

December 14, 2017

As I'm sure you know, affordable housing has been a difficult issue for many municipalities in New Jersey for the past 30+ years. Unfortunately, the executive and legislative branches have not seriously addressed the constitutional requirement for communities to provide an appropriate amount of affordable housing. As a result, in March of 2015, the Supreme Court, with great reluctance, ruled that the courts would assume responsibility for determining the obligation each municipality has to provide this housing for the so-called Third Round period running from 1999-2025.

Our Township then joined with several hundred other municipalities in a legal effort to ensure that the magnitude of this obligation made sense in the real world and was apportioned fairly. While this work was going on, to protect against a so-called builders remedy law suit in which a developer could propose a project consisting of 80-85% market and 15-20% affordable units, the Township filed a Declaratory Judgement action in Somerset County Superior Court.

During the past spring and summer, our professionals considered proposals from and interviewed those developers who had expressed interest in building affordable housing in the Township. The proposals were then discussed with Council and the Planning Board in executive session. Settlement negotiations also then began with Fair Share Housing Center (FSHC), the only public interest organization entirely devoted to defending the housing rights of New Jersey's poor through enforcement of the Mount Laurel Doctrine, the landmark decision that requires all towns to provide their "fair share" of their region's need for affordable housing, and an organization designated by the New Jersey Supreme Court as an "interested party" in all affordable housing cases in the State. The negotiations with FSHC centered on agreeing to both the Township's "fair share" number and a compliance plan to achieve this number.

Our discussions started with an obligation, from FSHC's perspective, of 1,454 units (which was capped by law at 913 units) and concluded recently at an obligation of 337 affordable housing units. The projects contained in our settlement include 100% affordable projects on portions of the Windy Acres and Marookian properties, a large inclusive project on the Headley Farm above the Annandale train station, and a smaller inclusive project on an undeveloped lot in Beaverbrook. Of note, a proposed 491-unit development on an environmentally sensitive parcel, and a proposed project which would have built on part of the golf course at Beaverbrook, were **not** selected.

This settlement was **unanimously** approved by Council on December 13, 2017. The next step will be a Fairness Hearing in the Superior Court, where anyone from the public will have the right to object to the settlement or raise concerns. We believe the Fairness Hearing could occur sometime in February, 2018. Following this, there will be multiple public hearings in front of the Planning Board and Council to develop a new Affordable Housing Plan and the associated zoning changes.

I would like to thank Council, the Planning Board and our professionals for their hard work and their support in making these difficult decisions for our Township. A copy of the settlement agreement has been posted on the Township web site.

Respectfully, John Higgins, Mayor