

RESOLUTION 2025-302

**RESOLUTION OF THE TOWNSHIP OF LITTLE EGG HARBOR,
COUNTY OF OCEAN, STATE OF NEW JERSEY, AUTHORIZING THE
EXECUTION OF A MEDIATION AGREEMENT FOR THE
AFFORDABLE HOUSING DISPUTE RESOLUTION PROGRAM**

WHEREAS, on March 20, 2024, Governor Murphy signed into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 *et seq.*) (hereinafter “Amended FHA”); and

WHEREAS, on January 16, 2025, pursuant to the new amendments to the Fair Housing Act, the Township adopted Resolution # 2025-72, calculating a present need obligation of 32 units, and a Fourth Round prospective obligation of 142 units which was subsequently challenged; and

WHEREAS, the Court entered an order on April 15, 2025 setting the Township’s Fourth Round fair share obligations as a Present Need of 32 units and a Prospective Need of 165 units, which no party appealed, and ordering the Township to file a Housing Element and Fair Share Plan (“HEFSP”) by June 30, 2025; and

WHEREAS, the Township having filed its HEFSP on June 26, 2025 (“Adopted HEFSP”); and

WHEREAS, FSHC having filed a challenge pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) regarding the Township’s HEFSP on August 31, 2025; and

WHEREAS, the Township and FSHC have agreed to amicably resolve the issues set forth in the challenge through this mediation agreement, attached hereto as Exhibit A, and present this agreement for review by the Program and referral to the Mount Laurel judge pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) and Administrative Directive #14-24, which if approved will result in a compliance certification for the Township for the Fourth Round;

WHEREAS, the Township Committee of the Township of Little Egg Harbor desires to authorize the execution of the Mediation Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Little Egg Harbor, County of Ocean, State of New Jersey, as follows:

1. All of the above Whereas Clauses are incorporated into the operative clauses of this resolution.
2. The Township of Little Egg Harbor authorizes its Township Attorney to submit and/or file the within Resolution with attached memo with the Program or any other such entity as may be determined to be appropriate.
3. This Resolution shall take effect immediately, according to law.

r|m|s|h|c

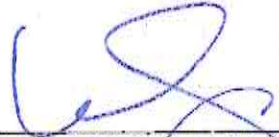
Rothstein, Mandell, Strohm,
Halm & Cipriani, P.A.
ATTORNEYS AT LAW

98 East Water Street
Toms River, NJ 08753

o: 732.363.0777
f: 732.905.6555

CERTIFICATION

I, **KELLY LETTERA, CMC, RMC**, Municipal Clerk of the Township of Little Egg Harbor do hereby certify that the foregoing resolution was duly adopted by the Township of Little Egg Harbor Township Committee at a meeting held on the **18th** day of **December, 2025**.



KELLY LETTERA, CMC, RMC
Township Clerk
Little Egg Harbor Township

r|m|sh|c

Rothstein, Mandell, Strohm,
Halm & Cipriani, P.A.
ATTORNEYS AT LAW

98 East Water Street
Toms River, NJ 08753

o: 732.363.0777
f: 732.905.6555

MEDIATION AGREEMENT BEFORE THE AFFORDABLE HOUSING DISPUTE
RESOLUTION PROGRAM

In the Matter of the Application of the Township of Little Egg Harbor, County of Ocean
Docket No. OCN-L-298-25

WHEREAS, the Township of Little Egg Harbor (the “Township” or “Little Egg Harbor”) having filed a resolution of participation in the Affordable Housing Dispute Resolution Program (the “Program”) and a declaratory judgment action pursuant to N.J.S.A. 52:27D-301 et. seq. (the “Fair Housing Act”) on January 28, 2025; and

WHEREAS, the Court entered an order on April 15, 2025 setting the Township’s Fourth Round fair share obligations as a Present Need of 32 units and a Prospective Need of 165 units, which no party appealed, and ordering the Township to file a Housing Element and Fair Share Plan (“HEFSP”) by June 30, 2025; and

WHEREAS, the Township having filed its HEFSP on June 26, 2025 (“Adopted HEFSP”);
and

WHEREAS, FSHC having filed a challenge pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) regarding the Township’s HEFSP on August 31, 2025; and

WHEREAS, the Township and FSHC have agreed to amicably resolve the issues set forth in the challenge through this mediation agreement and present this agreement for review by the Program and referral to the Mount Laurel judge pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) and Administrative Directive #14-24, which if approved will result in a compliance certification for the Township for the Fourth Round;

THEREFORE, the Township and FSHC agree:

Fair Share Obligations

1. The Township's Present Need or Rehabilitation Obligation is 32, the Township's Prior Round Obligation (1987-1999) is 194, the Township's Third Round Obligation (1999-2025) is 634, the Township's Fourth Round Prospective Need (2025-2035) is 165.

Satisfaction of Fair Share Obligations

2. The Township will address its Present Need via Housing Rehabilitation Program, administered by Ocean County, as well as a Township Housing Rehabilitation Program administered by Rehabco, Inc., the Township's Administrative Agent.
3. The Township's Prior Round Obligation is 194 and has been met with the following mechanisms:

MECHANISM	TYPE	UNITS	BONUS	STATUS
Park Plaza Apartments (Age-restricted Rental)	Prior Cycle Credits	50		Built
Harbor House (Family Rental)	100-Percent Affordable	36	36	Built
Royal Timbers (Family Rental)	100-Percent Affordable	72		Built
Total		158	36	

4. The Township's Third Round Obligation is 634. The Township was granted a Third Round RDP of 308. This RDP has been met with the following mechanisms:

MECHANISM	TYPE	UNITS	BONUS	STATUS
Royal Timbers (Family Rental)	100-Percent Affordable	32	20	Built
Route 9 Mixed-Use Development (Family for-Sale/Rental)	Inclusionary Development	75		Rezoned
Mathistown No. 1 (Family Rental)	Inclusionary Development	25		Rezoned
Mathistown No. 2 (Family For-Sale)	Inclusionary Development	25		Rezoned
Oak Lane (Family Rental)	100-Percent Affordable	56	56	Built

Community Options 1 (Westchester Drive.)	Supportive/Special Needs Housing	2		Built
Community Options 2 (Harbortown Drive)	Supportive/Special Needs Housing	3		Built
Seacrest Village (Assisted Living)	Supportive/Special Needs Housing	8		Built
NJDCA Special Needs Housing Partnership	Supportive/Special Needs Housing	6		unbuilt, funds transferred to DCA in January 2014
Total		232	76	

5. The Township's Fourth Round Prospective Need Obligation is 165. The Township is entitled to a 0 (zero) unit RDP. The 165 unmet need will be addressed through the 25% redevelopment mechanism as follows:

MECHANISM	TYPE	UNITS
Block 285, Lot 12; Block 278, Lots 10.01, 17, 17.01 – 17.11; Block 277, Lots 1.01, 2.01, 3, 4, 5, 6, 11	Mixed Use Overlay Zone	42

Unit Type and Income Distribution Requirements

6. The Township and FSIC agree that the Township's HEFSP as presented above satisfies the following standards set forth in P.L. 2024, c. 2, including but not limited to, with respect to the following, and that the Township shall maintain satisfaction with such requirements for the Fourth Round:

- a. Age Restricted Cap. The Township agrees that it shall not exceed the age-restricted cap found in N.J.S.A. 52:27D-311(l), which requires age-restricted units to be capped at 30 percent of the overall Fourth Round affordable housing units that

address the Fourth Round Prospective Need obligation exclusive of any bonus credits.

- b. Family units. Pursuant to N.J.S.A. 52:27D-211(l), the Township shall satisfy a minimum of 50 percent of the actual affordable housing units, exclusive of any bonus credits created to address its Fourth Round Prospective Need affordable housing obligation through the creation of housing available to families with children and otherwise in compliance with the requirements and controls established pursuant to Section 21 of P.L.1985, c.222 (C.52:27D-321).
- c. Rental and family rental units. Pursuant to N.J.S.A. 52:27D-311(l), at least 25 percent of the actual affordable housing units, exclusive of any bonus credits, created to address its Prospective Need affordable housing obligation shall be addressed through rental housing, including at least half as available to families with children.
- d. Very low-income units. Pursuant to N.J.S.A. 52:27D-329.1, 13 percent of all affordable units referenced in this Agreement addressing the Township's Prospective Need obligation shall be very low-income units for households earning 30 percent or less of the regional median income, with half of the very low-income units being available to families.
- e. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311(a) and (b), and all other applicable law.
- f. All Prior Round and Third Round compliance shall continue to meet with the applicable percentages and standards for bonuses, family and senior housing, rental and family rental, very low-income units, and adaptability set forth in any prior

settlement agreement between FSHIC and the Township, statutory requirements, and the Prior Round and Third Round regulations.

7. In all developments that produce affordable housing, the Township and FSHIC agree that, unless varied by a prior court order of the trial court, the below 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, length of affordability controls, and phasing of affordable units.
- b. The applicability of the updated form of UHAC versus the prior form of UHAC shall be as set forth in the statute and most current form of UHAC adopted by HMFA. Any terms of a prior agreement, judgment, or grant of substantive certification as to prior round of obligations modifying UHAC as to affordability controls longer than the now current regulations or as to very low-income units shall remain in effect as to those prior rounds of obligations.
- c. The Township agrees that in order to meet the low-income and very low-income requirement of the Fair Housing Act, it shall adopt an ordinance requiring for all affordable housing developments in its HEFSP that 50 percent of the affordable units within each bedroom distribution shall be required to be for low-income households earning 50 percent or less of the regional median income, including 13 percent of the affordable units within each bedroom distribution shall be required to be for very low-income households earning 30 percent or less of the regional median income.

- d. The Township agrees to review its Affordable Housing Ordinance and other ordinances to ensure that it complies with the most up to date requirements of UHAC and revise those ordinances accordingly as part of its Fourth Round HEFSP and implementing ordinances.
- e. The affordable units shall be affirmatively marketed in accordance with UIJAC and applicable law. The affirmative marketing shall include posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law. The affirmative marketing plan shall include the following community and regional organizations: FSHC; the Latino Action Network; [ADD REGIONAL ORGS]

Process for Approval and Implementation

8. Pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) and Administrative Directive #14-24, the municipality and FSHC recognize that the Program and/or county level housing judge must still review this agreement and the resulting HEFSP and implementing ordinances and resolutions for compliance with the Fair Housing Act prior to issuing a compliance certification, as follows:
 - a. The Township and FSHC shall present this mediation agreement to the Program member for review upon full execution by both parties.
 - b. The Program Member shall review the agreement and if satisfied with compliance with the Fair Housing Act shall refer this matter to the Mount Laurel judge for review and entry of certification of compliance, conditioned on adoption of all implementing ordinances and resolutions.

- c. The Township shall adopt all implementing ordinances and resolutions no later than March 15, 2026, including but not limited to the outstanding items identified in the next paragraph. No later than 48 hours after adoption or March 15, 2026, whichever is sooner, the Township shall file the information required by Paragraph 9 and any other adopted ordinances and resolutions on eCourts.
 - d. No later than April 15, 2026, the Township and FSHC shall provide via filing on eCourts a form of consent order granting final compliance certification for the Court's review or identify any remaining issues of compliance that may be disputed at which point the court shall schedule a conference to review any such areas.
 - c. Both parties agree to implement the terms of this Agreement. If the Program, county level housing judge, or any appellate court rejects this Agreement, the parties reserve their right to rescind any action taken in anticipation of the Program's approval and return to status quo ante. All parties shall have an obligation to fulfill the intent and purpose of this Agreement, unless to do so would be inconsistent with the final, unappealable adjudication of any Program or court ruling or judgment. The terms of this agreement may be enforced through an enforcement motion in this declaratory judgment or a separate action before the Program or the Superior Court, Law Division.
9. The Township and FSHC agree that following conditions remain to be met prior to March 15, 2026 as conditions of compliance certification, and that the municipality shall provide these documents to FSHC in draft form for comment by January 1, 2026:
- a. The Township will adopt a Fourth Round Spending Plan in accordance with P.L. 2024, c. 2 and the forthcoming regulations at N.J.A.C. 5:99.

- b. The Township will update and adopt its affordable housing ordinance, development fee ordinance, affirmative marketing plan, and other administrative documents in accordance with the forthcoming regulations at N.J.A.C. 5:80-26.1, et seq., and N.J.A.C. after they are adopted and before March 15, 2026.
10. The Township and FSHC recognize that substantial changes in circumstances affecting the Township's RDP are possible pursuant to the holding in *Fair Share Housing Center v. Cherry Hill*, 173 N.J. 393, (2002) and related law. In the event such a substantial changed circumstance occurs, the Township shall have one hundred twenty (120) days to present to the trial court and FSHC a plan to address such change in circumstances on notice and opportunity to be heard from FSHC. The Township agrees that any additional RDP generated due to changed circumstances must be addressed in a manner that is consistent with controlling law.
11. The Township's Compliance Certification shall be subject to required ongoing monitoring as follows:
 - a. The Township by February 15, 2026, and annually, agrees to electronically enter data into the AHMS system of the Department of Community Affairs of a detailed accounting of all development fees and any other payments into its trust fund that have been collected including residential and non-residential development fees, along with the current balance in the municipality's affordable housing trust fund as well as trust funds expended, including purposes and amounts of such expenditures, in the previous year from January 1st to December 31st.
 - b. The Township by February 15, 2026, and annually, agrees to electronically enter data into the AHMS system of the Department of Community Affairs of up-to-date

municipal information concerning the number of affordable housing units actually constructed, construction starts, certificates of occupancy granted, and the start and expiration dates of deed restrictions. With respect to units actually constructed, the information shall specify the characteristics of the housing, including housing type, tenure, affordability level, number of bedrooms, date and expiration of affordability controls, and whether occupancy is reserved for families, senior citizens, or other special populations.

- c. For the midpoint realistic opportunity review as of July 1, 2030, pursuant to N.J.S.A. 52:27D-313, the Township or other interested party may file an action through the Program seeking a realistic opportunity review and shall provide for notice to the public, including a realistic opportunity review of any inclusionary development site as set forth in the adopted HEFSP that has not received preliminary site plan approval prior to the midpoint of the 10-year round. Any such filing shall be through eCourts or any similar system set forth by the Program with notice to any party that has appeared in this matter.

12. This Agreement may be executed in counterparts, all of which together shall constitute the same agreement, and any exhibits or schedules attached hereto shall be hereby made a part of this Agreement. This Agreement shall not be modified, amended or altered in any way except by a writing signed by each of the parties. Each party acknowledges that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each signatory is the proper person and possesses the authority to sign the Agreement, and that this Agreement was not drafted by any one of the parties, but was drafted, negotiated and reviewed by all parties, therefore, the presumption of resolving

ambiguities against the drafter shall not apply. 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. No member, official or employee of the municipality 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.

On behalf of the Township of Little Egg
Harbor:

On behalf of Fair Share Housing Center:

Date:

Date: