants, grasses, trees and shrubs that will serve to minimize water use. All proposed landscaping, including existing and new trees, shrubs and natural screening shall be shown on the site plan submitted to the Planning Board for approval.
3. Except as otherwise provided in the New Jersey Residential Site Improvement Standards, sidewalks or walkways constructed in accordance with the Township specifications shall be provided in such locations and of such widths as required and approved by the Planning Board to insure safe and convenient pedestrian traffic.
4. Sidewalks shall be provided along Southern Boulevard within the development.
5. Effective screening by a fence or wall no less than five (5) feet nor more than seven (7) feet in height shall be provided to shield parking areas and other common facilities from view of adjoining residential properties, provided, however, screening by hedge or other natural landscaping may be substituted for the required fence or wall if approved by the Planning Board as part of the site plan.
6. Lighting. Adequate artificial lighting shall be provided in parking areas and along sidewalks, walkways and internal roadways. The source of lighting shall be directed downward, away from buildings and adjoining streets and property lines. Lighting fixtures shall be so arranged that the direct source of light is not visible from any adjacent property.

(l) Utilities.

1. Adequate provision shall be made for storm water drainage, water supply and sewage treatment and disposal.
  2. All telephone, electric and CATV service, including outdoor lighting on the property, shall be by underground conduit.
  3. Fire Hydrants. Fire hydrants shall be installed at locations specified by the Township. Such hydrants shall be provided with appropriate water pressure and otherwise adequately maintained by the owner or owners of the dwelling units. All such hydrants shall conform to the standards of the National Board of Fire Underwriters or Township requirements, whichever is more restrictive.
  4. Solid Waste, Including Recyclable Materials. Suitable provision shall be made for the orderly deposit and pick-up of solid waste, including recyclable materials. The locations and numbers of all facilities for such purposes shall be subject to approval by the Planning Board and shall meet all regulations of the Township Board of Health and applicable provisions of Section 18-1 of the Revised General Ordinances of the Township of Chatham as well as the following:
    - (a) Each receptacle shall be located in a completely enclosed building.
    - (b) Buildings used solely for the purpose of housing receptacles shall be located at least five (5) feet from an internal roadway and shall otherwise meet the requirements for accessory buildings.
    - (c) Buildings used to house receptacles shall be so located as to permit convenient vehicular access.
- (m) Developer's Obligation to Provide Affordable Housing.
1. Prior to the issuance of any construction permit, and as a condition precedent to the grant of any approval of a development application by the Planning Board, Board of Adjustment or Zoning Officer, as applicable, a developer shall be required to enter into an agreement with the Township Committee to construct at least 15 percent to 20 percent of all dwelling units as low and moderate income housing units as prescribed in Subsection 30-84(m)2 below. At least 50% of the rental units shall be available to low income households with the remainder available to moderate income households. The required agreement shall make provisions for the developer's obligation to construct the affordable units and the phasing of construction of market units shall provide for the construction of affordable units in tandem with the market units according to the requirements of N.J.A.C.5:93-5.6(d).
  2. The required minimum residential densities and affordable housing set asides shall be as follows:
    - (a) Townhouse or other for-sale units: 12 dwelling units per acre with a 20% affordable housing set-aside; and/or.
    - (b) Multi-family rental housing, such as garden apartments:  
12 dwelling units per acre with a 15% affordable housing set-aside.
    - (c) Townhouse and multi-family at the prescribed densities and set-asides identified above may be mixed on single parcel of land.
- (n) Development Option.

The "PI-AHO" Professional and Institutional Affordable Housing Inclusionary Overlay Zone provides a development option allowing townhouses and/or apartments on Block 128, Lot 9 at the election of the owner. The "PI-AHO" Professional and Institutional Affordable Housing Inclusionary Overlay Zone does not supersede the existing underlying PI-1 Professional Institutional District and does not render existing uses on Block 128, Lot 9 non-conforming.

**Section 4.** All other Ordinances, part of Ordinances, or other local requirements that are inconsistent or in conflict with this Ordinance are hereby repealed to the extent of any inconsistency or conflict, and the provisions of this Ordinance apply.

**Section 5.** Notwithstanding that any provision of this Ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, all remaining provisions of the Ordinance shall continue to be of full force and effect.

**Section 6.** This Ordinance shall take effect immediately upon (1) adoption; (2) publication in accordance with the laws of the State of New Jersey; and (3) filing of the final form of adopted Ordinance by the Clerk with the Morris County Planning Board pursuant to N.J.S.A. 40:55D-16.

Attorney Cruz explained the purpose of the ordinance, and said that a copy was sent to the property owner. He said that the property owner did not oppose the ordinance, and the owner will be informed if the ordinance is introduced.

Committeewoman Ness moved to introduce Ordinance 2019-19. Deputy Mayor Kelly seconded the motion.

**Roll call:** Committeewoman Ness, Aye; Committeewoman Swartz, Aye; Committeeman Ritter, Aye; Deputy Mayor Kelly, Aye; Mayor Selen, Aye.

Public Hearing for Ordinance 2019-19 will be scheduled for December 12, 2019.

Ordinance 2019-20

**ORDINANCE 2019-20**

**AN ORDINANCE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, APPROVING THE LONG TERM TAX EXEMPTION APPLICATION AND AUTHORIZING THE MAYOR AND TOWNSHIP CLERK TO EXECUTE A FINANCIAL AGREEMENT BY AND BETWEEN THE TOWNSHIP OF CHATHAM AND SOUTHERN BOULEVARD URBAN RENEWAL, LLC, PURSUANT TO N.J.S.A. 40A:20-1 ET SEQ. FOR PROPERTY LOCATED AT 405 SOUTHERN BOULEVARD, ALSO KNOWN AS A PORTION OF LOT 117.27 IN BLOCK 48.16, AS SHOWN ON THE OFFICIAL TAX MAP OF THE TOWNSHIP OF CHATHAM, LOCATED IN THE SKATE PARK REDEVELOPMENT AREA**

**BE IT ORDAINED** by the Township Committee of the Township of Chatham, in the County of Morris, State of New Jersey, as follows:

**Section 1.** The Township Committee of the Township of Chatham ("Township") designated a portion of Block 48.16, Lot 117.27 ("Property") as the Skate Park Redevelopment Area ("Redevelopment Area") and adopted the Redevelopment Plan for the Redevelopment Area ("Plan") on December 13, 2018.

**Section 2.** On December 13, 2018, the Township adopted a Resolution conditionally designating Southern Boulevard Urban Renewal, LLC ("Redeveloper"), as redeveloper of the Property subject to certain conditions.

**Section 3.** Redeveloper is an urban renewal entity, created in accordance with the Long Term Tax Exemption Law, constituting Chapter 431 of the Pamphlet Laws of 1991 of the State, and the act amendatory thereof and supplementary thereto ("Long Term Tax Exemption Law," as codified in N.J.S.A. 40A:20-1 et seq.), which shall take title to the Property and act as Redeveloper.

**Section 4.** On October 21, 2019, Redeveloper obtained preliminary and final site plan and subdivision and bulk variance approvals from the Township Planning Board for the Property for a residential development of 24 affordable housing units and related site improvements ("Project").

**Section 5.** The Township and Redeveloper have completed negotiations on a Redevelopment Agreement to be considered for approval by the Township on November 14, 2019, which sets forth certain terms and conditions with respect to the sale of the Property to Redeveloper by the Township, the redevelopment of the Property, the construction of the Project and the payment of certain costs in connection therewith ("Redevelopment Agreement").

**Section 6.** Pursuant to and in accordance with the provisions of the Long Term Tax Exemption Law, the Township is authorized to provide for tax exemptions within a redevelopment area and for payments in lieu of taxes.

**Section 7.** The Redeveloper submitted an application ("Exemption Application," a copy of which is attached hereto as Exhibit A) to the Township, dated October 25, 2019, including a form of financial agreement ("Financial Agreement," a copy of which is attached hereto as Exhibit B), for the approval of a Project, as such term is used in the Long Term Tax Exemption Law, all in accordance with N.J.S.A. 40A:20-8.

**Section 8.** The Exemption Application requests a 30-year term for the Financial Agreement and an annual service charge ("Annual Service Charge") based on 6.28% of annual gross revenue, subject to staged increases beginning in Year 16, as set forth in the Financial Agreement and as provided for under the Long Term Tax Exemption Law.

**Section 9.** The Township and Redeveloper reached agreement regarding, among other things, the terms and conditions relating to the Annual Service Charge, and they desire to execute the Financial Agreement.

**NOW, THEREFORE, BE IT ORDAINED** by the Township Committee of the Township of Chatham, County of Morris, New Jersey, as follows:

**Section 1.** The Township acknowledges that Redeveloper, by effectuating the redevelopment of the Property, will provide significant and long-term benefits to the Township.

**Section 2.** The Township makes the following findings:

**A. Relative benefits of the Project when compared to the costs:**

1. The Property currently generates no real estate tax revenue to the Township because the Property is owned by the Township and assessed as municipal property. The projected Annual Service Charge will generate average revenue to the Township of approximately \$17,000 annually over the term;
2. It is estimated that the Project will create approximately 50 jobs during construction and 1 new permanent job after completion of construction;
3. The Project will provide 24 units of affordable housing to the region;
4. The Project will further the redevelopment objectives of the Redevelopment Plan; and
5. The Township has determined that the benefits of the Project significantly outweigh the costs to the Township.

**B. Assessment of the importance of the tax exemption in obtaining development of the Project and influencing the locational decisions of probable occupants:**

1. The relative stability and predictability of the Annual Service Charge will make the Project more attractive to investors and lenders needed to finance the Project; and
2. The relative stability and predictability of the Annual Service Charge will allow stabilization of the Project operating budget, allowing a high level of design and aesthetics as well as the use of high quality materials which will maintain the appearance of the buildings over the life of the Project, which will insure that it will have a positive impact on the surrounding area.

**Section 3.** The Exemption Application is hereby accepted and approved.

**Section 4.** The Financial Agreement shall be for a 30-year term with an annual service charge based on 6.28% of annual gross revenue for the Project, and subject to certain staged increases beginning in Year 16, in accordance with the Long Term Tax Exemption Law.

**Section 5.** The Financial Agreement is hereby authorized to be executed and delivered on behalf of the Township by the Mayor in substantially the form attached hereto as Exhibit B. The Township Clerk is hereby authorized and directed to attest to the execution of the Financial Agreement by the Mayor and to affix the corporate seal of the Township to the Financial Agreement.

**Section 6.** This Ordinance shall take effect upon final passage and publication as required by law.

**EXHIBIT A**  
**EXEMPTION APPLICATION**

**EXHIBIT B**  
**FORM OF FINANCIAL AGREEMENT**

**EFFECTIVE DATE**

This Ordinance shall take effect twenty (20) days after publication in accordance with applicable law.

Attorney Cruz noted that this ordinance was already extensively discussed by Administrator Hoffmann in his presentation.

Committeewoman Swartz asked if the PILOT will impact the Township's ability to apply to the DEP to adjust the wetlands buffer. Attorney Cruz said it would not.

Committeeman Ritter moved to introduce Ordinance 2019-20. Committeewoman Ness seconded the motion.

**Roll call:** Committeewoman Ness, Aye; Committeewoman Swartz, Aye; Committeeman Ritter, Aye; Deputy Mayor Kelly, Aye; Mayor Selen, Aye.

Public Hearing for Ordinance 2019-20 will be scheduled for December 12, 2019.

Ordinance 2019-21

**ORDINANCE 2019-21  
AN ORDINANCE ADDING ARTICLE III, TITLED "DEPARTMENTS ESTABLISHED", SECTION 2-11, TITLED "POLICE DEPARTMENT", SUBSECTION 2-11.17, TITLED "POLICE CHAPLAIN", OF THE REVISED GENERAL ORDINANCES OF THE TOWNSHIP OF CHATHAM TO ALLOW FOR A POLICE CHAPLAIN**

**WHEREAS**, statutory authority provides that the Township Committee of the Township of Chatham by Ordinance may create the appointment of one or more Chaplains to the Police Department; and

**WHEREAS**, Police Chaplains serve an integral role in providing comfort to members of the Police Department as well as the public and aid in community policing; and

**WHEREAS**, the Township Committee finds it is in the best interest of the Township of Chatham to create the position of Police Chaplain.

**NOW, THEREFORE, BE IT ORDAINED**, by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey, as follows:

**Section 1.** Article III, titled "Departments Established", Section 2-11, titled "Police Department", Subsection 2-11.17, titled "Police Chaplain" of the Revised General Ordinances of the Township of Chatham is hereby added as follows:

**Subsection 2-11.17 Police Chaplain**

- A. Position created. The position of Police Chaplain for the Township of Chatham Police Department is hereby created in accordance with statutory authority. The position(s) will be a volunteer position. The position of Chaplain shall be under the supervision of the Chief of Police.
- B. Qualifications. Any person appointed as Chaplain shall be an ordained clergyman in good standing in the religious body from which he/she is selected. The chaplain shall have basic training and shall be a certified Police Chaplain credentialed in accordance with the rules and regulations of the Township of Chatham Police Department and shall be qualified in accordance with statutory requirements.
- C. Duties of Police Chaplain. The Duties of Police Chaplain shall include, but not be limited to, assisting the Township of Chatham Police Department in death notifications, station house adjustments, and any other duties that may be assigned by the Chief of Police.
- D. Rank and salary. Any person appointed as Chaplain shall serve in that capacity without rank or salary.
- E. Term of office. A person(s) appointed as Chaplain shall serve for a period of one year from the date of appointment and shall continue to serve in that capacity until he/she is either terminated or reappointed with the recommendation of the Chief of Police regarding the appointment of the Chaplain. The Mayor shall appoint the Chaplains in accordance with this section with the advice and consent of the Township Committee.

**Section 2.** If any Section, paragraph, subdivision, clause or provision of this Ordinance shall be adjudged invalid, such adjudication shall apply only to the Section, paragraph, subdivision, clause or provision so adjudged and the remainder of the Ordinance shall be deemed valid and effective.

**Section 3.** All ordinances or parts of ordinances inconsistent with or in conflict with this Ordinance are hereby repealed to the extent of such inconsistency.

**Section 4.** This Ordinance shall take effect after final passage, adoption and publication according to law.

Deputy Mayor Kelly moved to introduce Ordinance 2019-21. Committeewoman Ness seconded the motion.

Committeewoman Swartz asked if the State mandates that municipalities have a Police Chaplain. Attorney Cruz said that municipalities are empowered by statute to have a Police Chaplain, and an ordinance is required to establish the position but it is optional to have one.

Committeeman Ritter asked if the Township previously had a Police Chaplain. Committeewoman Swartz said that Monsignor Mahoney had informally held the position prior to his retirement. Attorney Cruz noted that the Township Committee will be the authority responsible for appointing a Police Chaplain upon recommendation by the Police Chief.

Committeewoman Ness said that she supports having a Police Chaplain.

**Roll call:** Committeewoman Ness, Aye; Committeewoman Swartz, Aye; Committeeman Ritter, Aye; Deputy Mayor Kelly, Aye; Mayor Selen, Aye.

Public Hearing for Ordinance 2019-21 will be scheduled for December 12, 2019.

#### **Hearing of Citizens/Petitions**

Mayor Selen opened the Hearing of Citizens.

1. Rich Matlaga, 36 Dale Drive, said that it is unfair to the public for meetings to go past midnight and for action to be taken so late. He also stated that the selection of the Municipal Building as the site for affordable housing was sprung on the public, and there should have been more opportunity for public input.

Seeing no comment, Mayor Selen closed the Hearing of Citizens.

Committeewoman Ness moved to adjourn at 12:14 AM. Deputy Mayor Kelly seconded the motion, which carried unanimously.

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Gregory J. LaConte  
Municipal Clerk

# Civil Case Information Statement

**Case Details: MORRIS | Civil Part Docket# L-002712-19**

**Case Caption:** FELICE ASHLEY VS TOWNSHIP OF CHATHAM

**Case Initiation Date:** 12/26/2019

**Attorney Name:** ROBERT F SIMON

**Firm Name:** HEROLD LAW PA

**Address:** 25 INDEPENDENCE BLVD

WARREN NJ 070596747

**Phone:** 9086471022

**Name of Party:** PLAINTIFF : Felice, Ashley

**Name of Defendant's Primary Insurance Company**

(if known): None

**Case Type:** ACTIONS IN LIEU OF PREROGATIVE WRITS

**Document Type:** Complaint

**Jury Demand:** NONE

**Is this a professional malpractice case?** NO

**Related cases pending:** YES

**If yes, list docket numbers:** MRS-L-1659-15

**Do you anticipate adding any parties (arising out of same transaction or occurrence)?** NO

**Are sexual abuse claims alleged?** NO

**THE INFORMATION PROVIDED ON THIS FORM CANNOT BE INTRODUCED INTO EVIDENCE**

CASE CHARACTERISTICS FOR PURPOSES OF DETERMINING IF CASE IS APPROPRIATE FOR MEDIATION

**Do parties have a current, past, or recurrent relationship?** NO

**If yes, is that relationship:**

**Does the statute governing this case provide for payment of fees by the losing party?** NO

**Use this space to alert the court to any special case characteristics that may warrant individual management or accelerated disposition:**

**Do you or your client need any disability accommodations?** NO

**If yes, please identify the requested accommodation:**

**Will an interpreter be needed?** NO

**If yes, for what language:**

**Please check off each applicable category: Putative Class Action?** NO **Title 59?** NO **Consumer Fraud?** NO

I certify that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with *Rule* 1:38-7(b)

12/26/2019

Dated

/s/ ROBERT F SIMON

Signed