

**AFFORDABLE HOUSING
THIRD ROUND MIDPOINT REALISTIC OPPORTUNITY REVIEW
TOWNSHIP OF EDGEWATER PARK
BURLINGTON COUNTY, NEW JERSEY**

July 1, 2020

PURPOSE

The requirement for a midpoint realistic opportunity review derives from the Fair Housing Act (“FHA”) at N.J.S.A. 52:27D-313, which provides: “[t]he Council (Council on Affordable Housing or COAH) shall establish procedures for a realistic opportunity review at the midpoint of the certification period and shall provide for notice to the public.” Although COAH failed to adopt regulations or procedures for a midpoint realistic opportunity review, the purpose and process is set forth in Edgewater Park Township’s Court-approved Settlement Agreement with Fair Share Housing Center (“FSHC”).

The purpose of the midpoint realistic opportunity review is for Edgewater Park Township to provide a status report as to the Township’s implementation of its Court-approved Housing Element and Fair Share Plan (“Plan”) and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity. Pursuant to the Edgewater Park Township/FSHC Agreement, there’s a requirement for the Township to post this report on its municipal website and to submit a copy of this report to FSHC. In the event the Court determines that a previously approved site or mechanism no longer presents a realistic opportunity and should be replaced, then Edgewater Park Township shall have the opportunity to supplement or revise its plan to correct any deficiency.

To facilitate the review process, in addition to posting this Mid-Point Review Report on the Township website and submitting a copy to FSHC, Edgewater Park Township will place on file a copy of this report for public inspection at the office of the Township Clerk or, if the municipal building is closed due to the pandemic, interested parties may request a copy be mailed. The Township’s notice to the public of this Mid-Point Review Report will include a

30-day deadline for any interested party comments/requests for a court hearing to be submitted.

BACKGROUND

The Edgewater Park/FSHC Settlement Agreement was executed on November 23, 2016. Following a June 28, 2017 Fairness Hearing in Superior Court, the Settlement Agreement was approved by Court Order, dated June 29, 2017, which found the Agreement and the Township's Preliminary Compliance Measures fair to the interests of low- and moderate-income citizens of the region. Edgewater Park Township prepared a Housing Element and Fair Share Plan which was adopted by the Township's Planning Board on November 21, 2017 and also endorsed by the governing body on November 21, 2017. The Township's Plan was reviewed at a Court Compliance Hearing on March 22, 2018 at which time the Court approved Edgewater Park's Plan with conditions as reflected in the Order granting a Conditional Judgment of Repose, dated May 27, 2018. Subsequently, Edgewater Park Township received a final Judgment of Compliance and Repose ("JOR") dated July 11, 2019. This final JOR approved the Township's 2017 Plan including the Township's compliance measures described below and provided Edgewater Park Township with immunity from builder remedy lawsuits through July 6, 2025.

As reflected in the Township's Court-approved Settlement Agreement and Court-approved Plan, the Township's Third Round Fair Share obligation is as follows:

- Third Round Rehabilitation Share: 49
- Prior Round 1987-1999 Obligation: 30
- Third Round 1999 – 2025 Gap and Prospective Obligation: 120

Edgewater Park Township Rehabilitation Share – To address its 49-unit Rehabilitation Share, the Township continues to participate in the Burlington County Home Improvement Loan Program. According to County Program staff, almost 20 rehabilitations have been completed in the Township since the 1990's with two (2) completed owner-occupied unit rehabilitations after April 1, 2010 as detailed on the Township's rehabilitation monitoring form which is

posted on the Township’s webpage. The Township will continue to advertise the County’s Owner-Occupied Rehabilitation Program with postings on its website and also through direct mailings of tax bills, etc., when necessary.

In addition, Edgewater Park participates in a consortium with other Burlington County municipalities for its rental rehabilitation program administered by Community Grants Housing & Planning (“CGH&P”). The Burlington County Bridge Commission funded CGH&P’s preparation of the consortium’s Rental Rehabilitation Program Manual. In August 2019, the Township made the Court-required general revenue transfer to the Township’s trust fund earmarked for the Township’s local rental rehabilitation program. The July 11, 2019 JOR requires that a total of \$40,000 remain in the trust account for the local rental rehabilitation program. The Township will replenish the trust fund upon the request of the rental rehabilitation program’s administrative agent. Outreach for the Township’s rental rehabilitation began in June 2020. CGP&H calculated rent ranges, prepared landlord outreach, and prepared advertisements for placement in the Burlington County Times.

Edgewater Park Township Prior Round Obligation – As noted in the Township’s Court-approved Settlement Agreement with FSHC, Edgewater Park previously fully satisfied its 30-unit Prior Round Obligation as approved by the Superior Court in its September 27, 2002 Prior Round JOR. These affordable units included:

- Completed Inclusionary Development:
 - ✓ Courtyards – 39 Total Family Affordable Rentals (11 towards Prior Round)
- Completed Alternative Living Arrangements
 - ✓ Oaks Integrated (Family Service) group home - 6 bedrooms
 - ✓ Affordable Homes Group – 1 family rental
 - ✓ Prince Assoc./now A.D.E.P.T. Program group home - 4 bedrooms

REALISTIC OPPORTUNITY REVIEW – THIRD ROUND COMPLIANCE MECHANISMS

As shown below, the Township has completed or approved the vast majority of its Third Round compliance mechanisms including its most recent February 2020 Memorialization of the Final Approval of the Abergel/Ariel inclusionary development. The Township continues to provide a realistic opportunity for the remaining Court-approved Third Round compliance

mechanism through the previous adoption of inclusionary zoning on the Varsaci site as shown in the chart and discussed below:

<u>Compliance Mechanisms</u>	<u>Description</u>	<u>Status</u>	<u>Notes/Additional Information</u>
The Courtyards	Inclusionary Development	Completed	39 Family Affordable Rental Units (28 towards Third Round)
Fox Run (Ryan Homes)	Inclusionary Development	Completed	20 Family Affordable For Sale Units
Salt & Light Company	Market to Affordable	Completed	2 Family Affordable Rentals, one very-low
Abergel/Ariel Realty Site	Inclusionary Development	Final Site Plan/Sub Res. Feb 27, 2020; Affordable Housing Agreement in progress	24 Family Affordable Rental Units
Varsaci Site	Inclusionary Development	Inclusionary Zoning Amended Dec. 4, 2018; see below	17 Proposed Affordable Units

Abergel/Ariel Realty Site: This 160-unit inclusionary development received Final Site Plan/Subdivision Approval as memorialized in the Planning Board resolution dated February 27, 2020. The site was approved for 24 total family affordable rental units (a 15% affordable housing rental setaside). The Township Attorney is working with the developer on an Affordable Housing Agreement and the requisite affordable housing deed restrictions for 24 affordable family rental units.

Varsaci Site: Inclusionary zoning is in place. The Township has met with the Varsaci family a number of times to discuss development plans. Per Tom Pullion, the Township Administrator, no formal development applications have been received to date.

VERY LOW-INCOME ANALYSIS

The Township has addressed its current 9-unit statutory very-low income requirement. Also, Edgewater Park has addressed its family very-low income requirement (half of the very-low

income requirement or 5 very-low income units) with 8 of the proposed/built 14 very-low income units required to be family units.

<u>Affordable Units Proposed/Approved/Built Since 2008</u>	<u>Very Low Income Requirement</u>	<u>Number of Very-Low Income Units Proposed/Provided</u>	<u>Status</u>
Fox Run (Ryan Homes) – affordable for-sale units	20 total affordable units x 0.13 = 2.6	0	Completed
Salt & Light – Market-to-Affordable	2 total affordable units x 0.13 = 0.26	1 family	Completed
Abergel/Ariel	24 total affordable units x 0.13 = 3.12	4 family	Approved
Oaks Integrated	Pre-2008	6 special needs	Completed, part of FSHC Agreement
Varsaci – Adopted Inclusionary Zoning	17 total affordable units x 0.13 = 2.21	3 family	Adopted Inclusionary Zoning
Total	8.19	14 w/8 family	

CONCLUSION

The Township’s Court-approved compliance mechanisms create a realistic opportunity as the compliance mechanisms are either completed or have met the inclusionary zoning requirements set forth in the Court-approved Edgewater Park Township/FSHC Settlement Agreement and in the Township’s July 11, 2019 JOR. In the event the Court determines that a compliance site or mechanism no longer presents a realistic opportunity and should be replaced, then Edgewater Park Township shall have the opportunity to supplement or revise its plan to correct any compliance deficiency.

Prepared by:

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