



Peter J. O'Connor, Esq.
Adam M. Gordon, Esq.
Laura Smith-Denker, Esq.
David T. Rammer, Esq.
Joshua D. Bayers, Esq.
Bassam F. Gergel, Esq.

March 27, 2020

Eric M. Bernstein Esq.
Eric M. Bernstein & Associates, L.L.C.
34 Mountain Blvd., Bldg. A
P.O. Box 4922
Warren, NJ 07059

Re: **In the Matter of the Application of the Township of Hillsborough,
County of Somerset, Docket No. SOM-L-900-15**

Dear Mr. Bernstein:

This letter memorializes the terms of an agreement reached between the Township of Hillsborough (the Township or "Hillsborough"), 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

Hillsborough filed the above-captioned matter on July 1, 2015 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 Township 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 Township and FSHC hereby agree to the following terms:

1. FSHC agrees that the Township, 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 Hillsborough hereby agree that Hillsborough's affordable housing obligations are as follows:

Present Need (per Kinsey Report ¹)	75
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	461
Third Round (1999-2025) - remaining unaddressed Realistic Development Potential ²	270

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 Township's efforts to meet its present need include the following: The Township's Administrative Assistant, CME Associates is qualified to administer the present need for both Owner Occupied and Rental Units within the Township. They will continue to offer the rehabilitation program as part of the administrative assistant services. This is sufficient to satisfy the Township's present need obligation of 75 units.
6. As noted above, the Township has a Prior Round prospective need of 461 units, which is met through the following compliance mechanisms:

Project	Affordable Units/Credits	Unit/Credit Type	Comments
Prior Cycle Credits			
Credits for units constructed between 04/01/80 to 12/15/86	77	Credits Without Controls	-
Block 178.02, Lot 430 (ARC of Somerset County, Inc.)	4	Bedroom	Established 1981
Total	81		
RCA (Maximum 190 units)			
Phillipsburg RCA	79	RCA	All Funds Transferred during Cycle I
Manville RCA	12	RCA	All Funds Transferred
Total RCA	91		
Rental Component (Minimum 116 units)			
Block 151.06, Lot 57 (Crestmont Hills)	56	Non Age-Restricted Rentals	Built 1996
Block 151.03, Lot 41 (Heritage Green)	35	Non Age-Restricted Rentals	Built 1996-1997
Block 140, Lot 1, Block 141, Lots 2.01, 7.01, 30 & 31.02 (Gateway at Sunnymead)**	81	Non Age-Restricted Rentals	Constructed
Subtotal	172	Credits	
Rental Bonus Credits (With 2-for-1 Rental Bonus Credit)	96	Rental Bonus Credits	

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 See paragraphs 6 and 7 below for discussion of Realistic Development Potential and overlay zoning to address durationally adjusted need.

Substantial Compliance Bonus	21	Substantial Compliance Bonus Previously Awarded by Court	
Age-Restricted Unit Analysis			
Age-Restricted Unit Maximum	72		
Proposed Age-Restricted Units	0		
Units Ineligible for Credit	0		Compliant
Cycle III Totals			
Total Obligation	461		
Total Credits Provided	461		

7. The Township, through a vacant land analysis as calculated in Exh. A, has a realistic development potential (RDP) of 1,109 units attributable to land within the sewer service area.
- A. The parties agree for the purposes of settlement that the following compliance mechanisms which were built or approved prior to the filing of this declaratory judgment action or which represent currently existing supportive and special needs housing may be applied to the RDP:

PROJECT	UNITS	BONUS	TOTAL CREDITS
Family Rentals			
Gateway at Sunnymede (Block 140, Lot 1, Block 141, Lots 2.01, 7.01, 30 & 31.02)	41	20	61
Hillsborough Towers (Block 163D, Lot 1.02)	12	10	22
Brookhaven Lofts (Block 141, Lot 30)	117	117	234
Subtotal	170	147	317
Age Restricted Rentals			
Senior Living Solutions Realty, LLC (Block 199 Lot 49)	15		15
Avalon at Hillsborough (Block 199, Lot 49)	16		16
Hillsborough Point	15		15
Subtotal	46		46
Supportive/Special Needs Housing			
SERV Centers of NJ (Block 65, Lot 47)	4 bedrooms		4
ARC of Somerset County, Inc. (Block 200.10, Lot 11.05)	3 bedrooms		3
EHAB Human Services (block 163.22, Lot 8)	3 bedrooms		3
Enable, Inc. (Block 141.01, Lot 3)	4 bedrooms		4
Alternatives New Amwell Road (Block 163.09, Lot 41)	4 bedrooms		4
Allies, Inc. (Block 153.05, Lot 22181)	3 bedrooms		3

Devereaux Foundation (Block 90, Lot 5)	5 bedrooms		5
Devereaux Foundation (Block 174, Lot 140)	4 bedrooms		4
Devereaux Foundation (Block 175, Lot 41.01)	5 bedrooms		5
Community Options Enterprises, Inc. (Block 207.02, Lot 17)	4 bedrooms		4
EIHAB Human Services (Block 178.02, Lot 427)	5 bedrooms		5
Allies Inc. (Block 153.05, Lot 22034)	3 bedrooms		3
Devereaux Foundation "STAIRS" (Block 165, Lot 11)	15 bedrooms		15
EIHAB Human Services (Block 178.02, Lot 426)	5 bedrooms		5
Ardsley Group Home (Block 203.08, Lot 13)	4 bedrooms		4
Caring House (Block 204.14, Lot 4)	5 bedrooms		5
Allies Robin Road #217	1 bedroom		1
Midland Adult Services	2 bedrooms		2
Green Care Farms (Block 204, Lot 45.01)	15 bedrooms		15
Westering Place (Block 163.05, Lot 101.01) *	68*		68
Subtotal	162		162
TOTAL credits, reductions, and bonuses prior to the filing of the declaratory judgment action and/or existing supportive and special needs housing	378	147	525

* 40 non-age restricted rentals and 28 special needs bedrooms.

B. The parties further recognize that the following additional developments have been approved through prior fairness hearings by the court and/or zoning has been put in place through prior rezonings by the Township and those previous approvals and rezonings will satisfy a further portion of the RDP as follows:

PROJECT	UNITS	BONUS	TOTAL CREDITS
Family Rentals			
Brookhaven Lofts (First Expansion) (Block 141, Lot 30)	26	23	49
3 Ronson LLC (Block 200.10, Lot 5.02)	11	10	21
Larken (Block 178, Lots 4-11)	46		46
Sherman (RPM) (Block 86, Lots 21.01)	87	23	110
Campus Associates (Block 58, Lots 1.05)	23		23
206 Holdings (Block 202, Lot 4)	42		42
Blue Star (Block 200.01, Lots 4-6)	31		31

TOTAL credits, reductions, and bonuses from prior court fairness hearings and rezonings	266	56	322
---	-----	----	-----

C. After accounting for the two above categories, the parties agree that there is a remaining unaddressed Realistic Development Potential within sewer service areas of 270 to be addressed through other projects with currently pending fairness hearings before the court and/or other mechanisms noted below. The parties agree the Township will provide a realistic opportunity to satisfy this remaining unaddressed Realistic Development Potential through the following mechanisms:

PROJECT	UNITS	BONUS	TOTAL CREDITS
Family Rentals			
Brookhaven Lofts (Second Expansion) (Block 141, Lot 30)	3		3
M&M Realty (affordables to be provided on Sherman Tract) (Block 86, Lots 21, 02)	88	75	163
Cost Cutters (Block 155, Lots 66 and 67)	29		29
Premier - Valley Road** (Block 151, Lot 5-B)	61		61
Age Restricted Rentals			
Premier - Amwell Road (Block 178, Lot 12)	14		14
TOTAL credits and bonuses from remaining mechanisms	195	75	270

** 34 family rental apartments and 27 special needs bedrooms.

D. The Parties further acknowledge that multiple experts have extrapolated the methodology that the Hon. Mary C. Jacobson, A.J.S.C. utilized in her decision issued on March 8, 2018 and found that methodology, if applied to Somerset County, would have resulted in the Township's Round 3 obligation being 1,378. Neither party accepts the basis of the methodology or calculations made in the decision, though FSHC contends, and is free to take the position before the Court, that such an obligation reflects a reasonable reduction of Dr. Kinsey's July 2016 and April 2017 calculation of the Township's Round 3 (1999-2025) fair share obligation in the context of settlement, and that obligation is based on the Prior Round methodology.

The Parties for the purposes of settlement acknowledge that there is a 269 unit difference between the extrapolation of the calculation from the decision issued by Judge Jacobson and the total RDP calculated in Exhibit A. The parties further acknowledge that there would be sufficient land outside of the sewer service area to generate a RDP in excess of this difference; however, the Township seeks, and FSHC agrees to, a durational adjustment of these 269 units due to the unavailability of sewer infrastructure or capacity to meet its obligation through new residential development outside of the sewer service area in the Township. The parties agree that the durational adjustment will be addressed through the Township's adoption of revisions, by ordinance, as to the Town Center zone, which is within the sewer

service area, as provided for in Exhibit B attached. The parties further recognize that the Township may choose to further revise Exhibit B during the compliance period and before final adoption of Exhibit B, provided that such additional changes (a) shall not decrease the densities provided for in Exhibit B, or (b) change the set-asides for affordable housing, or (c) impose increased requirements for commercial space in mixed-use buildings, or (d) otherwise contradict the terms of this settlement, UNLESS any such change or changes outlined above are reviewed and approved by FSHC and the Court's Special Master and ultimately approved by the Court at the final compliance hearing. Any further revisions to Exhibit B during the compliance period shall be subject to the review and approval of FSHC and the Special Master and shall ultimately be subject to approval by the Court at the final compliance hearing.

- E. In addition, the Township shall adopt an ordinance requiring a mandatory affordable housing set aside for all new multifamily residential developments of five (5) units or more. The ordinance shall call for a minimum set aside of twenty percent (20%), provided that the minimum set aside shall not preclude the Township from requiring higher set asides where the Township deems it to be appropriate, as the Township has done with several of the developments referenced in the tables above which have set asides up to twenty four percent (24%). 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, the Special Master, and representatives of the Township.
- F. The requirements included in N.J.A.C. 5:93-4.3(c) related to inclusion in a fair share plan when the DEP or its designated agent approves a proposal to provide water and/or sewer to a site other than those designated for the development of low and moderate income housing the HEFSP are hereby waived for sites other than those designated in this Agreement in accordance with N.J.A.C. 5:93-4.3(c)4, which permits waiver of such requirements when a municipality has a plan that will provide water and/or sewer to sufficient sites to address the municipal housing obligation within the substantive certification period, which, in this case, is the period 2015-2025.
8. The Township has already adopted inclusionary zoning on most of the sites referenced in paragraph 7. The Township will provide a realistic opportunity for the development of affordable housing through the adoption of inclusionary zoning on the sites which do not have such zoning in paragraph 7, which at the time of execution of this Agreement are the M&M Realty site, the Valley site, and the Amwell Road site, and the changes to the Town Center overlay.
9. The Township will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning through the 88-unit RPM/Sherman development.
- A. In accordance with N.J.A.C. 5:93-5.5, the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation

of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. The Township meets this obligation as follows: RPM, the designated redeveloper for Phase I of the Sherman Tract, has applied for and has been approved for Low Income Housing Tax Credits in December 2019. The pro forma shall be included with the Housing Element and Fair Share Plan. The Township will provide a resolution of intent to bond in the event any outstanding funding sources are not available to allow construction to begin within two years of court approval of this settlement.

- B. In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor and construction. The schedule shall provide for construction to begin within two years of court approval of this settlement. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity. The Township meets those obligations as follows: the Township will provide an as-current schedule for the RPM/Sherman development as part of its Housing Element and Fair Share Plan.
- C. The Township acknowledges the need for verification of eligibility of existing credits during the compliance phase of this litigation, including but not limited to supportive and special needs housing. To the degree that any of the supportive and special needs housing units referenced in paragraph 6 and 7 above are not credible, the Township reserves the right to substitute a program of creating new supportive and special needs housing which will be placed in service on an annual basis from June 2021 through June 2025 with twenty percent (20%) of the bedrooms needed provided each year.
10. The Township agrees to require thirteen percent (13%) of all 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:

PROJECT	VERY LOW INCOME UNITS
Brookhaven Lofts (Block 141, Lot 30)	15
Brookhaven Lofts Expansion (Block 141, Lot 30)	4
3 Ronson LLC, (Block 200.10, Lot 5.02)	2
Sherman (RPM), (Block 86, Lot 21.01)	12
Campus Associates, (Block 58, Lot 105)	3
206 Holdings, (Block 202, Lot 4)	6

Blue Star, (Block 200.01, Lots 4-6)	4
M&M Realty, (Block 86, Lots 21.02)	12
Cost Cutters, (Block 155, Lots 66 and 67)	4
Larkin, (Block 178, Lots 4-11)	6
Premire -- Valley Road (Block 151, Lot 5-B)	8
Premire -- Amwell Road (Block 178, Lot 12)	2
TOTAL VERY LOW INCOME UNITS	78

The Township will also require 13 percent (13%) of any affordable units constructed in any development constructed as a result of the Town Center overlay or the Township-wide set-aside ordinance to be affordable to very low income households.

11. The Township 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 8 above:
 - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
 - b. At least fifty percent (50%) 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 (25%) 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 fifty percent (50%) of the units addressing the Third Round Prospective Need in total must be available to families.
 - e. The Township agrees to comply with an age-restricted cap of twenty-five percent (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 twenty-five percent (25%) of all units developed or planned to meet its cumulative prior round and third round fair share obligation.

12. The Township 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 New Brunswick, Plainfield Area, Perth Amboy, Warren/Sussex, and Metuchen/Edison branches of the NAACP, the Latino Action Network, NORWESCAP, the Supportive Housing Association, and the Central Jersey Housing Resource Center, 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 Township also

agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph,

13. 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 ten percent (10%) of affordable units in rental projects being required to be at thirty-five percent (35%) of median income, thirteen percent (13%) of affordable units in such projects shall be required to be at thirty percent (30%) of median income, and all other applicable law. The Township, 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 Township annually within thirty (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 Township is located within (i.e. Region 3) 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 Township'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 eighty percent (80%) 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 fifty percent (50%) 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 thirty percent (30%) 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 C are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2019, and shall be utilized until the Township 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 Township 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.
14. All new construction units shall be adaptable in conformance with P.L. 2005, c. 350/N.J.S.A. 52:27D-31.1a and -31.1b and all other applicable law.
15. As an essential term of this Agreement, within one hundred and twenty (120) days of Court's approval of this Agreement, the Township shall introduce and adopt an ordinance or ordinances providing for the amendment of the Township'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.
16. The parties agree that if a decision of a court of competent jurisdiction in Somerset County, a court of competent jurisdiction in Vicinage 13, or a court of competent jurisdiction in Middlesex 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 Township 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 Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township 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 Township'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 Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
17. The Township shall prepare a Spending Plan within the period referenced above in Paragraph 15, 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 Township, and on every anniversary of that date thereafter through the end of the period of protection from litigation, referenced in this Agreement, the Township 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.
18. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Township 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 Special Master and FSHC.
19. The Fair Housing Act includes two provisions regarding action to be taken by the Township during the ten (10)-year period of protection provided in this Agreement. The Township 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 Township 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 thirty (30) calendar days after the third (3rd) anniversary of this Agreement, and every third (3rd) year thereafter, the Township 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.
20. 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.
21. 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 Township shall present its planner as a witness at this hearing if necessary and/or required by the Court. 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.

22. The Township agrees to pay FSHC's attorneys fees and costs in the amount of \$50,000 within forty-five (45) days of the Court's approval of this Agreement pursuant to a duly-noticed fairness hearing, which the parties acknowledge the court may direct to be paid out of the administrative portion of the Township's affordable housing trust fund.
23. If an appeal is filed of the Court's approval or rejection of this Agreement, both Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, the Appellate Division and the New Jersey Supreme Court, and to continue to implement the terms of this Agreement until the rendering of an adverse judicial determination, subject to further appeal. Both Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
24. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Law Division, Superior Court, Somerset County.
25. 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.
26. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
27. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
28. 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.
29. 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.
30. 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.
31. 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.

32. 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.
33. No member, official or employee of the Township 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.
34. 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.
35. 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 TOWNSHIP:

Eric M. Bernstein Esq.
Eric M. Bernstein & Associates, L.L.C.
34 Mountain Blvd., Bldg. A
P.O. Box 4922
Warren, NJ 07059-4922

Telecopier: 732-805-3360
Email: embernstein@embalaw.com

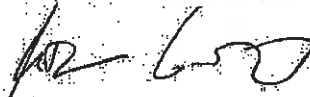
**WITH A COPY TO THE
MUNICIPAL CLERK:**

Pamela Borek, Township Clerk
379 South Branch Road
Hillsborough, NJ 08844

Telecopier: (908) 369-6034
Email: pborek@hillsborough-nj.org

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 Township of Hillsborough, with the authorization
of the governing body:



Mayor, Hillsborough Township

Dated: 4-14-2020

Pamela Burek

Pamela Burek
Township Clerk, Hillsborough

EXHIBIT A: VACANT LAND ADJUSTMENT

VACANT DEVELOPABLE PARCELS AND SETTLEMENT SITES

Block	Lot	Property Class	Address	Owner	Total Acres	Developable Acres	Acres for RDP Calculation	Comments	Zone	Zone Density	Density for RDP Calc	RDP Affordable Units
17	1	1	EIGHTH STREET	ALCAIDE, JOHN R & BARBARA	0.600146	0.600146	1	Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	1.00
17	6	1	NINTH STREET	ALCAIDE, JOHN R & BARBARA	0.351157	0.351157		Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	0.00
22	1	1	THIRD STREET	WESTERVELT, RANDALL E & GLORIA	0.662805	0.662805	1.3	Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	2.00
22	2	1	THIRD STREET	WESTERVELT, RANDALL E & GLORIA	0.252556	0.252556		Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	0.00
22	3	1	THIRD STREET	WESTERVELT, RANDALL E & GLORIA	0.126277	0.126277		Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	0.00
22	4	1	THIRD STREET	WESTERVELT, RANDALL E & GLORIA	0.126274	0.126274		Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	0.00
22	17	1	FOURTH STREET	WESTERVELT, RANDALL E & GLORIA	0.126259	0.126259		Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	0.00
36	1	1			0.849556	0.849556	0.85	Vacant	CR	2.00	6 du/ac, 20% set aside	1.00
37	1	1	TENTH STREET	SOLY, ELLEN E	0.151475	0.151475	1	Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	1.00
37	2	1	HALL AVENUE	SOLY, ELLEN E	0.252421	0.252421		Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	0.00
37	5	1	NINTH STREET	SOLY, ELLEN E	0.126473	0.126473		Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	0.00
37	14	1	TENTH STREET	SOLY, ELLEN E	0.126297	0.126297		Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	0.00
37	15	1	TENTH STREET	SOLY, ELLEN E	0.378767	0.378767		Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	0.00
44	2	1	57 SECOND STREET	PERFETTE, NICHOLAS M & PERFETTE M E	0.453989	0.453989	0.45	Combined over 0.8 acres	CR	2.00	6 du/ac, 20% set aside	1.00
52	2	38	DUKES PARKWAY EAST	DUKE FARMS FOUNDATION	21.846248	15.2	15	Partially Developable	O2	0.00	6 du/ac, 20% set aside	18.00
58	1.05	1	4 CAMPUS DRIVE	CAMPUS ASSOC LLC C/O WEISS PROP.	13.787222	13.787222	14	Vacant CAMPUS ASSOCIATES SITE	I3	0.00	Settlement - 96 total units	19.00

VACANT DEVELOPABLE PARCELS AND SETTLEMENT SITES

Block	Lot	Property Class	Address	Owner	Total Acres	Developable Acres	Acres for RDP Calculation	Comments	Zone	Zone Density	Density for RDP Calc	RDP Affordable Units
58	1.09	1	ROUTE 206	SAI MIDDLESEX FARMS, L.P.C./D. VISCEGLIA	9.168285	1.95	2	Partially Developable	I3	0.00	6 du/ac, 20% set aside	2.00
58	67.01	1	DUKES PARKWAY EAST	BOTHERS, CHARLES A	4.830939	3.49	3.45	Partially Developable	I2	0.00	6 du/ac, 20% set aside	4.00
65	12.02	1	ROUTE 206	US206-HILLSBOROUGH SELF STORAGE LLC	4.116606	4.116606	4	Vacant	HS	4.00	6 du/ac, 20% set aside	5.00
65	12.03	1	ROUTE 206	WEST ESSEX INDUSTRIAL PARK	4.720161	4.720161	5	Vacant	HS	4.00	6 du/ac, 20% set aside	6.00
65	12.04	4A	135 ROUTE 206	WEST ESSEX INDUSTRIAL PARK	29.01235	25.7142	26	Partially Developed, Oversized Lots	HS	4.00	6 du/ac, 20% set aside	31.00
71	7 & 8	1	CAMPLAIN ROAD	SANTOS ENTERPRISES, LLC	0.95	0.95	1	Vacant Common Ownership	I1	0.00	6 du/ac, 20% set aside	1.00
86	71	1	ESTELLE STREET	SHERMAN BROTHERS C/O MAX SHERMAN	63.573265	63.573265	64	Vacant SHERMAN & SHERMAN SITE	I1	0.00	176 total units	35.00
90	6.01	1	SOUTH 20TH STREET	SHERMAN BROTHERS C/O MAX SHERMAN	3	0.1		SHERMAN & SHERMAN SITE	R	0.85	Settlement - developed with 885 L 21	0.00
117	3	1	40 SUNNYMEAD ROAD	NUSBAUM, JOHN	1.479594	1.479594	2	Combined over 0.8 acres	RA	0.45	6 du/ac, 20% set aside	2.00
117	4	1	GRANT STREET	NUSBAUM, JOHN	0.139926	0.139926		Combined over 0.8 acres	RA	0.45	6 du/ac, 20% set aside	0.00
117	5	1	GRANT STREET	NUSBAUM, JOHN	0.466795	0.466795		Combined over 0.8 acres	RA	0.45	6 du/ac, 20% set aside	0.00
141	30.02 (former 30)	4C	ROUTE 206	BROOKHAVEN LOFTS, LLC	with lot 12 of block 178: 18.7977			PREMIER DEVELOPMENT T & AFFILIATES SITE	TC / GV	9.98	Settlement - 599 total units	120.00
142	31.01	1	ROUTE 206 SOUTH	HILLSBORO SELF STORAGE LLC	4.088291	4.02	4	Vacant	I1	0	6 du/ac, 20% set aside	5.00

VACANT DEVELOPABLE PARCELS AND SETTLEMENT SITES

Block	Lot	Property Class	Address	Owner	Total Acres	Developable Acres	Acres for RDP Calculation	Comments	Zone	Zone Density	Density for RDP Calc	RDP Affordable Units
142	31.02	1	ROUTE 206	PMI REALTY CO, LLC	3.97206	2.7	3	Partially Developable	f1	0	6 du/ac, 20% set aside	3.00
143	4	1	AUTEN & VALLEY ROAD	COOPER ALLOY CORPORATION	34.637254	23.5	23.5	Partially Developable	G1	None Specified	6 du/ac, 20% set aside	28.00
143	12.01	1	ROYCEFIELD ROAD	ROYCEFIELD INDUSTRIAL PARK, LLC	5.554982	4.5	4.5	Partially Developable	I2	0	6 du/ac, 20% set aside	5.00
143	27	1	VALLEY ROAD	GLITMAN, LYDIA & MATTHEW	8.711176	8.711176	8.7	Vacant	R	0.85	6 du/ac, 20% set aside	10.00
148	19	3A	110 HODGE ROAD	SYLVESTER SULLIVAN FAMILY LP	13.812094	6.6	7	Approval (06-PB-15-M) SULLIVAN; subdivision for 1 house lot, permits received; Lot 19.03, 2.41 acres) Partially Developable	RS	0.55	6 du/ac, 20% set aside	8.00
149.08	91.02	1	ZENK COURT	NORTHEAST DEVELOPERS	1.112488	1.112488	1.11	Vacant	R	0.85	6 du/ac, 20% set aside	1.00
149.08	91.03	1	ZENK COURT	NORTHEAST DEVELOPERS	1.1104	1.1104	1.11	Vacant	R	0.85	6 du/ac, 20% set aside	1.00
149.08	91.04	1	ZENK COURT	NORTHEAST DEVELOPERS	1.259976	1.259976	1.26	Vacant	R	0.85	6 du/ac, 20% set aside	2.00
150	9	9B	OFF BEEKMAN LANE	GALLERIA CONSTRUCTION, INC	13.042196	13.042196	13	Vacant	AG	0.15	6 du/ac, 20% set aside	16.00
151	12.222	3A			10.852897	4.46	4.5	Partially Developable	R-1	2.00	6 du/ac, 20% set aside	5.00
151.09	227	1	VALLEY ROAD	VALLEY ROAD FLEX PARK ASSOC, LLC	44.610019	34.7	35	Vacant	I2	0.00	Settlement - 221 Units	44.00
151.13	20.02	1	521 FARM ROAD	SKYMANOR PROPERTIES, LLC	1.393273	1.393271	1.4	Vacant	R	0.85	6 du/ac, 20% set aside	2.00
152	3	1			3.807187	3.807187	3.8	Vacant	R	0.85	6 du/ac, 20% set aside	5.00

VACANT DEVELOPABLE PARCELS AND SETTLEMENT SITES

Block	Lot	Property Class	Address	Owner	Total Acres	Developable Acres	Acres for RDP Calculation	Comments	Zone	Zone Density	Density for RDP Calc	RDP Affordable Units
152	6	3B	500 FARM ROAD	NEKRASOVAS, VIKTOR & ANNA	5.892669	5.892669	5	Vacant	R	0.85	5 du/ac; 20% set aside	7.00
152	7	3B	FARM ROAD	NEKRASOVAS, VIKTOR & ANNA	11.582355	11.582355	12	Vacant	R	0.85	5 du/ac; 20% set aside	14.00
152	8	3B	504 FARM ROAD	NEKRASOVAS, VIKTOR & ANNA	6.253331	5.75	5.75	Vacant	R	0.85	5 du/ac; 20% set aside	7.00
155.01	66	4A	390 ROUTE 206	JSM AT HILLSBOROUGH LLC	5.77	5.77	5.77	Settlement	GA	6	Cost Cutters	29.00
155.01	67	1	ROUTE 206	HILLSBORO CLUB PLAZA ASSOCIATES	5.177208	5.177208	5.2	Settlement	GA	6.00	Cost Cutters	
163.22	40	1			10.392424	3.61	3.61	Partially Developable	GA	6.00	6 du/ac; 20% set aside	4.00
174	19	3A	670 AMWELL ROAD	FENWICK, MARIAN H	1.777855	1.3	1.3	Partially Developable	AG	0.10	6 du/ac; 20% set aside	2.00
174	20.01	1			1.335637	1.335637	1.34	Vacant	AG	0.10	6 du/ac; 20% set aside	2.00
174	22	1			4.239286	1.87	1.87	Partially Developable	AG	0.10	6 du/ac; 20% set aside	2.00
175	41	3B	PLEASANT VIEW ROAD	AMES, ALAN W	22.049595	13.1	13.1	Partially Developable	AG	0.15	6 du/ac; 20% set aside	16.00
175.18	39.04	1	38 EAST MOUNTAIN ROAD	HILLSBOROUGH PROPERTIES LC	11.992415	5.01	5.01	Partially Developable	ED	0.00	6 du/ac; 20% set aside	6.00
177	25	3A	175 MOUNTAIN VIEW ROAD	AMES, ALAN W	13.336335	6.2	6.2	Partially Developable	R	0.85	6 du/ac; 20% set aside	7.00
178	4 to 11	1, 2	363 - 682 ROUTE 206 & 450 AMWELL ROAD	Various	8.881103			Partially Developable - LARKEN ASSOC SITE	TC		Settlement - 181 total units	38.00
178	12	1	454 AMWELL ROAD	454 AMWELL ROAD LLC	4.311337	1.843415	1.84	Partially Developable	TC	0	Settlement 40 total units	8.00
180.01	32	3B	TARA DRIVE	THOMPSON, W BRYCE IV	6.578086	2.8	49.3	Chase Site	HS	4.00		60.00

VACANT DEVELOPABLE PARCELS AND SETTLEMENT SITES

Block	Lot	Property Class	Address	Owner	Total Acres	Developable Acres	Acres for RDP Calculation	Comments	Zone	Zone Density	Density for RDP Calc	RDP Affordable Units
180.01	39	3B	PLEASANT VIEW ROAD	THOMPSON, W BRYCE IV	8.512524	6		Chase Site	HS	4.00	6 du/ac 20% set aside	0.00
180.01	41	3B	ROUTE 206	THOMPSON, W BRYCE IV	78.931087	40.5		Chase Site	HS	4.00		
180.01	45	1	OFF ROUTE 206	MEADE, LLC C/O C/D HIGGINS	7.312011	5.5	5.5	Partially Developable	HS	4.00	6 du/ac 20% set aside	7.00
180.09	20.01	3B	MOUNTAIN VIEW ROAD	ALVAREZ, CARLOS & D'ALESSIO, BLANCA	15.653581	10.5	10.5	Partially Developable	AG	0.15	6 du/ac 20% set aside	13.00
182	6	3B	SUNNYMEAD ROAD	MALENCHEK, ROBERT SR	4.110163	2.32	2.32	Partially Developable	RA	0.45	6 du/ac 20% set aside	3.00
182	11		HAMILTON ROAD	GLEN-GERY REAL ESTATE CO	115.9	115.9	88	M&M Settlement	M	0.00	Settlement 380 units	106.00
182	12	1	HAMILTON ROAD	GLEN-GERY REAL ESTATE CO	8.340224	8.31		M&M Settlement	M	0.00		0.00
182	46	1	FALCON ROAD	GLEN-GERY REAL ESTATE CO	29.14	29.14		M&M Settlement	M	0.00	Settlement - see above	0.00
182	47.01	1	FALCON ROAD	KILBRIDE, BARBARA TRUSTEE	3.806516	3.16	3.2	Partially Developable	RA	0.45	6 du/ac 20% set aside	4.00
183	38.01	1	202 HAMILTON ROAD	ROYCE BROOK GOLF, LLC	328.4	99	99	Partially Developable	CDZ	0.00	6 du/ac 20% set aside	119.00
198	5	1			24.172207	19.73	19.73	Partially Developable	CDZ	0.00	6 du/ac 20% set aside	24.00
198	6	3A	321 AMWELL ROAD	GERTEL, LAURA TRUSTEE	4.636142	3.72	3.72	Partially Developable	CDZ	0.00	6 du/ac 20% set aside	4.00
199	37.01	1	AMWELL ROAD	AJAMIAN, JAMES & JULIA E	4.019704	3.67	3.67	Partially Developable	R	0.85	6 du/ac 20% set aside	4.00
199	37.02	1	BROWER LANE	HUNT, RICHARD & CATHERINE	1.977593	1.7	1.7	Vacant	R	0.85	6 du/ac 20% set aside	2.00
199	51	1	AMWELL ROAD	DAVIDOVICH, J ET AL C/O SARZILLO	8.56486	5.7	5.7	Vacant	GA	6.00	6 du/ac 20% set aside	7.00
200.01	4, 5, 6	2	380-384 AMWELL ROAD	R & K PROPERTY MANAGEMENT LLC	9.78			Blue Star Equity Site	GA	6.00	Settlement - 126 total units	25.00
200.02	12.01	1	HOMESTEAD ROAD	REISS BM, LLC	8.400945	3.65	3.65	Partially Developable	GB	0.50	6 du/ac 20% set aside	4.00

VACANT DEVELOPABLE PARCELS AND SETTLEMENT SITES

Block	Lot	Property Class	Address	Owner	Total Acres	Developable Acres	Acres for RDP Calculation	Comments	Zone	Zone Density	Density for RDP Calc	RDP Affordable Units
200.1	5.02	4A	649 ROUTE 206	B RONSON LLC	17.75			Partially Developed	TC		Settlement - 3 Ronson	9.00
200.1	16	3A	20 CLERICO LANE	ELFO, CAROL A & ELFO, JEFFREY J	14.138276	10.31	10.31	Partially Developable	GC	10.00	6 du/ac, 20% set aside	12.00
200.1	32	3B	HOMESTEAD ROAD	SMILOWITZ, H & KERZNER, J C/O KERZNER	57.907359	24.9	25	Vacant	TECD	0.00	6 du/ac, 20% set aside	30.00
201	1	3B	HOMESTEAD ROAD	RB MANUFACTURING LLC	44.306015	40.34	40.34	Partially Developable	U	0.00	6 du/ac, 20% set aside	48.00
202	4	3	ROUTE 206	HILLSBOROUGH 206 HOLDINGS, LLC	36.748063	21	21	Partially Developable - HILLSBOROUGH 206 HOLDINGS SITE	HS	4.00	Settlement - 175 total units	35.00
204	45.01	3B	WOODS ROAD	BRZYSKI, JOSEPH & IRENE LIVING TRUST	14.195785	13.93	13.93	Vacant	RA	0.45	6 du/ac, 20% set aside	17.00
204	47	3A	257 WOODS ROAD	MAJKA, EDWARD S JR	7.245091	4.65	4.65	Vacant	RA	0.45	6 du/ac, 20% set aside	6.00
204	47.01	3B	WOODS ROAD	CAMPOS, C & CAMPOS, P & CAMPOS, C & CAMPOS, R	9.656626	3.3	3.3	Partially Developable	RA	0.45	6 du/ac, 20% set aside	4.00
205.3	10.03	1	44 WOODS ROAD	44 WOODS-KEN, LLC	3.695878	3.6	3.6	Vacant	RA	0.45	6 du/ac, 20% set aside	4.00
207	1.01	3B	HILLSBOROUGH ROAD	DRENCHKO, ELIZABETH K	22.635447	22.635447	22.64	Vacant	R	0.85	6 du/ac, 20% set aside	27.00
207.13	34	3A	2348 MILLSTONE RIVER ROAD	MALONE, JOHN A & LYNDIA	7.336326	7.336326	7.34	Vacant	R	0.85	6 du/ac, 20% set aside	9.00
TOTAL DEVELOPABLE ACRES						849					RDP	1109.00

EXHIBIT B: TOWN CENTER ORDINANCE CHANGES

PROPOSED REVISIONS

Chapter 188. Land Use and Development

Article V. Districts and Standards

New language is underlined and bold thus.

Deletions are indicated with brackets and strikethroughs [thus].

§ 188-113.5 TC Town Center District.

A. Purpose. *No change.*

B. Permitted principal uses. All uses shall be provided at a scale and size that is appropriate for the District. There may be more than one permitted principal use or structure on a lot subject to compliance with the applicable provisions as contained in Subsections B to H.

(1) Mixed-use buildings with residential and/or office uses permitted only above the first floor. The only permitted use that shall front onto existing Route 206 (Main Street) and Amwell Road in the TC District is a mixed-use building.

(2) - (18) *No change.*

(19) Residential uses. *Delete and replace the entire section as follows.*

~~(a) Residential flats or lofts, only located above the first floor in a mixed-use building.~~

~~(b) Affordable units shall be proportionally distributed among the permitted dwelling types to be provided.~~

~~(c) In any mixed-use building containing residential dwelling units in the TC District, the maximum amount of bedroom types permitted is as follows:~~

~~(1) Studio/one bedroom: 15% of total units.~~

~~(2) Two bedroom: 55% of total units.~~

~~(3) Three bedroom: 10% of total units.~~

~~(d) The maximum number of permitted residential flats or lofts in the Town Center District, which may only be calculated for an existing building to be converted into a mixed-use building that is fully conforming with all requirements of the Town Center District, or for any fully conforming new mixed-use building to be constructed, and is intended as an incentive to complement and enhance development in Town Center, shall be one dwelling~~

unit for each 1,000 square feet of nonresidential gross floor area, except as provided for in Subsections D(3) and K below. All residential flats or lofts must be provided in the same mixed-use building that is used to determine the permitted number of residential flats or lofts in the Town Center District, as indicated above.]

- (a) Residential flats or lofts, located above the first floor in a residential-commercial mixed-use building, provided that the minimum number of dwelling units shall be two units per 1,000 square feet of commercial space on the ground floor.
- (b) Single-use multifamily dwellings constructed as part of a planned mixed-use inclusionary development on a single tract that includes a minimum of 10,000 square feet of commercial space. All single-use multifamily buildings shall be located to the rear of the mixed-use buildings. In no case shall any single-use multifamily building front on either Route 206 or Amwell Road.
- (c) The maximum residential density shall be based on the combined number of dwelling units in both mixed-use and single-use multi-family buildings as applied to the total acreage of the tract as follows: less than three acres, 14 dwelling units per acre; three to five acres, 16 dwelling units per acre; greater than five acres, 18 dwelling units per acre.
- (d) Where five or more dwelling units are created, a minimum affordable housing set-aside of 20% shall be provided. Affordable units shall be proportionally distributed among the residential units.
- (e) The residential uses cited above shall otherwise conform to all other applicable TC District standards.
- (f) The provisions included herein at §188-113.5 B(19)(b)(c) and (d) for single-use multifamily buildings do not apply to existing shopping centers as identified in subsection B(18) and further regulated by subsection D(2)(3); or to any inclusionary overlay zones within the TC District.

(20) *No change.*

C. *Accessory uses and structures. No changes.*

D. *Conditional uses.*

- (1) Duplex, triplex and townhouse dwelling units, ~~except for residential flats or lofts located above the first floor in a mixed-use building are~~ subject to the required transfer of residential development potential, which is a form of noncontiguous clustering, from properties in the AG Agricultural Zoning District, the MZ Mountain Zoning District, the CDZ Corporate

Development Zoning District and farmland assessed properties in other residential districts which meet certain requirements to sites incorporating residential developments in TC Town Center District and subject to the following requirements:

(a) – (c) *No changes.*

(d) ~~[Affordable units shall be proportionally distributed among the permitted dwelling types to be provided and shall not be required to utilize the transfer of residential development potential.]~~ An affordable housing set-aside of 10% shall be provided where five or more residential units are created. Affordable units shall be proportionally distributed among the permitted dwelling types.

(e) *No change.*

(2) *No change.*

(3) A single-use multifamily building constructed as part of an existing shopping center as identified in Subsection B[(19)] (18) above in accordance with the following conditions:

(a) – (f) *No changes.*

E. Area, yard and bulk regulations.

(1) *Minimums.*

(a) – (h) *No changes.*

(i) No less than 15% of the property (excluding existing and proposed road rights-of-way) shall be devoted to conservation, open space, drainage and/or recreational purposes and may include vegetated roofs and pedestrian plazas. Individual duplex, triplex, and townhouses are exempted from this requirement.

(2) – (5) *No changes.*

F. Parking requirements. *No changes.*

G. Supplemental regulations.

(1) – (2) *No changes.*

(3) General design requirements and phasing.

(a) – (b) *No changes.*

(c) ~~[Mixed-use buildings may include residential units on the second and third stories above commercial or office uses, with the exception that] [r] Residential uses shall not be permitted on either the first floor or the same floor as office or commercial space in mixed-use buildings with the exception of access points such as lobbies and hallways, and amenities such as community rooms and gyms, servicing the residential units.~~

(d) *No change.*

(4) Building design and use.

(a) *No change.*

(b) Nonresidential, mixed-use, **multi-family**, and/or duplex, triplex and townhouse buildings shall reflect the following design elements:

[1] - [12] *No changes.*

(5) Site design.

(a) Whenever appropriate and feasible, ~~[The area of]~~ the TC Town Center District shall be divided into blocks, streets, lots and open space, and the scale and massing of buildings on any given street shall be harmonious.

(b) - (e) *No changes.*

(f) The location of nonresidential, **multi-family**, and mixed-use building entrances and orientation of buildings shall minimize the walking distances from building to building. Buildings with more than one facade facing a public street, parking lot, open space area, or plaza and square, shall provide front facade treatments for each such facade.

(g) *No change.*

(h) Nonresidential, **multi-family**, and mixed-use buildings shall be arranged to substantially eliminate public visibility of service areas from streets, customer parking areas and adjacent properties.

(i) Nonresidential, **multi-family**, and mixed-use buildings shall be provided with off-street loading and service areas separate from parking areas and shall be situated as much as possible to the rear of the building to the extent practicable and out of the general traffic flow.

(j) - (r) *No changes.*

~~(6) – (12) No changes.~~

~~(13) Off-street parking design.~~

~~(a) – (o) No changes.~~

~~(p) All lighting fixtures located in parking lots must utilize LED lighting systems. The freestanding light fixtures shall be similar to the Teardrop Model TF3 by HADCO. The height of such lights shall not exceed 12 feet.~~

~~(14) – (19) No changes.~~

~~(20) Affordable housing shall be provided in accordance with the provisions of the Township growth share requirements pursuant to § 189-130.1. Affordable units may be provided without utilizing the transfer of residential development potential.]~~

~~H. Architectural standards. No changes.~~

~~I. Green technology requirements. Delete and replace the entire section as follows.~~

~~[Currently, the most widely adopted "green" rating system in the country is the Leadership in Energy and Environmental Design (LEED) Green Building Rating System®, as developed by the U.S. Green Building Council. According to the USGBC, LEED evaluates environmental performance from a whole building perspective over a building's life cycle, providing a definitive standard for what constitutes a "green building." It is based on accepted energy and environmental principles and strikes a balance between known established practices and emerging concepts. LEED is a performance oriented system in which scoring points are earned for satisfying performance criteria in the categories of sustainable site development, water savings, energy efficiency, materials selection, and indoor environmental quality. Different levels of green building certification are awarded by the USGBC based on the total points earned.~~

~~(1) All new development located within the Town Center District, except for additions which are 50% or less than the existing gross floor area, shall demonstrate with appropriate documentation that the development will meet a minimum LEED certification rating under the LEED or equivalent rating system to the satisfaction of the Hillsborough Township Planning and Zoning Department.~~

~~(2) All building projects shall have a LEED accredited professional or equivalent as a principal member of the design team from the beginning of the project.~~

~~(3) Energy star: For multifamily residential projects, appliances and fixtures must meet United States Environmental Protection Agency's (EPA's) Energy Star Standards. Projects must include~~

~~Energy Star compliant clothes washers, dishwashers, refrigerators, ceiling fans, ventilation fans (including kitchen and bathroom fans), light fixtures (hall and common areas), and exit signs. To enhance energy efficiency further, the project must also choose and install two of the following Energy Star components: programmable thermostats (in residential units), residential light fixtures, windows and doors, and HVAC systems.~~

- ~~(4) All new building projects must meet the following requirements:~~
- ~~(a) All lighting fixtures located in parking lots must utilize LED lighting systems. The freestanding light fixtures shall be similar to the Teardrop Model TF3 by HADCO. The height of such lights shall not exceed 12 feet.~~
 - ~~(b) No less than 15% of the property (excluding existing and proposed road rights-of-way) shall be devoted to conservation, open space, drainage and/or recreational purposes and may include vegetated roofs and pedestrian plazas. Individual duplex, triplex, and townhouses are exempted from this requirement.~~
- ~~(5) Applicants must submit to the Township the following information at the time of site plan application:~~
- ~~(a) The name of the LEED accredited professional working on the project.~~
 - ~~(b) A LEED scorecard, or equivalent, must be submitted as part of the plan. The scorecard shall be accompanied by an explanation of how each credit will be achieved or why the product cannot be achieved for the project.~~

The concept of a "green development" is based on accepted energy and environmental principles and strikes a balance between known established practices and emerging concepts. Performance criteria relate to sustainable site development, water savings, energy efficiency, materials selection, and indoor environmental quality.

All applications for new development in the Town Center District, except for additions which are 50% or less than the existing gross floor area, shall demonstrate to the Hillsborough Township Planning and Zoning Department how the proposed development could incorporate green technology into the proposed design. Attempts should be made to meet minimum accreditation levels found in the LEED (Leadership in Energy & Environmental Design) Green Building Rating System, the Enterprise Green Communities Criteria, or an equivalent rating system.

At a minimum, applicants shall submit the following information to the Planning & Zoning Department at the time of site plan application:

- (1) A summary of green technology utilized in the building design similar to a LEED scorecard.

or equivalent rating schedule, accompanied by an explanation of how each credit would be achieved or why the credit cannot be achieved for the project; and

(2) For multifamily residential projects, the degree to which appliances and fixtures will meet the United States Environmental Protection Agency's (EPA's) Energy Star Standards.

J. Signs. *No change.*

K. Mixed-Use Inclusionary Overlay District. *No change.*

EXHIBIT C: 2019 INCOME LIMITS

2019 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Prepared by Affordable Housing Program/Division of New Jersey (AHPIU) - May 2019

Income limits are officially adopted by the State of New Jersey. Contact your municipality to see if you qualify for your jurisdiction. Additional information about AHPIU income limits is posted on AHPIU.org

Region	Income Category	Household Size								Max Increase Regionally Adjusted	Regional Asset Limit			
		1 Person	1.5 Person	2 Person	3 Person	4 Person	4.5 Person	5 Person	6 Person			7 Person	8+ Person	
Region 1 Bergen, Hudson, Passaic and Sussex	Median	\$66,697	\$71,316	\$76,122	\$81,637	\$86,153	\$90,868	\$95,785	\$100,377	\$104,980	\$109,602	\$114,250	2.6%	\$123,594
	Moderate	\$54,266	\$57,691	\$60,898	\$64,510	\$67,122	\$70,147	\$72,672	\$75,202	\$77,802	\$80,381	\$82,981	4.75%	
	Low	\$33,303	\$35,682	\$38,061	\$40,439	\$42,817	\$45,195	\$47,572	\$49,950	\$52,328	\$54,706	\$57,084		
Region 2 Essex, Morris, Union and Warren	Median	\$70,537	\$75,576	\$80,614	\$85,652	\$90,691	\$95,729	\$100,767	\$105,805	\$110,843	\$115,881	\$120,919	2.6%	\$133,321
	Moderate	\$56,430	\$59,480	\$62,491	\$65,539	\$68,591	\$71,643	\$74,695	\$77,747	\$80,799	\$83,851	\$86,903	4.75%	
	Low	\$35,166	\$37,704	\$40,242	\$42,780	\$45,318	\$47,856	\$50,394	\$52,932	\$55,470	\$58,008	\$60,546		
Region 3 Hudson and Middlesex and Somerset	Median	\$81,810	\$86,725	\$91,640	\$96,555	\$101,470	\$106,385	\$111,299	\$116,214	\$121,129	\$126,044	\$130,959	2.6%	\$143,361
	Moderate	\$66,238	\$70,480	\$74,721	\$78,962	\$83,203	\$87,444	\$91,685	\$95,926	\$100,167	\$104,408	\$108,649	4.75%	
	Low	\$41,096	\$44,382	\$47,668	\$50,954	\$54,240	\$57,526	\$60,812	\$64,098	\$67,384	\$70,670	\$73,956		
Region 4 Mercer, Monmouth and Ocean	Median	\$72,185	\$77,219	\$82,253	\$87,287	\$92,321	\$97,355	\$102,389	\$107,423	\$112,457	\$117,491	\$122,525	2.6%	\$134,927
	Moderate	\$57,722	\$61,855	\$65,988	\$70,121	\$74,254	\$78,387	\$82,520	\$86,653	\$90,786	\$94,919	\$99,052	4.75%	
	Low	\$36,082	\$38,460	\$40,838	\$43,216	\$45,594	\$47,972	\$50,350	\$52,728	\$55,106	\$57,484	\$59,862		
Region 5 Burlington, Camden and Gloucester	Median	\$61,648	\$65,786	\$70,024	\$74,262	\$78,500	\$82,738	\$86,976	\$91,214	\$95,452	\$99,690	\$103,928	2.6%	\$116,330
	Moderate	\$50,978	\$54,079	\$57,080	\$60,081	\$63,082	\$66,083	\$69,084	\$72,085	\$75,086	\$78,087	\$81,088	4.75%	
	Low	\$31,535	\$33,788	\$36,041	\$38,294	\$40,547	\$42,800	\$45,053	\$47,306	\$49,559	\$51,812	\$54,065		
Region 6 Atlantic Cape and Atlantic	Median	\$53,714	\$57,536	\$61,357	\$65,179	\$68,999	\$72,820	\$76,641	\$80,461	\$84,282	\$88,102	\$91,923	2.6%	\$104,325
	Moderate	\$46,971	\$49,840	\$52,709	\$55,578	\$58,447	\$61,316	\$64,185	\$67,054	\$69,923	\$72,792	\$75,661	4.75%	
	Low	\$28,637	\$30,775	\$32,913	\$35,051	\$37,189	\$39,327	\$41,465	\$43,603	\$45,741	\$47,879	\$50,017		

Income limits are for calculating the pricing for new, two and three bed room sale and rental units as per N.J.A.C. 5:90-26.4(f).
 The column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The increase for 2015 was 1.5%, the increase for 2016 was 1.5%, the increase for 2017 was 1.7%, and the increase for 2018 was 2.2%. The increase for 2019 is 2.6% (Consumer Price Index for All Urban Consumers (CPI-U): Region 6 by geographic category and commodity and sector group). Increases also did not increase more than 2.2% in 2015, 2016, 2017, or 2018 (most increase was by up to the applicable combined percentage including 2019 or 2.0% whichever is less) in accordance with N.J.A.C. 5:97-9.3(f). In no case can rent for any particular apartment be increased more than one time per year.
 The column is used for calculating the pricing for rental increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The price of the new occupied low and moderate income units are highest amount allowed on the percentage increases in the regional median income limit for each housing region. In no case shall the maximum rental price established by the statewide report be lower than the most recent previous price.
 Low income and moderate income units may increase based on the low income tax credit regulations.
 The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:90-26.19(b)(2).