

## TOWNSHIP OF HARMONY

### NOTICE OF FAIRNESS HEARING FOR THE TOWNSHIP OF HARMONY, COUNTY OF WARREN (THE "TOWNSHIP") REGARDING A SETTLEMENT AGREEMENT RELATED TO THE TOWNSHIP'S OBLIGATION TO PROVIDE AFFORDABLE HOUSING TO LOW- AND MODERATE-INCOME HOUSEHOLDS

DOCKET NO: WRN-L-239-15

PLEASE TAKE NOTICE that on December 20, 2018, beginning at 2 pm, there will be a Fairness Hearing (the "Hearing") before the Honorable Thomas C. Miller, J.S.C., at the Somerset County Courthouse, Superior Court of New Jersey, 20 North Bridge Street, P.O. Box 3000, Somerville, New Jersey 08876-2162, Courtroom HCH1.

The purpose of the Hearing is for the Court to consider whether the terms of the settlement agreement (the "Settlement Agreement") between the Township and the Fair Share Housing Center (the "FSHC") will meet the Township's obligation to provide a realistic opportunity to satisfy the Township's rehabilitation, Prior Round and Third Round "Fair Share" of the regional need for affordable to low-income and moderate-income households, pursuant to the Mt. Laurel decisions and their progeny, the Fair Housing Act, N.J.S.A. 52:27D-301, et seq., the substantive, applicable regulations of the New Jersey Council on Affordable Housing (the "COAH"), the New Jersey Supreme Court's March 10, 2015 decision in the matter of In Re: N.J.A.C. 5:96 and N.J.A.C. 5:97, 221 N.J. 1 (2015), and other applicable laws.

The Settlement Agreement fully addresses the existing components of the Township's Affordable Housing obligation for the period of 1987 through 2025, including the Township's present-need obligation (or rehabilitation obligation) of zero (0) housing units, its prior round obligation of forty-seven (47) housing units, and its third-round prospective need obligation of one hundred forty-eight (148) units. The proposed Settlement Agreement provides a detailed list of the Township's total affordable housing obligation, and compliance mechanisms demonstrating the Township's compliance with those Affordable Housing obligations. The full texts of the Settlement Agreement is available for public inspection and/or photocopying (at the requestor's expense) during the hours of 9:00 a.m. to 4:00 p.m. at the Township Clerk's office, located at 3003 Belvidere Road, Phillipsburg, New Jersey 08865, and is posted on the Township's website at <http://www.harmonytwp-nj.gov/>.

On the date of Hearing, the Court will expect the Fairness Hearing to determine whether the Settlement Agreement is fair to low- and moderate-income households, and creates a realistic opportunity for the satisfaction of the Township's Affordable Housing obligations. The Township will seek an Order formally approving the Settlement Agreement, subject to appropriate conditions, if any, that may be imposed by the Court, which Order will entitle the Township to protection from any Mt. Laurel Builders' Remedy lawsuit for a period to be determined by the Court.

Any interested person may seek to appear and be heard at the December 20, 2018 Hearing on the Settlement Agreement and shall have the opportunity to present any position on

the Settlement Agreement. Objections or comments by any interested person must be filed with the Court at the above address on or before December 6, 2018, with duplicate copies forwarded by mail and email to the attention of the following:

Katrina L. Campbell, Esq.  
Lavery, Selvaggi, Abromitis & Cohen, P.C.  
1001 Route 517  
Hackettstown, NJ 07840  
[KCampbell@lsaclaw.com](mailto:KCampbell@lsaclaw.com)

Kevin Walsh, Esq.  
Adam Gordon, Esq.  
Fair Share Housing Center  
510 Park Blvd.  
Cherry Hill, NJ 08002-3318  
[Kevinwalsh@fairsharehousing.org](mailto:Kevinwalsh@fairsharehousing.org)  
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Elizabeth K. McManus, PP, AICP  
Clark Caton Hintz  
100 Barrack Street  
Trenton, NJ 08608  
[Bmcmanus@cchnj.com](mailto:Bmcmanus@cchnj.com)

This Notice is provided pursuant to a directive of the Court and is intended to inform interested parties of the proposed Settlement Agreement, and inform such parties that they are able to comment on said Settlement Agreement before the Court reviews and evaluates whether to approve the Settlement Agreement. This Notice does not indicate any view by the Court as to the fairness, reasonableness, or adequacy of the Settlement Agreement or whether the Court will approve the Settlement Agreement.

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Kelley D. Smith, RMC, Township Clerk  
Township of Harmony



Peter J. O'Connor, Esq.  
Kevin D. Walsh, Esq.  
Adam M. Gordon, Esq.  
Laura Smith-Denker, Esq.  
David T. Rammler, Esq.  
Joshua D. Bauers, Esq.

October 17, 2018

Katrina Campbell, Esq.  
Lavery, Salvaggi, Abromitis & Cohen, P.L.  
1001 Route 517  
Hackettstown, NJ 07840

**Re: In the Matter of the Township of Harmony, County of Warren, Docket  
No. WRN-L-239-15**

Dear Ms. Campbell:

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

Harmony Township filed the above-captioned matter on July 9, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and the 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 have 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 Obligation instead of doing so through plenary adjudication of the Third Round Obligation.
3. FSHC and Harmony hereby agree that Harmony's affordable housing obligations are as follows:

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Rehabilitation Share (per Kinsey Report <sup>1</sup> )	0
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	47
Third Round (1999-2025) Obligation (per Kinsey Report, as adjusted through this Agreement)	148

4. For purposes of this Agreement, the Third Round Obligation shall be deemed to include the Gap Period present need for new construction to address the affordable housing needs of households formed from 1999-2015, a need that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017), and the Prospective Need, which is a measure of the affordable housing need anticipated to be generated between July 1, 2015 and June 30, 2025.
5. Although the Township has no rehabilitation obligation, it has rehabilitated 3 housing units under the Warren County Rehabilitation Program. The Township will continue to participate in this program in the future. Any rehabilitated units that meet the applicable standards may be applied to any future rehabilitation obligation if permitted by then-applicable law.
6. As noted above, the Township has a Prior Round (new construction) Obligation of 47 units and a Third Round (new construction) obligation of 148 units for a total of 195 units, which is met through the following compliance mechanisms:
  - a. Clymer Village- 21 Age-Restricted Rental Units- completed in 1987
  - b. Accessory Apartments- 10 units
  - c. Habitat for Humanity Duplex (Block 43 Lot 31)- 1 family-rental unit- completed
  - d. Pink House- 3-family rental units- completed
  - e. Habitat for Humanity Duplex (Block 43 Lot 28)- 1 family-rental unit- completed
  - f. Township Rental Duplex (Block 39 Lot 14)- 1 family-rental unit- completed
  - g. Habitat for Humanity (Block 42 Lot 17)- 1 family-rental unit- proposed
  - h. United Way Group Home- 4-bedrooms- completed
  - i. Signature Estates Developer's Agreement (Block 38 Lot 18)- purchase and deed restriction of 2 existing housing units
7. The municipality will also address its combined Prior Round and Third Round obligation in part through a durational adjustment:
  - a. As demonstrated by the following facts, the Township does not have any capacity for water or sewer to support inclusionary development and thus is entitled to a durational adjustment in accordance with N.J.A.C. 5:93-4:3:
    - i. There is no public water or sewer in the Township rendering the development of higher density housing impractical, or if not, impossible
    - ii. Harmony Township is a rural community with a 2016 estimated population of 2,559 people. Approximately 50% of the land area is located in the Highlands Preservation Area. The remaining land area in the Township is located in the Highlands Planning Area.
    - iii. The Township contains significant environmental constraints (eg. floodplains, water protection areas, steep slopes)

<sup>1</sup> 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, July, 2016 and April 2017.

iv. Harmony falls into Planning Areas 4 and 5 under the State Development and Redevelopment Plan and there are no designated SDRP growth areas or centers.

b. The municipality agrees to comply with N.J.A.C. 5:93-4.3 as follows:

i. The Township will seek court approval for, and FSHC will support, a durational adjustment of 151 units and address the requirements of N.J.A.C. 5:93-4.3 through the following:

1. In accordance with N.J.A.C. 5:93-4.3(c), the requirement to address Third Round prospective need obligation of 151 units shall be deferred until adequate water and/or sewer are made available. The Township shall reserve and set aside new water and/or sewer capacity, when it becomes available, for low and moderate income housing, on a priority basis. Municipal officials shall endorse all applications to the Department of Environmental Protection (DEP) or its agent to provide water and/or sewer capacity.
2. The Township has designated and rezoned the following sites for low and moderate income housing that lack adequate water and/or sewer at the following densities:

Block	Lot	Acreage	Density	Total Units	Total Affordable Units
31	1	0.6	8 units/acre	5	1
31	3.01	3.2	8 units/acre	26	5
31	3.02	0.9	8 units/acre	7	1
31	3.03	0.9	8 units/acre	7	1
31	6	5.7	8 units/acre	46	9
31	6.01	4.1	8 units/acre	33	7
31	7	25.9	8 units/acre	207	42
31	8.01	5	8 units/acre	40	8
31	8.10	8.4	8.5 units/acre	71	14
31	8.11	33.7	8.5 units/acre	286	57
31	9	1.1	8 units/acre	9	2
31	10	1.2	8 units/acre	10	2
31	11	1.1	8 units/acre	9	2

<b>TOTALS</b>	<b>91.8</b>	<b>-</b>	<b>756</b>	<b>151</b>
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3. The above sites in the southern area of the Township are designated and proposed to be rezoned because of their proximity to existing sewer and water infrastructure in Lopatcong Township. The Township shall endorse all applications to the Department of Environmental Protection (DEP) or its agent to provide water and/or sewer capacity on these sites and more generally reserve water and/or sewer capacity if and when it becomes available for these sites.

4. The requirements included in N.J.A.C. 5:93-4.3(c)3 and 4 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 in the housing element are hereby waived 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.
8. The Township agrees to require 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:
  - a. The Township agrees to require that 13% of all affordable housing units constructed as a result of the overlay zoning described above in Paragraph 7 shall be reserved for very low income households.
9. The Township shall meet its Third Round Obligation in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 6 above:
  - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
  - b. At least 50 percent of the units addressing the Third Round Obligation shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
  - c. At least twenty-five percent of the Third Round Obligation shall be met through rental units, including at least half in rental units available to families.
  - d. At least half of the units addressing the Third Round Prospective Need in total must be available to families.
  - e. The Township agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
10. 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 Latino Action Network, NORWESCAP, Warren/Sussex Branch of the NAACP, and Supportive Housing Association, and shall, as part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, provide direct notice to those organizations of all available affordable housing units in Harmony, along with copies of application forms. 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.

11. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, *et seq.*, or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in rental projects shall be required to be at 30 percent of median income, and in conformance with 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 30 days of the publication of determinations of median income by HUD as follows:
- a. Regional income limits shall be established for the Housing Region in which the Township is located (in this case, Housing Region 2) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated number of 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 number of 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 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
  - b. The income limits attached hereto as Exhibit C are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2018, 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, the terms of which shall also be reflected in the Township's Affordable Housing Ordinance.
12. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.

13. As an essential term of this Agreement, within one hundred twenty (120) days of the 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 shall adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement.
14. The parties agree that if a decision of a court of competent jurisdiction in Warren County, or if no Court in Warren County issues a decision on fair share obligations then a court within Vicinage 13 (Hunterdon, Warren, Somerset) or COAH Region 2 (Essex, Morris, Union and Warren) 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 ten (10%) percent than the total prospective Third Round 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 set forth herein to address unmet need; and otherwise fulfilling fully the fair share obligations as established in this Agreement. The reduction of the Township's Third Round 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 Third Round Obligation, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
15. The Township shall prepare a Spending Plan within the period referenced above, subject to review by FSHC and the 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 a "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 in this matter that includes approval of the Spending Plan 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 Court's approval of the Spending Plan, and on every anniversary of that date thereafter through July 1, 2025, 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.
16. 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.

17. The Fair Housing Act includes two provisions regarding action to be taken by the Township during the 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 30 days of the third anniversary of this Agreement, and every third 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.
18. 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.
19. 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. 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.
20. If an appeal is filed of the Court's approval or rejection of this Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the

terms of this Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.

21. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Warren County. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney's fees.
22. 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.
23. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
24. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
25. 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.
26. 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.
27. 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.
28. 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.
29. 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.
30. 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.

31. 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.
32. 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 carrier or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) Notices shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be effected 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:**

Kevin D. Walsh, Esquire  
Fair Share Housing Center  
510 Park Boulevard  
Cherry Hill, NJ 08002  
Phone: (856) 665-5444  
Telecopier: (856) 663-8182  
E-mail: kevinwalsh@fairsharehousing.org

**TO THE TOWNSHIP:**


Katrina Campbell, Esq.  
Lavery, Selvaggi, Abromitis & Cohen, P.C.  
1001 Route 517  
Hackettstown, NJ 07840  
Phone: (908) 852-2600  
Email: kcampbell@lsaclaw.com

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

Kelley D. Smith  
Township of Harmony Municipal Building  
3003 Belvidere Road  
Phillipsburg, NJ 08865

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 Harmony, with the authorization  
of the governing body:

\_\_\_\_\_  
\_\_\_\_\_  
Dated: \_\_\_\_\_

## 2018 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Income limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNJ Income Limits is posted on

		AHPNJ.org										Max Increase		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	Rents**	Sales***	
Region 1 Bergen, Hudson, Passaic and Sussex	Median	\$63,597	\$68,140	\$72,682	\$81,767	\$90,853	\$94,487	\$98,121	\$105,389	\$112,657	\$119,926			\$175,679
	Moderate	\$50,878	\$54,512	\$58,146	\$65,414	\$72,682	\$75,589	\$78,497	\$84,311	\$90,126	\$95,940	2.2%	5.52%	
	Low	\$31,798	\$34,070	\$36,341	\$40,884	\$45,426	\$47,243	\$49,060	\$52,695	\$56,329	\$59,963			
	Very Low	\$19,079	\$20,442	\$21,805	\$24,530	\$27,256	\$28,346	\$29,436	\$31,617	\$33,797	\$35,978			
Region 2 Essex, Morris, Union and Warren	Median	\$66,755	\$71,523	\$76,291	\$85,828	\$95,364	\$99,179	\$102,993	\$110,622	\$118,252	\$125,881			\$182,955
	Moderate	\$53,404	\$57,218	\$61,033	\$68,662	\$76,291	\$79,343	\$82,395	\$88,498	\$94,601	\$100,705	2.2%	1.22%	
	Low	\$33,377	\$35,762	\$38,146	\$42,914	\$47,682	\$49,589	\$51,497	\$55,311	\$59,126	\$62,940			
	Very Low	\$20,026	\$21,457	\$22,887	\$25,748	\$28,609	\$29,754	\$30,898	\$33,187	\$35,475	\$37,764			
Region 3 Gloucester, Hudson, Middlesex and Somerset	Median	\$75,530	\$80,925	\$86,320	\$97,110	\$107,900	\$112,216	\$116,532	\$125,164	\$133,796	\$142,428			\$205,458
	Moderate	\$60,424	\$64,740	\$69,056	\$77,688	\$86,320	\$89,773	\$93,226	\$100,131	\$107,037	\$113,942	2.2%	2.37%	
	Low	\$37,765	\$40,463	\$43,160	\$48,555	\$53,950	\$56,108	\$58,266	\$62,582	\$66,898	\$71,214			
	Very Low	\$22,659	\$24,278	\$25,896	\$29,133	\$32,370	\$33,665	\$34,960	\$37,549	\$40,139	\$42,728			
Region 4 Mercer, Monmouth and Ocean	Median	\$69,447	\$74,407	\$79,368	\$89,289	\$99,209	\$103,178	\$107,146	\$115,083	\$123,020	\$130,956			\$186,616
	Moderate	\$55,557	\$59,526	\$63,494	\$71,431	\$79,368	\$82,542	\$85,717	\$92,066	\$98,416	\$104,765	2.2%	5.19%	
	Low	\$34,723	\$37,204	\$39,684	\$44,644	\$49,605	\$51,589	\$53,573	\$57,541	\$61,510	\$65,478			
	Very Low	\$20,834	\$22,322	\$23,810	\$26,787	\$29,763	\$30,953	\$32,144	\$34,525	\$36,906	\$39,287			
Region 5 Burlington, Camden and Gloucester	Median	\$61,180	\$65,550	\$69,920	\$78,660	\$87,400	\$90,896	\$94,392	\$101,384	\$108,376	\$115,368			\$161,977
	Moderate	\$48,944	\$52,440	\$55,936	\$62,928	\$69,920	\$72,717	\$75,514	\$81,107	\$86,701	\$92,294	2.2%	5.05%	
	Low	\$30,590	\$32,775	\$34,960	\$39,330	\$43,700	\$45,448	\$47,196	\$50,692	\$54,188	\$57,684			
	Very Low	\$18,354	\$19,665	\$20,976	\$23,598	\$26,220	\$27,269	\$28,318	\$30,415	\$32,513	\$34,610			
Region 6 Atlantic, Cape May, Cumberland, and Salem	Median	\$51,085	\$54,734	\$58,383	\$65,681	\$72,979	\$75,898	\$78,817	\$84,655	\$90,494	\$96,332			\$136,680
	Moderate	\$40,868	\$43,787	\$46,706	\$52,545	\$58,383	\$60,718	\$63,054	\$67,724	\$72,395	\$77,066	2.2%	0.00%	
	Low	\$25,543	\$27,367	\$29,192	\$32,840	\$36,489	\$37,949	\$39,409	\$42,328	\$45,247	\$48,166			
	Very Low	\$15,326	\$16,420	\$17,515	\$19,704	\$21,894	\$22,769	\$23,645	\$25,397	\$27,148	\$28,900			

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).

\*This 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 2.3%, the increase for 2016 was 1.1%, the increase for 2017 was 1.7%, and the increase for 2018 is 2.2% (Consumer Price Index for All Urban Consumers (CPI-U); Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, or 2017 may increase rent by up to the applicable combined percentage from their last rental increase for that unit. In no case can rent for any particular apartment be increased more than one time per year.

\*\* This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the Administrative Agent be lower than the last recorded purchase price.

Low income tax credit developments 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. 5:80-26.16(b)3.

Note: Since the Regional Income Limits for Region 6 in 2017 were higher than the 2018 calculations, the 2017 income limits will remain in force for 2018 (as previously required by N.J.A.C. 5:97-2(c)).