

AMENDED HOUSING ELEMENT AND FAIR SHARE PLAN

FOR 2025-2035

BOROUGH OF MOUNTAIN LAKES, NJ

Prepared for:

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The original copy of this document was signed and sealed
in accordance with N.J.S.A. 45:14 A-1 et seq.



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I. Introduction

The Borough of Mountain Lakes, Morris County, in accordance with the New Jersey Municipal Land Use Law per N.J.S.A. 40:55D-28b(3) and the Fair Housing Act (N.J.S.A. 52:27D-301, et seq.), adopted its Fourth Round Housing Element and Fair Share Plan (“HEFSP”) on May 22, 2025, which was then endorsed by the Governing Body and filed with the Affordable Housing Dispute Resolution Program (the “Program”) through the New Jersey Courts system on June 24, 2025 (“2025 HEFSP”). The Borough’s 2025 HEFSP was then challenged by Fair Share Housing Center (“FSHC”) on August 31, 2025 pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b). The Borough and FSHC in December 2025 then agreed to settle the litigation and to present an agreement to the Program and the Court with jurisdiction over this matter to review, recognizing that the 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. The Borough executed a Mediation Agreement with FSHC on December 11, 2025. That Mediation Agreement established the Borough’s affordable housing obligation and mechanisms to satisfy the obligation, which notably included a vacant land adjustment. The Program judge issued a “Docket No. MRS-L-244-25 Program Settlement Recommendation-Housing Element and Fair Share Plan,” on January 9, 2026 recommending the terms of the Mediation Agreement to the *Mt. Laurel* judge. On January 16, 2026 the *Mt. Laurel* judge issued a “Decision and Order Approving Municipal Housing Element and Fair Share Plan (“HEFSP”) for the Fourth Round Housing Cycle” See **Appendix N** and **Appendix O**. Per the decision of the *Mt. Laurel* judge, Mountain Lakes was authorized to adopt and file an Amended HEFSP that contains the terms of the Mediation Agreement. This Amended HEFSP is in compliance with the *Mt. Laurel* judge’s decision.

The Municipal Land Use Law, N.J.S.A. 40:55D-1, et seq., requires that a municipal master plan include a Housing Element in order for the municipality to exercise the power to zone and regulate land use. The Housing Element and Fair Share Plan is adopted by the Borough Planning Board and endorsed by the governing body. It is intended to achieve the goal of meeting the Borough’s obligations to plan and regulate land use to provide for a fair share of the regional need for affordable housing.

Mountain Lakes remains committed to meeting its constitutional obligation to provide, through its land use regulations, a realistic opportunity for a fair share of the region’s present and prospective needs for housing for low- and moderate-income families. The Borough is a Highlands-conforming municipality and is entitled to the statutory benefits associated with Highlands Plan Conformance. Pursuant to the 2024 Highlands Affordable Housing RMP Amendment, conforming municipalities shall implement both the resource protection requirements of the Highlands Regional Master Plan (“RMP”) and provide for a realistic opportunity for a fair share of its region’s needs for housing for low- and moderate-income households. Proposed affordable housing developments in conforming municipalities must therefore be consistent with the RMP Land Use Capability Zone designations while providing for the protection of individual Highlands region resources. This Housing Element and Fair Share Plan document outlines how the Borough will address its affordable housing obligations while conforming to the Highlands RMP.

II. Affordable Housing in New Jersey and Mountain Lakes

Mount Laurel I and Mount Laurel II

In 1975 the Supreme Court of New Jersey in South Burlington County N.A.A.C.P. v. Township of Mount Laurel, 67 N.J. 151 (1975), ruled that the developing municipalities in the State of New Jersey exercising their zoning power, in general, had a constitutional obligation to provide a realistic opportunity for the construction of their fair share of the region's low- and moderate-income housing needs. In 1983, the Supreme Court refined that constitutional obligation in South Burlington County N.A.A.C.P. v. Township of Mount Laurel, 92 N.J. 158 (1983), to apply to those municipalities having any portion of their boundaries within the growth area as shown on the State Development Guide Plan.

Fair Housing Act (1985) and COAH Rounds One and Two

In 1985, the New Jersey Legislature adopted, and the Governor signed, the Fair Housing Act N.J.S.A. 52:2D-301, et seq. ("FHA") which transformed the judicial doctrine that became known as the "Mount Laurel doctrine" into a statutory one and provided an alternative administrative process in which municipalities could elect to participate in order to establish a Housing Element and Fair Share Plan ("HEFSP") that would satisfy its constitutional obligation by creating an administrative agency known as the Council on Affordable Housing ("COAH") to develop regulations to define the obligation and implement it. COAH proceeded to adopt regulations for First Round obligations applicable from 1987 to 1993 and Second Round obligations that created a cumulative obligation from 1987 to 1999.

During the Prior Round, Mountain Lakes undertook a vacant land adjustment ("VLA") pursuant to N.J.A.C. 5:93-4.2 of COAH's Second Round rules. It was determined that Mountain Lakes' had a realistic development potential ("RDP") of 18 units. In addition to addressing its RDP, pursuant to N.J.A.C. 5:93-4.1(b), "when a municipality seeks a vacant land adjustment the municipality shall provide a response toward the "unmet need" of the obligation not addressed by the RDP. In other words, the "unmet need" is the difference between the RDP and the Prior Round obligations. Therefore, if the Borough's Prior Round obligation is 80 units and its RDP is 18 units then its unmet need is 80 less 18, i.e., 62 units.

COAH Round Three

COAH first proposed Third Round substantive and procedural rules in 2003, but due to multiple legal challenges, these rules were not adopted until 2008. However, the Third Round rules adopted in 2008 were challenged in an appeal entitled In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 416 N.J. Super. 462 (App. Div. 2010) (the "2010 Case"). In October 2010, the Appellate Division determined, among other things, that the methodology in the rules adopted in 2008 was invalid and that COAH should adopt regulations utilizing methodologies similar to the ones utilized in the First and Second Rounds, i.e. 1987-1999. In 2013, the Supreme Court of New Jersey affirmed the Appellate Division's invalidation of the third iteration of the Third Round regulations, sustained their determination that the growth share methodology was invalid, and directed COAH to adopt new regulations based upon the methodology utilized in the First and Second Rounds, In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council

on Affordable Housing, 215 N.J. 578 (2013) (the “2013 Case”). COAH proceeded to propose such regulations in accordance with the schedule established by the New Jersey Supreme Court in the 2013 Case. On October 20, 2014, COAH deadlocked with a 3-3 vote and failed to adopt the revised Third Round regulations.

2015 Lawsuit Transferring Jurisdiction to Courts

Due to COAH’s failure to adopt the revised regulations and subsequent inaction, Fair Share Housing Center (“FSHC”), a party in the 2010 Case and the 2013 Case, filed a motion with the New Jersey Supreme Court to enforce litigant’s rights. On March 10, 2015, the New Jersey Supreme Court issued its decision on FSHC’s motion. The Supreme Court found that the COAH administrative process had become non-functioning and, as a result, returned primary jurisdiction over affordable housing matters to the trial courts. In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015) (the “2015 Case”) (Mount Laurel IV). In doing so, the Supreme Court established a transitional process for municipalities to file a declaratory judgment action with the trial courts seeking to declare their HEFSPs as being constitutionally compliant and seeking protection and repose against exclusionary zoning litigation.

Mountain Lake’s Third Round Settlement Agreement with Fair Share Housing Center

The Borough of Mountain Lakes (“Mountain Lakes” or “the Borough”) filed a declaratory judgment action In the Matter of the Borough of Mountain Lakes, County of Morris, (Docket No. MRS-L-1646-16) on July 25, 2016 (the “Declaratory Judgment Action”). The purpose of the Declaratory Judgment Action was to seek a declaration of its compliance with the Mt. Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq. in accordance with the New Jersey Supreme Court’s decision In the matter of the Adoption of Third Round Regulations, N.J.A.C. 5:96 and 5:97, by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015) (“Mt. Laurel IV”). The Borough Planning Board subsequently adopted a Housing Element and Fair Share Plan on March 24, 2016.

Through the declaratory judgment process, the Borough, the declaratory judgment plaintiff, and Fair Share Housing Center (“FSHC”), a Supreme Court-designated interested party in the matter in accordance with Mt. Laurel IV agreed to settle the litigation and to present the settlement to the trial court with jurisdiction over this matter for 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. The Borough executed a Settlement Agreement with FSHC on January 29, 2019.

As part of its 2015 Decision, the Supreme Court ruled that the municipal Fair Share obligation will be determined by the trial court on a case-by-case basis. The Supreme Court directed municipalities to rely on the 1987-1999 Prior Round obligation estimates listed in N.J.A.C. 5:93. However, the Court did not provided estimates for the Present Need or Third Round Prospective Need obligations for New Jersey municipalities. As part of its settlement, the Borough and FSHC agreed to use Fair Share obligation numbers published by FSHC and prepared

by David N. Kinsey¹ (the “Kinsey Report”) as adjusted. Accordingly, the Borough of Mountain Lakes’ affordable housing obligation for the Third Round was as follows: Present Need Obligation: 1 unit; Prior Round Obligation (1987-1999): 80 units; and Third Round Prospective Need Obligation (1999-2025)²: 271 units.

To address its Third Round obligation, the Borough also sought a vacant land adjustment pursuant to N.J.A.C. 5:93-4.2. All of the current vacant sites in the Borough were inventoried and the resulting analysis revealed that the Borough had a Third Round RDP of 17 units. The Third Round unmet need of 254 units (i.e., 271-17=254) plus the remaining Prior Round unmet need of 62 units results in a total unmet need of 316 units.

The Borough adopted an Amended Housing Element and Fair Share Plan (“Amended HEFSP” or “Plan”) on April 25, 2019 pursuant to the terms of the agreement reached between the Borough and FSHC. The Borough, through the adoption and implementation of the Amended HEFSP satisfied its obligations under the Mt. Laurel doctrine and Fair Housing Act for the Prior Round (1987-1999) and Third Round (1999-2025).

Amended Fair Housing Act (2024) and Fourth Round (2025-2035)

On March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2, an Amendment to the 1985 Fair Housing Act (hereinafter “Amended FHA” or “Act”). The Amended FHA requires the New Jersey Department of Community Affairs (“DCA”) to provide an estimate of the fair share affordable housing obligations of all municipalities on or before October 20, 2024 based upon the criteria of the Amended FHA. DCA issued a report on October 18, 2024 (the “DCA Report”) wherein it reported its nonbinding estimate of the fair share affordable housing obligation for all municipalities based upon its interpretation of the standards in the Amended FHA. The DCA Report calculated Mountain Lakes’ Fourth Round (2025-2035) fair share obligation as follows: a Present Need (Rehabilitation) Obligation of 0; and a Prospective Need (New Construction) Obligation of 267 units.

Per the Amended FHA, each municipality is required to determine its present and prospective fair share obligation for affordable housing in accordance with the formulas established in the Amended FHA, and adopt a binding resolution describing the basis for the determination and binding the municipality to adopt a housing element and fair share plan based on that determination. Each municipality was required to adopt a binding resolution no later than January 31, 2025 setting forth that municipality’s present and prospective fair share obligation. A declaratory judgment action was required to be filed within forty-eight (48) hours of the adoption of the aforementioned binding resolution. The filing of a declaratory judgment action is required in order to protect the municipality from exclusionary zoning litigation and protect the municipality from losing its immunity from said litigation.

¹ 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.

² The Third Round Prospective Need includes the Gap Period Present Need which is a measure of households formed from 1999-2015 that need affordable housing. The Gap Period Present Need was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed by Various Municipalities, 227 N.J. 508 (2017).

Pursuant to the Amended FHA, on January 27, 2025, the Borough Council adopted a binding resolution (Resolution #76-25) adopting the Borough's Fair Share Affordable Housing Obligation for the Fourth Round. The resolution stated the Borough's affordable housing obligations for the Fourth Round to include a Present Need of 0 units and a Prospective Need of 146 units. Subsequently, the Borough filed its resolution of participation before the Affordable Housing Dispute Resolution Program (the "Program") on January 28, 2025 (Docket No. MRS-L-244-25), in accordance with the requirements of N.J.S.A. 52:27D-301, et seq, and the timeframes set forth in Directive #14-24.

In accordance with the timeframes set forth in the Amended FHA and the Directive, FSHC filed an objection to Mountain Lakes' resolution on February 28, 2025 contending that the Borough improperly calculated its Prospective Need obligations and should be required to utilize the calculation prepared by FSHC in its February 28, 2025 report, setting the Prospective Need obligation at 234.

The Borough and FSHC engaged in the mediation process provided by the Program and conferred and reached an accord setting forth Mountain Lakes' Fourth Round fair share obligation as follows:

- **Present Need – 0 units**
- **Prospective Need – 190 units**

The Borough and FSHC jointly presented the mediation agreement to the Program and requested approval of the Agreement from the Program and if approved by the Program from the vicinage Mount Laurel judge. Pursuant to the mediation agreement, the Borough shall prepare a Fourth Round Housing Element and Fair Share Plan ("HEFSP") utilizing these present and prospective need obligations and submit the HEFSP to the Program by the deadline in the Amended FHA of June 30, 2025. The Planning Board adopted its Fourth Round Housing Element and Fair Share Plan ("HEFSP") on May 22, 2025, which was then endorsed by the Governing Body and filed with the Affordable Housing Dispute Resolution Program (the "Program") through the New Jersey Courts system on June 24, 2025 ("2025 HEFSP"). The Borough's 2025 HEFSP was then challenged by Fair Share Housing Center ("FSHC") on August 31, 2025 pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b). The Borough and FSHC in December 2025 then agreed to settle the litigation and to present an agreement to the Program and the Court with jurisdiction over this matter to review, recognizing that the 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. The Borough executed a Mediation Agreement with FSHC on December 11, 2025. That Mediation Agreement established the Borough's affordable housing obligation and mechanisms to satisfy the obligation, which notably included a vacant land adjustment. The Program judge issued a "Docket No. MRS-L-244-25 Program Settlement Recommendation-Housing Element and Fair Share Plan," on January 9, 2026 recommending the terms of the Mediation Agreement to the *Mt. Laurel* judge. On January 16, 2026 the *Mt. Laurel* judge issued a "Decision and Order Approving Municipal Housing Element and Fair Share Plan ("HEFSP") for the Fourth Round Housing Cycle". Per the decision of the *Mt. Laurel* judge, Mountain Lakes was authorized to adopt and file an Amended HEFSP that contains the terms of the Mediation Agreement. This Amended HEFSP is in compliance with the *Mt. Laurel* judge's decision.

III. Housing Element/ Fair Share Plan Requirements

In accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1, et seq.), a municipal Master Plan must include a housing element as the foundation for the municipal zoning ordinance. Pursuant to the Fair Housing Act, a municipality's housing element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing. The housing element must contain at least the following, as per the FHA at N.J.S.A. 52:27D-310:

- An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated;
- A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development of lands;
- An analysis of the municipality's demographic characteristics, including, but not necessarily limited to, household size, income level, and age;
- An analysis of the existing and probable future employment characteristics of the municipality;
- A determination of the municipality's present and prospective fair share of low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share of low- and moderate-income housing; and
- A consideration of the lands most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing; and
- An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, pursuant to N.J.S.A. 52:27D-329.20f.(1);
- For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and
- An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

Administrative Directive #14-24 issued on December 13, 2024 by the Administrative Office of the Courts promulgates procedures and guidelines implementing the Affordable Housing Alternative Dispute Resolution Program (“the Program”) established pursuant to section 5 of P.L.2024, c.2 (N.J.S.A. 52:27D-313.2). Additional required elements of a Housing Element and Fair Share Plan (HEFSP) are appended to this Directive and included the following:

- Draft ordinances and resolutions needed to implement the HEFSP, including:
- An updated and adopted Spending Plan indicating how the municipality intends to allocate development fees and other funds, and detailing how the municipality proposes to expend funds for affordability assistance, especially those funds earmarked for very low income affordability assistance.
- A resolution from the Planning Board adopting the HEFSP, and, if a final Judgment is sought before all of the implementing ordinances and resolutions can be adopted, a resolution of the governing body endorsing the HEFSP.

IV. Housing Stock and Demographic Analysis

Housing Stock Inventory

In 2023, there were 1,451 housing units in Mountain Lakes, of which 33, or approximately 2 percent, were vacant. Of the 1,418 occupied units, 97 percent were owner occupied and close to 3 percent were renter occupied. Table 1, [Housing Units by Occupancy Status, 2023](#), illustrates this occupancy status.

Table 1. Housing Units by Occupancy Status, 2023

	Housing Units	Owner Occupied	Renter Occupied
Occupied	1,418	1,377	41
Vacant	33	-	-
Total	1,451	-	-

Source: American Community Survey, 2019-2023 (Table DP04 Selected Housing Characteristics)

Approximately 91 percent of the total housing stock is comprised of single-family detached units. Structures with three or more units make up 0.7% percent of the total housing stock. See Table 2, [Housing Units by Number of Units in Structure, 2023](#), for a detailed explanation of the housing units.

Table 2. Housing Units by Number of Units in Structure, 2023

Number of Units	Total	Percent
1, Detached	1,313	90.5%
1, Attached	128	8.8%
2	0	0%
3 or 4	0	0%
5 to 9	10	0.7%
10 to 19	0	0%
20+	0	0%
Mobile Home	0	0%
Other	0	0%
Total	1,451	100%

Source: American Community Survey, 2019-2023 (Table DP04 Selected Housing Characteristics)

Table 3, [Housing Units by Age, 2023](#), illustrates the age of the Borough's housing stock. Approximately 40 percent of the Borough's housing units were constructed prior to 1940, whereas only 12 percent were constructed in 2000 or later, of which of zero units were constructed in 2020 or later. A significant portion of the Mountain Lakes' housing units (i.e., 337 homes or 23 percent of the Borough's housing stock) were constructed between 1940 and 1959.

Table 3. Housing Units by Age, 2023

Year Built	Total Units	Percent
2020 or later	0	0%
2010 to 2019	74	5.1%
2000 to 2009	98	6.8%
1990 to 1999	112	7.7%
1980 to 1989	102	7.0%
1970 to 1979	63	4.3%
1960 to 1969	92	6.3%
1950 to 1959	146	10.1%
1940 to 1949	191	13.2%
Before 1940	573	39.5%
Total	1,451	100%

Source: American Community Survey, 2019-2023 (Table DP04 Selected Housing Characteristics)

Table 4, Housing Units by Number of Rooms for Mountain Lakes and Morris County, 2023, shows that in Mountain Lakes, fewer than 2 percent of the housing units have between one and three rooms; approximately 9 percent have between four and six rooms; and 89 percent have seven or more rooms. In Morris County, just under 13 percent of housing units have between one and three rooms; close to 36 percent have between four and six rooms; and almost 52 percent have seven or more rooms. The median number of rooms per unit in Mountain Lakes is 9 or more rooms, which indicates that the housing stock in the Borough is, on average, larger in size than that of Morris County (i.e., close to 7 rooms per unit).

Table 4. Housing Units by Number of Rooms for Mountain Lakes and Morris County, 2023

Rooms	Number of Units in Mountain Lakes	Percent of Units in Mountain Lakes	Number of Units in Morris County	Percent of Units in Morris County
1	11	0.8%	3,231	1.6%
2	0	0%	4,927	2.5%
3	10	0.7%	17,467	8.8%
4	29	2.0%	23,012	11.6%
5	3	0.2%	22,577	11.4%
6	104	7.2%	24,978	12.6%
7	58	4.0%	26,090	13.1%
8	353	24.3%	27,717	14.0%
9+	883	60.9%	48,612	24.5%
Total	1,451	100%	198,611	100%
Median Rooms	9+		6.6	

Source: American Community Survey, 2019-2023 (Table DP04 Selected Housing Characteristics)

Tables 5 and 6, Housing Values, Owner Occupied, 2013 and 2023, respectively, show that the median housing value of owner-occupied housing in Mountain Lakes increased by almost 12 percent between 2013 and 2023. During this same time period, the median value in Morris County increased by almost 29 percent. In 2013, Mountain Lakes' median housing value of \$820,500 was close to 62 percent higher than that of Morris County (\$432,400). In 2023, Mountain Lakes' median housing value of owner occupied units (\$915,100) was almost 49 percent higher than that of Morris County (\$557,000).

Table 5. Housing Values, Owner Occupied, 2013

Housing Value	Number in Mountain Lakes	Percent in Mountain Lakes	Number in Morris County	Percent in Morris County
Less than \$50,000	8	0.7%	2,083	1.5%
\$50,000 to \$99,999	6	0.5%	1,406	1.0%
\$100,000 to \$149,999	8	0.7%	1,311	1.0%
\$150,000 to \$199,999	0	0%	3,346	2.5%
\$200,000 to \$299,999	0	0%	18,812	13.8%
\$300,000 to \$499,999	113	9.8%	58,230	42.7%
\$500,000 to \$999,999	660	57.1%	43,837	32.2%
\$1,000,000 or more	360	31.2%	7,271	5.3%
Total	1,155	100%	136,296	100%
2013 Median Value	\$820,500		\$432,400	

Source: American Community Survey, 2009-2013 (Table DP04 Selected Housing Characteristics)

Table 6. Housing Values, Owner Occupied, 2023

Housing Value	Number in Mountain Lakes	Percent in Mountain Lakes	Number in Morris County	Percent in Morris County
Less than \$50,000	9	0.7%	1,404	1.0%
\$50,000 to \$99,999	0	0%	1,480	1.0%
\$100,000 to \$149,999	49	3.6%	878	0.6%
\$150,000 to \$199,999	0	0%	1,472	1.0%
\$200,000 to \$299,999	4	0.3%	9,969	7.0%
\$300,000 to \$499,999	16	1.2%	44,816	31.6%
\$500,000 to \$999,999	742	53.9%	67,465	47.6%
\$1,000,000 or more	557	40.5%	14,287	10.1%
Total	1,377	100%	141,771	100%
2023 Median Value	\$915,100		\$557,000	

Source: American Community Survey, 2019-2023 (Table DP04 Selected Housing Characteristics)

Median gross rent in Mountain Lakes (\$2,941) is significantly higher than median gross rent County-wide (\$1,860). Notably, all the occupied paid rental housing units in Mountain Lakes pay a gross rent of \$2,500 or more. The monthly rental costs in Morris County is more diverse, with significant percentage of occupied rental units paying gross rent between \$1,000 and \$2,499 (i.e., almost 68 percent). See Table 7, [Comparison of Mountain Lakes and Morris County Gross Rent - Renter Occupied Housing Units, 2023](#), for additional details.

Table 7. Comparison of Mountain Lakes and Morris County Gross Rent – Renter Occupied Housing Units, 2023

Gross Rent	Number in Mountain Lakes	Percent in Mountain Lakes	Number in Morris County	Percent in Morris County
No Rent Paid	11	-	1,629	-
Less than \$500	0	0%	2,209	4.6%
\$500 - \$999	0	0%	1,930	4.0%
\$1,000 - \$1,499	0	0%	9,666	20.0%
\$1,500 - \$1,999	0	0%	14,466	29.9%
\$2,000 - \$2,499	0	0%	8,520	17.6%
\$2,500 - \$2,999	17	56.7%	5,679	11.7%
\$3,000 or more	13	43.3%	5,970	12.3%
Total	30	100%	48,440	100%
Median Rent	\$2,941		\$1,860	

Source: American Community Survey, 2019-2023 (Table DP04 Selected Housing Characteristics)

In 2023, 22 percent of Mountain Lakes owner occupied households contributed thirty percent or more of their income towards monthly housing costs, whereas 54 percent contributed less than twenty percent of their income towards monthly housing costs. See Table 8, Monthly Housing Costs as a Percentage of Household Income in the Past 12 Months – Owner Occupied Housing Units, 2023, for further information.

Table 8. Monthly Housing Costs as Percentage of Household Income in the Past 12 Months – Owner Occupied Housing Units, 2023

	Less than 20 percent	20 to 29 percent	30 percent or more
Less than \$20,000	0%	0%	2.0%
\$20,000 - \$34,999	0%	0%	0.7%
\$35,000 - \$49,999	0%	0%	0.7%
\$50,000 - \$74,999	0%	0%	4.6%
\$75,000 or more	54.1%	23.9%	14.0%
Total	54.1%	23.9%	22.0%
Zero or Negative Income	0%		

Source: American Community Survey, 2019-2023 (Table S2503 Financial Characteristics)

In 2023, almost 59 percent of Mountain Lakes renter occupied housing units contributed more than thirty percent of their income towards monthly rental costs. No renter occupied housing units contributed less than twenty percent of their income toward monthly rental costs. A substantial portion of renter occupied units contributed no cash rent (i.e., close to 27 percent). See Table 9, Monthly Housing Costs as a Percentage of Household Income in the Past 12 Months – Renter Occupied Housing Units, 2023, for further information.

Table 9. Monthly Housing Costs as a Percentage of Household Income in the Past 12 Months – Renter Occupied Housing Units, 2023

	Less than 20 percent	20 to 29 percent	30 percent or more
Less than \$20,000	0%	0%	0%
\$20,000 - \$34,999	0%	0%	26.8%
\$35,000 - \$49,999	0%	0%	0%
\$50,000 - \$74,999	0%	0%	0%
\$75,000 or more	0%	14.6%	31.7%
Total	0%	14.6%	58.5%
Zero or Negative Income	0%		
No Cash Rent	26.8%		

Source: American Community Survey, 2019-2023 (Table S2503 Financial Characteristics)

There are no housing units in Mountain Lakes that are overcrowded (defined as having 1.01 or more persons per room). 13 housing units lack complete plumbing facilities, 13 lack complete kitchen facilities, and 11 have no telephone service available. See Table 10, Selected Quality Indicators, Occupied Housing Stock, 2023, for further information.

Table 10. Selected Quality Indicators, Occupied Housing Stock, 2023

	Overcrowded	No Telephone Service Available	Lacking Complete Plumbing Facilities	Lacking Complete Kitchen Facilities
No. Units	0	11	13	13

Source: American Community Survey, 2019-2023 (Table DP04 Selected Housing Characteristics)

General Population Characteristics

The Borough of Mountain Lakes total population increased overall between 1990 and 2020 by 16 percent. Notably, the population declined from 2000 to 2010, but grew in the past decade. There was more significant population growth in the periods between 1990 through 2000 (i.e., almost 11 percent) and between 2010 and 2020 (i.e., close to 8 percent). In comparison, the County population has steadily increased since 1990, albeit at a decreasing rate. See Table 11, Population, 1990-2020, for more information.

Table 11. Population, 1990-2020

	1990	2000	Percent Change (1990-2000)	2010	Percent Change (2000-2010)	2020	Percent Change (2010-2020)
Mountain Lakes	3,847	4,256	10.6%	4,160	-2.3%	4,472	7.5%
Morris County	421,353	470,212	11.6%	492,276	4.7%	509,285	3.5%

Source: 1990, 2000, 2010, & 2020 U.S. Census

From 2010 through 2020, there were major shifts in the age distribution of Mountain Lakes. The age group of 5 through 14 decreased from 933 persons to 811 persons (i.e., 13 percent). The age group of 15 through 24 increased from 516 to 737 (i.e., close to 43 percent). The biggest total population increase occurred for the age group 15 through 24 as noted above, and the biggest total decrease occurred for the population group 35 through 44 which decreased from 597 to 467 persons (i.e., nearly 22 percent). It should be noted that the population group 55 through 64 also increased by 149 persons (i.e., 30 percent). The median age of the Borough generally remained the same. See Table 12, Comparison of Age Distribution, 2010-2020, for additional details.

Table 12. Comparison of Age Distribution, 2010-2020

Age Group	2010	Percent	2020	Percent	Percent Change
Under 5	200	4.8%	198	4.4%	-1.0%
5-14	933	22.4%	811	18.1%	-13.1%
15-24	516	12.4%	737	16.5%	42.8%
25-34	100	2.4%	206	4.6%	106.0%
35-44	597	14.4%	467	10.4%	-21.8%
45-54	904	21.7%	873	19.5%	-3.4%
55-64	491	11.8%	640	14.3%	30.4%
65-74	247	5.9%	307	6.9%	24.3%
75+	172	4.1%	233	5.2%	35.5%
Total	4160	100.0%	4472	100.0%	-
Median Age	41.8		41.7		-

Source: 2010 and 2020 U.S. Census (2020 - Table DP1 Profile Of General Population And Housing Characteristics)

Household Characteristics

A household is defined by the U.S. Census Bureau as those persons who occupy a single room or group of rooms constituting a housing unit; however, these persons may or may not be related. As a subset of households, a family is identified as a group of persons including a householder and one or more persons related by blood, marriage or adoption all living in the same household. In 2023, there were 1,418 households in Mountain Lakes, of which 1,217 were family households and 201 were nonfamily households. Approximately 77 percent of the households are comprised of married couples with or without children. The average household size was 3.20 and the average family size was 3.50. (Source: ACS 2019-2023, Table S1101 & S2501).

Income Characteristics

Households in Mountain Lakes have significantly higher median income than households county-wide. Notably, the vast majority of Mountain Lakes households have incomes of \$150,000 or more (i.e. 80 percent), whereas only 45 percent of Morris County households have the same income level. Table 13, Household Income in the Past 12 Months for Mountain Lakes and Morris County Households, 2023, further illustrates these findings by noting the number of households in each of the income categories.

Table 13. Household Income in the Past 12 Months for Mountain Lakes and Morris County Households, 2023

	Mountain Lakes		Morris County	
	Households	Percent	Households	Percent
Less than \$5,000	28	2.0%	3,659	1.9%
\$5,000 to \$9,999	0	0%	1,630	0.8%
\$10,000 to \$14,999	0	0%	2,711	1.4%
\$15,000 to \$19,999	0	0%	2,423	1.3%
\$20,000 to \$24,999	0	0%	2,975	1.6%
\$25,000 to \$34,999	20	1.4%	7,383	3.8%
\$35,000 to \$49,999	10	0.7%	10,491	5.5%
\$50,000 to \$74,999	74	5.2%	19,409	10.1%
\$75,000 to \$99,999	31	2.2%	19,283	10.1%
\$100,000 to \$149,999	119	8.4%	35,184	18.3%
\$150,000 or more	1,136	80.1%	86,692	45.2%
Total	1,418	100%	191,840	100%
Median Income	250,000+		\$134,929	

Source: American Community Survey, 2019-2023 (Table S2503 Financial Characteristics)

The percentage of persons and households below the poverty level, as defined by the 2023 American Community Survey, equates to just over 1 percent of all Mountain Lakes Residents. This is lower than the County as a whole, wherein 5 percent of County residents were living below the poverty level in 2023. (Source: ACS 2019-2023, Table S1701).

Employment Characteristics

Table 14, Employment Status of Mountain Lakes Residents 16 Years and Over, 2023 indicates the number of Borough residents 16 years and over who are in the labor force, the type of labor force (i.e., civilian or armed forces) and employment status. Approximately 66 percent of Mountain Lakes residents 16 and over are in the labor force and among those in the labor force, all are in the civilian labor force. Of the residents in the civilian labor force, approximately 98 percent are employed and approximately 2 percent are unemployed.

Table 14. Employment Status of Mountain Lakes Residents 16 Years and Over, 2023

	Number	Percentage
Population 16 years and over	3,234	-
In Labor Force	2,146	66.4%
Civilian Labor Force	2,146	66.4%
<i>Employed</i>	2,101	65.0%
<i>Unemployed</i>	45	1.4%
Armed Forces	0	0%
Not in Labor Force	1,088	33.6%

Source: American Community Survey, 2019-2023 (Table DP03 Selected Economic Characteristics)

Table 15, Occupation of Civilian Employed Population 16 Years and Over, Mountain Lakes, 2023, identifies the occupations of the employed civilian labor force. While Mountain Lakes residents work in a variety of industries, nearly 79 percent of employed residents work in Management, Business, Science, and Arts-related occupations; close to 10 percent are employed in Sales and Office-related occupations; and 6 percent work in Natural Resources, Construction, and Maintenance-related occupations.

Table 15. Occupation of Civilian Employed Population 16 Years and Over, Mountain Lakes, 2023

Sector Jobs	Number	Percentage
Management, Business, Science, and Arts Occupations	1,649	78.5%
Service	93	4.4%
Sales and Office	208	9.9%
Natural Resources, Construction, and Maintenance	126	6.0%
Production, Transportation, and Material Moving	25	1.2%
Total	2,101	100%

Source: American Community Survey, 2019-2023 (Table DP03 Selected Economic Characteristics)

Table 16, Employment by Industry, Civilian Employed Population 16 Years and Over, Mountain Lakes, 2023, shows the distribution of employment by industry for employed Mountain Lakes residents. The three industries to capture the largest segments of the population were the Professional, Scientific, Management, Administrative, and Waste Management Services sector at 23 percent; the Financing, Insurance, Real Estate, Renting, and Leasing sector at 19 percent; and the Educational, Health and Social Services sector at close to 18 percent.

Table 16. Employment by Industry, Civilian Employed Population 16 Years and Over, Mountain Lakes, 2023

Sector Jobs	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	0	0%
Construction	53	2.5%
Manufacturing	298	14.2%
Wholesale Trade	39	1.9%
Retail Trade	60	2.9%
Transportation and Warehousing, and Utilities	24	1.1%
Information	70	3.3%
Financing, Insurance, Real Estate, Renting, and Leasing	403	19.2%
Professional, Scientific, Management, Administrative, and Waste Management Services	490	23.3%
Educational, Health and Social Services	368	17.5%
Arts, Entertainment, Recreation, Accommodation and Food Services	41	2.0%
Public Administration	70	3.3%
Other	185	8.8%
Total	2,101	100%

Source: American Community Survey, 2019-2023 (Table DP03 Selected Economic Characteristics)

Of employed Borough residents, approximately 87 percent are private wage and salary workers; close to 7 percent are government workers; and 6 percent are self-employed. See Table 17, Class of Worker, Civilian Employed Population 16 Years and Over, Mountain Lakes, 2023, for additional details.

Table 17. Class of Worker, Civilian Employed Population 16 Years and Over, Mountain Lakes, 2023

	Number	Percentage
Private Wage and Salary Workers	1,829	87.1%
Government Workers	136	6.5%
Self-employed in own not incorporated business workers	129	6.1%
Unpaid family workers	7	0.3%
Total	2,101	100%

Source: American Community Survey, 2019-2023 (Table DP03 Selected Economic Characteristics)

According to the US Census’s Longitudinal Employer-Household Dynamics data, there were 3,033 private sector jobs in Mountain Lakes in 2022. The three largest sectors of in-town employment in 2022 were Administration & Support, Waste Management and Remediation; Educational Services; and Professional, Scientific, and Technical Services, contributing 16 percent, approximately 15 percent, and close to 15 percent, respectively. Mountain Lakes also hosts sizeable Other Services (excluding Public Administration) and Health Care and Social

Assistance industries, contributing almost 13 percent and 11 percent respectively. Mountain Lakes increased in the total number of jobs between 2012 and 2022 (i.e., an increase of nearly 19 percent), although briefly decreasing between 2017 and 2022 by approximately 9 percent. The industry which gained the most total jobs between 2012 and 2022 was the Administration & Support, Waste Management and Remediation sector by 454 jobs (i.e. approximately 1195 percent increase). The industry which lost the most total jobs between 2012 and 2022 was the Other Services (excluding Public Administration) sector by 101 jobs (i.e. nearly 21 percent decrease). See Table 18, Private Sector Employment in Mountain Lakes by Industry Sector, 2012, 2017, 2022 for details.

Table 18. Private Sector Employment in Mountain Lakes by Industry Sector, 2012, 2017, 2022

PRIVATE SECTOR JOBS	2012		2017		2022	
	COUNT	SHARE	COUNT	SHARE	COUNT	SHARE
Agriculture, Forestry, Fishing and Hunting, and Mining	0	0.0%	0	0.0%	0	0.0%
Mining, Quarrying, and Oil and Gas Extraction	0	0.0%	0	0.0%	0	0.0%
Utilities	0	0.0%	0	0.0%	0	0.0%
Construction	34	1.3%	8	0.2%	198	6.5%
Manufacturing	126	4.9%	139	4.2%	120	4.0%
Wholesale Trade	81	3.2%	51	1.5%	76	2.5%
Retail Trade	153	6.0%	94	2.8%	66	2.2%
Transportation and Warehousing	4	0.2%	3	0.1%	41	1.4%
Information	83	3.3%	79	2.4%	47	1.5%
Finance and Insurance	60	2.4%	33	1.0%	63	2.1%
Real Estate and Rental and Leasing	31	1.2%	53	1.6%	67	2.2%
Professional, Scientific and Technical Services	315	12.3%	647	19.4%	445	14.7%
Management of Companies and Enterprises	0	0.0%	14	0.4%	8	0.3%
Administration & Support, Waste Management and Remediation	38	1.5%	487	14.6%	492	16.2%
Educational Services	525	20.6%	477	14.3%	446	14.7%
Health Care and Social Assistance	397	15.6%	420	12.6%	329	10.8%
Arts, Entertainment, and Recreation	17	0.7%	9	0.3%	0	0.0%
Accommodation and Food Services	113	4.4%	282	8.4%	173	5.7%
Other Services (Excluding Public Administration)	485	19.0%	469	14.0%	384	12.7%
Public Administration	89	3.5%	76	2.3%	78	2.6%
TOTAL PRIVATE SECTOR	2,551	100.0%	3,341	100.0%	3,033	100.0%

Source: State of New Jersey Department of Labor and Workforce Development Local Employment Dynamics; <http://onthemap.ces.census.gov/>

Multigenerational Housing Continuity

Multigenerational housing is becoming a desired housing option in the State due to rising housing costs and an aging population. Housing for multigenerational families is necessary to offer a diverse housing stock and to account for population trends. Multigenerational housing can provide an opportunity for residents to age in place, save on costs associated with housing, and provide in-house care for an older adult or persons with disabilities. Additionally, multigenerational housing is a more sustainable approach to meeting housing obligations as there is no need for the construction of new homes in order to provide housing for additional individuals.

On November 8, 2021, the Senate and General Assembly of the State of New Jersey adopted C.52:27D-329.209, which established the Multigenerational Family Housing Continuity Commission. The commission is allocated within the Department of Community Affairs. The duties of the commission include: preparing and adopting recommendations on how State government, local government, community organizations, private entities, and community members may most effectively advance the goal of enabling senior citizens to reside at the homes of their extended families, thereby preserving and enhancing multigenerational family continuity, through the modification of State and local laws and policies in the areas of housing, land use planning, parking and streetscape planning, and other relevant areas.

The bill requires that a municipality's housing element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing, and shall contain, among other requirements:

An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission).

This language is included in the Amended FHA at N.J.S.A. 52:27D-310. It should be noted that at the time of the preparation of this Housing Element and Fair Share Plan, the commission has made no recommendations. That said, Mountain Lakes Borough is committed to promoting multigenerational family continuity through the provision of a variety of housing options offered to a variety of income levels in a manner consistent with the regulations.

The Borough is committed to supporting inclusive housing opportunities that meet the needs of residents at every stage of life, actively prioritizing thoughtful planning and following population trends.

Growth Trends and Projections

RESIDENTIAL TRENDS AND PROJECTIONS

According to the New Jersey Department of Community Affairs, between 2013 and 2023, Mountain Lakes issued certificates of occupancy for 91 housing units, all of which were one- and two-family dwellings. See Table 19, Residential Certificates of Occupancy, 2013-2023, for additional details.

Table 19. Residential Certificates of Occupancy, 2013-2023

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
1 & 2 Family	7	1	16	13	1	4	3	22	22	2	0	91
Multifamily	0	0	0	0	0	0	0	0	0	0	0	0
Mixed Use	0	0	0	0	0	0	0	0	0	0	0	0
Total	7	1	16	13	1	4	3	22	22	2	0	91

Source: New Jersey Construction Reporter

Although the Borough has seen the construction of predominantly one-family homes over the last decade, it is projected that there will be some multifamily development in the coming years through redevelopment of sites in the affordable housing overlay zones along Route 46.

NONRESIDENTIAL TRENDS AND PROJECTIONS

According to the New Jersey Department of Community Affairs, between 2013 and 2023, Mountain Lakes issued certificates of occupancy for a total of ±206,546 square feet of non-residential building space. See Table 20, Non-Residential Certificates of Occupancy, 2013-2023, for additional details. The majority of the non-residential growth can be attributed to:

- 155,836 square feet of institutional space for which a certificate of occupancy was issued in 2021;
- 42,014 square feet of educational space for which a certificate of occupancy was issued in 2020;
- 5,585 square feet of office space for which a certificate of occupancy was issued in 2023.

Table 20. Non-Residential Certificates of Occupancy, 2023

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Office	0	0	0	0	0	0	0	0	0	0	5,585	5,585
Retail	0	0	0	0	0	0	0	0	0	0		0
A-1	0	0	0	0	0	0	0	0	0	0		0
A-2	0	0	0	0	0	0	0	0	0	0		0
A-3	0	0	0	0	0	864	0	0	0	0		864
A-4	0	0	0	0	0	0	0	0	0	0		0
A-5	0	0	0	0	0	0	0	0	0	0		0
Multifamily/ Dormitories	0	0	0	0	0	0	0	0	0	0		0
Hotel/ Motel	0	0	0	0	0	0	0	0	0	0		0
Education	0	0	0	0	0	0	0	42,014	0	0		42,014
Industrial	0	0	0	0	0	0	0	0	0	0		0
Hazardous	0	0	0	0	0	0	0	0	0	0		0
Institutional	0	0	0	0	0	0	0	0	155,836	0		155,836
Storage	0	0	0	0	0	0	0	0	0	0		0
Signs, Fences, Utility & Misc.	0	0	0	0	0	0	614	1,134	0	499		2,247
TOTAL	0	0	0	0	0	864	614	43,148	155,836	499	5,585	206,546

Source: New Jersey Construction Reporter

Capacity for Growth

Most of Mountain Lakes is served by public water utilities and public wastewater utility systems. However, the Borough is mostly built out and there is very little vacant, environmentally unconstrained land suitable for development. As a result, the Borough is seeking a Vacant Land Adjustment (“VLA”) undertaken on behalf of the Borough of Mountain Lakes pursuant to the rules of N.J.A.C. 5:93-4.2 (see **Appendix A** and **Appendix B**).

Additionally, the Borough is a Highlands-conforming municipality and is entitled to the statutory benefits associated with Highlands Plan Conformance. Pursuant to the 2024 Highlands Affordable Housing RMP Amendment, conforming municipalities shall implement both the resource protection requirements of the Highlands Regional Master Plan (“RMP”) and provide for a realistic opportunity for a fair share of its region’s needs for housing for low- and moderate-income households. Proposed affordable housing developments in conforming municipalities must therefore be consistent with the RMP Land Use Capability Zone designations while providing for the protection of individual Highlands region resources. As such, the Highlands Council created a Highlands Build-Out Analysis (BOA), to determine parcels eligible for development. This analysis applied a series of conditional determination rules to each parcel, determining, per Highlands standards, if the parcel is developable. The Borough’s VLA conforms to both the standards of N.J.A.C. 5:93-4.2 and the Highlands RMP.

V. Mountain Lakes Affordable Housing Plan

Prior Round Obligation (1987-1999)

PRIOR ROUND PROSPECTIVE NEED OBLIGATION AND REALISTIC DEVELOPMENT POTENTIAL

The Supreme Court in the 2015 Case preserved Prior Round obligations established in N.J.A.C. 5:93 et seq. Mountain Lakes' Prior Round obligation was 80 units. However, COAH granted the Borough a vacant land adjustment lowering the new construction portion of the obligation to the Borough's realistic development potential (RDP) of 18 units with an unmet need of 62 units.

To address its Prior Round obligation, the Borough enacted zoning for the inclusionary "Fusee" site (Block 88, Lots 18.01-18.44) to permit the construction of 34 multifamily dwellings, including six affordable units. These affordable units are complete and the project is known as Legacy at Mountain Lakes. Additionally, the Borough paid for a 12-unit Regional Contribution Agreement ("R.C.A.") with the City of Orange in 1997.

PRIOR ROUND UNMET NEED

In 1997, to address the remaining "unmet need" Mountain Lakes established a Borough-wide Affordable Housing Overlay Zone to capture future affordable housing (a 20% set aside) from any residential development comprised of five or more units. COAH granted substantive certification to the Borough on March 5, 1997 and the terms and requirements of Prior Round Substantive Certification have been met and zoning addressing the unmet need remains in place.

Third Round Prospective Need Obligation (1999-2025)

THIRD ROUND PROSPECTIVE NEED OBLIGATION AND REALISTIC DEVELOPMENT POTENTIAL

Per its executed Third Round Settlement Agreement with FSHC (see **Appendix C**), Mountain Lakes had a Third Round Prospective Need Obligation (1999-2025) of 271 units. Per N.J.A.C. 5:93-4.2, the Borough requested an adjustment to available land capacity, i.e., a vacant land adjustment. Based on the vacant land adjustment for Mountain Lakes, the Borough's Third Round RDP was 17 units. The Third Round unmet need was 254 units (i.e., $271-17=254$) plus the remaining Prior Round unmet need of 62 units results in a total unmet need of 316 units.

The Borough addressed its Third Round RDP at three inclusionary sites: 2 units at the Fusee site/Legacy at Mountain Lakes (Block 88, Lots 18.01-18.44); 6 affordable family sale units on the King of Kings Backlands Lot (Block 116, Lot 3.0X) developed by Pulte Homes and known as the Enclave at Mountain Lakes; and 4 Medicaid beds at the Sunrise Assisted Living Facility at 1 Bloomfield Avenue (Block 118.04, Lot 2.01).

As part of its Third Round Plan, the Borough implemented an accessory apartment program (See **Appendix D** for details on the accessory apartment program) to encourage residents to establish five units of affordable housing for occupancy by low and moderate income households. However, to date, no homeowners have participated in the program. However, in 2023, four affordable units were developed by GFM Properties at 367 Bloomfield Avenue (Block 9, Lot 3) for very low-income households. The Borough is eligible for 4 rental bonus credits for the 4 units. See **Appendix E** for the deed restriction for 367 Bloomfield Avenue.

All of the projects used by the Borough to address its Prior Round RDP of 18 units and Third Round RDP of 17 units are complete and shown in Table 21, Prior Round and Third Round Compliance with RDP.

Table 21, Prior Round and Third Round Compliance with RDP

PRIOR ROUND RDP (18 Units)					
<u>Affordable Project</u>	<u>Units</u>	<u>Unit Type</u>	<u>Bonus Credits</u>	<u>Total Credits Plus Bonuses</u>	<u>Status</u>
RCA with City of Orange	12	RCA	0	12	Complete
Fusee Site/Legacy at Mountain Lakes	6	Family Sale	0	6	Complete
<i>Total</i>	18		0	18	
THIRD ROUND RDP (17 Units)					
<u>Affordable Project</u>	<u>Units</u>		<u>Anticipated Bonus Credits¹</u>	<u>Total Credits Plus Bonuses¹</u>	
Fusee Site/Legacy at Mountain Lakes	2	Family Sale	0	2	Complete
Enclave at Mountain Lakes/ Block 116/Lots 10-49, formerly Lot 3.0X ("King of Kings site")	6	Family Sale	0	6	Complete
Sunrise Assisted Living /Block 118.04/Lot 2.01 ("1 Bloomfield Avenue")	4	Medicaid Beds	0	4	Complete
367 Bloomfield Avenue (Block 9, Lot 3)	4		4	8	Complete
<i>Total</i>	16		4	20	

Source: Phillips Preiss Grygiel Leheny Keller LLC

THIRD ROUND UNMET NEED

Per N.J.A.C. 5:93-4.2, the Borough requested an adjustment to available land capacity, i.e., a vacant land adjustment to address its Prior Round and Third Round Prospective Need Obligations. The unmet need for the Prior Round was 62 units and the unmet need for the Third Round was 254 units. Therefore, the total unmet need was 316 units which was addressed by the surplus 3 credits toward the Third Round RDP of 17 units, and by creating multi-family affordable housing overlay zoning on sites along Route 46 and adopting a mandatory affordable housing set aside ordinance.

The Borough adopted overlay zoning that allows for inclusionary development on a number of sites within the municipality. Table 22, Overlay Zones lists these sites, reflective of the regulations during the period of Third Round compliance. The overlay zones permitted multi-family affordable housing at a density of 14 dwelling units per acre with a 15 percent set-aside in the event of rental units and a 20 percent set-aside in the event of for-sale units. The sites were selected for several reasons. First, they encompass the OL-zoned lands along the north side of Route 46 which are of a significant size and depth to accommodate residential development. Second, the neighborhoods immediately to the north of these lots are predominantly residential. Finally, these overlay zoning sites are outside the Mountain Lakes Historic District and are inenclatended to have no adverse impact on the historic district or the historic character of the community. The overlay placed in the OL-1 zone is the Office and Light Industrial Zone OL-1/Multifamily Affordable Housing Overlay (OL-1/MF-AHO); and the overlay placed in the OL-2 zone is the Office and Light Industrial Zone OL-2/Multifamily Affordable Housing Overlay (OL-2/MF-AHO). See **Appendix F** for the adopted overlay zone ordinances, which have been revised, as set forth in

the discussion of the Fourth Round below, to increase permitted densities and required affordable housing set-asides, pursuant to the Borough’s Fourth Round FSHC Mediation Agreement.

Table 22. Third Round Overlay Zones (See Fourth Round Revisions)¹

Block	Lot	Address	Zone	Acreage	Density (dwelling units/ acre)	Total Units	Set-Aside (%)	Potential Affordable Units
7	7	333 Route 46	OL-1/ MF-AHO	16.2	14	226	15/20	34/45
7	8	415 Boulevard	OL-2/ MF-AHO	3.04	14	42	15/20	6/8
7	9	425 Boulevard	OL-2/ MF-AHO	1.8	14	25	15/20	4/5
6	14	420 Boulevard	OL-2/ MF-AHO	5.87	14	82	15/20	12/16
116	5.01-5.52	115 Route 46	OL-2/ MF-AHO	5.5	14	77	15/20	12/15
116	6	105 Route 46	OL-2/ MF-AHO	11.7	14	164	15/20	25/33
								93/122

¹The table above depicts the permitted regulations of the Borough’s overlay zones as of the Third Round compliance period. The permitted densities and required affordable housing set-asides have been since increased, pursuant to the Borough’s Fourth Round FSHC Mediation Agreement.

The Borough also adopted an ordinance during the Third Round compliance period requiring a mandatory affordable set-aside for all new multifamily residential developments of five units or more created through any municipal rezoning; Zoning Board of Adjustment use or density variance; redevelopment plan or rehabilitation plan providing for redevelopment. The set aside for rental developments was fifteen percent and the set aside for for-sale developments was twenty percent. See **Appendix G** for a new Affordable Housing Ordinance which includes a mandatory 20 percent set-aside, which also reflects the latest regulations of the Uniform Housing Affordability Controls. The new affordable housing ordinance is applicable to a development, other than single-family detached, providing a minimum of five new housing units created through any municipal rezoning or Zoning Board action, use or density variance, redevelopment plan, or rehabilitation plan that provides for densities at or above six units per acre. This does not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of Mountain Lakes to grant such rezoning, variance or other relief. The provisions of the ordinance shall not apply to residential expansions, additions, renovations, replacement, or any other type of residential development that does not result in a net increase in the number of dwellings of five or more. It is noted that the density and set-aside standards set forth for sites or specific zones identified in the Borough’s Fourth Round FSHC Mediation Agreement or within this Amended HEFSP shall govern.

Fourth Round Obligation (2025-2035)

DCA proposed non-binding Prospective Need obligation released on October 20, 2024 for Mountain Lakes was 267 units. Pursuant to the Amended FHA, on January 27, 2025 the Borough Council adopted a binding resolution (Resolution #76-25) adopting the Borough’s Fair Share Affordable Housing Obligation for the Fourth Round. The resolution stated the Borough’s affordable housing obligations for the Fourth Round to include a Present Need of 0 units and a Prospective Need of 146 units. Subsequently, the Borough filed its resolution of participation before the Affordable Housing Dispute Resolution Program (the “Program”) on January 28, 2025 (Docket No.

MRS-L-244-25), in accordance with the requirements of N.J.S.A. 52:27D-301, et seq, and the timeframes set forth in Directive #14-24.

In accordance with the timeframes set forth in the Amended FHA and the Directive, FSHC filed an objection to Mountain Lakes' resolution on February 28, 2025 contending that the Borough improperly calculated its Prospective Need obligations and should be required to utilize the calculation prepared by FSHC in its February 28, 2025 report, setting the Prospective Need obligation at 234.

The Borough and FSHC engaged in the mediation process provided by the Program and conferred and reached an accord setting forth Mountain Lakes' Fourth Round fair share obligation as follows (**Appendix H** provides a copy of the signed Mediation Agreement between the Borough and FSHC):

- **Present Need – 0 units**
- **Prospective Need – 190 units**

REHABILITATION (PRESENT NEED) OBLIGATION

Present need, also known as the rehabilitation obligation, is defined as the number of substandard existing deficient housing units in the municipality currently occupied by low- and moderate-income (LMI) households. The DCA proposed a non-binding Present Need obligation for Mountain Lakes of 0. The Borough of Mountain Lakes has accepted this obligation and included it in its binding resolution submitted to the Program by January 31, 2025. The rehabilitation obligation was not challenged by Fair Share Housing Center which agreed in the Mediation Agreement that the obligation was 0.

Although the Borough does not have a rehabilitation obligation, Mountain Lakes will continue to participate in programs such as the Morris County Community Development Program. The Morris County Community Development Program is funded through the U.S. Department of Housing and Urban Development (HUD). This program is a cooperative effort of the federal government through the Morris County Board of Chosen Freeholders and 37 municipalities to meet housing and neighborhood needs throughout the County.

FOURTH ROUND PROSPECTIVE NEED OBLIGATION AND REALISTIC DEVELOPMENT POTENTIAL

There is limited land in the Borough that is vacant or otherwise developable for affordable and/or inclusionary housing. This is largely due to numerous identified public/vacant parcels which are either environmentally constrained (i.e., wetlands, steep slopes, water bodies, and/or flood hazard areas) or are public open space and recreation lands. As a result, the Borough is seeking a Vacant Land Adjustment ("VLA") analysis undertaken on behalf of the Borough of Mountain Lakes pursuant to the rules of N.J.A.C. 5:93-4.2.

Mountain Lakes remains committed to meeting its constitutional obligation to provide, through its land use regulations, a realistic opportunity for a fair share of the region's present and prospective needs for housing for low- and moderate-income families. The Borough is a Highlands-conforming municipality and is entitled to the statutory benefits associated with Highlands Plan Conformance. Pursuant to the 2024 Highlands Affordable Housing RMP Amendment, conforming municipalities shall implement both the resource protection requirements of the Highlands Regional Master Plan ("RMP") and provide for a realistic opportunity for a fair share of its region's needs for housing for low- and moderate-income households. Proposed affordable housing developments in conforming municipalities must therefore be consistent with the RMP Land Use Capability Zone

designations while providing for the protection of individual Highlands region resources. As such, the Highlands Council created a Highlands Build-Out Analysis (BOA), to determine parcels eligible for development. This analysis applied a series of conditional determination rules to each parcel, determining, per Highlands standards, if the parcel is developable. The Borough's VLA conforms to both the standards of N.J.A.C. 5:93-4.2 and the Highlands RMP. See **Appendix A** for an explanation of the VLA methodology. **Appendix B** provides an inventory of each parcel analyzed and an explanation for why it was excluded. Appendix B also includes maps showing the locations of the parcels inventoried and maps of their respective constraints.

Based on the Highlands Build-Out Analysis and the provisions of N.J.A.C. 5:93-4.2, Mountain Lakes' VLA indicates that approximately ±0-acres exist within the Borough that are suitable for inclusionary multifamily residential development, and as such the Borough has a **RDP of 0 units**.

PROPOSED FOURTH ROUND COMPLIANCE MECHANISMS TO ADDRESS THE UNMET NEED

The Fourth Round RDP of 0 units subtracted from the overall prospective need obligation of 190 units results in an unmet need of 190 units. Pursuant to N.J.S.A. 52:27D-310.1, any municipality that receives an adjustment of its prospective need obligations for the Fourth Round or subsequent rounds based on a lack of vacant land shall, as part of the process of adopting and implementing its housing element and fair share plan, identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25 percent of the prospective need obligation that has been adjusted (25 percent of 190 units is 47.5 units) and adopt realistic zoning that allows for such adjusted obligation. The Borough will address its unmet need through the following mechanisms.

Enhancement of Existing Overlay Zones

The Borough will maintain its existing overlay zones which were established as part of the Borough's Third Round compliance period, with increases to the permitted densities from 14 to 16 dwelling units per acre, with a required 20 percent set-aside of the total number of units for affordable housing which is a requirement for Highlands communities. See Table 23.

Creation of an Additional Overlay Zone

The Borough will expand its overlay zoning by creating a new overlay zone on Block 118.04/Lot 1. The parcel is approximately 5.44-acres and is located at 49 Bloomfield Avenue. It has frontage on a portion of Bloomfield Avenue leading to Route 46 westbound and is accessed from a separate portion of Bloomfield Avenue which runs behind Sunrise Assisted Living. It is currently improved with a 2-story office building constructed in 1980 and an associated surface parking lot.

The overlay zone will permit the option to redevelop the site for townhouses and/or stacked townhouses at a density of 14 dwelling units per acre and a 20 percent affordable housing set aside. The zoning has the potential to provide up to 15 affordable housing units. The zoning requires that any affordable units comply with the Uniform Housing Affordability Controls at N.J.A.C. 5:80-26.1, as amended.

The site is currently mostly developed and Highlands conformance is not expected to inhibit the ability to redevelop the site for townhouses and/or stacked townhouses. The site is suitable, developable, and approvable for affordable housing as it has access to appropriate streets, is adjacent to other multi-family uses including the

townhouses on Sherwood Drive and Sunrise Assisted Living, has adequate sewer and water capacity and infrastructure, and can be developed in accordance with the Residential Site Improvement Standards (“RSIS”).

Zoning for this overlay is provided in Appendix I. Figure 1 shows an aerial location map of the new overlay zone.

Table 23. Inclusionary Overlay Zones to Address the Fourth Round Unmet Need

Block	Lot	Address	Zone	Acreage	Density (dwelling units/ acre)	Total Units	Set- Aside (%)	Potential Affordable Units
7	7	333 Route 46	OL-1/ MF-AHO	16.2	16	259	20	52
7	8	415 Boulevard	OL-2/ MF-AHO	3.04	16	49	20	10
7	9	425 Boulevard	OL-2/ MF-AHO	1.8	16	29	20	6
6	14	420 Boulevard	OL-2/ MF-AHO	5.87	16	94	20	19
116	5.01-5.52	115 Route 46	OL-2/ MF-AHO	5.5	16	88	20	18
116	6	105 Route 46	OL-2/ MF-AHO	11.7	16	187	20	37
118.04	1	49 Bloomfield Ave	OL-2/MF-AHO	5.44	14	75	20	15
Total Potential Affordable Units								156



Figure 1: New Overlay Zone for 49 Bloomfield Avenue/Block 118.04, Lot 1

VI. Consistency with the Housing Element of Highlands Regional Master Plan

The vacant land adjustment (the “VLA”) for Mountain Lakes is consistent with the housing element of the Highlands Regional Master Plan (“RMP”) for lands in the Highlands Planning Area. The VLA includes consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both.

The Borough is a conforming Highlands municipality and has incorporated provisions within its Land Use and Zoning ordinance regulations to be consistent with the RMP.

VII. Consistency with the State Development and Redevelopment Plan

The New Jersey State Development and Redevelopment Plan (SDRP) was originally adopted in 1992. The purpose of the SDRP according to the State Planning Act at N.J.S.A. 52:18A-200(f) is to:

Coordinate planning activities and establish Statewide planning objectives in the following areas: land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination.

The State Plan is not a regulation, but a policy guide, and is meant to coordinate planning activities and development throughout the state. At the municipal level, master plans are required to be evaluated and, if necessary, modified to reflect policies of the State Plan. The State Plan is also important when the State makes infrastructural and other investment decisions, i.e., in determining where available State funds should be expended.

A revised version of the plan was adopted by the State Planning Commission in 2001. While required by the State Planning Act to be revised and re-adopted every three years, the SDRP had not been revised and readopted since 2001 until 2025. On December 17, 2025, the State Planning Commission readopted the revised SDRP, which set forth the following comprehensive goals:

- Promote economic growth that benefits all residents of New Jersey
- Provide an adequate supply of housing for residents of all ages and incomes in communities of their choosing that meet their needs and offer ready access to the full range of supportive goods and services
- Economic opportunity through nation-leading infrastructure
- Revitalize and recenter the state's underutilized developed areas
- Effectively address the adverse impacts of global climate change
- Protect, maintain, and restore the state's natural and water resources and ecosystems
- Protect the environment; prevent and clean up pollution
- Protect, enhance, and improve access to areas with exceptional archeological, historic, cultural, scenic, open space, and recreational value
- Implement equitable planning practices to promote thriving communities for all New Jerseyans
- Foster sound and integrated planning and implementation at all levels Statewide

At the time of re-adoption, the State Planning Commission and Office of Planning Advocacy decided to postpone decisions related to State Plan map changes as part of the cross-acceptance process through 2026, with no timetable set as of yet. As such, the designations as shown within the 2001 SDRP Policy Map remain applicable, subject to future revisions as part of the cross-acceptance process. As depicted within the last revised State Plan Policy Map, the Borough of Mountain Lakes is located entirely within the Metropolitan Planning Area (PA-1).

The stated intent of the SDRP for PA-1 is to:

1. Provide for much of the state's future growth in compact development and redevelopment;
2. Revitalize cities, towns and neighborhoods, and in particular overburdened neighborhoods;

3. Address existing legacy issues such as air pollution, urban heat islands, lead contamination, Brownfields, urban highways, and combined sewer systems;
4. Prevent displacement and gentrification;
5. Promote growth that occurs in Centers, other appropriate areas that are pedestrian friendly, and in compact transit-oriented forms;
6. Rebalance urbanization with natural systems;
7. Promote increased biodiversity and habitat restoration;
8. Stabilize and enhance older inner ring suburbs;
9. Redesign and revitalize auto oriented areas; and
10. Protect and enhance the character of existing stable communities.

It is further noted that the 2025 SDRP establishes a sub area to PA-1, known as the Metropolitan/Floodprone Planning Area (PA-1B). The State Plan's intent for PA-1B is to: recognize developed areas that face current and future flood risk; minimize the risks to life and property from natural hazards; advance redevelopment and climate adaptation strategies that reduce flooding impacts and support existing communities; discourage new and unneeded development and growth-inducing infrastructure projects; and implement green infrastructure improvements.

The Mountain Lakes Housing Element and Fair Share Plan recognizes the need to encourage development and redevelopment on the limited developable land in the Borough, while also prioritizing the protection of its natural resources and maintaining the character of the area. This Housing Plan promotes strategic and smart planning for compact forms of affordable housing development in appropriate locations served by existing infrastructure and proximity to neighborhood stores and services, and is therefore consistent with the State Plan.

VIII. Appendixes:

Appendix A: Highlands Build-Out Analysis & Vacant Land Adjustment Methodology

Appendix B: Inventory and Maps of Parcels Investigated in Build-Out Analysis and Vacant Land Adjustment

Appendix C: Third Round Settlement Agreement

Appendix D: Existing Accessory Apartment Zoning

Appendix E: Deed Restrictions on Affordability for Block 9, Lot 3/ 367 Bloomfield Avenue

Appendix F: Revised Existing Adopted Overlay Zones

Appendix G: New Affordable Housing Ordinance

Appendix H: Mediation Agreement with FSHC on Fourth Round Obligation

Appendix I: New Overlay Zone on Block 118.04, Lot 1/49 Bloomfield Avenue

Appendix J: New Development Fee Ordinance

Appendix K: New Affirmative Marketing Plan

Appendix L: Resolution Appointing Administrative Agent

Appendix M: Spending Plan

Appendix N: Program Settlement Recommendation Including Mediation Agreement Before the Affordable Housing Dispute Resolution Program

Appendix O: Superior Court Decision and Order Approving Municipal Housing Element and Fair Share Plan (“HEFSP”) for the Fourth Round Housing Cycle

Appendix A: Highlands Build-Out Analysis & Vacant Land Adjustment Methodology

Highlands Build-Out Analysis & Vacant Land Adjustment Analysis Methodology

Introduction

The Borough of Mountain Lakes seeks an adjustment of its prospective need obligation for the Fourth Round based on a lack of vacant land. Per P.L.2024, c.2 (C.52:27D-310.1), when computing a municipal adjustment regarding available land resources as part of the determination of a municipality's fair share of affordable housing, the municipality, may exclude the following vacant land:

(a) any land that is owned by a local government entity that as of January 1, 1997, has adopted, prior to the institution of a lawsuit seeking a builder's remedy or prior to the filing of a petition for substantive certification of a housing element and fair share plan, a resolution authorizing an execution of agreement that the land be utilized for a public purpose other than housing;

(b) any land listed on a master plan of a municipality as being dedicated, by easement or otherwise, for purposes of conservation, park lands or open space and which is owned, leased, licensed, or in any manner operated by a county, municipality or tax-exempt, nonprofit organization including a local board of education, or by more than one municipality by joint agreement pursuant to P.L.1964, c.185 (C.40:61-35.1 et seq.), for so long as the entity maintains such ownership, lease, license, or operational control of such land;

(c) any vacant contiguous parcels of land in private ownership of a size which would accommodate fewer than five housing units based on appropriate standards pertaining to housing density;

(d) historic and architecturally important sites listed on the State Register of Historic Places or National Register of Historic Places prior to the date of filing a housing element and fair share plan pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1) or initiation of an action pursuant to section 13 of P.L.1985, c.222 (C.52:27D-313);

(e) agricultural lands when the development rights to these lands have been purchased or restricted by covenant;

(f) sites designated for active recreation that are designated for recreational purposes in the municipal master plan; and

(g) environmentally sensitive lands where development is prohibited by any State or federal agency, including, but not limited to, the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), for lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands -conforming municipalities.

No municipality shall be required to utilize for affordable housing purposes land that is excluded from being designated as vacant land.

The Borough is seeking an adjustment of its prospective need obligations for the Fourth Round based on a lack of vacant land pursuant to P.L.2024, c.2 (C.52:27D-304.1) including P.L.2024, c.2 (C.52:27D-304.1(g)). The

Borough of Mountain Lakes is entitled to the statutory benefits associated with Highlands Plan Conformance as detailed in the Highlands Act, the Regional Master Plan (“RMP”), and the Plan Conformance Procedures in Addendum 2019-2. On April 18, 2024, the Highlands Council adopted an amendment to the RMP entitled Highlands Affordable Housing RMP Amendment. The amendment provides standards based on the RMP and the Fair Housing Act as to where it is appropriate to locate affordable housing based on the Goals, Policies and Objectives of the RMP. Policy 607 of the RMP requires that conforming municipalities implement both the resource protection requirements of the RMP and provide for a realistic opportunity for a fair share of its region’s needs for housing for low- and moderate-income households. Proposed affordable housing developments in conforming municipalities must therefore be consistent with the RMP Land Use Capability Zone (“LUCZ”) designations while providing for the protection of individual Highlands region resources. As such, the Highlands Council created a Highlands Build-Out Analysis (BOA), to determine parcels eligible for development. This analysis applied a series of conditional determination rules to each parcel, determining, per Highlands’ standards, if the parcel is developable. These rules reflect the policies and standards in the 2024 Highlands Affordable Housing RMP Amendment.

The Highlands Council conducted a Build-Out Analysis for Mountain Lakes which was reviewed by the Borough and used as a basis for the Borough to seek a Vacant Land Adjustment pursuant to P.L.2024, c.2 (C.52:27D-304.1). The Highlands Build-Out Analysis steps are summarized below as are the steps used by the Borough to conduct a Vacant Land Adjustment.

Highlands Build-Out Analysis

METHODOLOGY

Step 1. The Highlands Build-Out analysis update process begins with the inclusion of all parcels within the municipality, using the 2024 statewide parcel data layer. Any missing data was flagged and the Borough subsequently provided the data to the Highlands Council.

Step 2. The Highlands identified developable parcels. This involved including all of the following parcels identified as being vacant, underdeveloped, and eligible for development, specifically:

- Parcels with MODIV property class code 1 and 3B; or
- Parcels with a public or other MODIV property class code 15C or 15F where 0.83 acres or greater is available for development after the existing building footprint area (Microsoft, 2018) is subtracted from the maximum building coverage (based on the maximum building coverage percentage permitted by local zoning); or
- Parcel with a public or other MODIV property class code 15C or 15F where 0.83 acres or greater is available for development after the existing impervious surface area is subtracted from the maximum impervious surface lot coverage (based on the impervious lot coverage percentage permitted by local zoning).

Step 3. Next, the Highlands identified non-developable parcels. This involved excluding all parcels that met the following criteria:

- Any parcels identified as developable above but were subsequently determined to be developed, not vacant, or otherwise ineligible for development;
- Parcels with over 95% open water; or
- Parcels over 0.83 acre in area which are 95% preserved; or
- Parcels 95% in the Preservation Area; or
- Parcels with MODIV property class 2 or 3A and 3b combined; or
- Parcels with MODIV property class codes 4A, 4B, 4C, 15A, 15B, 15D, 15E; or
- Parcels with a public or other MODIV property class code 15C or 15F where 0.83 acres or less is available for development after the existing building footprint area (Microsoft, 2018) is subtracted from the maximum building coverage (based on the maximum building coverage percentage permitted by local zoning); or
- Parcel with a public or other MODIV property class code 15C or 15F where 0.83 acres or less is available for development after the existing impervious surface area is subtracted from the maximum impervious surface lot coverage (based on the impervious lot coverage percentage permitted by local zoning).

Step 4. Next, the Highlands assigned a septic density to each parcel. Where developable lots are not assigned a septic density, they were assumed to be able to be serviced by public wastewater. The following criteria were used:

- Sewer: Where a parcel was more than 5% or has more than 2,500 sq. ft. in a sewer service area, it is identified as being sewer eligible.
- Septic: Where a parcel is outside a sewer service area (less than 5% or 2,500 sq. ft. in a sewer service area) or the parcel contains any amount of Conservation and/or Protection Zone (based on the 2024 LUCZ).
- Additionally, the Highlands BOA eliminated parcels with a combined septic density greater than 0 units, but less than 5 units.

Step 5. Next, the Highlands identified Highlands resource constraints and overlaid them on each parcel. Where the overlaid resources left less than 0.83 acres developable area on a parcel, the parcel was considered not developable. The constraints used were based on the Highlands Affordable Housing RMP Amendment (2024) and include the following:

- Highlands Open Water and associated Highlands Open Water Buffers;
- Prime Groundwater Recharge Areas (or Municipally Important Groundwater Recharge Areas, as adopted);
- Severe Steep Slopes (20%+ slopes);
- Critical Habitat;
- Vernal Pools and associated 300-meter buffer;
- Natural Heritage Priority Sites; and/or
- Special Environmental Zone.

Step 6. The final output of the build-out update includes a dataset of 2024 parcels (Parcels and MOD-IV Composite of NJ downloaded from NJ-Office of Information Technology) with all the input information

used by the Highlands Council to determine the eligibility for development, as well as a related table of the rules, constraints, and determinations used to identify the development status of each parcel. Parcels that meet the conditions of a rule are assigned a related rule record in the Build-Out Rules table. See Appendix A Table 1. Highlands Build-Out Analysis Rules for a list of the rules applied to exclude parcels in Mountain Lakes. Exclusion Parcels can have multiple rules applied. A final determination of a parcel's eligibility for development is made using the full set of related determination rules.

The NJ Highlands Resource Protection Standards are measured and applied to their intersecting parcels using a geometric union to estimate the total combined acreage of constrained and developable lands. Parcels where the combined acreage of constrained resources leaves less than 0.83 acres of unconstrained land were considered totally constrained and excluded using rule (607) TOTALLY CONSTRAINED.

A final development determination is made after all the determination rules have been checked for and applied to every qualifying parcel. The final determination is made parcel-by-parcel, using the following criteria:

- **YES** Parcels with at least one INCLUDE rule (and no EXCLUDE or MISSING rules) are considered potentially non-vacant or underdeveloped and therefore eligible for further development.
- **NO** Parcels with a single EXCLUDE rule are considered non-vacant, developed, or ineligible for development.

Mountain Lakes then reviewed the Build-Out Analysis data, and provided any input to the Highlands Council who then returned to the Borough a spreadsheet and GIS data to aid in the completion of the Build-Out Analysis report. The spreadsheet indicates the following:

- Parcels that can support development of 5 units or more and have a net developable acreage of 0.83 acres or greater.
- Parcels that can be serviced by public wastewater or via on-site septic systems.
- A maximum residential unit septic density for parcels identified as developable that are to be serviced by one-site septic systems.
- Where parcels are to be serviced by public wastewater, the municipality determines the supportable density for each parcel. A minimum presumptive density of 6 units per acre based on developable acreage is assumed, which may be adjusted based on surrounding land uses. The presumptive density shall not exceed the available net water availability for the

The Build-Out Analysis determined that no parcels in Mountain Lakes met the above criteria.

Appendix A Table 1. Highlands Build-Out Analysis Rules for Exclusion

Code	Rule	Description
401	OPEN WATER	Parcels that are over 95% Open Water
402	PRESERVED	Parcels that are larger than 1 acre and are over 95% preserved
403	PRESERVATION AREA	Parcels that are 95% within the NJ Highlands Preservation Area
404	RESIDENTIAL DEVELOPED	Parcels where the following is a MODIV property class of: <ul style="list-style-type: none"> • 2- Residential; or • 3A- Farm (Regular)
405	EXCLUDE RAILROAD (5A, 5B)	Parcels with one of the following MODIV property classes: <ul style="list-style-type: none"> • 5A- Class I Railroad Property • 5B- Class II Railroad Property
406	PUBLIC EXCLUDE (15A, 15B, 15D, 15E)	Parcels with one of the following MODIV property classes: <ul style="list-style-type: none"> • 15A- Public School Property • 15B- Other School Property • 15D- Church and Charitable Property • 15D- Cemeteries and Graveyards
407	PUBLIC DEVELOPED BLD COV	Parcels with all of the following: <ul style="list-style-type: none"> • A MODIV property class of: <ul style="list-style-type: none"> ○ 15C- Public Property; or ○ 15F- Other Exempt • A ZONE_BLDG_COVERAGE acreage, minus 0.83 acres reserved as available for development less than the acreage of all existing buildings detected on the parcel using Microsoft Building Footprints
408	PUBLIC DEVELOPED LOT/IS COV	Parcels with all of the following: <ul style="list-style-type: none"> • A MODIV property class of: <ul style="list-style-type: none"> ○ 15C- Public Property; or ○ 15F- Other Exempt • A ONE_BLDG_COVERAGE acreage, minus 0.83 acres reserved as available for development less than the acreage of all existing impervious coverage surfaces detected on the parcel using Highlands Impervious Surfaces
504	INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS)	Parcels with both the following: <ul style="list-style-type: none"> • Combined Septic Density is greater than zero (>0 units) • Combined Septic Density is less than five (<5 units)
607	TOTALLY CONSTRAINED	Parcels where resource constraints cover the entire parcel, leaving less than 0.83 acres of developable land.

Source: Highlands Municipal Build-Out Update Prepared by the Highlands Water Protection and Planning Council in support of the Highlands Regional Master Plan; November 1, 2024.

Vacant Land Analysis

The Build-Out Analysis formed the basis of the Borough’s Vacant Land Adjustment (“VLA”) analysis undertaken pursuant to P.L.2024, c.2 (C.52:27D-304.1). The VLA augments the results of the Build-Out analysis with additional parcel specific information used to substantiate the exclusion of parcels based on the Amended FHA. Specifically, C.52:27D-304.1:

- (b) any land listed on a master plan of a municipality as being dedicated, by easement or otherwise, for purposes of conservation, park lands or open space and which is owned, leased, licensed, or in any manner operated by a county, municipality or tax-exempt, nonprofit organization including a local board of education, or by more than one municipality by joint agreement pursuant to P.L.1964, c.185 (C.40:61-35.1 et seq.), for so long as the entity maintains such ownership, lease, license, or operational control of such land;

(d) historic and architecturally important sites listed on the State Register of Historic Places or National Register of Historic Places prior to the date of filing a housing element and fair share plan pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1) or initiation of an action pursuant to section 13 of P.L.1985, c.222 (C.52:27D-313);

(f) sites designated for active recreation that are designated for recreational purposes in the municipal master plan; and

Summary of Build-Out Analysis and Vacant Land Adjustment

Based on both the Build-Out analysis and the Vacant Land Adjustment analysis, Mountain Lakes currently has **zero parcels** within its boundaries suitable for development of affordable housing. See **Appendix B** for a list of all properties inventoried and maps showing their locations and environmental and/or Highlands' area constraints.

Appendix B: Inventory and Maps of Parcels Investigated in Build-Out Analysis and Vacant Land Adjustment

Block	Lot	Property Class	Property Location	Owner Name	Zone	Lot Acreage	Total Constrained Acreage	Remaining Acreage	Percent within Sewer Service Area	LUCZ Existing Community Zone Acreage	Highlands Developable Designation	Developable Acreage	Highlands Constraint Notes	VLA CONCLUSION
1	2	15C	099 MIDVALE RD	MOUNTAIN LAKES BOROUGH	R-A	20.283	14.952	5.331	99.878	13.365	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED Developed with NJ Transit Station & Train Tracks	Property devoted to Community Purposes (Train Station) in master plan adopted 10/24/2013.
2	8	1	382 ROUTE 46	46 PROPERTIES LLC	B	0.230	0.230	0.000	93.637	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Property located entirely within open water protection area and vernal pool 300m buffer area.
4	22.01	15C	000 BLOOMFIELD AVE	MOUNTAIN LAKES BOROUGH	B	1.203	1.203	0.000	100.000	1.203	NO	0.000	(408) PUBLIC DEVELOPED BLD COV (607) TOTALLY CONSTRAINED	Steep slopes and wetlands present; located entirely within open water protection area.
4	2.01	1	000 ROUTE 46	PINNACLE BUILDING GROUP LLC	B	0.339	0.339	0.000	100.000	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Property located partially within open water protection area and entirely within vernal pool 300m buffer area.
5	1.01	1	000 BLOOMFIELD AVE	HADDAD GROUP LLC	B	1.769	1.769	0.000	100.000	1.769	NO	0.000	(607) TOTALLY CONSTRAINED	Wetlands and steep slopes encompass entire property.
6	1	15C	090 CRANE AVE	MOUNTAIN LAKES BOROUGH	R-A	0.838	0.838	0.000	0.892	0.838	NO	0.000	(504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; located entirely within open water protection area.
6	12	15C	040 POCONO RD	MOUNTAIN LAKES BOROUGH	OL-2	21.382	21.382	0.000	1.368	3.846	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present.
6	15	15C	410 BLVD	MOUNTAIN LAKES BOROUGH	OL-2	4.375	4.375	0.000	0.477	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present; located entirely within open water protection area.
9	1	15C	000 BLOOMFIELD AVE	MOUNTAIN LAKES BOROUGH	R-1	0.054	0.054	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; located entirely within open water protection area and vernal pool 300m buffer area.
9	3	1	367 BLOOMFIELD AVE	GFM PROPERTIES INC	R-1	1.228	1.197	0.031	100.000	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes lie along northern, eastern, and western boundaries and lot is partially within open water protection area; remaining acreage < 0.83 acres.
9	22	15C	008 FERNWOOD TRL	MOUNTAIN LAKES BOROUGH	R-1	0.447	0.447	0.000	100.000	0.447	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes are present and lot is partially within open water protection area.
9	21	1	000 FERNWOOD TRL	DALTON, THOMAS R & GLORIA F	R-1	0.232	0.193	0.039	100.000	0.232	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes are present and lot is partially within open water protection area; remaining acreage < 0.83 acres.
9	13	15C	000 LAKEWOOD DR	BOROUGH OF MOUNTAIN LAKES	R-1	0.115	0.115	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot entirely within open water protection area.
9	14	15C	014 LAKEWOOD DR	MOUNTAIN LAKES BOROUGH	R-1	0.329	0.329	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot entirely within open water protection area.
12	1	1	000 GREAT BAY	LAKE ARROWHEAD CLUB	R-1	2.251	2.251	0.000	11.916	0.000	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Steep slopes are present and lot is entirely within open water protection area.
12.01	1	1	000 BAY OF DEEP WATERS	LAKE ARROWHEAD CLUB	R-1	2.632	2.632	0.000	12.405	0.000	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Steep slopes are present and lot is entirely within open water protection area.
15	5	15C	025 LAURELWOOD DR	MOUNTAIN LAKES BOROUGH	R-1	0.589	0.589	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot almost entirely within open water protection area.
17	3	1	017 LAURELWOOD DR	EADES, JEFFREY/AMY	R-1	0.157	0.157	0.000	84.971	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes are present and lot is entirely within open water protection area.
17	12	3B	000 LAURELWOOD DR	SCHWARZ, OLGA R/MILDRED ANN	R-1	0.403	0.403	0.000	79.608	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes are present and lot is entirely within open water protection area.
17	16	15C	032 LAURELWOOD DR	MOUNTAIN LAKES BOROUGH	R-1	0.227	0.227	0.000	16.467	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot entirely within open water protection area.
19	5	3B	000 NORTH POCONO RD	SCHWARZ, OLGA R/MILDRED ANN	RC-2	8.956	8.956	0.001	3.484	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes and wetlands distributed across the lot and the entire lot is within the open water protection area.
19	7	1	006 LAURELWOOD DR REAR	LIUBIN & SHI, SHUANGPING	R-A	0.312	0.217	0.095	98.084	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Lot almost entirely within open water protection area; remaining acreage < 0.83 acres.
20	6	1	055 LAURELWOOD DR	MC GVERN, SEAN/NICOLE	R-1	0.313	0.307	0.006	100.001	0.313	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present and lot almost entirely within open water protection area; remaining acreage < 0.83 acres.
20	10	1	094 NORTH POCONO RD	TITZE, CHRISTOPHER & CAGGIANO,CARL A	R-A	0.144	0.106	0.038	100.005	0.144	NO	0.000	(607) TOTALLY CONSTRAINED	Lot almost entirely encompassed by steep slopes; remaining acreage < 0.83 acres.
21	40	15C	000 DORIAN RD	BOROUGH OF MOUNTAIN LAKES	R-A	0.498	0.407	0.091	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
21	41	15C	055 POCONO RD	MOUNTAIN LAKES BOROUGH	R-A	0.392	0.392	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; lot contains steep slopes and is entirely within open water protection area.
21	33	15C	008 CRANE RD	MOUNTAIN LAKES BOROUGH	R-A	0.373	0.330	0.043	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; lot is entirely within open water protection area.
21	38	15C	400 BOULEVARD & POCONO RD	MOUNTAIN LAKES BOROUGH	R-A	20.001	19.673	0.328	100.000	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes and wetlands distributed across the lot and the entire lot is within the open water protection area; remaining acreage < 0.83 acres.
21	37	15C	002 CRANE RD	MOUNTAIN LAKES BOROUGH	R-A	0.289	0.289	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot is entirely within open water protection area.
22	20	15C	401 EAST SHORE RD	MOUNTAIN LAKES BOROUGH	R-A	1.948	1.341	0.606	100.000	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot is almost entirely within open water protection area.
22	10.01	15C	160 EAST SHORE RD	MOUNTAIN LAKES BOROUGH	R-A	2.558	2.558	0.000	100.000	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present and lot is entirely within open water protection area.

23	56	15C	049 NORTH POCONO RD	MOUNTAIN LAKES BOROUGH	C	0.562	0.562	0.000	32.085	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; lot is entirely encompassed by wetlands and within open water protection area.
23	55	3B	000 NORTH POCONO RD	SCHWARZ, OLGA R/MILDRED ANN	R-AA	0.276	0.276	0.000	0.000	0.000	NO	0.000	(504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Entire lot is encompassed by wetlands and is within open water protection area.
23	39	15C	002 EAST SHORE RD	MOUNTAIN LAKES BOROUGH	C	3.978	3.978	0.000	0.000	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present and lot is entirely within open water protection area.
23	71	15C	025 NORTH POCONO RD	MOUNTAIN LAKES BOROUGH	R-A	0.158	0.158	0.000	79.286	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; lot is entirely within open water protection area.
24	1	15C	079 NORTH POCONO RD	MOUNTAIN LAKES BOROUGH	C	8.592	7.016	1.576	0.121	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS)	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Lyman Wilson Memorial Park); steep slopes present and partially within open water protection area.
24	12	1	000 NORTH POCONO RD	BUCKINGHAM, MICHAEL M/ANDREA P	R-AA	0.115	0.000	0.115	100.007	0.115	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; remaining acreage < 0.83 acres.
24	4	1	000 NORTH POCONO RD	BARTUNG, ALINE E	R-AA	0.671	0.454	0.216	100.000	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; remaining acreage < 0.83 acres.
26	1	15C	000 RATTLESNAKE MEADOW	MOUNTAIN LAKES BOROUGH	C	88.838	88.838	0.000	0.000	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Richard M. Wilcox Park); steep slopes and wetlands present throughout the property.
27	4	15C	033 CRESTVIEW RD	MOUNTAIN LAKES BOROUGH	C	2.436	2.431	0.004	2.366	2.436	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
27	26	15C	000 CRESTVIEW RD	MOUNTAIN LAKES BOROUGH	C	5.869	5.869	0.000	0.004	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Richard M. Wilcox Park); steep slopes and wetlands present throughout the property and entire property within open water protection area.
27	16	15C	000 CRESTVIEW RD	MORRIS COUNTY PK COMMISSION	R-AA	15.281	15.225	0.056	0.857	1.812	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property within Highlands Scenic Resource Area; portion of Tourne County Park.
28	13	15C	000 CRESTVIEW RD	MORRIS COUNTY PK COMMISSION	C	3.947	3.945	0.002	0.000	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property within Highlands Scenic Resource Area; portion of Tourne County Park; steep slopes present and partially within open water protection area.
28	9	15C	000 CRESTVIEW RD	MOUNTAIN LAKES BOROUGH	C	26.181	26.095	0.086	3.627	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Richard M. Wilcox Park); steep slopes present throughout the property and property partially within open water protection area and vernal pool 300m protection buffer.
29	1	15C	049 WEST SHORE RD	MOUNTAIN LAKES BOROUGH	C	12.760	12.760	0.000	14.392	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Richard M. Wilcox Park); steep slopes and wetlands present throughout the property and property partially within open water protection area and vernal pool 300m protection buffer.
29	2	15C	045 WEST SHORE RD	MOUNTAIN LAKES BOROUGH	C	2.028	1.848	0.180	100.000	0.000	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and partially within open water protection area.
30	70	15C	000 BIRCH LN	MOUNTAIN LAKES BOROUGH	C	2.036	2.036	0.000	0.000	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Richard M. Wilcox Park); steep slopes present throughout the property and property entirely within open water protection area and vernal pool 300m protection buffer.
30	66	15C	000 WEST SHORE RD	MOUNTAIN LAKES BOROUGH	C	0.673	0.673	0.000	0.000	0.000	NO	0.000	(504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Richard M. Wilcox Park); steep slopes present throughout the property and property entirely within open water protection area and vernal pool 300m protection buffer.
30	1	15C	000 WEST SHORE RD	MOUNTAIN LAKES BOROUGH	C	9.932	9.932	0.000	8.091	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Richard M. Wilcox Park & Birchwood Beach); steep slopes present throughout the property and property partially within open water protection area and vernal pool 300m protection buffer.
31	29	15C	56 WEST SHORE RD	MOUNTAIN LAKES BOROUGH	C	6.150	6.150	0.000	6.987	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Richard M. Wilcox Park & Birchwood Beach); steep slopes present throughout the property and property partially within open water protection area and vernal pool 300m protection buffer.
32	1	15C	030 CRYSTAL RD	MOUNTAIN LAKES BOROUGH	C	21.863	21.173	0.691	0.000	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Richard M. Wilcox Park); steep slopes present throughout the property and property partially within open water protection area and vernal pool 300m protection buffer.
33	8.01	15C	000 BOULEVARD & NO. CRANE	MOUNTAIN LAKES BOROUGH	R-A	0.012	0.012	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; lot acreage < 0.83 acres.
34	5	15C	311 BLVD	MOUNTAIN LAKES BOROUGH	R-AA	3.295	3.186	0.109	2.970	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot is partially within open water protection area; remaining lot acreage < 0.83 acres.
35	1	15C	021 OVERLOOK RD	MOUNTAIN LAKES BOROUGH	R-AA	6.280	6.125	0.155	1.380	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present and lot is partially within open water protection area; remaining lot acreage < 0.83 acres.
36	1	15C	027 OVERLOOK RD	MOUNTAIN LAKES BOROUGH	C	4.021	4.003	0.019	0.000	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot is partially within open water protection area; remaining lot acreage < 0.83 acres.

37	1	15C	000 LONGVIEW,LOCUST, J VY	MOUNTAIN LAKES BOROUGH	C	5.895	5.838	0.057	0.000	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot is partially within open water protection area.
38	12	15C	000 WOODCLIFF RD	MOUNTAIN LAKES BOROUGH	C	2.796	2.523	0.273	4.586	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot is partially within open water protection area.
39	1	15C	000 LONGVIEW RD	MOUNTAIN LAKES BOROUGH	C	2.636	2.615	0.021	0.915	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot is partially within open water protection area and vernal pool 300m buffer area.
39	22	15C	000 LONGVIEW RD	MOUNTAIN LAKES BOROUGH	C	2.021	2.021	0.000	0.462	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot is almost entirely within the vernal pool 300m buffer area.
40	19	15C	000 TOWER HILL RD	MOUNTAIN LAKES BOROUGH	C	4.647	4.647	0.000	0.344	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot is partially within open water protection area and entirely within vernal pool 300m buffer area.
40	1	15C	056 TOWER HILL RD	MOUNTAIN LAKES BOROUGH	C	0.435	0.435	0.000	99.930	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot is entirely within vernal pool 300m buffer area.
41	1	15C	000 EAST SHORE RD NORTH	MOUNTAIN LAKES BOROUGH	C	5.875	5.875	0.000	0.000	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Richard M. Wilcox Park); steep slopes present throughout the property and property partially within open water protection area and vernal pool 300m protection buffer.
42	12	15C	129 LOOKOUT RD WTR TWR	MOUNTAIN LAKES BOROUGH	R-AA	0.622	0.161	0.461	100.000	0.622	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Steep slopes present; remaining acreage < 0.83 acres.
42	29	15C	000 CRESTVIEW RD	MOUNTAIN LAKES BOROUGH	C	2.102	1.931	0.170	12.021	2.102	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present and lot is partially within vernal pool 300m buffer area.
44	11	1	000 LOOKOUT RD	SENTIWANY, JOHN R. & JENNIFER A.	R-AA	0.385	0.107	0.278	100.000	0.385	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; remaining acreage < 0.83 acres.
45	10	15C	000 CRESTVIEW RD	MOUNTAIN LAKES BOROUGH	C	1.396	1.269	0.127	2.096	1.396	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; remaining acreage < 0.83 acres.
46	15	15C	001 LOOKOUT RD	MOUNTAIN LAKES BOROUGH	R-A	0.210	0.210	0.000	100.000	0.210	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; lot acreage < 0.83 acres.
47	8	15C	027 LAUREL HILL RD	MOUNTAIN LAKES BOROUGH	R-A	0.743	0.728	0.014	100.000	0.743	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; remaining acreage < 0.83 acres.
48	28	15C	060 LOOKOUT RD	MOUNTAIN LAKES BOROUGH	R-AA	0.580	0.174	0.406	100.000	0.580	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; remaining acreage < 0.83 acres.
49	3.02	1	000 LAUREL HILL RD	COTTON, LAWRENCE C/ALANNA YVONNE	R-AA	0.867	0.693	0.174	100.000	0.867	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; remaining acreage < 0.83 acres.
50	23	15C	128 LOOKOUT RD	MOUNTAIN LAKES BOROUGH	R-AA	0.576	0.168	0.408	100.000	0.576	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; remaining acreage < 0.83 acres.
51	12	1	134 LOOKOUT RD	ANDERSON, RICHARD JAMES & SAMANTHA	R-AA	0.289	0.060	0.229	100.000	0.289	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; remaining acreage < 0.83 acres.
52	19.02	15C	050 CONDIR RD	MOUNTAIN LAKES BOROUGH	R-AA	0.720	0.720	0.000	100.000	0.720	NO	0.000	(607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present throughout the property and property entirely within open water protection area and vernal pool 300m protection buffer.
52	45	15C	000 OGDEN RD	MOUNTAIN LAKES BOROUGH	R-AA	1.762	1.723	0.039	100.000	1.762	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present throughout the property and property partially within open water protection area and vernal pool 300m protection buffer.
52	13	15C	073 TOWER HILL RD	MOUNTAIN LAKES BOROUGH	R-AA	0.469	0.469	0.000	100.000	0.469	NO	0.000	(607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present throughout the property and property entirely within open water protection area and vernal pool 300m protection buffer.
52	54	15C	000 OGDEN RD	MOUNTAIN LAKES BOROUGH	R-AA	0.902	0.902	0.000	100.000	0.902	NO	0.000	(607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present throughout the property and property entirely within open water protection area and partially within vernal pool 300m protection buffer.
53	52	15C	000 OGDEN RD @ TWR HILL	MOUNTAIN LAKES BOROUGH	R-AA	6.050	5.821	0.228	100.000	3.613	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present throughout the property and property partially within open water protection area.
53	1	15C	033 TOWER HILL RD	MOUNTAIN LAKES BOROUGH	R-AA	1.794	1.714	0.080	100.000	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Steep slopes present; remaining acreage < 0.83 acres.
53	15	15C	175 LAUREL HILL RD	MOUNTAIN LAKES BOROUGH	R-AA	1.240	1.228	0.013	100.000	0.000	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
54	12	15C	200 LAUREL HILL RD	MOUNTAIN LAKES BOROUGH	R-AA	0.496	0.471	0.025	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
56	14	15C	187 BLVD	MOUNTAIN LAKES BOROUGH	R-AA	0.633	0.562	0.071	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
56	34	15C	120 LAUREL HILL RD	MOUNTAIN LAKES BOROUGH	R-AA	0.635	0.511	0.123	100.000	0.635	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.

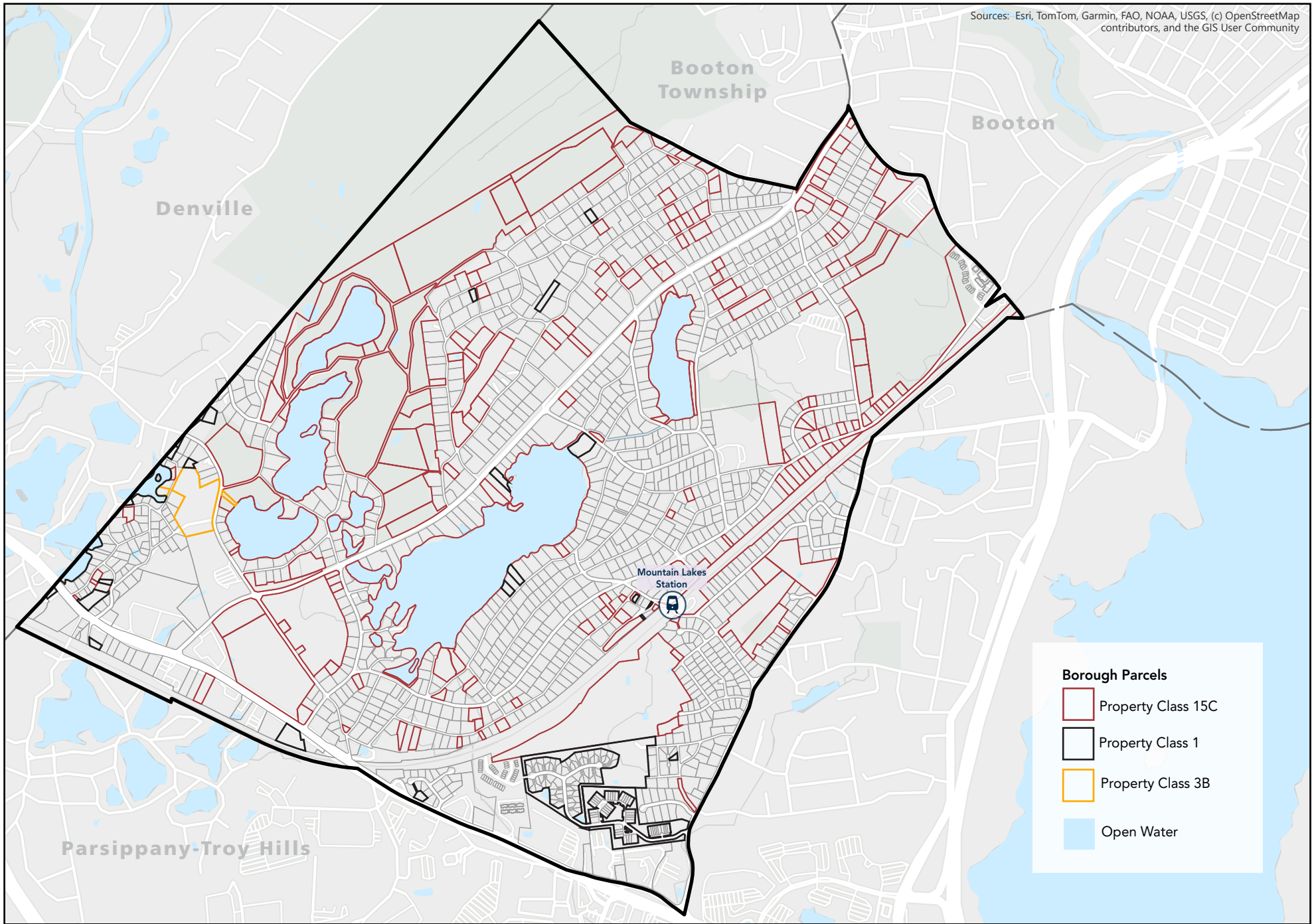
56	39	15C	110 LAUREL HILL RD	MOUNTAIN LAKES BOROUGH	R-AA	0.923	0.805	0.118	100.000	0.923	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
56	52.02	15C	000 LAUREL HILL RD	MOUNTAIN LAKES BOROUGH	R-AA	0.297	0.297	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
56	58.01	15C	030 NORTH BRIARCLIFF ROAD	MOUNTAIN LAKES BOROUGH	R-AA	0.409	0.168	0.241	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
57	1	15C	097 COBB RD	MOUNTAIN LAKES BOROUGH	R-AA	0.472	0.396	0.076	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
58	30	15C	082 COBB RD	MOUNTAIN LAKES BOROUGH	R-AA	0.945	0.931	0.014	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present throughout the property and property partially within open water protection area.
58	10	15C	129 BLVD	MOUNTAIN LAKES BOROUGH	R-AA	0.955	0.955	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present throughout the property and entirely partially within open water protection area.
58	24	15C	788 COBB RD	MOUNTAIN LAKES BOROUGH	R-AA	0.384	0.384	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present throughout the property and entirely partially within open water protection area.
59	46	15C	060 COBB RD	MOUNTAIN LAKES BOROUGH	R-A	0.418	0.389	0.028	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
59	39	15C	050 COBB RD	MOUNTAIN LAKES BOROUGH	R-A	1.047	1.009	0.038	100.000	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
60	5	15C	061 COBB RD	MOUNTAIN LAKES BOROUGH	R-A	0.429	0.417	0.011	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
60	9	15C	051 COBB RD	MOUNTAIN LAKES BOROUGH	R-A	0.433	0.348	0.086	100.000	0.433	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
60	27	15C	024 LAUREL HILL RD	MOUNTAIN LAKES BOROUGH	R-A	0.661	0.608	0.053	100.000	0.661	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
60	13	15C	041 COBB RD	MOUNTAIN LAKES BOROUGH	R-A	0.793	0.749	0.043	100.000	0.793	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
61	25	15C	009 LOWELL AVE	MOUNTAIN LAKES BOROUGH	R-A	0.690	0.662	0.028	100.000	0.690	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
61	31	15C	021 LOWELL AVE	MOUNTAIN LAKES BOROUGH	R-A	0.593	0.531	0.062	100.000	0.593	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
61	38	15C	035 LOWELL AVE	MOUNTAIN LAKES BOROUGH	R-A	0.434	0.406	0.028	100.000	0.434	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
61	45	15C	049 LOWELL AVE	MOUNTAIN LAKES BOROUGH	R-A	0.561	0.475	0.086	100.000	0.561	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
62	38	15C	040 BLVD	MOUNTAIN LAKES BOROUGH	R-A	0.506	0.488	0.018	100.000	0.506	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
62	33	15C	030 BLVD	MOUNTAIN LAKES BOROUGH	R-A	0.769	0.713	0.055	100.000	0.769	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
62	25	15C	020 BLVD	MOUNTAIN LAKES BOROUGH	R-A	0.822	0.785	0.037	100.000	0.822	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
62	20.01	15C	002 BLVD	MOUNTAIN LAKES BOROUGH	R-A	0.239	0.195	0.044	100.000	0.239	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
63	17	15C	060 BLVD	MOUNTAIN LAKES BOROUGH	R-A	0.791	0.604	0.187	100.000	0.791	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
63	11	15C	041 HANOVER RD	MOUNTAIN LAKES BOROUGH	R-A	0.883	0.839	0.044	100.000	0.883	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
64	8	15C	059 MELROSE RD	MOUNTAIN LAKES BOROUGH	R-A	0.247	0.050	0.198	100.000	0.247	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
64	11	15C	053 MELROSE RD	MOUNTAIN LAKES BOROUGH	R-A	0.558	0.192	0.366	100.000	0.558	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is partially within open water protection area.
64	19	15C	040 HANOVER RD	MOUNTAIN LAKES BOROUGH	R-A	0.641	0.536	0.106	100.000	0.641	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
65	13	15C	001 MELROSE RD	MOUNTAIN LAKES BOROUGH	R-A	0.729	0.729	0.000	100.000	0.729	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is partially within open water protection area.
66	16	15C	024 MELROSE RD	MOUNTAIN LAKES BOROUGH	R-A	3.017	3.017	0.000	100.000	3.017	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present; property is partially within open water protection area.
68	4	15C	075 KENILWORTH RD	MOUNTAIN LAKES BOROUGH	R-A	0.727	0.000	0.727	100.000	0.727	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
68	10	15C	061 KENILWORTH RD	MOUNTAIN LAKES BOROUGH	C	2.802	2.739	0.063	5.923	2.802	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Halsey A. Frederick Memorial Park); wetlands present; property is within open water protection area.
69	11	15C	064 KENILWORTH RD	MOUNTAIN LAKES BOROUGH	C	2.703	2.703	0.000	0.000	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Halsey A. Frederick Memorial Park); wetlands present; property is within open water protection area.
70	6	15C	100 KENILWORTH RD	MOUNTAIN LAKES BOROUGH	R-A	0.902	0.902	0.000	100.000	0.902	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.

74	4	15C	117 HANOVER RD	MOUNTAIN LAKES BOROUGH	R-A	0.478	0.478	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; property is entirely within open water protection area.
74	21	15C	106 BLVD	MOUNTAIN LAKES BOROUGH	R-A	0.410	0.410	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is entirely within open water protection area.
75	7	15C	121 MELROSE RD	MOUNTAIN LAKES BOROUGH	R-A	1.317	1.317	0.000	100.000	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present; property is entirely within open water protection area.
75	27	15C	124 HANOVER RD	MOUNTAIN LAKES BOROUGH	R-A	1.062	1.062	0.000	100.000	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; wetlands present; property is entirely within open water protection area.
76	28	15C	120 MELROSE RD	MOUNTAIN LAKES BOROUGH	R-A	2.098	2.098	0.000	100.000	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is partially within open water protection area.
78	67	15C	136 BLVD	MOUNTAIN LAKES BOROUGH	R-A	0.411	0.411	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Wildwood Park); steep slopes present; property is entirely within open water protection area.
78	33	15C	055 BRIARCLIFF RD	MOUNTAIN LAKES BOROUGH	R-A	0.327	0.327	0.000	37.459	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Briarcliff Park); steep slopes present; property is entirely within open water protection area.
78	42	15C	058 GLEN RD	MOUNTAIN LAKES BOROUGH	R-A	0.899	0.899	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Wildwood Dam); steep slopes present; property is entirely within open water protection area.
79	1	15C	000 WILDWOOD LAKE	MOUNTAIN LAKES BOROUGH	H20	16.502	16.502	0.000	21.936	0.000	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Open water (Wildwood Lake).
80	1	15C	160 BLVD	MOUNTAIN LAKES BOROUGH	R-A	0.611	0.611	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Frank B. Kaufmann Memorial Park); steep slopes present; property is partially within open water protection area.
80	28	15C	210 BLVD	MOUNTAIN LAKES BOROUGH	R-A	0.620	0.608	0.011	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
81	15.02	15C	027 LAKE DR	MOUNTAIN LAKES BOROUGH	R-A	0.256	0.256	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Memorial Park); steep slopes present; property is entirely within open water protection area.
86	9	15C	131 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.418	0.407	0.011	100.000	0.418	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; property is almost entirely within open water protection area.
86	18	15C	115 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.380	0.380	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is entirely within open water protection area.
86	13	15C	121 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.411	0.411	0.000	100.000	0.411	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; property is entirely within open water protection area.
86	22	15C	103 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.258	0.258	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is partially within open water protection area.
86	40	15C	035 WILCOX DR	MOUNTAIN LAKES BOROUGH	R-A	0.479	0.479	0.000	100.000	0.479	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is entirely within open water protection area.
86	41	15C	027 WILCOX DR	MOUNTAIN LAKES BOROUGH	R-A	0.681	0.681	0.000	100.000	0.681	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is entirely within open water protection area.
86.01	1	15C	149 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.238	0.224	0.013	100.000	0.238	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
86.01	24	15C	000 BELLVALE RD	MOUNTAIN LAKES BOROUGH	R-A	4.127	4.127	0.000	100.000	4.127	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is partially within open water protection area.
86.01	33	15C	026 WILCOX DR	MOUNTAIN LAKES BOROUGH	R-A	0.398	0.398	0.000	100.000	0.398	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is entirely within open water protection area.
86.01	32	15C	022 WILCOX DR	MOUNTAIN LAKES BOROUGH	R-A	0.330	0.330	0.000	100.000	0.330	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is entirely within open water protection area.
88	21	15C	101 POWERVILLE RD	MOUNTAIN LAKES BOROUGH	C	1.667	1.606	0.061	0.448	1.667	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Halsey A. Frederick Memorial Park); steep slopes present; property is within open water protection area.
88	6	15C	000 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.190	0.030	0.160	99.984	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
88	1	15C	101 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.333	0.325	0.008	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
88	22	15C	101 POWERVILLE RD	MOUNTAIN LAKES BOROUGH	C	1.582	1.582	0.000	1.453	1.582	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<5 UNITS) (607) TOTALLY CONSTRAINED	Halsey A. Frederick Park-Lot 22 dedicated as parkland by ordinance 13-74 and 4-91. Also chapter A313-1 indicates property is within Halsey A. Frederick Park; Steep slopes present and lot partially within open water protection area; remaining acreage < 0.83 acres.
88	17	15C	075 MORRIS AVE	MOUNTAIN LAKES BOROUGH	C	54.094	54.014	0.079	1.033	6.626	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Halsey A. Frederick Memorial Park); steep slopes and wetlands present; property is within open water protection area.

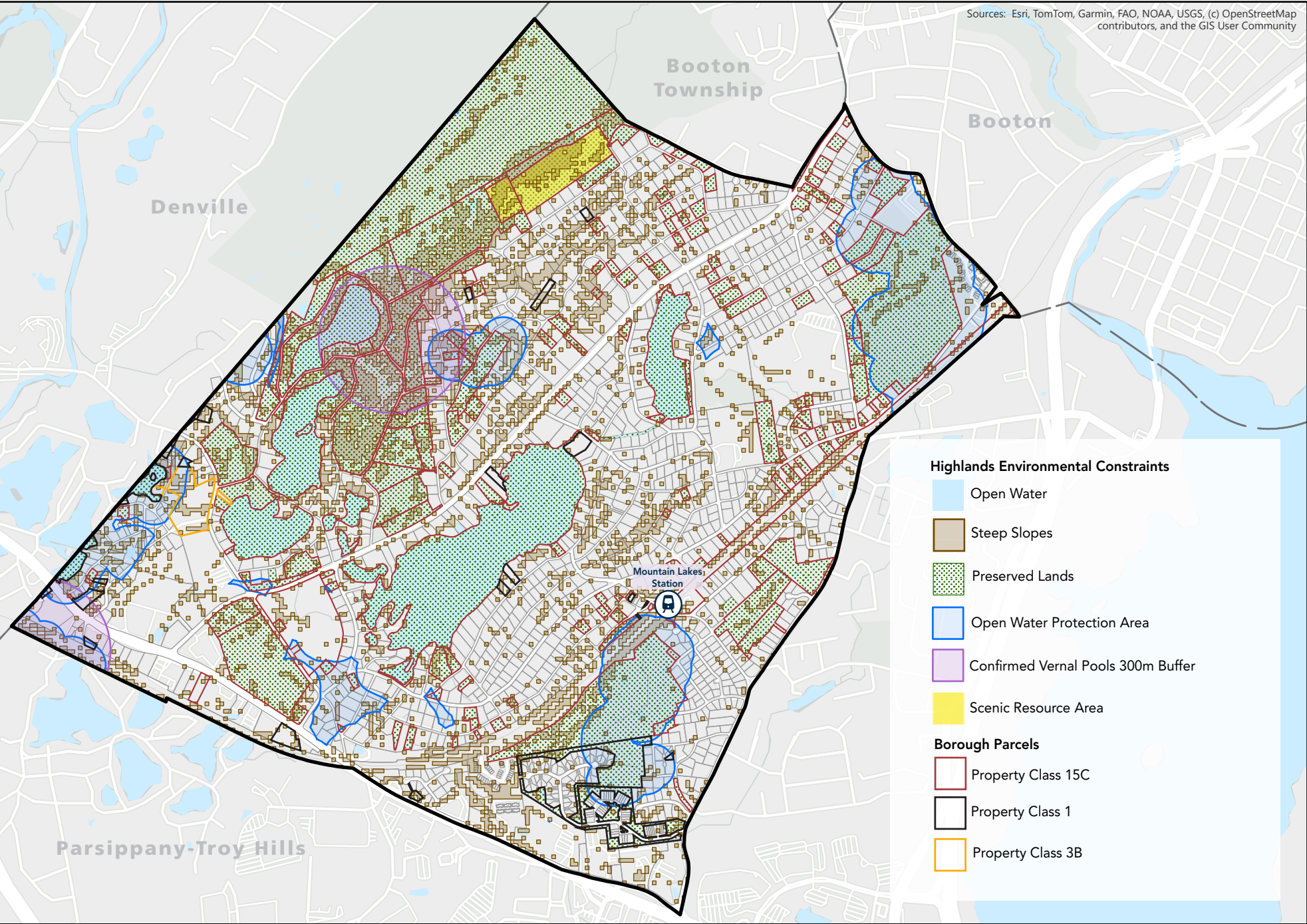
88	14	15C	079 MORRIS AVE	MOUNTAIN LAKES BOROUGH	C	0.395	0.395	0.000	100.000	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Halsey A. Frederick Memorial Park); property is entirely within open water protection area.
88	9	15C	085 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.386	0.077	0.309	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
88	27	15C	101 POWERVILLE RD	MOUNTAIN LAKES BOROUGH	R-A	2.142	2.093	0.048	91.542	0.000	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Halsey A. Frederick Memorial Park); steep slopes present.
91	43	15C	138 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.634	0.624	0.010	100.000	0.634	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Halsey A. Frederick Memorial Park); steep slopes and wetlands present; property is partially within open water protection area.
91	35	15C	158 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.660	0.660	0.000	100.000	0.660	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
91	39	15C	148 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.708	0.666	0.042	100.000	0.708	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
91	50.02	15C	128 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.546	0.546	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Halsey A. Frederick Memorial Park); steep slopes present; property is entirely within open water protection area.
91	1	15C	012 ELM RD	MOUNTAIN LAKES BOROUGH	R-A	0.520	0.519	0.001	100.000	0.520	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
91	14	15C	200 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.229	0.061	0.167	100.000	0.229	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
91	55	15C	118 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.437	0.437	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Halsey A. Frederick Memorial Park); steep slopes present; property is partially within open water protection area.
94	9.01	15C	010 BALL RD	MOUNTAIN LAKES BOROUGH	R-A	0.203	0.163	0.040	100.000	0.203	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
94	16	15C	058 BELLVALE RD	MOUNTAIN LAKES BOROUGH	R-A	0.380	0.111	0.269	100.000	0.380	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
98	5	15C	009 ELM RD	PUBLIC LIBRARY	R-A	0.636	0.000	0.636	100.000	0.636	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Developed with Mountain Lakes Library; steep slopes present.
100	29	15C	276 BOULEVARD & BEACH	MOUNTAIN LAKES BOROUGH	R-A	1.217	1.217	0.000	98.979	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Island Beach); steep slopes present; property is partially within open water protection area.
100	23.01	1	266 BLVD	HESSION, JOSEPH M/O'BRIEN, HALLEY	R-A	0.659	0.659	0.000	90.083	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; lot entirely within open water protection area; remaining acreage < 0.83 acres.
101	79	15C	175 FERNWOOD PL	MOUNTAIN LAKES BOROUGH	R-A	2.081	2.081	0.000	95.297	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Thorief Fillet Bird Sanctuary); steep slopes present; property is entirely within open water protection area.
101	71	15C	163 LAKE DR	MOUNTAIN LAKES BOROUGH	R-A	0.817	0.817	0.000	97.348	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Thorief Fillet Bird Sanctuary); steep slopes present; property is entirely within open water protection area.
101	48.02	1	117 LAKE DR	KLINGENBURG, ROBERT L	R-A	0.419	0.419	0.000	100.000	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; lot entirely within open water protection area; remaining acreage < 0.83 acres.
101	44	1	105 LAKE DR	MOUNTAIN LAKES BOROUGH	R-A	0.586	0.586	0.000	99.501	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; lot entirely within open water protection area; remaining acreage < 0.83 acres.
101	30.02	15C	085 LAKE DR BEACH	MOUNTAIN LAKES BOROUGH	R-A	0.457	0.457	0.000	78.197	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Midvale Boat Landing); steep slopes present; property is entirely within open water protection area.
101	105	1	026 LAKE DR	JOLDZIC, DUSKO/JANA	R-A	1.475	1.475	0.000	100.000	0.000	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; lot entirely within open water protection area; remaining acreage < 0.83 acres.
104	44	15C	079 POLLARD RD	MOUNTAIN LAKES BOROUGH	R-A	0.279	0.042	0.236	100.000	0.279	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
104	71	15C	025 POLLARD RD	MOUNTAIN LAKES BOROUGH	R-A	0.547	0.049	0.498	100.000	0.547	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
104	78	15C	011 POLLARD RD	MOUNTAIN LAKES BOROUGH	R-A	0.360	0.345	0.014	100.000	0.360	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
105	27	15C	003 POLLARD RD	MOUNTAIN LAKES BOROUGH	R-A	0.148	0.147	0.000	100.000	0.148	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
105	15	15C	260 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.499	0.458	0.041	100.000	0.499	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013.
106	1	1	000 MIDVALE RD @ ROMAIN	VVRN MIDVALE PROPERTIES LLC	A	0.046	0.000	0.046	100.000	0.046	NO	0.000	(607) TOTALLY CONSTRAINED	Lot too small; lot acreage < 0.83 acres.
106	9	1	048 MIDVALE RD	MOUNTAIN LAKES BOROUGH	A	0.132	0.054	0.078	100.000	0.132	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; remaining acreage < 0.83 acres.
106	9.01	15C	038 MIDVALE RD	MOUNTAIN LAKES BOROUGH	A	0.129	0.100	0.030	100.000	0.129	NO	0.000	(408) PUBLIC DEVELOPED BLD COV (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
107	10	15C	010 POLLARD RD	MOUNTAIN LAKES BOROUGH	R-A	0.575	0.475	0.100	100.000	0.575	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
108	9	1	018 ROMAINE RD	SEVEN HUNDRED E LLC	A	0.041	0.037	0.004	100.000	0.041	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; lot partially within open water protection area; remaining acreage < 0.83 acres.
108	10	15C	020 ROMAINE RD	MOUNTAIN LAKES BOROUGH	A	1.403	1.374	0.029	100.000	1.403	NO	0.000	(402) PRESERVED (408) PUBLIC DEVELOPED BLD COV (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is partially within open water protection area.

108	1	15C	002 MIDVALE RD	MOUNTAIN LAKES BOROUGH	A	0.104	0.024	0.081	100.000	0.104	NO	0.000	(408) PUBLIC DEVELOPED BLD COV (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Steep slopes present; remaining acreage < 0.83 acres.
110	46	15C	120 POLLARD RD	MOUNTAIN LAKES BOROUGH	R-A	0.211	0.211	0.000	100.000	0.211	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
110	40	15C	000 POLLARD RD	MOUNTAIN LAKES BOROUGH	R-A	0.142	0.142	0.000	100.000	0.142	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is entirely within open water protection area.
110	57	15C	140 POLLARD RD	MOUNTAIN LAKES BOROUGH	R-A	0.714	0.714	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.
110	61	15C	150 POLLARD RD	MOUNTAIN LAKES BOROUGH	R-A	0.643	0.643	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; property is entirely within open water protection area.
110	33	15C	092 POLLARD RD	MOUNTAIN LAKES BOROUGH	R-A	0.530	0.520	0.010	100.000	0.530	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; property is almost entirely within open water protection area.
111	19	15C	178 LAKE DR	MOUNTAIN LAKES BOROUGH	R-A	0.391	0.253	0.138	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; property is partially within open water protection area.
111	10.02	15C	006 ROCKAWAY TER	MOUNTAIN LAKES BOROUGH	R-A	0.391	0.391	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is entirely within open water protection area.
112	45	15C	107 POLLARD RD	MOUNTAIN LAKES BOROUGH	R-A	0.341	0.341	0.000	100.000	0.341	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is entirely within open water protection area.
112	6	15C	366 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.642	0.642	0.000	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is entirely within open water protection area.
114	1	15C	033 RAYNOLD RD	MOUNTAIN LAKES BOROUGH	R-A	0.141	0.071	0.070	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; property is partially within open water protection area.
114	20	15C	059 CRANE RD	MOUNTAIN LAKES BOROUGH	R-A	0.419	0.012	0.407	100.000	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is entirely within open water protection area.
116	3.06	1	12 FOX HILL LN	SAMAT, PINKY/INDARU MAR R	R-A	0.383	0.226	0.158	100.000	0.383	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; remaining acreage < 0.83 acres.
117	9.02	1	000 SHERWOOD DR REAR	COMM ASSOC SVC C/O WILKIN MGMT	RC-2	0.042	0.042	0.000	100.000	0.042	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes present; property is entirely within open water protection area; remaining acreage < 0.83 acres.
117	17	1	000 SHERWOOD DR	COMM ASSOC SVC C/O WILKIN MGMT	RC-3	1.492	1.492	0.000	100.000	1.492	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Steep slopes present; property is entirely within open water protection area; remaining acreage < 0.83 acres.
117.01	53	1	000 ROBIN HOOD DR	COMM ASSOC SVC C/O WILKIN MGMT	RC-3	10.837	10.326	0.511	100.000	7.899	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Steep slopes and wetlands present; property is almost entirely within open water protection area; remaining acreage < 0.83 acres.
118.01	35	1	000 LOCKLEY CT	PINE EDGE TNHSE ASSOC., INC	RC-3	4.475	3.727	0.748	100.000	4.475	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Steep slopes and wetlands present; property is almost entirely within open water protection area; remaining acreage < 0.83 acres.
118.02	6	1	000 LOCKLEY CT	PINE EDGE TNHSE ASSOC., INC	RC-3	0.985	0.860	0.124	100.000	0.985	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes and wetlands present; property is partially within open water protection area; remaining acreage < 0.83 acres.
118.03	9	1	000 LOCKLEY CT	PINE EDGE TNHSE ASSOC., INC	RC-3	1.868	1.845	0.023	100.000	1.868	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes and wetlands present; property is partially within open water protection area; remaining acreage < 0.83 acres.
118.05	1	1	000 LOCKLEY CT	PINE EDGE TNHSE ASSOC., INC	RC-3	0.071	0.054	0.017	100.000	0.071	NO	0.000	(607) TOTALLY CONSTRAINED	Property is partially within open water protection area; remaining acreage < 0.83 acres.
123	6	1	000 WHITBY RD	TERHUNE, TODD W/KIMBERLY M	R-A	0.150	0.120	0.030	100.000	0.150	NO	0.000	(607) TOTALLY CONSTRAINED	Steep slopes and wetlands present; property is partially within open water protection area; remaining acreage < 0.83 acres.
124	1	15C	000 SCARBOROUGH RD	MOUNTAIN LAKES BOROUGH	R-A	0.563	0.070	0.493	100.000	0.563	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (50 ft. ROW); property is partially within open water protection area.
127.04	13.01	15C	000 MAPLE WAY	MOUNTAIN LAKES BOROUGH	R-2	1.007	0.956	0.051	100.000	1.007	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; property is partially within open water protection area.
127.05	16	15C	005 CRESCENT DR	MOUNTAIN LAKES BOROUGH	C	0.308	0.308	0.000	100.000	0.308	NO	0.000	(607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; wetlands present; property is entirely within open water protection area.
127.05	6	15C	09B GROVE PL	MOUNTAIN LAKES BOROUGH	R-2	0.204	0.204	0.000	100.000	0.204	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is partially within open water protection area.
127.06	1	15C	003 CRESCENT DR	MOUNTAIN LAKES BOROUGH	C	38.818	38.796	0.022	100.000	4.427	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present; property is partially within open water protection area.
129	1	15C	056 WOODLAND AVE	MOUNTAIN LAKES BOROUGH	C	7.199	7.171	0.029	100.000	3.756	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes and wetlands present; property is partially within open water protection area.
129.01	18.02	15C	044 WOODLAND AVE	MOUNTAIN LAKES BOROUGH	R-A	1.846	1.843	0.004	100.000	0.000	NO	0.000	(402) PRESERVED (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is partially within open water protection area.
129.02	1	15C	000 INTERVALE RD	MOUNTAIN LAKES BOROUGH	R-A	8.012	4.661	3.351	100.000	5.560	NO	0.000	(402) PRESERVED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present; property is partially within open water protection area.
129.03	13	15C	119 MIDVALE RD	MOUNTAIN LAKES BOROUGH	C	3.539	2.196	1.343	100.000	3.539	NO	0.000	(402) PRESERVED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; steep slopes present.

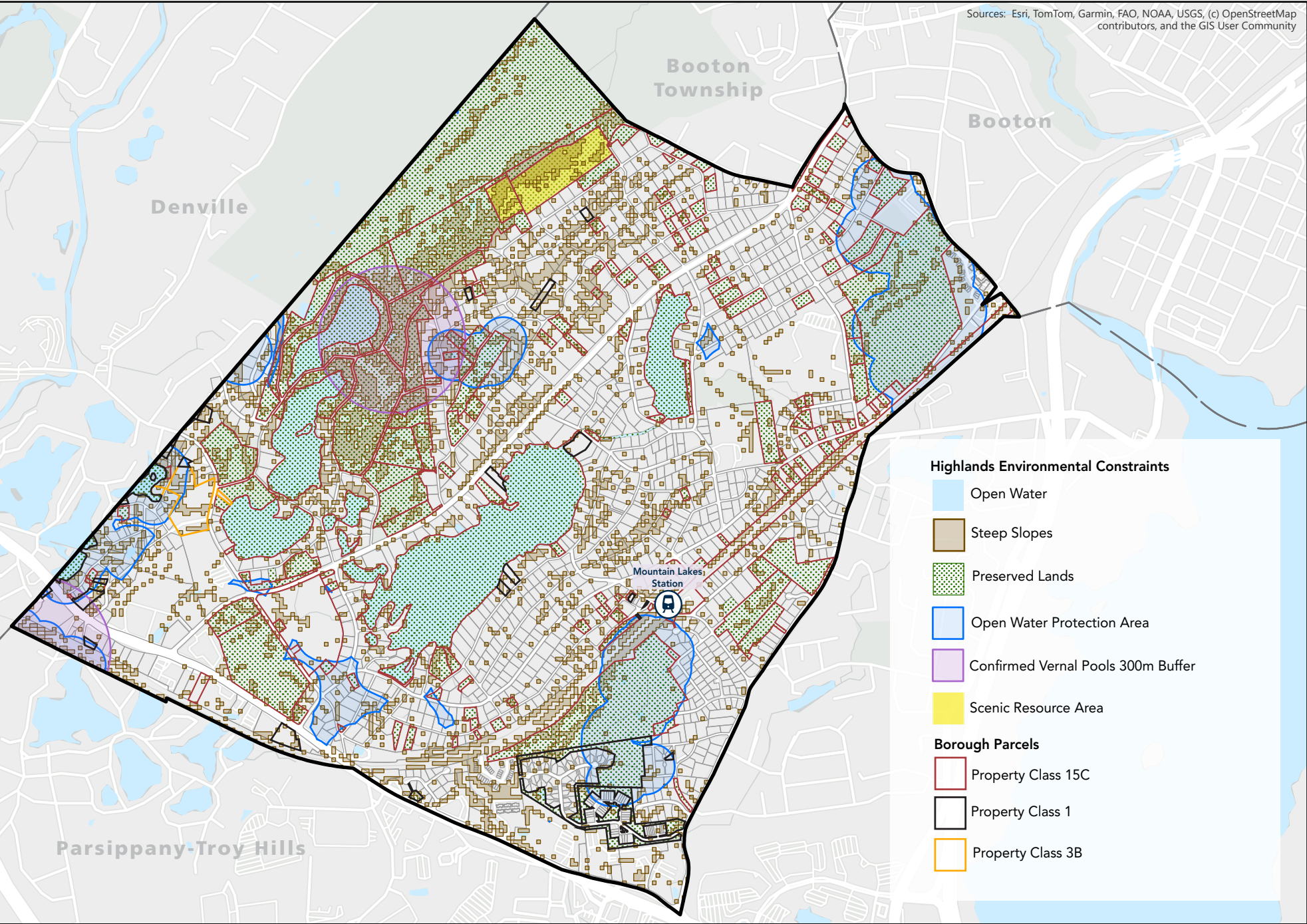
131	2	15C	000 MORRIS AVE	MOUNTAIN LAKES BOROUGH	R-A	0.277	0.277	0.000	27.704	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013; property is entirely within open water protection area.
131	3	15C	000 PUBLIC BEACH	MOUNTAIN LAKES BOROUGH	R-A	0.295	0.295	0.000	3.576	0.000	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Island Beach); property is entirely within open water protection area.
131	1	15C	000 MOUNTAIN LAKE	MOUNTAIN LAKES BOROUGH	H20	79.098	79.098	0.000	8.624	0.000	NO	0.000	(401) OPEN WATER (402) PRESERVED (607) TOTALLY CONSTRAINED	Open water (Mountain Lake).
132	1	15C	000 RESERVOIR LAKE	MOUNTAIN LAKES BOROUGH	R-A	2.455	2.455	0.000	1.152	0.000	NO	0.000	(401) OPEN WATER (409) PUBLIC DEVELOPED LOT/IS COV (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Open water (Grunden's Pond).
133	1	15C	000 COVE LAKE	MOUNTAIN LAKES BOROUGH	H20	1.073	1.073	0.000	17.664	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Open water (Cove Lake).
134	1	15C	000 SHADOW LAKE & OLIVE	MOUNTAIN LAKES BOROUGH	H20	3.182	3.182	0.000	4.393	0.000	NO	0.000	(402) PRESERVED (409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Open water (Olive and Shadow Lakes).
135	1	15C	000 SUNSET LAKE	MOUNTAIN LAKES BOROUGH	H20	15.580	15.580	0.000	1.826	0.000	NO	0.000	(401) OPEN WATER (402) PRESERVED (607) TOTALLY CONSTRAINED	Open water (Sunset Lake).
136	1	15C	000 CRYSTAL LAKE	MOUNTAIN LAKES BOROUGH	R-AA	19.792	19.792	0.000	7.493	0.000	NO	0.000	(401) OPEN WATER (402) PRESERVED (607) TOTALLY CONSTRAINED	Open water (Crystal Lake).
137	1	15C	000 BIRCHWOOD LAKE	MOUNTAIN LAKES BOROUGH	R-AA	13.711	13.711	0.000	0.728	0.000	NO	0.000	(402) PRESERVED (504) INSUFFICIENT SEPTIC DENSITY THRESHOLD (<S UNITS) (607) TOTALLY CONSTRAINED	Open water (Birchwood Lake).
138	1	15C	000 BOULEVARD & ROCK LANE	MOUNTAIN LAKES BOROUGH	C	0.881	0.881	0.000	100.000	0.881	NO	0.000	(409) PUBLIC DEVELOPED LOT/IS COV (607) TOTALLY CONSTRAINED	Property designated for conservation, park lands and open space in master plan adopted 10/24/2013 (Linear Park).
												TOTAL DEVELOPABLE ACREAGE	0.000	



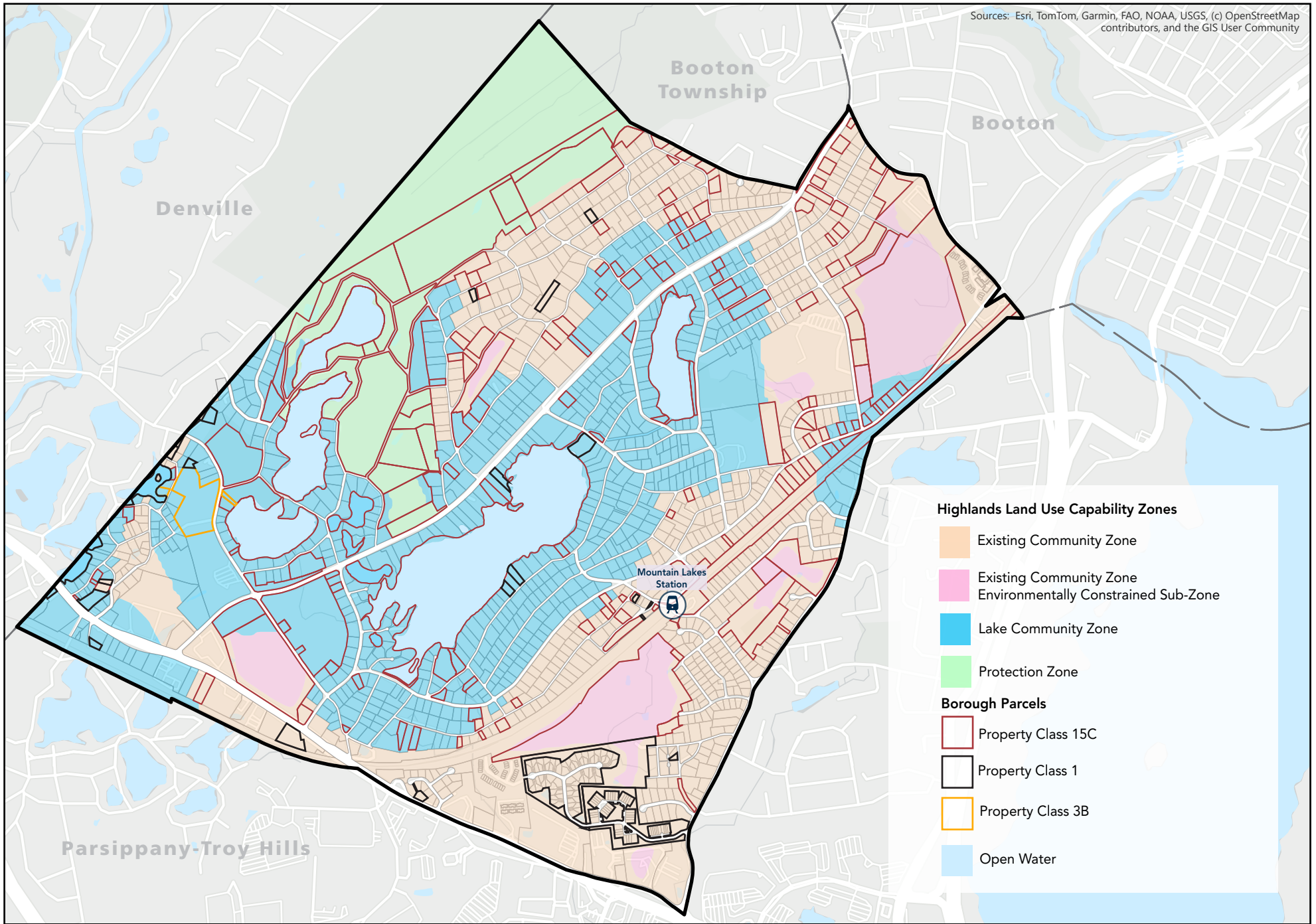
Appendix B.1: Vacant Land Adjustment Borough Parcels Inventoried



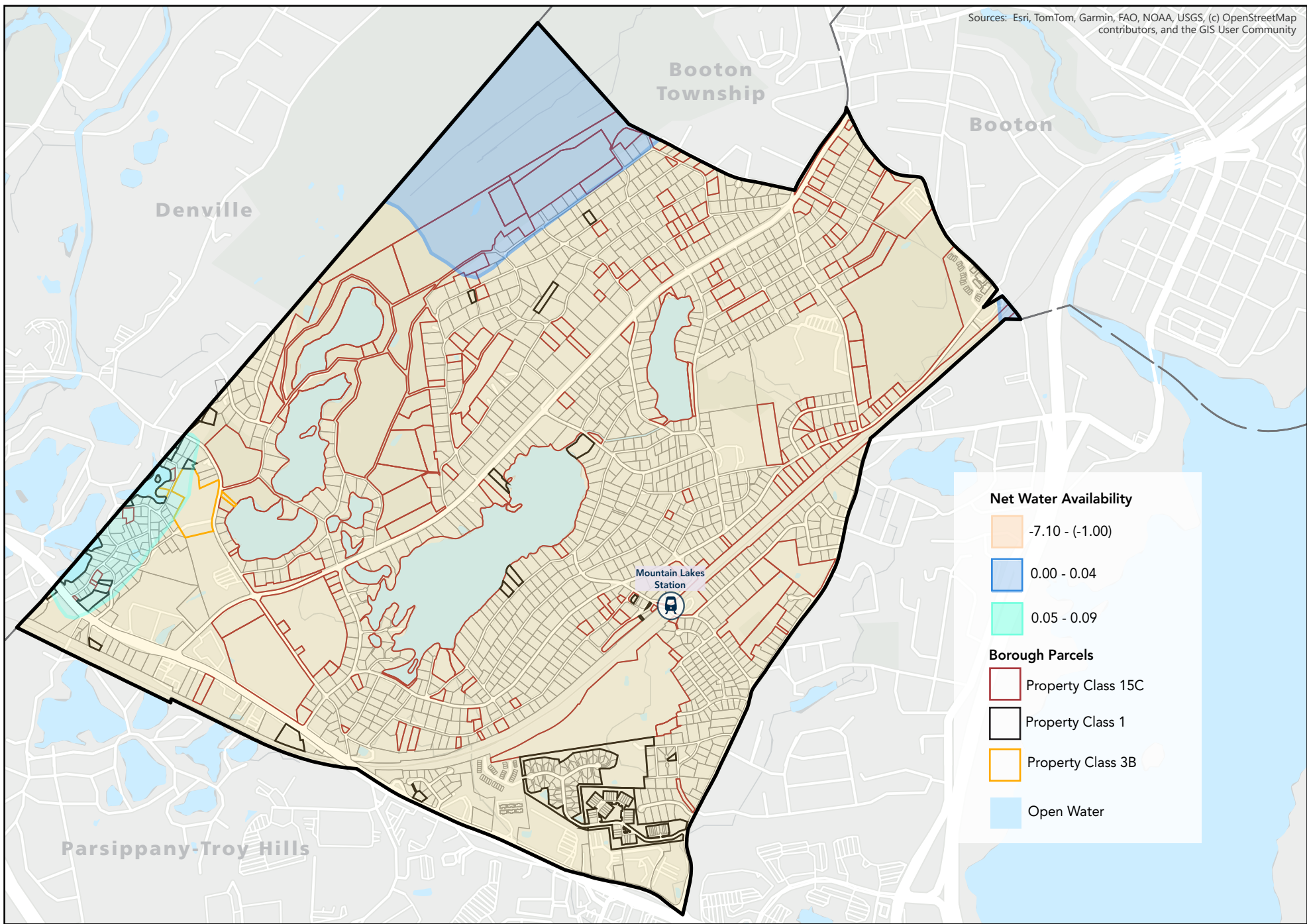
Appendix B.2: Vacant Land Adjustment with Highlands Environmental Constraints



Appendix B.2: Vacant Land Adjustment with Highlands Environmental Constraints



Appendix B.3: Vacant Land Adjustment with Highlands Land Use Land Capability Zones



Appendix B.4: Vacant Land Adjustment with Highlands Net Water Availability

Appendix C: Third Round Settlement Agreement



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January 29, 2019

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Murphy McKeon P.C.
51 Route 23 South
Riverdale, NJ 07457

**Re: In the Matter of the Application of the Borough of Mountain Lakes,
County of Morris, Docket No. MRS-L-1646-16**

Dear Mr. Oostdyk:

This letter memorializes the terms of an agreement reached between the Borough of Mountain Lakes (the Borough or "Mountain Lakes"), 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 in this proceeding.

Background

Mountain Lakes filed the above-captioned matter on July 25, 2016 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 Borough 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 Borough and FSHC hereby agree to the following terms:

1. FSHC agrees that the Borough, through the adoption of a Housing Element and Fair Share Plan conforming with the terms of this Agreement (hereafter "the Plan") 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 Mountain Lakes hereby agree that Mountain Lakes' affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report ¹)	1
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	80
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this Agreement)	271

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 Borough's efforts to meet its present need include the following: Morris Community Development Block Grant Housing Rehabilitation Program. This is sufficient to satisfy the Borough's present need obligation of 1 units.
6. The municipality, as calculated in Exh. A, has a realistic development potential (RDP) of 18 units and an unmet need of 62 units for the Prior Round. That RDP will be satisfied as follows:

Development	Units	Bonus Credits	Total Credits
RCA with City of Orange	12	0	12
Fusee Site	6	0	6
Total	18	0	18

The RDP of 18, subtracted from the Prior Round Obligation of 80 units, results in an unmet need of 62 units. This will be addressed through a Borough-wide Affordable Housing Mandatory Set-aside Ordinance to capture future affordable housing (a 15% for rental 20% for sale set aside) from any residential development comprised of five or more units.

7. The municipality, as calculated in Exh. A, has a realistic development potential (RDP) of 17 units. That RDP will be satisfied as follows:

Development	Units	Bonus Credits	Total Credits
Fusee Site	2	0	2
Block 116/Lot 3.0x ("King of Kings site")	6	0	6
Block 118.04/Lot 2.01 ("1 Bloomfield Avenue")	4	0	4
Accessory Apartments	5	0	5

¹ 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.

Total			17
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8. The RDP of 17, subtracted from the Third Round obligation of 271 units, plus the remaining Prior Round unmet need of 62 results in a total unmet need of 316 units, which shall be addressed through the following mechanisms:

a) The Borough agrees to place overlay zoning on the following sites permitting 14 du/a with a 15% set-aside in the event of rental units and a 20% set-aside in the event of for-sale units:

- Block 7 Lot 7 – 333 Route 46 with 16.2 acres
- Block 7 Lot 8 – 415 Boulevard with 3.04 acres
- Block 7 Lot 9 – 425 Boulevard with 1.8 acres
- Block 6 Lot 14 – 420 Boulevard with 5.87 acres
- Block 116 Lot 5 – 115 Route 46 with 5.5 acres
- Block 116 Lot 6 – 105 Route 46 with 11.7 acres

b) 1 Bloomfield Avenue – Additional Medicaid units. This site is not yet constructed and will include Medicaid units in excess of those described in Paragraph 7. The Borough will describe in its final Housing Element and Fair Share Plan how many total units will be constructed on this site to contribute toward unmet need.

c) The Borough shall adopt an ordinance requiring a mandatory affordable housing set aside for all new multifamily residential developments of five (5) units or more. The set aside for rental developments shall be fifteen percent (15%) and the set aside for for-sale developments shall be twenty percent (20%). The provisions of the ordinance shall not apply to residential expansions, additions, renovations, replacement, or any other type of residential development that does not result in a net increase in the number of dwellings of five or more. The form of the Ordinance shall be finalized prior to final judgment being issued in this matter through collaboration between FSHC and representatives of the Borough. This does not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of Mountain Lakes to grant such rezoning, variance or other relief. The Borough shall not permit any developer to subdivide a proposed development in a way that would avoid compliance with this requirement.

The Judgment of Compliance and Repose that is ultimately entered in this declaratory judgment action shall provide that the fact that the Borough has an unmet need: (a) shall not be deemed a legal reason to warrant the grant of any rezoning, variance or other relief; (b) shall not give any developer the right to any rezoning, variance, or other relief; (c) shall not establish any obligation on the part of the Borough to grant any rezoning, variance, or other relief; and (d) shall not be the basis of any rezoning, variance, or other relief, including but not limited to any relief requested through litigation, including but not limited to a builder's remedy and/or an appeal of a planning board or zoning board of adjustment denial of an application.

9. The Borough will provide a realistic opportunity for the development of affordable housing through the adoption of inclusionary zoning on the following sites:

- a) King of Kings – in November 2015 the Borough rezoned Block 116 Lot 3 (7.7 acres) to permit up to 40 townhomes with a 15% set-aside of 6 affordable housing units. This site has now received all of its approvals and is currently under construction.

10. The Borough will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:

Accessory Apartment program – the Borough proposes to address a part of its RDP utilizing credits from an accessory apartment program to be established pursuant to this agreement. The Borough proposes to incentivize property owners of existing accessory apartments pursuant to N.J.A.C. 5:93-5.9(c). The Borough shall identify how many existing accessory apartments exist within the Borough and thus how many may potentially be converted in this way.

In the event that the Borough cannot secure 5 deed restricted accessory apartments utilizing the process identified in N.J.A.C. 5:93-5.9(c) the Borough agrees to fund the accessory apartment program providing \$50,000 for very low-income units, \$40,000 for low-income units, and \$30,000 for moderate-income units.

11. The Borough agrees to require 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, to be very low income units, with half of the very low income units being available to families. The municipality will comply with those requirements as follows:

- a) The Borough agrees that 13% of all units created pursuant to the overlay zoning identified in Paragraph 8(a) shall be reserved for households earning at or below 30% median income.
- b) The Borough agrees that 13% of all units created pursuant to the mandatory set-aside ordinance identified in Paragraph 8(c) shall be reserved for households earning at or below 30% median income.
- c) The Borough agrees to provide 1 accessory apartment unit as very low income. The Borough will demonstrate how this will be accomplished in its final Housing Element and Fair Share Plan.
- d) The parties understand that there are no very low income units included in the units under construction at the King of Kings site.

12. The Borough 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 and 8 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 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 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 must be available to families.
 - e) The Borough 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.
13. The Borough 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 Borough 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 Borough as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by 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 pursuant to N.J.A.C. 5:80-26.1 shall be updated by the Borough annually within 30 days of the publication of determinations of median income by HUD as follows:
- a) Regional income limits shall be established for the region that the Borough 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 Borough'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 B are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2017, and shall be utilized until the Borough 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 Borough 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 twenty (120) days of Court's approval of this Agreement, the Borough shall introduce and adopt an ordinance or ordinances providing for the amendment of the Borough'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 Borough 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 Borough may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Borough 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 or leaving in place 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 Borough'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 Borough prevails in reducing its prospective need for the Third Round, the Borough may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
18. The Borough 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 Borough, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the Borough 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 Borough 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 Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the FSHC.
20. The Fair Housing Act includes two provisions regarding action to be taken by the Borough during the ten-year period of protection provided in this Agreement. The Borough 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 Borough 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 Fair Share Housing Center, 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 Borough will post on its municipal website, with a copy provided to Fair Share Housing Center, 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 Fair Share Housing Center 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. This Agreement must be approved by the Court following a fairness hearing as required by 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); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The Borough shall present its planner as a witness at this hearing. FSHC agrees to support this Agreement at the fairness hearing. In the event the Court approves this proposed settlement, 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. If this Agreement is rejected by the Court at a fairness hearing it shall be null and void.
23. The Borough agrees to pay FSHC's attorneys fees and costs in the amount of \$3,000 within ten (10) days of the Court's approval of this Agreement pursuant to a duly-noticed fairness hearing.
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 trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court'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. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney's fees.
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 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 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 Borough 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. 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, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
E-mail: adamgordon@fairsharehousing.org

TO THE BOROUGH: Robert H. Oostdyk, Jr., Esq.
Murphy McKeon P.C.
51 Route 23 South
Riverdale, NJ 07457
Telecopier: (973) 835-1732
Email: roostdyk@murphymckeonlaw.com

WITH A COPY TO THE

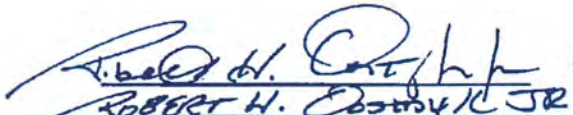
Please sign below if these terms are acceptable.

Sincerely,



Adam M. Gordon, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the Borough of Mountain Lakes, with the authorization
of the governing body:


ROBERT W. COSTELLO JR., Borough Attorney
Dated: 1-29-19

Appendix D: Existing Accessory Apartment Zoning

BOROUGH OF MOUNTAIN LAKES
MORRIS COUNTY, NEW JERSEY

ORDINANCE # 6-19

AN ORDINANCE AMENDING CHAPTER 245, ZONING OF THE CODE OF THE BOROUGH OF MOUNTAIN LAKES THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF MOUNTAIN LAKES AND ESTABLISHING AN ACCESSORY APARTMENT ORDINANCE

WHEREAS, on March 10, 2015, the New Jersey Supreme Court issued its decision In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015). In that decision, the New Jersey Supreme Court transferred primary jurisdiction over affordable housing matters from the New Jersey Council on Affordable Housing (“COAH”) to the New Jersey Superior Court and established a transitional process for municipalities, like the Borough of Mountain Lakes (“Borough”), to file declaratory judgement actions seeking to declare their Housing Element and Fair Share Plans (“HEFSPs”) as being constitutionally compliant and seeking similar protections to what they would have received if they had continued to proceed before COAH; and

WHEREAS, on July 25, 2016, the Borough filed a declaratory judgement action with the New Jersey Superior Court seeking to declare its HEFSP as being constitutionally compliant and seeking protection and repose against exclusionary zoning litigation; and

WHEREAS, the Borough negotiated and executed a Settlement Agreement dated January 29, 2019 with the Fair Share Housing Center (“FSHC”), which included agreement on the extent of the Borough’s affordable housing fair share obligation for the period from 1999 to 2025 and the methods the Borough intends to use to satisfy the obligation; and

WHEREAS, Borough zoning rules prohibit the presence of accessory apartments in residential zones, but the Settlement Agreement includes a requirement that the Borough establish five affordable Accessory Apartments

NOW, THEREFORE, the general purpose of this Chapter is to provide an opportunity for the creation of accessory apartments within Residential and “A” Business districts of the Borough, sufficient to meet the terms of the settlement agreement, and to provide the ability for the owner-occupant of a Borough dwelling to apply to provide one such accessory apartment which shall be rented according to the provisions of the Uniform Housing Affordability Control Rules (N.J.A.C. 5:80-36.1, et seq.), and administered by the appropriate Borough officer;

IT IS HEREBY ORDAINED by the Borough Council of the Borough of Mountain Lakes, Morris County, State of New Jersey, as follows:

Section 1: Chapter 245, Article VII, “Municipal Housing Liaison,” of the Code is hereby repealed.

Section 2: Chapter 245, Article VII, “Affordable Accessory Apartments” is hereby added to the Code to read as follows:

Article VII

Affordable Accessory Apartments

§245-39. Applicability and purpose.

- A. **Applicability.** This chapter applies to the establishment of accessory apartments in the Borough, in any Residential District and in the A Business District. Until passage of this ordinance, only single-family housing has been allowed in Residential Districts.
- B. **Purpose.** It is the purpose of this program to help meet a portion of the Borough's fair share housing obligation and provide a realistic opportunity for the development of affordable housing through creation of up to five (5) accessory apartments for occupancy by very low-income, low-income, or moderate-income households/

§245-40. Definitions.

Definitions pertaining to affordable housing not found below are the same as those definitions that appear in the rules and regulations adopted by the Council on Affordable Housing in N.J.A.C. 5:93-1 et seq. as used in this chapter;

“**Applicant**” shall mean the person or persons applying to establish an accessory apartment in accordance with the provisions of this chapter.

“**Contributing Dwelling**” shall mean (1) One of the dwellings covered under Borough Ordinance Chapter 40 Article VI Historic Preservation that (a) was constructed on or before December 31, 1938, (b) is listed as “contributing buildings” within the Mountain Lakes Historic District in the National Register of Historic Places Registration Form for the Mountain Lakes Historic District, and (c) has not been demolished; and (2) such other structures as are designated as “contributing dwellings” by ordinance upon the recommendation of the Mountain Lakes Historic Preservation Committee or successor entities and the Planning Board.

§245-41. Minimum Standards.

- A. An accessory apartment shall be permitted in an existing structure on a property which is in conformity with the regulations of the zoning district in which it is located, including minimum required lot area, lot frontage, lot width, lot depth, maximum floor area ratio (FAR), maximum impervious lot coverage (ILC) and all setback and other bulk requirements. An accessory apartment shall also be permitted in a pre-existing non-conforming property as long as it does not require an additional bulk variance.
- B. Creation of any accessory apartment shall require a building permit prior to construction of additions and/or alterations and issuance of a Certificate of Occupancy prior to signing a lease with a tenant.

- C. An accessory apartment shall be created within the existing footprint of the existing dwelling or the existing footprint of the existing accessory structure (e.g. detached garage). A new entry door, landing, or covered porch, dormers and modifications to the roof-lines that are architecturally consistent with the details, materials, windows, massing and scale of the existing structure shall be permitted. All additions shall comply with the bulk requirements of the Zone.
- D. An accessory apartment may be created within an existing Contributing Dwelling and shall be eligible for bulk incentives as specified in the latest adopted version of the Borough Ordinance 40-47 Establishing a Historic Preservation Committee and Establishing Special Zoning Requirements for Contributing Dwelling. Any accessory apartment provided within a Contributing Dwellings shall utilize the Historic Mountain Lakes Restoration and Renovation Handbook Design standards.
- E. Accessory apartments shall have living/sleeping space, cooking facilities, a kitchen sink, and complete sanitary facilities for the exclusive use of its occupants. The accessory apartment shall have a private entrance. The ceiling height for habitable spaces shall be no less than 7 feet.
- F. The potable water supply and sewage disposal system for the accessory apartment shall be adequate as evidenced by approval of the Borough Water & Sewer Utility.
- G. The creation of an accessory apartment shall not create a non-conforming condition on the site regarding applicable zoning requirements. An accessory apartment that is detached from the principal dwelling shall conform to all of the accessory building requirements of the zone.
- H. There shall be no more than one (1) accessory apartment located on any (1) lot unless the property is in the A Business zone and has more than one pre-existing apartment.
- I. Off-street parking shall be provided for the occupants of the affordable accessory Apartment in conformance with Chapter 245: Zoning; Article IV-Use Regulations; §245-15(L) Supplementary Use Regulations, and shall be depicted on the submitted sketch or site plan.
- J. Any renovation relative to the creation of an accessory apartment shall be architecturally consistent with the appearance of other structures on the same site. Accessory apartments shall be designed to blend and harmonize with the existing exterior architectural design of the original dwelling unit using similar materials, colors and details. The present exterior architectural design of the original dwelling unit shall be maintained to preserve the residential character of the neighborhood. Any accessory apartment provided within a Contributing Dwelling shall utilize the Historic Mountain Lakes Restoration and Renovation Handbook design standards.
- K. Any dwelling unit created or designated as an accessory apartment pursuant to this section shall be and shall remain permanently accessory to the primary use of the

property, and shall in no way confer upon the property owner any future rights to subdivide the existing lot.

- L. In the case of an accessory apartment created without proper permits, which the property owner desires to designate as an accessory apartment under this program, all of the requirements of this Ordinance and all requirements of the U.C.C. shall apply.
- M. Any existing code deficiencies in the portion of the building to be devoted to the accessory apartment unit shall be corrected, and the unit shall be brought up to code standard. The standard for evaluating any rehabilitation activity on an existing dwelling unit shall be N.J.A.C. 5:23-2.4 and 5:23-2.5.
- N. Any accessory apartment created within an existing dwelling or an accessory structure (e.g. if provided above a detached garage) shall be fire-separated vertically and/or horizontally from the existing structure in accordance with the New Jersey Uniform Construction Code Rehabilitation Subcode 5 23-6 6(e)12
- O. The owner shall agree to rent the accessory apartment unit only to a moderate, low or very low-income tenant.
- P. The owner shall agree that prior to the issuance of a Certificate of Occupancy for the initial tenant of the accessory apartment, there shall be a recorded deed or declaration of covenants and restrictions applied to the property running with the land that maintains the affordability of the accessory apartment for the minimum 10-year period. A sample deed restriction and/or loan agreement prepared by the Borough Attorney shall be supplied to the applicant.
- Q. The accessory apartments shall adhere to all current building code requirements of the latest adopted editions of (1) the International Residential Code- New Jersey Edition and (2) the New Jersey Uniform Construction Code.

§245-42. Affordability Controls.

- A. Liens on property. An owner who receives financial assistance under the provisions of the accessory apartments program shall be required to place a lien on his or her property. The following requirement shall apply to such liens:
 - (1) The Borough shall be specified as the lienholder.
 - (2) The lien shall specify that the value of the lien equals the Amount of the monetary benefits received by the applicant under the accessory apartments program.
 - (3) A record of the lien will be kept on the property tax record, in the County Clerk's files, in the Administrative Agent's records, and notification to the tax collector with the deed and with the insurance policy, as required by this program.
 - (4) The owner shall notify the Administrative Agent, in writing, of the intent to sell a property that has benefited from the accessory apartments program, if the accessory

apartment is still under the affordability controls and restrictions required by this program.

- (5) Each time the unit is re-rented, the Administrative Agent will verify that the unit will continue to be occupied by a qualified moderate, low-income or very low-income household and that the rent charged meets the affordability guidelines of the program.
- (6) All properties shall be periodically checked for liens, and any suspected violations of the program shall be reported to the Administrative Agent for further investigation.
- (7) At the termination of the affordability controls, the loan shall be forgiven and the lien shall be discharged by way of a Notice of Lien Discharged filed with the County Clerk.

B. Length of affordability. Owners who utilize the provisions of the accessory apartments program shall accept a deed restriction on the property. The deed restriction shall state that only a moderate, low income, or very low income tenant, as determined by the Administrative Agent, shall occupy the accessory apartment unit. The deed restriction shall be recorded with the County Clerk, and a copy of the recorded deed shall be forwarded to the Administrative Agent. The deed restriction shall go into effect as soon as a certificate of occupancy has been issued and shall apply for a period of at least ten (10) years.

C. Pricing

- (1) Gross rents, including a utility allowance consistent with the utility allowance approved by HUD for use in New Jersey, shall be set so as not to exceed thirty percent (30%) of the gross monthly income for the appropriate household size and income level. Maximum rents for each household size and income level shall be calculated based on the regional weighted average of the current uncapped Section 8 income limits published by HUD.
- (2) Rents of accessory apartments shall be affordable to very low, low, or moderate income households as per the FHA, COAH or its successor agency, and UHAC regulations.
- (3) Annual indexed increases. The rents of the accessory apartment units may be increased annually in accordance with N.J.A.C. 5:93-9.15.

§245-43. Program Compliance.

A. The Borough shall designate an Administrative Agent to administer the accessory apartments program. The Administrator's responsibilities shall include advertising the accessory apartments, income qualifying prospective renters, setting rents and annual rent increases, maintaining a waiting list, distributing subsidies as applicable, securing certificates of occupancy, qualifying properties, handling application forms, filing deed restrictions, monitoring reports, and affirmatively marketing the affordable accessory Apartment program in accordance with the UHAC.

that it will cause irreparable harm to the municipality, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of very low-, low- and moderate-income housing.

§245-44. Sunset Clause.

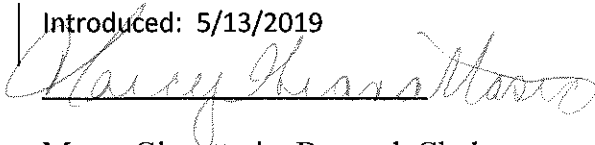
The provisions of this article permitting accessory apartments shall become null and void, having no further force or effect, upon the issuance of a Certificate of Occupancy for the fifth accessory apartment within the Borough of Mountain Lakes. The administrative provisions shall remain in full force and effect until the last deed restriction expires.

Section 3. If any section or provision of this Ordinance shall be held invalid in any Court of competent jurisdiction, the same shall not affect the other sections or provisions of this Ordinance, except so far as the section or provision so declared invalid shall be inseparable from the remainder or any portion thereof.

Section 4. All Ordinances or parts of Ordinances which are inconsistent herewith are hereby repealed to the extent of such inconsistency.

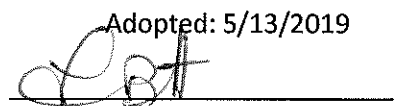
Section 5. This Ordinance shall take effect immediately after final passage and publication in the manner provided by law.

Introduced: 5/13/2019



Marcy Gianattasio, Borough Clerk

Adopted: 5/13/2019



Lauren Barnett, Mayor

Ordinance 6-19, AN ORDINANCE AMENDING CHAPTER 245, ZONING OF THE CODE OF THE BOROUGH OF MOUNTAIN LAKES THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF MOUNTAIN LAKES AND ESTABLISHING AN ACCESSORY APARTMENT ORDINANCE


Subject to rules and regulations coming to Council within 120 days.

Introduced: May 13, 2019

Adopted: May 29, 2019

Name	Motion	Second	Aye	Nay	Absent	Abstain	Motion	Second	Aye	Nay	Absent	Abstain
Happer					X				X			
Horst			X					X	X			
Korman	X		X				X		X			
Lane			X								X	
Menard			X						X			
Shepherd		X	X						X			
Barnett			X						X			


 Marcy Gianattasio, Municipal Clerk


 Lauren Barnett, Mayor

**Appendix E: Deed Restrictions on
Affordability for Block 9, Lot 3/ 367
Bloomfield Avenue**

Morris County Recording Cover Sheet



Honorable Ann F. Grossi, Esq.
Morris County Clerk

MORRIS COUNTY, NJ
Ann F. Grossi
RTC-OR BOOK 24574 PG 1826
RECORDED 03/09/2023 08:52:54
FILE NUMBER 2023008376
RCPT # 1772439; RECD BY: LHERNANDEZ eRecord
RECORDING FEES 100.00
INDEX FEE

Official Use Only - Realty Transfer Fee

Official Use Only - Barcode

Date of Document:
09/06/2022

Type of Document:
RESTRICTIVE COVENANT

First Party Name:
GFM PROPERTIES INC.

Second Party Name:
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF HOUSING AND COMMUNITY RESOURCES
NATIONAL HOUSING TRUST FUND

ADDITIONAL PARTIES

THE FOLLOWING SECTION IS REQUIRED FOR DEEDS ONLY

Block:	Lot:
Municipality: MOUNTAIN LAKES BORO	
Consideration:	
Mailing Address of Grantee:	

THE FOLLOWING SECTION IS FOR ORIGINAL MORTGAGE BOOK & PAGE INFORMATION FOR AN ASSIGNMENT, RELEASE, OR SATISFACTION OF A MORTGAGE OR AN AGREEMENT RESPECTING A MORTGAGE

Original Book:	Original Page:
----------------	----------------

MORRIS COUNTY RECORDING COVER SHEET

Please do not detach this page from the original document as it contains important recording information and is part of the permanent record.

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.

DEED OF EASEMENT AND RESTRICTIVE COVENANTS

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS DIVISION OF HOUSING AND COMMUNITY RESOURCES NATIONAL HOUSING TRUST FUND

THIS DEED OF EASEMENT AND RESTRICTIVE COVENANTS, (hereinafter referred to as the "Deed") is made on the 6 day of SEPT., 2022 by, GFM Properties, Inc., whose address is 610 Anderson Ave, Cliffside Park, New Jersey, 07417 (hereinafter referred to as "Owner") to,

The New Jersey Department of Community Affairs, Division of Housing and Community Resources, National Housing Trust Fund, whose address is 101 S. Broad Street, 5th Floor, P.O. Box 806, Trenton New Jersey 08625-0806 (hereinafter referred to as the "DCA").

WITNESSETH:

Article I: Consideration

The Owner hereby agrees to abide by the covenants, terms and conditions set forth in this Deed of Easement and Restrictive Covenants in consideration of the award of National Housing Trust Fund ("NHTF") funds provided to the Owner and or a Predecessor in Interest pursuant to Grant Agreement # 2021-02360-0346 by DCA in accordance with the Title I of the Housing and Economic Recovery Act of 2008, Section 1131, 24 CFR, Part 93 (the "Act").

Article II: Property Description

The Owner, or the Predecessor in Interest has utilized an allocation of NHTF funds for the development of the project known as Mountain Lakes Housing, a residential affordable housing rental property located at Tax Map Lot No: 3, Block No: 9, Street: 376 Bloomfield Ave, Route 46, Municipality: Mountain Lakes Borough, County: Morris. In the State of New Jersey, which is more specifically described in Schedule "A" and title to which has been recorded in favor of the Owner in the County Clerk or Register's Office of the County of _____ in Deed Book No. _____ at Page No. _____ or Instrument No. _____, (hereinafter referred to as the "Property").

Article III - Occupancy and Use Restriction ("Affordability Controls").

This Deed of Easement and Restrictive Covenants shall run with the land imposing affordable housing regulations for the duration of the restriction upon the Property. This Deed shall be recorded and shall therefore provide actual and constructive notice to all present and future Grantees' of the Property

The Owner represents, warrants, covenants and agrees that throughout the term of the Affordability Controls and in order to satisfy the requirements of the NHTF program and Title I of the Housing and Economic Recovery Act of 2008, Section 1131, 24 CFR, Part 93, the Property shall be used solely as affordable rental housing and shall meet the following requirements:

- A. The Property shall be used solely for the purpose of providing rental dwelling units for households eligible for assistance pursuant to the New Jersey Department of Community Affairs DCA National Housing Trust Fund, HUD NHTF regulations, appropriate Grant Agreement and accompanying security documents. No commitment for any such dwelling unit shall be given or implied, without exception, to any individual who has not been qualified by the New Jersey Department of Community Affairs or its designee.
- B. Sale of the Property must be expressly subject to these Deed Restrictions, deeds of conveyance must have these Deed Restrictions appended thereto, with a certification from the new owner as to acceptance of the deed restriction limitations, in recordable form and no sale of the Property shall be lawful, unless approved in advance and in writing by the NJDCA or its designee.
- C. Rental units must remain rental units for the term of this restriction.

D. No improvements may be made to the Property that would affect the bedroom configuration of any of its dwelling units, and any improvements to the Property must be approved in advance and in writing by the DCA.

E. The Owner shall notify the NJDCA or its designee, of any foreclosure actions filed with respect to the Property within five (5) business days of service upon Owner.

F. The Owner shall notify the NJDCA or its designee, within three (3) business days of the filing of any petition for protection from creditors or reorganization filed by or on behalf of the Owner.

G. Any purported transfer of title of a the Property that is not in strict conformance with the provisions of this Deed, shall be void and of no effect.

Article IV - Term of Deed

(a) This Deed, and the term of restricted use specified herein (hereinafter referred to as the "Affordability Period") shall apply to the NHTF-Assisted Unit and/or Property immediately upon signing, and said Deed shall be recorded upon signing. This Deed shall terminate **30 thirty years** following the date that the NHTF-Assisted Unit and/or Property is certified for occupancy. The subsequent Grantee/Owner shall cooperate with the DCA in executing and recording all documents necessary to effectuate continuance of the Deed restrictions. .

(b) Pursuant to the Grant Agreement the New Jersey Department of Community Affairs DCA National Housing Trust Program, National Housing Trust Fund regulations, appropriate Grant Agreement and accompanying security documents this Deed and the term of affordability shall remain in full force and effect for not less than the Affordability Period described in section IV (a) above without regard to the term of any mortgage or other underlying encumbrance upon the subject Property and without regard to any transfer of ownership.

Article V - Enforcement of Restrictions

(a) The Owner shall submit any other information, documents, or certifications requested by the DCA to substantiate the Owner's continued compliance with the provisions of Deed.

(b) The Owner hereby warrants that the representations and covenants set forth herein shall be relied upon by the DCA and all persons interested in compliance of the Deed restrictions.

(c) The Owner covenants that the Owner will not knowingly take or permit any action that would result in a violation of the Deed restriction requirements. The Owner covenants to take any lawful action (including amendment of this Deed as may be necessary, in the opinion of the DCA) to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed and published by HUD from time to time pertaining to the Owner's obligations under the NHTF.

(d) The Owner acknowledges that the primary purpose for requiring compliance by the Owner with the restrictions provided in this Deed is to assure compliance with the Title I of the Housing and Economic Recovery Act of 2008, Section 1131, 24 CFR, Part 93, and other applicable regulations, and by reason thereof, in consideration of NHTF Funds provided by the DCA to the Owner and/or the Owner's Predecessor in Interest, hereby agrees and consents that the DCA shall be entitled, for any breach of the provisions hereon, and in addition to all other remedies provided by law or in equity, to enforce specific performance by the Owner of its obligations under this Deed in a court of competent jurisdiction. The Owner hereby further specifically acknowledges that the beneficiaries of the Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder.

(e) For the term of this Deed, each and every contract, deed or other instrument hereafter executed conveying the NHTF-Assisted Unit or Property, shall expressly provide that

such conveyance is subject to this Deed; provided, however, the covenants contained therein shall survive and be effective regardless of whether such contract, deed, or other instrument hereafter executed, conveying the NHTF-Assisted Unit or Property, provides that such conveyance is subject to this Deed.

(f) The Owner agrees to take any and all actions reasonably required by the DCA to substantiate the Owner's compliance with the occupancy restrictions of this Deed.

(g) This Deed shall be deemed a contract enforceable by the DCA under the Laws of the State of New Jersey. In the event the Owner fails to satisfy the requirements of this Deed and legal costs are incurred by the DCA, and/or its successors and or assigns, such legal costs, including attorney fees and court costs (including costs of appeal), are the responsibility of, and may be recovered from the Owner.

Article VI • Miscellaneous

(a) **Severability.** The invalidity of any clause, part, or provision of this Deed shall not affect the validity of the remaining portions thereof.

(b) **Notices.** All notices to be given pursuant to this Deed shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the Parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing. The DCA may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

If to DCA:
New Jersey Department of Community Affairs
Division of Housing and Community Resources
101 South Broad Street, 5th floor
P. O. Box 806
Trenton, New Jersey 08625-0806
Attention: DCA National Housing Trust Fund Program

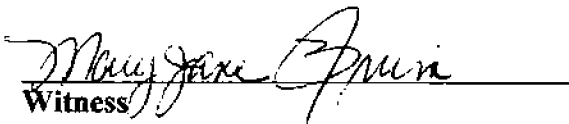
(c) **Amendment.** The Owner agrees to take all actions necessary to effect amendment of this Deed as may be necessary to comply with all applicable regulation or law whether State or Federal. The DCA, together with the Owner, may execute and record any amendment or modification to this Deed and such amendment or modification shall be binding on third-parties granted rights under this Deed.

(d) **Governing Law.** This Deed shall be governed by the Laws of the State of New Jersey and, where applicable, the Laws of the United States of America.

IN WITNESS WHEREOF, the Eligible Owner hereto has executed this Declaration the day and year first written above.

Signed, Sealed and Delivered in the presence of:

GFM Properties, Inc.


Witness


Luciano Bruni , President

STATE OF NEW JERSEY, COUNTY OF BERGEN SS:

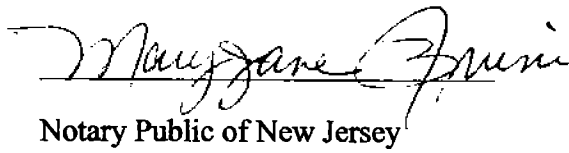
I CERTIFY that on SEPT 6, 2022, LUCIANO BRUNI, personally came before me and stated to my satisfaction that this person (or if more than one, each person);

- (a) was the maker of the attached instrument;
- (b) was authorized to and did execute this instrument as PRESIDENT, of the entity named in this instrument; and
- (c) executed this instrument as the act of the entity named in this instrument.



SWORN TO AND SUBSCRIBED

before me on the date above.



Notary Public of New Jersey

My commission expires on 3/31/2025

Mary J Bruni NOTARY PUBLIC STATE OF NEW JERSEY ID # 50013139 MY COMMISSION EXPIRES March 31, 2025

R&R:
Techno Title Agency
27 E. Main Street
Little Falls, NJ 07424

This is not an official document

SCHEDULE A
Legal Description of – NHTF Assisted Unit(s)

This is not an official document



First American Title™

ALTA Commitment for Title Insurance

ISSUED BY

First American Title Insurance Company

COMMITMENT NUMBER

TT21-4679

Schedule C

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY AND IS DESCRIBED AS FOLLOWS:

ALL that certain lot, parcel or tract of land, situate and lying in the Borough of Mountain Lakes, County of Morris, State of New Jersey, and being more particularly described as follows:

Beginning at a point in the northeasterly right-of-way line of New Jersey State Highway Route 46 (variable width right-of-way), said point being the corner common to Lots 3 and 26, Block 9, and having New Jersey State Plane NAD 83 coordinates N:747,480.20, E:502,468.93, running, thence;

1. Northwesterly along said right-of-way line, a curve to the right having a radius of 1850.08 feet, an arc length of 207.77 feet, and a central angle of 06°26'04" (chord - N 47°47'14" W, 207.66 feet), thence;
2. N 45°26'19" E, 21.79 feet along Lot 1, Block 9, thence;
3. S 44°33'41" E, 22.63 feet along Lot 7, Block 9, thence;
4. N 58°26'19" E, 206.45 feet along Lots 7, 8, 10 and 11, passing over a concrete monument found at the rear corner common to Lots 10 and 11, thence;
5. N 27°58'19" E, 41.72 feet along said Lot 11, thence;
6. S 74°43'41" E, 175.00 feet along Lot 22, Block 9, thence;
7. N 50°22'20" E, 43.12 feet along the same to a point in the westerly right-of-way line of Rainbow Trail (variable width right-of-way), thence;
8. S 17°50'17" W, 45.00 feet along said right-of-way line, thence;
9. S 52°50'17" W, 254.19 feet along Lots 25 and 25.01, Block 9, thence;
10. S 40°34'17" W, 90.33 feet along Lot 26, Block 9 to the point or place of beginning.

The above description is based on plan titled "Boundary and Topographic Survey Plan, Block 9, Lot 3, New Jersey State Highway Route 46, Borough of Mountain Lakes, Morris County, New Jersey", prepared by Dykstra Walker Design Group,

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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First American Title™

ALTA Commitment for Title Insurance

ISSUED BY

First American Title Insurance Company

COMMITMENT NUMBER

TT21-4679

Schedule C

dated 6/10/21, and last revised 8/25/22. Bearings are in accordance with New Jersey State Plane Coordinate System NAD 83 per said map.

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 3 in Block 9 on the Borough of Mountain Lakes Tax Map.

This is not an official document

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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AMERICAN
LAND TITLE
ASSOCIATION



Appendix F: Revised Existing Adopted Overlay Zones

**BOROUGH OF MOUNTAIN LAKES
MORRIS COUNTY, NEW JERSEY**

ORDINANCE ##-26

**AN ORDINANCE OF THE BOROUGH OF MOUNTAIN LAKES AMENDING CHAPTER 245,
"LAND USE AND ZONING", SECTIONS 245-82 AND 245-83 OF THE CODE OF THE
BOROUGH OF MOUNTAIN LAKES, NEW JERSEY MODIFYING THE DENSITY AND
AFFORDABLE HOUSING SET ASIDES IN EXISTING AFFORDABLE HOUSING OVERLAY
ZONES**

BE IT ORDAINED by the Borough Council of the Borough of Mountain Lakes, in the County of Morris and State of New Jersey, as follows:

SECTION 1. The Revised General Ordinances of the Borough of Mountain Lakes Chapter 245, Section 245- 82 entitled " Office and Light Industrial Zone OL-1/Multifamily Affordable Housing," shall be amended to read, in its entirety, as follows:

§ 245-82. Office and Light Industrial Zone OL-1/Multifamily Affordable Housing Overlay.

A. Permitted principal, accessory and conditional uses.

- (1) As set forth under § 245-79.
- (2) Multifamily inclusionary development consisting of townhouses and/or multifamily dwelling units as permitted principal uses with a required set-aside for low- and moderate-income households of 20%. Low- and moderate-income units shall comply with the provisions of Article XVII of this chapter (i.e., Affordable Housing Ordinance). Permitted accessory uses shall include uses which are customarily incidental to the permitted principal use, including, but not limited to, indoor and outdoor recreational facilities and related amenities for the exclusive use of residents and guests.

B. Bulk and development standards.

- (1) For permitted uses other than multifamily inclusionary development, as set forth in this chapter for the OL-1 Zone.
- (2) For multifamily inclusionary development, as set forth below.
 - (a) Minimum lot size: three acres.
 - (b) Minimum lot frontage: 250 feet.
 - (c) Maximum density: 16 units per gross acre.

- (d) Maximum building height: three stories/40 feet.
- (e) Minimum front yard setback: 75 feet.
- (f) Minimum side yard setback: 50 feet.
- (g) Minimum rear yard setback: 75 feet.
- (h) Maximum building coverage: 25%.
- (i) Maximum improved coverage: 50%.
- (j) There shall be no more than eight townhouse units in any building.
- (k) There shall be no more than 16 units in any two-story multifamily building and no more than 24 units in any three-story building.
- (l) The minimum distance between buildings shall be as follows:
 - [1] Windowless wall to windowless wall: 25 feet.
 - [2] Window wall to windowless wall: 30 feet.
 - [3] Window wall to window wall:
 - [a] Front to front: 75 feet.
 - [b] Rear to rear: 50 feet.
 - [c] End to end: 35 feet.
- (m) Development shall maintain a minimum fifty-foot landscaped buffer to any residential zone boundary line which shall consist of either existing vegetation or new plantings, or where appropriate, a combination of existing vegetation and new plantings.
- (n) No parking area shall be located within 50 feet of a front lot line or within 25 feet of any other lot line.
- (o) Parking shall be provided in accordance with New Jersey Residential Site Improvement Standards (RSIS).

SECTION 2. The Revised General Ordinances of the Borough of Mountain Lakes Chapter 245, Section 245- 83 entitled " Office and Light Industrial Zone OL-2/Multifamily Affordable Housing," shall be amended to read, in its entirety, as follows:

§ 245-83. Office and Light Industrial OL-2/Multifamily Affordable Housing Overlay.

A. Permitted principal, accessory and conditional uses.

- (1) As set forth under § 245-79.
- (2) Multifamily inclusionary development consisting of townhouses and/or multifamily dwelling units as permitted principal uses with a required set-aside for low- and moderate-income households of 20%. Low- and moderate-income units shall comply with the provisions of Article XVII of this chapter (i.e., Affordable Housing Ordinance). Permitted accessory uses shall include uses which are customarily incidental to the permitted principal use, including, but not limited to, indoor and outdoor recreational facilities and related amenities for the exclusive use of residents and guests.

B. Bulk and development standards.

- (1) For permitted uses other than multifamily inclusionary development, as set forth this chapter for the OL-2 Zone.
- (2) For multifamily inclusionary development, as set forth below.
 - (a) Minimum lot size: three acres.
 - (b) Minimum lot frontage: 250 feet.
 - (c) Maximum density: 16 units per gross acre.
 - (d) Maximum building height: three stories/40 feet.
 - (e) Minimum front yard setback: 75 feet.
 - (f) Minimum side yard setback: 50 feet.
 - (g) Minimum rear yard setback: 75 feet.
 - (h) Maximum building coverage: 25%.
 - (i) Maximum improved coverage: 50%.
 - (j) There shall be no more than eight townhouse units in any building.
 - (k) There shall be no more than 16 units in any two-story multifamily building and no more than 24 units in any three-story building.
 - (l) The minimum distance between buildings shall be as follows:
 - [1] Windowless wall to windowless wall: 25 feet.
 - [2] Window wall to windowless wall: 30 feet.
 - [3] Window wall to window wall:
 - [a] Front to front: 75 feet.
 - [b] Rear to rear: 50 feet.

[c] End to end: 35 feet.

- (m) Development shall maintain a minimum fifty-foot landscaped buffer to any residential zone boundary line which shall consist of either existing vegetation or new plantings, or where appropriate, a combination of existing vegetation and new plantings.
- (n) No parking area shall be located within 50 feet of a front lot line or within 25 feet of any other lot line.
- (o) Parking shall be provided in accordance with New Jersey Residential Site Improvement Standards (RSIS).

SECTION 3. If any section or provision of this Ordinance shall be held invalid in any Court of competent jurisdiction, the same shall not affect the other sections or provisions of this Ordinance, except so far as the section or provision so declared invalid shall be inseparable from the remainder or any portion thereof.

SECTION 4. All Ordinances or part of Ordinances which are inconsistent herewith are hereby repealed to the extent of such inconsistency.

SECTION 5. This Ordinance shall take effect immediately after final passage and publication in the manner provided by law.

CERTIFICATION: I hereby certify the foregoing to be a true and correct copy of the ordinance duly adopted by the Borough Council of Mountain Lakes, New Jersey, at a meeting held on March XX, 2026.

Cara Fox, Borough/ Clerk

Appendix G: New Affordable Housing Ordinance

BOROUGH OF MOUNTAIN LAKES
MORRIS COUNTY, NEW JERSEY

ORDINANCE #-26

AN ORDINANCE OF THE BOROUGH OF MOUNTAIN LAKES AMENDING CHAPTER 245, "LAND USE AND ZONING", REPEALING AND REPLACING CHAPTER 245, ARTICLE XVII "AFFORDABLE HOUSING" OF THE CODE OF THE BOROUGH OF MOUNTAIN LAKES, NEW JERSEY

BE IT ORDAINED by the Borough Council of the Borough of Mountain Lakes, in the County of Morris and State of New Jersey, as follows:

SECTION 1. The Revised General Ordinances of the Borough of Mountain Lakes Chapter 245, Article XVII "Affordable Housing," shall be repealed and replaced to read, in its entirety, as follows:

A. § 245-123. Affordable Housing. Introduction & Applicability

1. This section of the Code sets forth regulations regarding the very low-, low- and moderate-income housing units in the Borough of Mountain Lakes consistent with the provisions outlined in P.L 2024, Chapter 2, including the amended Fair Housing Act ("FHA") at N.J.S.A. 52:27D-301 et seq., as well as the Department of Community Affairs, Division of Local Planning Services ("LPS") at N.J.A.C. 5:99 et seq., statutorily upheld existing regulations of the now-defunct Council on Affordable Housing ("COAH") at N.J.A.C. 5:93 and 5:97, the Uniform Housing Affordability Controls ("UHAC") at N.J.A.C. 5:80-26.1 et seq., and as reflected in the adopted municipal Fourth Round Housing Element and Fair Share Plan ("HEFSP").
2. This Ordinance is intended to ensure that very low-, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very low-, low- and moderate-income households shall occupy these units pursuant to statutory requirements. This Ordinance shall apply to all inclusionary developments, individual affordable units, and 100% affordable housing developments except where inconsistent with applicable law. Low-Income Housing Tax Credit financed developments shall adhere to the provisions set forth below in item 5.c. below.
3. The Borough of Mountain Lakes Planning Board has adopted a HEFSP pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. The Fair Share Plan describes the ways the municipality shall address its fair share of very low-, low- and moderate-income housing as approved by the Superior Court and documented in the Housing Element.

4. This Ordinance implements and incorporates the relevant provisions of the HEFSP and addresses the requirements of P.L 2024, Chapter 2, the FHA, N.J.A.C. 5:99, NJ Supreme Court upheld COAH regulations at N.J.A.C. 5:93 and 5:97, and UHAC at N.J.A.C. 5:80-26.1, as may be amended and supplemented.
5. Applicability
 - a. The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created pursuant to the municipality's most recently adopted HEFSP.
 - b. This Ordinance shall apply to all developments that contain very low-, low- and moderate-income housing units included in the Municipal HEFSP, including any unanticipated future developments that will provide very low-, low- and moderate-income housing units.
 - c. Projects receiving federal Low Income Housing Tax Credit financing and are proposed for credit shall comply with the low/moderate split and bedroom distribution requirements, maximum initial rents and sales prices requirements, affirmative fair marketing requirements of UHAC at N.J.A.C. 5:80-26.16 and the length of the affordability controls applicable to such projects shall be not less than a 30-year compliance period plus a 15-year extended-use period, for a total of not less than 45 years.

B. Definitions

As used herein the following terms shall have the following meanings:

“Accessory apartments” means a residential dwelling unit that provides complete independent living facilities with a private entrance for one or more persons, consisting of provisions for living, sleeping, eating, sanitation, and cooking, including a stove and refrigerator, and is located within a proposed preexisting primary dwelling, within an existing or proposed structure that is an accessory to a dwelling on the same lot, constructed in whole or part as an extension to a proposed or existing primary dwelling, or constructed as a separate detached structure on the same lot as the existing or proposed primary dwelling. Accessory apartments are also referred to as “accessory dwelling units”.

“Act” means the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

“Adaptable” means constructed in compliance with the technical design standards of the barrier free subcode adopted by the Commissioner of Community Affairs pursuant to the “State Uniform Construction Code Act,” P.L.1975, c. 217 (C.52:27D-119 et seq.) and in accordance with the provisions of section 5 of P.L.2005, c. 350 (C.52:27D-123.15).

“Administrative agent” means the entity approved by the Division responsible for the administration of affordable units, in accordance with N.J.A.C. 5:99-7, and UHAC at N.J.A.C. 5:80-26.15.

“Affirmative marketing” means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.16.

“Affirmative Marketing Plan” means the municipally adopted plan of strategies from which the administrative agent will choose to implement as part of the Affirmative Marketing requirements.

“Affirmative Marketing Process” or “Program” means the actual undertaking of Affirmative Marketing activities in furtherance of each project with very low- low- and moderate-income units.

“Affordability assistance” means the use of funds to render housing units more affordable to low- and moderate-income households and includes, but is not limited to, down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowner’s association or condominium fees and special assessments, common maintenance expenses, and assistance with emergency repairs and rehabilitation to bring deed-restricted units up to code, pursuant to N.J.A.C. 5:99-2.5.

“Affordability average” means an average of the percentage of regional median income at which restricted units in an affordable development are affordable to low- and moderate-income households.

“Affordable” means, in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.7 and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.13.

“Affordable housing development” means a development included in a municipality’s housing element and fair share plan, and includes, but is not limited to, an inclusionary development, a municipally sponsored affordable housing project, or a 100 percent affordable development. This includes developments with affordable units on-site, off-site, or provided as a payment in-lieu of construction only if such a payment-in-lieu option has been previously approved by the Program or Superior Court as part of the HEFSP. Payments in lieu of construction were invalidated per P.L. 2024, c.2.

“Affordable Housing Dispute Resolution Program” or “the Program” refers to the dispute resolution program established pursuant to N.J.S.A. 52:27D-313.2.

“Affordable Housing Monitoring System” or “AHMS” means the Department’s cloud-based software application, which shall be the central repository for municipalities to use for reporting detailed information regarding affordable housing developments, affordable housing unit completions, and the collection and expenditures of funds deposited into the municipal affordable housing trust fund.

“Affordable Housing Trust Fund” or “AHTF” means that non-lapsing, revolving trust fund established in DCA pursuant to N.J.S.A. 52:27D-320 and N.J.A.C. 5:43 to be the repository of all State funds appropriated for affordable housing purposes. All references to the “Neighborhood Preservation Nonlapsing Revolving Fund” and “Balanced Housing” mean the AHTF.

“Affordable unit” means a housing unit proposed or developed pursuant to the Act, including units created with municipal affordable housing trust funds.

“Age-restricted housing” means a housing unit that is designed to meet the needs of, and is exclusively for, an age-restricted segment of the population such that: 1. All the residents of the development where the unit is situated are 62 years or older; 2. At least 80 percent of the units are occupied by one person that is 55 years or older; or 3. The development has been designated by the Secretary of HUD as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

“Agency” means the New Jersey Housing and Mortgage Finance Agency established by P.L.1983, c. 530 (C.55:14K-1 et seq.).

“Assisted living residence” means a facility licensed by the New Jersey Department of Health to provide apartment-style housing and congregate dining and to ensure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor. Apartment units must offer, at a minimum, one unfurnished room, a private bathroom, a kitchenette, and a lockable door on the unit entrance.

“Barrier-free escrow” means the holding of funds collected to adapt affordable unit entrances to be accessible in accordance with N.J.S.A. 52:27D-311a et seq. Such funds shall be held in a municipal affordable housing trust fund pursuant to N.J.A.C. 5:99-2.6.

“Builder’s remedy” means court-imposed site-specific relief for a litigant who seeks to build affordable housing for which the court requires a municipality to utilize zoning techniques, such as mandatory set-asides or density bonuses, including techniques which provide for the economic viability of a residential development by including housing that is not for low- and moderate-income households.

“Certified household” means a household that has been certified by an administrative agent as a very-low-income household, a low-income household, or a moderate-income household.

“CHOICE” means the no-longer-active Choices in Homeownership Incentives for Everyone Program, as it was authorized by the Agency.

“COAH” or the “Council” means the Council on Affordable Housing established in, but not of, DCA pursuant to the Act and that was abolished effective March 20, 2024, pursuant to section 3 at P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.1).

“Commissioner” means the Commissioner of the Department of Community Affairs.

“Compliance certification” means the certification obtained by a municipality pursuant to section 3 of P.L.2024, c. 2 (C.52:27D-304.1), that protects the municipality from exclusionary zoning litigation during the current round of present and prospective need and through July 1 of the year the next round begins, which is also known as a “judgment of compliance” or “judgment of repose.” The term “compliance certification” shall include a judgment of repose granted in an action filed pursuant to section 13 of P.L.1985, c. 222 (C.52:27D-313).

“Construction” means new construction and additions, but does not include alterations, reconstruction, renovations, conversion, relocation, or repairs, as those terms are defined in the State Uniform Construction Code promulgated pursuant to the State Uniform Construction Code Act, P.L. 1975, c. 217(N.J.S.A. 52:27D-119 et seq.).

“County-level housing judge” means a judge appointed pursuant to section 5 at P.L. 2024, c. 2, to resolve disputes over the compliance of municipal fair share affordable housing obligations and municipal Fair Share plans and housing elements with the Act.

“DCA” and “Department” mean the State of New Jersey Department of Community Affairs.

“Deficient housing unit” means a housing unit with health and safety code violations that require the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

“Department” means the New Jersey Department of Community Affairs.

“Developer” means 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” means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any building or other structure, or of any mining, excavation, or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq.

“Development fee” means money paid by a developer for the improvement of residential and non-residential property as permitted pursuant to N.J.S.A. 52:27D-329.2 and 40:55D-8.1 through 40:55D-8.7 and N.J.A.C. 5:99-3.

“Dispute Resolution Program” means the Affordable Housing Dispute Resolution Program, established pursuant to section 5 at P.L. 2024, c. 2 (N.J.S.A. 52:27D-313.2).

“Division” means the Division of Local Planning Services within the Department of Community Affairs.

“Emergent opportunity” means a circumstance that has arisen whereby affordable housing will be able to be produced through a delivery mechanism not originally contemplated by or included in a fair share plan that has been the subject of a compliance certification.

“Equalized assessed value” or “EAV” means 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 at P.L. 1973,

c. 123 (N.J.S.A. 54:1-35a, 54:1-35b, and 54:1-35c). Estimates at the time of building permit may be obtained by the tax assessor using construction cost estimates. Final EAV shall be determined at project completion by the municipal assessor.

“Equity share amount” means the product of the price differential and the equity share, with the equity share being the whole number of years that have elapsed since the last non-exempt sale of a restricted ownership unit, divided by 100, except that the equity share may not be less than five percent and may not exceed 30 percent.

“Exit sale” means the first authorized non-exempt sale of a restricted unit following the end of the control period, which sale terminates the affordability controls on the unit.

“Exclusionary zoning litigation” means litigation challenging the fair share plan, housing element, ordinances, or resolutions that implement the fair share plan or housing element of a municipality based on alleged noncompliance with the Act or the Mount Laurel doctrine, which litigation shall include, but shall not be limited to, litigation seeking a builder’s remedy.

“Extension of expiring controls” means extending the deed restriction period on units where the controls will expire in the current round of a housing obligation, so that the total years of a deed restriction is at least 60 years.

“Fair share obligation” means the total of the present need and prospective need, including prior rounds, as determined by the Affordable Housing Dispute Resolution Program, or a court of competent jurisdiction.

“Fair share plan” means the plan or proposal, with accompanying ordinances and resolutions, by which a municipality proposes to satisfy its constitutional obligation to create a realistic opportunity to meet its fair share of low- and moderate-income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low- and moderate-income housing, as provided in the municipal housing element, and which addresses the development regulations necessary to implement the housing element, including, but not limited to, inclusionary requirements and development fees, and the elimination of unnecessary housing cost-generating features from the municipal land use ordinances and regulations.

“FHA” means the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

“Green Building Strategies” means the strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

“HMFA” or “the Agency” means the New Jersey Housing and Mortgage Finance Agency established pursuant to P.L. 1983, c. 530 (N.J.S.A. 55:14K-1 et seq.).

“Household income” means a household’s gross annual income calculated in a manner consistent with the determination of annual income pursuant to section 8 of the United States Housing Act of 1937 (Section 8), not in accordance with the determination of gross income for Federal income tax liability.

“Housing element” means the portion of a municipality’s master plan adopted in accordance with the Municipal Land Use Law (MLUL) at N.J.S.A. 40:55D-28.b(3) and the Act consisting of reports, statements proposals, maps, diagrams, and text designed to meet the municipality’s fair share of its region’s present and prospective housing needs, particularly with regard to low- and moderate-income housing, which shall include the municipal present and prospective obligation for affordable housing, determined pursuant to subsection f. at N.J.S.A. 52:27D-304.1.

“Housing region” means a geographic area established pursuant to N.J.S.A. 52:27D-304.2b.

“Inclusionary development” means a residential housing development in which a substantial percentage of the housing units are provided for a reasonable income range of low- and moderate- income households.

“Judgment of compliance” or “judgment for repose” means a determination issued by the Superior Court approving a municipality’s fair share plan to satisfy its affordable housing obligation for a particular 10-year round.

“Low-income household” means a household with a household income equal to 50 percent or less of the regional median income.

“Low-income unit” means a restricted unit that is affordable to a low-income household.

“Major system” means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement or load bearing structural systems.

“Mixed use development” means any development that includes both a non-residential development component and a residential development component, and shall include developments for which: (1)there is a common developer for both the residential development component and the non-residential development component, provided that for purposes of this definition, multiple persons and entities maybe considered a common developer if there is a contractual relationship among them obligating each entity to develop at least a portion of the residential or non-residential development, or both, or otherwise to contribute resources to the development; and (2) the residential and non-residential developments are located on the same lot or adjoining lots, including, but not limited to, lots separated by a street, a river, or another geographical feature.

“Moderate-income household” means a household with a household income in excess of 50 percent but less than 80 percent of the regional median income.

“Moderate-income unit” means a restricted unit that is affordable to a moderate-income household.

“MONI” means the no-longer-active Market Oriented Neighborhood Investment Program, as it was authorized by the Agency.

“Municipal housing liaison” or “MHL” means an appointed municipal employee who is, pursuant to N.J.A.C. 5:99-6, responsible for oversight and/or administration of the affordable units created within the municipality.

“Municipal affordable housing trust fund” means a separate, interest-bearing account held by a municipality for the deposit of development fees, payments in lieu of constructing affordable units on sites zoned for affordable housing previously approved prior to March 20, 2024 (per P.L. 2024, c.2), barrier-free escrow funds, recapture funds, proceeds from the sale of affordable units, rental income, repayments from affordable housing program loans, enforcement fines, unexpended RCA funds remaining from a completed RCA project, application fees, and any other funds collected by the municipality in connection with its affordable housing programs, which shall be used to address municipal low- and moderate-income housing obligations within the time frames established by the Legislature and this chapter.

“Municipal development fee ordinance” means an ordinance adopted by the governing body of a municipality that authorizes the collection of development fees.

“New construction” means the creation of a new housing unit under regulation by a code enforcement official regardless of the means by which the unit is created. Newly constructed units are evidenced by the issuance of a certificate of occupancy and may include new residences created through additions and alterations, adaptive reuse, subdivision, or conversion of existing space, and moving a structure from one location to another.

“New Jersey Affordable Housing Trust Fund” means an account established pursuant to N.J.S.A. 52:27D-320.

“New Jersey Housing Resource Center” or “Housing Resource Center” means the online affordable housing listing portal, or its successor, overseen by the Agency pursuant to N.J.S.A. 52:27D-321.3 et seq.

“95/5 restriction” means a deed restriction governing a restricted ownership unit that is part of a housing element that received substantive certification from COAH pursuant to N.J.A.C. 5:93, as it was in effect at the time of the receipt of substantive certification, before October 1, 2001, or any other deed restriction governing a restricted ownership unit with a seller repayment option requiring 95 percent of the price differential to be paid to the municipality or an instrument of the municipality at the closing of a sale at market price.

“Non-exempt sale” means any sale or transfer of ownership of a restricted unit to one’s self or to another individual other than the transfer of ownership between spouses or civil union partners; the transfer of ownership between former spouses or civil union partners ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of

inheritance; the transfer of ownership through an executor's deed to a class A beneficiary; and the transfer of ownership by court order.

"Nonprofit" means an organization granted nonprofit status in accordance with section 501(c)(3) of the Internal Revenue Code.

"Non-residential development" means:

Any building or structure, or portion thereof, including, but not limited to, any appurtenant improvements, which is designated to a use group other than a residential use group according to the State Uniform Construction Code, N.J.A.C. 5:23, promulgated to effectuate the State uniform Construction Code Act, N.J.S.A. 52:27D-119 et seq., including any subsequent amendments or revisions thereto;

Hotels, motels, vacation timeshares, and child-care facilities; and

The entirety of all continuing care facilities within a continuing care retirement community which is subject to the Continuing Care Retirement Community Regulation and Financial Disclosure Act, N.J.S.A.52:27D-330 et seq.

"Non-residential development fee" means the fee authorized to be imposed pursuant to N.J.S.A. 40:55D-8.1 through 40:55D-8.7.

"Order for repose" means the protection a municipality has from a builder's remedy lawsuit for a period of time from the entry of a judgment of compliance by the Superior Court. A judgment of compliance often results in an order for repose.

"Payment in lieu of constructing affordable units" means the prior approval of the payment of funds to the municipality by a developer when affordable units were not produced on a site zoned for an inclusionary development. The statutory permission for payments in lieu of constructing affordable units was eliminated per P.L. 2024, c.2.

"Prospective need" means a projection of housing needs based on development and growth which is reasonably likely to occur in a region or a municipality, as the case may be, as a result of actual determination of public and private entities. Prospective need shall be determined by the methodology set forth pursuant to sections 6 and 7 of P.L.2024, c. 2 (C.52:27D-304.2 and C.52:27D-304.3) for the fourth round and all future rounds of housing obligations.

"Qualified Urban Aid Municipality" means a municipality that meets the criteria established pursuant to N.J.S.A. 52:27D-304.3.c(1).

"Person with a disability" means a person with a physical disability, infirmity, malformation, or disfigurement which is caused by bodily injury, birth defect, aging, or illness including epilepsy and other seizure disorders, and which shall include, but not be limited to, any degree of paralysis, amputation, lack of physical coordination, blindness or visual impairment, deafness or hearing impairment, the inability to speak or a speech impairment, or physical reliance on a service animal, wheelchair, or other remedial appliance or device.

“Price differential” means the difference between the controlled sale price of a restricted unit and the contract price at the exit sale of the unit, determined as of the date of a proposed contract of sale for the unit. If there is no proposed contract of sale, the price differential is the difference between the controlled sale price of a restricted unit and the appraised value of the unit as if it were not subject to UHAC, determined as of the date of the appraisal. If the controlled sale price exceeds the contract price or, in the absence of a contract price, the appraised value, the price differential is zero dollars.

“Prior round unit” means a housing unit that addresses a municipality’s fair share obligation from a round prior to the fourth round of affordable housing obligations, including any unit that: (1) received substantive certification from COAH; (2) is part of a third-round settlement agreement or judgment of compliance approved by a court of competent jurisdiction, inclusive of units created pursuant to a zoning designation adopted as part of the settlement agreement or judgment of compliance to create a realistic opportunity for development; (3) is subject to a grant agreement or other contract with either the State or a political subdivision thereof entered into prior to July 1, 2025, pursuant to either item (1) or (2) above; or (4) otherwise addresses a municipality’s fair share obligation from a round prior to the fourth round of affordable housing obligations. A unit created after the enactment of P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.1) on March 20, 2024, is not a prior round unit unless: (1) it is created pursuant to a prior round development plan or zoning designation that received COAH or court approval on or before the cutoff date of June 30, 2025, or the date that the municipality adopts the implementing ordinances and resolutions for the fourth round of affordable housing obligations, whichever occurs sooner; and (2) its siting and creation are consistent with the form of the prior round development plan or zoning designation in effect as of the cutoff date, without any amendment or variance.

“Program” means the Affordable Housing Dispute Resolution Program, established pursuant to section 5 of P.L.2024, c. 2 (C.52:27D-313.2).

“Random selection process” means a lottery process by which currently income-eligible applicant-households are selected, at random, for placement in affordable housing units such that no preference is given to one applicant over another, except in the case of a veterans’ preference where such an agreement exists; for purposes of matching household income and size with an appropriately priced and sized affordable unit; or another purpose allowed pursuant to N.J.A.C. 5:80-26.7(k)3. This definition excludes any practices that would allow affordable housing units to be leased or sold on a first-come, first-served basis.

“RCA administrator” means an appointed municipal employee who is responsible for oversight and/or administration of affordable units and associated revenues and expenditures within the municipality that were funded through regional contribution agreements.

“RCA project plan” means a past application, submitted by a receiving municipality in an RCA, delineating the manner in which the receiving municipality intended to create or rehabilitate low- and moderate-income housing.

“Receiving municipality” means, for the purposes of an RCA, a municipality that contractually agreed to assume a portion of another municipality’s fair share obligation.

“Reconstruction” means any project where the extent and nature of the work is such that the work area cannot be occupied while the work is in progress and where a new certificate of occupancy is required before the work area can be reoccupied, pursuant to the Rehabilitation Subcode of the uniform Construction Code, N.J.A.C. 5:23-6. Reconstruction shall not include projects comprised only of floor finish replacement, painting or wallpapering, or the replacement of equipment or furnishings. Asbestos hazard abatement and lead hazard abatement projects shall not be classified as reconstruction solely because occupancy of the work area is not permitted.

“Recreational facilities and community centers” means any indoor or outdoor buildings, spaces, structures, or improvements intended for active or passive recreation, including, but not limited to, ballfields, meeting halls, and classrooms, accommodating either organized or informal activity.

“Regional contribution agreement” or “RCA” means a contractual agreement, pursuant to the Act, into which two municipalities voluntarily entered into and was approved by COAH and/or Superior Court prior to July 18, 2008, to transfer a portion of a municipality’s affordable housing obligation to another municipality within its housing region.

“Regional median income” means the median income by household size for an applicable housing region, as calculated annually in accordance with N.J.A.C. 5:80-26.3.

“Rehabilitation” means the repair, renovation, alteration, or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

“Rent” means the gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. With respect to units in assisted living residences, rent does not include charges for food and services.

“Residential development fee” means money paid by a developer for the improvement of residential property as permitted pursuant to N.J.S.A. 52:27D-329.2 and N.J.A.C. 5:99-3.2.

“Restricted unit” means a dwelling unit, whether a rental unit or ownership unit, that is subject to the affordability controls of this subchapter but does not include a market-rate unit that was financed pursuant to UHORP, MONI, or CHOICE.

“Spending plan” means a method of allocating funds contained in an affordable housing trust fund account, which includes, but is not limited to, development fees collected and to be collected pursuant to an approved municipal development fee ordinance, or pursuant to N.J.S.A. 52:27D-329.1 et seq., for the purpose of meeting the housing needs of low- and moderate-income individuals.

“State Development and Redevelopment Plan” or “State Plan” means the plan prepared pursuant to sections 1 through 12 of the “State Planning Act,” P.L.1985, c. 398

(C.52:18A-196 et al.), designed to represent a balance of development and conservation objectives best suited to meet the needs of the State, and for the purpose of coordinating planning activities and establishing Statewide planning objectives in the areas of land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination pursuant to subsection f. of section 5 of P.L.1985, c. 398 (C.52:18A-200).

“Supportive housing household” means a very low-, low- or moderate-income household certified as income eligible by an administrative agent in accordance with N.J.A.C. 5:80-26.14, in which at least one member is an individual who requires supportive services to maintain housing stability and independent living and who is part of a population identified by federal or state statute, regulation, or program guidance as eligible for supportive or special needs housing. Such populations include, but are not limited to: persons with intellectual or developmental disabilities, persons with serious mental illness, person with head injuries (as defined in Section 2 of P.L. 1977), persons with physical disabilities or chronic health conditions, persons who are homeless as defined by the U.S. Department of Housing and Urban Development at 24 C.F.R. Part 578, survivors of domestic violence, youth aging out of foster care, and other special needs populations recognized under programs administered by the U.S. Department of Housing and Urban Development, the Low-Income Housing Tax Credit Program, the McKinney–Vento Act, or the New Jersey Department of Human Services. A supportive housing household may include family members, unrelated individuals, or live-in aides, provided that the household meets the income eligibility requirements of this subchapter, except that in the case of unrelated individuals not operating as a family unit, income eligibility shall be tested on an individual basis rather than in the aggregate; the unit is leased or sold subject to the affordability controls established herein; and the supportive services available to the household are designed to promote housing stability, independent living, and community integration. The determination of whether unrelated individuals are operating as a family unit shall be made based on the applicant’s self-identification of household members on the affordable housing application.

“Supportive housing sponsoring program” means grant or loan program which provided financial assistance to the development of the unit.

“Supportive housing unit” means a restricted rental unit, as defined by N.J.S.A. 34:1B-21.24, that is affordable to very low-, low- or moderate-income households and is reserved for occupancy by a supportive housing household. Supportive housing units are also referred to as permanent supportive housing units.

“Transitional housing” means temporary housing that: (1) includes, but is not limited to, single-room occupancy housing or shared living and supportive living arrangements; (2) provides access to on-site or off-site supportive services for very low-income households who have recently been homeless or lack stable housing; (3) is licensed by the department; and (4) allows households to remain for a minimum of six months.

“Treasurer” means the Treasurer of the State of New Jersey.

“UHAC” means the Uniform Housing Affordability Controls set forth at N.J.A.C. 5:80-26.

“UHORP” means the Agency’s Urban Homeownership Recovery Program, as it was authorized by the Agency Board.

“Unit type” means type of dwelling unit with various building standards including but not limited to single-family detached, single-family attached/townhouse, stacked townhouse (attached building containing 2 units each with separate entrances), duplex (detached building containing 2 units each with separate entrances), triplex (3 units each with separate entrance), quadplex (4 units each with separate entrance), multifamily / flat (2 or more units with a shared entrance). Inclusion of a garage, or not, shall not define the unit type.

“Very-low-income household” means a household with a household income less than or equal to 30 percent of the regional median income.

“Very-low-income housing” means housing affordable according to the Federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs and occupied or reserved for occupancy by households with a gross household income equal to 30 percent or less of the median gross household income for households of the same size within the housing region in which the housing is located.

“Very-low-income unit” means a restricted unit that is affordable to a very-low-income household.

“Veteran” means a veteran as defined at N.J.S.A. 54:4-8.10.

“Veterans’ preference” means the agreement between a municipality and a developer or residential development owner that allows for low- to moderate-income veterans to be given preference for up to 50 percent of rental units in relevant projects, as provided for at N.J.S.A. 52:27D-311.j.

“Weatherization” means building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors and is considered a major system for rehabilitation.

C. Monitoring and Reporting Requirements

1. The municipality shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its court-approved Housing Element and Fair Share Plan:
 - a. The municipality shall provide electronic monitoring data with the Department pursuant to P.L 2024, Chapter 2 and N.J.A.C. 5:99 through the Affordable Housing Monitoring System (AHMS). All monitoring information required to be made public by the FHA shall be available to the public on the Department’s website at <https://www.nj.gov/dca/dlps/hss/MuniStatusReporting.shtml>.

- b. On or before February 15 of each year, the municipality shall provide annual reporting of its municipal Affordable Housing Trust Fund activity to the Department on the AHMS portal. The reporting shall include an accounting of all municipal Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended, for the previous year from January 1st to December 31st.
- c. On or before February 15 of each year, the annual reporting of the status of all affordable housing activity shall be provided to the Department on the AHMS portal, for the previous year from January 1st to December 31st.

D. Municipality-wide Mandatory Set-Aside

- 1. A development, other than single-family detached, providing a minimum of five new housing units created through any municipal rezoning or Zoning Board action, use or density variance, redevelopment plan, or rehabilitation plan that provides for densities at or above six units per acre, is required to include an affordable housing set-aside of 20%.
 - a. The 20% set-aside requirement shall not apply to any sites or specific zones otherwise identified in the Borough's Settlement Agreement with Fair Share Housing Center dated December 11, 2025, or in the Borough's Housing Element and Fair Share Plan, adopted by the Borough Planning Board and endorsed by the Borough Council, for which density and set-aside standards shall be governed by the specific standards set forth therein.
- 2. Any affordable units generated through such mandatory set-aside shall be subject to all other provisions of this ordinance.
- 3. All such affordable units shall be governed by this ordinance and the controls on affordability, including bedroom distribution, and affirmatively marketed to the housing region in conformance with UHAC at N.J.A.C. 5:80-26.1 et seq., any successor regulation, and all other applicable laws.
- 4. No subdivision shall be permitted or approved for the purpose of avoiding compliance with this requirement. Developers cannot, for example, subdivide a project into two lots and then make each of them a number of units just below the threshold.
- 5. The mandatory set-aside requirements of this section do not give any developer the right to any rezoning, variance or other relief, or establish any obligation on the part of the municipality to grant such rezoning, variance or other relief.
- 6. This municipality-wide mandatory set-aside requirement does not apply to any sites or specific zones otherwise identified in the HEFSP, for which density and set-aside requirements shall be governed by the specific standards as set forth therein.
- 7. In the event that the inclusionary set-aside of 20% of the total number of residential units does not result in a full integer, the developer shall choose one of two options for addressing the fractional unit:

- a. The developer may round the set-aside upward to construct a whole additional affordable unit; or
- b. If the set-aside includes a fractional unit equal to 0.49 or less, the developer may round the set-aside downward and construct the lesser whole number of affordable units and shall also contribute the fractional subsidy payment (“fractional subsidy payment”) to be made to the municipality and deposited in the municipal Affordable Housing Trust Fund. The fractional subsidy payment amount shall be calculated as the fractional unit multiplied by the base subsidy payment amount currently established by the municipality as the average subsidy reflected in financial pro formas for 100% affordable housing or subsidized developments in the municipality or region on file with the municipality. For example, if seven total units are developed at an inclusionary site, a 20% set-aside would require 1.4 affordable units. Per the requirements above:

The developer shall round up the 0.4 unit to one whole affordable unit so as to construct a total of two (2) affordable housing units; or The developer shall round the set-aside downward so as to construct only one affordable unit AND shall pay into the municipal affordable housing trust fund a fractional subsidy payment equal to the dollar amount established by the municipality multiplied by 0.4.

E. New Construction (per N.J.A.C. 5:93 as may be updated per various sections in N.J.A.C. 5:97 and N.J.S.A. 52:27D-301 et seq.). Per the definition of “New Construction,” this section governs the creation of new affordable housing units regardless of the means by which the units are created. Newly constructed units may include new residences constructed or created through other means.

- 1. The following requirements shall apply to all new or planned developments that contain very low-, low- and moderate-income housing units. To the extent possible, details related to the adherence to the requirements below shall be outlined in the resolution granting municipal subdivision or site plan approval of the project to assist municipal representatives, developers and Administrative Agents.
- 2. Completion Schedule (previously known as phasing). Final site plan or subdivision approval shall be contingent upon the affordable housing development meeting the following completion schedule for very low-, low- and moderate-income units whether developed in a single-phase development, or in a multi-phase development:

Maximum Percentage of Market-Rate Units Issued a Temporary or Final Certificate of Occupancy	Minimum Percentage of Affordable Units Issued a Temporary or Final Certificate of Occupancy
25+1	10
50	50
75	75

90	100
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3. Design. The following design requirements apply to affordable housing developments, excluding prior round units.
 - a. Design of 100 percent affordable developments:
 - i. Restricted units must meet the minimum square footage required for the number of inhabitants for which the unit is marketed and the minimum square footage required for each bedroom, as set forth in the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.
 - ii. Each bedroom in each restricted unit must have at least one window.
 - iii. Restricted units must include adequate air conditioning and heating.
 - b. Design of developments comprising market-rate rental units and restricted rental units. The following does not apply to prior round units, unless stated otherwise.
 - i. Restricted units must use the same building materials and architectural design elements (for example, plumbing, insulation, or siding) as market-rate units of the same unit type (for example, flat or townhome) within the same development, except that restricted units and market-rate units may use different interior finishes. This shall apply to prior round units.
 - ii. Restricted units and market-rate units within the same affordable development must be sited such that restricted units are not concentrated in less desirable locations.
 - iii. Restricted units may not be physically clustered so as to segregate restricted and market-rate units within the same development or within the same building, but must be interspersed throughout the development, except that age-restricted and supportive housing units may be physically clustered if the clustering facilitates the provision of on-site medical services or on-site social services. Prior round affordable units shall be integrated with market rate units to the extent feasible.
 - iv. Residents of restricted units must be offered the same access to communal amenities as residents of market-rate units within the same affordable development. Examples of communal amenities include, but are not limited to, community pools, fitness and recreation centers, playgrounds, common rooms and outdoor spaces, and building entrances and exits. This shall apply to prior round units.
 - v. Restricted units must include adequate air conditioning and heating and must use the same type of cooling and heating sources as market-rate units of the same unit type. This shall apply to prior round units.
 - vi. Each bedroom in each restricted unit must have at least one window.

- vii. Restricted units must be of the same unit type as market-rate units within the same building.
 - viii. Restricted units and bedrooms must be no less than 90 percent of the minimum size prescribed by the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.
- c. Design of developments containing for-sale units, including those with a mix of rental and for-sale units. Restricted rental units shall meet the requirements of section b above. Restricted sale units shall comply with the below:
- i. Restricted units must use the same building standards as market-rate units of the same unit type (for example, flat, townhome, or single-family home), except that restricted units and market-rate units may use different interior finishes. This shall apply to prior round units.
 - ii. Restricted units may be clustered, provided that the buildings or housing product types containing the restricted units are integrated throughout the development and are not concentrated in an undesirable location or in undesirable locations. Prior round affordable units shall be integrated with market rate units to the extent feasible.
 - iii. Restricted units may be of different unit housing product types than market-rate units, provided that there is a restricted option available for each market rate housing type. Developments containing market-rate duplexes, townhomes, and/or single-family homes shall offer restricted housing options that also include duplexes, townhomes, and/or single-family homes. Penthouses and higher priced end townhouses *shall* be exempt from this requirement. The proper ratio for restricted to market-rate unit type shall be subject to municipal ordinance or, if not specified, shall be determined at the time of site plan approval.
 - iv. Restricted units must meet the minimum square footage required for the number of inhabitants for which the unit is marketed and the minimum square footage required for each bedroom, as set forth in the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.
 - v. Penthouse and end units may be reserved for market-rate sale, provided that the overall number, value, and distribution of affordable units across the development is not negatively impacted by such reservation(s).
 - vi. Residents of restricted units must be offered the same access to communal amenities as residents of market-rate units within the same affordable development. Examples of communal amenities include, but are not limited to, community pools, fitness and recreation centers, playgrounds, common rooms and outdoor spaces, and building entrances and exits. This shall apply to prior round units.
 - vii. Each bedroom in each restricted unit must have at least one window; and

viii. Restricted units must include adequate air conditioning and heating.

4. Utilities.

- a. Affordable units shall utilize the same type of cooling and heating source as market-rate units within the affordable housing development.
- b. Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance in accordance with N.J.AC 5:80-26.13(e).

5. Low/moderate split and bedroom distribution.

- a. Affordable units shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low-income unit.
- b. In each affordable housing development, at least 50% of the restricted units within each bedroom distribution rounded up or down to the nearest whole number shall be very low- or low-income units. The Borough of Mountain Lakes has chosen to allow rounding.
- c. Within rental developments, of the total number of affordable rental units, at least 13%, rounded up to the nearest whole number, shall be affordable to very low-income households. The very low-income units shall be distributed between each bedroom count as proportionally as possible, to the nearest whole unit, to the total number of restricted units within each bedroom count, and counted as part of the required number of low-income units within the development.
- d. Affordable housing developments that are not age-restricted or supportive housing shall be structured such that:
 - i. At a minimum, the number of bedrooms within the restricted units equals twice the number of restricted units;
 - ii. Two-bedroom and/or three-bedroom units compose at least 50 percent of all restricted units;
 - iii. The combined number of efficiency and one-bedroom units shall be no greater than 20%, rounded up or down to the nearest whole number, of the total number of low- and moderate-income units. The Borough of Mountain Lakes has chosen to allow rounding.
 - iv. At least 30% of all low- and moderate-income units, rounded up or down to the nearest whole number, shall be two-bedroom units. The Borough of Mountain Lakes has chosen to allow rounding.
 - v. At least 20% of all low- and moderate-income units, rounded up or down to the nearest whole number, shall be three-bedroom units. The Borough of Mountain Lakes has chosen to allow rounding.

- vi. The remaining units may be allocated among two- and three- bedroom units at the discretion of the developer.
 - e. Affordable housing developments that are age-restricted or supportive housing, except those supportive housing units whose sponsoring program determines the unit arrangements, shall be structured such that, at a minimum, the number of bedrooms shall equal the number of age-restricted or supportive housing low- and moderate-income units within the inclusionary development. Supportive housing units whose sponsoring program determines the unit arrangement shall comply with all requirements of the sponsoring program. The standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit. In affordable housing developments with 20 or more restricted units that are age-restricted or supportive housing, two-bedroom units must comprise at least 5% of those restricted units.
6. Accessibility requirements.
- a. Any new construction shall be adaptable; however, elevators shall not be required in any building or within any dwelling unit for the purpose of compliance with this section. In buildings without elevator service, only ground floor dwelling units shall be required to be constructed to conform with the technical design standards of the barrier free subcode. "Ground floor" means the first floor with a dwelling unit or portion of a dwelling unit, regardless of whether that floor is at grade. A building may have more than one ground floor.
 - b. Notwithstanding the exemption for townhouse dwelling units in the barrier free subcode, the first floor of all townhouse dwelling units and of all other multifloor dwelling units that are attached to at least one other dwelling unit shall be subject to the technical design standards of the barrier free subcode and shall include the following features:
 - i. An adaptable toilet and bathing facility on the first floor;
 - ii. An adaptable kitchen on the first floor;
 - iii. An interior accessible route of travel however an interior accessible route of travel shall not be required between stories;
 - iv. An adaptable room that can be used as a bedroom, with a door, or the casing for the installation of a door that is compliant with the Barrier Free Subcode, on the first floor;
 - v. If not all of the foregoing requirements in b.i. through b.iv. can be satisfied, then an interior accessible route of travel shall be provided between stories within an individual unit; and
 - vi. An accessible entranceway as set forth in P.L. 2005, c. 350 (N.J.S.A. 52:27D-311a et seq.) and the Barrier Free Subcode, N.J.A.C. 5:23-7, or evidence that the municipality has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:

- (a) Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.
 - (b) To this end, the builder of restricted units shall deposit funds within the Affordable Housing Trust Fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.
 - (c) The funds deposited shall be expended for the sole purpose of making the adaptable entrance of an affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.
 - (d) The developer of the restricted units shall submit to the Construction Official a design plan and cost estimate for the conversion from adaptable to accessible entrances.
 - (e) Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meets the requirements of the Barrier Free Subcode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made to the Affordable Housing Trust Fund and earmarked appropriately.
- vii. Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is “site-impracticable” to meet the requirements. If full compliance with this section would be site impracticable, compliance with this section for any portion of the dwelling shall be required to the extent that it is not site impracticable. Determinations of site impracticability shall comply with the Barrier Free Subcode at N.J.A.C. 5:23-7.

F. Affordable Housing Programs

1. Pursuant to amended UHAC regulations at N.J.A.C. 5:80-26.1 et seq. and, in addition, pursuant to P.L. 2024, c.2 and specifically to the amended FHA at N.J.S.A. 52:27D-311.m, “All parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing unless those regulations are contradicted by statute, including but not limited to P.L. 2024, c.2, or binding court decisions.” The following are many of the main provisions of the COAH regulations at either N.J.A.C. 5:93 or 5:97 that have been upheld by the NJ Supreme Court. Municipalities should consult the cited full COAH regulations when preparing the HEFSP for required documentation, etc. Additional compliance details may also be included in the specific municipal program manual. Programs that the Borough may utilize to address its fair share obligation include inclusionary zoning, assisted living facilities, and overlay zoning.

2. Accessory Apartment program (per N.J.A.C. 5:93-5.9 as may be updated per various sections in N.J.A.C. 5:97-6.8). Accessory apartments created under this program shall abide by the regulations in this Chapter 245, Article XVIII, Affordable Accessory Apartments.
 - a. An accessory apartment program shall provide low- and moderate-income units or may be limited to only low- or only moderate-income units .
 - b. Per N.J.A.C. 5:97-6.8(c)1, at the time of initial occupancy of the unit and for at least ten years thereafter, the accessory apartment shall be rented only to income eligible households consistent with the income category and rent structure of the unit.
 - c. Rents of accessory apartments shall be established using the same methodology of affordable rental units discussed herein. Rents of accessory apartments shall be established for moderate-income units to be affordable to households earning no more 60 percent of median income.
 - d. There shall be a recorded deed or declaration of covenants and restrictions applied to the property upon which the accessory apartment is located running with the land and limiting its subsequent rental for the duration of the control period.
 - e. The municipal accessory apartment program shall not restrict the number of bedrooms in any accessory apartment.
 - f. Per N.J.A.C. 5:97-6.8(b)2, the municipality shall provide a minimum of \$25,000 per unit to subsidize the creation of each low-income accessory apartment or \$20,000 per unit to subsidize the creation of each moderate-income accessory apartment. Subsidy may be used to fund actual construction costs and/or to provide compensation for reduced rental rates.
3. Market to Affordable program (per N.J.A.C. 5:97-6.9).
 - a. The market to affordable program permits the purchase or subsidization of unrestricted units through a mortgage write-down provided to an income-certified buyer or through a sale or rental as a low- or moderate-income unit to an income-eligible household. The market to affordable program may produce both low- and moderate-income units.
 - b. At the time they are offered for sale or rental, eligible units may be new, pre-owned or vacant.
 - c. The units shall be certified to be in sound condition as a result of an inspection performed by a licensed building inspector.
 - d. A minimum subsidy of \$25,000 per moderate-income unit and/or \$30,000 per low-income unit shall be provided, with additional subsidy depending on the market prices or rents in a municipality.
 - e. The units shall comply with UHAC with the following exceptions:

- i. Bedroom distribution (N.J.A.C. 5:80-26.4).
 - ii. Low/moderate income split (N.J.A.C. 5:80-26.4).
- f. Affordability average (N.J.A.C. 5:80-26.4); however:
 - i. The maximum rent for a moderate-income unit shall be affordable to households earning no more than 60 percent of median income and the maximum rent for a low-income unit shall be affordable to households earning no more than 44 percent of median income; and
 - ii. The maximum sales price for a moderate-income unit shall be affordable to households earning no more than 70 percent of median income and the maximum sales price for a low-income unit shall be affordable to households earning no more than 40 percent of median income.
- 4. Extension of Controls Program (for ownership units per N.J.A.C. 5:97-6.14 and UHAC at N.J.A.C. 5:80-26.6(h) through (k) and (m); and for rental units per N.J.A.C. 5:97-6.14 and N.J.A.C. 5:80-26.12(h) through (k)).
 - a. An extension of affordability controls program is established to maintain and extend the affordability of deed restricted units scheduled to come out of their affordability control period, subject to N.J.A.C. 5:97-6.14 and UHAC, including the following:
 - i. The affordable unit meets the criteria for prior cycle (April 1, 1980 - December 15, 1986) or post December 15, 1986 credits set forth in N.J.A.C. 5:97.
 - ii. The affordability controls for the unit are scheduled to expire in the current round; or in the next round of housing obligations if the municipal election to extend controls is made no earlier than one year before the end of the current round;
 - iii. The municipality shall obtain a continuing certificate of occupancy or a certified statement from the municipal building inspector stating that the restricted unit meets all code standards.
 - iv. If a unit requires repair and/or rehabilitation work in order to receive a continuing certificate of occupancy or certified statement from the municipal building inspector, the municipality shall fund and complete the work.
 - v. The municipality shall adhere to the process for extending controls pursuant to UHAC for extending ownership units and rental units, either inclusionary or 100% affordable developments.
 - vi. The deed restriction for the extended control period shall be filed with the County Clerk.
- 5. Assisted Living Residence (per N.J.A.C. 5:97-6.11).
 - a. An assisted living residence is a facility licensed by the New Jersey Department of Health to provide apartment-style housing and congregate dining and to assure

that assisted living services are available. All or a designated number of apartments in the facility shall be restricted to low- and moderate-income households.

- b. The unit of credit shall be the apartment. However, a two-bedroom apartment shall be eligible for two units of credit if it is restricted to two unrelated individuals.
 - c. A recipient of a Medicaid waiver shall automatically qualify as a low- or moderate-income household.
 - d. Assisted living units are considered age-restricted housing in a HEFSP and shall be included with the maximum number of units that may be age-restricted.
 - e. Low- and moderate-income residents cannot be charged any upfront fees.
 - f. The units shall comply with UHAC with the following exceptions:
 - i. Affirmative marketing (N.J.A.C. 5:80-26.16); provided that the units are restricted to recipients of Medicaid waivers;
 - ii. The deed restriction may be on the facility, rather than individual apartments or rooms;
 - iii. Low/moderate income split and affordability average (N.J.A.C. 5:80-26.4); only if all of the affordable units are affordable to households at a maximum of 60 percent of median income; and
 - g. Tenant income eligibility (N.J.A.C. 5:80-26.14); up to 80 percent of an applicant's gross income may be used for rent, food and services based on occupancy type and the affordable unit must receive the same basic services as required by the Agency's underwriting guidelines and financing policies. The cost of non-housing related services shall not exceed one and two-thirds times the rent established for each unit.
6. Supportive Housing and Group Homes (per N.J.A.C. 5:97-6.10).
- a. The following provisions shall apply to group homes, residential health care facilities, and supportive shared living housing:
 - i. Units are subject to Affirmative Marketing requirements, household certification, and administrative agent oversight; and may, with the approval of the municipal housing liaison and the administrative agent, be leased either by the bedroom or to a single household in the case of multi-bedroom configurations, provided such arrangement is consistent with the Federal Fair Housing Act (Title VIII of the Civil Rights Act of 1968).
 - ii. Units may, with the approval of the administrative agent, be subject to a master lease by an approved supportive housing operator, provided that all subleases are to be certified supportive housing households and remain fully subject to the affordability controls of this subchapter. Rents for supportive

housing units shall not exceed the rent standards established and published by the New Jersey Department of Human Services.

- iii. The unit of credit shall be the bedroom. However, the unit of credit shall be the unit if occupied by a single person or household.
- iv. Housing that is age-restricted shall be included with the maximum number of units that may be age-restricted pursuant to the Act.
- v. Occupancy shall not be restricted to youth under 18 years of age.
- vi. In affordable developments with 20 or more restricted units that are supportive housing, two-bedroom units must compose at least five percent of those restricted units.
- vii. The bedrooms and/or units shall comply with UHAC with the following exceptions:
 - (a) Affirmative marketing; however, group homes, residential health care facilities, permanent supportive housing, and supportive shared living housing shall be affirmatively marketed to broadest possible population of qualified individuals with special needs in accordance with a plan approved by the sponsoring program;
 - (b) Affordability average and bedroom distribution (N.J.A.C. 5:80-26.4).
- viii. With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, group homes, residential health care facilities, supportive shared living housing and permanent supportive housing shall have the appropriate controls on affordability in accordance with the Act. In the event that a supportive housing provider is unable to record or execute a long-term deed restriction, the units shall be subject to annual recertification by the Municipal Housing Liaison to confirm continued occupancy and compliance with this Section.
- ix. Objective standards shall be applied in the selection of tenants for supportive housing units and shall be designed to ensure that individuals are not excluded in an arbitrary or capricious manner.
- x. The following documentation shall be submitted by the sponsor to the municipality prior to marketing the completed units or facility:
 - (a) An Affirmative Marketing Plan in accordance with D1 above; and
 - (b) If applicable, proof that the supportive and/or special needs housing is regulated by the New Jersey Department of Health and Senior Services, the New Jersey Department of Human Services or another State agency in accordance with the requirements of this section, which includes validation of the number of bedrooms or units in which low- or moderate-income occupants reside.

xi. The sponsor/owner shall complete annual monitoring as directed by the MHL.

G. Regional Income Limits.

1. Administrative agents shall use the current regional income limits for the purpose of pricing affordable units and determining income eligibility of households.
2. Regional income limits are based on regional median income, which is established by a regional weighted average of the “median family incomes” published by HUD. The procedure for computing the regional median income is detailed in N.J.A.C. 5:80-26.3.
3. Updated regional income limits are effective as of the effective date of the regional Section 8 income limits for the year, as published by HUD, or 45 days after HUD publishes the regional Section 8 income limits for the year, whichever comes later. The new income limits may not be less than those of the previous year.

H. Maximum Initial Rents And Sales Prices.

1. In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC N.J.A.C. 5:80-26.4.
2. The average rent for all restricted units within each affordable housing development shall be affordable to households earning no more than 52 percent of regional median income.
3. The maximum rent for restricted rental units within each affordable housing development shall be affordable to households earning no more than 60% of regional median income. The maximum rent may be increased to no more than 70 percent of regional median income for moderate-income units within affordable developments where very-low-income units compose at least 13 percent of the restricted units; however, the number of units with rent affordable to households earning 70 percent of regional median income may not exceed the number of very-low-income units in excess of 13 percent (rounded up) of the restricted units.
4. The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units, provided that at least 13% of all low- and moderate-income rental units shall be affordable to households earning no more than 30% of median income. These very low-income units shall be part of the low-income requirement and very-low-income units should be distributed between each bedroom count as proportionally as possible, to the nearest whole unit, to the total number of restricted units within each bedroom count.
5. The maximum sales price of restricted ownership units within each affordable housing development shall be affordable to households earning no more than 70% of median income, and each affordable housing development must achieve an affordability average that does not exceed 55% for all restricted ownership units. In achieving this affordability average, moderate-income ownership units must be available for at least three different prices for each bedroom type, and low-income

ownership units must be available for at least two different prices for each bedroom type when the number of low- and moderate-income units permits.

6. The master deeds and declarations of covenants and restrictions for affordable developments may not distinguish between restricted units and market-rate units in the calculation of any condominium or homeowner association fees and special assessments to be paid by low- and moderate-income purchasers and those to be paid by market-rate purchasers. Notwithstanding the foregoing sentence, condominium units subject to a municipal ordinance adopted before December 20, 2004, which ordinance provides for condominium or homeowner association fees and/or assessments different from those provided for in this subsection are governed by the ordinance.
7. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted family units, the following standards shall be met:
 - a. A studio or efficiency unit shall be affordable to a one-person household;
 - b. A one-bedroom unit shall be affordable to a one and one-half person household;
 - c. A two-bedroom unit shall be affordable to a three-person household;
 - d. A three-bedroom unit shall be affordable to a four and one-half person household; and
 - e. A four-bedroom unit shall be affordable to a six-person household.
8. In determining the initial rents and sales prices for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted and special needs and supportive housing developments, the following standards shall be met:
 - a. A studio or efficiency unit shall be affordable to a one-person household;
 - b. A one-bedroom unit shall be affordable to a one and one-half person household; and
 - c. A two-bedroom unit shall be affordable to a two-person household or to two one-person households. Where pricing is based on two one-person households, the developer shall provide a list of units so priced to the Municipal Housing Liaison and the Administrative Agent.
9. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95 percent of the purchase price and the FreddieMac 30-Year Fixed Rate-Mortgage rate of interest), property taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 30 percent of the eligible monthly income of the appropriate size household as determined pursuant to N.J.A.C. 5:80-26.7, as may be amended and

supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented.

10. The initial rent for a restricted rental unit shall be calculated so that the total monthly housing expense, including an allowance for tenant-paid utilities, does not exceed 30 percent of the gross monthly income of a household of the appropriate size whose income is targeted to the applicable percentage of median income for the unit, as determined pursuant to N.J.A.C. 5:80-26.3, as may be amended and supplemented. The rent shall also comply with the affordability average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented. The initial rent for a restricted rental unit shall be calculated so the eligible monthly housing expenses/income, including an allowance for tenant-paid utilities does not exceed 30 percent of gross income of and the appropriate household size as determined pursuant to N.J.A.C. 5:80-26.3, as may be amended and supplemented.
11. At the anniversary date of the tenancy of the certified household occupying a restricted rental unit, following proper notice provided to the occupant household pursuant to N.J.S.A. 2A:18-61.1.f, the rent may be increased to an amount commensurate with the annual percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U), specifically U.S. Bureau of Labor Statistics Series CUUR0100SAH, titled "Housing in Northeast urban, all urban consumers, not seasonally adjusted." Rent increases for units constructed pursuant to Low-Income Housing Tax Credit regulations shall be indexed pursuant to the regulations governing Low-Income Housing Tax Credits.

I. Affirmative Marketing.

1. The municipality shall adopt, by resolution, an Affirmative Marketing Plan, subject to approval of the Superior Court, compliant with N.J.A.C. 5:80-26.16, as may be amended and supplemented.
2. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age, or number of children, to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward Housing Region 2 and is required to be followed throughout the period of deed restriction.
3. The Affirmative Marketing Plan provides the following preferences, provided that units that remain unoccupied after these preferences are exhausted may be offered to households without regard to these preferences.
 - a. Where the municipality has entered into an agreement with a developer or residential development owner to provide a preference for very-low-, low-, and moderate-income veterans who served in time of war or other emergency,

- pursuant to N.J.S.A. 52:27D-311.j, there shall be a preference for veterans for up to 50 percent of the restricted rental units in a particular project.
- b. There shall be a regional preference for all households that live and/or work in Housing Region 2 comprising Essex, Morris, Union, and Warren Counties.
 - c. Subordinate to the regional preference, there shall be a preference for households that live and/or work in New Jersey.
 - d. With respect to existing restricted units undergoing approved rehabilitation for the purpose of preservation or to restricted units newly created to replace existing restricted units undergoing demolition, a preference for the very-low-, low-, and moderate-income households that are displaced by the rehabilitation or demolition and replacement.
4. The municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Process, including the marketing of initial sales and rentals and resales and re-rentals. The Administrative Agent designated by the municipality shall implement the Affirmative Marketing Process to ensure the Affirmative Marketing of all affordable units, with the exception of affordable programs that are exempt from Affirmative Marketing as noted herein.
 5. The Affirmative Marketing Process shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Process, the Administrative Agent shall consider the use of language translations where appropriate.
 6. Applications for affordable housing or notices thereof, if offered online, shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; the municipal administration building and municipal library in the municipality in which the units are located; and the developer's rental or sales office. The developer shall mail applications to prospective applicants upon request and shall make applications available through a secure online website address.
 7. In addition to other Affirmative Marketing strategies, the Administrative Agent shall provide specific notice of the availability of affordable housing units on the New Jersey Housing Resource Center website. Any other entities, including developers or persons or companies retained to implement the Affirmative Marketing Process, shall comply with this paragraph. The Borough's adopted Affirmative Marketing Plan shall indicate which other groups or organizations shall receive additional notice.
 8. In implementing the Affirmative Marketing Process, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

9. The Affirmative Marketing Process for available affordable units shall begin at least four months (120 days) prior to the expected date of occupancy.
 10. The cost to affirmatively market the affordable units shall be the responsibility of the developer, sponsor or owner, with the exception of Affirmative Marketing for resales.
- J. Selection of Occupants of Affordable Housing Units.
1. The Administrative Agent shall use a random selection process to select occupants of very low-, low- and moderate-income housing.
 2. A pool of interested households will be maintained in accordance with the provisions of N.J.A.C. 5:80-26.16.
- K. Occupancy Standards.
1. In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to:
 - a. Ensure each bedroom is occupied by at least one person, except for age-restricted and supportive and special needs housing units;
 - b. Provide a bedroom for every two adult occupants;
 - c. With regard to occupants under the age of 18, accommodate the household's requested arrangement, except that such arrangement may not result in more than two occupants under the age of 18 occupying any bedroom; and
 - d. Avoid placing a one-person household into a unit with more than one bedroom.
- L. Control Periods for Restricted Ownership Units and Enforcement Mechanisms.
1. Control periods for restricted ownership units shall be in accordance with N.J.A.C. 5:80- 26.6, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the controls on affordability for a period of at least 30 years subject to the requirements of N.J.A.C. 5:80-26.6, as may be amended and supplemented.
 2. Rehabilitated housing units that are improved to code standards shall be subject to affordability controls for a period of not less than 10 years (crediting towards present need only).
 3. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit. The date of commencement shall be identified in the deed restriction.
 4. If existing affordability controls are being extended, the extended control period for a restricted ownership unit commences on the effective date of the extension, which is the end of the original control period.

5. After the end of any control period, the restricted ownership unit remains subject to the affordability controls set forth in this subchapter until the owner gives notice of their intent to make an exit sale, at which point:
 - a. If the municipality exercises the right to extend the affordability controls on the unit, no exit sale occurs and a new control period commences; or
 - b. If the municipality does not exercise the right to extend the affordability controls on the unit, the affordability controls terminate following the exit sale.
6. Prior to the issuance of any building permit for the construction/rehabilitation of restricted ownership units, the developer/owner and the municipality shall record a preliminary instrument provided by the Administrative Agent.
7. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the nonrestricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.
8. At the time of the initial sale of the unit and upon each successive price-restricted sale, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obliging the purchaser, as well as the purchaser's heirs, successors, and assigns, to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.
9. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to price-restricted ownership units.

M. Price Restrictions for Restricted Ownership Units and Resale Prices.

1. Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.7, as may be amended and supplemented, including:
 - a. The initial purchase price and affordability percentage for a restricted ownership unit shall be set by the Administrative Agent.
 - b. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the standards set forth in N.J.A.C 5:80-26.7.
 - i. If the resale occurs prior to the one-year anniversary of the date on which title to the unit was transferred to a certified household, the maximum resale price for a is the most recent non-exempt purchase price.
 - ii. If the resale occurs on or after such anniversary date, the maximum resale price is the most recent non-exempt purchase price increased to reflect the

cumulative annual percentage increases to the regional median income, effective as of the same date as the regional median income calculated pursuant to N.J.A.C. 5:80-26.3

- c. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of anticipated capital improvements. Eligible capital improvements shall be:
 - i. those that render the unit suitable for a larger household or the addition of a bathroom.
 - ii. The maximum resale price may be further increased by an amount up to the cumulative dollar value of approved capital improvements made after the last non-exempt sale for improvements and/or upgrades to the unit, excluding capital improvements paid for by the entity favored on the recapture note and recapture lien described at N.J.A.C. 5:80-26.6(d);
 - d. No increase for capital improvements is permitted if the maximum resale price prior to adjusting for capital improvements already exceeds whatever initial purchase price the unit would have if it were being offered for purchase for the first time at the initial affordability percentage. All adjustments for capital improvements are subject to 10-year, straight-line depreciation.
2. Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase but shall be separate and apart from any contract of sale for the underlying real estate. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price of the air conditioning equipment, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The seller and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

N. Buyer Income Eligibility.

1. Buyer income eligibility for restricted ownership units shall be established pursuant to N.J.A.C. 5:80-26.17, as may be amended and supplemented, such that very low-income ownership units shall be reserved for occupancy by households with a gross household income less than or equal to 30% of median income, low-income ownership units shall be reserved for occupancy by households with a gross household income less than or equal to 50% of median income and moderate-

income ownership units shall be reserved for occupancy by households with a gross household income less than 80% of median income.

2. Notwithstanding the foregoing, the Administrative Agent may, upon approval by the municipality, and subject to the Division's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there is an insufficient number of eligible low-income purchasers in the housing region to permit prompt occupancy of the unit and all other reasonable efforts to attract a low-income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit. Similarly, the administrative agent may permit low-income purchasers to buy very-low-income units in housing markets where, as determined by the Division, units are reserved for very-low-income purchasers, but there is an insufficient number of very-low-income purchasers to permit prompt occupancy of the units. In such instances, the purchased unit must be maintained as a very-low-income unit and sold at a very-low-income price point such that on the next resale the unit will still be affordable to very-low-income households and able to be purchased by a very-low-income household. A very-low-income unit that is seeking bonus credit pursuant to N.J.S.A. 52:27D-311.k(9) must first be advertised exclusively as a very-low-income unit according to the Affirmative Marketing requirements at N.J.A.C. 5:80-26.16, then advertised as a very-low-income or low-income unit for at least 30 additional days prior to referring any low-income household to the unit.
3. A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.
4. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, property taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 35 percent of the household's eligible monthly income; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
 - a. The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for housing expenses, and the proposed housing expenses will reduce its housing costs;
 - b. The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for housing expenses in the past and has proven its ability to pay; or

- c. The household is currently in substandard or overcrowded living conditions;
- d. The household documents the existence of assets, within the asset limitation otherwise applicable, with which the household proposes to supplement the rent payments

O. Limitations on Indebtedness Secured by Ownership Unit; Subordination.

- 1. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Administrative Agent for a determination in writing that the proposed indebtedness complies with the provisions of this Section, and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.
- 2. With the exception of original purchase money mortgages, neither an owner nor a lender shall at any time during the control period cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95% of the maximum allowable resale price of that unit, as such price is determined by the Administrative Agent in accordance with N.J.A.C. 5:80-26.7(c).

P. Control Periods for Restricted Rental Units.

- 1. Control periods for units that meet the definition of prior round units shall be pursuant to the 2001 UHAC rules originally adopted October 1, 2001, 33 N.J.R. 3432, and amended December 20, 2004, 36 N.J.R. 5713 and shall remain subject to the requirements of this ordinance for a period of at least 30 years as applicable unless otherwise indicated.
- 2. Other than for prior round units, control periods for restricted rental units shall be in accordance with N.J.A.C. 5:80-26.12, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of this Ordinance for a period of at least 40 years. Restricted rental units created as part of developments receiving 9% Low-Income Housing Tax Credits must comply with a control period of not less than a 30-year compliance period plus a 15-year extended use period for a total of 45 years.
- 3. The affordability control period for a restricted rental unit shall commence on the first date that a unit is issued a certificate of occupancy following the execution of the deed restriction or, if affordability controls are being extended, on the effective date of the extension, which is the end of the original control period.
- 4. Rehabilitated renter-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of not less than 10 years.
- 5. Prior to the issuance of any building permit for the construction/rehabilitation of restricted rental units, the developer/owner and the municipality shall record a preliminary instrument provided by the Administrative Agent.
- 6. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the

property. The deed restriction shall be recorded by the developer with the county records office, and provided as filed and recorded, to the Administrative Agent within 30 days of the receipt of a certificate of occupancy.

7. A restricted rental unit shall remain subject to the affordability controls of this Ordinance despite the occurrence of any of the following events:
 - a. Sublease or assignment of the lease of the unit;
 - b. Sale or other voluntary transfer of the ownership of the unit;
 - c. The entry and enforcement of any judgment of foreclosure on the property containing the unit; or
 - d. The end of the control period, until the occupant household vacates the unit, or is certified as over-income and the controls are released in accordance with UHAC.

Q. Rent Restrictions for Rental Units; Leases and Fees.

1. The initial rent for a restricted rental unit shall be set by the Administrative Agent.
2. A written lease shall be required for all restricted rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be retained on file by the Administrative Agent.
3. No additional fees, operating costs, or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
 - a. Operating costs, for the purposes of this section, include certificate of occupancy fees, move-in fees, move-out fees, mandatory internet fees, mandatory cable fees, mandatory utility submetering fees, and for developments with more than one and a half off-street parking spaces per unit, parking fees for one parking space per household.
4. Any fee structure that would remove or limit affordable unit occupant access to any amenities or services that are required or included for market-rate unit occupants is prohibited. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.
5. Fees for unit-specific, non-communal items that are charged to market-rate unit tenants on an optional basis, such as pet fees for tenants with pets, storage spaces, bicycle-share programs, or one-time rentals of party or media rooms, may also be charged to affordable unit tenants, if applicable.

6. Pet fees may not exceed \$30.00 per month and associated one-time payments for optional fees pertaining to pets, such as a pet cleaning fee, are prohibited.
7. Fees charged to affordable unit tenants for other optional, unit-specific, non-communal items shall not exceed the amounts charged to market-rate tenants.
8. For any prior round rental unit leased before December 20, 2024, elements of the existing fee structure that are consistent with prior rules, but inconsistent with 5:80-26.13(c)1, may continue until the occupant household's current lease term expires or that occupant household vacates the unit, whichever occurs later.

R. Tenant Income Eligibility.

1. Tenant income eligibility shall be determined pursuant to N.J.A.C. 5:80-26.14, as may be amended and supplemented, and shall be determined as follows:
 - a. Very low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of the regional median income by household size.
 - b. Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of the regional median income by household size.
 - c. Moderate-income rental units shall be reserved for households with a gross household income less than 80% of the regional median income by household size.
2. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income, low-income or moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35% (40% for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.17, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
 - a. The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
 - b. The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
 - c. The household is currently in substandard or overcrowded living conditions;
 - d. The household documents the existence of assets with which the household proposes to supplement the rent payments; or

- e. The household documents reliable anticipated third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.
3. The applicant shall file documentation sufficient to establish the existence of any of the circumstances in 2.a. through 2.e. above with the Administrative Agent, who shall counsel the household on budgeting.

S. Municipal Housing Liaison.

1. The Municipal Housing Liaison shall be approved by municipal resolution.
2. The Municipal Housing Liaison shall be approved by the Division, or is in the process of getting approval, and fully or conditionally meets the requirements for qualifications, including initial and periodic training as set forth in N.J.A.C. 5:99-1 et seq.
3. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program, including the following responsibilities, which may not be contracted out to the Administrative Agent:
 - a. Serving as the primary point of contact for all inquiries from the Affordable Housing Dispute Resolution Program, the State, affordable housing providers, administrative agents and interested households.
 - b. The oversight of the Affirmative Marketing Plan and affordability controls.
 - c. When applicable, overseeing and monitoring any contracting Administrative Agent.
 - d. Overseeing the monitoring of the status of all restricted units listed in the Fair Share Plan.
 - e. Verifying, certifying and providing annual information within AHMS at such time and in such form as required by the Division.
 - f. Coordinating meetings with affordable housing providers and administrative agents, as needed.
 - g. Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Division.
 - h. Overseeing the recording of a preliminary instrument in the form set forth at N.J.A.C. 5:80-26.1 for each affordable housing development.
 - i. Coordinating with the Administrative Agent, municipal attorney and municipal Construction Code Official to ensure that permits are not issued unless the document required in C.8. above has been duly recorded.
 - j. Listing on the municipal website contact information for the MHL and Administrative Agents.

T. Administrative Agent.

1. All municipalities that have created or will create affordable housing programs and/or affordable units shall designate or approve, for each project within its HEFSP, an administrative agent to administer the affordable housing program and/or affordable housing units in accordance with the requirements of the FHA, NJAC 5:99-1 et seq. and UHAC.
2. The fees for administrative agents shall be paid as follows:
 - a. Administrative agent fees related to rental units shall be paid by the developer/owner.
 - b. Administrative agent fees related to initial sale of units shall be paid by the developer.
 - c. Administrative agent fees related to resales shall be paid by the seller of the affordable home.
 - d. Administrative agent fees related to ongoing administration and enforcement shall be paid by the municipality.
3. An Operating Manual for each affordable housing program shall be provided by the Administrative Agent(s). The Operating Manual(s) shall be available for public inspection in the Office of the Clerk and in the office(s) of the Administrative Agent(s). Operating manuals shall be adopted by resolution of the Governing Body.
4. Subject to the role of the Administrative Agent(s), the duties and responsibilities as are set forth in N.J.A.C. 5:99-7 and which are described in full detail in the Operating Manual, including those set forth in UHAC, include:
 - a. Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Division;
 - b. Affirmative marketing:
 - i. Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of the municipality and the provisions of N.J.A.C. 5:80-26.16.
 - ii. Providing counseling, or contracting to provide counseling services, to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements; and landlord/tenant law.
 - c. Household certification.
 - i. Soliciting, scheduling, conducting and following up on interviews with interested households.

- ii. Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;
 - iii. Providing written notification to each applicant as to the determination of eligibility or non-eligibility within 5 days of the determination thereof.
 - iv. Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in the Appendices J and K of N.J.A.C. 5:80-26.1 et seq.
 - v. Creating and maintaining a referral list of eligible applicant households living in the housing region, and eligible applicant households with members working in the housing region, where the units are located.
 - vi. Employing a random selection process as provided in the Affirmative Marketing Plan when referring households for certification to affordable units.
- d. Affordability controls.
- i. Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for the recording at the time of conveyance of title of each restricted unit.
 - ii. Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and filed properly with the County Register of Deeds or County Clerk's office after the termination of the affordability controls for each restricted unit in accordance with UHAC.
 - iii. Communicating with lenders and the Municipal Housing Liaison regarding foreclosures.
 - iv. Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.11.
- e. Records retention.
- i. Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded recapture mortgage, and note, as appropriate.
 - ii. Records received, retained, retrieved, or transmitted in furtherance of crediting affordable units of a municipality constitute public records of the municipality as defined by N.J.S.A. 47:3-16, and are legal property of the municipality.
- f. Resales and re-rentals.
- i. Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or re-rental.

- ii. Instituting and maintaining an effective means of communicating information to very low-, low-, or moderate-income households regarding the availability of restricted units for resale or re-rental.
- g. Processing requests from unit owners.
 - i. Reviewing and approving requests from owners of restricted units who wish to refinance or take out home equity loans during the term of their ownership to determine that the amount of indebtedness to be incurred will not violate the terms of this ordinance.
 - ii. Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems.
 - iii. Notifying the municipality of an owner's intent to sell a restricted unit.
 - iv. Making determinations on requests by owners of restricted units for hardship waivers.
- h. Enforcement.
 - i. Securing annually from the municipality a list of all affordable ownership units for which property tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;
 - ii. Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;
 - iii. Sending annual mailings to all owners of affordable dwelling units reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.19(d)4;
 - iv. Establishing a program for diverting unlawful rent payments to the municipal Affordable Housing Trust Fund; and
 - v. Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent setting forth procedures for administering the affordability controls.
- i. The Administrative Agent(s) shall, as delegated by the municipality, have the authority to take all actions necessary and appropriate to carry out its/their responsibilities, herein.

U. Responsibilities of The Owner of a development containing affordable units.

1. The owner of all developments containing affordable units subject to this subchapter or the assigned management company thereof shall provide to the administrative agent:
 - a. Site plan, architectural plan, or other plan that identifies the location of each affordable unit, if subject to the site plan approval, settlement agreement, or other applicable document regulating the location of affordable units. The administrative agent shall determine the location of affordable units if not set forth in the site plan approval, settlement agreement, or other applicable document.
 - b. The total number of units in the project and the number of affordable units.
 - c. The breakdown of the affordable units by or identification of affordable unit locations by bedroom count and income level, including street addresses / unit numbers, if subject to the site plan approval, settlement agreement, or other applicable document regulating the breakdown of affordable units. The administrative agent shall determine the bedroom and income distribution if not set forth in the site plan approval, settlement agreement, or other applicable document.
 - d. Floor plans of all affordable units, including complete and accurate identification of all rooms and the dimensions thereof.
 - e. A projected construction schedule.
 - f. The location of any common areas and elevators.
 - g. The name of the person who will be responsible for official contact with the administrative agent for the duration of the project, which must be updated if the contact changes.
2. In addition to A above, the owner of rental developments containing affordable rental units subject to this subchapter or the assigned management company thereof shall:
 - a. Send to all current tenants in all restricted rental units an annual mailing containing a notice as to the maximum permitted rent and a reminder of the requirement that the unit must remain their principal place of residence, which is defined as residing in the unit at least 260 days out of each calendar year, together with the telephone number, mailing address, and email address of the administrative agent to whom complaints of excess rent can be issued.
 - b. Provide to the administrative agent a description of any applicable fees.
 - c. Provide to the administrative agent a description of the types of utilities and which utilities will be included in the rent.
 - d. Agree and ensure that the utility configuration established at the start of the rent-up process not be altered at any time throughout the restricted period.
 - e. Provide to the administrative agent a proposed form of lease for any rental units.

- f. Ensure that the tenant selection criteria for the applicants for affordable units not be more restrictive than the tenant selection criteria for applicants for non-restricted units.
 - g. Strive to maintain the continued occupancy of the affordable units during the entire restricted period.
3. In addition to A, above, the owner of affordable for-sale developments containing affordable for-sale units subject to this subchapter or the assigned management company thereof shall provide the administrative agent:
- a. Proposed pricing for all units, including any purchaser options and add-on items.
 - b. Condominium or homeowner association fees and any other applicable fees.
 - c. Estimated real property taxes.
 - d. Sewer, water, trash disposal, and any other utility assessments.
 - e. Flood insurance requirement, if applicable.
 - f. The State-approved planned real estate development public offering statement and/or master deed, where applicable, as well as the full build-out budget.

V. Enforcement of Affordable Housing Regulations

1. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an owner, developer or tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
2. After providing written notice of a violation to an owner, developer or tenant of an affordable unit and advising the owner, developer or tenant of the penalties for such violations, the municipality may take the following action against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
 - a. The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation, or violations, of the regulations governing the affordable housing unit. If the owner, developer or tenant is found by the Court to have violated any provision of the regulations governing affordable housing units the owner, developer or tenant shall be subject to one or more of the following penalties, at the discretion of the Court:
 - i. A fine of not more than \$500 or imprisonment for a period not to exceed 90 days, or both, unless otherwise specified below, provided that each and every day that the violation continues or exists shall be considered a separate and

specific violation of these provisions and not a continuation of the initial offense;

- ii. In the case of an owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Affordable Housing Trust Fund of the gross amount of rent illegally collected;
 - iii. In the case of an owner who has rented his or her affordable unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.
3. The municipality shall have the authority to levy fines against the owner of the development for instances of noncompliance with NJHRC advertising requirements (N.J.S.A. 52:27D-321.6.e.(2)), following written notice to the owner. The fine for the first offense of noncompliance shall be \$5,000, the fine for the second offense of noncompliance shall be \$10,000, and the fine for each subsequent offense of noncompliance shall be \$15,000.
4. The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the first purchase money mortgage and shall constitute a lien against the low- or moderate-income unit.
 - a. Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the affordable unit of the violating owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any first purchase money mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.
 - b. The proceeds of the Sheriff's sale shall first be applied to satisfy the first purchase money mortgage lien and any prior liens upon the low- or moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus shall be placed in escrow by the municipality for the owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the owner shall make a claim with the municipality for such. Failure of the owner to claim such balance within the two year period shall automatically result in a forfeiture of such balance to the

municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the owner or forfeited to the municipality.

- c. Foreclosure due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as they apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
 - d. If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the first purchase money mortgage and any prior liens, the municipality may acquire title to the affordable unit by satisfying the first purchase money mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the first purchase money mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the affordable unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess that would have been realized from an actual sale as previously described.
 - e. Failure of the low- or moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the owner to accept an offer to purchase from any qualified purchaser that may be referred to the owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- or moderate-income unit as permitted by the regulations governing affordable housing units.
 - f. The affordable unit owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the owner.
5. It is the responsibility of the municipal housing liaison and the administrative agent(s) to ensure that affordable housing units are administered properly. All affordable units must be occupied within a reasonable amount of time and be re-leased within a reasonable amount of time upon the vacating of the unit by a tenant. If an administrative agent or municipal housing liaison becomes aware of or suspects that a developer, landlord, or property manager has not complied with these regulations, it shall report this activity to the Division. The Division must notify the developer, landlord, or property manager, in writing, of any violation of these regulations and provide a 30-day cure period. If, after the 30-day cure period, the developer, landlord, or property manager remains in violation of any terms of this subchapter, including by keeping a unit vacant, the developer, landlord, or property manager may be fined up to the amount required to construct a comparable affordable unit of the same size

and the deed-restricted control period will be extended for the length of the time the unit was out of compliance, in addition to the remedies provided for in this section. For the purposes of this subsection, a reasonable amount of time shall presumptively be 60 days, unless a longer period of time is required due to demonstrable market conditions and/or failure of the municipal housing liaison or the administrative agent to refer a certified tenant.

6. Banks and other lending institutions are prohibited from issuing any loan secured by owner occupied real property subject to the affordability controls set forth in this subchapter if such loan would be in excess of amounts permitted by the restriction documents recorded in the deed or mortgage book in the county in which the property is located. Any loan issued in violation of this subsection is void as against public policy.
7. The Agency and the Department hereby reserve, for themselves and for each administrative agent appointed pursuant to this subchapter, all of the rights and remedies available at law and in equity for the enforcement of this subchapter, including, but not limited to, fines, evictions, and foreclosures as approved by a county-level housing judge.
8. Appeals
 - a. Appeals from all decisions of an administrative agent appointed pursuant to this subchapter must be filed, in writing, with the municipal housing liaison. A decision by the municipal housing liaison may be appealed to the Division. A written decision of the Division Director upholding, modifying, or reversing an administrative agent's decision is a final administrative action.

SECTION 2. If any section or provision of this Ordinance shall be held invalid in any Court of competent jurisdiction, the same shall not affect the other sections or provisions of this Ordinance, except so far as the section or provision so declared invalid shall be inseparable from the remainder or any portion thereof.

SECTION 3. All Ordinances or parts of Ordinances which are inconsistent herewith are hereby repealed to the extent of such inconsistency.

SECTION 4. This Ordinance shall take effect immediately after final passage and publication in the manner provided by law.

CERTIFICATION: I hereby certify the foregoing to be a true and correct copy of the ordinance duly adopted by the Borough Council of Mountain Lakes, New Jersey, at a meeting held on March XX, 2026.

Cara Fox, Borough/ Clerk

Appendix H: Mediation Agreement with FSHC on Fourth Round Obligation

March 28, 2025

Via eCourts and Electronic Mail

Hon. Stephan C. Hansbury J.S.C.. (ret. and on rec.)
Affordable Housing Dispute Resolution Program
Richard J. Hughes Justice Complex
P.O. Box 037
Trenton, New Jersey 08625

**Re: In the Matter of the Application of the Borough of Mountain Lakes,
Docket No.: MRS-L-000244-25**

Dear Judge Hansbury:

Please find enclosed the mediation agreement between the Borough of Mountain Lakes and FSHC in the above-captioned matter. The agreement has been executed by both parties. We thank Your Honor and the Special Adjudicator for your assistance in resolving this matter.

Respectfully,



Esmé M. Devenney, Esq.
Counsel for Fair Share Housing Center

Cc: Special Adjudicator Brian Slaugh, PP, AICP.
All Parties, via eCourts and email

MEDIATION AGREEMENT BEFORE THE AFFORDABLE HOUSING DISPUTE
RESOLUTION PROGRAM

IN THE MATTER OF THE APPLICATION OF THE BOROUGH OF MOUNTAIN LAKES,
DOCKET NO. MRS-L-000244-25

WHEREAS, on March 20, 2024, Governor Murphy signed P.L. 2024, c.2., into law, which established a new framework for determining and enforcing municipalities' affordable housing obligations under the Mount Laurel doctrine and the Fair Housing Act (the "Amended Act");

WHEREAS, the Amended Act required the Department of Community Affairs (the "DCA") to prepare a report with the calculation of the regional and municipal Prospective Need and the municipal Present Need for the Fourth Round in accordance with the formula required by the Amended Act;

WHEREAS, the DCA released this report entitled "Affordable Housing Obligations for 2025-2035 (Fourth Round)" on October 18, 2024;

WHEREAS, the DCA report concluded that Mountain Lakes Borough ("Mountain Lakes" or the "Borough") fair share obligations for the Fourth Round included a Present Need of 0 units and a Prospective Need of 267 units;

WHEREAS, the Borough having filed its resolution of participation before the Affordable Housing Dispute Resolution Program (the "Program") on January 28, 2025, in accordance with the requirements of N.J.S.A. 52:27D-301, et seq, and the timeframes set forth in Directive #14-24;

WHEREAS, the Borough's resolution proposed to set Mountain Lakes' affordable housing obligations for the Fourth Round to include a Present Need of 0 units and a Prospective Need of 146 units;

WHEREAS, in accordance with the timeframes set forth in the Amended Act and the Directive, FSHC filed a timely objection to Mountain Lakes' resolution on February 28, 2025;

WHEREAS, FSHC's objection contended that Mountain Lakes had improperly calculated its Prospective Need obligations and should be required to utilize the calculation prepared by FSHC in its February 28, 2025 report, setting the Prospective Need obligation at 234;

WHEREAS, Mountain Lakes disputes the contentions raised in FSHC's objection;

WHEREAS, within the Affordable Housing Dispute Resolution Program ("Program") established pursuant to N.J.S.A. 52:27D-313.2, the parties have engaged in the mediation process provided by the Program and conferred and reached an accord setting forth Mountain Lakes' Fourth Round Prospective Need obligations, without either party admitting the validity of the others' claims;

WHEREAS, recognizing that this agreement is reached prior to the adjudication of any challenges by the Program or any potential subsequent review in the judicial system, the parties agree that 190 units is within the range of possibilities of outcomes for Mountain Lakes' Fourth Round Prospective Need;


WHEREAS, resolving the Fourth Round Prospective Need at this juncture and allowing Mountain Lakes to move forward with preparing its Fourth Round HEFSP is important to the interests of lower-income households; and

WHEREAS, the Borough and FSHC thus agree to present this mediation agreement to the Program and consent to the Mediation Agreement, upon the approval by the Program, setting forth Mountain Lakes' Fourth Round obligations and binding the Borough to utilize these obligations and foreclosing FSHC from further challenge to said obligations.

THEREFORE, the Borough and FSHC agree:

1. Mountain Lakes' Fourth Round fair share obligations shall be set forth as follows:
 - Present Need – 0 units
 - Prospective Need – 190 units
2. A Fourth Round Fair Share Obligation of 190 units is within the range possible outcomes were the court to fully-adjudicate the Borough's Prospective Need.
3. A Fourth Round Fair Share Obligation of 190 units is fair to the interests of lower-income households.
4. The Borough and FSHC will jointly present this mediation agreement to the Program and request approval of this Agreement from the Program and if approved by the Program from the vicinage Mount Laurel judge. If the Program, trial court, or any appellate court reject approval of this Agreement, the Parties reserve their right to return to the *status quo ante*.
5. Mountain Lakes shall prepare a Fourth Round Housing Element and Fair Share Plan ("HEFSP") utilizing these present and prospective need obligations and submit the HEFSP to the Program by the deadline in the Amended Act of June 30, 2025, unless said deadline for submission is extended by the Program or Mount Laurel judge at the Borough's request for a grace period pursuant to the Amended Act and the promulgated rules and procedures for the Program. FSHC reserves all rights as to its review of the HEFSP pursuant to the Amended Act.

The undersigned, on behalf of their respective clients, have consented to this Mediation Agreement and represent that they are authorized to execute it on their behalf. This Mediation Agreement shall not be further modified, amended or altered in any way except by a writing signed by both the Borough and FSHC.

By: 
Robert H. Oostdyk, Esq.
Counsel for the Borough of Mountain Lakes

Dated: 03/26/2025

By: 
Joshua D. Bauers, Esq.
Counsel for Fair Share Housing Center

Dated: 3/28/25

Appendix I: New Overlay Zone on Block 118.04, Lot 1/49 Bloomfield Avenue

**BOROUGH OF MOUNTAIN LAKES
MORRIS COUNTY, NEW JERSEY**

ORDINANCE 26-3

**ORDINANCE AMENDING CHAPTER 245, "LAND USE AND ZONING," OF THE CODE OF THE
BOROUGH OF MOUNTAIN LAKES, NEW JERSEY**

BE IT ORDAINED by the Borough Council of the Borough of Mountain Lakes, in the County of Morris and State of New Jersey, as follows:

SECTION 1. Chapter 245, Article IX, § 245-70. Zoning Districts is hereby amended to add the following:

OL-2/MF-AHO2	Office and Light Industrial OL-2/Multi-Family Affordable Housing Overlay 2
--------------	--

SECTION 2. Chapter 245, Article IX, § 245-71. Zoning Map is hereby amended to change the zone classification of the following tax lot from OL-2 to OL-2/MF-AHO2: Block 118.04, Lot 1.

SECTION 3. Chapter 245, Article X. Zoning District Regulations is hereby amended by adding the following:

§245-83A Office and Light Industrial OL-2/Multi-Family Affordable Housing Overlay 2

A. Permitted principal, accessory and conditional uses.

- (1) As set forth under §245-79.
- (2) Multifamily inclusionary development consisting of townhouses and/or stacked townhouses as permitted principal uses with a required set aside for low- and moderate-income households of 20%. A stacked townhouse is defined as a multi-story residence with two or more units arranged vertically each above the other. No more than two market rate units and no more than three affordable units shall be vertically stacked. Affordable units shall not be permitted within a separate building or buildings but instead shall be interspersed in buildings with market rate units, although buildings with exclusively market rate units shall be permitted. Permitted accessory uses shall include uses which are customarily incidental to the permitted principal use, including but not limited to, indoor and outdoor recreational facilities and related amenities for the exclusive use of residents and guests.

B. Affordable housing. Low- and moderate-income units shall comply with the provision of the Borough's Affordable Housing Ordinance; the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq.; the Uniform Housing Affordability Controls rules at N.J.A.C. 5:80-26 ("UHAC"); N.J.A.C. 5:99 Fair Housing Act Regulations; and any provisions of the rules and regulations of the Council on Affordable Housing, i.e., N.J.A.C. 5:93 and 5:97 which have not been invalidated.

C. Bulk and development standards.

- (1) For permitted uses other than multi-family inclusionary development, as set forth in this chapter for the OL-2 Zone.
- (2) For multifamily inclusionary development, as set forth below:
 - (a) Minimum lot size: 5 acres.
 - (b) Minimum lot frontage: 300 feet.
 - (c) Maximum density: 14 units per gross acre.

- (d) Maximum building height: three stories, 43.5 feet. Measurements shall be from the first floor elevation at the front door entrance of each townhouse or stacked townhouse unit to the highest point of a sloped roof. Development shall be exempt from measuring to existing (original) grades as defined in **§245-3**, under definitions for “building height (residential zones)”, “grade plane” and “story above grade”.
- (e) Minimum setbacks
 - [1] to any RC-3 zone boundary: 50 feet, except that along the common property line shared with Block 118.03, Lot 9 beginning at the northeast corner of said common property line and proceeding in a southerly direction for a distance of 200 feet the minimum setback shall be 75 feet, exclusive of patios and decks, however in no event shall the setback be less than 70 feet.
 - [2] to the Bloomfield Avenue property line as it exists on the date of adoption of this ordinance: 70 feet, exclusive of patios and decks, however in no event shall the setback be less than 65 feet.
 - [3] to all other property boundaries: 25 feet, exclusive of patios and decks, however in no event shall the setback be less than 20 feet.
- (f) Maximum building coverage: 25%.
- (g) Maximum improved coverage: 50%
- (h) There shall be no more than twelve (12) units in any building, except that where a building does not include affordable units the maximum number of units shall be ten (10).
- (i) The minimum distance between buildings shall be as follows:
 - [1] Windowless wall to windowless wall: 25 feet.
 - [2] Window wall to windowless wall: 30 feet.
 - [3] Window wall to window wall:
 - [a] Front to front: 70 feet for front-loaded units and 50 feet for rear-loaded units.
 - [b] Rear to rear: 70 feet for rear-loaded units and 50 feet for front-loaded units.
 - [c] End to end: 30 feet.
- (j) Development shall maintain a minimum 20-foot landscaped buffer to the RC-3 zone along the easterly lot line and a minimum 15-foot landscaped buffer along the northerly lot line. Along the southernmost common lot boundary with the RC-3 zone, no such buffer shall be required. Buffers shall consist of existing vegetation, trees, or new plantings or, where appropriate, a combination of existing vegetation, trees, and new plantings, so as to provide screening to adjacent properties. A landscape plan encompassing the entire property shall be submitted as part of the development application and shall be subject to Planning Board review and approval.
- (k) No parking shall be located within 25 feet of the RC-3 zone boundary, except that along the southernmost common lot boundary the minimum parking setback shall be 10 feet.
- (l) Parking shall be provided in accordance with New Jersey Residential Site Improvement Standards (RSIS).

Appendix J: New Development Fee Ordinance

**BOROUGH OF MOUNTAIN LAKES
MORRIS COUNTY, NEW JERSEY**

ORDINANCE ##-26

**AN ORDINANCE OF THE BOROUGH OF MOUNTAIN LAKES REPEALING AND REPLACING
CHAPTER 65, ARTICLE I “DEVELOPMENT FEES” OF THE CODE OF THE BOROUGH OF
MOUNTAIN LAKES, NEW JERSEY**

BE IT ORDAINED by the Borough Council of the Borough of Mountain Lakes, in the County of Morris and State of New Jersey, as follows:

SECTION 1. The Revised General Ordinances of the Borough of Mountain Lakes Chapter 65, Article I entitled “Development Fees,” shall be repealed and replaced to read, in its entirety, as follows:

§ 65-1. Development Fees.

The definitions provided in Chapter 245, Article XVII of the Code of the Borough of Mountain Lakes shall apply to this section.

A. Development Fees.

1. Purpose

- a. This section establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with the amended Fair Housing Act (P.L.2024, c.2), N.J.A.C. 5:99, and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7). Fees collected pursuant to this Ordinance shall be used for the sole purpose of providing very low-, low- and moderate-income housing in accordance with a Court-approved Spending Plan.

2. Basic Requirements

- a. The municipality previously adopted a development fee ordinance, which established the Municipal Affordable Housing Trust Fund.
- b. The municipality shall not spend development fees until the court has approved a plan for spending such fees.

3. Residential Development Fees

a. Imposed fees

- i. 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. Development fees shall also be imposed and collected when an additional

dwelling unit is added to an existing residential structure; in such cases, the fee shall be calculated based on the increase in the equalized assessed value of the property due to the additional dwelling unit.

- ii. When an increase in residential density is permitted pursuant to a “d” variance granted under N.J.S.A. 40:55D-70d(5), developers shall be required to pay a “bonus” development fee of 6.0% of the equalized assessed value for each additional unit that may be realized, except that this provision shall not be applicable to a development that will include affordable housing. 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 of 6% 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.

- b. Eligible exactions, ineligible exactions and exemptions for residential development
 - i. Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the municipality, and developments where the developer has made an eligible payment in lieu of on-site construction of affordable units, if permitted by ordinance, or by agreement with the municipality and if approved by a municipality prior to the statutory elimination of payments in-lieu on March 20, 2024 per P.L.2024, c.2, shall be exempt from development fees.
 - ii. Developments that have received preliminary or final site plan approval prior to the adoption of this ordinance and any preceding ordinance permitting the collection of development fees shall be exempt from the payment of development fees, unless the developer seeks a substantial change in the original approval. Where a site plan approval does not apply, the issuance of a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for the purpose of determining the right to an exemption. In all cases, the applicable fee percentage shall be determined based upon the development fee ordinance in effect on the date that the construction permit is issued.
 - iii. Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.

- iv. No development fee shall be collected for the demolition and replacement of a residential building resulting from a fire or natural disaster.

4. Non-Residential Development Fees

a. Imposition of fees

- i. Within all zoning districts, non-residential 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 non-residential construction on an unimproved lot or lots.
- ii. Within all zoning districts, non-residential 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 non-residential purposes.
- iii. 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 pre-existing land and improvements and the equalized assessed value of the newly improved structure; i.e., land and improvements; and such calculation shall be made at the time a final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the non-residential development fee shall be zero.

b. Eligible exactions, ineligible exactions and exemptions for non-residential development

- i. The non-residential portion of a mixed-use inclusionary or market-rate development shall be subject to a 2.5% development fee, unless otherwise exempted below.
- ii. The 2.5% fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.

c. Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), as specified in 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 non-residential development exempted from the non-residential development fee pursuant to the Statewide Non-Residential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the

final certificate of occupancy of the non-residential development, whichever is later.

- e. If a property that was exempted from the collection of a non-residential 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 non-residential development fees under these circumstances may be enforceable by the municipality as a lien against the real property of the owner.

5. Collection Procedures

- a. Upon the granting of a preliminary, final or other applicable approval for a development, the applicable approving authority shall direct its staff to notify the construction official responsible for the issuance of a building permit.
- b. For non-residential 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 by the developer as per the instructions provided in the Form N-RDF. The construction official shall verify the information submitted by the non-residential developer as per the instructions provided on Form N-RDF. The 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 tax assessor of the issuance of the first construction permit for a development that is subject to a development fee.
- d. Within 90 days of receipt of that notice, the tax assessor shall provide an estimate, based on the plans filed, of the equalized assessed value of the development.
- e. The construction official responsible for the issuance of a final certificate of occupancy shall notify the tax assessor of any and all requests for the scheduling of a final inspection on property that is subject to a development fee.
- f. Within 10 business days of a request for the scheduling of a final inspection, the tax assessor shall confirm or modify the previously estimated equalized assessed value of the improvements associated with the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.
- g. Should the municipality 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 (50%) of the development fee shall be collected at the time of issuance of the construction permit. The remaining portion shall be collected at the time of issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at the time of

issuance of the construction permit and that determined at the time of issuance of certificate of occupancy.

6. Appeal of development fees

- a. A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by that board, collected fees shall be placed in an interest-bearing escrow account by the municipality. 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, R.S. 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.
- b. A developer may challenge non-residential 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 municipality. 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, R.S. 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.

7. Affordable Housing Trust Fund

- a. A separate, interest-bearing Municipal Affordable Housing Trust Fund shall be maintained by the chief financial officer of the municipality for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.
- b. The following additional funds shall be deposited in the Municipal Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
 - i. Payments in lieu of on-site construction of an affordable unit, where previously permitted by ordinance or by agreement with the municipality and if approved by a municipality prior to the statutory elimination of payments in-lieu on March 20, 2024 per P.L.2024, c.2;
 - ii. Funds contributed by developers to make 10% of the adaptable entrances in a townhouse or other multistory attached dwelling unit development accessible;
 - iii. Rental income from municipally operated units;
 - iv. Repayments from affordable housing program loans;
 - v. Recapture funds;
 - vi. Proceeds from the sale of affordable units; and
 - vii. Any other funds collected in connection with the municipal affordable housing program including but not limited to interest earned on fund deposits.

- c. The municipality shall provide the Division with written authorization, in the form of a tri-party escrow agreement(s) between the municipality, the Division and the financial institution in which the municipal affordable housing trust fund has been established to permit the Division to direct the disbursement of the funds as provided for in N.J.A.C. 5:99-2.1 et seq.
 - d. Occurrence of any of the following deficiencies may result in the Division requiring the forfeiture of all or a portion of the funds in the municipal Affordable Housing Trust Fund:
 - i. Failure to meet deadlines for information required by the Division in its review of a development fee ordinance;
 - ii. Failure to commit or expend development fees within four years of the date of collection in accordance with N.J.A.C. 5:99-5.5;
 - iii. Failure to comply with the requirements of the Non-Residential Development Fee Act and N.J.A.C. 5:99-3;
 - iv. Failure to submit accurate monitoring reports pursuant to this subchapter within the time limits imposed by the Act, this chapter, and/or the Division;
 - v. Expenditure of funds on activities not approved by the Superior Court or otherwise permitted by law;
 - vi. Revocation of compliance certification or a judgment of compliance and repose;
 - vii. Failure of a municipal housing liaison or administrative agent to comply with the requirements set forth at N.J.A.C. 5:99-6, 7, and 8;
 - viii. Other good cause demonstrating that municipal affordable housing funds are not being used for an approved purpose.
 - e. All interest accrued in the housing trust fund shall only be used on eligible affordable housing purposes approved by the Court.
8. Use of Funds
- a. The expenditure of all funds shall conform to a Spending Plan approved by Superior Court. Funds deposited in the municipal Affordable Housing Trust Fund may be used for any activity approved by the Court to address the 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; housing rehabilitation; new construction of affordable housing units and related costs; accessory apartments; a market-to-affordable program; conversion of existing non-residential 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; and/or any other activity permitted by Superior Court and specified in the approved Spending Plan.

- b. Funds shall not be expended to reimburse the municipality or activities that occurred prior to the authorization of a municipality to collect development fees.
- c. At least a portion of all development fees collected and interest earned shall be used to provide affordability assistance to very low-, low- and moderate-income households in affordable units included in the municipal Fair Share Plan. A portion of the development fees which provide affordability assistance shall be used to provide affordability assistance to very low-income households.
 - i. 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, infrastructure assistance, and assistance with emergency repairs. The specific programs to be used for affordability assistance shall be identified and described within the Spending Plan.
 - ii. Affordability assistance for very low income households may include producing very low-income units or 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.
- d. No more than 20% of all affordable housing trust funds, exclusive of those collected to fund an RCA prior to July 17, 2008, shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultants' fees necessary to develop or implement a new construction program, prepare and implement a Housing Element and Fair Share Plan, administer an Affirmative Marketing Program and for compliance with the Superior Court and the Program including the costs to the municipality of resolving a challenge.

9. Monitoring

- a. On or before February 15 of each year, the municipality shall provide annual electronic data reporting of trust fund activity for the previous year from January 1st to December 31st through the AHMS Reporting System. This reporting shall include an accounting of all Municipal Affordable Housing Trust Fund activity, including the sources and amounts of all funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, previously eligible payments in lieu of constructing affordable units on site (if permitted by ordinance or by agreement with the municipality prior to the March 20, 2024 statutory elimination per P.L. 2024, c.4), funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income from municipally-owned affordable housing units, repayments from affordable housing program loans, interest and any other funds collected in connection with municipal housing programs, as well as an accounting of the expenditures of revenues and implementation of the Spending Plan approved by the Court.

10. Ongoing Collection of Fees

- a. The ability to impose, collect and expend development fees shall continue so long as the municipality retains authorization from the Court in the form of Compliance Certification or the good faith effort to obtain it.
- b. If the municipality fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance, it may be subject to forfeiture of any or all funds remaining within its Affordable Housing 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 (C. 52:27D-320).

11. Emergent Affordable Housing Opportunities. Requests to expend affordable housing trust funds on emergent affordable housing opportunities not included in the municipal fair share plan shall be made to the Division and shall be in the form of a governing body resolution. Any request shall be consistent with N.J.A.C. 5:99-4.1.

SECTION 2. If any section or provision of this Ordinance shall be held invalid in any Court of competent jurisdiction, the same shall not affect the other sections or provisions of this Ordinance, except so far as the section or provision so declared invalid shall be inseparable from the remainder or any portion thereof.

SECTION 3. All Ordinances or part of Ordinances which are inconsistent herewith are hereby repealed to the extent of such inconsistency.

SECTION 4. This Ordinance shall take effect immediately after final passage and publication in the manner provided by law.

CERTIFICATION: I hereby certify the foregoing to be a true and correct copy of the ordinance duly adopted by the Borough Council of Mountain Lakes, New Jersey, at a meeting held on March XX, 2026.

Cara Fox, Borough/ Clerk

Appendix K: New Affirmative Marketing Plan

Borough of Mountain Lakes

RESOLUTION NO. _____

RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF MOUNTAIN LAKES ADOPTING AN “AFFIRMATIVE MARKETING PLAN” FOR THE BOROUGH OF MOUNTAIN LAKES

WHEREAS, in accordance with P.L. 2024, Chapter 2 and the New Jersey Uniform Housing Affordability Controls (“UHAC”)(N.J.A.C. 5:80-26.1 et seq.), the Borough of Mountain Lakes is required to adopt an Affirmative Marketing Plan to ensure that all affordable housing units created are affirmatively marketed to very low-, low- and moderate-income households, particularly those living and/or working within Housing Region 2, the Housing Region encompassing the Borough of Mountain Lakes.

NOW, THEREFORE, BE IT RESOLVED, that Borough Council of the Borough of Mountain Lakes, County of Morris, State of New Jersey, does hereby adopt the following Affirmative Marketing Plan:

Affirmative Marketing Plan

- A. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, English-speaking ability, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children, source of lawful income, or any other characteristic described in the New Jersey Law Against Discrimination, to housing units which are being marketed by a developer or sponsor of affordable housing. The Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the Housing Region in which the municipality is located and covers the entire period of the deed restriction for each restricted housing unit. The Borough of Mountain Lakes is located in Housing Region 2, consisting of Essex, Union, Morris, and Warren Counties.
- B. The Borough of Mountain Lakes has a plan to address both its Prior Round Obligation (1987-2025) and its Fourth Round Obligation (2025-2035). This Affirmative Marketing Plan shall apply to all developments that contain or will contain very low-, low- and moderate-income units, including those that are part of the municipality’s Housing Element and Fair Share Plan, and those that may be constructed in future developments not yet anticipated by the Housing Element and Fair Share Plan.

- C. The Affirmative Marketing Plan shall be implemented by the Administrative Agent under contract to the Borough of Mountain Lakes, or the Administrative Agent of any specific developer approved by the municipality.
- D. All of the costs of advertising and affirmatively marketing affordable housing units shall be borne by the developers/sellers/owners of affordable unit(s), and all such advertising and affirmative marketing shall be subject to approval and oversight by the designated Administrative Agent.
- E. The implementation of the Affirmative Marketing Plan for a development that includes affordable housing shall commence at least 120 days prior to expected occupancy. The implementation of the Affirmative Marketing Plan shall continue until all very low-, low- and moderate-income housing units are initially occupied and for as long as the affordable units remain deed restricted such that qualifying new tenants and/or purchasers continues to be necessary.
- F. The Affirmative Marketing Plan is a continuing program that shall be followed throughout the entire period of affordability restrictions. In implementing the Affirmative Marketing Plan, the Administrative Agent, whether acting on behalf of the Borough of Mountain Lakes or on behalf of a specific developer, shall meet the following requirements at a minimum:
 - 1. The primary marketing and advertising must be employed at the start of the marketing program and continue until all units are leased or sold or until the number of applications received is at least three times the number of units. Additional advertising and publicity shall be on an "as needed" basis. The developer/owner shall disseminate all public service announcements and pay for display advertisements. The developer/owner shall provide proof of all publications to the Administrative Agent. All press releases and advertisements shall be approved in advance by the Administrative Agent.
 - 2. The advertisements shall, at a minimum, include:
 - a. The name and location of the housing project;
 - b. An address sufficient to find directions to the housing units;
 - c. A range of prices or rents for the affordable housing units;
 - d. The sizes, as measured in number of bedrooms of the affordable housing units;
 - e. The types (that is, family, age-restricted, or supportive) and number of affordable units available;
 - f. The number of units available to very low-, low-, and moderate-income households;
 - g. The accessibility features, if any, of the affordable housing units;
 - h. The maximum income permitted to qualify for the affordable housing units;

- i. The population(s), if any, given preference in the selection process pursuant to N.J.A.C. 5:80-26.17(k)2;
 - j. Where applications (paper and online) for the affordable housing units may be found;
 - k. The expected lease-up/closing date(s) for the affordable housing units;
 - l. The expected date of the random selection;
 - m. The business hours when interested households may obtain paper applications for the affordable housing units;
 - n. Contact information, including an email address and phone number that are regularly monitored by the administrative agent;
 - o. The name of the sales agent and/or rental manager; and
 - p. Application fees, if any.
3. Affirmative fair marketing of affordable units must be completed in accordance with the requirements set forth in UHAC at N.J.A.C. 5:80-26.16 in all media and outlets required by the rules.
 4. Each affordable housing development must complete worksheet substantially in the form of the model affirmative marketing worksheet published by the state.
 5. Affordable units must be listed on the New Jersey Housing Resource Center's website (www.njhrc.gov) in accordance with N.J.A.C. 5:80-26.16(f)1 at least 60 days before the random selection.
 6. Applications, or notices thereof, used as part of the affirmative marketing program must be available in the following locations:
 - a. Essex County Hall of Records, 465 Dr. Martin Luther King, Jr. Blvd, Newark, NJ 07102
 Union County Administration Building, 10 Elizabethtown Plaza, Elizabeth, NJ 07207
 - b. Morris County Library, 30 East Hanover Avenue, Whippany, NJ 07981
 Warren County Library Headquarters, 2 Shotwell Drive, Belvidere, NJ 07823
 7. The municipality's Administrative Agent, or the Administrative Agent of a specific developer, shall comply with all requirements set forth in N.J.S.A. 52:27D-321.3 et seq. with regard to the affirmative marketing of affordable housing units.
- G. The municipality's Administrative Agent shall develop, maintain and update a list of community contact person(s) and/or organizations(s) in Essex, Union, Morris, and Warren Counties that will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region, including major regional employers.

- H. The municipality's Administrative Agent shall develop, maintain and update a list of major employers in Essex, Union, Morris, and Warren Counties that will aid in the affirmative marketing program.
- I. A random selection method to select occupants of very low-, low- and moderate-income housing will be used by the municipality's Administrative Agent, or the Administrative Agent of any specific developer, in conformance with N.J.A.C. 5:80-26.16(d). This Affirmative Marketing Plan provides a state-wide and/or regional preference for very low-, low- and moderate-income households that live and/or work in Housing Region 2, which is comprised of Essex, Union, Morris, and Warren Counties. Pursuant to the New Jersey Fair Housing Act (C.52:27D-311), a preference for very low-, low- and moderate-income veterans duly qualified under N.J.A.C. 54:4-8.10 may also be exercised, provided an agreement to this effect has been executed between the developer or landlord and the municipality prior to the affirmative marketing of the units.
- J. All developers/owners of very low-, low- and moderate-income housing units shall be required to undertake and pay the costs of the marketing of the affordable units in their respective developments, subject to the direction and supervision of the municipality's Administrative Agent.

BE IT FURTHER RESOLVED that the appropriate municipal officials and professionals are authorized to take all actions required to implement the terms of this Resolution.

BE IT FURTHER RESOLVED that this Resolution shall take effect pursuant to law.

I, _____, Clerk of the Borough of Mountain Lakes, do hereby certify that the above is a true copy of a resolution adopted by the _____ at a meeting held on _____, _____.

Appendix L: Resolution Appointing Administrative Agent

Appendix M: Spending Plan

The Spending Plan will be adopted under separate cover.

**Appendix N: Program Settlement
Recommendation Including Mediation
Agreement Before the Affordable Housing
Dispute Resolution Program**

PREPARED BY THE AFFORDABLE HOUSING PROGRAM:

<p>In the Matter of the Application of The Borough of Mountain Lakes, County of Morris</p>	<p>Superior Court of New Jersey Law Division, Civil Part</p> <p>Docket No. MRS-L-244-25</p> <p>Program Settlement Recommendation - Housing Element and Fair Share Plan</p>
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THIS MATTER, having come before the Affordable Housing Dispute Resolution Program (Program), pursuant to the Complaint for Declaratory Judgment filed in this matter on January 28, 2025 (DJ Complaint) by the Petitioner, the Borough of Mountain Lakes (Municipality), pursuant to the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et. seq. (FHA), and in accordance with Administrative Directive #14-24 and its Addenda, seeking a certification of compliance with the FHA;

AND IT APPEARS that on May 2, 2025, the Hon. Janine M. Allen, J.S.C. entered an Order as follows:

- (a) Establishing the Municipality's Fourth Round "present need" at zero (0) affordable units;
- (b) Establishing the Municipality's Fourth Round "prospective need" at 190 affordable units;

(c) Directing the Municipality to prepare and adopt a Housing Element and Fair Share Plan on or before June 30, 2025; and

(d) Granting the Municipality immunity from exclusionary zoning litigation; and

AND IT APPEARS that the Municipality timely adopted and filed the Municipality's Proposed Fourth Round Housing Element and Fair Share Plan (HEFSP);

AND IT APPEARS that a challenge to the Municipality's Fourth Round Housing Element and Fair Share Plan was timely filed by interested party Fair Share Housing Center (FSHC);

AND the Program having appointed Special Adjudicator John McDonough, PP/AICP;

AND the Program Member having conducted a settlement conference(s) on November 20, 2025 and December 18, 2025 at which time all parties reached a settlement. The settlement terms were placed on the record and include, but are not limited to the following:

(a) The Municipality's Present Need (Rehabilitation) Obligation is zero (0);

(b) The Municipality's Prospective Need Obligation (2025-2035) is 190;

(c) The Municipality's First and Second Rounds Obligation is 80;

(d) The Municipality's Third Round Obligation (1999-2025) is 271;

(e) The Municipality's Fourth Round Realistic Development Potential (RDP), through a Vacant Land Adjustment (VLA) is zero (0).

(f) The Municipality's Fourth Round Unmet Need is 190. Mechanisms to address Unmet Need, including the 25% requirement through redevelopment, includes increasing density on the Route 46 overlay zone from 14 to 16 units per acre and increasing the set-aside from 15% to 20%; and to create an additional overly zone on Block 118.04 Lot 1.

AND the parties have executed a written settlement agreement or consent order memorializing the settlement terms and filed it with the court [or is attached hereto as Exhibit A;

AND the Municipality having represented it intends to adopt an Amended HEFSP in accordance with the terms of the settlement;

AND the Program Member having determined that the terms of the settlement are fair, reasonable and adequately protects the interests of low and moderate-income residents of the Municipality;

AND the Program Member having determined that the terms of the settlement are constitutionally compliant and provide a fair and reasonable opportunity for the Municipality to meet its obligations under the FHA and Mount Laurel doctrine;

AND for all those reasons, as well as those set forth in the attached Statement of Reasons, the Program Member hereby recommends an ORDER directing that:

- (a) The settlement terms as set forth above are approved; and
- (b) In accordance with N.J.S.A. §52:27D-304.1(f)(2)(c), on or before March 15, 2026, the Municipality shall adopt and file its Amended HEFSP that contains the terms of the settlement as well as the implementing ordinances and resolutions proposed within the Amended HEFSP; and
- (c) Thereafter, the court shall schedule a Fairness and/or Compliance Hearing to consider approval of the Municipality's Amended HEFSP and the issuance of a Certification of Compliance and Repose; and
- (d) Grant the Municipality continued immunity from exclusionary zoning litigation for the duration of the compliance process conditioned upon the Municipality's compliance with its order and good faith implementation of the Amended HEFSP and good faith participation in the compliance process.

Respectfully Submitted by the Program:

By:

/s/ Stephan C. Hansbury

Hon. Stephan C. Hansbury, J.S.C. Ret.

Dated: 1/9/26

PREPARED BY THE AFFORDABLE HOUSING PROGRAM:

In the Matter of the Borough of Mountain Lakes	Superior Court of New Jersey Law Division, Civil Part Morris County Docket No. MRS-L-244-25 STATEMENT OF REASONS
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Statement of Reasons

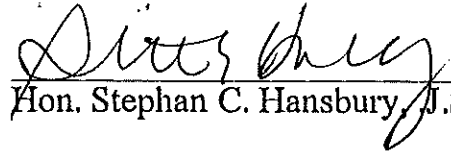
The Fair Housing Act declared that the State's "preference for the resolution of existing and future disputes involving exclusionary zoning is the mediation and review process set forth in this act and not litigation, and that it is the intention of this act to provide various alternatives to the use of the builder's remedy as a method of achieving fair share housing." N.J.S.A. §52:27D-303. To that end, the FHA directed the Program to facilitate settlement between a municipality and any interested parties that filed a challenge to the municipality's HEFSP and give the municipality until December 31, 2025, to commit to revise its HEFSP or provide an explanation for why it will not make all or some of the requested changes. N.J.S.A. §52:27D-304.1 (f)(2)(b). Upon resolution of a challenge, the Program shall issue a compliance certification conditioned upon the municipality's "commitment, as necessary, to revise its fair share plan and housing element in accordance with the resolution of the challenge." Ibid.

Despite the Legislature's preference for settlement, it is still incumbent upon the Program to determine whether the municipality's proposed amended HEFSP enables the municipality to satisfy its fair share obligation and is compliant with the FHA and the Mount Laurel doctrine. See N.J.S.A. §52:27D-304.1(f)(2)(b). The Program is mindful of the fact that the municipality is permitted to use a variety of means and techniques to provide for its fair share of affordable housing as set forth in N.J.S.A. §52:27D-311 and that courts should employ flexibility in assessing a municipality's HEFSP for compliance with the FHA and Mount Laurel doctrine. In re Adoption of N.J.A.C. 5:96 & 5:97, 221 NJ. 1, 29-33 (2015).

Having reviewed all the submissions of the parties (including the original HEFSP and the proposed Amended HEFSP), the recommendation of the Special Adjudicator and having presided over the settlement conferences, this Program member is satisfied that the Municipality's proposed Amended HEFSP provides a realistic opportunity for the construction of its fair share of low and moderate income housing and thus is compliant with the FHA and in accordance with S. Burlington Cnty. NAACP v. Mount Laurel, 92 NJ. 158, 220-22 (1983). This Program member is also satisfied that the terms of the settlement between the Municipality and interested party/ies Fair Share Housing Center are fair, reasonable and adequately protect the interests of low and moderate-income residents of the municipality. (see attached exhibit Mediation Agreement) Matter of Twp. Of Bordentown, 471 NJ. Super. 196, 218 (App. Div. 2022).

Therefore, it is recommended that the settlement terms be approved by the Morris County Mt. Laurel Judge in accordance with attached recommendation.

Respectfully submitted by The Program


Hon. Stephan C. Hansbury, J.S.C. (Ret.)

Date: 1/9/26

**MEDIATION AGREEMENT BEFORE THE AFFORDABLE HOUSING DISPUTE
RESOLUTION PROGRAM**

In the Matter of the Application of the Borough of Mountain Lakes, County of Morris
Docket No. MRS-L-244-25

WHEREAS, the Borough of Mountain Lakes (the “Borough” or “Mountain Lakes”) 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 May 2, 2025 setting the Borough’s Fourth Round fair share obligations as a Present Need of 0 units and a Prospective Need of 190 units, which no party appealed, and ordering the Borough to file a Housing Element and Fair Share Plan (“HEFSP”) by June 30, 2025; and

WHEREAS, the Borough having filed its HEFSP on June 24, 2025 (“Adopted HEFSP”);
and

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

WHEREAS, the Borough 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 Borough for the Fourth Round;

THEREFORE, the Borough and FSHC agree:

Fair Share Obligations

1. The Borough's Present Need or Rehabilitation Obligation is 0, the Borough's Prior Round Obligation (1987-1999) was 80, the Borough's Third Round Obligation (1999-2025) was 271, the Borough's Fourth Round Prospective Need (2025-2035) is 190.

Satisfaction of Fair Share Obligations

2. The Borough has no Present Need obligation.
3. The Borough's Prior Round realistic development potential ("RDP") was 18 Units and was met by the following mechanisms:

Inclusionary Zoning Fusee Site – 6

Regional Contribution Agreement (City of Orange) 12
4. The Borough's Third Round RDP was 17 and was met with the following mechanisms yielding 20 credits all built:

Inclusionary Zoning Fusee Site – 2

Inclusionary Zoning King of Kings /Enclave – 6

Medicaid Beds Sunrise – 4

Additional Site 367 Bloomfield Avenue– 4 plus 4 rental bonus credits

Unmet need mechanisms: Mandatory set aside, 3 additional credits, overlay zoning portion of Route 46
5. The Borough's Fourth Round Realistic Development Potential (RDP) is zero. Mechanisms to address unmet, including the 25% requirement through redevelopment:
 - a. The Borough agrees to continue to implement overlay zoning as described in Table 22 on Page 24 of the June 24, 2025 Housing Element and Fair Share Plan, but agrees to increase the permitted density on the existing Route 46 overlay zone from 14 to 16 units per acre. Requiring a 20% set aside rather than the 15% option.

- b. The Borough has agreed to create an additional overlay zone on Block 118.04, Lot 1(49 Bloomfield Avenue) as described on Page 26 of the June 24, 2025 Housing Element and Fair Share Plan.

Unit Type and Income Distribution Requirement

6. The Borough and FSHC agree that the Borough's HEFSP as presented above satisfies the unit type and income distribution requirement standards set forth in P.L. 2024, c. 2, (including but not limited to N.J.S.A. 52:27D-311(l), N.J.S.A. 52:27D-211(l), N.J.S.A. 52:27D-311(l), N.J.S.A. 52:27D-329.1) and that the Borough shall maintain satisfaction with such requirements for the Fourth Round. 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. 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 FSHC and the Borough, statutory requirements, and the Prior Round and Third Round regulations.
7. In all developments that produce affordable housing, the Borough and FSHC 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 Borough 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 Borough 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 UHAC 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 community and regional organizations shown in the draft affirmative marketing plan attached as Appendix K in the Housing Element and Fair Share Plan.

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 Borough 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 Borough 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 Borough 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 Borough 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.
- e. 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 Borough 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 Borough 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. The Borough agrees to provide a draft of the Spending Plan to FSHC by February 1, 2026.
 - b. The Borough 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. The Borough agrees to provide a draft of the aforementioned documents to FSHC by February 1, 2026.
10. The Borough and FSHC recognize that substantial changes in circumstances affecting the Borough'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 Borough 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 Borough agrees that any additional RDP

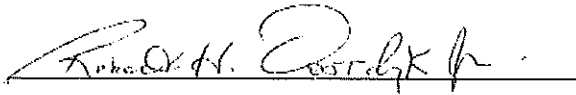
generated due to changed circumstances must be addressed in a manner that is consistent with controlling law.

11. The Borough's Compliance Certification shall be subject to required ongoing monitoring as follows:

- a. The Borough 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 Borough 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 Borough 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.



Robert H. Costello

On behalf of the Borough of Mountain Lakes:



John

On behalf of Fair Share Housing Center:

Date: 12/11/2025

Date: 12/18/25

Appendix O: Superior Court Decision and Order Approving Municipal Housing Element and Fair Share Plan (“HEFSP”) for the Fourth Round Housing Cycle

FILED
JAN 16 2026
Janine M. Allen, J.S.C

PREPARED BY THE COURT:

**IN THE MATTER OF THE
DECLARATORY JUDGMENT
ACTION OF THE BOROUGH
OF MOUNTAIN LAKES,
MORRIS COUNTY PURSUANT
TO P.L. 2024, CHAPTER 2
(N.J.S.A. 52:27D-304.1, et seq.),**

Petitioner.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION – CIVIL PART
MORRIS COUNTY
DOCKET NO. MRS-L-244-25

Civil Action
Mt. Laurel Program

**DECISION AND ORDER APPROVING
MUNICIPAL HOUSING ELEMENT AND
FAIR SHARE PLAN (“HEFSP”) FOR THE
FOURTH ROUND HOUSING CYCLE**

THIS MATTER, having come before the Court on referral from and recommendation issued by the Affordable Housing Dispute Resolution Program (“Program”), pursuant to the Complaint for Declaratory Judgment filed on January 28, 2025 (“DJ Complaint”) by the Petitioner, Borough of Mountain Lakes (“Petitioner” or “Municipality”), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq. (collectively, the “FHA”), and in accordance with Section II.A of Administrative Directive #14-24 (“Directive #14-24”) of the “Program”, seeking a certification of compliance with the FHA;

AND THE COURT, having entered its Decision and Order Fixing Municipal Obligations for “present need” and “prospective need” for the Fourth Round housing cycle on May 2, 2025 for the Municipality – specifically, therein establishing a “present need” obligation of zero (0) affordable housing units, and a “prospective need” obligation of one hundred and ninety (190) affordable housing units (collectively, the “Fourth Round Affordable Housing Obligation”);

AND IT APPEARING that, the Municipality timely adopted a Resolution hereby endorsing its proposed Housing Element and Fair Share Plan (“HEFSP”) for the implementation of its Fourth Round Affordable Obligation, and thus by or before June 30, 2025, as provided for and in accordance with the FHA and Section III.A of Directive #14-24 (as amended), and which Plan contained the elements set forth in the “Addendum” attached to Directive #14-24 (as amended);

AND IT APPEARING that, challenges to the Municipality’s HEFSP (“Challenges”) were timely and properly filed by **Fair Share Housing Center** (“FSHC”), (“Challenger”) by and through its respective counsel, in accordance with the FHA and Section III.B of Directive #14-24, wherein the Challenger disputed, in whole or in part, certain aspects of the Municipality’s proposed HEFSP;

AND IT APPEARING that, pursuant to the Program, the Administrative Office of the Courts (“AOC”) appointed and assigned the case to Program member, the Hon. Stephan C. Hansbury, J.S.C. (Ret.) (“Program Member”) to manage the proceedings, host settlement conferences, conduct sessions, and make recommendations to the Court in accordance with the FHA and the AOC’s Directive #14-24, and that the Program Member appointed John McDonough, PP/AICP, as special adjudicator (“Special Adjudicator”) in this case to work with, make recommendations to, and assist the Program, and who worked closely with the Program Member;

AND IT APPEARING that, on November 20, 2025 and December 18, 2025, settlement conferences were conducted on notice to all parties, in accordance with the statutory framework and Directive #14-24, and with the goal of reaching a resolution;

AND IT APPEARING that, the parties engaged in extensive settlement negotiations before and during the settlement conferences, with the guidance and assistance of the Program Member and the Special Adjudicator;

AND IT APPEARING that, as a result of the settlement conferences conducted, the Municipality and the Challenger, FSHC, reached a resolution (“Settlement”); that the Settlement was placed on the record on December 18, 2025; that the Municipality and FSHC entered into a settlement agreement dated December 18, 2025 (the “Settlement Agreement”), that was uploaded to eCourts on January 5, 2026, and which agreement sets forth the manner in which the Municipality shall address its Fourth Round affordable housing obligations (including a detailed description of Prior Round and Third Round Obligations as outlined therein); and the Program further directed that the governing body of the Municipality adopt a resolution to accept and confirm the Settlement, which resolution was uploaded to eCourts on January 5, 2026;

AND THE COURT, having received the Program Member’s report and Decision Recommendation and accompanying detailed Statement of Reasons contained therein, dated January 9, 2026, since posted to the eCourts jacket for this matter at Trans. ID: LCV202681942, the findings, terms, and recommendations of which are incorporated by reference as though more fully set forth herein (the “Report”);

AND THE COURT, having been advised that (i) the Special Adjudicator has recommended acceptance of the Settlement, (ii) the Program Member has recommended acceptance of the Settlement as reasonable and in furtherance of the interests of low- and moderate-income households in the Municipality (collectively, the “Recommendations”), and that (iii) the Program Member further recommends that the Court adopt the findings and recommendations set forth in the Report and enter an Order, *forthwith*, implementing the terms of Settlement and

approving the Settlement Agreement, and to thereby formally approve the Municipality's HEFSP (as adopted) (as amended) to implement the "present need" and "prospective need" obligations of the Municipality for the Fourth Round housing cycle;

AND THE COURT, having reviewed and considered the Program Member's Report and Recommendations, having been satisfied that an arm's length Settlement was reached and entered into by and between the Municipality and FSHC;

AND THE COURT, having found and determined that the proposed HEFSP as adopted is fair and equitable, shall provide a "realistic opportunity" for the construction and/or delivery of housing affordable to those of the protected class of low- and moderate-income households in the Municipality, and is thereby in their best interests, and for good and sufficient cause having otherwise been shown:

IT IS, THEREFORE, on and as of this **16th** day of **JANUARY 2026** **ADJUDGED AND ORDERED**, that the Program Member's Report and Recommendations for approval of the Settlement and implementing Settlement Agreement, and the HEFSP of the Municipality as adopted (inclusive of the detailed report and recommendation of the Special Adjudicator referenced in the Program Member's Decision Recommendation), be, and the same hereby is **ACCEPTED** and **ADOPTED** in its entirety; and to that end, more specifically, it is further

ORDERED AND ADJUDGED, as follows:

1. That the Settlement and implementing Settlement Agreement, be, and the same hereby are **APPROVED**, with the exception that the Settlement Agreement be amended to remove any provision requiring the continued involvement of the Special Adjudicator, and since the parties have agreed that the Special Adjudicator shall have no further duties or obligations under the Settlement Agreement.

2. That, (i) the endorsed HEFSP of the Municipality for the Fourth Round housing cycle previously filed in accordance with the requirements of the FHA and Directive #14-24 (as amended), be, and the same hereby is **APPROVED** by the Court.

3. That, in accordance with N.J.S.A. 52:27D-304.1(f)(2)(c), the Petitioner Municipality is hereby immediately authorized to adopt and file an Amended HEFSP that contains the terms of the Settlement and Settlement Agreement, as well as to proceed, without further delay, to notice and adopt the implementing ordinances and resolutions proposed within the Amended HEFSP to ensure implementation of its Fourth Round HEFSP, incorporating therein any changes from the Program and this Court's Order, and on or before **MARCH 16, 2026**¹; and

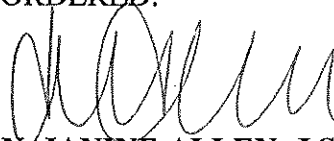
4. That, upon the adoption and filing of the foregoing, the Court shall schedule a Fairness and/or Compliance Hearing to consider approval of the Municipality's Amended HEFSP so as to issue and thereafter enter its formal Certification of Compliance and repose from builder's remedy and/or exclusionary zoning litigation in the Fourth Round housing cycle and the period of 2025 to 2035, pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b), (c), Section III.F of Directive #14-24 and for publication pursuant to N.J.S.A. 52:27D-304.1(f)(2)(e).

5. **Failure to meet the March 16, 2026 deadline shall preclude the Court's issuance of a Certification of Compliance and Repose as required by the FHA and Directive #14-24 (as amended) and will thereby result in the Municipality losing immunity from builder's remedy and/or exclusionary zoning litigation.**

¹ **Note:** The statutory deadline for municipalities to adopt all necessary implementing ordinances and resolutions for non-challenged HE/FSPs, or alternatively, a binding resolution to commit to adopting the implementing ordinances and resolutions following settlement and/or resolution of a Program-submitted dispute (with necessary adjustments) was March 15, 2026. Because the deadline falls on a Sunday, the deadline became Monday, **March 16, 2026**, as the next day that was neither a Saturday, Sunday, or a legal holiday, and thus adoptions made and confirmed on and as of March 16, 2026, are deemed compliant. See R. 1:3-1.

IT IS FURTHER ORDERED, that a copy of this Order shall be deemed served on the Petitioner, Petitioner's counsel, and counsel for all Challengers upon its posting by the Court to the eCourts case jacket for this matter pursuant to R. 1:5-1(a) and R. 1:32-2A.

SO ORDERED:



HON. JANINE ALLEN, J.S.C.

Designated Mt. Laurel Judge – Morris/Sussex Vicinage

(X) Challenged.

STATEMENT OF REASONS

[R. 1:7-4(a) – Directive #14-24, Section III.F]

Having reviewed and considered the Program Member’s Report and Recommendations dated January 9, 2026, as well as the terms of Settlement reached by and between the Municipality and Challenger, FSHC, placed on the record by the parties before the Program Member on December 18, 2025, and thereafter embodied in the written Settlement Agreement entered into and executed by those parties on the same date; and having further determined there is no need to take testimony to resolve any relevant factual issue, the Court is satisfied, finds and concludes:

(i) that an arm’s length Settlement was reached and entered into by and between the parties, and that the terms of the Settlement attained are fair and equitable;

(ii) that the proposed HEFSP as adopted and being amended to incorporate the provisions of the Settlement Agreement, is fair and equitable, and shall provide a “realistic opportunity” for the construction and/or delivery of housing affordable to those of the protected class of low- and moderate-income households in the Municipality; and

(iii) that the HEFSP, as amended, is thereby in the best interests of the protected class of low- and moderate-income households in the Municipality. The Settlement disposes of the Challenge filed by FSHC.

Accordingly, the Court hereby adopts in full the Report and Recommendations of the Program Member and accepts the same for the detailed findings and reasons set forth therein. As a result, the Municipality retains all the protections of the above-referenced amendments to the FHA, continues to retain immunity from exclusionary zoning litigation, and that the Court retains jurisdiction for the Municipality’s adoption of implementing ordinances as required in accordance with the statutory framework and AOC Directive #14-24, by or before March 16, 2026, and thereupon, the Court’s issuance of a Certification of Compliance.

An appropriate form of Order implementing the Program Member’s Report and Recommendations accompanies this Statement of Reasons.

SO ORDERED.