



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

January 19, 2022

Michael A. Jedziniak, Esq.  
Carluccio, Leone, Dimon, Doyle & Sacks, LLC  
9 Robbins Street  
Toms River, New Jersey 08753

**Re: In the Matter of the Township of Middle, Cape May County,  
Docket No. CPM-L-27-19**

Dear Mr. Jedziniak:

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

### **Background**

In accordance with Mount Laurel IV, Middle filed the above-captioned matter on June 13, 2019, seeking a declaration of its compliance with the Mount Laurel doctrine and the Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq.

Through the declaratory judgment process, the Township and FSHC agreed to settle the litigation and present this Agreement to the trial court with jurisdiction to review, recognizing that settlement of Mount Laurel litigation is favored because it ends delays and the expense of trial and results more quickly in the construction of homes for very-low-, low-, and moderate-income households.

### **Agreement Terms**

The Township of Middle and FSHC hereby agree to the following terms:

1. The Township, through the adoption of a Round 3 Housing Element and Fair Share Plan ("fair share plan" or "HEFSP") conforming with the terms of this Agreement, and through the expeditious implementation of the fair share plan and this Agreement, will satisfy its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq., for the Prior 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, gap present, and prospective need rather than doing so through litigation.
3. For purposes of this Agreement, Middle hereby accepts that its fair share obligations are as follows:

|  |     |
|--|-----|
| Rehabilitation/Present Need Obligation (per Kinsey Report <sup>1</sup> ) | 48  |
| Prior Round Prospective Need Obligation (pursuant to N.J.A.C. 5:93)      | 454 |
| Third Round (1999-2025) Obligation                                       | 320 |

4. For purposes of this Agreement, the Third Round Obligation shall combine the Township's the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, which was established by the New Jersey Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017), and Third Round Prospective Need, which is the Township's fair share obligation based upon a projection of future regional growth and other related factors.
5. **Rehabilitation/Present Need.** Middle shall meet its 48-unit rehabilitation obligation through the continued implementation of the Township's existing affordable housing rehabilitation program for both rental and for-sale units. The program shall fully comply with N.J.A.C. 5:93-5.2 and the rental rehabilitation requirement set forth in N.J.A.C. 5:97-4.5(b)5. Prior to a final judgment of compliance and repose, the Township shall demonstrate compliance.
6. **Prior Round.** As noted above, the Township has a Prior Round Prospective Need Obligation of 454 units, which is met through the following compliance mechanisms:

| Developments/<br>Compliance Mechanisms  | Type                | Details/Status | Units              | Bonuses    |
|---|---------------------|----------------|--------------------|------------|
| Conifer Green Heron Point<br>(Block 56.01, Lot 46)  | Family Rental       | Completed      | 80                 | 80         |
| Conifer American<br>Dream/Meadowlark Run<br>(Block 1523, Lots 3 and 4)                    | Family Rental       | Completed      | 79                 | 34         |
| Group Homes<br>(List attached as Exhibit A)   | Special Needs       | Completed      | 63                 | 0          |
| Town Residential Zoning District<br>12 du/a w/20% Set-Aside<br>(56 of 253 to Prior Round) | Family              | Proposed       | 56                 | 0          |
| Rio Grande Redevelopment<br>(Block 1434, Lots 2, 3, 4, 8 & 9)                             | Family Rental       | Proposed       | 44                 | 0          |
| Habitat for Humanity Homes  | Family For-Sale     | Complete       | 15                 | 0          |
| Prior Cycle Credits   | Prior Cycle Credits | Complete       | 3                  | 0          |
|   |                     | <b>Total:</b>  | <b>340</b>         | <b>114</b> |
|   |                     |                | <b>454 credits</b> |            |

<sup>1</sup> David N. Kinsey, PhD, P.P., F.A.I.C.P., "New Jersey Low- and Moderate-Income Housing Obligations for 1999-2025 Calculated Using the NJ COAH Prior Round (1987-1999) Methodology, dated May 2016.

7. **Third Round.** As noted above, the Township has a Third Round Prospective Need Obligation of 320 units, which is met through the following compliance mechanisms:

| Developments/<br>Compliance Mechanisms   | Type             | Details/Status | Units | Bonuses             |
|--|------------------|----------------|-------|---------------------|
| Indian Trail Redevelopment<br>(Blocks 169-211)   | Family<br>Rental | Proposed       | 80    | 80                  |
| Town Residential Zoning<br>District<br>12 du/a w/20% Set-Aside<br>(197 of 253 to Third Round)  | Family           | Proposed       | 197   | 0                   |
| Oyster at Shunpike<br>(Block 348.02, Lot 3)  | Family           | Approved       | 2     | 0                   |
| <b>Total:</b>  |                  |                | 279   | 80                  |
|  |                  |                |       | <b>359 credits*</b> |
| *Any affordable housing credits above Middle's Third Round Obligation (i.e. surplus credits) may be credited to future rounds in accordance with then-applicable law but shall not be a reason to reduce any Third Round mechanisms or the affordable housing set-aside on any project as set forth in this Agreement. |                  |                |       |                     |

8. Prior to a final judgment of compliance and repose, the Township shall provide deed restrictions and other required crediting documentation for all existing affordable units for which it is claiming credit. For group homes, the Township has provided a list of credits sought, which is attached hereto as **Exhibit A**. Prior to a final judgment of compliance and repose, the Township shall provide 1) documentation of eligibility for group home credits in accordance with N.J.A.C. 5:93-5.8 or N.J.A.C. 5:97-6.10, on each group home project; 2) the Supportive and Special Needs Housing Survey Form used by the Council on Affordable Housing; and 3) a copy of the facility license. For the three (3) prior cycle credits (Block 671, Lot 5; Block 922, Lot 6; and Block 9, Lot 11), the Township shall provide documentation demonstrating eligibility for the credits pursuant to N.J.A.C. 5:93-1.3 and N.J.A.C. 5:93-2.15.
9. The Township shall provide a realistic opportunity for the development of affordable housing through the adoption of inclusionary zoning on the following sites:
- a. **Rezoning of the Town Residential (TR) Zoning District:** Middle's Town Residential (TR) zoning district encompasses several areas within the Township's designated centers and sewer service area, and together is over 640 acres in size. The TR district already permits townhouse and multi-family developments at a density of either 6 or 8 units per acre, depending on whether non-contiguous parcels can be assembled.

As part of this Agreement, Middle agrees to rezone all parcels in the TR district to permit townhouse and multi-family developments at twelve (12) units per acre with a mandatory twenty percent (20%) affordable housing set-aside. The rezoning shall permit up to 3-story buildings with a maximum height of 40 feet, and it shall eliminate the non-contiguous parcel assemblage requirement.

Middle also agrees to rezone several vacant, developable parcels currently zoned in the Residential (R) Zoning District to be part of the new TR district. Those parcels and their realistic development potential are listed in **Exhibit B** attached hereto.

The mandatory affordable set-aside shall mean that for all developments approved and constructed in the TR district that include a residential component the developments shall be required to set-aside a minimum of twenty percent (20%) of the residential units as affordable housing.

The rezoning ordinance shall make clear that when calculating the yield permitted on a site, the density may be calculated across the gross acreage and any residential development may be clustered on the unconstrained acreage. For example, if there is a 30-acre site with 5 acres that are constrained, a developer shall be permitted to build and concentrate the 360 total units (30 acres \* 12 du/a) on the remaining 25 acres that are not constrained.

The rezoning ordinance shall require that the affordable housing comply with all of the affordable housing requirements in Paragraph 15 below (including bedroom/income distribution, deed restrictions, phasing, integration, and affirmative marketing).

Attached hereto as **Exhibit B** is a list of the vacant, developable parcels in the TR district that must be used for residential purposes as well as the parcels from the current R district that will be rezoned into the TR district and which rezoning shall require these properties to be used solely for inclusionary residential development.

When combined, these sites total approximately one-hundred and six (106) acres and create a realistic opportunity for 253 affordable family units, 56 of which are credited to the Prior Round and 197 of which are credited to the Third Round.

In addition to the vacant, developable properties identified in Exhibit B, the Township believes there are many additional smaller vacant lots and many underutilized properties in the TR district that also offer the potential for inclusionary development that may generate affordable housing as a result of the rezoning described in this paragraph but are not eligible for credit at this time. The Township reserves the right to seek credit for any affordable housing that may be generated as a result of these sites in a future round in accordance with then-applicable law.

In amending the zoning ordinance, the Township will ensure that the new regulations will reflect any existing features on any of the sites referenced in Exhibit B, including but not limited to any communications equipment on any of the properties, so that such equipment can remain and shall not conflict with the development of any inclusionary housing project.

The analysis above specifically excludes the portions of the TR district that are also within the Indian Trail Redevelopment Area in order to avoid any double counting of sites.

10. The Township shall provide a realistic opportunity for the development of affordable housing through inclusionary zoning and redevelopment on the following sites:

- a. **Indian Trail Redevelopment Area:** Middle Township shall create a realistic opportunity for at least eighty (80) affordable family rental units, a 20% affordable housing set-aside on 400 units total, on 98.5 acres of land that is in the Burleigh section of the Township (Blocks 169-211) and in a designated sewer service area, which is referred to as the Indian Trail Redevelopment Area.

Because the Township is claiming eighty (80) family rental bonus credits for the development, it shall ensure that it enters into a redeveloper's agreement consistent with this Agreement wherein the redeveloper commits to construct affordable family rental units in order to satisfy the firm commitment requirement in N.J.A.C. 5:93-5.15(d). The redevelopment plan shall also require that all eighty (80) affordable units be family non-age-restricted rental units consistent with all requirements of this Agreement.

In accordance with N.J.A.C. 5:97-6.6, the Township has provided a timeline of the redevelopment process and the steps it will expeditiously implement in order to create a realistic opportunity for these affordable units. That schedule is attached hereto as **Exhibit C**.

This schedule shall be incorporated into the Township's Housing Element and Fair Share Plan, and the Township shall report annually, pursuant to Paragraph 23 below, on the redevelopment process and whether it is meeting the timelines.

Consistent with the schedule, the Township shall adopt an amendment to the redevelopment plan prior to a judgment of compliance and shall make a good faith effort to enter into a redeveloper's agreement by February 1, 2023, that is consistent with this Agreement. If, despite its good faith efforts, the Township is unable to execute a redeveloper's agreement on or before February 1, 2023, the Parties shall immediately commence mediation to address the issue which may include substitution of another site or sites otherwise consistent with the terms of this Agreement, subject to the review of the Special Master and approval of the Court. Nothing herein shall prohibit the Parties from engaging in discussions prior to the aforementioned deadline.

- b. **Rio Grande Redevelopment Area:** Middle Township shall create a realistic opportunity for at least forty-four (44) affordable family rental units, a 20% affordable housing set-aside on 220 units total, on the Rio Grande Redevelopment Area (Block 1434, Lots 2, 3, 4, 8 & 9), which composes approximately 22 acres and is in a designated sewer service area.

In accordance with N.J.A.C. 5:97-6.6, the Township has provided a timeline of the redevelopment process and the steps it will expeditiously implement in order to create a realistic opportunity for these affordable units. That schedule is attached hereto as **Exhibit C**.

This schedule shall be incorporated into the Township's Housing Element and Fair Share Plan, and the Township shall report annually, pursuant to Paragraph 19 below, on the redevelopment process and whether it is meeting the timelines.

Consistent with the schedule, the Township shall adopt an amendment to the redevelopment plan by June 15, 2022 and shall make a good faith effort to enter into a redeveloper's agreement by June 15, 2023, that is consistent with this Agreement. If, despite its good faith efforts, the Township is unable to execute a redeveloper's agreement on or before June 15, 2023, the Parties shall immediately commence mediation to address the issue which may include substitution of another site or sites otherwise consistent with the terms of this Agreement, subject

to the review of the Special Master and approval of the Court. Nothing herein shall prohibit the Parties from engaging in discussions prior to the aforementioned deadline.

11. Middle represents that the sites of each development listed above are available, suitable, developable, and approvable for the construction of affordable housing, including the number of units contemplated, pursuant to N.J.A.C. 5:93-5.3(b), and that adequate sewer and water infrastructure and capacity is available.
12. Middle commits to work cooperatively, expeditiously, and with all continuity of purpose with the inclusionary and non-inclusionary developers to ensure all necessary land use approvals and to issue all construction and building permits in a timely manner.
13. Due to the point in the Third Round at which this settlement is reached, the Township commits to maintain and implement the mechanisms agreed to herein, including the redevelopment plans and process, until the affordable units have been created.
14. The Township agrees that it shall meet its Third Round Prospective Need in accordance with the following standards:
  - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
  - b. At least fifty percent (50%) of the units addressing the Third Round Obligation 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 (25%) of the Third Round Prospective Need shall be met through rental units, including at least half in non-age-restricted rental units available to families.
  - d. At least half of the units (50%) addressing the Third Round Prospective Need must be non-age-restricted affordable units available to families.
  - e. The Township agrees to comply with an age-restricted cap of twenty-five percent (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 twenty-five percent (25%) of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
  - f. Thirteen percent (13%) of all affordable units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, shall be very-low-income units for households earning thirty percent (30%) or less of the median income pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301, et seq. ("FHA"), 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.
  - g. 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.

15. In all developments that produce affordable housing, the Township agrees that the following terms shall apply:
- a. All of the affordable units shall fully comply with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, et seq. ("UHAC"), including but not limited to the required bedroom and income distribution, with the sole exception that thirteen percent (13%) of the affordable units within each bedroom distribution shall be required to be for very-low-income households earning thirty percent (30%) or less of median income pursuant to the FHA.
  - b. All of the affordable units shall be subject to affordability controls of at least thirty (30) years from the date of initial occupancy and affordable deed restrictions as provided for by UHAC, with the sole exception that very low income shall be defined as at or below thirty percent (30%) of median income pursuant to the Fair Housing Act, and the affordability controls shall remain unless and until the Township, in its sole discretion, takes action to extend or release the unit from such controls after at least thirty (30) years. If the Township acts to release the unit from such controls, affordability controls shall remain in effect until the date on which a rental unit shall become vacant due the voluntary departure of the occupant household N.J.A.C. 5:80-26.11(b).
  - c. In inclusionary developments, the affordable units shall be integrated with the market-rate units to the extent feasible, and the affordable units shall not be concentrated in separate building(s) or in separate area(s) or floor(s) from the market-rate units. In buildings with multiple dwelling units, this shall mean that the affordable units shall be generally distributed within each building with market units. The residents of the affordable units shall have full and equal access to all of the entryways, amenities, common areas, and recreation areas and facilities as the residents of the market-rate units.
  - d. Construction of the affordable units in inclusionary developments shall be phased in compliance with N.J.A.C. 5:93-5.6(d).
  - e. The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law. The affirmative marketing shall include the community and regional organizations identified in this agreement, and it shall also include posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.
16. The Township and/or its Administrative Agent shall add the following entities 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 (510 Park Boulevard, Cherry Hill, NJ 08002), the New Jersey State Conference of the NAACP (4326 Harbor Beach Blvd. #775, Brigantine, NJ 08203), the Latino Action Network (P.O. Box 943, Freehold, NJ 07728), Cape Hope (1304 Rt. 47, Unit L, Rio Grande, NJ 08242), the Cape May County, Mainland/Pleasantville, Atlantic City, Burlington, and Camden Branches of the NAACP; and the Supportive Housing Association of New Jersey (185 Valley Street, South Orange, NJ 07079). As part of its regional affirmative marketing strategies during implementation of its fair share plan, the Township and/or its Administrative Agent shall also provide notice of all available

affordable housing units to the above-referenced organizations and shall ensure all affordable units are posted on the New Jersey Housing Resource Center website in accordance with applicable law. The Township also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.

17. Income limits for all affordable units shall be updated by the Township annually either (a) in reliance upon the annual "Affordable Housing Regional Income Limits By Household Size" schedule prepared by the Affordable Housing Professionals of New Jersey (AHPNJ), or (b) within thirty (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 Housing Region in which the Township is located (in this case, Housing Region 6) 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 number of 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 number of households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very-low-income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
  - b. The income limits attached hereto as **Exhibit D** are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2021, and shall be utilized until the Township updates the income limits as set forth above.
  - 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 either (a) in reliance upon the annual "Affordable Housing Regional Income Limits By Household Size" schedule prepared by the Affordable Housing Professionals of New Jersey (AHPNJ), or (b) by taking the percentage increase of the income limits calculated pursuant to paragraph 17a 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.
18. Upon full execution of this Agreement, Middle shall notify the Court so that a Fairness Hearing can be scheduled to approve the Agreement. Middle shall place this Agreement on file in the Township's municipal building, post it on the municipal website, and file a



copy with the Court at least forty-five (45) days prior to the Fairness Hearing, at which the Township will seek judicial approval the terms of this Agreement pursuant to the legal standards set forth in Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986), and East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311 (App. Div. 1996). Notice of the Fairness Hearing shall be published at least forty-five (45) days in advance of the hearing. The Township's planner shall appear as a witness and provide testimony at the hearing.

19. Within one-hundred-and-twenty (120) days of the entry of an order approving this Agreement by the Court after a Fairness Hearing, Middle shall adopt a Round 3 Housing Element and Fair Share Plan, affordable housing ordinance, amended development fee ordinance, inclusionary zoning and redevelopment ordinances, Affirmative Marketing Plan, intent to fund shortfall, appoint a Municipal Housing Liaison and Administrative Agent, and adopt all other resolutions and ordinances required to be adopted as part of this Agreement, and shall submit same to the Court, the Special Master, and FSHC for review at least forty-five (45) days before the scheduling of a "Compliance Hearing." The HEFSP shall include all documentation to demonstrate the creditworthiness of existing affordable units for which the municipality is seeking credit.
20. The Township shall also prepare a Spending Plan for review and approval by FSHC, Special Master, and the Court during the duly-noticed Compliance Hearing. Upon approval, the Township and FSHC agree that the expenditures of funds contemplated in the Township's Spending Plan shall constitute the "commitment" for expenditure required pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period contemplated therein commencing 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).
21. The Township shall comply with the following annual monitoring and reporting requirements:
  - a. Starting on January 1, 2023, and every anniversary thereafter, the Township shall provide an annual Mount Laurel Trust Fund accounting report to the New Jersey Department of Community Affairs, Council on Affordable Housing, Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to FSHC 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 annual report shall detail all expenditures from and deposits into the Township's Affordable Housing Trust Fund.
  - b. Starting on January 1, 2023, and every anniversary thereafter, the Township shall provide an annual report on 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 Council on Affordable Housing or any other forms endorsed by the FSHC. In addition to the foregoing, the Township shall also post such activity on the CTM system and/or file a copy of its report with the Council on Affordable Housing or its successor agency at the State level, if available. The annual report shall detail the status of all affordable units in the Township's HEFSP. The Township shall promptly respond to any requests from the Court or FSHC for additional information.

22. The Fair Housing Act includes two provisions regarding actions 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 required pursuant to N.J.S.A. 52:270-313, the Township was obligated to post, by July 1, 2020, on its municipal website, a status report as to its implementation of its HEFSP and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms should be revised or supplemented.

Recognizing that July 1, 2020, has passed prior to the amended settlement in this matter, on or before July 1, 2023, the Township shall post on its municipal website, with a copy provided to Fair Share Housing Center, its Midpoint Realistic Opportunity Review Report. The status report will provide an update of the Township's implementation of its approved Fair Share Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms should be revised or supplemented.

Such posting shall invite any interested party to submit comments to the Township, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced. 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 the Judgment of Compliance and Repose, 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.

23. The Township agrees to pay FSHC's attorney's fees and costs in the amount of \$30,000.00. The Township shall make said payment within thirty (30) days of the Court's approval of this Agreement following a duly noticed Fairness Hearing. Said funds may be taken from the Township's current or future balances in the Mount Laurel Trust Fund provided that they are counted toward the fund's 20 percent cap allowed for administrative purposes pursuant to N.J.A.C. 5:97-8.9.

24. Execution of this Agreement was formally authorized via Resolution \_\_\_\_\_, adopted by the Middle Township Committee during a regular meeting on January 19, 2022, a true copy of which is attached hereto as Exhibit E.

25. This Agreement may be enforced by the Township or FSHC through a motion to enforce litigant's rights or a separate action filed in Superior Court, Cape May County. If the moving party prevails, it may, in the Court's discretion, be entitled to reasonable fees and costs in accordance with Rule 1:10-3.

26. Middle and FSHC shall have an obligation to fulfill the intent and purpose of this Agreement. If an appeal of the Court's approval or rejection of the Settlement Agreement is filed by a third party, 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 the Settlement Agreement if the Agreement is approved by the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to return to the *status quo ante*. In this regard, the Township and FSHC acknowledge that the parties have entered into this Agreement to settle the litigation and that each is free to take such position as it deems appropriate should the matter return to the *status quo ante*.
27. The parties' acceptance of the Third Round obligation of 320 is solely for the purposes of achieving a settlement of the litigation and is without prejudice to the parties' ability to challenge that Third Round number during any proceedings involving subsequent rounds of affordable housing calculations after July 1, 2025. The parties agree that in any such proceeding involving subsequent rounds of affordable housing calculations after July 1, 2025, either party may seek to adjust the Third Round obligation based on information such as but not limited to the actual growth in, or reduction of, households in Region 6 (Atlantic, Cape May, Cumberland, and Salem Counties) between July 1, 2015 and June 30, 2025. If the Township succeeds in securing such an adjustment with all appeals having been exhausted, it may apply any excess credits that continue to present a realistic opportunity beyond its adjusted Round 3 Prospective Need in its Round 4 Housing Element and Fair Share Plan. Nothing herein shall be construed to (a) prevent the parties from negotiating an adjustment by way of Consent Order; or (b) bar Fair Share Housing Center from challenging any judicial action filed by the Township as set forth above or the Township from challenging any judicial action filed by Fair Share Housing Center set forth above. If either party pursues such a challenge, the other party shall automatically secure intervenor status by consent.
- Any such reduction of the Township's obligation established in this Agreement does not create a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to Rule 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.
28. 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.
29. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
30. Any litigation associated with this Agreement must be venued in Cape May County.
31. This Agreement may not be modified, amended, or altered in any way except by a writing signed by both the Township and FSHC.

32. 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.
33. The Township and FSHC acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each person to sign this Agreement is the proper person and possesses the authority to sign the Agreement, that this Agreement contains the entire understanding of the Township and FSHC and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
34. The Township and FSHC acknowledge that this Agreement was not drafted by the Township or FSHC, but was drafted, negotiated and reviewed by representatives of the Township and FSHC and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. The Township and FSHC expressly represent that: (a) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (b) it has conferred due authority for execution of this Agreement upon the persons executing.
35. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both the Township and FSHC.
36. This Agreement constitutes the entire Agreement between the Township and FSHC hereto and supersedes all prior oral and written agreements between the Township and FSHC with respect to the subject matter hereof except as otherwise provided herein.
37. No official, employee, or representative 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.
38. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which representatives of the Township and FSHC have executed and delivered this Agreement.
39. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the Township and FSHC by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days' notice as provided herein:

TO FSHC:

Adam M. Gordon, Esq.  
Fair Share Housing Center  
510 Park Boulevard  
Cherry Hill, New Jersey 08002  
Phone: (856) 665-5444  
Email: adamgordon@fairsharehousing.org

**TO THE TOWNSHIP:** Michael A. Jedziniak, Esq.  
Carluccio, Leone, Dimon, Doyle & Sacks, LLC  
9 Robbins Street  
Toms River, New Jersey 08753  
Phone: 732-797-1600  
Email: MJedziniak@cldds.com

**WITH A COPY TO THE MUNICIPAL CLERK:** Kimberly Osmundsen, Municipal Clerk  
33 Mechanic Street  
Cape May Court House, New Jersey 08210  
Phone: 609-465-8721  
Fax: 609-465-4459

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be properly executed, their corporate seals affixed and attested and this Agreement to be effective as of the Effective Date.

Sincerely,

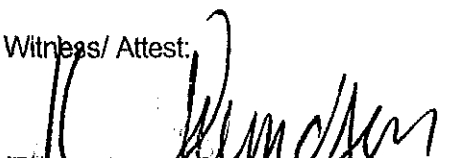
Adam M. Gordon, Esq.  
Executive Director of Fair Share Housing Center

Witness: \_\_\_\_\_

Dated: January \_\_, 2022

**On behalf of the Township of Middle, with the authorization of the governing body:**

Witness/ Attest:

  
\_\_\_\_\_  
Kimberly Osmundsen, Municipal Clerk

TOWNSHIP OF MIDDLE

  
\_\_\_\_\_  
Timothy C. Donohue, Mayor

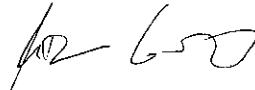
Dated: January 20, 2022

**TO THE TOWNSHIP:** Michael A. Jedziniak, Esq.  
Carluccio, Leone, Dimon, Doyle & Sacks, LLC  
9 Robbins Street  
Toms River, New Jersey 08753  
Phone: 732-797-1600  
Email: MJedziniak@cldds.com

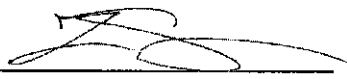
**WITH A COPY TO THE MUNICIPAL CLERK:** Kimberly Osmundsen, Municipal Clerk  
33 Mechanic Street  
Cape May Court House, New Jersey 08210  
Phone: 609-465-8721  
Fax: 609-465-4459

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be properly executed, their corporate seals affixed and attested and this Agreement to be effective as of the Effective Date.

Sincerely,



Adam M. Gordon, Esq.  
Executive Director of Fair Share Housing Center

Witness:   
Zoey S. Chenitz, Esq.

Dated: January 27, 2022

**On behalf of the Township of Middle, with the authorization of the governing body:**

Witness/ Attest:

TOWNSHIP OF MIDDLE

\_\_\_\_\_  
Kimberly Osmundsen, Municipal Clerk

\_\_\_\_\_  
Timothy C. Donohue, Mayor

Dated: January \_\_\_\_, 2022

**Exhibit A:**  
**List of Group Home Credits**

**Exhibit A – Supportive and Special Needs Housing Credits (Group Homes)**

| <b>Facility</b>                           | <b>Block</b> | <b>Lot</b> | <b>Address</b>      | <b>Bedrooms</b> |
|---|--------------|------------|---------------------|-----------------|
| ARC of Cape May County                    | 473          | 57         | 22 LOMURNO LANE     | 3               |
| ARC of Cape May County                    | 4.02         | 15         | 31 CARDINAL DRIVE   | 4               |
| ARC of Cape May County                    | 12.01        | 116        | 23 W BEAVER DAM RD  | 4               |
| ARC of Cape May County                    | 52           | 26         | 747 GOSHEN RD       | 4               |
| ARC of Cape May County                    | 163.01       | 198        | 9 CARRIAGE LANE     | 4               |
| ARC of Cape May County                    | 163.08       | 5          | 111 E WOODLAND AVE  | 3               |
| ARC of Cape May County                    | 472          | 69         | 8 WHIPPOORWILL LANE | 4               |
| ARC of Cape May County                    | 1411         | 8          | 50 W SECLUDED LANE  | 6               |
| ARC of Cape May County                    | 1423         | 4          | 9 OSLO AVE          | 13              |
| CAP Counseling Services                   | 99.02        | 121        | 819 RTE 9 N         | 4               |
| Cape Housing 1 Inc                        | 350          | 33         | 17 W SHELLBAY AVE   | 3               |
| Devereaux Foundation                      | 5            | 24.02      | 500 RTE 47 N        | 4               |
| Devereaux Foundation                      | 163.01       | 271        | 70 RTE 47 S         | 3               |
| Mental Health Services of Cape May County | 38.01        | 16         | 119 RTE 47 N        | 4               |
| <b>Totals</b>                             |              |            |                     | <b>63</b>       |



**Exhibit B:**  
**Vacant, Developable Parcels**  
**in the TR Zoning District and Parcels in the R District To Be**  
**Rezoned to the TR District**

**Exhibit B – TR Zone Vacant Land Capacity**

| <b>Block</b>                                      | <b>Lot</b> | <b>Acres</b>  | <b>Wet</b>   | <b>Available Uplands</b> | <b>Max Density</b> | <b>Total Units</b> | <b>AH Units</b> |
|---|------------|---------------|--------------|--------------------------|--------------------|--------------------|-----------------|
| <b>TR Zone Vacant Properties</b>                  |            |               |              |                          |                    |                    |                 |
| 1453  | 12         | 1.17          | 0            | 1.17                     | 12                 | 14                 | 3               |
| 358   | 5          | 1.21          | 0.1          | 1.11                     | 12                 | 14                 | 3               |
| 1421  | 1          | 3.15          | 0            | 3.15                     | 12                 | 37                 | 7               |
| 358   | 8          | 3.49          | 0            | 3.49                     | 12                 | 41                 | 8               |
| 1523  | 9          | 25.48         | 6.5          | 18.98                    | 12                 | 305                | 61              |
| <b>Totals</b>                                     |            | <b>34.50</b>  | <b>6.6</b>   | <b>27.9</b>              |                    | <b>411</b>         | <b>82</b>       |
| <b>R Zone Properties to Rezone to TR District</b> |            |               |              |                          |                    |                    |                 |
| 322.01  | 58         | 6.74          | 0            | 6.74                     | 12                 | 80                 | 16              |
| 163.01  | 209        | 3.69          | 0            | 3.69                     | 12                 | 44                 | 9               |
| 163.01  | 227        | 11.61         | 0            | 11.61                    | 12                 | 139                | 28              |
| 1434  | 29         | 41.29         | 13.6         | 27.69                    | 12                 | 495                | 99              |
| 1434  | 30         | 3.95          | 0            | 3.95                     | 12                 | 47                 | 9               |
| 971   | 8          | 2.10          | 0.41         | 1.69                     | 12                 | 25                 | 5               |
| 971   | 10         | 2.00          | 0.1          | 1.90                     | 12                 | 24                 | 5               |
| 971   | 9          | 1.00          | 0.05         | 0.95                     | 12                 | 12                 | 2               |
| 971   | 11         | 4.40          | 0.6          | 3.80                     | 12                 | 52                 | 10              |
| 1434  | 31         | 3.60          | 0.5          | 3.10                     | 12                 | 43                 | 9               |
| <b>Totals</b>                                     |            | <b>80.38</b>  | <b>15.26</b> | <b>65.12</b>             |                    | <b>961</b>         | <b>192</b>      |
| <b>Totals</b>                                     |            | <b>114.88</b> | <b>21.86</b> | <b>93.02</b>             |                    | <b>1,372</b>       | <b>274</b>      |

**Exhibit C:**  
**Redevelopment Timeline/Implementation Schedule for**  
**Indian Trail and Rio Grande Redevelopment Areas**

## Indian Trail Redevelopment

The following is an anticipated implementation schedule for Middle Township's Redevelopment Activities. Please note that these are only estimates and subject to change based on various factors influencing the redevelopment process. The Township is currently in negotiations with a potential redeveloper for the redevelopment of the Indian Trail Redevelopment Area.

| Activity  | Anticipated Completion Date   | Approximate Completion Date |
|---|---|-----------------------------|
| Adoption of Resolution Designating Redevelopment Area                     | 11/19/2018  |                             |
| Adoption of a Redevelopment Plan  | 12/17/2018  |                             |
| Preparation of Amendment to the Redevelopment Plan                        | Now (Anticipated to take three (3) months to complete)  | 2/15/2022                   |
| Adoption of the Ordinance adopting an Amendment to the Redevelopment Plan | Within the earlier of three (3) months of completion of preparation of the Amendment or one (1) month from execution of a Settlement Agreement  | 4/15/2022                   |
| Redeveloper Selection   | Within three (3) months of the adoption of the Redevelopment Plan Amendment if no RFQ is issued, or within six (6) months of adoption of Redevelopment Plan Amendment if RFQ is issued            | 7/15/2022                   |
| Execution of Redevelopment Agreement                                      | Upon completion of negotiation with the designated Redeveloper (anticipated to be within six (6) months of the selection of the Redeveloper)  | 2/1/2023                    |
| Land Assemblage by Township   | Within 6 months of the execution of the Agreement between ATLANTIC-CAPE BUILDERS, LLC, the Estate of Thomas T. Tower, and the Township of Middle  | 7/30/2023                   |
| Institute Eminent Domain  | If needed - within 3 months of completion of bona fide negotiations in accordance with the Eminent Domain Law   | 7/30/2023                   |
| Land Assemblage by Redeveloper  | In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 2 months of the Township's completion of acquisition of all the redevelopment area properties) | 12/31/2023                  |
| Site Plan Preparation   | In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 3 months of the Redeveloper's acquisition of the redevelopment area properties)                | 3/30/2024                   |
| Applying for Construction Permits   | In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 2 months of receipt of all unappealable governmental approvals)                                | 5/30/2024                   |

|                              |  |           |
|------------------------------|--|-----------|
| Commencement of Construction | In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 60 days of receipt of Construction Permits) | 7/30/2024 |
| Completion of Construction   | In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 1 year of Commencement of Construction)     | 7/30/2025 |

\* All dates set forth above are approximately and subject to change based on factors, including but not limited to pandemic related delays, economic delays, supply chain delays, the needs and schedule of the redeveloper, the calendar of the Court and legal challenges from third parties.

### Rio Grande Redevelopment

The following is an anticipated implementation schedule for Middle Township's Redevelopment Activities. Please note that these are only estimates and subject to change based on various factors influencing the redevelopment process. The Township is currently in negotiations with a potential redeveloper for the redevelopment of the Rio Grande Redevelopment Area.

| Activity  | Anticipated Completion Date  | Approximate Completion Date |
|---|--|-----------------------------|
| Adoption of Resolution Designating Redevelopment Area | 3/19/2018  |                             |
| Adoption of a Redevelopment Plan                      | 4/16/2018  |                             |
| Preparation of Amendment to the Redevelopment Plan    | Now (Anticipated to take four (4) months to complete)  | 3/15/2022                   |
| Adoption of the Amendment to the Redevelopment Plan   | Within the earlier of four (4) months of completion of preparation of the Amendment or one (1) month from execution of a Settlement Agreement  | 6/15/2022                   |
| Redeveloper Selection                                 | Within three (3) months of the adoption of the Redevelopment Plan Amendment if no RFQ is issued, or within six (6) months of adoption of Redevelopment Plan Amendment if RFQ is issued   | 12/15/2022                  |
| Execution of Redevelopment Agreement                  | Upon completion of negotiation with the designated Redeveloper (anticipated to be within six (6) months of the selection of the Redeveloper)   | 6/15/2023                   |
| Site Plan Preparation                                 | In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 6 months of the later of execution of the Redevelopment Agreement or execution of an Agreement of Sale with the Property Owner) | 12/31/2023                  |

|                                   |  |           |
|-----------------------------------|--|-----------|
| Land Assemblage by Redeveloper    | In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 3 months of the Redeveloper's receipt of all non-appealable governmental approvals) | 3/31/2024 |
| Applying for Construction Permits | In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 2 months of acquisition of the property by Redeveloper)                             | 5/31/2023 |
| Commencement of Construction      | In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 60 days of receipt of Construction Permits)   | 7/30/2024 |
| Completion of Construction        | In accordance with the schedule set forth in the Redevelopment Agreement (anticipated to be within 1 year of Commencement of Construction)   | 7/30/2025 |

\* All dates set forth above are approximately and subject to change based on factors, including but not limited to pandemic related delays, economic delays, supply chain delays, the needs and schedule of the redeveloper, the calendar of the Court and legal challenges from third parties.

**Exhibit D:**  
**2021 Regional Income Limits**

Prepared by *Affordable Housing Professionals of New Jersey (AHPNJ)* - April 27, 2021  
**2021 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE**

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

|   | 1 Person | *1.5 Person | 2 Person | *3 Person | 4 Person  | *4.5 Person | 5 Person  | 6 Person  | 7 Person  | 8+ Person | Max Increase<br>Rents**<br>Sales*** | Regional Asset<br>Limit**** |
|---|----------|-------------|----------|-----------|-----------|-------------|-----------|-----------|-----------|-----------|-------------------------------------|-----------------------------|
| <b>Region 1</b>                                 |          |             |          |           |           |             |           |           |           |           |                                     |                             |
| Median  | \$72,846 | \$78,050    | \$83,253 | \$93,659  | \$104,066 | \$108,229   | \$112,391 | \$120,717 | \$129,042 | \$137,367 |                                     |                             |
| Moderate  | \$58,277 | \$62,440    | \$66,602 | \$74,928  | \$83,253  | \$86,583    | \$89,913  | \$96,573  | \$103,233 | \$109,894 |                                     |                             |
| Bergen, Hudson,<br>Passaic and Sussex           | Low      | \$36,423    | \$39,025 | \$41,626  | \$46,830  | \$52,033    | \$54,114  | \$56,196  | \$60,358  | \$64,521  | 1.6%                                | \$201,229                   |
| Very Low  | \$21,854 | \$23,415    | \$24,976 | \$28,098  | \$31,220  | \$32,469    | \$33,717  | \$36,215  | \$38,713  | \$41,210  |                                     |                             |
| <b>Region 2</b>                                 |          |             |          |           |           |             |           |           |           |           |                                     |                             |
| Median  | \$75,331 | \$80,711    | \$86,092 | \$96,854  | \$107,615 | \$111,920   | \$116,224 | \$124,834 | \$133,443 | \$142,052 |                                     |                             |
| Moderate  | \$60,265 | \$64,569    | \$68,874 | \$77,483  | \$86,092  | \$89,536    | \$92,980  | \$99,867  | \$106,754 | \$113,642 |                                     |                             |
| Essex, Morris,<br>Union and Warren              | Low      | \$37,665    | \$40,356 | \$43,046  | \$48,427  | \$53,808    | \$55,960  | \$58,112  | \$62,417  | \$66,721  | 1.6%                                | \$206,459                   |
| Very Low  | \$22,599 | \$24,213    | \$25,828 | \$29,056  | \$32,285  | \$33,576    | \$34,867  | \$37,450  | \$40,033  | \$42,616  |                                     |                             |
| <b>Region 3</b>                                 |          |             |          |           |           |             |           |           |           |           |                                     |                             |
| Median  | \$86,240 | \$92,400    | \$98,560 | \$110,880 | \$123,200 | \$128,128   | \$133,056 | \$142,912 | \$152,768 | \$162,624 |                                     |                             |
| Moderate  | \$68,992 | \$73,920    | \$78,848 | \$88,704  | \$98,560  | \$102,502   | \$106,445 | \$114,330 | \$122,214 | \$130,099 |                                     |                             |
| Hunterdon,<br>Middlesex and<br>Somerset         | Low      | \$43,120    | \$46,200 | \$49,280  | \$55,440  | \$61,600    | \$66,528  | \$71,456  | \$76,384  | \$81,312  | 1.6%                                | \$234,592                   |
| Very Low  | \$25,872 | \$27,720    | \$29,568 | \$33,264  | \$36,960  | \$38,438    | \$39,917  | \$42,874  | \$45,830  | \$48,787  |                                     |                             |
| <b>Region 4</b>                                 |          |             |          |           |           |             |           |           |           |           |                                     |                             |
| Median  | \$76,469 | \$81,931    | \$87,393 | \$98,317  | \$109,242 | \$113,611   | \$117,981 | \$126,720 | \$135,460 | \$144,199 |                                     |                             |
| Moderate  | \$61,175 | \$65,545    | \$69,915 | \$78,654  | \$87,393  | \$90,889    | \$94,385  | \$101,376 | \$108,368 | \$115,359 |                                     |                             |
| Mercer,<br>Monmouth and<br>Ocean                | Low      | \$38,235    | \$40,966 | \$43,697  | \$49,159  | \$54,621    | \$56,806  | \$58,990  | \$63,360  | \$67,730  | 1.6%                                | \$205,486                   |
| Very Low  | \$22,941 | \$24,579    | \$26,218 | \$29,495  | \$32,772  | \$34,083    | \$35,394  | \$38,016  | \$40,638  | \$43,260  |                                     |                             |
| <b>Region 5</b>                                 |          |             |          |           |           |             |           |           |           |           |                                     |                             |
| Median  | \$67,620 | \$72,450    | \$77,280 | \$86,940  | \$96,600  | \$100,464   | \$104,328 | \$112,056 | \$119,784 | \$127,512 |                                     |                             |
| Moderate  | \$54,096 | \$57,960    | \$61,824 | \$69,552  | \$77,280  | \$80,371    | \$83,462  | \$89,645  | \$95,827  | \$102,010 |                                     |                             |
| Burlington,<br>Camden and<br>Gloucester         | Low      | \$33,810    | \$36,225 | \$38,640  | \$43,470  | \$48,300    | \$50,232  | \$52,164  | \$56,028  | \$59,892  | 1.6%                                | \$179,028                   |
| Very Low  | \$20,286 | \$21,735    | \$23,184 | \$26,082  | \$28,980  | \$30,139    | \$31,298  | \$33,617  | \$35,935  | \$38,254  |                                     |                             |
| <b>Region 6</b>                                 |          |             |          |           |           |             |           |           |           |           |                                     |                             |
| Median  | \$57,458 | \$61,562    | \$65,666 | \$73,874  | \$82,083  | \$85,366    | \$88,649  | \$95,216  | \$101,782 | \$108,349 |                                     |                             |
| Moderate  | \$45,966 | \$49,250    | \$52,533 | \$59,100  | \$65,666  | \$68,293    | \$70,919  | \$76,173  | \$81,426  | \$86,679  |                                     |                             |
| Atlantic, Cape<br>May, Cumberland,<br>and Salem | Low      | \$28,729    | \$30,781 | \$32,833  | \$36,937  | \$41,041    | \$42,683  | \$44,325  | \$47,608  | \$50,891  | 1.6%                                | \$153,730                   |
| Very Low  | \$17,237 | \$18,469    | \$19,700 | \$22,162  | \$24,625  | \$25,610    | \$26,595  | \$28,565  | \$30,535  | \$32,505  |                                     |                             |

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

\* These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).  
 \*\*This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3 (Consumer price index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, 2018, 2019 or 2020 because of the lack of authority to do so, may increase rent by up to the applicable combined percentage including 2021 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

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

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

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

Note: Since the Regional Income Limits for Regions 4, 5, and 6 in 2020 were higher than the 2021 calculations, the 2020 income limits will remain in force for 2021 (as previously required by N.J.A.C. 5:97-9.2(c)).



**Exhibit E**  
**Resolution \_\_\_\_\_,**  
**Adopted on January 19, 2022**

Date: January 19, 2022

Subject: RESOLUTION OF THE TOWNSHIP OF MIDDLE, COUNTY OF CAPE MAY,  
AUTHORIZING THE EXECUTION OF A SETTLEMENT AGREEMENT WITH FAIR SHARE  
HOUSING CENTER

Introduced By: Committeeman Gandy

Seconded By: Committeeman Norris

Vote – Aye: Committeeman Gandy, Committeeman Norris, Mayor Donohue

Nay:

WHEREAS, pursuant to In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015)(Mount Laurel IV), in 2019, the Township filed a Declaratory Judgment Complaint in Superior Court, Law Division seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan (hereinafter “Fair Share Plan”) satisfies its “fair share” of the regional need for low and moderate income housing pursuant to the “Mount Laurel doctrine;” and

WHEREAS, the Township simultaneously sought, and ultimately secured, a protective order providing Middle immunity from all exclusionary zoning lawsuits while it pursues approval of its existing Fair Share Plan; and

WHEREAS, the trial judge also appointed Hon. Stephen P. Perskie, J.S.C. (ret.) as the “Special Master,” as is customary in Mount Laurel matters adjudicated in the courts; and

WHEREAS, with assistance from the Special Master, Middle, and FSHC engaged in good faith negotiations which resulted in an amicable accord on the various substantive terms and conditions as set forth in the Settlement Agreement attached hereto as Exhibit A; and

WHEREAS, through this process, the Township and FSHC agreed upon the Township’s affordable housing obligations and the compliance techniques necessary for Middle to satisfy its “fair share” of the regional need for low- and moderate-income housing; and

WHEREAS, the Township and FSHC also agreed to present the Settlement Agreement to the Trial Judge for approval via duly-noticed Mount Laurel “Fairness Hearing;” and

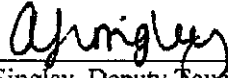
WHEREAS, although there is a well-established policy favoring the settlement of all forms of litigation, the settlement of Mount Laurel litigation is particularly favored because (1) it avoids the expenditure of finite public resources; and (2) expedites the construction of safe, decent housing for the region’s low- and moderate-income households; and

WHEREAS, in light of the above, and on the recommendation of the Township’s Special Mount Laurel Counsel, the Township Committee finds that it is in the best interests of Middle to execute the attached Settlement Agreement with FSHC and to take various other actions delineated below which will ultimately result in approval of the Township’s Fair Share Plan which, in turn, will maintain the Township’s immunity from all Mount Laurel lawsuits for the ten-year period set forth in the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 to 329.

NOW, THEREFORE, BE IT RESOLVED on this 19th day of January, 2022, by the Committee of the Township of Middle, County of Cape May, State of New Jersey, as follows:

1. The Township Committee hereby authorizes and directs the Mayor to execute the attached Settlement Agreement and to provide a copy of same to the Township’s Special Mount Laurel Counsel as soon as practicable thereafter.
2. The Township hereby directs its Special Mount Laurel Counsel to file the fully-executed Settlement Agreement with the Court and take all actions reasonable and necessary to secure an Order approving the Settlement Agreement and ultimately to secure judicial approval of the Township’s Fair Share Plan, as may be amended by the Land Use Township pursuant to the Agreement and subject to the public hearing process set forth in the New Jersey Municipal Land Use Law, N.J.S.A. 40:55D-1 et. seq.

Witness my hand and seal of  
the Township of Middle, this  
19<sup>th</sup> day of January, 2022



\_\_\_\_\_  
Andrea N. Singley, Deputy Township Clerk