

ML - Morris County Fair Housing Council v.  
Boonton

~ 1985

Exhibits A-C : Agreements between Mount Olive and developers

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ML000671G

EXHIBIT A

ML000671G

AN ORDINANCE OF THE TOWNSHIP OF  
MOUNT OLIVE AMENDING CHAPTER 91  
ENTITLED "ZONING" OF THE CODE OF  
THE TOWNSHIP OF MOUNT OLIVE  
REZONING CERTAIN SITES, ADDING  
CERTAIN PROVISIONS TO ENSURE  
COMPLIANCE WITH MOUNT LAUREL II AND  
REPEALING AND REPLACING ORDINANCE  
NUMBERS 24-84 AND 25-84.

WHEREAS, it is the intent of the Township of Mount Olive to amend the zoning ordinance to rezone certain sites within the Township of Mount Olive and to add certain provisions to ensure compliance with the requirements of Mt. Laurel II; and

WHEREAS, the Township of Mount Olive has in the past consistently sought to provide the opportunity for construction of affordable housing in compliance with Mt. Laurel I and Mt. Laurel II; and

WHEREAS, the Township of Mount Olive is adopting these provisions to assist in full and complete settlement of the law suit filed by the Public Advocate entitled "Morris County Fair Housing Council vs. Boonton Township, et al." and the consolidated case of "Chester and Van Dalen Associates, Inc. Employees Retirement Trust, John Chester, Gregory Ploussas and John Van Dalen, as co-trustees, vs. Mount Olive Township, a municipal corporation of the State of New Jersey, located in Morris County, New Jersey";

NOW, THEREFORE, BE IT ORDAINED, by the Council of the Township of Mount Olive, County of Morris, State of New Jersey as follows:

SECTION 1. Article II entitled "Definitions" of Chapter 91 entitled "Zoning" of the Code of the Township of Mount Olive is hereby amended by adding the following definitions:

- a. Affordable: Monthly rent (excluding utilities) or monthly home ownership costs (mortgage, principal and interest, plus taxes, insurance and condominium or homeowner's association dues) that totals no more than 25% of the occupant households' gross monthly income. For sale units, the sale price may be computed based upon an assumption of a 10% down payment and a conventional mortgage at prevailing rates.
- b. Low Income Household: A household having total gross household income equal to fifty (50%) percent or less of the median household income for households of the same size and using the median income data for household size prepared by the United States Department of Housing and Urban Development (HUD) for the region which includes Mount Olive Township (presently the Newark P.M.S.A.), or, if HUD data is not available, equivalent data from other sources acceptable to the Planning Board. However, in the R5ML zone only, the income eligibility limit for a two bedroom unit shall be determined by averaging the income limit for a household of three persons and the income limit for a household of four persons.
- c. Low Income Housing: Those dwelling units which are affordable to purchase or rent by a low income household using not more than 25% of the family income.

SECTION II. Section 91-12A of Article II entitled "General Provisions For All Development" of Chapter 91 is hereby amended to add the following sentence at the end of Section 91-12A:

"§91-12A. In the case of housing built to satisfy the needs of low income households, specific cost-saving features shall be described in the submission for approval, and there shall be no requirement imposed for architectural variation unless it can be accomplished without added cost to the household."

SECTION III. Section 91-12 of Article III of Chapter 91 is hereby amended to add the following sentence at the end of the first paragraph:

"§91-12B. These standards shall not apply in the R-5ML Zone or the R-3SC Zone; See Section 91-11.1 entitled 'Low Income Housing' and the R-5ML Zone District and R-3SC Zone District for the standards applicable in said zones."

SECTION IV. Article III of Chapter 91 is hereby amended by adding a new section 91-22.1 entitled "Low and Moderate Income Housing".

"§91-22.1. Low Income Housing.

- A. Purpose: The purpose of this section is to assure opportunities to provide low income housing. They are geared toward providing for the Township's fair share of low income units. It is intended that all future developments on lands in

the specified districts will be responsible for some portion of the low income housing obligation.

- B. Required Participation: Subdivision and site plan approval on properties where the actual construction of low income housing is required shall be denied unless the developer complies with the obligation to provide low income housing pursuant to this section, and the planning board may impose any reasonable conditions to assure such undertaking. At least 15 percent of units in each development plan in the R-5 ML District shall be sold or rented at prices qualifying the units as affordable for low income households. Low income units shall be phased in accordance with the following schedule:

<u>Percentage of Total Market Housing Units</u>	<u>Minimum Percentage of Low Income housing units</u>
25%	-0-
50%	25%
75%	75%
100%	100%

The developer may construct the first 25% of the market housing units without constructing low income housing units. Certificates of occupancy for the next 25% of the market housing units shall be assessed proportionately to the issuance of certificates of occupancy for the first 25% of the low income units. Certificates of Occupancy for the next 25% of the market units shall only be issued proportionately to the issuance of Certificates of Occupancy for the next 50% of the low income units. The remaining 25% of the market units shall be issued Certificates of Occupancy proportionately to the issuance of Certificates of Occupancy for the remaining 25% of the low income units.

C. Monitoring Costs of Low Income Housing.

1. Each development project containing lower income housing shall include in its development application assurances that purchasers and renters of low income housing shall qualify by income for the particular category of housing at the time of occupancy, and that subsequent purchasers or renters shall also so qualify by income at the time of their occupancy of the unit. The subdivision and/or site plan of a development containing low income housing shall not be approved by the planning board unless it complies with the Township's requirements for lower income housing.

2. In computing eligibility, not more than 25% of the gross monthly household income may be used for housing as follows:

Rental units - gross rent (excluding utilities)

Sales units - principal, interest, taxes insurance and condominium or homeowners association dues.

3. No certificate of occupancy for a low income housing unit shall be issued unless the planning board has certified in its plan approval that the unit is covered by a deed or lease restriction, as further described in the following paragraph, and that the Business Administrator or his designee has determined that the proposed occupant qualifies by gross household income as a low income household.

4. Upon the initial sale or lease of any low income unit, the deed or lease shall contain a covenant, running to the developer and to the Township of Mount Olive, that each unit shall be restricted for occupancy by qualifying low income households as defined by this ordinance as of the date of the resale or releasing of the units.

In the R-5ML zone the maximum income for an occupant of a 2 bedroom unit shall be calculated by averaging the maximum income for a 3 person household and the maximum income for a 4 person household. After 30 years all low income housing may be sold or rented without restrictions.

a. A sales unit, intended to be occupied by the purchaser, shall not, for a period of 30 years after each certificate of occupancy is issued to the first purchaser, be permitted to be occupied by any household not qualified by income, or sold at a price in excess of that specified by this chapter, adjusted for the date of the transaction.

b. A rental unit, shall not, for a period of 30 years after the date of issuance of the certificate of occupancy for the unit be leased to any household not qualified by income, or leased at a price in excess of that specified by this chapter, adjusted for the date of the transaction.

5. The Business Administrator or his designee shall administer the income, sales and rent limits for low income housing fixed by this chapter. A developer shall submit a plan for resale or rental controls to ensure that the units remain affordable to low income households for at least thirty (30) years. The purchaser shall be entitled to sell the units for:

a. The original sales price plus the original sales price multiplied by seventy-five (75%) percent of the percentage increase in the Consumer Price Index between the date of purchase and the date of resale;

b. Reimbursement for documented monetary outlays for reasonable improvements; and

C. Any reasonable costs incurred in selling the unit.

All resale prices or rental levels of low income housing units and the eligibility of the proposed purchaser or renter shall be submitted to the Business Administrator or his designee for approval.

6. The Township and the applicant may develop reasonable procedures for selection and determination of eligibility of prospective low income renters or purchasers and may arrange for third party administration of renter or purchaser selection. The developer in a R5ML Zone shall agree not to impose any residency requirements upon prospective renters or purchasers of any low income units, except that the Township may require the developer to offer units for rental or initial sale exclusively to residents of Mount Olive Township for a period of not more than fifteen (15) days. The developer in the R5ML Zone shall agree not to impose any age requirements upon occupants of low and moderate income units.
7. Failure of a developer to comply with any of the requirements pertaining to low income housing shall be cause for denial of requests for certificates of occupancy for market-level units in the development.
8. Rental units may be converted to condominium units but any sale of condominium units shall be affordable to low income households and shall be sold only to the eligible or qualifying households. The condominium units shall be subject to such resale price controls as may be necessary to ensure that the units continue to be affordable to low income households for the remainder of the thirty (30) year period commencing from the date of the initial rental.



9. The developer shall formulate and implement a written affirmative marketing plan acceptable to the Planning Board. The affirmative marketing plan shall be realistically designed to ensure that low income persons of all races and ethnic groups are informed of the housing opportunities in the development, feel welcome to seek to buy or rent such housing, and have the opportunity to buy or rent such housing. It shall include advertising and other outreach activities realistically designed to reach:

(a) Low income persons of all races and ethnic groups in municipalities in northeastern New Jersey that have higher than average proportions of blacks, Hispanics or low income households; and

(b) Low income persons of all races and ethnic groups who work in Morris County, but do not live within the County.

The plan shall include advertisement in newspapers, periodicals and other media aimed at black and Hispanic populations.

D. Modification of Standards and Fees

A developer in the R5ML or R-3SC Zone may request the Planning Board and/or the Township to further increase densities, waive or modify cost generating requirements in the Land Use Ordinance, to waive or reduce fees, if the developer determines that such actions are necessary to provide the 15 percent low income housing. A developer may choose one of the impartial housing experts from a list prepared by the Planning Board and have the experts make recommendation, at the expense of the developer, on the necessity for the proposed waivers, modifications or other actions. The expert shall also consider whether the requirement for which the waiver or modification is sought is a necessary minimum. In the event that the Planning Board declines to accept one or more of the recommendations of the expert, it shall detail its reasons in writing.

F. The Township hereby waives the following fees for the low income units in the R5ML and R-3SC Zone:

(1) Subdivision and site plan application fees on a pro-rata basis based on the percentage of low income housing in the development.

(2) Building permit fees, except state fees.

(3) Certificate of Occupancy fees.

(4) Engineering fees on a pro-rata basis based on the percentage of low income housing in the development.

SECTION V. Article IV entitled "Schedule of Limitations" of Chapter 91 entitled "Zoning" is hereby amended to add a new Section 91.71.1 entitled "Mt. Laurel Residential Districts; R-3SC and R-5 ML."

"§91.71. Mt. Laurel Residential Districts; R-3SC and R-5ML.

A. R-3SC - Government subsidized senior citizen housing projects.

1. Purpose - This district is to provide for the construction of Federally subsidized housing for senior citizens and the handicapped.

2. Parcels in excess of three (3) acres in size may be used for the construction of publicly subsidized housing for senior citizens and the handicapped, sponsored by a qualified non-profit organization such as the Abiding Peace Senior Housing Corp. The housing shall be funded pursuant to State or Federal government subsidy programs. Occupancy in the housing must be limited to those meeting the definition of low income, and provide continued assurance of the affordability of the units to persons in that income group over a period of at least 30 years. Building height may be up to five (5) stories. The project must be served by approved sewer or septic and water systems. Parking requirements may be reduced down to .5 dwelling spaces per dwelling unit, if requested by the applicant and approved

by the planning board.

B. R-5ML - Multi-family residential.

1. Purpose. The purpose of this district is to provide for the construction of multiple dwellings with opportunities provided for housing affordable to families of low income.

2. Permitted Principal Uses.  
Apartments and townhouses.

3. Accessory Uses. Parking areas and trash and garbage collection areas, private recreation buildings and facilities, including swimming pools and tennis courts, intended for use by the residents of the townhouse or apartment project.

4. Conditional Uses. None

5. Area, Yard and Bulk Regulations.

a. Minimum Requirements for Tract:

Tract Area	10 acres
Tract width	200 feet
Lot depth	200 feet
Tract setbacks from property line	25 feet

b. Maximums

Building coverage:	20%
Total impervious surface	40%
Building height	35 feet
Gross density per acre	12 units

c. If the development consists of townhouses with individual fee simple lots for sale, the following minimum requirements shall apply:

Lot area	1200 sq. feet
Lot width	16 feet
Front yard	20 feet

Rear yard

20 feet

6. Mandatory Set Aside and Units Mix.

At least 15% of units in any development in the R5ML zone shall be affordable to low income households. A minimum of 20% of all said low income units shall be three bedroom units. No more than fifty (50) percent of the low income units shall be one bedroom units.

7. Minimum off-street parking requirements.

a. Each dwelling unit shall provide off-street parking in the following manner:

Dwelling units with one (1) bedroom or less - 1.5 spaces.

Dwelling units with two (2) bedrooms or less - 1.75 spaces.

Dwelling units with more than two (2) bedrooms - 2.0 spaces.

b. All common off-street parking shall be located within 300 feet of the dwelling unit served.

8. Streets:

a. All developments shall be served by paved streets in accordance with the approved subdivision and/or site plan; all such streets shall have adequate drainage.

b. Local streets shall be planned so as to discourage through traffic.

c. The minimum public street right-of-way and cartway and the minimum private street cartway shall be in accordance with the following schedule:

1. Collector street (no parking on both sides). R.O.W. 50' - Cartway 26'

2. Local Street serving Townhouses with garages or off-street parking with no on-street parking. R.O.W. 40' -

Cartway-27'.

3. Local street serving multifamily townhouses with common or on-street parking R.O.W. - 40' - Cartway 30'.

9. "Critical Area Density Adjustments

Certain environmentally sensitive lands in the R-5ML zoning district should not be developed at the same density as those lands which are more suitable for construction. The following density adjustment factors shall be incorporated in any determination of total site development permitted. If a developer contends that the extent of lands shown in the referenced documents as falling in the following categories do not have the characteristics reported in those documents, an appeal may be made to the approving authority for a modification in the critical area boundary and a corresponding adjustment in the number of housing units permitted.

a. Flood hazard areas as identified by the Soil Conservation Service or as shown as within 100 year flood lines on any official flood maps shall be adjusted by a density credit factor of 0.0.

b. Critical wetlands areas, which includes areas where the seasonal high water table is at the surface shall be adjusted by a density credit factor of 0.0.

c. Areas where the seasonal high water table is within 1.5 feet of the surface shall be adjusted by a density credit factor of 0.5.

d. Areas which are not served by sanitary sewers and have a seasonally high water table within 4 feet of the surface shall be adjusted by a density credit factor of 0.5.

e. Open water areas, such as streams, ponds and lakes, shall be adjusted by a density credit factor of 0.0.

f. Areas with slopes over 25 percent shall be adjusted by a density credit factor of 0.0, while those with slopes of 15-24% shall be adjusted by a density credit a factor of 0.5."

SECTION VII. Chapter 91 entitled "Zoning" is amended to add two new zones to be known as R-3SC entitled "Government Subsidized Senior Citizen Housing" and R-5ML entitled "Multi-Family Residential - Mount Laurel" notwithstanding the location of boundaries of zones or districts established in the zoning map of the Township of Mount Olive dated May 23, 1978 and amended August 14, 1979 which map was made a part of the zoning ordinance by Chapter 91. Lots 1 and 1-5 and block 38 as shown on the tax map of the Township of the Township of Mount Olive be and the same are hereby removed from the RA zone and are placed in the R-5ML Zone.

SECTION VIII. A portion of Lot 6 Block 42 as hereinafter described by metes and bounds is hereby removed from the R-3 zone and placed in the R-4SC Zone:

BEGINNING at a point in the right-of-way of Wolfe Road common with Lot 4.01 in Block 42, and running South 27°13' 50" East a distance of 947.53 feet, more or less to a point;  
Running thence North 60° 28' 50" East a distance of 581.58 feet, more or less to a point;

Running thence South 19° 00' 20" East a distance of 422.21 feet, more or less, to a point;

Running North 69° 43' 50" East a distance of 5.54 feet, more or less, to a point

Running thence South 17° 11' 10" East a distance of 446.28 feet, more or less, to a point;

Running thence North 64° 03' 30" East a distance of 447.04 feet, more or less to a point;

Running thence South 19° 00' 20" East a distance of 235.00 feet, more or less to a point;

Running thence along the right-of-way of Wolfe Road a distance of 316.08 feet, more or less, to the point and place of BEGINNING.

SECTION IX. All ordinances or parts of ordinances inconsistent with this Ordinance and specifically ordinance numbers 24-84 and 25-84 are hereby repealed and replaced with this ordinance.

SECTION X. This ordinance shall take effect immediately upon publication, after final passage thereof, as provided by law, and then only if approved by the Court as bringing Mount Olive Township in compliance with the Mount Laurel decision.

ADOPTED AND APPROVED ON: \_\_\_\_\_

TOWNSHIP OF MOUNT OLIVE

BY: \_\_\_\_\_

ATTEST:

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EXHIBIT B

THIS AGREEMENT, made this            day of            1984,

BY AND BETWEEN

THE TOWNSHIP OF MT. OLIVE, a Municipal Corporation of the State of New Jersey, with offices located at Route 46, Budd Lake, New Jersey,

hereinafter designated as "The Township";

AND

OAKWOOD VILLAGE ASSOCIATES, A Partnership of New Jersey, 151 Route 206, Flanders, NJ 07836; SEGAL REALTY ASSOCIATES, A Partnership of New Jersey, 185 Valley Street, South Orange, NJ 07079; KINGS VILLAGE, A Partnership of New Jersey, 644 Salem Avenue, Elizabeth, NJ 07200; EAGLE ROCK VILLAGE, INC., A Corporation of New Jersey, 200 Central Avenue, 2nd Floor, Mountainside, NJ 07092; AND HENSYN VILLAGE, INC., A Corporation of New Jersey, 200 Central Avenue, 2nd Floor, Mountainside, NJ 07092,

hereinafter designated as "The Landlords";

WHEREAS, the Public Advocate has instituted suit against Mount Olive Township challenging the validity of its zoning ordinance based upon the principles established in the Mt. Laurel I and II decisions; and

WHEREAS, the Township of Mount Olive has defended that lawsuit asserting, among other things, that the Township has achieved zoning in compliance with the requirements of the Mt. Laurel I decision and as a result of said rezoning substantial numbers of apartment units have been constructed and are renting at levels affordable to moderate income families, consistent with the requirements of Mt. Laurel I and a portion of the requirements of the Mt. Laurel II decision; and



WHEREAS, it appears that the Township's fair share number is reduced to 500 low and moderate income housing units consistent with a formula proposed by the Township's planning consultant as well as the court's appointed planner; and

WHEREAS, the proposed settlement does give the Township credit for 250 moderate income housing units which are presently rented at levels consistent with the Mt. Laurel II decision; and

WHEREAS, the credits for existing units are based on the Township's ability to maintain the 250 moderate income housing units at levels consistent with the Mt. Laurel decisions;

WHEREAS, the Landlords have voluntarily agreed to enter into this agreement because it provides a mechanism for complying with the housing requirements of the Mt. Laurel decisions by maintaining 250 moderate income housing units at levels consistent with the Mt. Laurel decisions without impairment of their rent structure;

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions hereinafter provided, it is agreed by and between the Township and the Landlords as follows:

Section 1.

As used in this agreement, the following terms shall have the meanings indicated below:

BASE RENT -- The allowable rent charged for a dwelling unit subject to the provisions of this agreement on the effective date of this ordinance, if subject to lease or periodic tenancy on that date, or the allowable rent first charged after that date if not then so subject.

MT. LAUREL UNIT -- A dwelling unit subject to the provisions of this agreement.

CURRENT RENT -- The allowable rent presently charged, as calculated from the base rent plus all permissible rental increases charged since the effective date of this agreement.

DWELLING -- Any building or structure consisting of rented apartment units within the Oakwood Village, Village Green, Eaglerock Village, Hensyn Village and Kings Village apartment complexes located within the Township of Mt. Olive.

HOUSING SPACE -- Units of dwelling space in dwellings rented, offered for rent or available for rent to tenants.

UNIT OF DWELLING SPACE OR DWELLING UNIT -- Any room or rooms, suite, apartment, or dwelling, whether furnished or unfurnished, which is occupied or intended, arranged or designed to be occupied for sleeping or dwelling purposes by one (1) or more persons, together with all privileges, services, furnishings, furniture, equipment, facilities and improvements connected with the use or occupancy thereof.

Section 2.

- A. (1) The Landlords shall apply the rents established by this agreement to 250 of their rental dwelling units as allocated and set forth and limited as follows:

<u>Apartment Complex</u>	<u>Number of Mt. Laurel Units</u>
Oakwood Village	54
Village Green	97
Eagle Rock Village	46
Hensyn Village	22
King's Village	31
Total	250

Each Landlord may designate the units which shall be subject to the Mt. Laurel rent levels established herein to make up the required number of units provided that sixty-five percent (65%) of any units so designated shall be one (1) bedroom units and thirty-five percent (35%) of any units so designated shall be two (2) bedroom units.

- B. The base rent established for one (1) bedroom Mt. Laurel units shall be \$419.00 per month without utilities or \$503.00 per month with utilities. The base rent established for two (2) bedroom Mt. Laurel units shall be \$525.00 per month without utilities or \$630.00 per month with utilities. In this paragraph the word "utilities" shall be defined to only include heat and hot water.
- C. At the expiration of a lease or at the termination of a periodic tenancy of not less than one (1) year, Landlords may increase rents for Mt. Laurel units in an amount not to exceed the base rents plus (1) 75% of the Consumer Price Index published during the month of August of the year in which the lease or tenancy expires or terminates; or (2) the percentage increase in median income for the Standard Metropolitan Statistical Area in which Mt. Olive Township is located as established and published by the Department of Housing and Urban Development, whichever allows the greater increase in rent.

Section 3. Voidable rental increases; maintenance of service standards.

Any rental increase at a time other than at the expiration of a lease or termination of a periodic tenancy shall be void. Any rental or other increase in excess of that authorized by this agreement shall be void. The Landlords agree to provide the same service level to Mt. Laurel units as that provided to dwelling units rented at market levels.

Section 4. Notification to tenant of rent increase.

Landlords seeking an increase in rent shall notify the tenant and the Business Administrator or his designee of the proposed increase on forms promulgated for that purpose by the Business Administrator or his designee. Landlords shall set forth all information required to be set forth on such forms. Such notice must be given not less than sixty (60) days prior to the proposed effective date of the increase.

Section 5. Compliance with property maintenance codes.

- A. Landlords seeking an increase in rent for Mt. Laurel units as permitted by this agreement shall file with the Business Administrator or his designee a representation that (1) the dwelling unit and common areas, including hallways, are in substantial compliance with the Property Maintenance Code for Multifamily Dwellings of the Township of Mt. Olive; (2) the increase sought will not exceed the maximum permissible increase authorized by this agreement; and (3) the tenant or tenants meet the income criteria established in Section 6 of this agreement.
- B. For purposes of this section, "substantial compliance" shall mean that the dwelling unit and common areas are free from all heat, hot-water, elevator and all health, safety and fire hazards pursuant to the Property Maintenance Code for Multifamily Dwellings of the Township of Mt. Olive.

Section 6. Qualifications of Tenants.

- A. The Landlords will not rent or make available any Mt. Laurel unit to any person, persons or family who, in the case of a one bedroom unit, has or have an aggregate income greater than \$20,150.00 per year, and in the case of a two bedroom unit, has or have an aggregate income greater than \$25,200.00 per year. Commencing in 1985, the income limits shall change to coincide with eighty percent (80%) of the median family income as published annually by HUD for the region within which Mt. Olive is located for a family of two (one bedroom unit) and a family of four (two bedroom unit).
- B. It shall be the landlord's responsibility to secure proof of income from each new tenant and verify the information in affidavit form from the tenant. The form of affidavit shall be supplied by the Township. Income verification information shall be kept confidential but shall be made available to the Business Administrator or his designee upon request.
- C. The Business Administrator or his designee shall maintain a waiting list for persons meeting the income qualifications for Mt. Laurel units. The Landlord of a Mt. Laurel unit which is or is about to become vacant shall first make the unit available to qualified tenants already renting from the Landlord within the complex where the unit is located and then consult the waiting list maintained by the Business Administrator or his designee and offer the unit to a person or persons on the waiting list prior to renting the unit to a person or persons who meet the income qualifications but are not on the waiting list. In the event that no one is on the waiting list, the Landlord may offer the unit to any person who meets the income requirements. In all cases the responsibility for verifying income of prospective or current tenants is that of the Landlord of the Mt. Laurel unit who shall verify the income of prospective tenants as provided in Section 6 B.
- D. In the event that a Landlord discovers that there is or will be a vacancy in a Mt. Laurel unit at a time when there is no person on the waiting list and no other qualified tenant available, the Landlord of the Mt. Laurel unit shall notify the

Business Administrator or his designee of the availability of the unit and the lack of qualified tenants. The Business Administrator or his designee, after receiving such notification, will take immediate steps to locate a qualified tenant for the unit. The Landlord shall keep the Mt. Laurel unit available for a period of thirty (30) days after notifying the Business Administrator or his designee that the Landlord has determined that there is or will be a vacancy in a Mt. Laurel unit. If the Business Administrator or his designee fails to notify the Landlord that a qualified tenant has been found within the thirty (30) days, then the Mt. Laurel unit may be rented at market prices; provided that when a qualified tenant is identified the Landlord, within sixty (60) days, shall make a unit available to that tenant at the rent levels established by this agreement, regardless of whether or not the unit previously was subject to the provisions of this agreement, provided that a unit is available in accordance with the laws of the State of New Jersey.

Section 7. General Provisions.

- A. The Landlords shall have thirty (30) days from the effective date of this agreement to demonstrate to the Business Administrator or his designee that he or she is in full compliance with the requirements of Section 2 of this agreement. Any Landlord who cannot demonstrate full compliance with the requirements of this chapter within thirty (30) days of the effective date of this agreement shall endeavor, with the assistance of the Business Administrator or his designee, to locate qualified tenants and make rental units available to them as leases expire or current tenants leave, until the requirements of this chapter have been fulfilled. Compliance with the provisions of Section 2 above shall be accomplished within ninety (90) days of the effective date of this agreement provided that rental units are available in accordance with the laws of the State of New Jersey.
- B. The Landlords shall advertise the availability of Mt. Laurel units in those publications that have been designated by the Public Advocate and approved by the Superior Court of New Jersey in the settlement with Mt. Olive.

- C. After the effective date of this agreement, the Landlords shall not charge any rents for Mt. Laurel units in excess of the base rent, as defined herein, except for increases as authorized by this agreement. A Landlord who chooses not to increase rents to the maximum allowable under this agreement shall not lose the right to the annual increase allowed for a period of five (5) years, provided that the Landlord has notified the tenant and the Business Administrator or his designee in writing of the total sum of rental increase reserved during the year in question.
- D. Landlords seeking an increase in rent shall give written notice to both the tenant and the Business Administrator or his designee of his intention to charge such increases not less than sixty (60) days before the effective date thereof.
- E. The maximum term of any leasehold for a Mt. Laurel unit subject to the provisions of this chapter shall be three years.

Section 8. Registration of Mt. Laurel dwelling units required.

Every Mt. Laurel unit shall be individually registered by the Landlord with the Business Administrator or his designee on forms promulgated by the Business Administrator or his designee for that purpose within ninety (90) days of the effective date of this agreement, provided Mt. Laurel units are available in accordance with the laws of the State of New Jersey. The Landlords shall update the registration for each unit on January 1, of each succeeding year. Failure to register any Mt. Laurel unit within fifteen (15) days of the registration date prescribed herein shall constitute a breach of this agreement. In addition, the filing of the initial registration form with respect to a Mt. Laurel unit shall be a prerequisite to any increase in rent as provided for in this agreement, and no rental increases shall be permitted in the case of any Mt. Laurel units which have not been registered as required by this agreement.

Section 9. Business Administrator or his designee;  
powers and duties under this agreement.

The Township shall designate the Business Administrator or his designee as the Manager of Mt. Laurel rent levels and he shall have the following powers and duties:

- A. To ensure that the provisions of this agreement are complied with by the Landlords.
- B. To maintain a list of qualified tenants as defined in Section 6.
- C. To mediate disputes between the Landlords and their tenants arising out of the application of the provisions of this agreement.
- D. To provide annual reports to the mayor and council on compliance with the provisions of this agreement.
- E. To advise the Mayor and Council of the need for enforcement actions under Section 12.
- F. To issue and promulgate such rules and regulations as the he may deem necessary to implement the purposes of this agreement.

Section 10. Sales of Mt. Laurel rental units;  
conversion to condominiums.

- A. Nothing in this agreement shall prohibit the sale or conversion of Mt. Laurel units to condominiums or cooperative ownership.
- B. The provisions of this agreement shall be binding on any purchaser of an apartment complex from the Landlords notwithstanding that they may have the intent to convert any apartments so purchased to condominiums and the complex shall continue to be bound by the provisions of this agreement.
- C. In the event that an apartment complex subject to the provisions of this agreement is to be converted to condominiums, the owner of the complex shall first sell non-Mt. Laurel units until all such units are sold before selling any Mt. Laurel units; provided that the owner shall have the right to substitute one unit for another so long as the number of Mt. Laurel units remains constant. The owner shall notify the Business



Administrator or his designee of the sale of the first Mt. Laurel unit thirty (30) days prior to the date set for the sale.

- D. Within one year from the date the first Mt. Laurel unit is sold as a condominium unit, the parties to this agreement or their successors in interest shall come up with a plan to replace the moderate income units that have been and are being sold.

Section 11. New Apartment Complexes and Additional Dwelling Units.

- A. The Township will endeavor to have other apartment complexes that may be built in the future made subject to the terms of this agreement but the failure to do so will not invalidate the obligations of the parties to this agreement.
- B. Anything in this Section 11 to the contrary notwithstanding, however, in the event that any Landlord who is a party to this Agreement, or any person or entity affiliated with such Landlord, constructs at any time during the term of this agreement additional rental dwelling units, the number of Mt. Laurel units to be provided by each Landlord, as more particularly set forth in Section 2A, shall be modified and amended and shall be equal to the number of units determined by multiplying the number of Mt. Laurel units (250) provided for in this agreement by a fraction, the numerator of which shall consist of all rental dwelling units owned by each Landlord who is a party to this agreement, and any person or entity affiliated with such Landlord and the denominator of which shall consist of all rental dwelling units owned by all the Landlords who are the parties to this agreement and all persons or entities affiliated with such Landlords. Said additional rental dwelling units as referred to in this subsection shall continue to be a part of this agreement until such time as they are made a part of any subsequent "Mt. Laurel" obligation; upon such occurrence, said units shall be removed from those units comprising the numerator and denominator referred to above. Further, all of such rental dwelling units owned by all the Landlords who are parties to this agreement, and all persons or entities affiliated with such Landlords shall be governed by this agreement.

Section 12. Breach of the Agreement.

This agreement may be enforced by an action in the Law Division of the Superior Court of New Jersey seeking injunctive and other relief.

Section 13. Continuity of Agreement.

The terms of this agreement shall be binding on the parties to this agreement and their heirs, executors, administrators, successors and assigns.

Section 14. Effective Date and Duration.

This agreement shall take effect upon approval by the Township Council and the Superior Court of New Jersey as a part of the settlement reached between the Public Advocate and the Township and shall be binding for twenty (20) years.

Section 15. Severability.

In the event any provision or provisions of this agreement are found to be illegal or unenforceable, that finding shall not affect the remaining terms and conditions of the agreement which shall continue to be binding on the parties to this agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the date above first mentioned.

ATTEST:

TOWNSHIP OF MOUNT OLIVE  
By:

\_\_\_\_\_  
Anne Marie Haritos,  
Township Clerk

\_\_\_\_\_  
CHARLES JOHNSON, MAYOR

ATTEST:

OAKWOOD VILLAGE  
ASSOCIATION

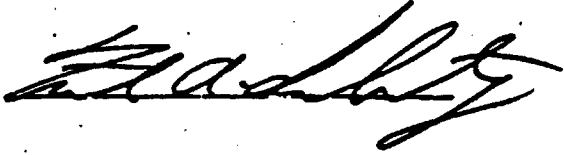
By: \_\_\_\_\_  
ALEX GOTTDIENER

ATTEST:

SEGAL REALTY COMPANY  
By:

\_\_\_\_\_  
CARL SEGAL

ATTEST:

  
\_\_\_\_\_

ATTEST:

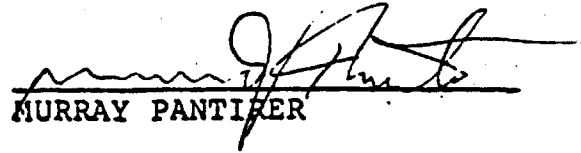
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ATTEST:

\_\_\_\_\_

KINGS VILLAGE

By:

  
MURRAY PANTIER

EAGLE ROCK VILLAGE, INC.

By:

\_\_\_\_\_  
SALVATORE GARAFALO

HENSYN, INC.

By:

\_\_\_\_\_  
SALVATORE GARAFALO

EXHIBIT C  
AGREEMENT

THIS AGREEMENT, made the \_\_\_\_\_ day of \_\_\_\_\_, 1985 by and  
between:

THE TOWNSHIP OF MOUNT OLIVE, a municipal corporation of the State of New Jersey, with offices located at Route 46, Budd Lake, New Jersey (hereinafter designated as the "Township")

AND

MOUNT OLIVE COMPLEX, a New Jersey partnership, with offices located at 644 Salem Avenue, Elizabeth, New Jersey (hereinafter designated as "Mount Olive Complex")

WHEREAS, the Public Advocate has instituted suit against Mount Olive Township challenging the validity of its zoning ordinance based upon the principles established in Mt. Laurel I and Mt. Laurel II decisions; and

WHEREAS, the Township of Mount Olive has defended that law suit asserting, among other things, that the Township has achieved zoning in compliance with the requirements of Mt. Laurel I decision and as a result of such zoning, substantial numbers of apartments have been constructed or approved by the Township and are renting at levels affordable to moderate income families, consistent with the requirements of Mt. Laurel I and a portion of the requirements of the Mt. Laurel II decision; and

WHEREAS, Mount Olive Township's fair share numbers pursuant to the "Lerman" or "consensus" formula is 500 low and moderate income housing units; and

WHEREAS, the Township has entered into a conceptual settlement with the Public Advocate calling for zoning for 250 low income units and a binding agreement with the landlords in the Township of Mount Olive for an additional 250 moderate income units; and

WHEREAS, in order to ensure that the zoning and land use requirements of the Township of Mount Olive and the existing housing stock in the Township of Mount Olive fully complies with the requirements of the Mt. Laurel II decision and meets the objectives of all parties in the litigation, the Township of Mount Olive has agreed to seek the construction of 40 additional two bedroom moderate income housing units for a total of 540 units which is 40 units in excess of the actual fair share number; and

WHEREAS, Mount Olive Complex has agreed to build 40 two bedroom moderate income housing units within the Mount Olive Complex Planned Unit Development (hereinafter the "PUD") and within the second phase of the housing portion of the PUD in accordance with the guidelines and standards set forth in the agreement between the Township of Mount Olive and the Landlords dated September 13, 1983; and

WHEREAS, Mount Olive Complex has reviewed and is familiar with the requirements between the Township of Mount Olive and the Landlords; and

WHEREAS, the Township of Mount Olive in a spirit of cooperation has entered into an existing resolution and agreement of intent with Mount Olive Complex approving the construction of a sewage treatment plant by Mount Olive Complex to serve the housing and commercial

properties within the planned unit development owned by the Complex and in addition to serve additional properties within the Township of Mount Olive, particularly the older Budd Lake section of the Township; and

WHEREAS, said resolution was adopted by the Township of Mount Olive on September 13, 1983 and sets forth a general conceptual approval of the construction of the sewerage treatment facility; and

WHEREAS, Mount Olive Complex represents that it has proceeded before the New Jersey Department of Environmental Protection (hereinafter "DEP") and has received verbal indications from the DEP that the plant is likely to receive approval subject to additional detailed engineering and design; and

WHEREAS, Mount Olive Complex has voluntarily agreed to enter into this agreement because it provides an additional mechanism for ensuring that the Township's housing requirements comply with the requirements of Mt. Laurel II;

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants, terms and conditions, hereinafter provided, it is agreed by and between the Township and Mount Olive Complex as follows:

**SECTION 1. CONSTRUCTION OF 40 MODERATE INCOME TWO BEDROOM RENTAL UNITS**

Mount Olive Complex agrees to construct 40 two bedroom moderate income rental units within the next 400 rental units in Phase II of the development of the Mount Olive Complex P.U.D. Phase II provides for the construction of at least 800 housing units; nonetheless, all 40 of the two bedroom moderate income rental units

shall be constructed prior to the construction of the 401st rental unit in Phase II. The mix of one bedroom to two bedroom rental units within said 400 rental units shall have an increase of 40 two bedroom rental units and a reduction of 40 one bedroom rental units. Mount Olive Complex agrees to construct the moderate income two bedroom rental units in accordance with the following schedule:

<u>No. of Moderate Income Rental Units</u>	<u>No. of Market Rate Housing Rental Units</u>
10	90
20	180
30	270
40	360

The first 10 moderate income two bedroom rental units shall be constructed and certificates of occupancy issued therefor before occupancy of the 91st market rental unit. The first 20 moderate income rental units shall be completed and certificates of occupancy issued therefor before the and occupancy of the 181st market unit. The first 30 moderate income rental units shall be completed and certificates of occupancy issued therefore before the occupancy of the 271st market rental unit. All of the 40 moderate income rental units shall be completed and certificates of occupancy issued therefor before the occupancy of the 361st market rental unit in Phase II. It is the understanding of the parties that Phase I of the Development has been completed and Phase II of the Development is the next residential development section to be built.

SECTION II. PURSUING APPROVAL OF SEWAGE TREATMENT PLANT  
AND TOWNSHIP COOPERATION

Mount Olive Complex agrees to diligently pursue the approval of the sewage treatment plant and Mount Olive Township agrees to

cooperate fully with Mount Olive Complex in obtaining approvals of the necessary sewerage treatment facilities.

SECTION III. SITE WORK SIX MONTHS PRIOR TO COMPLETION OF SEWAGE TREATMENT PLANT

Mount Olive Complex shall be permitted to begin the site work with regard to Phase II six months prior to the estimated date of completion of the sewage treatment plant provided all governmental approvals have been obtained for the sewage treatment plant and actual construction of the plant is proceeding as scheduled.

SECTION IV. HOUSING UNIT SIZE AND WAIVER OF FEES

Mount Olive Township agrees to permit Mount Olive Complex to construct the 40 moderate income two bedroom rental units in accordance with the generally acceptable standards for size of Mt. Laurel units provided the units comply with the minimum property standards for the United States Department of Housing and Urban Development. In this regard, the two bedroom rental units may have a minimum floor area of 660 square feet. Mount Olive Township also agrees to waive all building permit fees for the 40 Mt. Laurel units and to grant Mount Olive Complex a 50% reduction in the building permit fees for the other 360 market units in the first 400 rental units of Phase II. In addition, Mount Olive Township agrees to grant Mount Olive Complex a 50% reduction in the engineering inspection fees for the 360 market rental units and the 40 Mt. Laurel rental units within the first 400 rental units of Phase II of the Mount Olive Complex Development.



SECTION V. HOUSING UNIT ELIGIBILITY

The parties agree that the two bedroom moderate income rental units shall be subject to the requirements set forth in the agreement between the Township of Mount Olive and the Landlords. However, Mount Olive Complex will not rent or make available any of the 40 moderate income two bedroom rental units to any person, persons or family who has or have an aggregate income greater than \$22,700 per year. Commencing in 1985, the income limit shall change to coincide with an 80% of the median income as published annually by HUD for the region within which Mount Olive is located for a family of 3 rather than a family of 4 as set forth in the agreement between the Landlords and the Township of Mount Olive. All of the other terms and conditions of the agreement between the Landlords and Mount Olive Township dated September 13, 1984 shall apply to these 40 moderate income 2 bedroom rental units and the parties hereby explicitly agree to comply with the terms and conditions of said agreement which is incorporated herein by reference.

SECTION VI. BREACH OF AGREEMENT

This agreement may be enforced by an action in the Law Division of the Superior Court of New Jersey seeking injunctive and other relief.

SECTION VII. CONTINUITY OF AGREEMENT

The terms of this agreement shall be binding on the parties to this agreement and their heirs, executors, administrators, successors and assigns.

SECTION VIII. EFFECTIVE DATE AND DURATION

This agreement shall take effect upon approval by the Township Council and the Superior Court of New Jersey as a part of the settlement reached between the Public Advocate and the Township and shall be binding for twenty (20) years from the date of initial occupancy of the last of the 40 moderate income rental units.

SECTION IX. SEVERABILITY

In the event any provision or provisions of this agreement are found to be illegal or unenforceable, that finding shall not affect the remaining terms and conditions of this agreement which shall continue to be binding on the parties to this agreement.

ATTEST:

THE TOWNSHIP OF MOUNT OLIVE

\_\_\_\_\_  
TOWNSHIP CLERK

\_\_\_\_\_  
CHARLES JOHNSON, MAYOR

ATTEST:

MOUNT OLIVE COMPLEX, a New Jersey Partnership

  
Fred A. Iskowitz

  
Murray Pantirer