

Plainboro

(1988)

● announcement that a settlement has been reached ~~at~~ b/w Plainboro Twp and Civic League (D)

4 pgs

● MLC00309T



Township of Plainsboro

641 Plainsboro Road, Box 278, Plainsboro, New Jersey 08536-0278 (609) 799-0909

FOR IMMEDIATE RELEASE

06/23/88

PLAINSBORO, NJ—Plainsboro Township announces today that it has reached a settlement with the Civic League (formerly Urban League) in the renegotiation of the Township's Mt. Laurel low/moderate income housing obligation. The Township commenced a new round of negotiations with the Civic League in December 1986 as the result of a failure to implement a 1985 settlement. Superior Court Judge Eugene D. Serpentelli approved the settlement and executed a consent order to that effect on June 10, 1988.

In addition, the Township announces today that it has reached a settlement with the Civic League in a related law suit. This suit focuses upon the Township's liability in reimbursable legal fees, fees paid by the Civic League in litigating the Mt. Laurel issue in Middlesex County. The Township has settled with the Civic League for \$30,000. Settlement of this issue prevents a significant legal cost to the Township and potential substantial Township payment of legal fees and costs to the Civic League.

The successful negotiation of the new Mt. Laurel agreement and the legal-fee suit brings to a close all outstanding issues surrounding Plainsboro's Mt. Laurel obligations.

The Township is pleased with the results of these negotiations. In the absence of the new settlement, the Township faced the potential of having the Court invoke mandatory rezoning and the accompanying "builders' remedy" as a means of achieving its 1985 low/moderate housing obligation. As a consequence, the Township may have been forced to

allow a significant number (2,500) of new housing units in order to provide the 575 low/moderate units mandated by the 1985 settlement.

The new settlement reduces the overall obligation from 575 to 350 low/moderate units. The new pact goes beyond a conceptual agreement on what is an acceptable number of housing units. It provides for realistic methods to put the housing in place—and to do so at a significantly reduced financial risk to the community.

As an added benefit, the implementation plan for the new settlement will result in the dedication of 35 acres of land to the Township for future Township use.

In summary, the new settlement:

- Eliminates the threat of a court-imposed rezoning and use of builders' remedy, which could have added 2,500 new housing units to the community.
- Reduces the low/moderate obligation from 575 to 350 units.
- Provides an assured implementation path at minimal public expense for over 75% of the 350 unit requirement.
- Provides a secured source of significant funding to meet the Township's low/moderate housing obligation.
- Provides the Township with 35 acres of dedicated land for future municipal purposes.
- Provides a balance of scattered low/moderate housing options throughout the community.

The attached fact sheets will provide you with a more detailed history of the Mt. Laurel process in Plainsboro. They will also provide you with a quick summary of the major elements of the new settlement compared with those of the old settlement.

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FACT SHEET #1
06/23/88

PLAINSBORO'S MT. LAUREL HISTORY

1974

Action brought against 23 of 25 municipalities in Middlesex County by Urban League of Greater New Brunswick.

1976

Zoning practices in 11 municipalities, including Plainsboro, were found to be in violation of Mt. Laurel in Middlesex County Superior Court. Allocated 1,333 housing units in Plainsboro.

1979

Appellate Division reversed initial decision and dismissed case.

1983

On appeal from the Urban League, the New Jersey Supreme Court remanded to lower court to determine region and fair share.

1983-84

Negotiations ensued between Urban League and Plainsboro Township.

May 1984

Settlement reached between Civic League and Plainsboro Township.

July 1985

Agreement signed between Civic League and Plainsboro Township. Court approved Consent Order requiring 575 units, Township bonding (if required by court) as financing tool, and remedies for non-compliance to include court imposed rezoning, 20% set-aside, potential 2,500 additional housing units.

October 1986

Option on 35 acre tract for low/moderate housing expires.

December 1986

Significant non-compliance with 1985 Consent Agreement occurs; court action threatened.

December 1986

Renegotiations with Civic League commence.

January 1987

Changes in the federal tax law take effect reducing financial capability to implement required housing.

August 1987:

Township Committee creates Plainsboro Non-Profit Housing Corporation.

February-June 1988

Three agreements negotiated guaranteeing Housing Trust Fund monies.

June 10, 1988

Superior Court approves Consent Agreement negotiated between Township and Civic League.



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FACT SHEET #2
06/23/88

COMPARISON OF KEY ELEMENTS - OLD VS. NEW SETTLEMENT

NEW

- I. Requires 350 low/moderate units:
- 40 (low) for sale at Tamarron *completed*
 - 20 (low/moderate) rehabs *to be identified*
 - 125 (63 low/62 moderate) rentals on 10 acres
 - 40 (moderate) for sale on McCarthy tract
 - 40 (15 low/25 moderate) for sale on Walker Gordon tract
 - 85 (50% low/50% moderate) rentals to be determined
 - Full compliance required by 01/01/93
 - TOTAL 350 Units

II. McCarthy Tract (120 acres):

- 35 acres to be dedicated to Township for future Township use
- 125 low/moderate rentals to be built by Non-Profit Housing Corp on 10 acres dedicated to Township:
 - Developer will donate architectural and engineering services
 - Developer will donate off-site improvements
 - Developer to construct 330 units on balance of 120 acre tract:
 - 70 patio homes
 - 100 manor homes
 - 160 garden homes (to include 40 moderates)

III. Housing Trust Fund Financing Secured:

- Covenants not to sue negotiated with Linpro, Princeton University, Merrill Lynch
- Covenants will provide minimum Housing Trust Fund revenue of \$1.8M, maximum of over \$4M
- Other covenants to be negotiated

IV. Plainsboro Non-Profit Housing Corporation Established:

- Corporation established August 1987
- Submitted preliminary construction financing application for 125 unit rental project June 1988

OLD

I. Required 575 low/moderate units:

- 40 (low) for sale at Tamarron
- 2 (low/moderate) rehab credits
- 413 (125 low/288 moderate) rentals on 35 acres
- 120 (60 low/60 moderate) rentals
- Full compliance required by 01/01/91
- TOTAL 575 Units

II. McCarthy Tract (120 acres):

- 35 acres to be purchased by Township (at +\$1M)
- 413 (125 low/288 moderate) rentals to be built on 35 acres purchased by Township