

MIDPOINT REVIEW
TOWNSHIP OF HAZLET
Monmouth County, New Jersey

July 1, 2020

Prepared By:



Heyer, Gruel & Associates

Community Planning Consultants
236 Broad Street, Red Bank, NJ 07701
(732) 741-2900

MIDPOINT REVIEW OF THE TOWNSHIP OF HAZLET, MONMOUTH COUNTY

Purpose

Hazlet's settlement agreement with Highview Homes, LLC requires that the Township comply with the statutory midpoint review requirements of the Fair Housing Act ("FHA") and specifically N.J.S.A. 52:27D-313, which provides in relevant part: "[t]he Council shall establish procedures for a realistic opportunity review at the midpoint of the certification period and shall provide for notice to the public." Pursuant to the Settlement Agreement, that review requires the Township to post on its website, with a copy to FSHC, a status report regarding its compliance mechanisms and the implementation of the Township's Fair Share Plan. Such posting shall invite any interested party to submit comments to the Township regarding the implementation of the Fair Share Plan.

Relevant Background

The matter of the Township of Hazlet's affordable housing obligations has historically remained under the jurisdiction of the Court. The Township agreed upon a form of Settlement Agreement and a "Global Term Sheet" with Highview Homes, LLC and Church of the Holy Family. The Settlement Agreement was fully executed on November 14, 2018, resolving the Builder's Remedy Compliant and the Township's Prior Round and Round 3 Compliance globally. The Court approved the Settlement Agreement in an Order dated January 11, 2019. Pursuant to the Court-approved Settlement Agreement, the Township has the following obligation:

Rehabilitation Obligation: 0

Prior Round Obligation (1987-1999): 407

Third Round Obligation (1999-2025): 402

The Settlement Agreement included a Vacant Land Adjustment ("VLA") pursuant to N.J.A.C. 5:93-4.2, which established a Third Round Realistic Development Potential ("RDP") of 116 units. Special Master Phillip Caton recommended the 116-unit RDP be revised to 126 units. This revised RDP was approved in the January 11, 2019 Order, which leaves an Unmet Need of 683 units.

Also at the direction of Special Master Caton, the Township agreed to participate in a housing rehabilitation program (see Special Master Caton's report dated December 17, 2018). The rental rehabilitation requirement was waived. The Township's adopted and approved Housing Element and Fair Share Plan notes a rehabilitation obligation on 24 units.

In an Order dated August 23, 2019, the Township received its Final Order of Judgment of Compliance and Repose ("JOR") to remain in effect until July 2, 2025. There were no conditions attached to the Township's JOR.

In accordance with the Fair Housing Act and the Municipal Land Use Law (MLUL), the Township prepared a Housing Element and Fair Share Plan, which was adopted by the Hazlet Land Use Board

on April 4, 2019, and which includes a Vacant Land Adjustment. Additionally, the Township Committee has adopted all requisite documents, including:

- Ordinance 1636-19 Rezoning Block 68.13 Lot 26 and Block 69.01 Lot 8 (Highview Homes property) to the AH-1 Zone – Adopted March 5, 2019, amended and ratified June 18, 2019
- Ordinance 1640-19 – Development Fees Ordinance – Adopted April 2, 2019 and amended August 6, 2019
- Ordinance 1641-19 Addressing the Requirements of the Fair Housing Act and the Uniform Housing Affordability Controls (UHAC) Regarding Compliance with the Township's Affordable Housing Obligations – Adopted April 2, 2019 and Amended August 6, 2019
- Ordinance 1644-19 Rezoning Block 65 Lot 1 (Stone Road Inclusionary Site) to the AH-2 Zone – Adopted April 16, 2019
- Ordinance 1643-19 Establishing a Mandatory Affordable Set-Aside Requirement for developments of five (5) units or more – Adopted April 16, 2019
- Resolution Approving and Adopting the Township's Spending Plan – Adopted April 2, 2019
- Resolution Approving and Adopting the Township's Amended Spending Plan – Adopted June 18, 2019
- Resolution Appointing Frank Piazza as Administrative Agent – Adopted April 2, 2019
- Resolution Appointing Dennis Pino as the Municipal Housing Liaison – Adopted April 2, 2019
- Resolution Adopting a Home Rehabilitation Program Manual - Adopted June 18, 2019

Rehabilitation Program Updates, Marketing, and Status

Per the Court's Order, the Township's Rehabilitation obligation is 24 units. Relative to that component of its obligation, the Township's original intent, as detailed in the adopted Housing Element and Fair Share Plan, was to participate in the Monmouth County Housing Rehabilitation Program. The Township subsequently learned that the County permanently suspended its housing rehabilitation program and will no longer operate any home rehabilitation program. Hazlet was therefore required to implement its own owner-occupied rehabilitation program. On June 18, 2019, the Township adopted a Home Rehabilitation Program Manual, establishing the parameters of the program. As of June 11, 2020, the Township has not received any inquiries into the program. The program is advertised on the Township's website.

Realistic Opportunity Review

<u>Mechanism</u>	<u>Description</u>	<u>Ordinances Adopted (Yes/No)</u>	<u>Status</u>	<u>Notes/Additional Information</u>
Bethany Towers (Block 164 Lot 2.01)	140 age-restricted affordable rental units	Not Applicable	COMPLETED 1982	The Township applied 31 credits from Bethany Towers toward its RDP
Madison Park at Hazlet, LLC – Inclusionary Development (Block 66 Lot 1.02)	6 affordable family for-sale units	Adopted in 2009	UNDER CONSTRUCTION: 20 CO's have been issued: two of which are to COAH units: 3 Emily Court and 23 Emily Court	1 very-low income unit to be produced
Stone Road Inclusionary Development (Block 65 Lot 1)	63 family for sale units	Ord. 1644-19; adopted April 16, 2019	PROPOSED: Twp. attempted to set up a mtg with owners but have not heard anything	9 very-low income units to be produced
Highview Homes (Holy Family) Inclusionary Development (Block 68.13 Lot 26)	26 affordable units	Ord. 1636-19; March 5, 2019, amended and ratified June 18, 2019	PROPOSED: Preliminary and Final Site Plan Approved by Twp. Land Use Board on July 18, 2019; Building permits have been issued/approved for Buildings 1, 2, 3, 5, 6, 7, and 8	4 very-low income units to be produced

There are no complicated or unusual circumstances associated with the above mechanisms.

Unmet Need or Deferred Mechanisms

The Township of Hazlet has an Unmet Need of 683 units.

<u>Mechanism</u>	<u>Description</u>	<u>Ordinances Adopted (Yes/No)</u>	<u>Status</u>	<u>Notes/Additional Information</u>
Bethany Towers (Block 164 Lot 2.01)	140 age-restricted affordable rental units	Not Applicable	COMPLETED 1982	The Township applied 109 credits from Bethany Towers toward its Unmet Need
Mandatory Set-Aside Ordinance	Requires all new multi-family development producing 5 or more units to have an affordable set-aside: 15% for rental projects; 20% for sales	Ord. 1643-19; adopted April 16, 2019	No applications have been submitted that trigger the set-aside	-
Development Fee Ordinance	Establishes the standards for the collection, maintenance, and expenditure of development fees	Ord. 1641-19; adopted August 6, 2019	Actively collecting fees	-

Very Low-Income Analysis

Very Low-Income Breakdown Analysis – HAZLET Affordable Housing		
Development	# OF TOTAL AH UNITS <u>POST 2008</u>	Very Low-Income Units
Madison Park at Hazlet, LLC – Inclusionary Development (Block 66 Lot 1.02)	6	1
Stone Road Inclusionary Development (Block 65 Lot 1)	63	9
Highview Homes (Holy Family) Inclusionary Development (Block 68.13 Lot 26)	26	4
APPROVED/PROPOSED TOTALS	95	14

Conclusion

Hazlet Township's plan implementation continues to create a realistic opportunity, and the Township maintains sufficient mechanisms for addressing its Rehabilitation/Present Need Obligation, its RDP, and its Unmet Need.