

PREPARED BY THE AFFORDABLE HOUSING PROGRAM:

<p>In the Matter of the Application of the Township of Maplewood</p>	<p>Superior Court of New Jersey Law Division, Civil Part</p> <p>Docket No. ESX-L-622-25</p> <p>Program Settlement Recommendation - Housing Element and Fair Share Plan</p>
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THIS MATTER, having come before the Affordable Housing Dispute Resolution Program (Program), pursuant to the Complaint for Declaratory Judgment filed in this matter on January 23, 2025 (DJ Complaint) by the Petitioner, the Township of Maplewood (Township), pursuant to the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et. seq. (FHA), and in accordance with Administrative Directive #14-24 and its Addenda, seeking a certification of compliance with the FHA;

AND IT APPEARS that on March 24, 2025, the Hon. Aldo J. Russo, J.S.C. entered an Order as follows:

- (a) Establishing the Township’s Fourth Round “present need” at 20 units;
- (b) Establishing the Township’s Fourth Round “prospective need” at 216 units;

(c) Directing the Township to prepare and adopt a Housing Element and Fair Share Plan on or before June 30, 2025; and

(d) Granting the Township immunity from exclusionary zoning litigation; and

AND IT APPEARS that the Township timely adopted and filed the Township's Proposed Fourth Round Housing Element and Fair Share Plan (HEFSP);

AND IT APPEARS that challenges to the Township's Fourth Round HEFSP were timely filed by interested parties: Fair Share Housing Center (FSHC) and 161 Maplewood Investors, LLC (161 Maplewood);

AND the Program having appointed Special Adjudicator John McDonough, PP/AICP;

AND the Program Member having conducted settlement conferences on October 7, 2025; November 3, 2025; November 21, 2025; and December 5, 2025; after which time all parties reached settlements. On December 5, 2025, the settlement terms were placed on the record and include, but are not limited to the following:

(a) The Township's Present Need (Rehabilitation) Obligation is 20 and The Township will address its Present Need Obligation via the Maplewood Affordable Housing Program, administered by CGP& H.

(b) The Township’s First and Second Rounds Obligation is 51 and has been met with the following mechanisms:

MECHANISM	TYPE	UNITS	BONUS	TENURES	STATUS
Maplewood Senior Citizen Housing (Block 38.01, Lot 213)	Senior Rental	12		12	Complete
ARC of Essex County (Block 44.02, Lot 118)	Supportive Special Needs	1			Complete
Community Action for Independent Living (Block 38.05, Lot 104)	Supportive Special Needs	5			Complete
Collaborative Support Programs of NJ (Block 30.02, Lot 59)	Supportive Special Needs	3	3		Complete
Project Live, 5 (Block 22.01, Lot 23)	Supportive Special Needs	3	3		Complete
Project Live, 6 (Block 30.01, Lot 18)	Supportive Special Needs	3	3		Complete
Our House (Block 45.03, Lot 84.01)	Supportive Special Needs	6	6		Complete
Jewish Services for the Developmentally Disabled (Block 49.13, Lot 246)	Supportive Special Needs	5			Complete
Rental Bonuses			13		Complete
Total: 64		51	13		

(c) The Township’s Third Round Obligation (1999-2025) is 444 with an RDP of 82 which has been met with the following mechanisms:

MECHANISM	TYPE	UNITS	BONUS	TENURES	STATUS
Maplewood Senior Citizen Housing (Block 38.01, Lot 213)	Age-restricted, rental	20			Complete
Elite on Springfield (Block 49.14, Lots 12, 14, and 16)	Family, rental	3			Complete
1611 Springfield Avenue Apartments (Block 31.05, Lots 1 and 3)	Mixed use, family, rental	1			Complete
255 Tuscan (Block 31.05, Lot 25)	Family, rental	3			Complete
Avalon Maplewood (Block 44.02, Lot 2)	Family, rental	6			Complete
Boyden Avenue Apartments (Block 47.02, Lot 246)	Family, rental	1			Complete
Maplewood Crossings (Block 48.47, Lot 5.01)	Family, rental	16			Complete
The Station House at Maplewood (Block 17.16, Lot 10)	Family, rental	4			Complete
Cerebral Palsy of Northern New Jersey (Block 20.03, Lot 355)	Supportive/ Special Needs	3			Complete
Arc of Essex County (Block 44.02, Lot 118)	Supportive/ Special Needs	4			Complete
Rental bonus credits			21		
Total: 82		61	21		

(d) The Township’s Third Round Unmet Need requirement has been addressed by the following mechanisms:

MECHANISM	TYPE	UNITS	TENURES	STATUS
The Alivia (Block 16.01, Lot 37)	Inclusionary	2		Completed
Iron Ore Redevelopment (Block 12.06, Lot 237.01)	Inclusionary	13		Completed
Sierra House (Block 43.03, Lot 233.01)	100% Affordable	2		Completed
Maplewood Lofts (Block 31.05, Lot 10)	Rental	5		Completed
1722 Springfield Avenue	Rental	5		Completed
The Gleason	Rental	7		Completed
Maplewood Country Club Overlay Zone	Density of 8du/acre			Zoned
Mandatory Set-Aside Ordinance	5 units or more; 20% set-aside for sale, 15% set-aside for rental			Zoned
Parker Manor (Block 42.08, Lot 146.01)	Family, rental From MSO	2		Completed
1782-1792 Springfield Avenue	Family, rental From MSO	2		Completed
Homeowner Program – Franklin Terrace Unit		1		Completed
Redevelopment Area 1 (Block 31.05, Lots 1, 3-7, 10, 16-18, 18.01, 19.01, 20, and 20.01)	Total acreage of ~4.5			Adopted
Redevelopment Area 2 (Block 48.47, Lots 1, 1.01, 5.01, 7, 123,	Total acreage of ~11.5			Adopted

124.01, 130.02, 131, 138, 140, 140.01, 143, and 167)				
Redevelopment Area 3 (Block 47.04, Lots 144-147, 160, 162, 164-166, and block 49.14, lots 1 and 3)	Total acreage of ~2.08			Adopted
528 Irvington (Block 12.03, Lot 162)	Family, rental	2		Proposed
9 Highland Place (Block 12.03, Lot 162)	Family, rental	1		Proposed
Total: 42		42		

(e) The Township’s Prospective Need Obligation (2025-2035) is 216 with an RDP of 76 which has been met with the following mechanisms

MECHANISM	TYPE	UNITS	BONUS	TENURES	STATUS
Ingerman (Block 48.47, Lot 140.01) OR (Block 48.47, Lots 131, 124.01, and 123)	100% Affordable	48	15		Proposed
*161 Maplewood (Block 12.02, Lots 169 and 173)	Inclusionary	13			Proposed
Total: 76		61	15		

*Challenger 161 Maplewood site

(f) The Township shall satisfy the 25% Redevelopment Requirement by the following mechanisms:

MECHANISM	DETAILS	UNITS	TENURES	STATUS
Movie Theater Redevelopment Area (Block 12.02, Lots 100.01, 174, 175.91, and 176)	30du/acre	10		Proposed
88 Burnett Avenue (Block 48.47, Lot 5)		5		Proposed
2128-2144 Millburn Avenue (Block 21.12, Lot 61)	42du/acre	15		Proposed
1734-44 Springfield Avenue (Block 30.04, Lot 127)		5		Proposed
Total: 35		35		

(g) The Township shall satisfy its remaining Fourth Round Unmet Need by the following mechanisms:

MECHANISM	DETAILS	UNITS	TENURES	STATUS
2017 Springfield Avenue (Block 29.04, Lot 536)		2		Proposed
St. Andrew Kim Church at 275 Parker Avenue (Block 42.08, Lot 146)		4		Proposed
79 Durnell Road (Block 17.16, Lot 161)		1		Proposed
333 Elwood Avenue (Block 31.34, Lot 4)	Assisted Living, Inclusionary	1		Proposed
Total: 8		8		

AND the Township and FSHC have executed a written Mediation Agreement memorializing the settlement terms (attached hereto as Exhibit A);

And the Township and 161 Maplewood submitted to the Program a Settlement in Principle or Term Sheet memorializing the settlement terms (attached hereto as Exhibit B);

AND the Township having represented it intends to adopt an Amended HEFSP in accordance with the terms of the settlement;

AND the Program Member having considered the written recommendation of the Special Adjudicator that the Township's HEFSP, to be amended in accordance with the settlement terms, is compliant with the FHA and Mount Laurel doctrine (report attached hereto as Exhibit C);

AND the Program Member having determined that the terms of the settlement are fair, reasonable and adequately protects the interests of low and moderate-income residents of the Township;

AND the Program Member having determined that the terms of the settlement are constitutionally compliant and provide a fair and reasonable opportunity for the Township to meet its obligations under the FHA and Mount Laurel doctrine;

AND for all those reasons as well as those set forth in the Statement of Reasons (attached hereto as Exhibit D), the Program Member hereby recommends an ORDER directing that:

- (a) The settlement terms as set forth above are approved; and
- (b) In accordance with N.J.S.A. §52:27D-304.1(f)(2)(c), on or before March 15, 2026, the Township shall adopt and file its Amended HEFSP that contains the terms of the settlement as well as the implementing ordinances and resolutions proposed within the Amended HEFSP; and
- (c) Thereafter, the court shall schedule a HEFSP Confirmation Hearing (or if deemed necessary by the Mt. Laurel judge a Fairness and/or Compliance Hearing) to consider approval of the Township's Amended HEFSP and the issuance of a Judgment of Compliance and Repose; and
- (d) Grant the Township continued protection of the law and immunity from exclusionary zoning litigation for the duration of the compliance process conditioned upon the Township's compliance with its Order and good faith implementation of the Amended HEFSP and good faith participation in the compliance process.

Respectfully Submitted by the Program:

By:

/s/ Hon. Julio L. Mendez

Hon. Julio L. Mendez, J.S.C. (Ret.)

Dated: February 11, 2026

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December 17, 2025

VIA eCOURTS

Honorable Julio L. Mendez, J.S.C. (ret.)

Affordable Housing Dispute Resolution Program

Richard J. Hughes Justice Complex

25 Market Street

P.O Box 37

Trenton, NJ 08625-00373

RE: In the Matter of the Application of the Township of Maplewood
Docket No. ESX-L-622-25

Dear Judge Mendez:

This office represents the Township of Maplewood as Special Affordable Housing Counsel in the above matter before the Program and the Court. As stated during the session on December 5, 2025, the Township and Fair Share Housing Center (“FSHC”) have reached a settlement to resolve the issues set forth in FSHC’s objection to the Township’s Fourth Round Housing Element and Fair Share Plan. Enclosed please find a resolution adopted by the Township Committee on December 16, 2025, authorizing the Mayor to execute a Mediation Agreement with FSHC, along with a copy of the fully executed Mediation Agreement.

I thank Your Honor for your continued time and attention to this matter.

Very truly yours,

Erik C. Nolan

Erik C. Nolan

ECN/sp

Enclosure

cc: All attorneys of record (*via ecourts*)
John McDonough, PP, Special Adjudicator (*via email*)
Ariela Rutbeck-Goldman, Esq., Attorney for FSHC (*via email*)

TOWNSHIP OF MAPLEWOOD



RESOLUTION NO. 383-25

RESOLUTION OF THE TOWNSHIP OF MAPLEWOOD, COUNTY OF ESSEX, AUTHORIZING THE EXECUTION OF A MEDIATION AGREEMENT BETWEEN THE TOWNSHIP OF MAPLEWOOD AND FAIR SHARE HOUSING CENTER

WHEREAS, pursuant to the March 2024 amendments to the Fair Housing Act, N.J.S.A. 52:27D-301, et. seq. (the “FHA”), the Township of Maplewood (hereinafter “Township”) filed a Declaratory Judgment Action on January 23, 2025 with the Affordable Housing Dispute Resolution Program (hereinafter “the Program”) and the Court; and

WHEREAS, in order to maintain immunity from all Mount Laurel lawsuits, the Township was required prepare a Fourth Round Housing Element and Fair Share Plan (the “Fourth Round HEFSP”), which the Township’s Planning Board adopted, the Township Committee endorsed, and the Township submitted to the Program and the Court for review on June 13, 2025; and

WHEREAS, Fair Share Housing Center (“FSHC”) filed a challenge with the Program and the Court to the Township’s Fourth Round HEFSP on August 30, 2025; and

WHEREAS, in order to resolve FSHC’s challenge before the Program and the Court, the Township and FSHC negotiated a settlement and drafted a Mediation Agreement, which outlines a global settlement between the Township and FSHC, and sets forth certain deadlines that must be met by the Township moving forward in the process, so that the Township can obtain a Compliance Certification approving its Fourth Round HEFSP, which will give the Township immunity from all Mount Laurel lawsuits, including builder’s remedy lawsuits, through July 1, 2035,

NOW, THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Maplewood, County of Essex, State of New Jersey that:

Section 1. The recitals hereto are hereby incorporated by reference as if set forth at length.

Section 2. The Mayor is hereby authorized and directed to execute the Mediation Agreement between the Township and Fair Share Housing Center in substantially the form on file with the Township, in consultation with counsel.

Section 3. This Resolution shall take effect immediately.

I, Elizabeth J. Fritzen, Township Clerk of the Township of Maplewood, in the County of Essex and State of New Jersey, do hereby certify that the foregoing is a true and correct copy of a

Resolution adopted by the Township Committee of the Township of Maplewood, County of Essex, State of New Jersey, at a regular meeting of said Committee held on December 16, 2025.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Township of Maplewood in the County of Essex and State of New Jersey, on this 16th day of December, 2025.

Certified to be a true copy of a Resolution adopted by the Governing Body of the Township of Maplewood at the duly held Meeting on December 16, 2025.

MOTION: Herman **SECOND:** Dafis
CONSENT AGENDA
YES: Dafis, De Luca, Engel, Herman, Adams
NO: None
ABSTAIN: None
ABSENT: None



ATTEST Elizabeth J. Fritzen, Township Clerk

MEDIATION AGREEMENT BEFORE THE AFFORDABLE HOUSING DISPUTE
RESOLUTION PROGRAM

In the Matter of the Application of the Township of Maplewood, County of Essex
Docket No. ESX-L-622-25

WHEREAS, the Township of Maplewood (the “Township” or “Maplewood”) having filed a resolution of participation in the Affordable Housing Dispute Resolution Program (the “Program”) and a declaratory judgment action pursuant to N.J.S.A. 52:27D-301 et. Seq. (the “Fair Housing Act”) on January 21, 2025; and

WHEREAS, the Court having entered an order on March 24, 2025 setting the Township’s Fourth Round fair share obligations as a Present Need of 20 units and a Prospective Need of 216 units, which no party appealed, and ordering the Township to file a Housing Element and Fair Share Plan (“HEFSP”) by June 30, 2025; and

WHEREAS, the Township having filed its HEFSP on June 13, 2025 (“Adopted HEFSP”); and

WHEREAS, FSHC having filed a challenge pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) regarding the Township’s HEFSP on August 30, 2025; and

WHEREAS, 161 Maplewood Investors, LLC having filed a challenge pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) regarding the Township’s HEFSP on August 29, 2025; and

WHEREAS, the Township and FSHC have agreed to amicably resolve the issues set forth in the challenge through this mediation agreement and present this agreement for review by the Program and referral to the Mount Laurel judge pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) and Administrative Directive #14-24, which if approved will result in a compliance certification for the Township for the Fourth Round;

THEREFORE, the Township and FSHC agree:

Fair Share Obligations

1. The Township’s Present Need or Rehabilitation Obligation is 20, the Township’s Prior Round Obligation (1987-1999) is 51, the Township’s Third Round Obligation (1999-2025) is 444, and the Township’s Fourth Round Prospective Need (2025-2035) is 216.

Satisfaction of Fair Share Obligations

2. The Township will address its Present Need via the Maplewood Affordable Housing Program, administered by CGP&H.
3. The Township’s Prior Round Obligation is 51 and has been met with the following mechanisms:

MECHANISM	TYPE	UNITS	BONUS	STATUS
Maplewood Senior Citizen Housing (Block 38.01, Lot 213)	Senior Rental	12		Complete
ARC of Essex County (Block 44.02, Lot 118)	Supportive Special Needs	1		Complete
Community Action for Independent Living (Block 38.05, Lot 104)	Supportive Special Needs	5		Complete
Collaborative Support Programs of NJ (Block 30.02, Lot 59)	Supportive Special Needs	3	3	Complete
Project Live, 5 (Block 22.01, Lot 23)	Supportive Special Needs	3	3	Complete
Project Live, 6 (Block 30.01, Lot 18)	Supportive Special Needs	3	3	Complete
Our House (Block 45.03, Lot 84.01)	Supportive Special Needs	6	6	Complete

Jewish Services for the Developmentally Disabled (Block 49.13, Lot 246)	Supportive Special Needs	5		Complete
Rental Bonuses			13	Complete
Total: 64				
		51	13	

4. The Township's Third Round Obligation is 444 with an RDP of 82 which has been met with the following mechanisms:

MECHANISM	TYPE	UNITS	BONUS	STATUS
Maplewood Senior Citizen Housing (Block 38.01, Lot 213)	Age-restricted, rental	20		Complete
Elite on Springfield (Block 49.14, Lots 12, 14, and 16)	Family, rental	3		Complete
1611 Springfield Avenue Apartments (Block 31.05, Lots 1 and 3)	Mixed use, family, rental	1		Complete
255 Tuscan (Block 31.05, Lot 25)	Family, rental	3		Complete
Avalon Maplewood (Block 44.02, Lot 2)	Family, rental	6		Complete
Boyden Avenue Apartments (Block 47.02, Lot 246)	Family, rental	1		Complete
Maplewood Crossings (Block 48.47, Lot 5.01)	Family, rental	16		Complete
The Station House at Maplewood (Block 17.16, Lot 10)	Family, rental	4		Complete
Cerebral Palsy of Northern New Jersey (Block 20.03, Lot 355)	Supportive/ Special Needs	3		Complete

Arc of Essex County (Block 44.02, Lot 118)	Supportive/ Special Needs	4		Complete
Rental bonus credits			21	
Total: 82		61	21	

The Third Round Unmet Need Requirement has been addressed by the following mechanisms:

MECHANISM	TYPE	UNITS	STATUS
The Alivia (Block 16.01, Lot 37)	Inclusionary	2	Completed
Iron Ore Redevelopment (Block 12.06, Lot 237.01)	Inclusionary	13	Completed
Sierra House (Block 43.03, Lot 233.01)	100% Affordable	2	Completed
Maplewood Lofts (Block 31.05, Lot 10)	Rental	5	Completed
1722 Springfield Avenue	Rental	5	Completed
The Gleason	Rental	7	Completed
Maplewood Country Club Overlay Zone	Density of 8du/acre		Zoned
Mandatory Set-Aside Ordinance	5 units or more; 20% set-aside for sale, 15% set-aside for rental		Zoned
Parker Manor (Block 42.08, Lot 146.01)	Family, rental From MSO	2	Completed
1782-1792 Springfield Avenue	Family, rental From MSO	2	Completed

Homeowner Program – Franklin Terrace Unit		1	Completed
Redevelopment Area 1 (Block 31.05, Lots 1, 3-7, 10, 16-18, 18.01, 19.01, 20, and 20.01)	Total acreage of ~4.5		Adopted
Redevelopment Area 2 (Block 48.47, Lots 1, 1.01, 5.01, 7, 123, 124.01, 130.02, 131, 138, 140, 140.01, 143, and 167)	Total acreage of ~11.5		Adopted
Redevelopment Area 3 (Block 47.04, Lots 144-147, 160, 162, 164-166, and block 49.14, lots 1 and 3)	Total acreage of ~2.08		Adopted
528 Irvington (Block 12.03, Lot 162)	Family, rental	2	Proposed
9 Highland Place (Block 12.03, Lot 162)	Family, rental	1	Proposed
Total: 42		42	

5. The Township’s Fourth Round Prospective Need Obligation is 216. The parties agree that the Township is entitled to a vacant land adjustment as set forth in the Township’s June 2025 HEFSP, generating an RDP of 76. The RDP shall be met with the following mechanisms:

MECHANISM	TYPE	UNITS	BONUS	TENURES	STATUS
Ingerman (Block 48.47, Lot 140.01) OR (Block 48.47, Lots 131, 124.01, and 123)	100% Affordable	48	15		Proposed

161 Maplewood (Block 12.02, Lots 169 and 173)	Inclusionary	13			Proposed
Total: 76		61	15		

The Township has taken into consideration the sites for redevelopment identified in the Township’s 2023 Master plan – Millburn Avenue corridor from the municipal border with Millburn to Springfield Avenue and Maplewood Village. The 25% Redevelopment Requirement shall be addressed by the following mechanisms:

MECHANISM	DETAILS	UNITS	TENURES	STATUS
Movie Theater Redevelopment Area (Block 12.02, Lots 100.01, 174, 175.91, and 176)	30du/acre	10		Proposed
88 Burnett Avenue (Block 48.47, Lot 5)		5		Proposed
2128-2144 Millburn Avenue (Block 21.12, Lot 61)	42du/acre	15		Proposed
1734-44 Springfield Avenue (Block 30.04, Lot 127)		5		Proposed
Total: 35		35		

The remaining Fourth Round Unmet Need shall be addressed by the following mechanisms:

MECHANISM	DETAILS	UNITS	TENURES	STATUS
2017 Springfield Avenue (Block 29.04, Lot 536)		2		Proposed
St. Andrew Kim Church at 275 Parker Avenue		4		Proposed

(Block 42.08, Lot 146)				
79 Dunnell Road (Block 17.16, Lot 161)		1		Proposed
333 Elwood Avenue (Block 31.34, Lot 4)	Assisted Living, Inclusionary	1		Proposed
Total: 8		8		

Unit Type and Income Distribution Requirements

6. The Township and FSHC agree that the Township’s HEFSP as presented above satisfies the following standards set forth in P.L. 2024, c. 2, including but not limited to, with respect to the following, and that the Township shall maintain satisfaction with such requirements for the Fourth Round:
 - a. Age Restricted Cap. The Township agrees that it shall not exceed the age-restricted cap found in N.J.S.A. 52:27D-311(l), which requires age-restricted units to be capped at 30 percent of the overall Fourth Round affordable housing units that address the Fourth Round Prospective Need obligation exclusive of any bonus credits.
 - b. Family units. Pursuant to N.J.S.A. 52:27D-311(l), the Township shall satisfy a minimum of 50 percent of the actual affordable housing units, exclusive of any bonus credits created to address its Fourth Round Prospective Need affordable housing obligation through the creation of housing available to families with children and otherwise in compliance with the requirements and controls established pursuant to Section 21 of P.L.1985, c.222 (C.52:27D-321).

- c. Rental and family rental units. Pursuant to N.J.S.A. 52:27D-311(l), at least 25 percent of the actual affordable housing units, exclusive of any bonus credits, created to address its Prospective Need affordable housing obligation shall be addressed through rental housing, including at least half as available to families with children.
 - d. Very low-income units. Pursuant to N.J.S.A. 52:27D-329.1, 13 percent of all affordable units referenced in this Agreement addressing the Township's Prospective Need obligation shall be very low-income units for households earning 30 percent or less of the regional median income, with half of the very low-income units being available to families.
 - e. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311(a) and (b), and all other applicable law.
 - f. All Prior Round and Third Round compliance shall continue to meet with the applicable percentages and standards for bonuses, family and senior housing, rental and family rental, very low-income units, and adaptability set forth in any prior settlement agreement between FSHC and the Township, statutory requirements, and the Prior Round and Third Round regulations.
7. In all developments that produce affordable housing, the Township and FSHC agree that, unless varied by a prior court order of the trial court, the below terms shall apply:
- a. All of the affordable units shall fully comply with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, et seq. ("UHAC"), including but not limited to the required bedroom and income distribution, length of affordability controls, and phasing of affordable units.

- b. The applicability of the updated form of UHAC versus the prior form of UHAC shall be as set forth in the statute and most current form of UHAC adopted by HMFA. Any terms of a prior agreement, judgment, or grant of substantive certification as to prior round of obligations modifying UHAC as to affordability controls longer than the now current regulations or as to very low-income units shall remain in effect as to those prior rounds of obligations.
- c. The Township agrees that in order to meet the low-income and very low-income requirement of the Fair Housing Act, it shall adopt an ordinance requiring for all affordable housing developments in its HEFSP that 50 percent of the affordable units within each bedroom distribution shall be required to be for low-income households earning 50 percent or less of the regional median income, including 13 percent of the affordable units within each bedroom distribution shall be required to be for very low-income households earning 30 percent or less of the regional median income.
- d. The Township agrees to review its Affordable Housing Ordinance and other ordinances to ensure that it complies with the most up to date requirements of UHAC and revise those ordinances accordingly as part of its Fourth Round HEFSP and implementing ordinances.
- e. The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law. The affirmative marketing shall include posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law. The affirmative marketing plan shall include the following community and regional organizations: FSHC; the Latino Action Network; the New

Jersey State Conference of the NAACP; East Orange NAACP; Newark NAACP; Morris County NAACP; Elizabeth NAACP; and the Supportive Housing Association.

Process for Approval and Implementation

8. Pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) and Administrative Directive #14-24, the municipality and FSHC recognize that the Program and/or county level housing judge must still review this agreement and the resulting HEFSP and implementing ordinances and resolutions for compliance with the Fair Housing Act prior to issuing a compliance certification, as follows:
 - a. The Township and FSHC shall present this mediation agreement to the Program member for review, subject to final execution by FSHC and an authorized representative of the Township, once a resolution is adopted by the Township Committee authorizing the execution of the mediation agreement within thirty days of presentation to the Program.
 - b. The Program Member shall review the agreement and if satisfied with compliance with the Fair Housing Act shall refer this matter to the Mount Laurel judge for review and entry of a certification of compliance, conditioned on adoption of all implementing ordinances and resolutions.
 - c. The Township shall adopt all implementing ordinances and resolutions no later than March 15, 2026, including but not limited to the outstanding items identified in the Paragraph 9. No later than March 15, 2026, the Township shall file the information required by Paragraph 9, along with any other relevant adopted ordinances and resolutions on eCourts.

- d. No later than April 15, 2026, the Township and FSHC shall provide via filing on eCourts a form of consent order granting a final Fourth Round Compliance Certification for the Court's review, or identify any remaining issues of compliance that may be disputed, at which point the Court shall schedule a conference to review any such areas.
 - e. Both parties agree to implement the terms of this Agreement. If the Program, county level housing judge, or any appellate court rejects this Agreement, the parties reserve their right to rescind any action taken in anticipation of the Program's approval and return to *status quo ante*. All parties shall have an obligation to fulfill the terms of this Agreement, unless to do so would be inconsistent with the final, unappealable adjudication of any Program or court ruling or judgment. The terms of this agreement may be enforced through an enforcement motion in this declaratory judgment or a separate action before the Program or the Superior Court, Law Division.
9. The Township and FSHC agree that the following conditions remain to be met prior to March 15, 2026 as conditions of compliance certification, and that the municipality shall provide these documents to FSHC in draft form for comment by January 9, 2026, with FSHC providing feedback by February 2, 2025:
 - a. At the December 5, 2025 session, the Township stated its intention to include in its Fourth Round Housing Element and Fair Share Plan an inclusionary project consisting of 65 total units, with a twenty percent (20%) affordable housing set-aside of 13 affordable non-age restricted units, at a height not to exceed 55 feet, located at 11 Inwood Place and 161 Maplewood Avenue (Block 12.02, Lots 169

and 173). The Township will amend its Fourth Round Housing Element and Fair Share Plan accordingly, and will also make provision for such units in the Township's Movie Theater Redevelopment Plan, or a separate Redevelopment Plan for the location. Whichever redevelopment plan includes the project will be introduced and up for adoption by March 15, 2026. FSHC and the Township agree that the adoption of the Redevelopment Plan for this specific project could take longer than the current March 15, 2026 deadline, but in any event shall be completed no later than May 15, 2026. That said, every effort will be made to finalize the Redevelopment Plan by the March 15, 2026 deadline.

- b. The Township will adopt a Fourth Round Spending Plan in accordance with P.L. 2024, c. 2 and the forthcoming regulations at N.J.A.C. 5:99.
 - c. The Township will update and adopt its affordable housing ordinance, development fee ordinance, affirmative marketing plan, and other administrative documents in accordance with the forthcoming regulations at N.J.A.C. 5:80-26.1, et seq., and N.J.A.C. after they are adopted and before March 15, 2026.
10. The Township and FSHC recognize that substantial changes in circumstances affecting the Township's RDP are possible pursuant to the holding in Fair Share Housing Center v. Cherry Hill, 173 N.J. 393, (2002) and related law. In the event such a substantial changed circumstance occurs, the Township shall have the right to address the issue without negatively affecting its continuing entitlement to immunity from all Mount Laurel lawsuits through July 2, 2035. The Township shall have one hundred twenty (120) days to present to the trial court and FSHC a plan to address such change in circumstances on notice and opportunity to be heard from FSHC. The Township agrees that any additional RDP

generated due to changed circumstances must be addressed in a manner that is consistent with controlling law.

11. The Township's Compliance Certification shall be subject to required ongoing monitoring as follows:

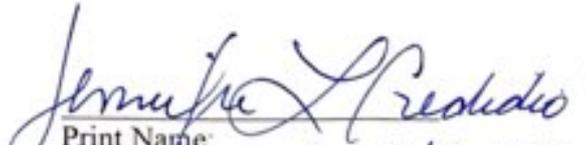
- a. The Township by February 15, 2026, and annually, agrees to electronically enter data into the AHMS system of the Department of Community Affairs of a detailed accounting of all development fees and any other payments into its trust fund that have been collected including residential and non-residential development fees, along with the current balance in the municipality's affordable housing trust fund as well as trust funds expended, including purposes and amounts of such expenditures, in the previous year from January 1st to December 31st.
- b. The Township by February 15, 2026, and annually, agrees to electronically enter data into the AHMS system of the Department of Community Affairs of up-to-date municipal information concerning the number of affordable housing units actually constructed, construction starts, certificates of occupancy granted, and the start and expiration dates of deed restrictions. With respect to units actually constructed, the information shall specify the characteristics of the housing, including housing type, tenure, affordability level, number of bedrooms, date, and expiration of affordability controls, and whether occupancy is reserved for families, senior citizens, or other special populations.
- c. For the midpoint realistic opportunity review as of July 1, 2030, pursuant to N.J.S.A. 52:27D-313, the Township or other interested party may file an action through the Program seeking a realistic opportunity review and shall provide for

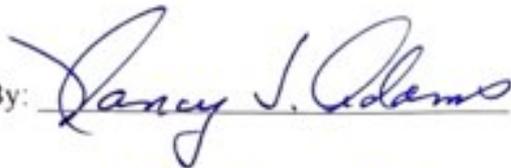
notice to the public, including a realistic opportunity review of any inclusionary development site as set forth in the adopted HEFSP that has not received preliminary site plan approval prior to the midpoint of the 10-year round. Any such filing shall be through eCourts or any similar system set forth by the Program with notice to any party that has appeared in this matter.

12. This Agreement may be executed in counterparts, all of which together shall constitute the same agreement, and any exhibits or schedules attached hereto shall be hereby made a part of this Agreement. This Agreement shall not be modified, amended or altered in any way except by a writing signed by each of the parties. Each party acknowledges that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each signatory is the proper person and possesses the authority to sign the Agreement, and that this Agreement was not drafted by any one of the parties, but was drafted, negotiated and reviewed by all parties, therefore, the presumption of resolving ambiguities against the drafter shall not apply. 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. No member, official or employee of the municipality 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.

Attest:

TOWNSHIP OF MAPLEWOOD

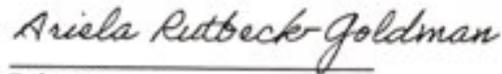

Print Name:
Jennifer L. Credidio, Esq.

By: 

Date: 12-16-25

Attest:

FAIR SHARE HOUSING CENTER


Print Name:
Ariela Rutbeck-Goldman, Esq.


By: _____

Date: 12/12/2025

TERM SHEET

This term sheet shall be for the purposes of a settlement agreement only.

It is the intent of the parties that the following language be incorporated in the Movie Theater Redevelopment Plan. Other deviations requested by 161 Maplewood Avenue (such as curb cuts, bike storage, side yard and façade width, etc.) are to be considered by the Planning Board during site plan review.

Permitted Accessory Uses

Permitted Accessory Uses: Residential amenities (lounges, gyms, etc.) are permitted along ground-floor frontages **only along Woodland Road in Lot 169. Residential amenities are not permitted along Inwood Place or Maplewood Avenue.**

Building Height

Building Height as defined in Section IV.D.2 Setbacks, Height, and Coverage in Chapter IV.D Bulk and Yield of the Draft Movie Theater Redevelopment Plan shall **only be applied to Block 12.02, Lot 169 and Lot 173 as follows:**

- The limitations on building height assume the construction of a building with a flat roof, although sloped features such as dormers and mansard roofs shall be permitted.
- The height of a building façade at minimum front setback lines shall not exceed 35 feet at any one point, except as set forth below, as measured from average finished grade along the respective street at the base of the building to the top of the façade, including any parapet.
 - From Woodland Avenue: - up to two (2) additional feet shall be permitted at the building façade, for a total of up to 37 feet, if the Applicant can demonstrate same is necessary for structural, topographical, and/or geotechnical purposes, subject to review by the board's engineer at the time of a site plan application.
 - From Inwood Place: - up to eight (8) additional feet shall be permitted at the building façade, for a total of up to 43 feet, if the Applicant can demonstrate same is necessary for structural, topographical, and/or geotechnical purposes, subject to review by the board's engineer at the time of a site plan application.
 - From Maplewood Avenue: N/A (existing)
- Additional height up to 55 feet shall be permitted beyond the front building facades, **subject to an allowance of up to two (2) additional feet if the Applicant can demonstrate same is necessary for structural, topographical, and/or geotechnical purposes, subject to review by the board's engineer at the time of a site plan application**, but that portion of the building over the maximum building heights set forth above shall be set back from the minimum front line one foot for every foot in building height over the maximum building heights set forth above, except along Inwood Place where a **minimum stepback of eight feet (8')** shall be provided. This setback may be provided as a stepback for one or more upper stories, or may be a taller façade setback at the required additional distance from the minimum setback line.

- Overall building height shall be measured from the average finished grade along the building perimeter to the highest point of the roof, subject to the stepback requirements above. The average finished grade shall be calculated by measuring the elevation at ten-foot intervals around the periphery of the foundation.
- Parapets shall not exceed a height of **30** inches above the highest point of the roof. Rooftop appurtenances may exceed the maximum permitted height by up to 10 feet (14 feet for elevator overruns), but shall be screened and/or set back from the edge of the roof a horizontal distance equal to its height above the roof, and shall not cover more than 15 percent of the roof area. Such appurtenances should be located as close to the center of the roof as possible, so as to reduce visibility from surrounding areas.
- Floor to ceiling dimensions (heights) shall be permitted to be nine (9) feet for residential living levels; and ten (10) feet maximum for parking and support areas, and amenity and lobby areas.

The Township shall endeavor to finalize the Redevelopment Plan by March 15, 2026, a process which shall be guided by the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. The Mediation Agreement signed between the Township and Fair Share Housing Center on December 16, 2025, states, “FSHC and the Township agree that the adoption of the Redevelopment Plan for this specific project could take longer than the current March 15, 2026 deadline, but in any event shall be completed no later than May 15, 2026. That said, every effort will be made to finalize the Redevelopment Plan by the March 15, 2026 deadline”.

John McDonough Associates, LLC

Land Use Planning · Landscape Architecture

SPECIAL ADJUDICATOR REPORT

IN THE MATTER OF:

**THE APPLICATION OF
THE TOWNSHIP OF MAPLEWOOD
COUNTY OF ESSEX
DOCKET NO. ESX-L-622-25**

PREPARED FOR:

HON. JULIO L. MENDEZ, J.S.C. RET.
AFFORDABLE HOUSING DISPUTE RESOLUTION PROGRAM
RICHARD J. HUGHES JUSTICE COMPLEX - P.O. BOX 037
TRENTON, NEW JERSEY 08625

(January 17, 2026)



John McDonough, LA, AICP, PP
NJPP License #33LI00518900

The original of this report was appropriately signed and sealed in accordance with laws and regulations pertaining to the practice of Professional Planning in New Jersey (NJS 45:14A and NJAC 13:41-1.3(b))

Introduction

This report has been prepared and submitted in my capacity as Special Adjudicator to assist the Affordable Housing Dispute Resolution Program (“Program”) in its recommendation to the Mount Laurel judge for Essex County In the Matter of the Application of the Township of Maplewood, County of Essex, Docket No. ESX-L-622-25.

This report addresses the following:

- The Housing Element & Fair Share Housing Plan - Township of Maplewood (“HEFSP”), prepared by Michael Mistretta PP, adopted by the Township of Maplewood Planning Board on June 12, 2025, and filed by Erik C. Nolan, Esq. on June 13, 2025, and its compliance with the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et. seq. (“FHA”), and the Mount Laurel Doctrine.¹
- The Mediation Agreement signed by Jennifer L. Credidio, Esq. on December 16, 2025, behalf of the Township of Maplewood (“Township”); and Ariela Rutbeck-Goldman, Esq. and Laura Smith-Decker on December 12, 2025, on behalf of challenger Fair Share Housing Center (“FSHC”); memorializing the settlement terms of the settlement agreement reached among the Township and FSHC; and its compliance with the FHA and the Mount Laurel Doctrine.
- The Settlement in Principle signed by _____ on behalf of the Township of Maplewood; and _____ on behalf of challenger 161 Maplewood Investors, LLC (“161 Maplewood”) memorializing the terms of the settlement agreement reached among the Township and 161 Maplewood; and its compliance with the FHA and the Mount Laurel Doctrine.

Background

The following provides a summary of Maplewood Township’s participation in the Program. In addition to the formal settlement conference listed below, there were several other discussions I had with the parties and between the parties.

- January 23, 2025: Complaint for Declaratory Judgement filed by Erik C. Nolan, Esq. on behalf of the Township of Maplewood
- March 24, 2025: Order on Fair Share Obligations issued by Hon. Aldo J. Russo, J.S.C.

¹ The term “Mount Laurel Doctrine” refers to Southern Burlington County NAACP v. Township of Mt. Laurel, 67 N.J. 151 (1975) (“Mount Laurel I”), Southern Burlington County NAACP, et al v. Township of Mt. Laurel, 92 N.J. 158 (1983) (“Mount Laurel II”), and its progeny, the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq., and the implementing regulations of the New Jersey Council on Affordable Housing (“COAH”) N.J.A.C. 5:93 and/or N.J.A.C. 5:97, to the extent they have not invalidated by the Supreme Court in In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 416 N.J. Super. 462 (App. Div. 2010), modified, 215 N.J. 578 (2013) and 221 N.J. 1 (2015)

- June 13, 2025: Housing Element and Fair Share Plan submitted filed by Erik C. Nolan Esq. on behalf of the Township of Maplewood
- August 29, 2025: Challenge to HEFSP submitted by Mark Leibman, Esq. on behalf of 161 Maplewood Investors, LLC (“161 Maplewood”)
- September 2, 2025: Challenge to HEFSP submitted by Ariela Rutbeck-Goldman, Esq. on behalf of FSHC.
- October 7, 2025: Settlement Conference before Hon. Julio L. Mendez, J.S.C. Ret.
- November 3, 2025: Settlement Conference before Hon. Julio L. Mendez, J.S.C. Ret.
- November 21, 2025: Settlement Conference before Hon. Julio L. Mendez, J.S.C. Ret.
- December 5, 2025: Settlement Conference and Proceeding before Hon. Julio L. Mendez, J.S.C. Ret.

Findings and Conclusions

Based on my review of Maplewood Township’s HEFSP and the challenges filed by the respective parties; many communications with the respective parties both individually and collectively during the course of the mediation process; participation in the settlement conferences before Hon. Julio L. Mendez, J.S.C. Ret. on October 7, 2025; November 3, 2025; November 21, 2025; and December 5, 2025 (including formal session and oral arguments); review of all documents submitted to the Program in connection with this matter and uploaded to e-courts; and review of the terms of the settlement agreements amongst the parties, following are my findings and conclusions.

1. The Present Need Obligation is 20 units. The Township will address its Present Need Obligation via the Maplewood Affordable Housing Program, administered by CGP& H.
2. The Prior Round Obligation (1987-1999) is 51 units and has been addressed with senior rental and supportive special needs projects, all completed.
3. The Third Round Obligation (1999-2025) is 444 units which, through a Vacant Land Adjustment (“VLA”), has a Realistic Development Potential (“RDP”) of 82 and an Unmet Need of 362. The settlement agreement includes a list of completed projects, zoned projects and adopted redevelopment plans to address its obligation.
4. The Fourth Round Prospective Need Obligation (2025-2035) is 216 units which, through a VLA, has an RDP of 76 and an Unmet Need of 140. The settlement agreement includes a list of proposed projects and adopted redevelopment plans to address its obligation, including the 25% redevelopment requirement.
5. The draft Movie Theatre Redevelopment Area is one of the Fourth-Round compliance mechanisms. The draft Movie Theatre Redevelopment Plan shall be revised to permit 65

total units, including 13 affordable non-age restricted units, upon Block 12.02, Lots 169 and 173. From a planning standpoint, I look favorably upon the development project, particularly given its proximity to the train station and the preservation of the historic bank building. The redevelopment plan shall be finalized in accordance with the redevelopment law and the terms of the settlements.

6. The HEFSP meets the “objective standard” of N.J.S.A. 52:27D-304.1(f)(2)(b) of complying with the FHA and the Mount Laurel Doctrine, subject to compliance with the terms of the settlement agreements and amendments to the Movie Theatre Redevelopment Plan.
7. The settlement agreements amongst the parties meet the “objective standard” of N.J.S.A. 52:27D-304.1(f)(2)(b) of complying with the FHA and the Mount Laurel Doctrine, subject to compliance with the terms of the settlement agreements and amendments to the Movie Theatre Redevelopment Plan.

Conclusion

The Township of Maplewood HEFSP and the terms of the settlement agreements by the parties meet the “objective standard” of N.J.S.A. 52:27D-304.1(f)(2)(b) of complying with the FHA and the Mount Laurel Doctrine, subject to compliance with the terms of the settlement agreements, and amendments to the Movie Theatre Redevelopment Plan; and the submission of additional documentation and amendments to the HEFSP pursuant to same, and the adoption of related ordinances by March 15, 2026 or thereafter as agreed to by the parties and the Program.

Based on all the above, it is my conclusion as Special Adjudicator that the Program should recommend to the Mount Laurel judge in Essex County that a compliance certification be issued pursuant to N.J.S.A. 52:27D-304.1, that protects the municipality from exclusionary zoning litigation during the current round of present and prospective need and through July 1 of the year the next round begins.

Qualifications of Preparer

John McDonough Associates, LLC is a land use planning and landscape architecture consulting firm with office location in Parsippany, New Jersey.

John McDonough, LA, PP, AICP is a licensed professional planner and landscape architect in the State of New Jersey. Both licenses are current and in good standing. He is also a member of the American Institute of Certified Planners.

All licenses have been obtained through requisite showing of educational and experience requirements and passing of license examinations (none have been achieved through reciprocity). All licenses have been maintained through participation in mandatory continuing education courses.

Mr. McDonough has been practicing as a land use consultant for over 39 years. He has been recognized as an expert in land use matters before hundreds of boards and commissions throughout the State of New Jersey, and in Superior Courts.

He has been a regular speaker at the League of Municipalities annual conference and at Rutgers University Bloustein School of Planning and Public Policy. Recently, he was a speaker at the national conferences of the American Institute of Architects (AIA) in San Francisco and Chicago.

PREPARED BY THE AFFORDABLE HOUSING PROGRAM:

In the Matter of the Township of Maplewood	Superior Court of New Jersey Law Division, Civil Part Docket No. ESX-L-622-25
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Statement of Reasons

This Statement of Reasons addresses the challenges to the Township of Maplewood’s (Township or Maplewood) Fourth Round Housing Element and Fair Share Plan (“HEFSP”), in accordance with N.J.S.A. 52:27D-304.1(f)(2)(b), the directives of the Affordable Housing Dispute Resolution Program, and the legal standards established by the Mount Laurel doctrine and the Fair Housing Act. This recommendation analysis incorporates the history, evolving jurisprudence, and administrative framework governing municipal affordable housing compliance in New Jersey.

This matter came before the Affordable Housing Dispute Resolution Program (the Program) pursuant to a Complaint for Declaratory Judgment filed on January 23, 2025, by the Township of Maplewood under the New Jersey Fair Housing Act (FHA), and in accordance with Administrative Directive #14-24 and its Addenda, seeking certification of compliance with the FHA. On March 24, 2025, the

Honorable Aldo J. Russo, J.S.C. entered an order establishing the Township's Fourth Round present need at 20 units and prospective need at 216 units, directing the Township to prepare and adopt a Housing Element and Fair Share Plan (HEFSP) by June 30, 2025, and granting immunity from exclusionary zoning litigation.

The Township timely adopted and filed its Proposed Fourth Round HEFSP, which was subsequently challenged by interested parties, including the Fair Share Housing Center (FSHC) and 161 Maplewood Investors, LLC (161 Maplewood). The Program appointed Special Adjudicator John McDonough, PP/AICP, and conducted settlement conferences on October 7, November 3, November 21, and December 5, 2025. During these conferences, all parties reached settlements addressing the Township's affordable housing obligations. Initially, the Township reached settlement only with FSHC, but eventually with the expert assistance of the Special Adjudicator, a settlement was also reached with 161 Maplewood.

The settlement terms specify that the Township's Present Need (Rehabilitation) Obligation of 20 units will be fulfilled via the Maplewood Affordable Housing Program administered by CGP&H. For the First and Second Rounds Obligation, totaling 51 units, the Township has met this requirement through various completed mechanisms such as senior and supportive special needs housing, with a total of 64 credits (51 units plus 13 rental bonuses). The Third Round Obligation of 444 units with an RDP of 82 has also been met through a combination

of completed developments and rental bonus credits. The Third Round Unmet Need requirement has been addressed by inclusionary housing, affordable housing projects, rental programs, overlay zones, mandatory set-aside ordinances, adopted redevelopment areas, and proposed developments.

For the Fourth Round, the Township's prospective need is 216, with an RDP of 76 units. Proposed mechanisms have been identified to address these, including affordable and inclusionary housing projects. The remaining Unmet Need of 140 units will be partially satisfied through redevelopment mechanisms, such as the Movie Theater Redevelopment Area, 88 Burnett Avenue, 2128-2144 Millburn Avenue, and 1734-44 Springfield Avenue, for a total of 35 units. Additional unmet need mechanisms are proposed for specific sites to address the final 8 units.

The Township and FSHC have executed a written Mediation Agreement memorializing these terms, and the Township has represented its intent to adopt an Amended HEFSP consistent with the settlements. The Program has determined that the settlement terms are fair, reasonable, and adequately protect the interests of low and moderate-income residents, as well as being constitutionally compliant and providing a fair and reasonable opportunity for the Township to meet its FHA and Mount Laurel obligations. Therefore, the Program Member recommends an order approving the settlement terms, directing the Township to adopt and file its Amended HEFSP and implementing ordinances by March 15, 2026, thereafter, the

Court shall schedule a HEFSP Confirmation Hearing (or, if and as may later be determined necessary by the Mt. Laurel judge, a Fairness and/or Compliance Hearing) to consider approval of the Township's Amended HEFSP and the issuance of a Certification of Compliance and Repose; and granting continued immunity from exclusionary zoning litigation, conditioned upon the Township's compliance and good faith implementation of the Amended HEFSP and participation in the compliance process.

The settlement reached between the Township of Maplewood, FSHC and the developer, 161 Maplewood, resolves all issues before the Program. The Program with the expert guidance of the Special Adjudicator reviewed the settlement for compliance with the New Jersey Fair Housing Act and the Mount Laurel Doctrine. The settlement with FSHC was memorialized by an executed Mediation Agreement that was authorized by a Township Resolution dated December 16, 2025, while the settlement between the Township and 161 Maplewood was confirmed through a Settlement in Principle or Term Sheet that was provided to the Program.

As a result of the mediation and negotiations, the Township agreed to address its present need obligation of 20 affordable units through the Maplewood Affordable Housing Program, administered by CGP&H. The settlement also confirms that Maplewood's prior round obligation of 51 units has been met through completed senior and supportive special needs housing projects. For the third round, the

Township's obligation of 444 units was adjusted via a Vacant Land Adjustment (VLA) to a realistic development potential (RDP) of 82 units and an unmet need of 362 units. The settlement includes completed projects, rezoned sites, and adopted redevelopment plans to satisfy these requirements.

The fourth-round prospective need for 2025-2035 is established at 216 units, with a VLA yielding an RDP of 76 units and an unmet need of 140 units. The parties have agreed on a package of proposed projects, including the draft Movie Theatre Redevelopment Area as a compliance mechanism, which is to be revised to permit a total of 65 units, including 13 affordable non-age restricted units. This plan, favorably viewed from a planning standpoint, will preserve the historic bank building and leverage its proximity to the train station.

For all the reasons outlined in this Statement of Reasons, the Program concludes that both the FSHC and 161 Maplewood settlements meet the "objective standard" of compliance stated in N.J.S.A. 52:27D-304.1.(f)(2)(b), contingent on amendments to the Movie Theatre Redevelopment Plan and adherence to the settlement terms. As a result, the Affordable Housing Dispute Resolution Program recommends to the Mount Laurel judge that Maplewood receive a compliance certification. This certification will protect the Township from exclusionary zoning litigation, provided the Township implements the agreed-upon HEFSP amendments and adopts related ordinances by March 15, 2026, or as subsequently agreed.

The Program concludes that the terms of the settlement are fair, reasonable and adequately protects the interests of low and moderate-income residents of the Township. The Program also concludes that the terms of the settlement are constitutionally compliant and provide a fair and reasonable opportunity for the Township to meet its obligations under the FHA and Mount Laurel doctrine.

For all those reasons outlined in the Statement of Reasons, the Program Member hereby recommends an ORDER directing that:

- (a) The settlement terms as set forth above are approved; and
- (b) In accordance with N.J.S.A. §52:27D-304.1(f)(2)(c), on or before March 15, 2026, the Township shall adopt and file its Amended HEFSP that contains the terms of the settlement as well as the implementing ordinances and resolutions proposed within the Amended HEFSP; and
- (c) Thereafter, the court shall schedule a HEFSP Confirmation Hearing and if necessary schedule a Fairness and/or Compliance Hearing at the discretion of the Mount Laurel Judge to consider approval of the Township's Amended HEFSP and the issuance of a Certification of Compliance and Repose; and
- (d) Grant the Township continued immunity from exclusionary zoning litigation for the duration of the compliance process conditioned upon the Township's compliance with its order and good faith implementation of the Amended HEFSP and good faith participation in the compliance process.

In this Statement of Reasons the Program carefully reviews the settlement terms, the Township's Housing Plan and all supplemental submissions to determine compliance with New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et. seq.) ("FHA"), the adopted rules by the Council on Affordable Housing ("COAH") (N.J.A.C. 5:93, N.J.A.C. 5:97) and the Administrative Directives issued by the Program (#14-24, Addendum to #14-24). The FHA, amended in 2024, set forth a new methodology for calculation of municipal affordable housing obligations, strategies and requirements for preparing a housing plan and satisfying the affordable housing obligations, and procedure for gaining approval of a housing plan and immunity from builder's remedy litigation, among a variety of other topics. As part of these amendments, the Program was created to oversee the newly created process.

The goal for each municipality that enters the process is to obtain a compliance certification, which "protects the municipality from exclusionary zoning litigation during the current round of present and prospective need and through July 1 of the year the next round begins, which is also known as a "judgment of compliance" or "judgment of repose". N.J.S.A. 52:27D-304 (q). The important benefit of a settlement is that it creates a more civil atmosphere for further interactions between the parties and avoids never-ending and expensive litigation. The mediation process increases the likelihood that the Township, FSHC, developers

and residents of the Township will be able to resolve differences without resorting to Court action. Importantly, it results in better outcomes to expedite the delivery of affordable housing, building affordable housing for real people, as opposed to never ending expensive litigation.

The Program is impressed with the detailed analysis and expert advice of Special Adjudicator McDonough. The Program finds him credible and adopts his recommendations. The Special Adjudicator has worked above and beyond to achieve a resolution. The Program adopts the findings and recommendations of his report.

Importantly, the settlement agreement is endorsed by FSHC (a public interest entity devoted solely to promoting housing for income-restricted households) and incorporates a methodologically sound determination of needs and responsibilities. The involvement and subsequent endorsement of FSHC, a public interest organization with a singular mission to advocate for housing for lower-income households, further strengthens the presumption of fairness and adequacy of this settlement. It includes a practical and equitable mix of compliance tools, thoughtful income targeting and household type requirements, and regular oversight and monitoring.

In sum the Program concludes that the settlement constitutes a good faith resolution, and it is grounded in documented obligations and pragmatic compliance

mechanisms and provides a transparent and enforceable pathway toward Fourth Round compliance. The settlement is consistent with the Fair Housing Act, statutory amendments, and governing administrative directives, and it advances the constitutional objective of providing a realistic opportunity for the construction of affordable housing.

New Jersey's Fair Housing Act (FHA) was amended, in part, due to a recognition of the need to "establish definitive deadlines for municipal action and any challenges to those actions" to ensure timely municipal compliance with their constitutional and statutory housing obligations. See N.J.S.A. §52:27D-302 (m). The Mount Laurel doctrine arises from a series of seminal New Jersey Supreme Court decisions, beginning with Southern Burlington County NAACP v. Township of Mount Laurel, 67 N.J. 151 (1975) ("Mount Laurel I"), and clarified and expanded in Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158 (1983) ("Mount Laurel II"). These cases established the constitutional obligation that municipalities in New Jersey must provide a realistic opportunity for the development of affordable housing for low- and moderate-income households. The core holding prohibits exclusionary zoning practices and requires affirmative municipal action to provide a reasonable opportunity for the construction of such housing. Later cases, including Mount Laurel III and IV, as well as key Appellate

Division decisions, have further articulated the standards by which compliance is measured and the process for judicial and administrative review.

The doctrine's core principle is that "satisfaction of the Mount Laurel obligation shall be determined solely on an objective basis: if the municipality has in fact provided a realistic opportunity for the construction of its fair share of low- and moderate-income housing, it has met the Mount Laurel obligation to satisfy the conditional requirement; if it has not, then it has failed to satisfy it." Mount Laurel II, 92 N.J. at 220-22. Good faith efforts are insufficient—the municipality must provide "the substantial equivalent of the fair share." Id. at 216.

The FHA set forth a streamlined procedure whereby municipalities can secure a compliance certification. That process states that after adoption and filing of a municipality's housing element and fair share plan (HEFSP), an interested party may file a response, or challenge, alleging with particularity that the municipality's HEFSP is not in compliance with the FHA or the Mount Laurel doctrine. N.J.S.A. §52:27D-304.1(f)(2)(b).

The FHA declared that the State's "preference for the resolution of existing and future disputes involving exclusionary zoning is the mediation and review process set forth in this act and not litigation, and that it is the intention of this act to provide various alternatives to the use of the builder's remedy as a method of achieving fair share housing." N.J.S.A. §52:27D-303. In other words, the legislative

framework is to get all parties to the table in an accelerated timeline to engage in discussions with the objective of achieving a resolution.

To that end, the FHA established the unique affordable housing program within the judiciary to facilitate settlement between a municipality and any interested parties that filed a challenge to the municipality's HEFSP and give the municipality until December 31, 2025, to commit to revise its HEFSP or provide an explanation for why it will not make all or some of the requested changes. N.J.S.A. §52:27D-304.1(f)(2)(b). If a settlement cannot be reached, to resolve a challenge, the Program is to apply an objective assessment standard to determine whether the municipality's HEFSP complies with the FHA and Mount Laurel doctrine. Ibid. Upon resolution of a challenge, the Program shall issue a compliance certification conditioned upon the municipality's "commitment, as necessary, to revise its fair share plan and housing element in accordance with the resolution of the challenge." Ibid. The Program may also recommend terminating immunity if it finds that the municipality is not in constitutional compliance at any point in the process. Ibid.

The Judiciary issued a directive outlining the process for the implementation of the Program. The new streamlined process allows municipalities to submit their plans for certification. If disputes arise about the feasibility of these plans, mediation and county-level housing judges will resolve issues to ensure compliance with affordable housing goals. The Administrative Directive promulgated procedures

implementing the Affordable Housing Alternate Dispute Resolution Program ("Program") created by the FHA. The Directive established guidelines for the resolution of such matters, including the appointment of members, qualified experts, and staff. On May 17, 2024, a notice to the Bar announced the Administrative Director's appointment of members of the Affordable Housing Dispute Resolution Program, consisting of retired judges, including a chairperson. This Program Member is one of seven appointed by the Judiciary.

Pursuant to N.J.S.A. §52:27D-310 and associated regulations, a compliant HEFSP must include:

Calculation of present and prospective fair share obligations.

Consideration of lands most appropriate for affordable housing, including land offered by willing developers (N.J.S.A. §52:27D-310(f));

Analysis of consistency with the State Development and Redevelopment Plan and (if applicable) the Highlands Plan (N.J.S.A. 52:27D-310(h)-(i));

Detailed site suitability analyses for all inclusionary or 100% affordable housing sites;

Identification and justification of rejected sites proposed by third parties; and

All draft implementing ordinances and resolutions (see also Directive #14-24 and Addenda).

The Plan must demonstrate a “realistic opportunity” for the required housing production, not merely procedural compliance or reliance on overly restrictive, hypothetical, or exclusionary zoning. See In re Fair Lawn Borough, 406 N.J. Super. 433, 441-42 (App. Div. 2009) (“COAH’s regulations recognize that some towns may not have enough currently developable land to meet their fair share requirements, although they may have vacant land that is capable of future development for that purpose. A municipality may receive a ‘vacant land’ adjustment, conditioned on adopting zoning geared at allowing the eventual development of affordable housing on those properties.”). The town must establish mechanisms that will incentivize future development such as higher density resulting in actual affordable housing units and agree to enact mandatory set aside ordinances.

As part of the Program, the AOC appointed an independent Special Adjudicator to assist the Program. The Special Adjudicator worked closely with the Program, providing expert and objective recommendations to the Program, and most importantly actively assisted in the mediation of each case. The Program Member finds the appointed Special Adjudicator in this case credible, objective and knowledgeable regarding all issues of affordable housing, and particularly as it relates to the Township. His report and recommendations to the Program were given substantial weight in arriving at the recommendation to the county Mount Laurel Judge.

This Program Member is of the opinion that the Program has been immensely successful. Of the 564 municipalities in New Jersey, a record 423 municipalities timely filed a HESFP with the Program. That represents about 150 more municipalities than have previously participated in the Mount Laurel process. At the same time, over 700 challenges were also timely filed objecting to the plans. Impressively, the Program has mediated each case to determine that the proposed HEFSP filed by each municipality is compliant and presided over on the sessions to place settlements on the record or to hear oral arguments on matters that are not resolved.

The Judiciary identified all the complex cases and contested cases and referred 232 cases to the Program members. What used to take years of litigations and delays, often spanning the entire ten-year cycle, under the new streamlined process framework requires completion within a 120-day period from September 1 to December 31, 2025. This Program Member has been assigned 36 cases requiring immense amounts of work, organization and cooperation from all parties.

The overall results firmly demonstrate the Program's effectiveness as skillfully implemented by the Judiciary. This is precisely what the Legislature intended in the new law. The FHA marks a new era of efficiency, cost savings, transparency and collaboration in affordable housing planning across New Jersey avoiding never ending litigation and most importantly resulting in real affordable

housing units built for real people. In this Program Member's view, the extraordinary advocacy and work of FSHC is a crucial component of the success of the Program process.

Despite the Legislature's preference for settlement, it is still incumbent upon the Program to determine whether the municipality's proposed amended HEFSP enables the municipality to satisfy its fair share obligation and is compliant with the FHA and the Mount Laurel doctrine. See N.J.S.A. §52:27D-304.1(f)(2)(b). The Program is mindful of the fact that the municipality is permitted to use a variety of means and techniques to provide for its fair share of affordable housing as set forth in N.J.S.A. §52:27D-311 and that courts should employ flexibility in assessing a municipality's HEFSP for compliance with the FHA and Mount Laurel doctrine. In re Adoption of N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 29-33 (2015).

Having reviewed in detail all the submissions of the parties (including the original HEFSP and the proposed Amended HEFSP), the written recommendation of the Special Adjudicator, the Mediation Agreement between the Township and FSHC, the Settlement in Principle or Term Sheet between the Township and 161 Maplewood and having presided over the settlement conferences, this Program Member is satisfied that the Maplewood's proposed Amended HEFSP provides a realistic opportunity for the construction of its fair share of low and moderate income

housing and thus is compliant with the FHA and in accordance with S. Burlington Cnty. NAACP v. Mount Laurel, 92 N.J. 158, 220-22 (1983).

This Program Member is also satisfied that the terms of the settlement are fair, reasonable and adequately protect the interests of low and moderate-income residents of the Township. Matter of Twp. Of Bordentown, 471 N.J. Super. 196, 218 (App. Div. 2022). Importantly, the comprehensive settlement reached with FSHC and 161 Maplewood resolves all prior round disputes. The Township of Maplewood has further represented its intent to adopt an Amended HEFSP in compliance with the settlement. The Township has also adopted a resolution by its governing body agreeing to the terms of the settlement and authorizing the approval of the settlement.

For these reasons, the Program Member recommends an Order directing that:

- (a) the settlement terms are approved;
- (b) pursuant to N.J.S.A. §52:27D-304.1(f)(2)(c), Maplewood shall adopt and file its Amended HEFSP, including implementing ordinances and resolutions, on or before March 15, 2026;
- (c) schedule a HEFSP Confirmation Hearing, and if necessary schedule a Fairness and/or Compliance Hearing shall then be scheduled by the court to consider final approval of the Amended HEFSP and issuance of a Certification of Compliance and Repose;
- and (d) the Township shall be granted continued immunity from exclusionary zoning litigation for the duration of the compliance process, provided it complies with the

Order, implements the Amended HEFSP in good faith, and participates in the compliance process in good faith.

Respectfully Submitted by the Program:

By:

/s/ *Hon. Julio L. Mendez*

Hon. Julio L. Mendez, J.S.C. (Ret.)

Dated: February 11, 2026